



APPROVED 6-11-19

MINUTES

BOARD OF COMMISSIONERS

REGULAR MONTHLY MEETING

TUESDAY, MAY 21, 2019, 6:00 P.M.

POTB MAIN OFFICES – CONFERENCE ROOM

4000 Blimp Boulevard, Tillamook, Oregon 97141

1. Call to Order: 6:00 p.m.
Recognition of Persons Present: Commissioners Gerry Opdahl; Carolyn Decker; Jack Mulder and Jim Young. Bob Olsen was absent.
Port Staff: General Manager Michele Bradley; Pami Boomer; Rita Welch and Margaret Amick
Terre Cooper – Economic Development Council (EDC), Tillamook County
2. Introduction of Rita Welch, new Tillamook Air museum Director. Rita reported that she has worked at TAM for about a year and gave a brief review of her background and qualifications. Then she told about the turn out for the Easter egg hunts held at the museum and that they will increase the number of eggs from 3000 to 5000 next year.
3. Consent Agenda – Motion to Approve Consent Agenda
 - a. Prior Meeting Minutes – April 16, 2019 Regular Meeting
 - b. Lease Order #19-05 Ryan Smith; Hangar #25; Storage; mo. to mo.
 - c. Lease Order #19-06 CASA (Court Appointed Special Advocates) – LCTC (Lincoln County – Tillamook County); Bldg. #19, Ste. 430; Office Space; one year
 - d. Lease Order #19-07 Juniper Residential LLC/Shorewood RV Park; RR MP 842.39; Sign Encroachment; Annually
 - e. Lease Order #19-08 Tillamook Beekeepers Association; Bldg. 5, Unit E; Honey Manufacturing; one year
 - f. Lease Order #19-09 Roy Hansen; Hangar #13; Storage; mo. to mo.

Gerry commented that he felt the Port took advantage of the Kahrs family by accepting their \$25,000 offer for Tax Lot 1390 and should have sold it for less. The other commissioners believe the Kahrs anticipated a drawn-out appeals process if the Port decided in favor of leasing to the Bournes and made a preemptive move by offering so much. Most of the board felt it wouldn't be in the Port's best interest to pass it up.

Carolyn Decker moved to Approve the Consent Agenda as presented, Jim Young seconded, and the motion carried (4-0); Bob Olsen absent.

4. Discussion and Consideration of Resolution 2018-2019 #4, Re-Designation of Tillamook String of Pearls Enterprise Zone. Terre Cooper, the new EDC Director, is asking the board to approve a resolution to re-designate the enterprise zone consisting of Rockaway Beach, Bay City, Garibaldi, Port of Garibaldi, Tillamook, Tillamook County and Port of Tillamook Bay. She explained that enterprise zones are a tool to attract businesses to an area by giving property tax breaks lasting from 3 to 5 years for establishing or expanding a business within the zone. A business earns the tax break by increasing its number of employees which puts more money into the local economy through increased payroll. **Jim Young moved to approve Resolution 2018-2019 #4, Re-Designation of Tillamook String of Pearls Enterprise Zone as presented. Carolyn Decker seconded, and the motion carried (4-0); Bob Olsen absent.**

Jack welcomed Terre to EDC and Tillamook County.

5. Discussion and Consideration of Tillamook People's Utility District (TPUD) Commercial Light Program and Loan Application and Permission for Port Manager to Sign Application and all Related Documents. Michele explained that Hangar B can upgrade some of its lighting, get a 43% rebate and finance the balance at 5% interest billed on the monthly statement through TPUD. The visibility and safety in the hangar will be vastly improved and there will be significant savings in lighting costs. The rebate program ends June 30, 2019. **Jim Young moved to give the General Manager Approval to Apply for the Tillamook People's Utility District (TPUD) Commercial Light Program and Loan for lighting upgrades in Hangar B, with the amount not to exceed \$35,000. Carolyn Decker seconded, and the motion carried (4-0); Bob Olsen absent.**
6. Business Oregon Grants
 - a. Discussion of Timeline for Grant between the Port of Tillamook Bay and Business Oregon/SPWF for \$60,000 for Phase II/Mapping and Updating the Port's Stormwater Pollution Control Plan. Michele hasn't received the Notice of Award yet, so can't proceed until it is official. She expects it to arrive any day.
 - b. Discussion and Approval for General Manager to apply for a SPWF Grant for Phase II of Port's Municipal Well Development for well testing (volume and potability), available for OBDD Intake in July 2019. Permission for Board President to sign related documents as necessary for grant consideration. **Gerry Opdahl moved to Have the General Manager apply for a SPWF Grant for Phase II of Port's Municipal Well Development for Well Testing (Volume and Potability), available for OBDD Intake in July 2019 and to Authorize the Board President to sign related documents as necessary for grant consideration. Carolyn Decker seconded, and the motion carried (4-0); Bob Olsen absent.**
7. Discussion of Tillamook Airport
 - a. RV Park Semi-Annual Inspection – Health Dept. found no violations and park is now open for camping

- b. Capital Improvement Plan (CIP) for FAA Fiscal Years 2020-2024. The next project in the 5 year plan will be Environmental and Engineering for extending the Apron.
- c. COAR Newsletter (Information)
- d. Information on Airport Fuel Pricing – Selling for \$5.40/gal. on March 19, 2019
- e. Tenant Changes – Land Tenant on Highway 101/Long Prairie Road. Abbott Farm sold to family from Washington State and they will lease the land Abbott previously leased.
- f. Apron A2 Project Update – contractor came out to check the after winter condition of asphalt in the half circle between UPS and Near Space and when the asphalt plant starts up will be completing the project in June. Then it will just need markings.
- g. TPA Fly-In, May 11 – Had about 25 people even though it was overcast. TMK gave a \$.15 discount on fuel, supplied coffee and doughnuts, and offered reduced Air Museum admission.

8. Discussion of Utilities

- a. GSI Update on Phase I of Stormwater Consultation/Compliance Evaluation is almost complete but will need to come back for more smoke tests in June. The maps didn't show some of the intakes and the old maps of the former sewer system show parallel lines which added to the confusion. GSI recommends that the Port put some of the responsibility of implementing the permit requirements on to tenants and non-tenants who are covered under the Port's 1200-Z permit. Michele said compliance with local, state and federal laws is already written into the tenant leases but the Port will need to figure out a way to enforce the rules with non-tenants, either through an ordinance or in an agreement. She said stormwater regulation is covered in the Clean Water Act and the Port has sent written notification to all the parties covered by the Port's permit. She has been meeting with the larger non-tenants individually to inform them of their responsibility to have or to develop a plan for compliance.
- b. Waste Discharge, NWR-WQ-2019
 - i. Email from DEQ stating POTB holds no blame – For information
 - ii. Pre-Enforcement Notice (PEN) Letter to contractor – For information

9. April 2019 Financial Report – Pami Boomer provided a graph for the current fiscal year showing how the money in the investment pool is allocated to the different funds. The fund for the match on the FEMA projects will be closed in May and the balance transferred to the other funds in the investment pool. Pami answered questions regarding the Road Maintenance fees and debt service. The budget is still doing well overall on expenses for the year. Jack said he is glad to see that just because funds are budgeted doesn't mean that they are spent unnecessarily.

- a. FEMA Project Close Out – All the FEMA projects are now closed out and the Port received on May 6 the final payment of \$49,847 for interest charged by the LOC the Port used to fund FEMA projects until receiving payment for them. The payment was transferred directly into the pool.

Michele provided the board with a draft of a letter to the Secretary of State indicating the corrective action immediately taken by the Port regarding a deficiency of "material weakness in internal control due to lack of segregation of duties allowed penalties and

interest to accrue without notification of upper management” cited in the audit for FY 2017-18 performed by Merina & Company. Jack asked to have a more precise description of the corrective action added to the letter before the letter is sent to the Secretary of State. Michele will revise it and Jack will meet with her to sign it. Gerry asked Michele to have a copy of the electronic audit report printed for him to review since the hard copies have not been received yet.

10. 30-day Notice of Possible Changes to the Port of Tillamook Bay By-Laws, Resulting from Annual Review of By-Laws – Michele provided to the Board the current By-Laws for review. She had listed a couple of changes and requested that she be contacted with any suggestions from the commissioners for follow up at June Regular Meeting.
 - a. Review of Board Rules in Conjunction with By-Laws – Jack requested wording added to Rule #8 acknowledging the relaxed nature of the board meetings but that the rule can be enforced at any time to retain order if needed.

11. Committee Reports, if time allows

- a. Tillamook Lightwave – Jim Young had nothing to report, last meeting was uneventful. Budget meeting next week.
- b. Salmonberry Trail – Jack Mulder: The next STIA meeting will be in Tillamook. He reported that he has contacted STIA that the Creamery Association is interested in building an employee walking path that would establish where the Salmonberry Trail will be and he has also contacted Oregon Coast Scenic Railroad (OCSR) to see if they would be interested in partnering with the Creamery, possibly delivering rock and potentially putting in a stop for the train so passengers can walk to the Creamery. The path would be gravel about 4 feet wide. Both STIA and OCSR have shown interest in the plan. The Port of Garibaldi, Rockaway Beach and Tillamook are all developing plans for trails that can be developed as part of the STIA plan.

Michele asked for the board’s guidance on the RR Right of Way fees now that the City of Tillamook - Hoquarton Trail is completed. Should the Port charge the City of Tillamook the one time “as built” fee for 3,099 feet at \$5.00 per lineal foot (same as STIA) for a total of \$15,495, or the lease rate for 37,000+ sf. at \$1.00 per square foot for \$37,000 annually? The City would like the Port to waive the fees for the public good. The board reached a consensus for Jack and Michele meet with the City to discuss the RR fees and the water rates.

- i. Invitation to 06-14-2019 Ribbon Cutting at Manning Trailhead - Information
- ii. What’s New from Salmonberry Trail newsletter - Information
- iii. City of Tillamook – Hoquarton Trail Update. Jack reported a good turn out for the Grand Opening of the Trail.
- c. Friends of Tillamook Air Museum (FOTAM) – Carolyn Decker reported that FOTAM wants to hire Eric Brinkert for grant writing and board training. Gerry reported that the board plans to increase the number of directors to 13 and is actively looking for candidates. The board members tabled considering quotes for director’s insurance. Rita reported that since Hangar B is a historical site, for \$400.00 per year the state will provide and maintain the brown historical site signs on Hwy 6 and on Hwy 101 directing traffic to the Port. She has been looking into it with the State. Jack suggested getting approval of the locations with the occupants of the property to avoid conflict with local merchants.

12. Manager's Report

- a. March and April 2019 Safety Meetings - Information
- b. Informational Letter from Tillamook PUD on rate increase of 5% beginning May 1, 2019
- c. May DEQ Report – Monthly report required by DEQ for Stormwater - Information
- d. Update on Tillamook TL 1390 – Sales Agreement received from Kahrs' attorney, has been passed on to Port's attorney.
- e. Update on FEMA final reimbursement; closing of LGIP account – reported in financials.
- f. Digester Update – Michele talked to Regenesis and they have started bringing in manure. There is over ten feet of solids in Tank #1 and Tank #2 so they won't get the retention time; Tank #3 is not commissioned yet because the lid was damaged during a storm and it needs to be repaired. There is a puncture in a gas tube that needs to be repaired. The manure spill cleanup is almost complete.

13. Communications

- a. Senator Merkley Town Hall – Saturday, May 25, 2019 at Mess Hall, 2:00-3:00 pm
- b. Next Strategic Business Planning meeting with Mary McArthur of Col-Pac – **May 29, 2019 @ 3:00 p.m.**, followed by Ribbon Cutting for Hoop Houses, Mess Hall 5:00-7:00, RSVP required
- c. Next Special Meeting on **June 6, 2019 @ 12:30 p.m.** (if needed) – confirm quorum? CANCELED
- d. Next FOTAM Meeting – Friday, June 14, 2019 @ 10:00 a.m., TAM Conference Room
- e. Next Regular Meeting — Moved to Tuesday, **June 11, 2019 @ 6:00 p.m.** Budget and Regular Meeting and farewell to Carolyn Decker and Bob Olsen.
- f. July Regular Meeting – **July 16, 2019** – Audit presentation by Merina and Co.

14. Commissioner Comments: None

15. Adjournment: 8:02 p.m.