

Minutes of the meeting of the Port of Whitman County of July 15, 2010.

MEETING CALLED TO ORDER: The meeting was called to order at 10:00 a.m. in the Port office in Colfax, Washington. Present were all Commissioners, the Executive Director, the Properties and Development Manager, and the Port Attorney. Also present were Joe Smillie of the Whitman County Gazette and Jack Fulfs.

APPROVAL OF MINUTES: A **MOTION** was made to approve the Minutes of the meeting of July 1, 2010, as mailed and entered in the minute book. The motion carried.

APPROVAL OF CLAIMS: The Commissioners considered the claims.

Commissioner Love inquired as to the wire transfer of \$362,500 to the Green Briar Leasing Company. The Executive Director explained this was a pass-through. The money comes from the farm co-ops and railroad line operators and is distributed by the Port on behalf of the Washington State Department of Transportation Rail Division to the Green Briar Leasing Company for payment on the grain train railcars.

A **MOTION** was made to pay Claim Nos. 19823 through 19851 totaling \$50,182.45 and to authorize the wire transfer to the Green Briar Leasing Company of \$362,500.00. The motion carried.

ARMY CORPS OF ENGINEERS CHANGE OF COMMAND: Commissioner Love reported on attending the Army Corps of Engineers change of command in Walla Walla on July 9, 2010. The incoming commander is Colonel David A. Caldwell.

RPTO/SEWEDA MEETING: Commissioner Boone reported on attending the RPTO/SEWEDA meeting of July 13, 2010, in Dayton. A synopsis of the transportation plan for the region was presented. A comparison of the fuel usage for grain shipments between barge/rail and truck was described in the synopsis. The next meeting of SEWEDA/RPTO will be in Clarkston on August 14, 2010.

BTOP-1 GRANT ACTIVITY: The Executive Director reported on BTOP-1 grant activity. The environmental study is almost complete. NoaNet is working on right-of-way planning and procurement. NoaNet and the subrecipients anticipate aggregating need to obtain the best prices possible on procurements. NoaNet continues to work with the federal

government on security interest issues. An agreement on the proper security instrument for the project has not yet been concluded. The Executive Director, the Port Attorney, and the Commissioners discussed a proposed letter to send to NoaNet explaining some of the Port's concerns regarding the administration of the project; the letter focused on clarification of division responsibilities. No formal action was taken, but the Commissioners indicated their approval.

PCC RAIL ACTIVITIES: The Executive Director briefed the Commissioners on the PCC rail activities. A more thorough review of strategies for the regional rail lines was deferred until the strategic planning meeting.

CULTURAL RESOURCE REVIEW FOR BOYER - COST-SHARING WITH INLAND POWER & LIGHT: The Properties and Development Manager reported that Inland Power & Light and the Port are discussing cost sharing on the cultural resource review for Boyer. The company proposes a modest project regarding its power lines in the region. Cost sharing could result in a savings to both the Port and Inland Power. No formal action was requested or taken.

REGULAR MEETING RECESSED: At 11:00 a.m., the Port President called for a recess to open a public hearing on the proposed surplus of certain Port property.

PUBLIC HEARING ON SURPLUS OF ISLAND STREET PROPERTY: At 11:00 a.m., during the regular meeting of the Port of Whitman County, the Port President opened the public hearing on a proposal to surplus the Port's Island Street property in Colfax, Washington. The President called for public comment. There was no public comment offered or received.

PUBLIC HEARING CLOSED/REGULAR MEETING RECONVENED: At 11:05 a.m., the Port President closed the public hearing and reconvened the regular meeting of the Port of Whitman County of July 15, 2010. Present were all Commissioners, the Executive Director, the Properties and Development Manager, the Port Attorney, Joe Smillie of the Whitman County Gazette, and Jack Fulfs.

RESOLUTION NO. 10-09: A **MOTION** was made to pass Resolution No. 10-09 declaring surplus the West 105 Island Street property in Colfax, Washington. The motion carried.

WILMA - WATER SYSTEM/ISSUES: The Executive Director recommended that a meeting be scheduled in September with the Wilma tenants pertaining to the water system and water issues

affecting Wilma. He said he would like one of the Commissioners to attend if possible. No formal action was taken, but the Commissioners indicated one of them will try to attend.

REPORT BY REPRESENTATIVE SUSAN FAGAN: At 11:15 a.m., State Representative Susan Fagan joined the meeting. Representative Fagan gave a brief overview of the recent legislative session. She indicated that "what is on everyone's mind" in Olympia is budget shortfalls.

PCC RAIL BOARD BRIEFING: Representative Fagan asked to be briefed on the activities of the PCC Rail Board. The Executive Director discussed the long-term financial needs of the rail system, explaining that most of the authorized refurbishment money has been spent. He pointed out that the funding was not sufficient to meet all of the refurbishment needs of the rail system. He indicated that the PCC Board is working on models for long-term viability but no model has been settled on.

REGULAR MEETING RECESSED: At 12:00 p.m., the Port President called for a lunch recess, with the regular meeting to reconvene at 1:00 p.m.

REGULAR MEETING RECONVENED: At 1:00 p.m., the regular meeting of the Port of Whitman County of July 15, 2010, was reconvened in the Port office in Colfax, Washington. Present were all Commissioners, the Executive Director, the Properties and Development Manager, and the Port Attorney. Also present were State Representative Susan Fagan and Joe Smillie of the Whitman County Gazette.

BRIEFING ON TELECOM PROJECT: The Executive Director, the Commissioners, and Representative Fagan discussed the Port's telecom project.

At 1:30 p.m., Representative Fagan left the meeting.

RESOLUTION NO. 10-10: The Port Attorney briefly explained a request for a quitclaim deed from the Port to clear title on some property that the Port had previously disclaimed. A **MOTION** was made to pass Resolution No. 10-10 authorizing a quitclaim deed to clear title as to the interest of the Port, if any, in a small parcel of property located west of Colfax. The motion carried.

REIMBURSEMENT TO MADERS' LLC: The Properties and Development Manager reported on a proposal to pay Maders' LLC on certain holdback monies on the purchase of the Locust Grove

Industrial Park. A **MOTION** was made to authorize payment to Maders' LLC on the holdback on the purchase of Locust Grove in the sum of \$16,763. The motion carried.

SPOKANE FIBER RUN STUDY: The Executive Director reported on the need to proceed with a Spokane fiber run study. A **MOTION** was made to authorize the Executive Director to proceed with Munir Daud + Associates for a study on the Spokane fiber run and to expend an amount not to exceed \$40,000. The motion carried.

TRANSFER OF ENTITLEMENT OF FAA FUNDS APPROVED: The Properties and Development Manager reported on a request for a "Transfer of Entitlement" of FAA funds currently allocated for POWBAC in favor of a project in Wilbur, Washington, in the amount of \$17,541. A **MOTION** was made to authorize a "Transfer of Entitlement" of FAA "banked" funds of \$17,541 in favor of a project in Wilbur, Washington. The motion carried.

PCC RAIL BOARD MEETING: It was noted that the PCC Rail Board would be meeting on September 15, 2010, in Davenport, Washington, at 9:00 a.m.

PULLMAN CITY COUNCIL MEETING - ANNEXATION OF PIP WEST: The Properties and Development Manager reported that annexation of the PIP West site, along with other property, will be on the agenda of the Pullman City Council meeting of July 28, 2010. It is believed this will be a topic for discussion but not a formal public hearing.

Joe Smillie left the meeting at 1:55 p.m.

PORT TOUR: Tammy Lewis and Ron Wachter, representing the Pullman Chamber of Commerce, joined the meeting at 1:55 p.m. The Commissioners, Ms. Lewis, and Mr. Wachter discussed the future of the "Port tour." It was noted that the Port budget includes \$1,000 for the 2010 tour. No formal action was taken. Discussion as to the event and scheduling will follow between the Port staff and the Chamber.

Ms. Lewis and Mr. Walker left the meeting at 2:20 p.m.

EXECUTIVE SESSION: At 2:30 p.m., the Port President called for an executive session to discuss litigation matters and certain real estate issues, with the regular meeting to reconvene at 3:00 p.m.

EXECUTIVE SESSION EXTENDED: At 3:00 p.m., the executive session was extended to 3:10 p.m.

REGULAR MEETING RECONVENED: At 3:10 p.m., the regular meeting of the Port of Whitman County reconvened following executive session. Present were all Commissioners, the Executive Director, the Properties and Development Manager, and the Port Attorney.

MEETING ADJOURNED: At 3:10 p.m., there being no further business to come before the meeting, the meeting was adjourned.

PORT OF WHITMAN COUNTY COMMISSION

DANIEL W. BOONE, President

JOHN E. LOVE, Vice President

DONALD COX, Secretary