

**MINUTES OF THE PORT OF WALLA WALLA
COMMISSION MEETING
Tuesday, November 24, 2009**

The meeting of the Port of Walla Walla was called to order by Commission President Fred Bennett at 5:00 p.m. Commissioner Bennett conducted a workshop session from 5:00 p.m. to 5:50 p.m. at Caravaggios Restaurant, 45 Terminal Loop Road, Walla Walla, Washington.

REGULAR SESSION

At 6:00 p.m. Commissioner Bennett convened the regular Commission Meeting at Port of Walla Walla offices, 310 A Street, Walla Walla, Washington.

In attendance for the meeting were:

Fred Bennett, Commissioner
Paul Schneidmiller, Commissioner
Mike Fredrickson, Commissioner
Jim Kuntz, Executive Director
Paul Gerola, Economic Development Director
Becky Hulse, Executive Assistant
Jennifer Skoglund, Airport Manager
Gary Stewart, Maintenance & Operations Supervisor
Anna Christen, Auditor/Treasurer
Ron Dunning, Commissioner-Elect
Ken Clayton, Airport Security Coordinator
June Meiners, Port Receptionist
Darren Brinson, Port Maintenance Dept.
Les Teel, Columbia REA
Dave Gordon, Northwest Grain Growers

APPROVAL OF MINUTES

Commissioner Schneidmiller moved and Commissioner Fredrickson seconded the motion that the minutes of the Port Commission meetings held on November 12 and November 18, 2009 be approved as mailed. Motion unanimously carried.

INVESTMENT REPORT

Anna Christen Auditor/Treasurer reviewed with Commissioners investments and checking account balances for both the Port and Airport.

PAYMENT OF BILLS

Vouchers of the Port of Walla Walla audited and certified by the auditing officer as required by RCW 42.24.808. and those expense reimbursement claims certified as required by RCW 42.24.090. have been recorded on lists, which have been made available to the Board. Commissioner Fredrickson moved and Commissioner Schneidmiller seconded the Board approve for payment those vouchers included in the below mentioned lists with the exception of Walla Walla Regional Airport General Fund voucher number 10345 and system number 2382 for \$762,094.68 which has been voided. Vouchers are further described as follows: Port of Walla Walla General Fund voucher numbers 7708 through 7781 and system numbers 44594 through 44678 in the amount of \$450,781.16 and ACH/EFT in the amount of \$520,243.20. Walla Walla Regional Airport General Fund voucher numbers 10270 through 10350 and system numbers 2280 through 2387 in the amount of \$840,304.16 and ACH/EFT in the amount of \$17,104.59. Motion unanimously carried.

PUBLIC COMMENTS

Les Teel, CEO from Columbia REA, reviewed with Commissioners their interest in purchasing approximately 12 Acres of property at the Port’s Melrose Business Park.

Dave Gordon, General Manager of Northwest Grain Growers, updated the Port Commissioners on their efforts to help preserve rail service in Walla Walla County by shipping grain through their Wallula Port location. Mr. Gordon asked the Port Commissioners to reduce Northwest Grain Growers throughput fees paid to the Port.

CORRESPONDENCE & REPORTS

A. Leases Entered into by Administrative Staff

Commissioners reviewed a listing of leases entered into and/or renewed by administrative staff from November 12, 2009 through November 24, 2009.

B. Report on MBR Sewer Treatment System Tour

Executive Director Kuntz reported on a November 20th tour of MBR sewer treatment systems. The tour ranged from viewing a basic model to a high end MBR sewer treatment model. Commissioner Fredrickson recommended the Port look for a mid-range MBR sewer treatment system.

C. Burbank Wastewater System – Anticipated Studies and Reports

Alan Schroeder, Anderson Perry & Associates, reviewed with Commissioners anticipated costs to perform the necessary studies and reports to permit a wastewater system in Burbank. Studies include a wetlands survey, hydrologic study, cultural resources review, and an engineering report.

D. 2010 Meeting Schedule

Commissioners decided to retain the current meeting schedule for 2010. Meetings will be held on the second and fourth Thursday's of each month. The first meeting of the month will start with a workshop session at 12 noon and a regular session at 1:00 p.m. The second meeting of the month will start with a workshop session at 5:00 p.m. and a regular session at 6:00 p.m.

E. Terminal Building Advertising

Airport Manager Skoglund reviewed with Commissioners a listing of advertisers in the airport terminal building which included advertising spots that are vacant. Due to an

increasing vacancy rate, Commissioners asked Skoglund to prepare a reduced advertising lease rate schedule for their review at the next Port Commission meeting.

NEW BUSINESS

A. Port of Walla Walla

1. Columbia REA Request to Purchase Melrose Business Park Property

Commissioners reviewed Columbia REA's request to purchase approximately 12 acres of property at the Port's Melrose Business Park. In consideration the Port has a limited supply of industrial zoned property within the Walla Walla urban growth boundary available for sale and Columbia REA's projection for new jobs is minimal, Commissioners elected not to sell property to Columbia REA.

2. Northwest Grain Growers – Lease Agreement Wallula Port Area

Commissioners reviewed Northwest Grain Growers request to reduce its annual throughput fee to the Port of ½ cent per bushel on all bushels of grain in excess of \$3 million per year that is delivered by rail. Commissioner Schneidmiller moved and Commissioner Bennett seconded the motion authorizing the Executive Director to amend the Port's lease agreement with Northwest Grain Growers to reflect a revised throughput fee from 0.005 to 0.0025 cents per bushel effective June 1, 2010 and for the remainder of the lease term. Motion carried.

Commissioner Fredrickson reported he is a member of Northwest Grain Growers and abstained from voting.

3. Resolution 11-24-09

Commissioner Schneidmiller moved and Commissioner Fredrickson seconded the motion to adopt Resolution 11-24-09 thereby finding substantial need under RCW

84.55.0101 and authorizing the use of a limit factor of 101% for the property tax levy for 2010. Motion unanimously carried.

4. Resolution 11-24-09-A – Adoption of 2010 Tax Levy

Commissioner Schneidmiller moved and Commissioner Fredrickson seconded the motion to adopt Resolution 11-24-09-A thereby adopting the Port's regular property tax levy for fiscal year 2010. Motion unanimously carried

5. 2010 Health Care Coverage

Executive Director Kuntz reviewed with Commissioners several options for health care insurance coverage for 2010. Commissioner Schneidmiller asked Port and Airport staff present at the meeting for their input. Commissioner Schneidmiller moved and Commissioner Fredrickson seconded the motion to select the Washington County Insurance Fund Value Plan with insurance premiums paid by the Port for employees and their dependents. Motion unanimously carried.

In consideration the Value Plan has larger out of pocket expenses, Commissioner Schneidmiller moved and Commissioner Fredrickson seconded the motion authorizing the establishment of a reimbursement pool in the amount of \$20,600 that employees can access once their out of pocket expenses provided in the previous "Standard Plan" are used up. Motion unanimously carried.

Commissioner Schneidmiller moved and Commissioner Fredrickson seconded the motion to establish the benefit rate of \$600 per month for employees that do not take the Port's insurance benefit and can prove they have medical coverage from another source. Motion unanimously carried.

6. Crown Building Roof Damage

Commissioners were informed the Crown Building sustained roof damage as a result of the recent high wind events. Commissioners reviewed photos of the damage. Executive Director Kuntz reported he would submit a claim to the Port's insurance carrier and commence with the process of obtaining bids to repair the damage. Commissioner Fredrickson moved and Commissioner Schneidmiller seconded the motion declaring an emergency and authorizing the Executive Director to proceed with repairs as soon as possible to prevent further damage to the building. Motion unanimously carried.

7. Walla Walla Valley Transit Authority – Sales Tax Increase

Commissioners were informed supporters for increasing the sales tax rate to support Walla Walla Valley Transit Services has requested the Port's public endorsement. A vote to increase the sales tax will be on the ballot in early 2010. Commissioners discussed the advisability of taking public positions on local tax levy ballot issues as it would start a new precedence for the Port. Commissioner Fredrickson moved and Commissioner Bennett seconded the motion to continue the Port policy of not taking public positions on local tax ballot issues. Motion passed. Commissioner Schneidmiller voted no.

The meeting adjourned at 10:45 p.m.

APPROVED:

PORT OF WALLA WALLA COMMISSIONERS

FRED R. BENNETT, PRESIDENT

MICHAEL FREDRICKSON, VICE PRESIDENT

PAUL H. SCHNEIDMILLER, SECRETARY