

**MINUTES
PORT OF PEND OREILLE
BOARD OF COMMISSIONERS MEETING
Date: August 25, 2020**

CALL TO ORDER:

Chairman Kiss 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: Commissioner Kiss, Commissioner D. Peterson, Commissioner K. Peterson (arrived approximately 9:15 a.m.) and Port staff members Kelly Driver, Susan Bluff, and Cliff Bauer.

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

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

COMMENTS: None at this time.

EXIT CONFERENCE: At 9:15 a.m. the Board and staff joined in a conference call with Heather Peterson and Brad White from the Washington State Auditors office regarding the recently completed 2018 and 2019 audit on financial statements and internal controls. The Auditor's office reported that the Port had a solid and clean audit for this two-year period.

OLD BUSINESS:

1. Grant Project Update:

A. Discussion: Cliff reported that he is waiting on the last two loads of rail from SRC. Summer help has been laid off for approximately three (3) weeks due to this. Two (2) miles of rail has been installed with eight-tenths of a mile remaining; this work will take approximately a month to complete. Crews are regulating, lining, moving equipment and doing clean-up while waiting for the rail.

2. PUD Transmission Line Agreement:

A. Discussion: Kelly reported an agreement was reached for 2020 and the process for 2021 and beyond will begin. Susan reported we have received the 2020 payment.

B. Action: None necessary.

3. Other Old Business: None at this time.

NEW BUSINESS:

1. September and October meetings:

A. Discussion: Kelly reminded the Board that the September meeting will be held on September 15th. She also requested moving the October meeting to October 8th in order to accommodate Curt Holmes from the Kalispel Tribe attending the meeting to discuss the Kalispel Tribe of Indians' plans for economic development. Commissioner D. Peterson will be attending the EDC meeting via Zoom.

B. Action: The Board agreed to the change in the October meeting date.

2. Ziplly Fiber:

A. Discussion: Kelly explained that Ziplly Fiber purchased Frontier Telephone which requires a new agreement for the crossings and small land lease area. The paperwork should be completed by October 1.

B. Action: None necessary.

3. Other New Business:

None at this time.

BOARD TRAVEL PLANS/ MEETINGS:

A. Discussion: Commissioner D. Peterson will represent the Board at the August meeting of the EDC.

B. Action: The above meetings are authorized by general consensus.

REPORTS:

1. Board of Commissioners:

Commissioner D. Peterson attended the August EDC meeting via Zoom. He reported on the announcement by Ray Pierre regarding the bid submitted by the Kalispel Tribe of Indians for the Ponderay Newsprint site.

2. Roadmaster, Cliff Bauer:

- While waiting on the rail shipment crews will replace ties on the Davis Creek bridge in preparation for additional bridge work later in the fall.
- More engineer and conductor certification rides completed. Discussion about Corey and Tom taking over on this testing when Cliff retires.
- WUTC track inspector was here last week; found a few loose bolts, no major issues.
- FRA Hazardous Materials Inspector showed six (6) employees what he looks for when inspecting hazardous materials cars.

3. Manager – Kelly Driver:

- Insurance renewals on buildings and automobiles.
- PUD transmission line agreement.
- COVID 19 – daily forms from employees regarding their health. Includes daily temperature taking.
- Rotary Club is working on potential sales on their cars.
- Three (3) on the job injuries this month; all minor but required doctor care so they are reportable.
- Another FRA inspector visit, this time on crossings, signage, and close clearance issues.

4. Auditor – Susan Bluff:

- Presented the financial report information for the month ending July 31, 2020. Storage car information was also provided.

5. Chief Mechanical Officer-Brad Byrd – report presented by Kelly Driver:

- 1009 lost a traction motor, it will be repaired and then placed into service for testing purposes.
- Cummins engine is just about ready for being placed into testing service.
- Locomotive 3877 has not been started yet; it has electrical issues.
- Working on an engine swap from the 159 to another SD-9 unit for Western Rail.
- Another Cummins project swap is on the way.

6. Track Foreman – Corey Ives-report presented by Kelly Driver:

- Corey and Jared have been doing pre-trip inspections on the empty hazardous materials tank cars. Cliff noted that normally a third-party does the outbound inspections, but that Corey had completed some online training and was able to secure additional work by doing these inspections.
- Backhoe repairs.
- Unit 9 breakdown. Discussion on POVA doing repairs instead of outsourcing.

Records for Approval:

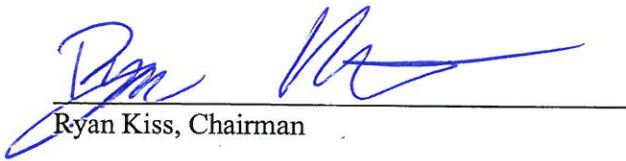
A. Expense Sheets: Approved as submitted.

B. Warrants: Operating Expense warrants 48749-48939 totaling \$302,976.82 approved as submitted.

Executive Session: At 10:45 a.m. an executive session was called for approximately 15 minutes to discuss the performance of a public employee. At 11:00 a.m. the executive session closed with no further action.

Board Workshop: The Board and Kelly discussed training options, economic development activities and comprehensive planning. Kelly will provide links to training for the Board.

Adjourn: There being no further business Chairman Kiss adjourned the meeting at 11:41 a.m.



Ryan Kiss, Chairman



Kelly J. Driver, Manager

Date Approved: 09-15-2020