



APPROVED 8-16-16

BOARD OF COMMISSIONERS

SPECIAL MEETING

WEDNESDAY, AUGUST 3, 2016, 12:30 P.M.

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

1. Call to Order: Com. Olsen @ 12:30 p.m.
Recognition of Persons Present: Commissioners Bob Olsen; Jim Young; Carolyn Decker; Jack Mulder & Gerry Opdahl
Port Staff: General Manager Michele Bradley; Pami Boomer; James Peak; Robert Miller; Aaron Palter; Josh Balmer; Marvin Hahn; Keith Vick; Michael Christie; Jim DeSwart; Jim Reiff and Margaret Amick
Sarah Beaubien - TCCA; Dairymen Chad Allen & Richard Obrist; Heather Taksdal - Zwald Transport; KC Fagen - TPUD; Ray Monroe - Soil & Water Conservation District; Gus Meyer - Taxpayer
2. Public Comment: None
3. Update and Discussion of POTB Digester – Staff: Michele Bradley reported on the letter received from Tillamook County Creamery Association informing her that TCCA is ending the temporary agreement to fund the operating expenses of the digester but will continue the funding until September 30, 2016 in order to allow the farmers to make other arrangements for their manure. Sarah Beaubien stated TCCA consultants found continuing operation would be viable but TCCA is not interested in operating the digester themselves.

Michele also reported that for several months there has been some talk of interest in a co-op of farmers running the digester or putting out an RFP for an operator to run it but Martin Machinery and Farm Power are no longer interested, per phone calls & emails received. Just before the meeting she received an email from CH4 Biogas wanting more information to assess the feasibility of running it. Michele detailed some of the difficulties preventing the Port from continuing to run the digester: short staff; inadequate manure supplies with more farmers putting in machinery to process their manure and continuing mechanical problems with the digester. Sarah Beaubien told the Board that TCCA had been approached by several other parties needing more information to determine their interest in operating the digester and would forward their information to Michele.

Com. Mulder asked James Peak what actions would need to be taken to prepare the digester to be idle for an indefinite period. James said that it will be alright for about 6 months but for any longer it would have to be mothballed; uncouple the generator, disconnect the intake to the turbo; put oil in the cylinders.

Com. Mulder said he has concluded that the Port has not had the skill set or the mind set to operate and maintain the digester with a minimal amount of downtime. He feels that was a lack of organization and management by the staff in not having an inventory of spare parts on hand and the expertise to diagnose and repair minor day to day problems. At this time he doesn't feel the Port has the resources to continue operating the digester without a loss.

The discussion turned to the timing of the shutdown and when would be least disruptive to the farmers. Chad Allen said immediately would work for him. Heather Zwald requested time to adjust her drivers' work schedules. No one wanted to delay until September 30 because that will not give the farmers enough time to spray the effluent on their fields before the rainy season starts.

Richard Obrist & Chad Allen agreed that the Port should stop taking in manure immediately and prepare for shutdown. Sarah Beaubien offered to set up a meeting with the farmers for Michele & Heather Taksdal to consult with them if August 31 or sooner for the date of shutdown would work for them. Michele will meet individually with any farmers not at the meeting.

After extensive discussion, Com. Mulder moved that the Port shut down the digester as soon as possible but no later than August 31, 2016 while working cooperatively with the farmers and Zwald Transport; to preserve the investment and the ability to restart in the future by appropriately shutting down and cleaning equipment; to continue conversations with third parties about restarting operation in the future; make appropriate contractual notifications; all consistent with the shut down notice of January, 2016. Com. Young seconded, motion passed (5-0).

4. Communications

- i. Next Regular Meeting 08/16/2016 at 6:00 p.m.
- ii. Next Special Meeting 09/01/2016 (if necessary) at 12:30 p.m.

5. Commissioner Comments: Com. Olsen expressed his hope that the digester will be maintained in good condition so it will not become unusable. He is confident that it will be operated by another party soon.

Michele Bradley informed the Board that the Port will not have a booth at the County Fair this year.

6. Adjournment: Bob Olsen @ 1:45 p.m.