



# Port of Woodland

Business is better here.

## **PORT OF WOODLAND Meeting Minutes March 3, 2016**

A regular meeting of the Woodland Port Commission was held on March 3, 2016 in the office of the Port of Woodland, 115 Davidson Avenue, Woodland, Washington. President Cline called the meeting to order at 3:06 P.M.

Those present were:	President	Paul Cline
	Secretary	Dale Boon
	Commissioner	Gerald Peterson
	Executive Director	Jennifer Keene
	Auditor	Carol Moore
	Guests present:	See List

### **CALL TO ORDER**

#### **OPENING REMARKS**

- A. Pledge of Allegiance**
- B. Approval of Agenda**

**Secretary Boon made a motion to approve the agenda with the following change - remove Executive Session from the agenda. Commissioner Peterson seconded the motion.**

**Discussion: No further discussion.**

**Vote was unanimous. The motion was carried.**

## **PUBLIC COMMENT (5 minute limit)**

### **A. Items on the agenda**

Topic-Port purchasing Department of Natural Resources land out by Austin Point.

- Darlene Johnson, Woodland Chamber of Commerce - Presents the Commission with a letter of support from the Woodland Chamber of Commerce, for the purchase of the Department of Natural Resources land at Austin Point (See Exhibit A).
- Ted Sprague - Cowlitz Economic Development Council - States that the CEDC is in support of the purchase.
- Brady Wale - Columbia River Carbonates - States that CRC is also in support of the purchase, and has sent a letter of support to the Port via email.
- Matt Peterson - Landowner - Is not in support of the purchase of the this property. Asks the commission to consider the use and price of this purchase.

### **B. Items not on the agenda**

- Darlene Johnson - Woodland Truck Lines - Presents the Commission with a letter drafted by Larry Garcia - Larry Garcia Investment Real Estate Services, Inc. - that supports "implementing a development/expansion fee waiver for non-residential expansion and development" in City of Woodland (See Exhibit B)

## **ACTION ITEMS**

### **A. Department of Natural Resources Letter of Intent**

Executive Director Keene gives a short power point presentation to explain the reason behind the Letter of Intent to purchase this property.

Larry Costich - Schwabe, Williamson & Wyatt - answers any questions the Commissioners have concerning the Letter of Intent.

**Secretary Boon made a motion to approve the Letter of Intent from DNR and proceed forward. President Cline seconded the motion.**

**Vote was unanimous. The motion was carried.**

**Direction: To have Executive Director Keene move forward with an appraisal of the DNR property.**

### **B. Schurman Way Rail Spur**

Executive Director states that per direction from the commission to submit a scope of work for legal expenses, prior to a special project - she is submitting a scope of work for this special project. This scope of work also includes the cost for the special project regarding Action Item C on the agenda. She states that Larry Costich is here to explain the details of the work he is facing with the Schurman Way rail spur and past agreements.

Larry Costich presents the commission with an updated final version of the proposed scope of work for Action Item B and Action Item C - the budgetary estimate is attached (See Exhibit C).

**President Cline made a motion to table Action Item B until after Action Item C has been discussed. Commissioner Peterson seconded the motion.**

**Vote was unanimous. The motion was carried.**

**C. Schnitzer BNSF Surplus Real Estate Offer**  
Discussion on the real estate offer made by JH Kelly.

**Secretary Boon made a motion to make a counter offer to JH Kelly for \$250,000.00, which would include the 12.07 acres of property, the boundary line adjustment costs, and reimbursement previously mentioned in their offer. President Cline seconded the motion.**

**Vote was unanimous. The motion was carried.**

At this time the commission returns to motion that was tabled (Action Item B)

**Secretary Boon made a motion to approve the scope of work and budgetary estimate that was presented by Schwabe, Williamson & Wyatt. Commissioner Peterson seconded the motion.**

**Vote was unanimous. The motion was carried.**

**D. Employee Manual**

**Secretary Boon made a motion to table Action Item D till the first meeting in April. Commissioner Peterson seconded the motion.**

**Vote was unanimous. The motion was carried.**

**Direction: To have Executive Director Keene set up a workshop for the first meeting of April at 2:00 to discuss the employee manual.**

Further discussion by the Commission regarding scheduling for upcoming workshops.

**Direction: To have Executive Director Keene set up a special meeting for purposes of an executive session, prior to the first meeting of April. The commission asks for Mark Wilson, Port of Kalama, to be invited to the meeting.**

**E. Capital Community Assistance Project Resolution #437**

**Secretary Boon made a motion to table Resolution #437 Capital Community Assistance Project until the commission receives more defined information from legal. Secretary Peterson seconded the motion.**

**Vote was unanimous. The motion was carried.**

**F. Executive Director Keene contract**

Extensive discussion on details of Executive Director Keene's employee contract.

**Secretary Boon made a motion to have legal make the changes to the employee contract that were discussed and bring a revised version to consider next month. No second.**

**Motion died for lack of a second.**

**President Cline made a motion that the Port of Woodland enter into an employee contract with Jennifer Keene for Executive Director for years 2016 and 2017 - in the amount of \$63,752.15 and to include changes that were negotiated during discussion. Commissioner Peterson seconded the motion.**

**Discussion: Auditor Moore asks for clarification on ending date of contract. Executive Director Keene states that it is 12/31/2017. Clarification - this contract will reflect wage/compensation on March, 2016 payroll.**

**Vote was unanimous. The motion was carried.**

**G. Approval of Schwabe, Williamson and Wyatt invoice**

**Secretary Boon made a motion to approve Schwabe, Williamson and Wyatt invoices totaling \$35,271.41. Secretary Peterson seconded the motion.**

**Vote was unanimous. The motion was carried.**

**UNFINISHED BUSINESS**

**A. Delegation of Authority Resolution #434**

**Secretary Boon made a motion to table Delegation of Authority Resolution #434 until the April 7 meeting. Commissioner Peterson seconded the motion.**

**Vote was unanimous. The motion was carried.**

**B. Website scope of work**

Executive Director Keene is requesting information from the Commission in order to draft a scope of work for web design. She suggests that each Commissioner look at other Port websites and communicate back to her what they would consider for the Port of Woodland website.

**NEW BUSINESS**

**A. Department of Fish and Wildlife request for log storage**

Executive Director Keene states that the Washington Department of Fish and Wildlife would like to lease a portion of port property for ground storage use. She has identified a portion of the Guild Road Industrial Park area, but needs direction from the Commission for a lease rate in order to move forward with negotiations.

**Direction: To have Executive Director Keene to move forward with lease negotiations with Washington Department of Fish and Wildlife - at the rate of \$1,000.00 per acre per year.**

**B. Taggert building demolition/Lemmons Taggert property maintenance and plan**

**Direction: To have Executive Director 1) move forward in receiving quotes for possible asbestos removal; 2) prepare for controlled burn by Cowlitz 1 - including all documents and permits.**

**EXECUTIVE SESSION**

Removed from agenda per motion (see above motion).

**UPCOMING MEETINGS**

Cowlitz RIF at the Cowlitz PUD 7:30 AM March 11  
Board Meeting March 17 at 5 PM  
CWCOG Annual Meeting March 25 at 11:30 AM- 1 PM

**EXECUTIVE DIRECTOR REPORT**

Executive Director Keene gives an update on the Howard Way road. She has been in communication with Bart Stepp - City of Woodland.

**COMMISSIONERS REPORTS**

President Cline asks for an update on the Port helping the City of Woodland with grant writing to seek funds for Scott Hill Park. Executive Director Keene states that the grant work is moving forward, but not completed as yet.

Commissioner Peterson asks for an update on the possible displacement issue of West Coast Training. Executive Director Keene gives a short update on some ideas she is considering for the property at Austin Point.

**ADJOURNMENT**

**Secretary Boon made a motion to adjourn. Commissioner Peterson seconded the motion. Vote was unanimous. The motion was carried.**

President Cline declared the Regular Meeting adjourned at 7:06 P.M.

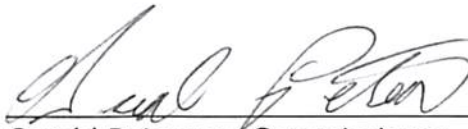
WOODLAND PORT COMMISSION



\_\_\_\_\_  
Paul Cline, President



\_\_\_\_\_  
Dale Boon, Secretary



\_\_\_\_\_  
Gerald Peterson, Commissioner

Attest:



\_\_\_\_\_  
Carol Moore, Port Auditor

PORT OF WOODLAND

COMMISSION MEETING

March 3, 2016

GUEST LIST: Please sign your name and the organization you represent.

	<u>NAME</u>	<u>ORGANIZATION</u>
1.	Brady Wale	CRC
2.	TED SPRAGUE	CEDC
3.	Matt Peterson	
4.	Paula Johnson	WOODLAND CHAMBER & WTL
5.	John J. Brown	" " of Commerce
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Woodland Chamber of Commerce

PO Box 1012,

Woodland, WA 98674

(360) 225-9552

E-Mail: [jj@woodlandwachamber.com](mailto:jj@woodlandwachamber.com)

[www.WoodlandWaChamber.com](http://www.WoodlandWaChamber.com)

March 1, 2016

Executive Director: **Ms. Jennifer Keene**

Woodland Port Commissioners:

**Paul Cline**

**Dale Boon**

**Gerald Peterson**

PO Box 87

Woodland, Washington 98674

Dear Port of Woodland Executive Director and Commissioners,

The Woodland Chamber of Commerce wants to encourage the Port of Woodland to purchase the DNR school lands that is located off of Kuhn Rd. We believe that this purchase is necessary for the future development of Austin Point. Austin Point is already zoned industrial, and it has deep water access, plus hundreds of feet of shore along the Columbia River for service potential.

Development of Austin Point would significantly increase the assessed value. It would also increase the number of family wage jobs available in the Woodland area.

The Woodland Chamber of Commerce, like the Port of Woodland, supports economic development and our members believe that development of Austin Point would be a giant step forward for economic development.

Thanks for your consideration of the above position of the Woodland Chamber of Commerce.

Yours truly,

Melinda Leuthold, President

PS Woodland Chamber of Commerce membership voted unanimously to approved this letter at our March 1, 2016 meeting,

Exhibit A



**LARRY GARCIA INVESTMENT REAL ESTATE SERVICES, INC.**

**COMMERCIAL REAL ESTATE BROKERS**

**PO Box 65430**

**Vancouver, WA 98665**

**TELEPHONE: (360) 607-9838**

**FACSIMILE: (360) 574-5783**

**February 29, 2016**

**Darlene Johnson  
Woodland Truck Line, Inc.  
PO Box 1808  
Woodland, WA 98674**

**VIA EMAIL**

**RE: Fee Holiday**

**Dear Darlene:**

**As per our conversation, I believe that Woodland should consider implementing a development/expansion fee waiver for non-residential expansion and development - such as Clark County did in 2010. As you're aware, I am frequently in Woodland and various parts of Cowlitz County due to my brokerage activities. I also own real estate in Woodland.**

**I have observed that job growth in the area is minimal. I think that it's a shame. I see the area as having the most potential to change that. Its proximity to Clark County makes it an ideal alternative for the folks in Clark County that can't find a site to continue to expand their company, and for the ones moving into the area. I won't go into why that is. As a broker, it is something that we have dealt with the last 18 months, especially when it comes to fulfilling industrial requirements. Honestly, Woodland is poised to become the natural alternative.**

**As a commercial broker, I am aware of or have been involved in some of the projects that have taken advantage of the Fee Holiday:**

**Northwest Storage  
Fred Meyers  
McDonalds  
Roofline Supply**

**There is also some strip retail, office, and industrial development electing to take advantage of low interest rates and the waiver. It appears that these activities have contributed jobs and economic vibrancy to the area.**

**Exhibit B**

The delay in writing this was due to my attempt to provide you with some hard statistics, but was unsuccessful. The data pieces that were available were biased due to political or philosophical differences. So they didn't offer a statistically sound readout.

As of today, you can still go to Clark County's website and view a couple of testimonials on the net effect that the Fee Holiday had on the previewed companies.

I know that you're active in the community. So I would humbly ask that you explore/discuss this alternative and see if it can put Woodland in a positive direction.

Respectfully,

A handwritten signature in black ink, appearing to read "Larry Garcia". The signature is written in a cursive style with a large initial "L" and "G".

Larry Garcia  
Designated Broker/President



U.S. Bank Centre, 1420 5th Avenue, Suite 3400, Seattle, WA 98101-4010 | Phone 206.622.1711 | Fax 206.292.0460 | www.schwabe.com

LAWRENCE A. COSTICH  
Admitted in Washington  
Direct Line: 206-407-1548  
E-Mail: lcostich@schwabe.com

February 25, 2016

VIA E-MAIL (JKEENE@PORTOFWOODLAND.COM)

Jennifer Keene  
Executive Director  
Port of Woodland  
115 Davidson  
PO Box 87  
Woodland, WA 98674-0087

Re: Port of Woodland / West Rail - Scope of Engagement

Dear Jennifer:

This will confirm the scope of engagement of our firm to represent the Port of Woodland in connection with the development of a railcar transload facility with West Rail Construction Co., LLC ("West Rail"). Under this scope, we will also assist the Port with disposition of the Schnitzer property and analysis of the enforceability of the prior Industry Track Agreement between the Port and Howard Industries as part of the Woodland Siding Group. We anticipate that the scope of our effort will include the following tasks:

- Track Agreements: Analyze the Industry Track Agreement and related documents. This effort will include examining the obligations of the parties under the agreements and assessing whether the Woodland Siding Group is a validly operating entity.
- Schnitzer Property Disposition: Assist the Port in the possible sale of a portion of the 23-acre property. Under this task, we will evaluate an offer made by JH Kelly to purchase the property, and negotiate the legal terms for a letter of intent and eventual purchase and sale agreement. This effort will also include coordinating with Port staff to prepare a boundary line adjustment through the City of Woodland.
- Railcar transload facility: Assist the Port in negotiating with West Rail for the lease of Port property on Sherman Way and the development of a railcar transload facility. This effort will also include undertaking appropriate contract review for

Jennifer Keene  
February 25, 2016  
Page 2

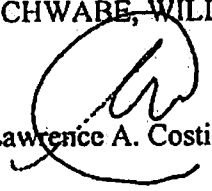
construction and oversight of rail facilities and other improvements to support the transload facility.

We will also coordinate with Port staff to advise the Port Commissioners with project updates and summaries of the various legal documents related to the above tasks. The attached table contains a budgetary estimate for the scope of this representation. At this point, our scope does not include representing the Port in an administrative proceeding for possible land use actions. We will confer with you further should the need arise to expand the scope of our representation.

This engagement will continue to be governed by the terms with which you are already familiar. These terms are set forth in our firm's "Standard Terms of Engagement," a current copy of which is attached. The hourly rates of those team members who will work on this matter are enclosed along with their contact information. If you have any questions or concerns at any time, please feel free to contact me, Dennis Ostgard or Lisa Lowe.

Sincerely,

SCHWABE, WILLIAMSON & WYATT, P.C.

  
Lawrence A. Costich

LAC:jan  
Attachments  
cc: Liz Russell  
Joe Stockton

The foregoing terms and conditions (including those set forth in the Terms and Conditions) relating to the engagement of Schwabe, Williamson & Wyatt, P.C. are agreed to on this \_\_\_\_\_ day of February, 2016.

PORT OF WOODLAND

By: \_\_\_\_\_  
Jennifer Keene  
Its Executive Director



**CONTACT INFORMATION**

<b><u>Lawyer</u></b>	<b><u>Current Hourly Rate</u></b>	<b><u>Contact Information</u></b>	<b><u>Secretary</u></b>
Lawrence A. Costich	\$400	1420 Fifth Avenue, Suite 3400 Seattle, WA 98101-4010 Telephone: 206.622.1711 Direct Dial: 206.407.1548 Facsimile: 206.292.0460 Cell Phone: 206.422.6599 Email: <a href="mailto:lcostich@schwabe.com">lcostich@schwabe.com</a>	James Anderson 206.407.1541 <a href="mailto:janderson@schwabe.com">janderson@schwabe.com</a>
Joseph A. Stockton	\$275	1420 Fifth Avenue, Suite 3400 Seattle, WA 98101-4010 Telephone: 206.622.1711 Direct Dial: 206.407.1549 Facsimile: 206.292.0460 Cell Phone: 206.612.1886 Email: <a href="mailto:jstockton@schwabe.com">jstockton@schwabe.com</a>	Feve Retonio 206.407.1533 <a href="mailto:fretonio@schwabe.com">fretonio@schwabe.com</a>



**Port of Woodland  
SWW Budgetary Estimate  
West Rail Transload Facility**

Task	JOST			LAC			Estimated Hours	Estimated Fees/Costs
	Rate	Hours	Subtotal	Rate	Hours	Subtotal		
<b>Track Agreements</b>								
Analyze Agreements and related documents	\$275	8	\$2,200	\$400	6	\$2,400	14	\$4,600
Examine standing and authority of Woodland Siding Group	\$275	8	\$2,200	\$400	6	\$2,400	14	\$4,600
Prepare legal memorandum	\$275	12	\$3,300	\$400	4	\$1,600	16	\$4,900
<b>Schnitzer Property Disposition</b>								
Analyze offer and negotiate with prospective buyer	\$275	6	\$1,650	\$400	6	\$2,400	12	\$4,050
Prepare LOI and PSA*	\$275	4	\$1,100	\$400	12	\$4,800	16	\$5,900
Assist Port with BLA	\$275	6	\$1,650	\$400	4	\$1,600	10	\$3,250
<b>Railcar Transload Facility</b>								
Negotiations with West Rail and prepare LOI*	\$275	4	\$1,100	\$400	12	\$4,800	16	\$5,900
Prepare lease and structure development*	\$275	6	\$1,650	\$400	12	\$4,800	18	\$6,450
Assist Port with construction oversight and contracting	\$275	12	\$3,300	\$400	4	\$1,600	16	\$4,900
Communications with Port Staff and Commissioners	\$275	4	\$1,100	\$400	8	\$3,200	12	\$4,300
Expenses (travel, copying charges, etc.)								\$965
<b>TOTAL</b>								<b>\$49,815</b>

**Notes:**

\* Assumes preparation of draft documents with minor revisions to finalize; additional effort may be required depending on the scope of negotiations with prospective tenants and opposing parties.