

Port of Skamania County
Minutes of the Board of Commissioners
May 24, 2016, 3:00 pm

Call to Order: Commissioner Collins called the meeting to order at 3:00 pm.

Attendance: Commissioners Fran Breeding, Gail Collins, and Todd Kingston; Executive Director John McSherry, Attorney Ken Woodrich, Finance Manager Randy Payne, Facilities Manager Doug Bill, Auditor Monica Masco, Executive Assistant Julie Mayfield. Guests:

Dennis Morgan, Don Fisher (tenant), Ian Langdile (tenant), Mary Repar, Melissa Still, Philip Watness (the *Pioneer*), Sandy Bacus, Marie Perez, Chris Ford, Bear Medina.

Public Comment:

Don Fisher: He said he is not here to criticize but to find out what's going on since he has been dealing with John McSherry on a daily basis regarding the building he rents at Wind River Business Park [1111 Hemlock Road]. Commissioner Collins said the Port will be discussing the interim director and that the Port will support Fisher 100 percent and that Don can call him if necessary. Don asked who to contact for his *immediate* needs since he has contractors there every day and has many issues such as the septic system and the notice they just received from the state that about 100 gallons per week of certain wastewater will not be allowed in the regular septic system. He said he always has had confidence when working with John on issues and that he was told that he should deal with Randy, but he noted that Randy has a full-time job already. He noted John and Bob Hamlin (Skamania County Commissioner) were out for a site visit yesterday and that he has put \$1.5 million into the property to date and his staff has engineering questions. Commissioner Collins said Randy's capable and he'll be the Interim Director, and he asked Randy to confirm it now in the meeting. Randy confirmed that he had said he would do it. Commissioner Collins told Don the Port will work through these issues and he guaranteed Don he will be taken care of. Commissioner Kingston said he thinks we're all on board and said that Don's business is very important and Don can call him any time even though he works because he is able to set his own schedule.

Mary Repar: Mary said she is a Stevenson resident. She said she hopes these meetings are recorded and put on the Port's website. She said any new Port Director position should be advertised; it is a very important position in our community. She said the past two years have shown that the Port needs a governance policy (such as the one Grant County PUD has) so everyone knows what to do—no micro-managing, etc. She will send an example to the Port.

Sandy Bacus: She said she is here to talk about Commissioner Kingston and Commissioner Collins's behavior. She said it [dealing with McSherry] became very emotional to them and that this could be heard in the meetings and seen in the minutes. She said she doesn't know how they will replace John McSherry since he has been the most successful Port Director in the Port's history.

Dennis Morgan: Dennis said he has lived here 17 years with John being at the Port the entire time. He said John's skillset will be difficult to replace. He said a month ago the staff read a staff prepared letter to the Commission. He said the harassment issues noted should be addressed since someone new coming in will discern the tensions here and it will be difficult.

Meetings and Seminars:

John, Julie, Doug, and Randy attended the Washington Public Ports Association (WPPA) Spring Meeting right here at Skamania Lodge.

John, Julie, Randy, Monica, and Commissioner Collins attended the Red Carpet Team Open House for new tenants, held in Tichenor Suite 60/70, after tours of Backwoods Brewing, Phloem Studio/Laura Buchan Sculptor, Skamania Acupuncture, and ending with a talk by new owner of Sawtooth Technologies, Wave Broadband's Regional Sales Manager Jeff Waddell, and reception in Suite 60/70.

Minutes Approval:

*---MOTION--- Commissioner Kingston moved to approve the **April 26, 2016 Regular Meeting Minutes**. Commissioner Breeding seconded; the motion carried.*

*---MOTION--- Commissioner Kingston moved to approve the **May 10, 2016 Regular Meeting Minutes**. Commissioner Breeding seconded; the motion carried.*

*---MOTION--- Commissioner Kingston moved to approve the **May 19, 2016 Special Meeting (McSherry Separation Agreement) Minutes**. Commissioner Collins stepped down and seconded, Commissioner Breeding abstained [she was not at that meeting]; the motion carried.*

Vouchers Approval:

*---MOTION--- Commissioner Breeding moved to approve the **Pre-issued General Fund Voucher number 17223 through 17223 in the amount of \$270.00 dated April 20, 2016, and Pre-issued General Fund Vouchers numbered 17224 through 17231 in the amount of \$12,696.80 dated May 18, 2016**. Commissioner Kingston seconded; the motion carried.*

*---MOTION--- Commissioner Kingston moved to approve the **General Fund Vouchers numbered 17232 through 17250 in the amount of \$52,004.58 dated May 24, 2016**. Commissioner Breeding seconded; the motion carried.*

Administrative Approvals:

John explained two contracts with Mark Peterson, who is working on permitting the water and large on-site sewer system (LOSS) at Wind River Business Park (WRBP). Mark attended the walkthrough with the State of Washington Department of Health at the site recently and he has been involved with this project for several years. Mark designed the WRBP "eBay" building wastewater septic system [which has not been installed]. The Port will pay any state fees directly. The state recently inspected the LOSS at 1111 Hemlock Road also and issued a letter regarding permit requirements, stating a management plan consistent with the Washington Administrative Code (WAC) is needed; Mark Peterson is working on developing that plan.

---MOTION--- Commissioner Kingston moved to ratify the two Contracts with Mark Peterson for Permitting Services for the New Water System, not to exceed \$6,000, and Permitting Services for the existing LOSS Permit not to exceed \$1,200. Commissioner Breeding seconded; the motion carried.

Randy presented the 2015 Annual Financial Report and noted all commissioners were emailed a copy last week to review. John recommends that in the future, on Federal grants, that administrative costs be included in the total grant request as expenses of the project since there has been a lot of administrative time spent on the USEDA grant for the River Point Re-roofing project.

---MOTION--- Commissioner Breeding moved to accept the Port's 2015 Annual Financial Report. Commissioner Kingston seconded; the motion carried.

Staff Reports:

Auditor's Report: presented by Monica Masco

April 30, 2016 Cash Balance is \$1,060,412.14.

Total revenue for April was \$154,799.96 and expenditures were \$136,137.67: Netting excess revenue over expenditures in the amount of \$18,662.29; year to date excess expenditures over revenue is \$62,465.36.

Unfinished Business/Director's Report: Presented by John McSherry

1. *Tenant Updates:* John has been working on a new lease for Skamania Acupuncture, to include the entire Tichenor Suite 40. Doug has been working to combine together several rooms to create a large space: the demo work, flooring, ceiling, and most of the framing work is complete. John reported the New Tenants Open House was well attended and everyone enjoyed it.
2. *LDB Beverage Remodel at River Point:* John showed drawings of River Point South developed by Bear Medina and Bell Design on behalf of LDB and the Port. The drawings incorporate a tasting room with a portion of the upper floor removed and a restaurant with a series of windows and doors installed on the south side. The Port has been working with LDB on these plans and had included installing the windows and doors in the south side of the building in the 2016 Port budget. The project has three phases. Phase 1 for the Port is installing the windows and doors in the exterior south wall. LDB has been working with the City of Stevenson on the parking (restaurants require twice the parking that office space requires). The tenant is removing the second floor (with no rent reduction understood) and constructing all interior improvements. The target open date is around September 2016. Bear explained two parking spaces will be taken up with outside seating. The tenant will install plantings. John noted areas not seen from the city street are subject only to the Port's approval for business signage, not the city.
3. *Wind River Business Park Water/Wastewater:* John presented plans for the two pumps in the 10-inch well and a well house with five 520-gallon bladder tanks and chlorination system inside the building. The larger pump will turn on in a fire event; the well house will be right next to the well. A 12-inch PVC pipe will connect

1111 Hemlock Road to the well house; stub outs for future Biomass Facility, greenhouses, and “eBay” building will be installed. Standpipes for fire connections will be included along the route. These plans are built on the foundation of the Kennedy-Jenks plan Skamania County commissioned in 2000. The Port has been coordinating with the County in planning to install piping under the County’s road. Commissioners Collins and Breeding asked about risk management issues of still not meeting fire standards. John said the current hydrants don’t meet the fire standards and this is just augmenting the current system, which will remain in place. Ken stated that 1500 gpm is the current standard and that no one in the upper valley region is meeting that standard. Commissioner Collins noted that a business like a resort where people are sleeping in buildings overnight would have to meet that standard. Ken explained the current capacity could be augmented with more water storage, as opposed to what we are doing now, which is augmenting with pumping capacity. John noted tenant Windy River Research is working on additional permanent water storage at their site.

Commissioner Kingston asked if the County were to take back WRBP from the Port if the Port would be reimbursed. John said the Port is working off of a grant from Washington State Department of Commerce (Commerce) that the Port was awarded (originally \$350,000, with about \$220,000 remaining) and a USDA Rural Business Enterprise grant (RBG) of \$50,000 (unspent) for planning the acquisition of the water system from the Forest Service. John reminded that the Port has a 10-year lease with Skamania County for Trout Creek Field, where the well is sited. Ken noted this lease would need to be dismantled in the event of an LLC being formed between the Port and the County. Commissioner Breeding asked if the goal is to eventually hook into the Forest Service’s system. John said the goal is for Skamania County-Port to eventually own the combined current and Forest Service systems.

4. *Wind River Business Park Port-County Partnership*: Ken said he met today with County Attorney Adam Kick and Commissioner Hamlin, but he prefers to discuss the rest with the Port Commission in executive session, with Randy and John attending.
5. *Cascades Business Park*: The water system at Cascades Business Park belongs to the Port. It can be ceded to the City of North Bonneville, with permission of the project funding agency (Commerce). The water ownership is with the City of North Bonneville. The city is willing to take over the water system pipes, which were installed by the Port. Commerce’s concern would be to maintain the site as an economic development site, for the creation of jobs.

John said he talked with Steve Waste of Columbia River Research Lab and confirmed that Steve will meet with Randy on June 8, 2016. Commissioner Breeding will not be able to attend, as she thought earlier.

6. *Skye Building CERB Grant*: (WA State Community Economic Revitalization Board) There is no time for John to do the work that needs to be done to be able to access the grant funds in some way to accommodate expanding Silver Star Industries [since this grant was awarded for Slingshot Sports’s expansion to tear down the old Skye Building and build a new 15,000 sf building on the site; Slingshot now can’t participate]. He explained for this grant a “bird in hand” tenant is necessary and even

if we could transfer the funds to a new project for expansion of another tenant, that the tenant would have to do a lot of work for it and attend a CERB Board meeting in Olympia, etc. just like Slingshot had to do. John said he could do this work if the Port wanted to contract with him and that the deadline for submittal is May 31, 2016 or again in August. Commissioner Breeding asked if the Port can get an extension of the grant. John said no, we would need to re-propose with a new project. Commissioner Breeding asked Randy to get back to her on the exact date of the deadlines.

Executive Session: Commissioner Collins called for an Executive Session, including the Commission and John McSherry, Randy Payne (left early), and Ken Woodrich, from 4:23 pm to 4:43 pm for 20 minutes per RCW 42.30.110(b) To consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price.

The Commission said they made no decisions.

Sandy Bacus asked the Commission how it is they had already decided on Randy Payne as the Interim Director without the public process for the Commission to make such a decision, already directing tenants to Randy as the Interim Director before this meeting? Commissioner Collins said they hadn't decided that yet.

New Business:

1. *New Port Executive Director:* Commissioner Breeding said the position should be advertised, even though Randy will be a very good interim director. The discussion turned to appointing an Interim Director. Commissioner Collins wanted to postpone the discussion with a special meeting so Randy could be part of the discussion [Randy had to leave early]. A pay adjustment would be needed, Ken said. Commissioner Collins said Randy's done it before and got the USEDA grant for the River Point Building. Monica noted that was a teamwork project between Julie and Randy that got the USEDA grant when John was on paid leave. Commissioner Breeding asked Julie if she would co-manage with Randy again? Julie said she would have to discuss that with Randy. Ken suggested it could be included as a topic for the special meeting on June 7, 2016. Commissioner Kingston said they need to decide now, that they need to calm and settle things.

---MOTION--- Commissioner Breeding moved to offer the Port Interim Executive Director position, during the new Executive Director recruitment process, to Randy Payne, at the same pay rate currently paid to John McSherry. Commissioner Kingston seconded; the motion carried.

Doug pointed out that Randy already has a full-time job and suggested he should be paid for two jobs. Ken suggested delegating some of Randy's duties to Monica as outside services. Monica said she could not do all of Randy's work and she noted that Julie's workload will also increase. Commissioner Collins said again he'd like a special meeting for this topic. Commissioner Breeding said if Randy was Interim Director, he could adjust Julie's pay, after getting the range approved through the

Commission if needed. Monica noted these items need to be considered from a budgeting aspect.

Commissioner Breeding, John, and Randy will be meeting tomorrow to give Commissioner Breeding a tour of Port facilities/tenants and they can discuss it further with Randy then.

Sandy Bacus noted there were already several references to Randy being the Interim Director earlier in the meeting. Commissioner Collins said "I guess we just thought Randy would do it." To which Ken said "By 'we' you mean 'you.'"

John asked if they will use a recruiter to replace him. Ken suggested Prothman. John suggested Patrick Jones, who worked for WPPA in the past and now has his own recruitment company. Don Fisher asked that they please include tenants in the decision-making process, and that the tenants have many concerns about who will replace John. Commissioner Breeding said they would. Commissioner Collins said they should also include members from the EDC, Chamber, and County on the interviewing team. Ken said potential recruiters should be required to respond to an RFP (request for proposal). Gail asked Julie if she could work on this; she said yes. Commissioner Collins said John will let the commissioners know tomorrow of Randy's decision. Commissioner Breeding said Commissioner Collins will need to check his email, to which he said he will but he's trying to be retired.

2. *Personal Services Agreement with John McSherry*: John offered his services as a contractor to work on the WRBP water/wastewater system. Commissioner Breeding said it's maybe not necessary and that she's not comfortable with a retainer-type of agreement, she'd prefer something with very specific tasks, timelines, and deliverables. John will work with Randy on a scope of work to propose.

3. *August Camp 2017 Proposal*: John went over the proposal he'd received from this group wanting to rent space at WRBP Bunker Hill Field in August 2017, for use as a base camp for a hiking group of about 75 people for a period of three weeks. John met with them once, Julie met with them once. They have a trailer they'd like to store in our area until August 2017 as well. The group likes the Carson/Stevenson area and participants also spend money in the nearby towns of these events. Don Fisher said he is not overly concerned about a group of only 75 being in close proximity to his business, which is closeby the field. John said they propose to pay \$100/month for trailer storage, \$3,500 for the field rental and will provide insurance, which includes \$1,000 as earnest money to hold the site. Commissioner Kingston said he doesn't want Doug and Dave to have to clean up after them and said there should be a cleaning deposit of an additional \$500 to \$1,000. John said he believes this can be incorporated in the lease. No motion yet, but the Commission instructed to proceed.

Ken handed out a DVD and said all commissioners and staff need to watch it, and there needs to be a sign-in sheet to track who has viewed it. Julie asked if someone could state the title of this DVD: *Unlawful Discrimination, Harassment and Retaliation*.


Adjournment: The Chairperson adjourned the meeting at 5:23 pm.

Next Meeting: The next regularly scheduled meeting of the Board of Port Commissioners is June 14, 2016, 3:00 pm, at the Port office conference room: 212 SW Cascade Avenue, Stevenson, Washington. There is a special planning workshop Special Meeting on June 7, 2016 from 1:00 pm to 5:00 pm.

APPROVED BY:

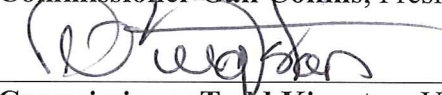


Commissioner Fran Breeding, Secretary (District 1)



Commissioner Gail Collins, President (District 2)

ATTEST:



Commissioner Todd Kingston, Vice-President (District 3)



Julie Mayfield, Executive Assistant