



APPROVED 5/21/19
MINUTES
BOARD OF COMMISSIONERS
REGULAR MONTHLY MEETING
TUESDAY, APRIL 16, 2019, 6:00 P.M.
POTB MAIN OFFICES – CONFERENCE ROOM
4000 Blimp Boulevard, Tillamook, Oregon 97141

1. Call to Order at 6:00 p.m.
Recognition of Persons Present: Commissioners Jack Mulder; Gerry Opdahl; Bob Olsen; Carolyn Decker and Jim Young
Port Staff: General Manager Michele Bradley; Pami Boomer and Margaret Amick
Public: Michael Kittell – Albright Kittell PC; Chris and Peggy Borne – Borne Endeavors; Mary McArthur – Col-Pac; Deslee and Donna Kahrs; Taylor Kahrs; Denise Lofman; Linmarie DiCiani and Cliff Kemp
2. Public Comment for Items Not on the Agenda: None
3. Property Proposal to Purchase, Tax Lot 1390 – Michael Kittell, of Albright Kittell PC, requested the board to sell Tax Lot 1390 in Wheeler to his clients, Deslee and Donna Kahrs. The Kahrs own the lot surrounding it and its size (.08 acre) and shape would complicate developing TL 1390 separately. The property doesn't contain the railroad right of way and has no legal restrictions to delay or prevent a change in ownership. Michael explained the Kahr's reservations regarding the completion of the lease for Lot 1390 to Chris and Peggy Borne for a business using refurbished cabooses as short-term lodging accommodations. The lot would be used for parking by the guests while the cabooses are occupied. The Kahrs are concerned about the impact such as litter, excess noise and uncontrolled pets by the lodging guests and others who might think their adjoining property is for public use.

Deslee Kahrs, Donna Kahrs and Taylor Kahrs individually gave and/or read statements regarding the family history of acquiring 6 parcels of land between 1950 and 1959; their hard work and financial investment in improving the property over the decades, including Lot 1390; their stewardship of the ecologically sensitive areas and the family's emotional connection to the property. Denise Lofman presented letters of support from Deslee and Donna's grown children, Dawn Sea and Devin Kahrs, who were unable to be present at the meeting. Two of the Kahrs' tenants, Linmarie DiCianni and Cliff Kemp, spoke in support of the Kahrs' request.

Michael Kittell then summarized that Lot 1390 is in its park like condition due to the work and money invested by the Kahrs family. He told the board that the Kahrs are offering \$25,000 cash (more than 5 times the assessed value); will pay all closing costs associated with the sale; will pay any title insurance policy costs; and will reimburse up to an additional \$1,000 for any legal fees incurred by the Port. He added that the Kahrs would want a restriction on permanent parking of a caboose in front of Lot 1390.

4. Property Proposal to Purchase or Lease, Tax Lot 1390 – Chris and Peggy Borne, of Borne Endeavors, Spruce Goose Caboose, requested that the Port finish processing a lease to them on Tax Lot 1390 for access and parking by customers of their caboose lodging business. Chris explained the rates for the lodgings would target upscale consumers such as railroad enthusiasts; glampers; and boutique clientele. He spoke of the beauty of Wheeler and how their plans will keep the impact to the area to a minimum. One caboose will be next to Lot 1390 and two on the runaround section of the rail and will be parked by Lot 1390 when Oregon Coast Scenic Railroad (OCSR) needs access to the runaround. They want to eventually add more cabooses to other locations. Chris cited the benefits to Wheeler and surrounding businesses of having more lodging options; and the additional TLT funds collected. When asked, Chris said they have looked at two or three other sites to place cabooses but that this one would work best for them.
5. Consent Agenda – Motion to Approve Consent Agenda
 - a. Prior Meeting Minutes – March 12, 2019 Regular Meeting**Bob Olsen Moved to Approve the Consent Agenda, Carolyn Decker seconded, and the motion carried, (5-0).**
6. March 2019 Financial Report – Pami Boomer reported the financials are on track; are doing well and she feels comfortable where the Port is now. Jim asked what the benefit is of charging the Port for the water used outside of that billed to current customers. Pami explained that billing was set up so that when vacancies are filled, the water usage is more easily transferred to the new tenant's account. Also, losses from water leaks are more easily tracked.

Jack reported that he had talked to a Tillamook City Councilor the previous night and had shared the POTB board's thoughts on water systems. Jack was surprised to hear the Councilor be very supportive of the Port's position and had questioned why the City is selling water to the Port and other districts at user rates instead of wholesale rates. Jack told him that the Port is pursuing its own water development and will try its best to take the other districts off the City's hands. Jack and Michele feel that the City isn't interested in working with the Port in resolving the rate issue and hasn't presented the Port's position to the city council.

7. 2-year Work Plan – First Discussion. Michele developed a list of projects based on feedback from her annual review in February. They are planned out over two years to allow for other demands on Michele's time. Mary McArthur offered to sit in on the meeting to help incorporate the projects into the Strategic Business Plan (SBP). Jack suggested dividing the projects into three categories: monitor; participate; and push. Push needs action by the Port; Participate requires a joint effort with another entity; and Monitor needs action after certain progress is made by other parties involved. The board discussed the projects and assigned each to a category based on how quickly it needs to be completed.

Push: water system development; stormwater; increase Air Museum patronage and add to aircraft inventory; work with EDC and Business Oregon for marketing available properties and updating website listings; and work with City on water leaks under airport.

Participate: Resilience planning with State, Federal and Local agencies; update current properties; FOTAM; Airport paving at blimp circle; Airport apron expansion environmental work; roof on Bldg. 70; sell Banks rail yard; Bldg. 69 teardown; and paving near hangars, Helping Hands, the Animal Shelter, etc.

Monitor: digester; Salmonberry Trail; wastewater plan; drone program

Mary will incorporate them into the SBP for the meeting on May 29, 2019.

8. Next Strategic Business Planning meeting with Mary McArthur of Col-Pac – May 7, 8, or 15? Meeting set for Wednesday, May 29 from 3:00 p.m. – 5:00 p.m. The board is invited to attend the dedication of Food Roots in memory of Shelley Bowe, a major founder, from 5:00 p.m. – 7:00 p.m. at the Mess Hall.
9. Recess to Executive Session per ORS 192.660 (2) (e) to Discuss Real Property. Recessed Regular Meeting and Entered Executive Session at 8:22 p.m. Adjourned Executive Session and reentered Regular Meeting at 8:55 p.m.

Before seeking a motion regarding the sale of Lot 1390, Commissioner Mulder made clear to Deslee Kahrs that, per the lease agreement with OCSR, POTB can't restrict OCSR on where they can place equipment on the rails. **Jim Young moved to Authorize General Manager Michele Bradley to Execute a Sale Agreement Approved by POTB Legal Counsel for the Sale of TL 1390 to the Kahrs for \$25,000 Cash, With the Kahrs Responsible for All Closing and Title Insurance Costs, and the Kahrs Responsible for Crediting POTB \$1,000 at Closing for Reimbursement of POTB Legal Costs. Carolyn Decker seconded, and the motion carried (5-0).**

Jack spoke of his hope that the Port will continue to work with Borne Endeavors to find a suitable alternative to leasing Lot 1390.

10. Committee Reports, if time allows
 - a. Tillamook Lightwave – Jim Young
 - b. Salmonberry Trail – Jack Mulder
 - c. Friends of Tillamook Air Museum (FOTAM) – Carolyn Decker

Reports waived due to time constraints.

11. Communications
 - a. Next Special Meeting on May 2, 2019 @ 12:30 p.m. (if needed) – confirm quorum? (Commissioner Mulder unavailable)
 - b. Next FOTAM Meeting – Friday, May 10, 2019 @ 10:00 a.m.
 - c. Next Regular Meeting – Tuesday, May 21, 2019 @ 6:00 p.m.

12. Commissioner Comments: None

13. Adjournment at 9:05 p.m.