



APPROVED 3/22/2016

MINUTES

**BOARD OF COMMISSIONERS
REGULAR MONTHLY MEETING**

TUESDAY, FEBRUARY 16, 2016, 6:00 P.M.

**POTB MAIN OFFICES – CONFERENCE ROOM
4000 Blimp Boulevard, Tillamook, Oregon 97141**

1. Call to Order: Commissioner Young @ 6:00 p.m.
Recognition of Persons Present: Commissioners John Lewis; Carolyn Decker; Jim Young and Bob Olsen – Jack Mulder absent
Port Staff: General Manager Michele Bradley; Pami Boomer; Margaret Amick
David Ulbricht – SDAO Advisory Services
Heather Taksdal & Nick Zwald – Zwald Transport
Gus Meyer
2. Public Comment for Items not on Agenda: None
3. Consent Agenda
 - a. Prior Meeting Minutes – Special Meeting 1/12/2016, Regular Meeting 1/19/2016
 - b. No new leases
Com. Decker moved to approve the Consent Agenda, Com. Young seconded; motion passed (3-0) – Com. Olsen temporarily absent & Com. Mulder absent
4. Discussion of January 2016 Financials – Pami Boomer, Office Administrator
Ms. Boomer moved the Financial Workshop from Thursday March 3 to Wednesday March 2 in conjunction with the Special Board Meeting due to a scheduling conflict. She distributed her report and explained individual items questioned by the Commissioners. She informed the Board that she will have a supplemental budget this FY due in large part to a Line of Credit that has become a Loan.
The Port has started to see some progress with the OBDD Grant for Near Space improvements, with radar and other equipment still to be ordered. Tower improvements should begin within about 2 months.
Port staff is keeping purchases to necessities to minimize expenses.
Rail car storage contract has been signed and revenue should be forthcoming along with some expenses.
Paperwork has been submitted for the Biomass Tax Credits and the funds should be available in April.
Erickson Group has received the last payment from the Port per their contract.
Road maintenance fee schedule is still in development and is projected to be ready in March.

- a. Update on Digester/Direction from Board in January – Manager. The Port will be meeting with the farmers on Thursday, March 18 to continue looking for alternatives to closing down the Digester. There was discussion among the Board about whether it would be feasible for the Digester to be powered with electricity generated by it and for the Port to attempt to negotiate with PUD to buy the extra. There were no satisfactory conclusions reached.
5. Financial Planning Update – David Ulbricht, SDAO Advisory Services analyzed the Port's loan debt and developed a plan to restructure 8 loans into 1 that would be extended into a term loan to improve cash flow. The trade-off would be lower payments for a longer period even for loans with only a couple of years left on their terms. He presented 2 options – 10 year & 15 year terms where the 15 year option would be renegotiated after 10 years. The payments would give the Port better cash flow for the first years but as time passes would create a negative cash flow. However, it would allow the Port time to improve its balance sheet in the interim. The Board questioned Mr. Ulbricht and discussed the plan extensively after which **Com. Decker moved to move forward with David Ulbricht to pursue the 15 year option. Com. Lewis seconded, motion passed (4-0); Com. Mulder absent.**
6. Discussion and Consideration of Updating Farm Land Lease Rates. Michele Bradley asked for guidance from the Board as to whether soil quality should be a factor when setting the rate structure for land leases. **Com. Lewis moved to instruct the Port to Update the Farm Land Lease Rate to \$185 per acre per year with a 3% increase per year. Com. Decker seconded, motion passed (4-0); Com. Mulder absent.**
7. Discussion and Consideration of Increasing Water and Sewer Rates. Commissioners discussed the long term costs of providing water & sewer to the Port and its tenants including maintenance and future improvements. The last increase was in 2011. **Com Olsen moved to Increase Water and Sewer Rates 25% beginning July 1, 2016 and 10% a year for the next 2 years. Com. Decker seconded, motion passed (4-0); Com. Mulder absent.**
8. Committee Reports
 - a. Tillamook Lightwave – Jim Young reported that one company has backed out of signing the contract to land a fiber optic cable and the second is having second thoughts. Both seem to be concerned about vulnerability to tsunamis. Tillamook Lightwave in conjunction with TURA will make fiber optic cable available to the downtown area during the construction of the Hwy 101 / Hwy 6 reroute.
 - b. Salmonberry Trail – Commissioner Mulder absent – postponed. Com. Lewis reported on the SDAO conference attended with himself, Michele Bradley and Pami Boomer. He spoke about attending meetings and learning a lot of useful information on the do's and don'ts allowed for public entities. He also recommended that all new commissioners attend during their first year and attend Regional Training in following years.
9. Manager's Report

Aaron Palter requested a Special Meeting for Tuesday March 15, 2016 at 9:30 a.m. for local contractor bids for the earthmoving for the Southern Flow Corridor.

- a. 2015 Pavement Management Program from Oregon Department of Aviation – this program from the state provides evaluation every 3 years of the airport pavement and will send contractors out and pay for crack sealing, painting and other maintenance. The Port will be participating in the program this year.
- b. 2016 SDIS Best Practices Program – Property/Casualty Credits – Every Commissioner has to fulfill training credits to meet the requirements for a discount.
- c. SDIS Property Declarations (FYI)- Statement of insurance coverage
- d. Minutes of POTB Safety Committee Meeting from January 2016
- e. Oregon Governmental Ethics Commission (OGE) Annual Verified Statement of Economic Interest (SEI) – deadline for commissioner action is 04/15/16. It is now all online.
- f. Tillamook County Funding Priorities for FY 2016 (FYI)
- g. Thank you from NW Sheriff's Chaplains Association (FYI)

10. Communications

- i. Next First Thursday Meeting - Wednesday March 2, 2016 at 1:00 pm
- ii. Next Regular Meeting - March 22, 2016 at 6:00 pm (**confirm quorum**)

11. Commissioner Comments: None

12. Adjournment: Com. Young @ 8:28 p.m.