

**MINUTES OF THE PORT OF WALLA WALLA
SPECIAL COMMISSION MEETING
Tuesday, May 18, 2010**

The meeting of the Port of Walla Walla was called to order by Commission President Mike Fredrickson at 4:00 p.m. at Port of Walla Walla offices, 310 A Street, Walla Walla, Washington.

In attendance for the meeting were:

Mike Fredrickson, Commissioner
Paul Schneidmiller, Commissioner
Ron Dunning, Commissioner
Jim Kuntz, Executive Director
Paul Gerola, Economic Development Director
John Wells, Anderson Perry & Associates, Inc.
Dr. Fred Bennett, Retired Port Commissioner
Richard McFarland, Citizen
Stephanie Grassia, Special Legal Counsel, Cairncross & Hempelmann via conference phone
Greg Skorheim, Senior Vice President, Kibble & Prentice via conference phone
Earl Perkins, Perkins Specialty Spraying
Mark Hollenbeck, Irrigation Specialists
Bill Strebin, Strebin Farms
Doug Strebin, Strebin Farms
Dr. Bill Cobb, Water Consultant

A. NEW BUSINESS

1. Gen-X Insurance Claim Update

Stephanie Grassia, Special Port Legal Counsel, informed Port Commissioners the Port's insurance carrier, Enduris, has proposed paying the Port for its entire fire loss with the exception of two projected code upgrades associated with a sprinkler and alarm system. Port insurance claims specialist, Greg Skorheim, commented that he believes the building code would require a sprinkler system to be installed. Mr. Skorheim reported that while a fire alarm system may not be required, he

believes an alarm monitoring system would be. Commissioners expressed an interest in settling the claim if the sprinkler system and 75% of the fire alarm costs were included in a settlement package.

B. WALLULA GAP BUSINESS PARK – FIBER FARM

Commissioners reviewed preliminary plans to redevelop the Port-owned Wallula Gap Fiber Farm into a series of 12 irrigated crop circles. The crop circles would generate revenue for the Port until such time the property is needed for economic development purposes.

Dr. Bill Cobb reported on past water quality issues associated with five Boise Cascade irrigation wells. Earl Perkins, Perkins Specialty Spraying, reviewed options to grind the existing tree stumps to allow row crops to be planted. Mark Hollenbeck, Irrigation Specialists, provided a preliminary cost estimate to install 12 pivot irrigation systems. Executive Director Kuntz reviewed preliminary revenue projections and a capital cost estimate to redevelop the fiber farm into irrigated crop circles.

Commissioners directed Port staff to follow up on a host of questions that were raised during the presentations. Commissioners asked that priority be given to conducting water quality tests. Commissioners thanked everyone in attendance for helping the Port formulate a redevelop plan to transform the existing fiber farm into irrigated crop circles.

The meeting was adjourned at 7:25 p.m.

APPROVED:

PORT OF WALLA WALLA COMMISSIONERS

MICHAEL FREDRICKSON, PRESIDENT

PAUL H. SCHNEIDMILLER, VICE PRESIDENT

PAUL H. SCHNEIDMILLER, SECRETARY