

**MINUTES
PORT OF PEND OREILLE
BOARD OF COMMISSIONERS MEETING
Date: February 11, 2020**

CALL TO ORDER:

Chairman Shanklin called the meeting of the Port of Pend Oreille Board of Commissioners to order at 9:00 a.m. in the Port office located at 1981 Black Road, Usk, Washington. In attendance: Chairman Shanklin, Vice Chairman Kiss, Secretary Peterson and Port staff members Kelly Driver, Susan Bluff, Cliff Bauer, Corey Ives and Brad Byrd. Also in attendance were Jamie Wyrobek from the EDC and Russ Pelleberg from the City of Newport. Tyler Whitney, PUD General Counsel and Assistant Manager joined the meeting at approximately 10:30 a.m.

For purposes of clarification, the minutes are presented as listed on the agenda, not necessarily in the order they were discussed.

GUESTS: Jamie and Russ provided information on Business Recruitment meetings, the impact studies, surveys and sites for potential business park opportunities. They also explaining how all of these pieces work together to provide the framework for getting approval at a State level for growth and funding opportunities. The Growth Management Act and Urban Growth Areas for future development in Pend Oreille County were discussed as well as the proposed agreement with Ady Advantage.

DIESEL FUND BID OPENING:

A. Discussion: Kelly reported one (1) bid was received for diesel fuel for the next two (2) year period. She opened and read the bid from City Service Valcon for .06 over rack.

B. Action: Commissioner Kiss moved to accept the bid from City Service Valcon. Motion seconded by Commissioner Peterson, so ordered by Chairman Shanklin.

MINUTES: Commissioner Peterson moved to approve the minutes of the regular meeting held on January 14, 2020 as presented. Motion seconded by Commissioner Kiss, so ordered by Chairman Shanklin.

CORRESPONDENCE TO THE BOARD: None at this time.

COMMENTS: None at this time.

OLD BUSINESS:

1. PUD Transmission Line Agreement:

A. Discussion: Kelly will continue working on this matter.

B. Action: Tabled until March.

2. Cash Position:

A. Discussion: Board and staff discussion was held on financial issues.

3. Other Old Business: None at this time.

NEW BUSINESS:

1. Investment of Funds Letter:

A. Discussion: Kelly provided information that the County Treasurer's office needs a new letter allowing her and Susan to invest surplus funds for the Port.

B. Action: Commissioner Peterson moved to approve the letter authorizing the investment of funds by Kelly and Susan. Motion seconded by Commissioner Kiss, so ordered by Chairman Shanklin.

2. Economic Development Consultant:

A. Discussion: Tyler Whitney joined the meeting at approximately 10:30 a.m. to discuss Ady Advantage, the action plan and projected outcome of their services. Discussion was also held on partnerships and funding of the project.

B. Action: Commissioner Peterson moved to approve the requested \$15,000 for hiring the consultant. Motion seconded by Commissioner Kiss, so ordered by Chairman Shanklin.

3. Rotary Train Rides:

A. Discussion: Kelly reported that she received a call from the Rotary Club. They are not going to have rides in 2020 due to the increase in insurance costs and the lack of regular volunteers throughout the planning stage. They are looking for a partner in this project. The Rotary Club has been told that they will still need to insure the cars sitting on the tracks for liability issues, pay the \$50 per year car storage fee and if they are still going to use the property, including storing their buildings on it then they will have to continue their lease agreement which currently expires in May.

4. Other New Business:

None at this time.

BOARD TRAVEL PLANS/ MEETINGS:

A. Discussion: Commissioner Shanklin will represent the Board at the EDC meeting on February 18th at the Camas Center. Commissioner Peterson may attend the meeting; he will inform Kelly if he plans to attend.

B. Action: No action required.

REPORTS:

1. Board of Commissioners:

Dan reported on the Leaders meeting held on February 7th; there was very good attendance and more than one comment about the value of this meeting with all of the different entities represented.

2. Roadmaster, Cliff Bauer:

- Crews have already had to tamp sink hole areas between Albeni Falls Dam and Priest River due to the wet weather.
- Snow removal and brush clearing as necessary.
- Collin passed his Conductor certification test.
- 60-day evaluations completed on two (2) new employees.
- Pole yard switch had to be worked.

3. Manager – Kelly Driver:

- Working on new railroad programs with Cliff and Corey.
- She and Corey met with Myron Johnson at Ponderay Newsprint on operations.
- Internet, fax machine and computer issues have been prevalent.
- Railroad insurance market is getting very tight; expect a higher cost for 2021.

4. Auditor – Susan Bluff:

- Susan presented the financial report information for the month ending January 31, 2020 and answered questions regarding the report including questions on line items and storage cars.

5. Chief Mechanical Officer-Brad Byrd:

- Fighting computer program issues.
- Testing sister locomotive for CMR.
- Wiring another locomotive
- FRA inspector was on the property on Sunday. No defects on locomotives, wrote up a switch that was blue flagged but failed to have the switch hook in place.
- Ballast Regulator engine has a bad hole, repairs are being made and options for a replacement engine are being looked into by Corey.

6. Track Foreman – Corey Ives:

- Car Repairs for January totaled \$27,417.61.
- Blue Dump Truck – clutch work completed and new tires purchased as well.
- Track crew welding corners as time allows; ahead approximately 3,600 corners now.
- New hyrail, a Ford F-550 has been ordered. It will be complete with hyrail, utility boxes, and a crane. All parts are on site, it just has to be put together, so it will be about a month before it is ready to ship.

Records for Approval:

A. Time and Expense Sheets: Approved as submitted.


B. Warrants: Operating Expense warrants 48029-48151 totaling \$310,058.14, approved as submitted.

Board Workshop: Comprehensive Plan will be discussed in March.

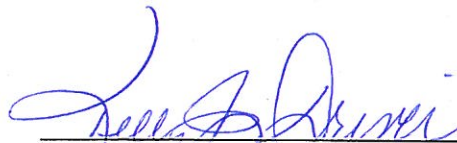
Executive Session: At 11:00 a.m. Chairman Shanklin recessed the regular meeting to convene in executive session to discuss potential litigation. Port attorney William Schroeder joined the executive session by telephone.

At 11:22 a.m. Chairman Shanklin brought the regular meeting back to order stating no decisions were made in executive session.

Adjourn: There being no further business Chairman Shanklin adjourned the meeting at 12:25 p.m.



R.L. Shanklin, Chairman



Kelly J. Driver, Manager

Date Approved:

March 10, 2020