



**DRAFT MINUTES
BOARD OF COMMISSIONERS
REGULAR MONTHLY MEETING
THURSDAY, APRIL 23, 2020, 6:30 P.M.
VIA Zoom call
4000 Blimp Boulevard, Tillamook, Oregon 97141**

Called to Order @ 6:35 p.m. with Commissioners Jack Mulder; Jim Young and Sierra Lauder; Port General Manager Michele Bradley and Staff Pami Boomer; Rita Welch; Margaret Amick and Aaron Palter. Commissioner Matt Mumford was absent.

Public Comment for Items Not on the Agenda - None

Consent Agenda

There were no revisions requested for the minutes of the Special Meeting on April 2, 2020. **Sierra moved to approve the Minutes from the April 2 meeting as provided; Jack seconded and the motion passed 3-0; Matt absent.**

Pami reported that the financials were still in draft form since she only received the bank statements earlier in the week. Overall the budget is still on track through the end of March, but with the closing of the museum due to the COVID-19 restrictions, the revenue forecast is showing an estimated loss of more than \$200,000 through the end of June. Part of that will be offset by the reduction in overhead. Revenue has also been lower because aviation fuel sales are down and bookings of the conference room and the Officers Mess Hall have been canceled. Michele said that TMK is getting a \$30,000 grant from the Federal CARES Act that can be used for operating expenses or anything else for which airport revenues can be used. Jack said that as the Port is closing out the current fiscal year and trying to budget for the next, he would like to see the Port being careful with discretionary spending and doing as much as possible to preserve organizational capability and internal staff and putting off other expenses where possible. Michele talked about consulting with Pami and the supervisors regarding the Strategic Business Plan. They reviewed the progress made in the current fiscal year and how adjustments may need to be made to the timeframe of the projects.

There was discussion on the best strategy for developing the budget for the FY 2020-2021. Jim and Jack would prefer that it be based on expected revenues and expenses but acknowledged that it isn't possible to predict what the actual figures will be, given the disruptions due to COVID-19. They will depend on when the museum re-opens, how fast attendance picks up and when other revenue sources are available again. In these circumstances it is better to overbudget than to underbudget and then need to redo the whole thing midyear, which would mean reconvening the budget committee. It was decided that Pami will plan the budget based on the current year's figures.

Beginning May 3, the staff's hours will be reduced by 40% due to reduced revenues and workloads. Pami explained that the Employment Department has a Workshare program. It will supplement the employees' earnings with unemployment benefits if their hours are cut up to 40%.

Budget Committee meeting has been scheduled for May 14, 2020 @ 4:00 p.m.

Landfill #1107 Early Closure – there have been three bids submitted, all between \$15,000 to \$20,000. This project is on hold for now.

Old Business:

Update on RR MP 830.25 – OCSR received a letter from the Army Corps of Engineers confirming that the repair work to the railbed along the Nehalem River did not require a permit and was not in violation of any regulations. The investigation is closed.

Per Resolution No. 1813, the City of Tillamook changed the Port's classification from "Residential/Agricultural Outside" to "Commercial/Industrial". This reduced the water rate for the Port as of May 1, 2020 from \$10.03 per 1,000 gallons to \$5.22 per 1,000 gallons.

Discussion of Trail Easement with City of Tillamook – The City countered with a proposal of a one-time fee of \$7500 for the Hoquarton Trail easement along the railroad right of way. Jack spoke of the board's concerns of setting a precedent by reducing the fees for future development along the railroad. He asked if that section of rail is part of the lease with STIA and Michele said no. Sierra suggested, and Jack agreed, that the Port will charge the City the one-time \$5.00/linear foot (\$15,495) development fee. The Port will then discount the fee due to the commencement of the Hoquarton Trail prior to the agreement with STIA. The discounted fee will be \$7,437.60 plus the cost of any applicable County recording and mapping fees. Michele will send a letter to the City with the Port's counter offer.

Discussion and Consideration of Water and Sewer Fee Changes (annual review for water, increase for sewer) Michele reviewed the current rates charged to Port water and sewer users and spoke of the savings to the Port from the adjusted rates from the City. She suggested passing on a \$2.00/1,000 gallons of water rate reduction to the Port's users and a 10% increase in the sewer rates. The Port will apply the additional cost savings to overhead and maintenance on the water system, including leak repairs. Jack wanted to be sure that the additional savings would be used for infrastructure and emphasized that the Port works in the interest of its tenants in obtaining lower water rates which helps them keep competitive. Sierra wanted the leak repairs done to the pipes and to build a fund for future development of the Port's water resources. Michele said the staff recommended that the Port raise the sewer rates by 10% to raise match funds for maintenance to the lagoons and upgrades to the system that will need to be done within the next few years. The last rate change for sewer was in July 2017. Pami and Michele will consult with James Peak and Mike Christie regarding repair costs and whether Port workers will be able to make the repairs themselves. **Sierra moved to accept the staff recommendation to reduce the Port water rate to \$12.50/1,000 gallons and raise the sewer rate by 10% beginning with the July 2020 invoice, with a review in one year. Jim seconded, and the motion passed 3-0; Matt absent.**

Discussion and Consideration of Application(s) for Budget Committee Appointment. Sierra suggested that appointing the two candidates for the open Commissioner position to the Budget Committee would give them an insight to the Port's workings. **Jack moved to appoint Chris Sween and Tim Remaley to the Budget Committee. If either can't serve, will appoint Kevin Stoeker. Sierra seconded and the motion passed 3-0, Matt absent.**

Manager's Report – Discussion

- a. Federal CARES Act – Tillamook Airport was awarded a \$30,000 grant for operating expenses
- b. Airport CIP Letter from FAA – Michele will try to push the Phase II project into Phase III since FAA 2021 grants are 100% funded with no local match needed.
- c. OBDD Letter for loan deferral – POTB only has one loan through OBDD and it is a pass through so no deferral needed.
- d. Update on Housing Commission/Tax Exempt Committee- Jake Davis will give a presentation at a future meeting.
- e. Email from OBDD Ports Manager Stephanie Prybyl – Monthly email newsletter, just FYI
- f. Update on Building #19 – The certified Hygienist determined there are no health risks in the building. The Port's insurance has been contacted and they sent out a building envelope engineer who did a lot of tests. The report will take about three weeks so things are on hold until it is complete and Special Districts reviews it. Servpro had Drainage Masters

looking at the drainage behind the building and they said the drain pipes from the roof aren't big enough to handle the amount of rain here.

However, the Port staff disagree. Replacing them would be approximately \$30,000.

Discussion of Current Strategic Business Plan Goals in relation to Annual Evaluation and Budget. Jack asked Michele to research the General Manager's compensation at other districts. He proposed that before the May meeting that he, Sierra and Michele meet to discuss how to determine a bonus amount. There was discussion of desirable qualities in a manager and Sierra spoke about the need to include flexibility as one of them. Jack, Jim, and Michele will meet on Tuesday, April 28 at 10:00 a.m.

2. Communications – Info only/no discussion

- a. Next Board Meeting: Thursday, May 21, 2020 @ 6:30 via Zoom
- b. Budget Committee Meeting: May 14, 2020 @ 4:00 p.m. via Zoom
- c. Thank you from PERS for submitting 100% of the 2019 reports on or before due dates. Michele credited Pami for the accomplishment.

Sierra asked Rita about any progress with FOTAM. She replied that she has reached out to Bruce Lovelin several times with no response. She will continue to try. Rita and Sierra discussed ideas for fundraising, one of them being putting on a drive-in theatre.

3. Adjourned at 8:54 p.m.