



PORT OF TILLAMOOK BAY REGULAR BOARD MEETING MINUTES

APPROVED 1/20/09

Date: December 16, 2008 at 6:00 pm

1. The Meeting was called to order by Commissioner Dove.
2. Recognition of Persons present; Public Comment Period.
 - a. Commissioners: Jerry Dove, Ken Bell, Art Riedel, Joe Meyer, John Ficher
 - b. Public: Gus Meyer, Howard Goodman.
 - c. Employees: Michele Bradley, Ashley Arthur, Josh Balmer, John Lewis.
 - d. Public Comment: No comment at this time.
3. Port Financial Report:

Michele gave a brief update of the financials. The Port had a year to date total of \$172, 484.00 in revenue. The museum income is down again this month. The Port is starting to pay OECDD quarterly without any extra interest added. Michele has contact OECDD to see if we can continue to defer the Railroad.
4. Railroad Financial Report: Michele gave a brief update of the financials. Sold the Tamper for \$25,000.00.

Commissioner Bell motioned for approval of financial reports for the Port and Railroad. Commissioner Meyer seconded the motion. Voted yes: Dove, Bell, Ficher, Meyer, and Riedel. Motion passed.

5. Approval of Minutes from 08/19/08, 09/16/08, 08/19/08, 08/22/08, 09/12/08 Regular and Special Meetings.

Commissioner Meyer motioned to approve meeting minutes as presented. Commissioner Bell seconded the motion. Voted yes: Dove, Bell, Ficher, Meyer, and Riedel. Motion passed.

Commissioner Bell inquired about the payment date from Cyril Jacobs from the 08/19/08 minutes.

6. Reviewed Goodman's proposal with Riverhouse.

Board denied request and encouraged Riverhouse to work with Port of Tillamook Bay for alternate funding.

7. Michele gave a brief explanation about needing to update our Local contract Review Board Rules per legal counsel.

Commissioner Meyer motioned to approve Resolution POTB 2008-2009 #6.

Commissioner Riedel seconded the motion. Voted yes: Dove, Bell, Ficher, Meyer, and Riedel. Motion passed.

8. Michele made a recommendation that the board use OECDD to get funding to update the strategic plan. Commissioner Meyer inquired on how much it would cost, Michele reported that it would cost \$27,000.00 total and \$4,000.00 out of pocket. It normally costs around \$50,000.00

Commissioner Meyer motioned to approve Resolution POTB 2008-2009 #7.

Commissioner Bell seconded the motion. Voted yes: Dove, Bell, Ficher, Meyer, and Riedel. Motion passed.

9. Was removed from Agenda.
10. Commissioner Meyer believed that the report wasn't very complete. That Benkendorf Associates missed a big connection to the Garibaldi and Nehalem ports with our railroad.

Commissioner Bell agreed with Commissioner Meyer and mentioned that the Port of Tillamook Bay should have been partnering with the Port of Garibaldi, especially on the bar.

Commissioner Dove believes that quarterly meetings with Port of Garibaldi would be a good idea and the two ports can have a continued partnership still.

Commissioner Bell motioned to approve Resolution POTB 2008-2009 #8. Commissioner Ficher seconded motion. Voted yes: Dove, Ficher, and Riedel. Voted no: Bell, Meyer. Motion passed with a 3-2 vote.

11. No new resort news.
 - a. Commissioner Dove pointed out that The Bunkers Group are past due \$100,000 plus late fees. Inquired if the Port could take their motor home as collateral. Commissioner Meyer stated that if it is an LLC, it is exempt.
 - b. Coon Creek fence was put up by a Federal Grant. The Bunkers Group took the fence out and the Port may be responsible to put it back up. Commissioner Dove inquired if it is in the sale of property with The Bunkers and what happens to the project if sale goes thru? Michele said yes it is in sale of property and that Dick Carr had spoken with South Prairie School and planned to keep it as a "nature trail." Commissioner Dove recommended that Michele talk with South Prairie's principal. Michele said she is waiting to get a letter from Soil and Water before she talks with the principal.

Commissioner Meyer left the meeting at 6:46 p.m.

12. Railroad Division Reports

- a. John Lewis updated the board on the progress of Tunnel 25. Michele met with FEMA on 12/16/2008 and no decisions were made. She mentioned one conclusion that was made was that if the port cannot rebuild the railroad in the middle, the port cannot use the money to rebuild the coast and east side because the Port will not have a viable railroad. Commissioner Dove informed the board that when he went to the Hooley Meeting on 12/14/2008, the Port has a lot of support from the congressional parties and senators from Oregon. Michele elaborated on the FEMA meeting a little bit more. Commissioner Bell verified that the Port can use debris removal money and not pay it back but if the port uses the money for railroad repairs and then decide not to rebuild the port would potentially have to pay it back to FEMA. Michele said yes. Michele is mentioned that Senator Johnson would like to meet with her, a board member, and the governor to make sure everyone is on the same page. Michele said she would set up the meeting. Small discussion on the funds breakdown from FEMA & alternative projects. It would cost \$22,000.00 to file for abandonment.
- b. Banks-Sellars Realignment-Nothing new at this time.
- c. Third Street Property Valuation: Small discussion on the report from PGP Valuations. Commissioner Bell was not satisfied with the amount of the appraisal.
- d. FRA Inspections: No violations or fines.

13. Digester Report

Garick agreement amendment to go until August. Michele said she was uncomfortable with number two in the amendment. The port would have to reimburse Garick in full if they don't make a profit but if they do make a profit the port would not get any of it. Commissioner Ficher voiced his concerns on how Garick is managing the digester.

Board consensus to have Michele make an offer for Garick to lease the Digester.

14. We have some FAA grants outstanding one is for striping and the other is for paving. Commissioner Dove would like to take some cheese to the FAA when in D.C to thank them.

15. Industrial Park Status Report

- a. Michele signed the contract with Big River Construction for the Blimp Hangar project.
- b. Septage Haulers have been informed that as of Jan. 1, 2009 the port will officially go back to the old system. They have the option to start prior to the Jan. 1, 2009 date.

16. Leases

Commissioner Riedel motioned to accept leases. Commissioner Ficher seconded motion. Voted yes: Dove, Bell, Ficher, and Riedel. Motion passed.

17. Executive Session per ORS 192.660 contract at 7:40pm until 8:16pm.

Regular session reconvened at 8:16 pm, Commissioner Bell motioned to a 2 year contract with 6 month evaluation to be negotiated by Commissioner Riedel with Michele and will bring a draft to January 2009 Regular Board Meeting. Commissioner Riedel seconded motion. Voted yes: Dove, Bell, Ficher, and Riedel. Motion passed.

- a. Subsequent discussion, Commissioner Riedel asked Commissioner Bell to join in on the negotiation.

18. Tillamook Lightwave Board Meeting on Dec. 23, 2008 noon at the courthouse.

19. Commissioner Comments:

- a. Michele will talk to Gary Trinetti with Garick to see if they will pay half of the Washington D.C trip. Commissioner Ficher is too busy to go. Commissioner Dove will go on the trip, no one else wanted to go.
- b. Christmas bonus of gift card for employees

Commissioner Bell motioned to give employees a \$125.00 Visa gift card for Christmas. Commissioner Ficher seconded motion. Voted yes: Dove, Bell, Ficher, and Riedel.

Commissioner Bell mentioned he wants December board meeting minutes to be presented at the January 2009 board meeting.

Meeting adjourned at 8:26 pm.

*Respectfully submitted by Ashley Arthur
01/04/2009*