



MINUTES Approved 6/21/11

**OF THE PORT OF TILLAMOOK BAY
BOARD OF COMMISSIONERS REGULAR MONTHLY MEETING
HELD ON
TUESDAY, MAY 17, 2011 AT 6:00 P.M.
Port of Tillamook Bay
4000 Blimp Boulevard
Tillamook, Oregon 97141**

1. Commissioner Dove called the meeting to order at 6:00 P.M.
2. Recognition of Persons Present
 - a. Commissioners: Jerry Dove (President); Jim Young (Vice President); John Ficher (Secretary); Bill Baertlein (Treasurer); and Georgine Beveridge.
 - b. Staff: Michele Bradley (General Manager); Karin Gitchel (Office Administrator).
 - c. Media: Samantha Swindler (Headlight Herald)
 - d. Public: Eric Eckfield (DAY CPM); David Yamamoto (Futures Council); Frank Bohannore (Private); Paul Levesque (Tillamook County); Michelle Jenck (Private); Gary Jenck (Private); Gus Meyer (Private); Dave Walker (Private); P. Hungerford (Private); Ted Hungerford (Private); Don Coleman (Private); Guendar & Judy Wiederman (Private); Lisa Phipps (Private/TEP); Roby Lane (Private); Donnie Jenck (Private); Jill Williams (Private); Sonja Bradburn (Private); David Bradburn (Private); Bill Gerken (Private); Jack Mulder (Private); Jesse Exton (Private); Glen Dials (Private).
3. Public Comment
 - a. There was no public comment at this time.
4. Presentation: Citizen Group of Rails to Trails (Michelle Jenck)
 - a. Ms. Jenck introduced Dr. Bradburn who wanted to lend their support to the conversion of Rails to Trails to Trails before they left early from the meeting. He indicated that there was support and many health benefits to having this program occur. Ms. Jenck thanked those in attendance showing support, and shared that their goal was to show that the trails would be used by both local county residents and tourists. In her research, she found that home sales and values increase with this type of environment, in addition to providing a safe environment for children and families. It is their belief that local businesses adjacent to trails could gain additional sales. The more visitors, the more use would result in money brought to the county. She asks that the board consider the best uses of the railroad for the best dollars spread through county. Ms. Jenck acknowledged that there would be challenges for who would manage and maintain, but encouraged the board to find agreements and invite more participation from community to establish this project. She felt that there were local non-profits, and citizens who might become resources that should be looked at more closely. With the interest from the biking

industry and support from the county, she felt that the board should look into the specifics. She closed by stating that the historical value of the railroad did not have to change because of this rails to trails to rails, that there should be a concerted effort to keep its value intact.

- b. After opening it up to the audience, Jack Mulder shared his feelings on how this community needed a safe environment to use for walking and biking and encouraged the Port to look seriously at this option. He acknowledged that the Port needs to look at economic viability, but he felt that this project could potentially be financially beneficial. John Jencks stated that there was a definite desire from his view in having a great place to exercise. He admitted that he did not know the costs of what it would take to fix up for this trail, but he felt strongly that the Board should consider this. It was noted by audience member (unknown), that there was a large bicycling community both local and from Portland, who would benefit from having a trail to ride, instead of using Hwy 6. Mr. Mulder also noted how many people walk in Pacific City and Rockaway, noting that part of Hwy 30 was repaved for people to walk and ride as an example of a successful project. Dave Walker also shared that he wanted to have this as a family event, so that he could keep in shape with his grandkids. He'd love to have it go off the highway, and reiterated that in his opinion it would be revenue that comes to county. Lisa Phipps shared, as a former Rockaway member, that there was need for the Oregon Coast Scenic Railroad, and that if there was a way to meet different needs, the board should explore it. She felt that it was an exciting notion to have this project occurring in this area, and in her opinion, this would be a visionary thing for the Board to commit to.
- c. Commissioner Dove invited the people in attendance the Community Center meeting on the 26th. Then he stated that the Board is very focused on the economic development of the county, and that though there is a tax base to the Port, it is low. He shared that meetings had been held to ascertain the viability of this project, and there was still research to be completed. He reiterated that the railroad is not economically viable to the Port, and due to the current involvement with FEMA Alternate Projects, the Port has some constraints as to actions they can take. In addition, he shared that the Port is also currently in negotiations with OCSR, but that he was unable to comment on that situation. Commissioner Young asked staff if it was possible to have a trail and a railroad at the same time. Staff shared what their understanding was that this was not allowed. Ms. Bradley said that the OTRA is currently in charge of the railroad and that they would also have to be involved in this decision process.
- d. Commissioner Dove thanked the audience for their input and that they would take it into consideration.

5. Presentation: Futures Council (David Yamamoto)

- a. Mr. Yamamoto provided a presentation on the Vital Tillamook Indicator Project. The goal of this presentation to share with the community changes and progress made. The Futures Council is also holding a summit to concentrate on the future and create more opportunities.

6. Discussion and Consideration of Intergovernmental Agreement between Tillamook County, Oregon Dept. of Fish and Wildlife, Tillamook County Soil and Water Conservation District and the POTB related to the Southern Flow Corridor Project. (Paul Levesque, Tillamook County)
7. Discussion and Consideration of a Modification to the Intergovernmental Agreement between Tillamook County and the POTB regarding the Railroad Improvement Project/Southern Flow Corridor. (Paul Levesque, Tillamook County)
 - a. Mr. Levesque stated that he would like to quickly go over two items, summarizing that he was here because FEMA denied the eligibility of the Oregon Solutions FEMA project. He shared that one of the reasons, as he understood it, was because of the costs for maintenance. In his opinion, he felt that linking the two current agreements would provide FEMA with a more solid understanding of these costs and how it will be managed.
 - b. After reviewing the changes to the submitted documents, Commissioner Dove asked what happens if FEMA turns this project down? Is the Port still on the hook to maintain the property, even if there is no project? In his review, he did not see an out for the Port if there is no FEMA project. Mr. Levesque stated that the four party agreement in section 8 did provide the Port an out if the project fell through. He clarified that the other agreement as stated in section 1.1, the Port doesn't become active until all the guidelines are met before the property is deeded over. Mr. Levesque clarified that when the forms are signed tonight, he would make further changes modifying the agreements.
 - c. Commissioner Dove reiterated that the Board will not be signing anything until the Port Attorney has looked at this document.
 - d. Mr. Palter shared that he had spoken with Port counsel and Mr. Levesque prior to coming to Board meeting, and that he felt after some points were addressed in the project paperwork that the forms would be sent to the attorney.
 - e. Commissioner Dove stated that if FEMA turns this down, the Port would like to ensure that we are not responsible moving forward. Mr. Levesque said that he would work with the attorney to get these points written in the document.
 - f. Commissioner Ficher asked about how many acres were involved in the Oregon Solutions project. Mr. Levesque could not share the exact acreage, but briefly described the area and acreage involved. In addition, he shared that in the four part agreement of 2002, there was a clause of leasing acreage that would be turned into salt water project, as this portion is no longer occurring, the Soil and Water District may not be included the new agreement. It was agreed that after legal was involved, the agreements would then be ready for signatures.
8. Commissioner Dove recessed the meeting for a 10 minute break.
9. Commissioner Dove called the meeting back to order at 7:26 P.M.
10. Consent Agenda
 - a. Port Financial Report
 - b. Railroad Financial Report
 - c. Minutes from 4/19/11 (Regular) and 4/19/11 and 4/29/11 (Special)
 - d. **(Action) Commissioner Dove entertained a motion to accept the minutes from 4/19/11 Regular Board Meeting, 4/19/11 Supplemental Budget Board Meeting and 4/29/11 Special Board Meeting. Commissioner Ficher so moved the motion. Commissioner Baertlein seconded the motion. There was no further discussion. The Motion was carried by unanimous vote of all Commissioners present (5-0).**

11. FEMA Alternate Projects Update

a. Monthly Update – Day CPM Services

- i. Mr. Eckfield overviewed the four projects on target for starting this summer: Project 2.1 Administration Bldg, (construction in August), 3.2 Industrial Business (mid-August start for construction), Project 9 Airport Business Park (site/utility prep for mid-July to get things going in September, with hope of completion of by May 2012) and Project 16 Truck Scales (Due to weather there have been some holdbacks and project should be starting in late July).
- ii. Digester update: pre-bid conference occurred, and he noted a change in the bid due date, because companies interested needed more time to submit accurate information. Hangar B: Under engineering analysis this Friday. General Contractor's pool: RFQ's received and staff are currently analyzing their qualifications.
- iii. Commissioner Young asked for an example of what will be pulled for local companies to bid on. Mr. Eckfield said that the Truck Scales project and the cold storage building would be ideal examples.

12. Commissioner Dove recessed the Regular Board meeting at 7:42 P.M.

13. Commissioner Dove opened the Executive Session at 7:44 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 Dove adjourned the Executive Session at 8:15 P.M.

15. Commissioner Dove returned to the Regular Board meeting at 8:16 P.M.

16. Industrial Park Update and General Business

- a. Policy Discussion: Community Meeting Room Use
- b. **(Action) Commissioner Dove entertained a motion to accept the Community Meeting Room Use without fee Policy. Commissioner Young so moved the motion. Commissioner Baertlein seconded the motion. There was no further discussion. The Motion was carried by unanimous vote of all Commissioners present (5-0).**
- c. Entrance Upgrade
 - i. Port Storage has completed the landscaping work, and Port staff painted the entrance sign. It was noted that it looked nice.
- d. Landfill #1132
 - i. There is a partnership being developed working with Stimson Lumber regarding a fee charge system for using our landfill. This partnership is in addition to another partnership with Hampton. Ms. Bradley will be providing it to legal counsel and working on a fee schedule for both partnerships.
 - ii. Commissioner Dove shared that after attending an open house at Stimson Lumber, he wanted the board to be aware that Stimson is investing approximately \$6 million in their mill with upgrades and development. It was evident that Stimson wants to continue being an active Port tenant investing in their business and site.
- e. Water and Sewer Ordinances, Rate Increase Report
 - i. Ms. Bradley provided a brief review of the progress that staff has made creating a new Water and Sewer ordinance and a new fee structure for the water. It is the intent to have this ready for the Board to review and approve at the July board meeting.
- f. Update on Tillamook Lightwave (Commissioner Jim Young)

- i. After the TLW budget meeting held that day, Commissioner Young felt that they are on target with their goals. He shared that there would be an open house at the landing station on 7/13/11, and the Board will be getting invitations to attend.
- g. Letter of Support from POTB Board for Legislative Redistricting Required
 - i. This has been tabled until a draft letter from Tillamook County is available to address the request properly.
- h. Discussion and Consideration of POTB Budget Committee Vacancy Application
 - i. Ms. Bradley asked the board's preference regarding the two openings on the POTB Budget Committee. Commissioner Dove indicated that the newly elected Commissioner's be asked to join as a way for them to become familiar with Port financials. If they are not available, further action could be made at Friday Special Meeting.

17. Railroad Division Reports

- a. Salmonberry Crossing
 - i. The Board was provided photos of the work that has been done and the successful completion of moving the rails to a safe location.
- b. OCSR Update
 - i. Mr. Palter provided a brief overview the progress. There are documents that are being worked on, based on the requirements from the board, to develop a working agreement with OCSR and communication is being made between members of OCSR and the Port designated persons.

18. Digester Update

- a. Commissioner Dove asked Ms. Bradley to share current status of function at the Digester. She shared that things had been running pretty smoothly, with some repairs being handled and pushing the machines to continue their work.

19. Airport Division Report

- a. Residential Through the Fence FAA Policy
 - i. After a brief review of the issue, Ms. Bradley is going to submit the required form without needing further details.
- b. FAA-AIP Updates
 - i. Fencing/Drainage
 - 1. Bids were accepted and the award letter should be going out this week.
 - ii. Airport Master Plan
 - 1. Contract will be completed by mid-June and a review will be shared.
 - iii. Runway Overlay
 - 1. This project is still being worked on and will be updated as the project unfolds.

20. Lease Issues

- a. Letter to Farm Land Tenants
- b. The Commissioners were pleased with the letter staff sent out regarding the lease increase for farm/land rent.
- c. **Lease Order IP-11-13, Fred Jensen Properties, LLC, Bldg. 11, Unit C**
 - i. **(Action) Commissioner Dove entertained a motion to accept the Lease Order. Commissioner Young so moved the motion. Commissioner Baertlein seconded the motion. There was no further discussion. The Motion was carried by unanimous vote of all Commissioners present (5-0).**

21. Communications

- a. Next Regular Port Board Meeting, Tuesday, 6/21/11, 6:00 pm
- b. Special Meeting will be held May 27th for the Budget Committee.
- c. Tentatively Scheduled Special Board Meetings, if needed, Fridays at 10:00 am
- d. General Manager Vacation July 5th - 11th.

22. Other Business

- a. There was no other business to discuss.

23. Commissioner Comments

- a. There were no additional commissioner comments.

24. Public

- a. Mr. Meyer asked if any decisions were made in the executive sessions. Commissioner Dove stated that there had not been a decision made during executive session.

25. Commissioner Dove adjourned the meeting at 9:05 P.M.