



APPROVED 6-21-16

MINUTES

**BOARD OF COMMISSIONERS
REGULAR MONTHLY MEETING**

TUESDAY, MAY 17, 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 Jack Mulder; Carolyn Decker; Jim Young and Bob Olsen
Port Staff: Michele Bradley; Pami Boomer; Margaret Amick and Eric Hellweg
Gerry Opdahl, Port Commissioner Candidate; Bill Waibel, Barview Resident; Patrick Criteser, TCCA; Heather Taksdal, Zwald Transportation; Gus Meyer, Taxpayer
2. Public Comment for Items not on Agenda: None
3. Bill Waibel, Barview Resident, per request (RE: December Storm): Mr. Waibel presented documentation of flooding in his neighborhood from a storm with heavy rainfall in December, 2015 that caused water damage to his and his neighbors' houses. He attributed the flooding to a plugged or damaged culvert that runs under the rail line by their homes. Mr. Waibel believes the Port and the County are responsible for maintenance of the culvert and therefore, the damages caused by a lack of maintenance. The Port conducted research on the culvert when first notified of the damage by Mr. Waibel and could find no record of the culvert, when it was installed and who installed it. Mr. Waibel wants the culvert fixed and maintained to prevent future flooding and wants his future Railroad Right of Way Crossing Fees waived as reimbursement for the cost of repairing the damage to his home from the December flood. The Board informed Mr. Waibel that they would review his information and follow up with him.
4. Consent Agenda
 - a. Prior Meeting Minutes – Regular Meeting April 19, 2016; and Special Meeting May 5, 2016.
 - b. Lease Orders
 - i. Lease Order #16-04 Dana Wheeler, Hangar #13 for storage: month to month
 - ii. Lease Order #16-05 Mark Farrier, Hangar #5 for storage; month to month
 - iii. Lease Order #16-06 Oregon Coast Railriders RR MP 849.9 at Bay City for a fenced parking lot; yearly w/3% annual increase

Com. Decker moved to approve Consent Agenda with minor corrections to minutes. Com. Olsen seconded; motion passed (4-0).
5. Interview with final candidate for POTB Board Commissioner Gerald Opdahl, Retired Engineer. The Commissioners heard a summary of his personal and professional history and then asked Mr. Opdahl what he thought his role as commissioner would be and what skills he has that would fit that role.

6. Patrick Criteser, TCCA – Update on Digester Agreement: Mr. Criteser told the Board that the reports have been completed by the three consultants retained by TCCA regarding the continuing operation of the Digester. The consultants all recommended continuing operations and TCCA is considering the different options for doing so. Mr. Criteser asked the Board to extend the Digester Agreement for another month until the end of July, and possibly through September. Michele Bradley requested Eric Hellweg (Digester employee) to offer any questions or comments he might have. The current status on the Digester is that it has been down for 2 weeks with repair issues for current losses of \$11K as of May 13 and will not be producing electricity the rest of May for a loss of revenue of \$35K - \$40K. Repairs to cylinder #3 in the engine might not be covered under warranty for a maximum cost of \$100K; the Iron Sponge media needs to be replaced for approximately \$50K; the oil will need to be replaced for \$3,200 and the Port has fewer manure sources now. Mr. Criteser made a proposal to the Board contingent that the engine repair for cylinder #3 is covered by warranty: TCCA would backstop the Port's operating cost losses for May up to \$25K; pay up to \$50K to replace the Iron Sponge media and commit to the terms of the Agreement through July 31, 2016. In return, Mr. Criteser wants the option to continue through September 30, 2016 if TCCA so desires. The Board discussed obtaining a permit for processing substrates at a cost of \$40K but no decision was made, due to not knowing who would be operating it in the future combined with the current cash flow. **Com. Olsen moved to accept the proposal from TCCA to the Board contingent that the engine repair for cylinder #3 is covered by warranty; to extend the current Agreement by one month through July 31, 2016; TCCA will backstop the Port's operating cost losses for May up to \$25K; pay up to \$50K to replace the Iron Sponge media and TCCA will have the option to continue through September 30, 2016. Com. Decker seconded; motion passed (3-0); Com. Mulder abstained.**

7. Discussion of April 2016 Financials – Pami Boomer, Office Administrator handed out revised Financials in order to reflect the cost of the inter coolers for the Digester in April. She has been focusing on preparing the proposed FY 2016-17 Budget so will email the letter that goes with the Financials on Friday, May 20. The Port received the Biomass Tax Credits so she has been able to catch up on almost all the accounts and set aside funds for the costs of shutting down the Digester if needed. She provided the proposed FY 2016-17 budget to the Commissioners for the Budget Meeting on May 25, 2016 @ 4:00 p.m. Ms. Boomer will be presenting the Financials at the Special Board meetings on the first Thursday of the month beginning in August due to coaching volley ball.
 - a. Refinance Update: David Ulbricht has been working on the refinance package and emailed the updated timeline, tentatively June 15, 2016. The Ms. Bradley and Ms. Boomer received the Preliminary Official Statement from him earlier in the day and hadn't had a chance to review it yet.
 - b. OEM Close Outs and Monitoring: Aaron Palter has 5 or 6 close outs in to OEM and the goal is to have all the projects closed out before the Southern Flow Corridor Project is completed.

8. Discussion and Consideration of Five Year Personal Services Contract with Jviation, Inc. for Engineering Services at Tillamook Airport/Engineer of Record: Port is required by FAA to have an Engineer of Record for the FAA funded maintenance and repairs to the airport. **Com. Mulder moved to Approve the Five Year Personal Services Contract**

with Jviation, Inc. for Engineering Services at Tillamook Airport/Engineer of Record; Com. Olsen seconded; motion passed (4-0).

9. Committee Reports

- a. Tillamook Lightwave – Jim Young didn't have anything new before his meeting at the end of the month. The new customer he reported on last month will probably move in within 18 months and TLW will be making improvements to accommodate them paid by the customer. The Transpacific cable should be installed in less than 2 years.
- b. Salmonberry Trail – Commissioner Mulder: Next STIA meeting will be June 3, 2016 to resolve legal representation and insurance items for the IGA. Donations are being gathered from various sources in cash and materials. They are attempting to develop the fundraising capacity to cultivate major donors of millions of dollars in contributions.

10. Manager's Report

- a. Update on Animal Shelter - Photo of building with cement dog runs.
- b. April POTB Safety Committee Minutes
- c. Thank you notes: Judy Lewis and Family, THS Senior Chloe Pampush; US Small Business Administration
- d. FAA Update on Policy for Flying Clubs
- e. Staff Changes- Keith Vick declined position at Tillamook Airport
Josh Balmer transferring to Airport
Donna Villegas will again be cooking at the Airbase Cafe

11. The Board selected Gerald Opdahl as the new Commissioner Position #5.

12. Communications

- i. Next Special Meeting - Wednesday, May 25, 2016 Budget Meeting 4:00 p.m.
- ii. Next First Thursday Meeting – Thursday, June 2, 2016 at 12:30 p.m. Kyle Kearns and Kammy Austin, Merina & Co. CPAs (Auditor)
- iii. Next Regular Meeting - Tuesday, June 21, 2016 at 6:00 p.m. Budget Hearing

13. Commissioner Comments: Com. Young inquired about how the car storage revenue is progressing. Port has received the first partial month payment and billed for the full second month. The Port has to make some repairs on the section of rail at Banks Lumber but has some material on the Port that can be used.

Board entered into Executive Session per ORS 192.660 Subsection 4 (Potential Litigation) @ 8:40 p.m.

Reentered Regular Meeting @ 9:03p.m.

14. Adjournment: Com. Young @ 9:03 p.m.

The Board reserves the right to go into Executive Session at any time per ORS 192.660.