



APPROVED 08/18/2009

**MINUTES
OF THE
BOARD OF COMMISSIONERS
REGULAR MEETING**

HELD ON

**Tuesday, July 21, 2009
6:00 p.m.**

AT

**Port of Tillamook Bay
4000 Blimp Boulevard
Tillamook, Oregon**

1. Call to Order

The Meeting was called to order by Board President Jerry Dove at 6:00 p.m.

1(a). Recognition of Persons Present

Commissioners: Jerry Dove – President; Ken Bell – Vice President; John Ficher – Secretary; Arthur Riedel – Treasurer; and Jim Young – Commissioner.

Port Staff: Michele Bradley – General Manager; Aaron Palter – Project Coordinator.

Public: Georgine Beveridge; Richard Jones, POTB Employee; Eric Hellwer; Jill Williams; Edna Zwald; John A. Lewis, POTB Roadmaster; Mary Sause, Port of Garibaldi Commissioner; Kevin Cummings, Headlight Herald; Gerald A. “Butch” Parker, Director, Tillamook County Department of Community Development.

1(b). Public Comment

Mr. Gus Meyer complimented the Port on its recent improvements to the Latimer Road rail crossing.

Ms. Jill Williams commented on the Resort Project. She voiced a concern over the Port's recent appeal of the Conditional Use Permit and questioned why the Port is continuing with the project. She has not heard anything positive about it. Commissioner Dove responded and gave a brief history of the project. He said there are legal issues which need to be handled cautiously.

Mr. Eric Hellwer asked the Board about the financials for the Resort Project and said he would like to see more of the FEMA money being spent on the digester. Commissioner Bell responded the Port is not running the project, Bunkers Group is. Commissioner Dove discussed the Digester Project as an alternate project request to FEMA.

The Board indicated their concern over items being misreported in the news and the comments received by the public where the comments are not a true reflection of what is actually happening with the Resort Project.

12. (TAKEN OUT OF ORDER) Discussion and Consideration of Resolution No. 2009-2010 #1, Business Matters

The Board discussed the Resolution and proposed changes. The resolution includes the authority for the General Manager to sign leases up to \$75,000. In addition, the resolution includes authority for the General Manager to enter into public contracts up to \$50,000. Above \$50,000 requires Board approval. The previous amount was \$10,000. Both authorities have been discussed with Port Counsel as appropriate. The posting places have been changed. The Port will no longer be posting meeting notices at the Post Office as this is not an appropriate place to post. This site will be replaced with the Library. It was suggested to continue posting notices on the Port's webpage.

Commissioner Young motioned to amend the resolution to reflect the need for one (1) Port Commissioner to be a signatory on any check over the amount of \$50,000. Commissioner Ficher seconded the motion. Discussion: Commissioners Bell and Riedel felt this amount was too high. Commissioner Bell said he had heartburn with the request, but declined to elaborate. Commissioners voting aye: Dove, Ficher and Young. Commissioners voting nay: Bell and Riedel. The motion was carried with three votes.

2. Port Financial Report

Ms. Bradley discussed the Financial Report with the Board.

3. Railroad Financial Report

Ms. Bradley discussed the Railroad Financial Report with the Board.

4. Approval of Minutes from 4/30/09, 06/23/09, 7/8/09 Special Meetings and 6/16/09 Regular meeting

There were no corrections presented.

Commissioner Riedel motioned to accept the Minutes as presented. Commissioner Young seconded the motion. Commissioners voting aye were: Dove, Riedel, Bell and Young. Commissioner Ficher did not vote. The Motion carried.

5. Manager's Report

5(a). Strategic Plan Schedule

Ms. Bradley said that Benkendorf Associates has toured the Port and is proposing to meet with the Board prior to its August 18 meeting. This is required per the contract with them.

5(b). Hunting Permit Fees

There was a discussion of setting fees for the upcoming seasons. Staff's recommendation to the Board was a daily rate of \$15.00. A mandatory reporting requirement was discussed by the Board. This would necessitate a change in the hunting policy.

Commissioner Young motioned to set the fee at \$15.00 per day and to keep the rest of the process the same at this time. Commissioner Ficher seconded the Motion. The Motion carried by unanimous vote.

Ms. Bradley said that she would advertise this in The Shopper.

5(c). Budget Committee Vacancies

Vacancies were discussed. The position previously occupied by Georgine Beveridge has expired. Jim Young is now on the Board and can't be on the Committee. Commissioner Bell stated the Budget Committee would have to be reconvened to discuss the FEMA funding for the budget. Georgine Beveridge said she is willing to serve on the committee again. It was discussed to advertise for the two (2) open positions.

5(d). Lotus Solar

Ms. Bradley discussed her recent meeting with Lotus Solar with the Board. They are looking for the Port's support on a stimulus money application for the development of a solar panel farm. Lotus will come to the Port's August meeting for a presentation on their request.

Other:

Ms. Bradley discussed letters received from the public and asked the Board if they would like to publish a response. Commissioner Young said the best defense to the recent commentary is to publish the facts. No decision was made on this.

Other:

It was discussed and there was a consensus of the Board to draft a letter to Senator Betsy Johnson thanking her for her recent assistance on obtaining match monies.

6. Resort Report

6(a). Monthly Report

The Port received a letter on July 14, 2009 from Dan Patsula indicating he has now assumed the lead role for the project on behalf of the Bunkers Group, replacing Dick Carr.

6(b). Status of Conditional Use Appeal

The Appeal will be heard before the Planning Commission on September 24, 2009 at 7:00 o'clock in Commissioner's Room A of the Tillamook County Courthouse. Notices are expected to be received.

7. Railroad Division Reports

7(a). ODOT Track Inspection Report

Mr. Lewis said inspections are proceeding. We had three brush issues, but no violations.

7(b). Modoc Railroad Training

A recent communication was discussed regarding training.

7(c). 2008 Safety Award

Ms. Bradley discussed the Port's recently received Safety Award. The Board congratulated staff.

7(d). Banks Lumber Discussion

Mr. Palter discussed his recent review of documents provided by Banks Lumber on their recent request to purchase the property.

Other:

Greenbrier has contacted the Port and is requesting space for four miles of railcar storage. This will provide the Port with \$3.00 per day per car and a \$250.00 switching fee. Ms. Bradley will negotiate the contract.

There was a brief discussion regarding the railcars which were stuck on the Tillamook County side of the tracks following the storm. FEMA funds will not cover this.

There was a brief discussion regarding the Salmonberry rail trestle. FEMA funding will not be able to be used for this as the Port has requested to use its funds for Alternate Projects. Once that decision has been made, no monies can be used towards restoration of the damaged facility.

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8. Airport Report

8(a). Hangar Availability

Another hangar has been rented. This leaves two hangars available.

9. Digester Report

9(a). Garick Agreement dissolution update

Garick has presented the dissolution agreement. Item #4 was discussed. The history of the tax credits was discussed. Commissioner Ficher suspects the farmers won't go along with it. We don't need Garick to handle the tax credits. They have not been sold for this year yet. Ms. Bradley will negotiate. It would be good to continue to use Garick for marketing of the after product. As of July 15th, 730 yards of fiber has been sold.

9(b). Farmer Meeting

There will be a Farmer meeting this Thursday. There will need to be a change in the power purchase agreement with Tillamook PUD once we get up to the 1 megawatt producing category.

Other:

There was a brief discussion regarding the status of the discontinuance of service filing. Currently, there is not enough money in the account to pay for the consultant.

Commissioner Dove made a motion to transfer \$2,000 from the Port Fund to the Railroad Fund for this purpose. Commissioner Bell seconded the motion. The motion carried by a unanimous vote.

10. Industrial Park Status Report

10(a). Rental Signage

Signs have been placed up around the Port for lease area. We are already receiving calls. We will be placing this info on our website, as well. A brief discussion was held about the status of contact with businesses looking to locate to the Port (i.e. Bi-Mart, Nearspace.)

11. FEMA Update

11(a). PW 870 Update

The hangar work has been completed. A walkthrough has been done. There are a couple of corrections needed.

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11(b). PW 120 Update

FEMA has indicated some issues with the IBIS contract and work performed. When IBIS was questioned, they provided another bill with even more charges. This may end up involving litigation with the subcontractors. Ms. Bradley said she is working on this.

11(c). PW 912 and 759 Update

912 is for railroad cleanup. 759 is for the tunnel. All requested extensions have been granted. This work is 100% eligible and is reimbursable at 75%. We will be continuing to rent equipment towards the repairs to offset the match requirement.

Other:

FEMA is still working on the December '07 storm PW. A discussion was held about getting the \$7.8 million in State matching funds. This is being worked out. There was a brief discussion about a line of credit for this process. The upcoming Oregon Solutions meeting was discussed.

13. Discussion and Consideration of Resolution No. 2009-2010 #2, Adoption of Rules and Procedures for Access to Public Records

Commissioner Bell motioned to approve the Resolution. Commissioner Riedel seconded the motion. The motion carried by a unanimous vote.

14. Discussion and Consideration of Resolution No. 2009-2010 #3, Authorizing Manager to proceed with direct transfer in lieu of check for loan payment

Ms. Bradley said the resolution authorizes electronic fund transfers.

Commissioner Riedel motioned to approve the Resolution. Commissioner Ficher seconded the motion. The motion carried by a unanimous vote.

Other:

Ms. Bradley said the resolution authorizes the expenditure for the Port's Strategic Business Plan.

Commissioner Bell motioned to approve the Resolution. Commissioner Young seconded the motion. The motion carried by a unanimous vote.

15. Lease Orders

Ms. Bradley discussed the lease orders with the Board.

Commissioner Bell motioned to approve the lease orders. Commissioner Young seconded the motion. The motion carried by a unanimous vote.

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16. Reports and Communication

Ms. Bradley provided the following information to the Board:

Special Board Meeting - Bunkers: Monday, July 27, 2009 at 5:00 pm at the Port Office;
Tillamook Lightwave Board monthly board meeting: Wednesday, July 29, 2009 Noon at Tillamook PUD; and

The next Port Commission Meeting: Tuesday, August 18, 2009 at 6:00 pm

17. Commissioner Comments

(Commissioner Riedel left the meeting room.)

Commissioner Dove requested the light fixture in the meeting room be replaced. Commissioner Young discussed the status of the air museum lease and the Port's/County roads.

Ms. Bradley discussed the school district's property purchase with the Board and indicated a trade potential for the area next to the bus barn.

Other:

Ms. Bradley said the Grand Ronde tribe is requesting to also hunt deer on the Port's property. A discussion was held about the history of deer on Port property.

Commissioner Dove said that he would entertain a motion to not include the hunting of deer within the Grand Ronde tribe's hunting authority on Port property. Commissioner Young seconded the motion. The motion was carried by a unanimous vote of all commissioners then present in the meeting room. (Commissioner Riedel was not present in the meeting room.)

18. Adjournment

There being no further business, the meeting was adjourned.