

Minutes of the regular meeting of the Port of Whitman County of November 19, 2007.

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

APPROVAL OF MINUTES: A **MOTION** was made to approve the Minutes of the meeting of October 18, 2007, as mailed and entered in the minute book. The motion carried.

CONSIDERATION OF CLAIMS: Claim Nos. 17757 through 17788 were considered. Commissioner Gronholz asked if the claim of Riedesel & Associates, No. 17788, was the final claim for the POWBAC taxiway project. The Properties and Development Manager responded that she anticipated an additional claim when the project was closed out.

Commissioner Love inquired as to whether the Port receives reimbursement for Claim No. 17769 for the Palouse Economic Development Council. The Executive Director responded that Whitman County has provided advance funding for the Palouse Economic Development Council Services.

Commissioner Gronholz asked if Claim No. 17775 of the Boyer Park Concessionaire was the final contract payment for the year and the Executive Director said that it was.

At 10:10 a.m., the Port Accountant/Internal Auditor joined the meeting.

REVIEW OF PROPOSED BUDGET AMENDMENT FOR 2007: The proposed budget amendment for the year 2007 was reviewed. The budget amendment includes adjustments for adding grant funding and related project costs occurring during the year.

At 10:15 a.m., the Port Accountant/Internal Auditor left the meeting.

WASHINGTON PUBLIC PORTS ASSOCIATION ANNUAL MEETING: Commissioner Gronholz and Commissioner Love reported on attending the Washington Public Ports Association annual meeting. Commissioner Love commented on several items: (1) FAA funding will become more scarce in the foreseeable future; (2) one of the primary drivers of housing construction costs in the region are "permission to build" fees; and (3) the population of Washington State is expected to increase by an additional 1.7 million people by the year 2027, mostly in western Washington along the I-5 corridor.

At 10:20 a.m., ADO Consultant Tammy Lewis joined the meeting.

RAIL GOVERNANCE: The Executive Director reported on continuing to work with Washington State Department of Transportation official Mike Roswell on rail governance.

LOCUST GROVE INDUSTRIAL PARK PURCHASE/SITE SALE IN PULLMAN INDUSTRIAL PARK: The Properties and Development Manager reported that the Locust Grove Industrial Park purchase has been completed and that the sale of a site at the Pullman Industrial Park to Mr. Bumstead is scheduled for closing on November 30, 2007.

POWBAC - TWO NEW POLE BUILDINGS: The Properties and Development Manager reported that construction of two new pole buildings at POWBAC is scheduled to start in December.

CENTRAL FERRY - LOT LINE ADJUSTMENT: The Properties and Development Manager reported that the tenants are satisfied with the proposed lot line adjustment at Central Ferry. A **MOTION** was made to authorize the staff to proceed with the adjustment as proposed. The motion carried.

DUE DILIGENCE POLICY: The Port due diligence policy was considered. A **MOTION** was made to adopt the due diligence policy with a minor editing change as proposed and authorizing its inclusion within the Manager's authority. The motion carried.

REPORT ON PEDC AND ADO PROGRAM: Tammy Lewis reported on the activities of the PEDC and the work on the ADO program. She noted that CTED is currently reorganizing its "service regions." The Port District is within the "eastern region." The reorganization is expected to have more impact on other regions than locally due to the way the eastern regional office in Spokane has worked with regional agencies. She also presented a draft of a marketing brochure for the ISR Building at the Pullman Industrial Park.

At 10:45 a.m., Ms. Lewis left the meeting.

At 10:50 a.m., Commissioner Boone arrived at the meeting.

APPROVAL OF CLAIMS: The claims were briefly reconsidered. A **MOTION** was made to approve Claim Nos. 17757 through 17788 totaling \$177,836.64. The motion carried.

RESOLUTION NO. 07-17: The proposed budget amendment was briefly reviewed. A **MOTION** was made to approve Resolution No. 07-17 amending the 2007 budget. The motion carried.

RESOLUTION NO. 07-18: The Port Attorney reviewed a proposed exchange of deeds with Whitman County to clarify boundaries and establish title to certain property the county had inadvertently conveyed to the Port when it conveyed the Colfax Airport (now a part of POWBAC) to the Port. A **MOTION** was made to pass Resolution No. 07-18 authorizing the reconveyance of certain property to the county and an exchange of deeds for the purpose

of clarifying title to POWBAC and certain county property. The motion carried.

PULLMAN-MOSCOW REGIONAL AIRPORT - 2007 CONTRIBUTION:

The Port Attorney and the Executive Director discussed a proposed Pullman-Moscow Airport Interlocal Agreement specifying the Port's 2007 contribution. A **MOTION** was made to approve a Port contribution agreement to the Pullman-Moscow Regional Airport effective January 1, 2008, with revisions recommended by the Executive Director and Port Attorney. The motion carried.

PULLMAN-MOSCOW REGIONAL AIRPORT - FIRE FLOW:

The Commissioners reviewed a proposed agreement on the Port's participation and funding on a proposed water project for fire flow purposes for the Pullman-Moscow Regional Airport. A **MOTION** was made to approve a draft Interlocal Agreement for funding for the Pullman-Moscow Airport water project for fire flow. The motion carried.

INLAND NORTHWEST PARTNERS MEETING:

It was noted that the Inland Northwest Partners meeting was scheduled for November 28, 2007. Commissioners Gronholz and Boone and the Executive Director will plan to attend.

PULLMAN-MOSCOW REGIONAL AIRPORT - REPORT ON ECONOMIC

STUDY: University of Idaho Economist Dr. Steve Peterson joined the meeting at 11:15 a.m. Dr. Peterson gave an interim report on his economic study of the Pullman-Moscow Regional Airport. Included in his remarks were the following observations: (1) the regional economy is below average in growth as compared to both state and national economies; (2) both Washington State University and University of Idaho student enrollments are down considerably from peak years and appear to be continuing to trend downward; (3) there is a political division in the Pullman and Moscow communities on the desirability of growth; and (4) 73% of airline passenger traffic from the region is captured by markets other than Pullman and Moscow (mostly to Spokane International Airport and secondarily to the Lewiston airport).

REGULAR MEETING RECESSED:

At 12:00 p.m., Dr. Peterson left the meeting and the Port President called for a lunch recess, with the regular meeting to reconvene at 12:40 p.m.

REGULAR MEETING RECONVENED:

At 12:40 p.m., the regular meeting of the Port of Whitman County of November 19, 2007, reconvened in the Port office in Colfax, Washington. All Commissioners, the Executive Director, the Properties and Development Manager, and the Port Attorney were present. Joining the meeting were Darrell and Linda Fender.

AIRPORT USE AGREEMENT:

Mr. and Mrs. Fender presented a draft Airport Use Agreement, specifically relating it to aerial applicators using the airport at POWBAC on a less than fulltime basis. Discussion ensued. Minor revisions to the proposed draft

were suggested. The Commissioners indicated they supported the proposal in concept and asked for revised drafts to be presented at a future meeting for possible adoption.

At 1:30 p.m., Mr. and Mrs. Fender left the meeting.

TRI-PORTS BREAKFAST MEETING: It was noted that the Tri-Ports (Pasco, Kennewick, and Richland) have scheduled a breakfast meeting with regional legislators on December 4, 2007, in Pasco and have invited other Port district officials to attend. Commissioner Gronholz may attend the meeting.

STRATEGIC PLANNING MEETING: It was noted that the Port Commissioners' strategic planning meeting was scheduled for January 14-15, 2008, at the Spokane Club in Spokane, Washington, to commence at 9:00 a.m.

CALIFORNIA BUSINESS RECRUITMENT TRIP: The Executive Director noted that he was planning a business recruitment trip to California with Bob Potter toward the end of January, 2008.

MEETING ADJOURNED: There being no further business to come before the meeting, the meeting adjourned at 2:15 p.m.

PORT OF WHITMAN COUNTY COMMISSION

ROBERT F. GRONHOLZ, President

DANIEL W. BOONE, Vice President

JOHN E. LOVE, Secretary