



APPROVED 4/19/23

MINUTES

POTB BOARD OF COMMISSIONERS

WORKSHOP AND REGULAR MONTHLY MEETING

PORT OFFICE, 4000 BLIMP BLVD., TILLAMOOK – CONFERENCE ROOM

TUESDAY, MARCH 14, 2023 AT 6:00 P.M.

<https://us02web.zoom.us/j/86895410895?pwd=a2Ezbnk9ub2RFd25Rd3Y2UWpCWmpldz09>

Any comments or written testimony, if allowed, may be submitted to mbradley@potb.org up to 3:00 pm on the afternoon of the meeting

Call to Order @ 6:00 pm

Recognition of Persons Present: Port Commissioners Sierra Lauder, Jack Mulder, Kevin Stoecker, Bill Baertlein, and on Zoom, Matt Mumford

Port Staff: General Manager Michele Bradley, Pami Boomer, Rita Welch, and Margaret Amick

Anne Richards – FOTAM

Will Chappell – Headlight Herald

KC Fagan – Tillamook Public Utilities District (TPUD)

Public – Gus Meyer, Gary Bond; On Zoom - Gill Costin, Diane Colcord, Paul Adams

Public Comment for Items Not on the Agenda – Gus Meyer asked if the liquid manure he has seen being hauled into the Port is being used to generate electricity. Michele replied that the Port sold the digester to Tillamook Biogas a couple of years ago and they have been processing the manure but not producing electricity.

Board Discussion/Workshop – Hangar B. Port staff are looking for direction on the board's priorities for the future of the hangar. The Wood Research and Development (WRD) report rated its condition at a 3 on a scale of 1-5. Sierra reviewed previous board discussions on options for the hangar: repair, lease or sell, or dismantle; with each option having its own costs and hurdles. Repairs would have to be done in phases, with the estimated price of the Phase I of reroofing costing \$1.5 million - \$2 million which would require convincing the public to pass a bond, even if grants could be found to cover part. Bill said the numbers need to be firm before going for a bond. The total approximated cost of repairing Hangar B is currently \$20 million to \$40 million. The board questioned whether the Port could afford to subsidize the debt, as the revenue from Hangar B would never be adequate to cover the payments. Funds would have to be diverted from maintenance and improvements to the primary revenue generating assets of the Port.

Leasing or selling the structure would require a tenant with considerable assets in order to assure that they wouldn't default on the contract after the current tenants have vacated and major changes are made to the building. If the building is purchased for its salvage value, the purchaser would have to prove they are able to do so safely and completely. The land would not be included in any sale and would be retained by the Port.

Dismantling the hangar will cost approximately \$20 million to \$40 million due to the logistics of the project, and the cost of handling and disposing of hazardous materials. There would be an additional \$1.5 million in transportation costs to return the loaned airplanes to the Navy; the cost to relocate the exhibits (including aircraft owned by the museum); and the cost to relocate tenants. The Port would recoup part of the expense from the sale of the recyclable materials. Dismantling isn't off the table but isn't at the top of the list.

Some of the commissioners are open to a sale or lease if conditions, which are to be determined, are met. Michele asked the commissioners to submit by March 24 the criteria they would require before considering a sale or lease and she will compile a list to discuss at the April board meeting. She suggested forming an ad hoc committee consisting of staff and two of the commissioners to meet with any parties interested in leasing or buying the hangar. Jack and Bill volunteered.

Ann emphatically spoke of her opposition that any sale or lease go into effect before the 80th Anniversary Celebration in August. Sierra said that scheduled events would be a consideration and that it is pretty much impossible for a sale or lease to be completed in that timeframe.

Workshop ended @ 7:19 pm
Regular Meeting convened @ 7:25 pm

Consent Agenda

- a. Minutes for 02/15/2023 - Regular Meeting
- b. Lease Order #23-04 Tillamook BLM, LLC; for approximately 3 acres of Land for Construction of Bureau of Land Management Offices and yard; 600 full calendar months
- c. Lease Order #23-05 Salty Raven, LLC; Bldg. #92, Unit A; Warehousing; mo. to mo.
- d. Proposed lineal easement on RR ROW for Tillamook PUD Transmission Line. KC Fagan said PUD has secured all their permits except for the development permits which will be issued within six months of construction. They have obtained easements from a few of the property owners and are in process with the rest of the owners. They have a contractor on board and plan to begin construction this summer. The poles will be self-supporting so there will be no guy wires to increase the footprint. KC said he is trying to make the project as unimpactful as possible.

Jack moved to approve the consent agenda; Bill seconded and the motion passed unanimously.

Tillamook Air Museum (TAM) Report – Rita Welch told the board that the Air Force has approved TAM to borrow airplanes for display. Christian Gurling also has leads on other aircraft, an intact Black Hawk helicopter and the forward sections of a couple of passenger planes. It was discussed that acquisitions should be put on hold until the

future of Hangar B is determined, to prevent adding to the cost of returning aircraft to the military if necessary.

On April 1st, TAM is holding the B-52G Stratofortress Cockpit Grand Opening, featuring Miss Bangor (Maine)1964, who will rechristen the exact same aircraft she originally christened in 1964. Free tickets are available online. Then on April 8th is the Easter Egg hunt with over 5,000 eggs hidden inside the hangar, photos with the Easter Bunny, face painting and balloon animals. Admission is free at the door.

Matt asked about the progress on repairs to the Hangar's roof. Rita explained part of the \$75K Transient Lodging Tax (TLT) grant money was used on the ventilation study. The study offered two options for repairs, one costing \$500,000 and the other about \$75,000. The balance of the grant went toward the WRD evaluation of the rest of the structure. Rita will continue applying for grants as they become available, to be used toward ventilation and rolled roofing. Bill suggested going directly to the County Commissioners in the next budget cycle for a \$500,000 TLT grant, since they have the authority to award it.

Discussion and Consideration of Replacement Resolution #2022-2023 #5 – 1 to approve Clean Water State Revolving Fund Loan Agreement No. R91561 with Oregon Department of Environmental Quality for \$1,410,500. Note, this Resolution replaces #2022-2023 #5, as amended by legal counsel. **Bill moved to approve the Replacement Resolution #2022-2023 #5 – 1 to approve Clean Water State Revolving Fund Loan Agreement No. R91561 with Oregon Department of Environmental Quality for \$1,410,500. Matt seconded and the motion passed unanimously.**

Discussion and Consideration of Scope of Work and Contract for Engineering Services for the Wastewater Treatment Plant (WWTP) Improvements with HBH Consulting Engineers, Inc., for Phase I, WWTP Improvements and Collection System for \$66,644.00, Phase II, Biosolids Removal Program for \$77,368.00, and giving the General Manager Authority to sign all Contract related documents. **Bill moved to approve the Scope of Work and Contract for Engineering Services for the Wastewater Treatment Plant (WWTP) Improvements with HBH Consulting Engineers, Inc., for Phase I, WWTP**

Improvements and Collection System for \$66,644.00, Phase II, Biosolids Removal Program for \$77,368.00, and giving the General Manager Authority to sign all Contract related documents. Jack seconded and the motion passed unanimously.

Review and Discussion of Draft Tillamook Lightwave (TLW) Withdrawal Agreement. The board reached a consensus to forward the agreement to John Luquette at PUD as an indication of the Port's intentions.

Office Administrator Report

Pami reported that the financials are doing pretty well and on track with the budget. A pickup truck was purchased for the airport; two loans have been paid off this year and leftover funds designated for debt payments can be used to pay off another Oregon Business Development Department (OBDD) loan early, saving a year's worth of payments. Pami is currently working on the budget and will present a resolution to pay off the loan to the board in the next fiscal year. She continues to set aside funds when able.

Manager's Written Report and Discussion - Michele Bradley said the Port received a letter of commendation from the Department of State Lands (DSL) for "achieving the goals and success criteria" for the Southern Flow Corridor project. It formally informed the Port that it is in compliance with the Removal – Fill Permit 58154-RF and are released from further obligations under the permit. DSL thanked the Port for its good stewardship and concern for Oregon's environment.

Michele asked the board if they want her to attend the SelectUSA Investment Summit in Maryland the first week in May. This is an event where economic development organizations can network with investors looking to establish and expand their operations in the United States. The board approved Michele's attendance, that it could be beneficial to the Port and the area.

The Ford Family Foundation issued a press release regarding the awarding of a Growing Rural Oregon (GRO) grant to Tillamook County to fund a GRO Navigator for five years. Tillamook County Economic Development Council and Tillamook Small Business Development will serve as core partners in promoting the establishment and growth of businesses and industries in the area.

Ken Henson is a consultant for a group working to establish a food hub where local businesses can centrally process, cold store, add value, and transport their products, so that they can increase their profitability. Food Roots has been making plans for the use of the entire Officers Mess building and the current tenants are concerned about being displaced. Since Michele hasn't been notified of their plans, she will be meeting next week with Food Roots, Ken Henson and other involved parties. She will keep the board informed.

Livermore Architecture & Engineering had an outside third party reevaluate the project costs for the Airport Business Park expansion and the total went from

\$12 million to \$18 million. Business Oregon's underwriter rates the Port's capacity for debt at \$3 – 4 million. Michele thinks the plans call for structures that are more extravagant than is required and that they could be located in the business park more economically. She and Chance Steffey reviewed the figures and trimmed off about \$2 million and are looking at modifications to the plans to cut costs, possibly building just two of the hangars, instead of four plus the entire site and Near Space's add-on.

Commissioner updates and written reports

Bill said there is a push from Salmonberry Trail board member Michael Neunzert that is getting a lot of support to pull up the tracks, run a bulldozer through and lay down rock for a trail on the east side. He expects to see a lot of action on the east side since it is easier. Michele said they have submitted three congressional requests for funding for three different projects, from the offices of Suzanne Bonamici, Ron Wyden, and Jeff Merkley. There aren't any agreements with Salmonberry Trail Intergovernmental Agency (STIA) by organizations on the west side who plan to build sections of the trail, which is the first step in the process.

Sierra reported that the withdrawal agreement has been presented to Tillamook Lightwave. Former Tillamook County Broadband Coordinator Samantha Goodwin is now working for Astound Broadband and making a contribution with the knowledge she gained about the broadband expansion process.

Rita said FOTAM has signed a contract with Julie Hurliman to coordinate the 80th Anniversary of Hangar B event scheduled for August 19, 2023. She said they have been working through past tax filing difficulties and have the tax filing due schedules for the future.

Michele reported that Aryeann Colombo is leaving Columbia Pacific Economic Development Council and they have hired a firm to search for a replacement.

Communications

- a. Wednesday, April 19, 2023 – Monthly board meeting, 6:00 pm
- b. Monday, April 24, 2023 – Budget Committee Meeting, 12:00 pm
- c. Wednesday, May 17, 2023 – Budget Hearing and Monthly board meeting, 6:00 pm
- d. June board meeting moved to Thursday, June 15, 2023 @ 6:00 pm

Adjourned @ 8:45 pm