

**MINUTES
PORT OF PEND OREILLE
BOARD OF COMMISSIONERS MEETING
May 11, 2010**

Chairman Harkness called the regular 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 Harkness, Vice Chairman Shanklin, Secretary Kiss and Port staff. Also attending were Ray King and Ken Smith from the City of Newport.

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

MINUTES:

Commissioner Shanklin moved to approve the minutes of April 13, 2010 as presented. Motion seconded by Commissioner Kiss, so ordered by Chairman Harkness.

COMMENTS:

None at this time.

OLD BUSINESS:

1. REMOVAL OF BUILDING:

A. DISCUSSION: Kelly informed the Board that she contacted approximately six (6) companies regarding bidding on the testing for asbestos and potential PCB contamination in the building in Newport. Two (2) companies responded. IRS Environmental will be testing on May 19th with test results available around the first of June. Once test results are known decisions regarding the demolition can be made.

2. INDUSTRIAL PARK CLEANUP:

A. DISCUSSION: Kelly reported that after several meetings, telephone calls and emails it was determined by the DOE that the Port must go through the VCP process in order to obtain a NFA letter on the property. Kelly will be working with the DOE on this project.

B. ACTION: None necessary.

3. INDUSTRIAL PARK PROGRESS:

A. DISCUSSION: Kelly reported that she will be meeting with Leslie Jones of TEDD and representatives from ALSC on the Schematic Design of the Industrial Park tomorrow in Spokane. There was discussion regarding the access into the property off of Highway 41 and the possibility of needing to put in the curbs to obtain the WSDOT blessing.

B. ACTION: None required.

4. HAZARDOUS MITIGATION MEETING:

A. DISCUSSION: Bob reported that he and Cliff attended the Hazard Mitigation meeting in Newport. There is FEMA funding for problem areas however the lack of a revenue source on the North end of the line is an issue. Cliff indicated that the Blueslide Tunnel and Perkins Slough projects interest FEMA and they are looking for funds to help with these issues.

5. CELL TOWER:

A. DISCUSSION: There was discussion regarding the phone calls received by the Board and staff regarding the cell tower in Newport by a concerned citizen who does not want the tower in downtown Newport. That citizen asked that the Port issue a letter to the City Council asking them not to place the cell tower in downtown Newport. The Board and staff discussed the matter with Mr. King and Mr. Smith. The Board does not feel that this is an issue for the Port to fight with the City. No letter will be issued.

6. PERSONNEL POLICY CHANGE – OVERTIME:

A. DISCUSSION: Chairman Harkness read through the change as presented.

B. ACTION: Commissioner Kiss moved to approve the personnel policy change. Motion seconded by Commissioner Shanklin, so ordered by Chairman Harkness.

7. OTHER OLD BUSINESS:

None at this time.

NEW BUSINESS:

1. COUNTY CENTENNIAL CELEBRATION 2011:

A. DISCUSSION: Commissioner Shanklin is on the committee for the County Centennial Celebration. The Committee would like to have Port involvement, possibly in the form of a train ride from Newport to Metaline Falls. There was some discussion regarding storage cars, use of Lions Club equipment and going under the Lions Club insurance policy, whether the ride is by invitation only or open to the public and other ideas. The Port is receptive to helping however more details are needed.

2. OTHER NEW BUSINESS:

A. TRIBE HORSEBACK POKER RIDE:

1. DISCUSSION: Kelly reported that she received a letter asking for assistance with the Kalispel Tribe of Indians Poker Ride in July. There was discussion.

2. ACTION: Commissioner Shanklin moved to approve the \$100 sponsorship as advertising for the Port and railroad. Motion seconded by Commissioner Kiss, so ordered by Chairman Harkness.

B. LETTER FROM PONDERAY NEWSPRINT COMPANY:

1. DISCUSSION: Chairman Harkness read the letter from Richard Lange regarding the train crew and their safety awareness at the mill when moving in the 60 foot cars.

STAFF REPORTS:

1. ROADMASTER:

- Cliff went over the line with PUD employee Keith Cordes and a representative from DeAngelo Brothers. The PUD will be having DeAngelo Brothers spray for brush control under the high voltage transmission line from Box Canyon to Cusick this year and will follow up to Newport next year after the brush clearing is completed. The PUD will be paying the Port for any extra time incurred by POVA employees due to having DeAngelo Brothers spray for them at the same time they spray for POVA. Since an additional 50 feet will be sprayed on the right of way it will require more time, more stops to add water and to mix chemicals.
- Crews have finished ditching and now will be using the crane to pick up scrap rail along the line. Once a car load is gathered it will be shipped out to be scrapped.
- Crews are continuing to clean up the Dalkena area.
- The sink holes on the Sandpoint line are holding up pretty well this spring.

2. MANAGER:

- Most of her time has been spent on the Industrial Park and building cleanup issues.
- A block of 40 crossing numbers have been received from the USDOT so the numbering process of the crossings can continue to move forward.
- Discussed meeting with PNC and BNSF regarding the use of 60 foot boxcars in the future and the need for a test for a load pattern with the AAR present to watch and give their approval.

3. FINANCIAL OFFICER: Susan presented the financial information for the month of April 2010 as well as storage car revenue information.

4. CHIEF MECHANICAL OFFICER:

- Absent but staff members reported on new regulations regarding the testing of air horns on the locomotives.

RECORDS FOR APPROVAL:

A. TIME AND EXPENSE SHEETS: Approved as submitted.

B. WARRANTS: 33332-33431 totaling \$124,175.14 approved as submitted.

EXECUTIVE SESSION:

There was no executive session required.

ADJOURN: There being no further business Chairman Harkness adjourned the meeting at 12:35p.m.

John W. Harkness III, Chairman

Kelly J. Driver, Manager

Date Approved