

**PORT OF LEWISTON
MINUTES OF REGULAR MEETING**

April 12, 2017

The regular meeting of the Port Commission was held at the Port District Office at the hour of 12:00 p.m. on April 12, 2017.

Present at the meeting were Port Commission President, Mike Thomason, Port Commission Vice-President, Jerry Klemm, and Port Commission Secretary/Treasurer, Mary Hasenoehrl. Administrative staff in attendance were David Doeringsfeld, Port Manager, Jaynie Bentz, Assistant Port Manager, and Kelly VonLindern, Administrative Assistant. Port Commission President, Mike Thomason, convened the open meeting at 12:00 p.m.

AGENDA APPROVAL:

Port Commission President, Mike Thomason, called for review of the agenda. Commissioner Klemm made a motion to approve the agenda as presented; seconded by Commissioner Hasenoehrl. The motion passed unanimously.

CITIZEN COMMENTS: -- None.

ADOPTION OF MINUTES:

The Port Commission examined the Minutes for the Regular Meeting of March 9, 2017. A motion was made by Commissioner Hasenoehrl to accept the Minutes as presented; seconded by Commissioner Klemm. The motion passed unanimously.

TERMINAL II & DOCK OPERATIONS REPORT:

An overview was presented by David Doeringsfeld, Port General Manager, concerning operations at Terminal II (Inland 465). He reported that with recent rains, the roof leaked and damaged 42 cases of Clearwater Paper product with an estimated value of \$400. The product will be sent back to the mill to be repulped. SpaceBuilders will return this spring to continue the roof maintenance program.

Port Manager, David Doeringsfeld, next provided updates on Terminal I, the public dock facilities. He reported that the river system reopened on April 11th which completed a 16-week extended lock closure. The closure was originally scheduled for a 14-week outage. He commented that the Walla Walla District and Portland District of U.S. Army Corps of Engineers coordinate an extended outage about every 5-7 years to address larger maintenance projects to keep the system safe and reliable. A normal outage year is approximately three weeks.

Cruise ships and grain barges will begin arriving this week. With the extended outage this year and with Lewis Clark Terminal about 80% full, they will be very busy trying to move stored product downriver before this next year's harvest comes in.

Clearwater Paper Co has positioned a hopper and excavator at the Port's dock ready for the arrival of sawdust. They will be processing approximately 4-6 barges per month, loading sawdust into trucks to be taken to the mill. Manager Doeringsfeld stated the dock extension's additional space allows for diverse services; containers can be handled at the same time as the sawdust operation.

Year to Date container shipments are down -100% and wheat shipments down 100%. Container shipments and wheat shipments for the month of March, as compared to the same month last year, reflect a -100% change in container shipments and a decrease of -100% in wheat shipments for the month. A Year to Date and March shipping summary of statistics was reviewed. The extended lock closure began in December and completed April 11, 2017.

MANAGER'S REPORT:

Active Agenda:

Manager Doeringsfeld presented the Port Commission a photo of the Yard Hostler Truck, referred to as a 'yard goat', located at the Port's container yard to consider declaring as surplus property. The equipment was acquired used from the Port of Portland for \$1 years ago and is no longer needed. He continued his report that the equipment runs, does not have a VIN number, has a scrap value of \$375 and is not road worthy. Lewis Clark State College Diesel program expressed interest in using the equipment for teaching purposes. Commissioner Klemm made a motion to declare the

yard goat surplus property and donate the equipment to LCSC, seconded by Commissioner Hasenoehrl. Voting Aye – Commissioners Thomason, Hasenoehrl, and Klemm. Voting Nay – None. The motion passed unanimously.

Next, Assistant Manager Jaynie Bentz presented the Port Commission a Joint Agreement between the Port of Clarkston and the Port of Lewiston for consideration of approval. The agreement pertains to the installation of fiber optic cable to be installed as a continuous line beginning in Clarkston, WA, across the Southway Bridge and the state line and terminating in Lewiston, ID. The agreement clarifies ownership of the fiber optic line on each side of the state line and the associated responsibilities for construction and maintenance. A motion was made by Commissioner Hasenoehrl to approve the Joint Agreement between the Port of Clarkston and the Port of Lewiston as presented; seconded by Commissioner Klemm. Voting Aye – Commissioners Thomason, Klemm, and Hasenoehrl. Voting Nay – none. The motion passed unanimously. Manager Doeringsfeld advised that the Port of Clarkston Commission will be considering the Joint Agreement for approval and execution at their meeting scheduled for tomorrow.

Miscellaneous Project Review/Updates & events:

Lewis Clark Terminal Expansion – Scott Zuger, Manager, presented the Port Commission an update of their plans for facility improvements including automation for loading grain into barges and constructing two 600,000 bushel elevators for additional storage. LCT will utilize the gravel storage space east of Inland 465 as a laydown area during construction. Additionally, one member of the co-op will lease back the pulse center for processing of malt barley. They will also utilize the terminal's probe and grading services. Pulses will arrive by truck and outbound via rail. The barley process is currently being handled at the Snake River Avenue location which may convert to seed. Discussion was had regarding the use of the Port's track, pending survey information, for an easement to accommodate the expansion of operations and new structures. Manager Doeringsfeld advised that the Port's upcoming budget process will address a rail tariff. The Port Commission thanked Mr. Zuger for attending today's meeting and investing in the facility supporting the regional agriculture industry.

Carlton Construction – Steve Carlton, Owner, of Carlton Construction addressed the Port Commission. Mr. Carlton stated he would like to purchase approximately 2-acres of frontage property to locate his container renovation business at the Harry Wall Industrial Park. He stated no old, rusty containers would be located within the site; approximately 6-12 containers may be on site at one time; he would construct a 5,000sf shop for dedicated conversations; supporting jobs would be 1.5 to 3 positions depending how many conversions were under construction; staff would float from his construction business. Open discussion was had regarding the need for prime frontage property and whether he would consider leasing the property instead of purchasing. He would like frontage to eventually have an office for sales and he would consider leasing with an option to purchase. The Port Commission voiced concern of the aesthetics this type of business may have at the entrance to the park and his interest in eventually selling the business. The Port Commission thanked him for being a long-time tenant and attending today to present his business proposal.

Fiber Optic Network Update – Assistant Port Manager, Jaynie Bentz, referenced an updated map of the network and status of ongoing project segments. Recently completed construction has connected the Lewiston School District and the Lewiston library for their respective service providers. She reported that the bridge owners approved the crossing of Southway Bridge which will allow construction to proceed with completion expected in June. Segments to consider for expansion will be discussed as part of the budget process.

Harry Wall Grading Project – An Avista gas line and a CenturyLink communication line will be relocated on the north side of the property. Manager Doeringsfeld reported that the new plat does not reflect this easement and it was missed by everyone participating in the review process. The Port's contractor, Debco Construction, will coordinate with them to provide the trenching. The Port may need to create a utility easement on the west side of the property. The project's pressure reducing valve will be relocated and enlarged to help eliminate the need for one or two additional valves to serve the property in the future. An additional cost will be incurred for the above items. The water tank and well house on site will be removed; the well will remain. Manager Doeringsfeld complimented the contractor on the progress they are making with the project.

Lower Granite Master Plan revision-- The master plan manages the U.S. Army Corps of Engineers' lands adjacent to the waterways from when the Lower Granite project was constructed. The plan has not been updated since 1974. Staff is drafting a comment letter for submission by the April 22 deadline. The corps held open houses in Clarkston and Pullman regarding the update to the Master Plan.

Community Outreach Update – The next Port Report is tentatively scheduled for the end of May. Dates were discussed for community open houses in Lapwai, Culdesac and Lenore. Dates determined were May 23-25 pending availability of facilities.

Draft FY18 Budget – Manager Doeringsfeld presented a draft FY18 budget for discussion at next week's work session. No discussion was had regarding the content; work session dates were reviewed.

Miscellaneous Projects –

Envirotech improvements – Manager Doeringsfeld reported that Envirotech has requested permission to add storage tanks within their leased area. The proposed improvements do not change the terms of their lease agreement however the lease requires approval of improvements from the Port. After discussion, Manager Doeringsfeld stated he will send them a letter of approval.

Upcoming meetings/events:

April 13, 2017 – Pioneer Ports dinner meeting at 5:30p.m. at Jollymore's

April 18, 2017 – Budget work session at 3:00p.m. at Port office

April 20, 2017 – CEDA Annual Meeting, Red Lion, Lewiston

April 25, 2017 – Budget work session at 3:00p.m. at Port office

May 2, 2017 – Budget work session at 3:00p.m. at Port office

COMMISSION COMMITTEE REPORTS:

Commissioner Hasenoehrl/Urban Renewal Agency— Reported that the URA Board approved their audit; approved Revenue Allocation Area #4 (East Main), approved Revenue Allocation Area #5 (East Orchards) and closed Revenue Allocation Area #2 (Nez Perce Terrace). A public hearing will be held for RAA #5. Discussion was had regarding the perception of URA operating at the pleasure of city council and RAA #5 addressing failing septic systems which becomes a health concern. Commissioner Hasenoehrl stated that Lindsay Creek is the third highest contaminated creek in Idaho

due to failing septic systems. Time limitations did not allow the board to address the Revenue Allocation Area around the old high school.

Commissioner Thomason/Valley Vision – Reported that the Valley Vision Board heard a presentation from Mark Taylor regarding the AG's approval of St. Joseph's Regional Hospital being sold to a for-profit organization. He also attended the Inland Northwest Partners spring meeting in Hayden Lake, ID. He shared information regarding how well the Northwest states are doing nationally in jobs for construction and manufacturing. Idaho is #1 in job creation and Nez Perce County is #1 for job creation in construction for cities our size.

Commissioner Klemm/LC Valley Chamber Government Affairs Committee, Chamber Natural Resource Committee, PNWA Board of Directors – Reported the Government Affairs Committee also heard a presentation by Mark Taylor regarding the sale of St. Joseph's Regional Hospital. The committee discussed bills awaiting the Governor's action, one in particular was for eliminating the grocery tax. The Natural Resource Committee heard a presentation from a representative of Idaho Women in Timber. Commissioner Klemm attended the SEL Legislative Welcome Back luncheon and stated it was covered well by the article in the Lewiston Tribune.

FINANCIAL REPORT:

As the next order of business, the Port Manager presented a Financial Statement prepared by the Port Auditors for eight months ending March 31, 2017. After review and discussion, Commissioner Hasenoehrl made a motion to approve the Financial Statement as presented; seconded by Commissioner Klemm. Voting Aye – Commissioners Thomason, Hasenoehrl and Klemm; Voting Nay – None. The motion passed unanimously.

The Port Manager next reviewed a Port Financial Summary concerning the status of Port funds on March 31, 2017. Discussion was had regarding whether the Port should participate in the Idaho Investment Fund. Consensus was had to not participate in the fund as it was not FDIC insured or protected so no benefit would be gained. Commissioner Klemm thanked Manager Doeringsfeld for looking into the Fund.

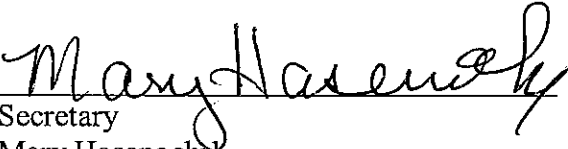
ACT ON CLAIMS:

The next order of business was review and discussion of claims against the Port as presented by the Check Detail Sheet. A motion was made by Commissioner Hasenoehrl to approve and pay Port vouchers Nos. 19508 through 19586, transfers and EFTPS for a total amount of \$124,572.17; seconded by Commissioner Klemm. Voting Aye – Commissioners Thomason, Hasenoehrl and Klemm; Voting Nay – None. The motion passed.

OTHER BUSINESS: -- None

EXECUTIVE SESSION: -- None.

Being no further business, the meeting adjourned at 1:40 p.m.


Secretary
Mary Hasenoehrl