



MINUTES APPROVED 8-16-11
OF THE PORT OF TILLAMOOK BAY
BOARD OF COMMISSIONERS REGULAR MONTHLY MEETING
HELD ON TUESDAY, JULY 19, 2011 AT 6:00 P.M.
Port of Tillamook Bay
4000 Blimp Boulevard
Tillamook, Oregon 97141

1. Commissioner Young called the meeting to order at 6:00 P.M.
2. Swearing in of New Board Members
 - a. Commissioner Young invited Ms. Bradley to lead the oath of office. Ms. Bradley then led both Ms. Decker and Mr. Olsen through the oath. Both confirmed with an "I will", they then signed their oath, and were notarized into office. The oaths will then be filed with the Tillamook County Clerk by Port staff.
3. Recognition of Persons Present
 - a. Jim Young; Bill Baertlein; Carolyn Decker; Bob Olsen and Georgine Beveridge.
 - b. Staff: Michele Bradley (General Manager); Karin Gitchel (Office Administrator);
 - c. Public: Eric Eckfield (DAY CPM); Jeff Bennett (Jordan Ramis PC, Legal Counsel); Alene Allen (Private); Jerry Dove (Private); Pat Paterson (Private), William Tula (Private) , Jame Pudil (Private); Norman Sims (Private).
4. Public Comment
 - a. There was no public comment.
5. Discussion and Consideration of Resolution 2011-2012 #1 – Business Matters
 - a. Commissioner Olsen moved to elect Commissioner Young as President that was seconded by Commissioner Baertlein. Commissioner Young moved that Commissioner Baertlein be elected as Vice President; this motion was seconded by Commissioner Beveridge. Commissioner Baertlein moved that Commissioner Beveridge be elected as Secretary; this motion was seconded by Commissioner Olsen. Commissioner Young then nominated Commissioner Decker as Treasurer that seconded by Commissioner Olsen. The remaining position was filled by Commissioner Olsen.
 - b. (Action) Commissioner Young entertained a motion to accept POTB Resolution 2011-2012 #1 – Business Matters. Commissioner Beveridge so moved the motion. Commissioner Decker seconded the motion. Commissioner Young asked if there was any further discussion. Commissioner Olsen asked about item 9 which was check signatures, he was not comfortable with Business Manager and Office Administrator signing. And then he questioned the \$50,000 limit and went back to the question regarding who signs, he felt that the checks should be signed by the General Manager and not just two staff members. Commissioner Decker requested information from Legal Counsel, Mr. Bennett then clarified that legally this is okay, but if the board**

wanted to ensure that there was a Commissioner and Manager, and a staff signature then they can do it. Mr. Bennett asked whether the Port had Fidelity Bonds in place, Ms. Bradley indicated that there were that covered both Commissioner and Staff. Mr. Bennett indicated that if these are in place then this can be done. After explanation from legal, Commissioner Olsen and Commissioner Decker were comfortable with the wording of the Resolution. The Motion was carried by unanimous vote of all Commissioners present (5-0).

- c. Ms. Bradley then shared the list of committee designations that the Board Members that will be required this year. The designations are attached to these minutes. There was a consensus of all Board members present to the committee assignments.

6. Consent Agenda

- a. Commissioner Baertlein described the reports that they were looking at and gave an overview for the members present.
- b. Port Financial Report & Railroad Financial Report
 - i. Brief overview was provided by Ms. Bradley. Commissioner Olsen and Commissioner Beveridge asked a few questions regarding payables, which were answered.
- c. Minutes from 6/21/11 (Regular); and 6/27/11 and 6/30/11(Special)
- d. **(Action) Commissioner Young entertained a motion to accept the Consent Agenda. Commissioner Baertlein so moved the motion. Commissioner Olsen seconded the motion. Commissioner Young asked if there was any further discussion. Commissioner Olsen asked a question regarding the statement on the Special Board Meeting minutes, clarifying what Mr. Palter meant by the changing the zone taking 2-3 years, when the board was discussing the types of business that could come out. Commissioner Young asked Mr. Palter to clarify and he provided that. The Motion was carried by unanimous vote of all Commissioners present (5-0).**

7. FEMA Alternate Projects Update

- a. Monthly Update – Day CPM Services
 - i. Mr. Eckfield provided an overview of the current projects that are pending regarding the FEMA Alternative Projects.
 - ii. In regards to the Digester project, Mr. Eckfield shared that there were two protests to the award of Biothane, and shared that with legal counsel, there would be further information to share after this was taken care of.
 - iii. He reminded the board that Wednesday, July 20th, there was a Special Meeting planned to go over the FEMA projects. He briefly described what would occur at this meeting.
 - iv. Commissioner Olsen wondered about the funding and work being done on the water and sewer project for the development of the HWY 101 site. Mr. Eckfield deferred to Mr. Palter and Ms. Bradley.
- b. Project Groundbreaking and Media Opportunities
 - i. Ms. Bradley provided an update to the Board that the Port will be notifying the media and getting people involved for the large projects, and that she would notify the Board when we do move forward with that. Commissioner Young and Commissioner Beveridge asked that the projects such as the Scales get some sort of press release and or coverage. Ms. Bradley indicated that she would be doing that.

8. Industrial Park Update and General Business

- a. IFA (Infrastructure Finance Authority Grant for Highway 101 Development

- i. With this grant, the Port would be working through the process of land identification and site plan for the HWY 101 site development. Commissioner Decker wondered whether the Port had one in place already from the past that could be used, which unfortunately the Port does not have one in place. This grant will be for approximately \$50,000 and the Port will be required to provide a 25% match.
- b. Department of Energy Conservation award has moved forward and the Port should be receiving the grant for lighting in Project 2.1. Mr. Eckfield clarified that this funding will be handled separately and not included in the FEMA project, but will be separately bid to the contractors. It is important to note that this will not blur the lines of federally designated funding.
- c. Update on Tillamook Lightwave
 - i. Commissioner Young shared the update from the last TLW meeting and included the progress to date.

9. Railroad Division Reports

- a. Rails 100 – Railroad 100 Anniversary in Tillamook County
 - i. The staff attending this events provided an overview of what is happening, indicating that there was minimal support being provided, and expected the Port to handle this event. Ms. Bradley, Mr. Balmer and Commissioner Beveridge indicated that they had told the group that the Port would be unable to take the lead on this. At this point, there is another meeting, which Port Staff is attending, to decide whether this event will actually occur on October 1&2, 2011.
- b. OCSR Update
 - i. Commissioner Young confirmed that the team had been meeting, and there had been growth, as Mr. Palter and Mr. Wickert had met. It has come to light that the revenue issue is the remaining item to hash out, which Mr. Palter indicated would occur at the next OCSR Board meeting. Mr. Palter provided his overview and indicated that the committees still have work to do and that he felt the agreement was not ready.
 - ii. Commissioner Decker wondered whether there was any agreement in the past. Mr. Palter said that no there had not been a time. Commissioner Decker then asked if there was a time when there was something that they wanted that the Port would not change their mind on. Mr. Palter and Commissioner Young indicated that yes, there were times of that. Mr. Palter clarified that the position of the Board had been very clear on the items that they were willing to agree to, and the committee had followed it. She then asked what the problem really was, to which Mr. Palter shared that really it came down to the revenue issue. He provided the Board a review of what specifically the Port Board was asking for, and its modifications. He shared that Mr. Wickert indicated that those conditions were deal breakers in his opinion. The first 5 years there was no billing for rent, or any revenue charges as a method to assist them move forward with their business. Starting in year 6 the Board moved from having 12.5% to 8% revenue, to accommodate OCSR in first years of payment. The committee is waiting to meet with OCSR again, and hope to resolve this matter as soon as possible.

10. Airport Division Report

- a. FAA-AIP Updates
 - i. Fencing/Drainage

- ii. Airport Master Plan
 - iii. Runway Overlay
 - b. Ms. Bradley identified that there had been a pre-construction meeting for the Fencing/Drainage which is expected to begin in August 2011. The Master Plan has had some comments from the public and third draft will be sent to the FAA for comment. The Runway Overlay is in design as the FAA is insisting that we reduce the width of our runway from 100 feet to 75 feet, and we are currently in discussion with them as to how we can preserve the current width. Ms. Bradley is in contact with some political contacts to see what we can do to keep the design at 100 feet.
11. Lease Orders
- a. There are no current lease orders.
12. Commissioner Young recessed the Regular Board meeting at 7:43 P.M.
13. Commissioner Young opened the Executive Session at 7:48 P.M. per:
- a. ORS 192.660 (2)(e) for real property transactions; and
 - b. ORS 192.660 (2)(h) to consult with counsel with regard to litigation likely to be filed
14. Commissioner Young adjourned the Executive Session at 9:33 P.M.
15. Commissioner Young returned to the Regular Board meeting at 9:34 P.M.
- a. **(Action) Commissioner Young entertained a motion to have Legal and Port Manager to continue working on the LOI with Pelican Pub, Tillamook Air Museum and the Port to finalize the HWY 101 development goals. Commissioner Decker moved. Commissioner Baertlein seconded the motion. Commissioner Young asked if there was any further discussion. There was no further discussion. The Motion was carried by unanimous vote of all Commissioners present (5-0).**
16. Communications
- a. Next Regular Port Board Meeting, Tuesday, 8/16/11, 6:00 pm
 - b. Board Member Training (with other Special Districts) 7/20/11 from 9:00 am – 12:00
 - c. FEMA Alternate Project Workshop 7/20/11 from 2:00-5:00 pm
 - d. Special Board Meeting 8/17/2011 from 12:00 noon to 2:00 pm at TBCC for the BioEnergy Feasibility Study; combined meeting/final presentation with TPUD and Tillamook County (Decker, Baertlein and Young)
 - e. Tentatively Scheduled Special Board Meetings, if needed, Fridays at 10:00 am
17. Other Business
- a. Tillamook Fair – Ms. Bradley invited the Commissioners to participate.
 - b. Ms. Bradley also provided the Board the list of loans that the Port has.
18. Commissioner Comments
- a. There were no commissioner comments
19. Commissioner Young adjourned the meeting at 9:43 P.M.