

PRELIMINARY AGENDA

REGULAR MEETING

JANUARY 17, 2012

Suggested Time Schedule

I. EXECUTIVE SESSION

3:30 p.m.

- A. PROPERTY DISPOSITION (2 Items)
- B. PROPERTY ACQUISITION (3 Items)

[Executive Sessions are not open to the public.]

II. OPEN SESSION

5:00

PLEDGE OF ALLEGIANCE

• **CONSENT ITEMS**

- A. Approval of Meeting Minutes – Mary
- B. Approval of Vouchers – Debra

• **NEW BUSINESS/DISCUSSION ITEMS**

- C. Personnel Policy Revision – Kim
- D. Initiative 937 – David

• **PUBLIC COMMENT** [5 min. apiece]

• **ACTION ITEMS**

- E. Adopt Personnel Policy Revision – Kim
- F. Approve Hangar Lease Amendment Annual Renewal – Kim
- G. Approve Bldg. 8 Lease - Big River Distributors – David
- H. Approve Acquisition of Kubota 'Gators' – David

• **STAFF REPORTS**

- I. David Ripp
- J. Other

• **COMMISSIONER REPORTS**

• **PUBLIC COMMENT** [5 min. apiece]

• **ADJOURN**

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
PORT OF CAMAS-WASHOUGAL
JANUARY 3, 2012**

By: Mary Murphy, Executive Assistant

The regular meeting of the Board of Commissioners of the Port of Camas-Washougal was held at the Port Offices, 24 South 'A' Street, Washougal, WA, on Tuesday, January 3, 2012, at 3:30 p.m.

PRESENT: Commissioners Bill Macrae-Smith, Mark Lampton and Bill Ward; Executive Director David Ripp; Finance Director Kim Noah; Executive Assistant Mary Murphy; the Goodstein Law Group; and members of the press and public.

At 3:30 p.m., the Commission recessed into executive session to discuss two matters relating to property disposition and five matters relating to property acquisition. Following executive session, the Commission reconvened into general open session.

At 5:00 p.m., following the Pledge of Allegiance, Commission President Mark Lampton called the public meeting to order.

- **CONSENT ITEMS**

- Minutes

The reading of the Minutes of the regular meeting of December 13, 2011 was dispensed with, it being noted that a copy of the Minutes had been provided previously to all Commissioners. After brief discussion, upon motion by Commissioner Ward, seconded by Commissioner Macrae-Smith and carried unanimously the Minutes from the regular meeting of December 13, 2011 were approved as presented.

The reading of the Minutes of the special meeting of December 21, 2011 was dispensed with, it being noted that a copy of the Minutes had been provided previously to all Commissioners. After brief discussion, upon motion by Commissioner Ward, seconded by Commissioner Macrae-Smith and carried unanimously the Minutes from the special meeting of December 21, 2011 were approved as presented.

- Claims/Vouchers

- After review and brief discussion, upon motion by Commissioner Lampton, seconded by Commissioner Ward and carried unanimously general fund vouchers 930-943, 105459-105462 and 22660-22698 in the total amount of \$129,605.45, and the issuance of warrants in payment thereof, were approved.

- **NEW BUSINESS / DISCUSSION ITEMS**

- CWEDA (Late Add)

Director Ripp stated that the Camas-Washougal Economic Development Association (CWEDA) has formally attained the designation of a non-profit association. By Laws have been adopted and a Board of Directors formed, made up of one Port Commissioner; the Mayors of Camas and Washougal; one Council Member each from Camas and Washougal; and the Port Director and the city managers as ex officio members. Initially, the Port took the lead and entered into a professional services agreement with CWEDA in order for it to move forward with economic development efforts. Now, as a non-profit, CWEDA will enter into separate contractual agreements with the Port and the cities of Camas and Washougal, and Paul Dennis will be hired by CWEDA. Beginning January 2012,

CWEDA will hold regular public meetings on the second and fourth Thursdays of each month from 1:30 to 3:00 p.m., at CWEDA's offices in Washougal. No decisions were made.

- **PUBLIC COMMENT #1**

Paul Greenlee, Washougal Councilman, congratulated Commissioner Ward on reelection and commented on working with the Port and both cities on economic development.

Greg Kimsey, Clark County Auditor, congratulated Commissioner Ward, stated that he was looking forward to 2012, and commented on his missed invitation to the December 13, 2011 Port meeting.

Liz Pike extended an invitation to the Board on behalf of the Building Industries Association to attend an awards ceremony on January 5, 2012, 4-6 p.m., at the Red Lion Inn at the Quay, recognizing top Clark County businesses.

- **ACTION ITEMS**

- Resolution 1-12

Finance Director Noah presented Resolution 1-12 for formal approval, which outlines the procedure for selling surplus Port property valued at less than \$5,000. RCW 53.08.090 requires this procedure to be reviewed and adopted on an annual basis. After discussion, upon motion by Commissioner Ward, seconded by Commissioner Macrae-Smith and carried unanimously, Resolution 1-12 was adopted as presented, effective January 3, 2012.

- Resolution 2-12

Finance Director Noah presented Resolution 2-12 for formal approval, which outlines the schedule for filing the next year's budget. Commissioner Ward stated that he wished to go "on record" with his goal to lower the millage rate in 2012 and, thereby, lower the taxes collected by the Port. After discussion, upon motion by Commissioner Ward, seconded by Commissioner Macrae-Smith and carried unanimously, Resolution 2-12 was adopted as presented, effective January 3, 2012.

- Bldg. 8 Lease

Director Ripp announced that this item will be moved to the January 17, 2012 meeting agenda.

- Rail Repair Project

Director Ripp reported on completion of the \$39,000 rail repair project in the Industrial Park and explained that under state law when a public works project exceeds \$35,000, formal approval by the Board that the project is "complete" is required by state law. He stated that the project was completed on time and on budget and requested formal approval. After discussion, upon motion by Commissioner Ward, seconded by Commissioner Macrae-Smith and carried unanimously, the rail repair project was accepted as complete, effective January 3, 2012.

- **STAFF REPORTS**

Director Ripp's verbal report included:

- Report on the hydrology study; working with Corps of Engineers and Dept. of Fish and Wildlife to address failure of the Corps-constructed fish passage and the resulting increase flow of water to the Port's pump station; court-ordered directive issued to Corps of Engineers to fix failed mitigation projects; no cost to Port; will continue to report on progress.
- Report on levee tree removal project; contractor anticipates completion by end of January; levee has remained open to the public; news report of levee closure was incorrect.
- Report on levee culvert / pipe removal requested by the Corps of Engineers; part of the levee recertification; finalizing design standards with COE; project will be put out for bid.

Jack Hardy, Communications Manager, provided to the Board:

- ✓ The newly published “Public Ports in Washington *The First Century 1911 – 2011*”;
- ✓ Examples of 2011 marketing materials, including brochures, newsletters and annual reports; and
- ✓ He summarized 2011 communication activities, including establishment of a 600-name database to share Port information; moving from print to electronic version and distribution of the monthly newsletter; ongoing PowerPoint presentations in lobby to inform the public; and numerous public forums and meetings.

Commissioners Ward and Lampton complimented Hardy on his work and the success of the Christmas Ships event, the Fourth of July celebration, and the Riverside Concert Series.

- **COMMISSIONER REPORTS**

Commissioner Ward commented on the Public Ports book and CWEDA.

Commissioner Lampton commented on economic development and a bright future.

- **PUBLIC COMMENT #2:**

John Wagoner commented on waterfront development.

Richard Hamby commented on commissioner reports.

The meeting adjourned at 5:40 p.m.

PORT OF CAMAS-WASHOUGAL

Commissioners

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
PORT OF CAMAS-WASHOUGAL**

JANUARY 5, 2012

By: Mary Murphy, Executive Assistant

A special meeting of the Board of Commissioners of the Port of Camas-Washougal was held at the Port Offices, 24 South 'A' Street, Washougal WA, on Thursday, January 5, 2012, at 1:00 p.m. It was noted that notice of the special meeting date, time, and purpose had previously been provided at least twenty-four hours prior to the scheduled meeting.

PRESENT: Commissioners Bill Macrae-Smith, Mark Lampton, and Bill Ward; Finance Director Kim Noah; and Executive Director David Ripp.

At 1:00 p.m., Commission President Mark Lampton called the public meeting to order, and announced that the Board would be recessing into Executive Session to discuss one matter pertaining to property acquisition, pursuant to RCW 42.30.110(b), with Executive Session expected to last approximately one hour.

At 2:00 p.m. Executive Director Ripp exited the meeting to announce that Executive Session would continue for approximately 20 minutes longer; he then returned to the closed Executive Session. No decisions were made; no action was taken during Executive Session.

At 2:20 p.m., Executive Session was adjourned and Open Session was reconvened. Commission President Lampton adjourned the Special Meeting at 2:21 p.m.

PORT OF CAMAS-WASHOUGAL

Commissioners

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
PORT OF CAMAS-WASHOUGAL**

JANUARY 11, 2012

By: Mary Murphy, Executive Assistant

A special meeting of the Board of Commissioners of the Port of Camas-Washougal was held at the Port Offices, 24 South 'A' Street, Washougal WA, on Wednesday, January 11, 2012, at 12:00 Noon. It was noted that notice of the special meeting date, time, and purpose had previously been provided at least twenty-four hours prior to the scheduled meeting.

PRESENT: Commissioners Bill Macrae-Smith, Mark Lampton, and Bill Ward; Finance Director Kim Noah; and Executive Director David Ripp.

At 12:00 Noon, Commission President Mark Lampton called the public meeting to order, and announced that the Board would be recessing into Executive Session to discuss one matter pertaining to property acquisition, pursuant to RCW 42.30.110(b), with Executive Session expected to last approximately one hour.

At 1:00 p.m. Executive Director Ripp exited the meeting to announce that Executive Session would continue for approximately 20 minutes longer; he then returned to the closed Executive Session. No decisions were made; no action was taken during Executive Session.

At 1:20 p.m., Executive Session was adjourned and Open Session was reconvened. Commission President Lampton adjourned the Special Meeting at 1:21 p.m.

PORT OF CAMAS-WASHOUGAL

Commissioners

Section: EMPLOYMENT PRACTICES - PERSONNEL

Revision Date:

Subject: PERMANENT EMPLOYEE BENEFITS

Adoption Date:

02/20/2008

RESOLUTION 9-08: Authorizing the provision of medical, life and disability insurance to Port employees, subject to certain conditions, pursuant to RCW 53.08.170.

DECLARATIONS:

1. RCW 53.08.170 allows the Port of Camas-Washougal to offer medial, life, or disability insurance to its employees; and
2. The Board of Port Commissioners of the Port of Camas-Washougal deems it desirable to allow its employees to take advantage of Port-offered insurance, as authorized by law, subject to certain conditions.

POLICY:

1. Subject to the employee being otherwise eligible for coverage under the rules and regulations of the provider, the Port of Camas-Washougal will provide Port employees with the following benefits:
 - a. Medical insurance, which includes dental and vision coverage, with premium to be paid solely by the Port of Camas- Washougal.
 - b. Life Insurance in an amount to be based upon the annual 2012 salary of the respective employee, plus the standard \$25,000.00 state policy. If said employee desires more than the allowable amount, the employee must pay for that correlating premium out of their own pocket. The Port shall not be obligated to provide life insurance as a benefit to any Port employee if the employee, due to health or other reasons determined by the insurance carrier, is otherwise ineligible for coverage.
 - c. Long Term Disability Insurance with a 120 day waiting period. In the event any Port employee desires a shorter waiting period, then the employee must pay the difference in premium from the 120 day waiting period to the shorter waiting period.



Elections

[ELECTIONS MENU](#)

Initiative Measure 937

Proposed by Initiative Petition

Official Ballot Title:

Initiative Measure No. 937 concerns energy resource use by certain electric utilities.

This measure would require certain electric utilities with 25,000 or more customers to meet certain targets for energy conservation and use of renewable energy resources, as defined, including energy credits, or pay penalties.

Should this measure be enacted into law?

Yes No

Note: The ballot title and explanatory statement were written by the Attorney General as required by law. The Fiscal Impact Statement was written by the Office of Financial Management. View complete text of Initiative Measure 937: [PDF](#)

Fiscal Impact Statement

Fiscal Impact Statement for Initiative 937

Initiative 937 would cost state government \$2.34 million in administrative costs over 14 years or an average of \$167,000 per year. The offices of the Attorney General, Auditor, Utilities and Transportation Commission, and the departments of Community Trade and Economic Development, and Labor and Industries each would have a role in monitoring or assisting compliance. The initiative's fiscal impact on Washington's local governments cannot be determined due to variables ranging from future fuel costs to changes in demand for electricity. For the same reason, the impact of electricity costs for state and local governments cannot be determined.

Assumptions for Fiscal Analysis of Initiative 937

- The initiative requires the 17 largest electric utilities, which includes both public and private entities, in Washington to have 15 percent of their power supply generated from renewable resources by 2020; interim targets are also established. The utilities must also set and meet energy conservation targets starting in 2010.
- The Attorney General, State Auditor, Utilities and Transportation Commission, and the departments of Community Trade and Economic Development, and Labor and Industries each would require additional funds to implement the initiative. These funds would pay for: enforcement activity by state agencies to ensure resource targets were being met; rule making; legal advice; additional audits; and development of required apprenticeship programs for the renewable energy field.
- Local utility cost and revenue impacts are a function of fuel mix, load growth, and future fuel costs and cannot be estimated at this time.

Explanatory Statement

The law as it presently exists:

Electricity is supplied in Washington by both privately-owned companies (investor-owned utilities) and by publicly-owned utilities (utilities owned by cities, public utility districts, and certain other local government units). Some of these utilities operate their own facilities for generating electricity (typically hydroelectric dams or coal- or gas-fired generators). Some of these utilities purchase some or all of their electrical power from other utilities, from private producers or sellers of power, or from regional governmental entities such as the Bonneville Power Administration.

The state Utilities and Transportation Commission (UTC) regulates the rates and practices of investor-owned electric utilities serving customers in this state. Under existing law, the UTC is required to adopt and implement policies to provide financial incentives for energy efficiency programs, and may authorize utilities to issue conservation bonds for the construction, acquisition, and operation of conservation assets. Each investor-owned electric utility has conservation service tariffs that charge rates sufficient to recover from its customers the utility's cost of conservation investment.

The UTC does not regulate publicly-owned electric utilities that serve customers in this state. These utilities are directly responsible to the voters in their service territories for their rates, services, and policies. Under existing law, cities operating electric utilities may issue bonds or otherwise borrow money for energy conservation purposes, and are required to develop conservation plans to assist the public in conserving energy. Public utility districts are subject to similar energy conservation planning requirements, and are also authorized to assist citizens by financing the acquisition and installation of materials and equipment for energy conservation purposes.

The effect of the proposed measure, if it becomes law:

Under existing law, electric utilities in this state are not obligated to meet any specific numeric targets for either energy conservation or use of renewable resources to produce power. The proposed measure would impose targets for energy conservation and use of eligible renewable resources on all electric utilities that serve more than 25,000 customers in this state.

Energy conservation. By January 1, 2010, each such electric utility would be required to identify its "achievable cost-effective conservation potential" through 2019, and to update this assessment at least every two years. "Conservation" would mean "reduction in electric power consumption resulting from increases in the efficiency of energy use, production or distribution." Each utility would be required to set an annual target consisting of a certain share of this achievable cost-effective conservation potential, and to meet that share of conservation. In determining whether a utility meets its annual conservation target, the utility could include the reduction in electric energy sold to retail customers which own and use a high-efficiency cogeneration facility to meet some of their own power needs.

Renewable resources. Each utility would also be required to meet specific targets for using eligible renewable resources to produce electricity, stated as a percentage of the utility's load. "Load" refers to the total amount of electricity the utility sold that year to its retail customers. Examples of eligible renewable resources include wind farms, solar panels, and geothermal plants. With limited exceptions, use of fresh water by hydroelectric dams and plants is not included as an eligible renewable resource.

Each utility would have to use renewable resources to serve at least three percent (3%) of its load by 2012 through 2015; nine percent (9%) of load by 2016 through 2019, and fifteen percent (15%) of load by 2020 and thereafter. A utility could comply with its annual renewable resource target by using the requisite amount of eligible renewable resources, by purchasing enough eligible renewable resource credits (or a combination of each), or by investing at least four percent (4%) of its total annual retail revenue requirement in renewable resources.

Cost recovery, penalties, reporting and enforcement. An investor-owned utility would be entitled to recover from its customers all costs the utility prudently incurred to comply with the measure. Similarly, each publicly-owned utility would be expected to recover its cost of compliance from its customers.

If a utility fails to comply with either the energy conservation or the renewable energy targets, it would have to pay a penalty in the amount of \$50 for each megawatt-hour of shortfall. This penalty amount would be adjusted annually for inflation. Penalty payments would go into a special account, and could only be used for the purchase of renewable energy credits or for energy conservation projects at state and local government facilities or publicly-owned educational institutions.

In each year beginning in June 2012, each utility would be required to report to the state Department of Community, Trade, and Economic Development (CTED) on the utility's progress in the preceding year in meeting the targets. The investor-owned utilities would supply the same information to the UTC. Each utility would be required to make these reports available to its customers.

The UTC would be authorized to implement and enforce the measure as to investor-owned utilities, and to adopt rules accordingly. For publicly-owned utilities, CTED would be authorized to adopt procedural rules and documentation requirements; the state auditor would be responsible for auditing compliance with the measure; and the Attorney General's Office would be responsible for enforcement.

Statement For Initiative Measure 937

INITIATIVE 937 PROVIDES A CLEANER, MORE AFFORDABLE ENERGY FUTURE

As Washington's demand for energy grows, we can choose where we get our electricity.

We can either burn more fossil fuels like coal that pollute the air. Or we can use more clean, affordable renewable energy like wind and solar power – produced here in the Northwest.

I-937 is the cleaner, more affordable energy choice:

- *15% renewable energy.* It requires the largest electric utilities to get 15% of their electricity from *new* renewable energy by 2020.
- *Energy conservation.* It requires utilities to help consumers and businesses save money through energy conservation.

INITIATIVE 937 SAVES ENERGY AND SAVES US MONEY

I-937 gives us cheaper, renewable alternatives like wind and solar. According to Puget Sound Energy, just two Washington wind farms are projected to save consumers \$170 million. Renewable energy strengthens family farms by paying up to \$5,000/year per wind turbine.

I-937 also saves money by requiring utilities to offer energy efficiency programs, like cash rebates for energy efficient appliances, home weatherization, and lighting, heating and cooling systems for businesses.

INITIATIVE 937 IS A COMMON SENSE, PROVEN APPROACH

I-937 is an approach that's already working in 20 states. I-937 lets us take hold of our energy future and reduce our dependence on fossil fuels.

INITIATIVE 937 WILL GIVE US CLEANER AIR

Pollution from fossil fuels contributes to thousands of cases of lung disease and asthma each year. Renewable energy helps protect our families' health by keeping our air clean.

Join the broad coalition including Union of Concerned Scientists, Washington Public Utility District Association, and Physicians for Social Responsibility choosing a clean energy future. *Vote yes! on I-937.*

For more information, visit www.yeson937.org or call 206.283.3335.

Rebuttal of Statement Against

Don't be misled by corporate polluters. I-937 opponents run the Washington Research Council; don't trust its study.

I-937 will save us energy and money – through conservation and cheaper, cleaner energy.

Twenty states have adopted this approach, with proven cost savings – in just two years, Colorado consumers have saved \$14 million.

I-937 protects consumers and reduces dependence on fossil fuels.

Yes on I-937! For cleaner air and more affordable energy.

Voters Pamphlet Argument Prepared by:

NINA CARTER, Executive Director, Audubon Washington; GREGORY REDDING, M.D., President-elect, American Lung Association of Washington and Idaho; BARBARA SEITL, President, League of Women Voters of Washington; BOB POWERS, family farmers, Bickleton, Washington (Klickitat County); MICHAEL O'SULLIVAN, Government Relations, American Cancer Society, Great West Division; ART BOULTON, President, Washington State Alliance of Retired Americans.

Statement Against Initiative Measure 937

I-937 WILL INCREASE ELECTRIC RATES AND UTILITY TAXES FOR HOMES AND BUSINESSES.

Alternative energy projects are being built now, but when required by law energy will be more costly for everyone. The non-partisan Washington Research Council estimates that I-937 will cost at least \$185 million

per year and could cost twice that much. Vote *no* on higher energy costs.

Alternative energy projects are heavily subsidized by a federal tax cut that ends next year. If it is not renewed by Congress, the cost for alternative energy could increase an extra 40%.

Higher energy costs put family-wage manufacturing and high-tech jobs at risk and hurt hospitals, family farms and small businesses.

Lower-income households and senior citizens on fixed incomes will be disproportionately impacted by higher energy bills.

I-937 DOES NOT TREAT LOW-COST HYDROPOWER AS "RENEWABLE ENERGY" WHILE OTHER STATES DO.

I-937 will cause low-cost hydropower to be sold to California while local utilities buy higher cost alternative energy for our homes and businesses.

FINES ON UTILITIES FOR NOT HAVING ENOUGH "RENEWABLE ENERGY" WILL BE PAID BY HOMES AND BUSINESSES.

Mandates and fines proposed by I-937 are not the way to promote alternative energy. We are paying too much for our energy bills now.

ALTERNATIVE ENERGY PROJECTS ONLY OPERATE SPORADICALLY AND MANY COMMUNITIES WON'T ALLOW THEM.

Wind and sunshine are irregular energy sources. Hydropower or thermal plants are needed to supply steady power for homes and businesses. But hydropower resources are being cut to protect fish and may not be available to supplement alternative energy.

I-937 does not require utilities to build alternative energy projects in Washington. Kittitas and Benton counties have rejected wind power proposals due to public opposition. Other states may financially benefit from these mandated projects, while we pay the cost.

Vote No and visit www.NOonI-937.com.

Rebuttal of Statement For

Puget Sound Energy and other utilities are already building wind projects, but only when they make economic sense. I-937 will make non-hydropower renewable energy even more expensive. The Northwest Power and Conservation Council reports the cost of new wind projects has "risen substantially," because of mandates in other states.

There is nothing affordable about I-937. \$185 to \$370 million per year in additional energy costs to our households and businesses is too much. Vote *no*.

Voters Pamphlet Argument Prepared by:

DON BRUNELL, President, Association of Washington Business; KRISTINE M. MKKELSEN, CEO, Inland Power and Light Company; LINDA LANHAM, Aerospace Futures Alliance of Washington; ROBERT HEMSLEY, former G.A. representative, Western Pulp/Paper Workers Association; DARRYLL OLSEN, Ph.D., board representative, Columbia Snake River Irrigators Association; JUDY COOVERT, small business co-owner, Printcom, Inc.

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AMENDMENT TO HANGAR LEASE
[Effective 2/1/06 to 1/31/13]

THE HANGAR LEASE by and between _____, Tenant, and the PORT OF CAMAS/WASHOUGAL, dated _____, is hereby amended as follows:

1. Tenant owned, operational, non-aviation motor vehicles may be stored within the hangar leased by said Tenant at Grove Field Airport on the following conditions:
 - a. Each item must be titled or registered in the name of the hangar Tenant on record with the Port of Camas/Washougal.
 - b. Each item must be operational and able to be removed under its own power within a reasonable period of time.
 - c. Light vehicle maintenance, similar to the type of maintenance on aircraft allowed in FAR Part 61, is allowed but not recommended on a regular basis.
 - d. All Clark County Fire Marshal rules and regulations, to include but not limited to the International Fire Code, shall be complied with by the Tenant, at his/her own cost.
2. The Port reserves the right to terminate storage of non-aviation motor vehicles within the hangars at Grove Field Airport at any time.
3. This Amendment to Hangar Lease shall expire as of January 31, 2013, unless otherwise renewed by the Board of Commissioners of the Port of Camas/Washougal.

DATED: This _____ day of _____, 20_____.

PORT OF CAMAS/WASHOUGAL

By: _____
DAVID RIPP, Executive Director

TENANT

Printed Name: _____
Hangar No.: _____

Please list what will be stored in the Hangar in addition to the Aircraft. Thank you.

LEASE

THIS LEASE is made and entered into this day by and between the PORT OF CAMAS-WASHOUGAL, a municipal corporation organized and existing under the laws of the state of Washington, hereinafter called "Lessor", and BIG RIVER DISTRIBUTORS LLC, a Washington limited liability company, hereinafter called "Lessee".

WITNESSETH:

Section 1. PREMISES LEASED: For and in consideration of the payment by Lessee of the rentals hereinafter specified, and performance by Lessee of the covenants and obligations hereinafter provided to be kept and performed by Lessee, Lessor does hereby lease, demise and let unto Lessee Bay 1 of Lessor's Industrial Building No. 8 (approximately 3,000 square feet), 3725 Grant St, Washougal, Clark County, Washington 98671, as shown in Exhibit "A" attached hereto and incorporated by this reference (hereinafter called the premises). In addition, the adjoining approximately 578 square feet of office space in Lessor's Industrial Building No. 8, as shown in Exhibit "A" attached hereto and incorporated by this reference, shall be added to and become part of the premises effective July 1, 2012. Lessee shall, in addition, have a right-of-way in common with others over and across private roads and streets giving access to the leased premises, which right-of-way shall terminate at such time as such private roads and streets are dedicated to the public.

Lessor shall deliver the premises in "As Is" condition, and shall not be required to make any repairs or improvements to the premises or any surrounding areas.

Section 2. TERM: The term of this lease shall commence on January 15, 2012 and shall terminate on January 31, 2015 unless sooner terminated pursuant to this Lease or applicable law.

If Lessee holds over after the expiration or termination of the term, such tenancy shall be deemed to be on a month-to-month basis. During such tenancy, Lessee agrees to pay Lessor 150% of the monthly rate of rental last payable under this Lease, unless a different rate is agreed to by Lessor. All other terms, covenants, and conditions of the Lease shall remain in effect.

Section 3. POSSESSION: Lessee shall have the right to possession of the premises pursuant to this Lease commencing on the commencement date of the lease term.

Section 4. RENT: Lessee shall pay to Lessor, without any notice or demand, and without setoff or deduction, in addition to taxes, assessments and other charges required to be paid hereunder by Lessee, rent for the premises as follows:

A. For the period commencing January 15, 2012 and ending June 30, 2012, rent for the premises shall be \$1,050.00 per month, plus applicable leasehold tax.

B. For the period commencing July 1, 2012 and ending December 31, 2012, rent for the premises shall be \$1,483.50 per month, plus applicable leasehold tax.

C. For the period commencing January 1, 2013 and ending December 31, 2013, rent for the premises shall be \$1,528.01 per month, plus applicable leasehold tax.

D. For the period commencing January 1, 2014 and ending January 31, 2015, rent for the premises shall be \$1,573.85 per month, plus applicable leasehold tax.

In addition to the rental amounts specified above, Lessee shall pay to Lessor with each monthly rental payment the Washington State Leasehold Tax on the leased premises, which tax is currently 12.84% of the monthly rental payment. Rental payments are payable in advance on the 1st day of each month during the term of this lease. Rent for partial months shall be prorated.

Lessee agrees to pay a late charge, in an amount equal to 5% of the monthly rental payment then due with any rental or leasehold tax payment which is not received in full by

Lessor by the tenth day of the month.

Section 5. PREPAID RENT AND SECURITY DEPOSIT: Upon execution of this Lease, Lessee shall deposit with Lessor the first month's base rent and leasehold excise tax in the amount of \$1,184.82 and a security deposit in an amount equal to \$1,775.93. The security deposit shall be held by Lessor upon the following terms and conditions:

A. The security deposit is given to secure Lessee's performance of all obligations under the lease agreement, including without limitation, the payment of rentals under Section 4, the use requirements of Section 10, and the utility provisions of Section 7.

B. Lessor shall maintain the security deposit in its general fund with all interest attributable to the Lessor only.

C. Upon the expiration or sooner termination of this lease, Lessee shall only be entitled to return of said deposit if all conditions of this lease agreement have been complied with, and the leased premises has been returned to Lessor in its original and sound condition, free of debris, refuse, contamination and other materials. Lessor shall have the right to deduct all costs and damages resulting from Lessee's breach of any portions of this lease from the security deposit, and any interest thereon, to the maximum amount held by Lessor. Lessee shall be entitled to a refund of all or any portion of the security deposit which is not necessary to compensate Lessor for Lessee's breach.

D. Nothing herein shall be construed to limit Lessor's right to seek other remedies, as authorized by law or this lease, for damages to the leased premises or violation of this lease.

Section 6. LEASE BOND: Lessor hereby waives its right to require a lease bond pursuant to RCW 53.08.085.

Kubota[®] TRACTOR CORPORATION EQUIPMENT

RETAIL PURCHASE ORDER

NEW USED DEMONSTRATOR

DATE OF ORDER _____ DATE OF DELIVERY: _____

PURCHASER INFORMATION

DEALER INFORMATION

Part of Camas - Washougal
(Purchaser's Name - Print)

DAN'S TRACTOR, INC.

24 South A ST
(Purchaser's Street Address)

8032 N.E. 219th St.

Battle Ground, WA 98604

(360) 687-3400

Washougal WA. 98671
(Town, State & Zip Code)

dtractor@pacifier.com

360-835-2196
(Purchaser's Phone Number)

I (we), the undersigned, hereby order from you the Equipment described below, to be delivered as shown above. This order is subject to your ability to obtain such Equipment from the manufacturer and you shall be under no liability if delivery of the Equipment is delayed or prevented due to labor disturbances, transportation difficulties, or for any reason beyond your control. The price shown below is subject to your receipt of the Equipment prior to any change in price by the manufacturer. It is also subject to any new or increased taxes imposed upon the sale of the Equipment after the date of this order.

QTY.	MODEL #	DESCRIPTION AND SERIAL NUMBER	\$ AMOUNT
1	RTV 1140 CPX-H	2-Seater	12,884.74
1	V4461	STEEL CAP + Windshield	2,134.86
1	V4219	LOAD SPRINGS	50.00
1	V4267A	Driver Wiper	113.56
1	V4215	Passenger Wiper	113.56
1	V4778	WINCH	378.42
1	V4287	MTE Winch	111.47
1	V42142	Heater	294.17
			16,080.78

TRADE-IN EQUIPMENT			FREIGHT AND HANDLING CHARGES	
MAKE, MODEL AND DESCRIPTION	SERIAL NO.	ALLOWANCE		
		\$		210 ⁰⁰
		\$	SUB TOTAL	\$16,715 ⁷⁸
		\$	SALES TAX 8.29%	1,370 ⁶²
		\$	OTHER CHARGES ACC. INSTALL	425 ⁰⁰
GROSS TRADE-IN ALLOWANCE		\$		
LESS: AMOUNT OWED TO:		(\$	TOTAL CASH PRICE w/ TAX	\$18,086 ⁴⁷
NET TRADE-IN ALLOWANCE		\$	TRADE-IN ALLOWANCE	

NOTE: Complete this section when tractors are sold.
Statistics show that severity of injuries is greatly reduced and fatalities practically eliminated through use of both ROPS and a seat belt if a tractor overturns. I have been advised and understand that the use of ROPS and a seat belt is recommended in almost all applications.

TOTAL CASH PRICE AFTER TRADE-IN	\$	
CASH WITH ORDER	\$	
CASH ON DELIVERY	\$	
TOTAL CASH	\$	
BALANCE TO PAY BY CASH <input type="checkbox"/> FIN <input type="checkbox"/>	\$	

X
(Purchaser's Signature)

X
(Co-Purchaser's Signature)

ACCEPTED BY: X
(Authorized Signature for Dealer)

(Date Accepted) _____ (Salesman) _____ (Co-Purchaser's Address) _____

KTC 015 (099)

NOTICE: SEE OTHER SIDE FOR IMPORTANT INFORMATION
BUYER AGREES TO ALL TERMS AND CONDITIONS OF SALE SET FORTH ON THIS PAGE AND ON THE OTHER SIDE.

PURCHASER

Kubota[®] TRACTOR CORPORATION EQUIPMENT

RETAIL PURCHASE ORDER

NEW USED DEMONSTRATOR

DATE OF ORDER _____ DATE OF DELIVERY: _____

PURCHASER INFORMATION

Port of Camas - Washougal
(Purchaser's Name - Print)

24 South A ST
(Purchaser's Street Address)

Washougal WA. 98671
(Town, State & Zip Code)

360-835-2196
(Purchaser's Phone Number)

DEALER INFORMATION

DAN'S TRACTOR, INC.

8032 N.E. 219th St.

Battle Ground, WA 98604

(360) 687-3400

dtractor@pacifier.com

I (we), the undersigned, hereby order from you the Equipment described below, to be delivered as shown above. This order is subject to your ability to obtain such Equipment from the manufacturer and you shall be under no liability if delivery of the Equipment is delayed or prevented due to labor disturbances, transportation difficulties, or for any reason beyond your control. The price shown below is subject to your receipt of the Equipment prior to any change in price by the manufacturer. It is also subject to any new or increased taxes imposed upon the sale of the Equipment after the date of this order.

QTY.	MODEL #	DESCRIPTION AND SERIAL NUMBER	\$ AMOUNT
1	RTV500-H	GAS	7861.32
1	V431A	SOFT CAB	1,784.29
1	V4377	WIRCH	374.14
1	V4314	Heater	387.73
1	V4367	Wiper	104.96
			10,432.44

TRADE-IN EQUIPMENT			FREIGHT AND HANDLING CHARGES	
MAKE, MODEL AND DESCRIPTION	SERIAL NO.	ALLOWANCE		
		\$	250.	⁰⁰
			SUB TOTAL \$10,932.44	
			SALES TAX 8.2%	896.46
			OTHER CHARGES ACC. INSTALL	250. ⁰⁰
GROSS TRADE-IN ALLOWANCE		\$	TOTAL CASH PRICE w/ TAX \$11,828.90	
LESS: AMOUNT OWED TO:		(\$	TRADE-IN ALLOWANCE	
NET TRADE-IN ALLOWANCE		\$	TOTAL CASH PRICE AFTER TRADE-IN \$	

NOTE: Complete this section when tractors are sold.

Statistics show that severity of injuries is greatly reduced and fatalities practically eliminated through use of both ROPS and a seat belt if a tractor overturns. I have been advised and understand that the use of ROPS and a seat belt is recommended in almost all applications.

(Signature of Purchaser)

CASH WITH ORDER	\$	
CASH ON DELIVERY		
TOTAL CASH	(\$	
BALANCE TO PAY BY CASH <input type="checkbox"/> FIN <input type="checkbox"/>	\$	

X
(Purchaser's Signature)

X
(Co-Purchaser's Signature)

ACCEPTED BY: X
(Authorized Signature for Dealer)

(Date Accepted)

(Salesman)

(Co-Purchaser's Address)

KTC 015 (2/95)

NOTICE: SEE OTHER SIDE FOR IMPORTANT INFORMATION
BUYER AGREES TO ALL TERMS AND CONDITIONS OF SALE SET FORTH ON THIS PAGE AND ON THE OTHER SIDE.

PURCHASER

Executive Director's Report
January 17, 2012

Discussion Topics

Initiative 937

This is the initiative we heard from the PUD during a Port meeting last year. The initiative requires the 17 largest electric utilities, which includes both public and private entities, in Washington to have 15 percent of their power supply generated from renewable resources by 2020; interim targets are also established. The utilities must also set and meet energy conservation targets starting in 2010. This measure would require certain electric utilities with 25,000 or more customers to meet certain targets for energy conservation and use of renewable energy resources, as defined, including energy credits, or pay penalties.

The High Tech Council is a local Clark County organization that includes several of our own Camas Tech companies. The High Tech council has requested letters of support from all of the local jurisdictions, CWEDA and the CREDC. They would like our letters to cover 3 main points:

- 1) Remove any requirement that a utility must purchase renewable energy (or credits) beyond that needed by organic load growth.
- 2) Exempt a utility from having to use I-937 eligible resources to meet the energy demands of a single load added by a customer.
- 3) Conservation is a better way of reducing energy demand and need for higher cost renewable energy.

I would like to recommend putting a letter of support together and having each of the Commissioners sign the letter.

Steigerwald Hydrology Study

I have mentioned in previous meetings that the Corps of Engineers is working on a hydrology study of the Gibbons Creek Basin. The study should be completed by the end of this month. Also, the Corps is working with Tetra Tech, an environmental firm out of Portland to study possible alternatives for the Gibbons Creek fish bypass and the Highline Canal. I am currently working with USFW, the Corps, PNWA and Mackay & Sposito to go over both the Hydrology Study and Tetra Tech's findings as well around mid-February.

Maintenance Equipment

In this year's budget, we set aside \$28,000 for two 4-wheel drive gators. We received three quotes that ranged from a high of \$40,432.17 to the lowest quote we received in the amount of \$29,915.37. We are over budget by \$1,915.37, but we were able to get a number of extra

attachments that would cost more if we were to purchase at a later date. I would like to request approval to purchase these two gators in the amount of \$29,915.37 (includes sales tax).

Port Projects

Tree Removal Project

This project is coming along very well. Green Construction, the contractor, feels he could be done within the next two to three weeks, months ahead of what we had planned. I was able to tour the site and was very pleased with their progress. They have done a great job on the removal of the trees and have been very sensitive to the public walking on the levee.