

Minutes of the regular meeting of the Port of Whitman County of October 8, 2009.

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.

APPROVAL OF MINUTES: A **MOTION** was made to approve the Minutes of the meeting of September 22, 2009, as mailed and entered in the minute book. The motion carried.

APPROVAL OF CLAIMS: The Commissioners considered the claims. Commissioner Love inquired as to Claim No. 19249 from Strom Electric. The Executive Director explained the claim was for services for testing of the Central Ferry well system.

Commissioner Gronholz inquired as to Claim No. 19253 of Maul Foster Alongi. The Executive Director reported that the claim was for GIS mapping for the Port's fiber optic network.

Commissioner Boone asked if the claim of Asotin County PUD, No. 19237, was a recurring monthly claim. The Executive Director responded that it was.

A **MOTION** was made to approve Claim Nos. 19212 through 19254 totaling \$68,633.83 and electronic funds transfer for payroll taxes of \$6,028.45. The motion carried.

At 10:05 a.m., Joe Smillie of the Whitman County Gazette joined the meeting.

PCC RAIL AUTHORITY: The Commissioners and the Executive Director discussed the PCC rail authority and the strategy going forward for the PCC system. Commissioner Gronholz commented that going forward the Port needed to take a leadership role as there is no other entity likely to do so. It was noted that Lincoln and Spokane Counties don't have as much at stake as Whitman County and Grant County. It was also noted that Commissioner Hopkins of Grant County was instrumental as chairman of the Rail Authority in the oversight of the expenditure of the state-authorized grant funds but that he would be stepping aside. Commissioners Boone and Love indicated they supported the Port taking a leadership role in developing and working on implementing a strategy for the future of the rail system. The Executive Director indicated he would be meeting with the other members of the Rail Authority to discuss the issues.

PALOUSE BASIN WATER SUMMIT: Commissioner Boone attended the fifth annual regional Palouse Basin Water Summit on October 6, 2009. He reported that it was a productive meeting and believed the participants came away from the meeting with a better understanding regarding the need for action. At the meeting it was reported that water table levels in the region continue to drop. The possibility of surface water recharge was discussed. The need to work across state lines was also discussed.

CITY OF PALOUSE'S "BROWN-FIELD" MEETING: Commissioner Boone reported on attending the City of Palouse's "brown-field" meeting on October 1, 2009. The City is reviewing the possibility of reconditioning the old Palouse Producers site to elevate it to brown-field status. A grant has been received by the City for an environmental study.

STATE AUDITOR - REPORT ON EXIT INTERVIEW: Commissioner Love reported on the exit interview with the state auditor on the Port's audit on October 7, 2009. He indicated the interview went well, and the auditor was complimentary of the practices and procedures in place. A couple of minor items were noted, including the lack of a separate tax identification number for the Wilma Fire Department. No change was specifically requested. Commissioner Love said that the Port Internal Auditor/Accountant, Teri Heilsberg, is to be complimented for her good work.

INLAND NORTHWEST PARTNERS MEETING: Commissioners Love and Boone reported on attending the Inland Northwest Partners meeting of September 24, 2009. Dick Watters also attended the meeting. The subject of the meeting was "revitalizing your community."

REVIEW OF ACCOUNTS RECEIVABLE: The Commissioners and the Executive Director reviewed the accounts receivable.

IPZ FACILITIES: The Properties and Development Manager reported on a visit from officials with the Washington State Department of Commerce (formerly CTED) who toured the IPZ facilities. Don Tilton of the IP Zone conducted the tour. Various IPZ business activities were inspected. It was noted that the Department has no funding for administration for the IPZ in the coming year. The Department does have funding available for infrastructure having a more than 13-year

lifespan. Mr. Tilton is working on grant applications which are due on November 2, 2009.

PNWA ANNUAL MEETING: It was noted that the PNWA annual meeting is scheduled for November 13-15, 2009, in Vancouver, Washington.

PORT/PULLMAN CHAMBER TOUR: It was noted that the Port/Pullman Chamber tour was scheduled for November 6, 2009.

PORT/COUNTY COMMISSIONERS QUARTERLY MEETING: It was noted that the Port Commissioners and County Commissioners quarterly meeting was scheduled for November 2, 2009, at the Port office at 3:00 p.m.

INLAND NORTHWEST PARTNERS MEETING: It was noted that the Inland Northwest Partners meeting was scheduled for November 18, 2009, at the Spokane Club. Dick Watters will be asked to attend.

WPPA ANNUAL MEETING: It was noted that the Washington Public Ports Association annual meeting is scheduled for November 18-20, 2009, in Seattle.

PORT COMMISSIONER MEETING OF NOVEMBER 19, 2009, RESCHEDULED: A MOTION was made to reschedule the regular meeting of the Port Commission of November 19, 2009, to November 16, 2009, at 10:00 a.m. at the Port office in Colfax due to the conflict with the WPPA annual meeting. The motion carried.

WPPA - ASSESSMENT FOR CENTENNIAL CELEBRATION ACTIVITIES: Commissioner Gronholz expressed concern about the amount of the proposed assessment for the Washington Public Ports Association's "centennial celebration" activities. The Executive Director echoed the concern by noting that he would like to know what is included in the celebration pertaining to small ports in general and the Port of Whitman in particular. It was noted that the topic would likely be discussed at the Washington Public Ports Association annual meeting.

At 11:20 a.m., Dick Watters joined the meeting.

2010 BUDGET: The schedule for the 2010 budget process was discussed. A MOTION was made to review a preliminary budget at the first meeting in November and to schedule the budget hearing for November 16, 2009, the second meeting in November. The motion carried.

2010 WPPA ANNUAL DUES: A MOTION was made to approve the 2010 WPPA annual dues in the sum of \$3,579. The motion carried.

2010 PNWA MISSION TO WASHINGTON: Attendance of the 2010 PNWA Mission to Washington was discussed. No formal action was taken, but budgeting for two attendees was discussed. The Executive Director indicated he would like to continue with sponsoring one of the local constituents as an attendee.

REPORT ON ADO ACTIVITIES: Mr. Watters reported on ADO activities. He attended the October 6, 2009, Palouse Basin Water Summit. He is working on the Washington State University business plan competition with Joe Harris. The competition is expanding somewhat this year. Mr. Harris and Mr. Watters are scheduling visits with various high schools regarding the competition. Tentatively, November 16-20, 2009, has been set aside as "enterprise week" to emphasize the competition. The high school division award will be in the amount of \$5,000 this year.

PURCHASE AND LEASE OF TELECOMMUNICATIONS EQUIPMENT: The Executive Director explained a proposal to purchase some telecommunications equipment and lease it to Port tenant Galexis Technologies. The equipment will be used to expand broadband services to rural users. A **MOTION** was made to approve the purchase of telecommunications equipment for \$38,208 and to lease the new equipment to Tim Herzog, d/b/a Galexis Technologies, for a five-year term with an option for the company to purchase the equipment at the end of the lease term. The motion carried.

REGULAR MEETING RECESSED: At 12:05 p.m., the Port President called for a lunch recess, with the regular meeting to reconvene at 12:35 p.m.

REGULAR MEETING RECONVENED: At 12:35 p.m., the regular meeting of the Port of Whitman County reconvened following lunch recess. Present were all Commissioners, the Executive Director, the Properties and Development Manager, Dick Watters, and the Port Attorney.

EXECUTIVE SESSION: The Port President called for an executive session, with the regular meeting to reconvene at 1:00 p.m., for the purpose of discussing property management issues.

EXECUTIVE SESSION CONTINUED: At 1:00 p.m., the executive session was continued until 1:20 p.m.

REGULAR MEETING RECONVENED: At 1:20 p.m., the regular meeting of the Port of Whitman County reconvened following executive session. Present were all Commissioners, the

Properties and Development Manager, the Executive Director, the Port Attorney, and Dick Watters.

MEETING ADJOURNED: At 1:30 p.m., there being no further business to come before the meeting, the meeting was adjourned.

PORT OF WHITMAN COUNTY COMMISSION

JOHN E. LOVE, President

ROBERT F. GRONHOLZ, Vice President

DANIEL W. BOONE, Secretary