



APPROVED 4/17/18

MINUTES

BOARD OF COMMISSIONERS

REGULAR MONTHLY MEETING

ALSO SITTING AS THE LOCAL CONTRACT REVIEW BOARD

TUESDAY, MARCH 20, 2018, 6:00 P.M.

POTB MAIN OFFICE – CONFERENCE ROOM

4000 Blimp Boulevard, Tillamook, Oregon 97141

1. Call to Order: Bob Olsen @ 6:00 p.m.
Recognition of Persons Present: Commissioners Gerry Opdahl; Jack Mulder; Carolyn Decker; Bob Olsen and Jim Young
Port Staff: General Manager Michele Bradley; Pami Boomer; Aaron Palter and Margaret Amick
Oregon Coast Scenic Railroad (OCSR): Meghan Burdick; Scott Wickert; Tim Thompson; Denny Pastega; Jessica Jung; Jade Dye and Richard Gitschlag
Oregon Coast Railriders: Kim Metlen; Brian Cameron
Oregon Parks and Recreation District (OPRD): Dennis Wiley
Oregon Dept. of Forestry Tillamook: Kate Skinner
Board of County Commissioners (BOCC): Bill Baertlein
Nikki Brown – Community Member
Gales Creek Journal/Banks Post: Chas Hundley; Headlight-Herald: Jordan Wolfe
2. Public Comment: Kim Metlen expressed his hope that the Board will approve his request for an encroachment lease for parking and storage in Wheeler for the Railrider excursions upriver.
3. **Tabled from February 20, 2018 Meeting** – Discussion and Consideration of Final Draft of the Salmonberry Trail Rail Line Use Agreement. **Jack Mulder moved for the Board to Approve the Salmonberry Trail Rail Line Lease Agreement Between the Port of Tillamook Bay and the Salmonberry Trail Intergovernmental Agency (STIA) with Modifications Discussed in Executive Session. Jim Young seconded.** Bob Olsen identified the document as Port Draft 3.15.18, and asked if there was any discussion. Jack Mulder asked Michele to talk about the modifications to the lease since the Board meeting on February 20. Michele explained that the main change involves OCSR and its lease negotiation with the Port. Upon the resolution of the issues between OCSR, the EPA and the U.S. Army Corps of Engineers (no later than December 31, 2019), POTB and OCSR may enter into an OCSR Amendment giving OCSR an extended term of 20 years from the date of the Amendment and the Amendment will be considered an Existing Use Agreement within the STIA lease.

There will not be an option for, or automatic renewal of the Amendment at the end of the twenty years but OCSR can request a renewal as a new agreement with OCSR, which would then be subject to approval by STIA, as would be an “amended” agreement or a “new” agreement at that time.

Jessica Jung said she has some concerns about the POTB/STIA lease. She thought that a copy should have been sent to their general counsel for consultation and then she would discuss several issues with POTB. She asked why the deadline for resolving OCSR’s issues with the EPA and the U.S. Army Corps of Engineers is written in to the STIA lease and she also raised objections to other portions of the lease. Bob Olsen told Jessica he had understood from his conversations with OCSR’s president that OCSR needed the 20 year term on the amended lease for planning and to obtain financing for future projects. Bob had not heard about the other issues being brought up by Jessica at this meeting. Jack Mulder explained that the changes in the STIA lease were an accommodation to OCSR where the OCSR/POTB Amendment with the 20 year term extension would not need to be approved by STIA. Jessica said that OCSR wasn’t prepared to support the agreement at this time due to those and other issues. Gerry said he wanted to understand what OCSR was willing to live with and that he was under the impression that OCSR was okay with the terms of the agreement. He went on to say that he felt OCSR should get three 20 year lease terms but that the railroad is the Board’s and even though he may not vote for the STIA lease, the Board might vote for it. Michele said she had spoken to Rich Gitschlag and Brandon Thompson about the revised terms, and that this is the best the Port Board can offer at this time. Rich said that they have been aware of the terms but haven’t had a board meeting to discuss them and Jessica said OCSR hasn’t agreed to the terms. Bob Olsen pointed out that OCSR’s current agreement expires in 8 years with no extension which could put them out of business. Jessica said that is another option. Michele said that is not where the Port is trying to get to and that is why the STIA/POTB lease was revised to lock in the OCSR Amendment as an Existing Use Agreement with the 20 year term. Bob Olsen pointed out that if OCSR is successful in its plans to grow then they will have great support from the community and from STIA in negotiating an extension at the end of the twenty years.

After the discussion ended, the vote was taken. The motion passed (3-2); Gerry Opdahl and Carolyn Decker were both “Nay”.

- a. Letters to the Board/Port of Tillamook Bay from Trail Supporter was entered into the record.

4. **Tabled from February 20, 2018 Meeting** – Discussion and Consideration that a joint work group be established, as recommended by the Salmonberry Trail Intergovernmental Agency (STIA), to work on proposed new or amended use agreements with representatives of the entity requesting the new or amended agreement, and any other affected parties holding agreements with the POTB; designation of two POTB representatives. *Jack Mulder reported that at the STIA meeting on February 2, 2018 it was proposed to have a structure for dealing with new and amended leases and agreements such as crossings, encroachments, fiber optic cables and other uses. Simple agreements like private crossings would have an expedited review by STIA with Michele; more complex agreements like signs or above ground work would be subject to advance review by STIA with the ability to comment. Complex agreements such as long term extensions to the OCSR Agreement or other requests with the potential to have a bigger impact on the Trail would involve a workgroup consisting*

of representatives from STIA, POTB and any affected parties. Gerry expressed his desire that the representatives from the Port consist of board members and the General Manager so that no particular agenda would be pursued during the lease negotiations. Approval of a motion would establish the work group to be activated on an as needed basis and the POTB representatives would be designated based on the skills and knowledge needed at the time. **Jack Mulder moved that the Port of Tillamook Bay agree to the establishment of a joint work group as recommended by the Salmonberry Trail Intergovernmental Agency to work on proposed new or amended lease agreements with representatives of the entity requesting the new or amended lease agreement and at the time of that work group convening, the Port will appoint 2 commissioners to represent the Port in the discussions. Carolyn Decker seconded. The motion carried (5-0).**

5. Financial Report – Pami Boomer

- a. February 2018 Financials – Pami reported that the Port currently has more revenue than projected. The Air Museum’s income should begin increasing as spring gets closer. Port staff is working on an asset list and developing property descriptions for marketing purposes. Bob Olsen and Jack Mulder asked how the commissioners can have more input in developing the budget and the allocation of revenue. Pami said they can make suggestions at board meetings and also by meeting with her one or two at a time to see how she develops the budget. They can give her a wish list then, too. Jack would like funding for a new structural analysis of Hangar B. Jim Young would like to put up more buildings for rent. Pami also follows up on areas of interest to the board by consulting with staff and assembling information to present to the board in determining the feasibility of a project. Jim Young clarified that if an amount is budgeted for a purpose which then was not begun then there doesn’t have to be a supplemental budget. Carolyn Decker asked Pami what is most important to her in planning the budget. Pami said communicating with the staff and shifting from just keeping the infrastructure together to actively making improvements to increase rental value.
- b. Draft Budget Calendar – Pami asked the Board members to check the schedule against their calendars and email her with their availability.

6. Consent Agenda – Motion to Approve Consent Agenda

- a. Prior Meeting Minutes – Regular Meeting of February 20, 2018
- b. Lease Order 18-05 Oregon Coast Scenic Railroad; Bldg. 54; Locomotive Renovation; mo. to mo.
- c. Lease Order 18-10 War Sport NW, LLC; Bldg. 91, Unit A; Office Space/Storage; mo. to mo.
- d. Lease Order 18-11 Ryan Smith; Hangar #13; Aircraft Storage; mo. to mo.
- e. Pre-approval for Oregon Coast Railrider lineal right of way lease for parking and storage in Wheeler, per board review request

Jack Mulder moved to approve the Consent Agenda with a minor revision; Jim Young seconded, and the motion carried (5-0).

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7. Discussion and Consideration of Accepting Proposal from Precision Approach Engineering for Airport Engineering Services for the Tillamook Municipal Airport (TMK); and Directing General Manager to Enter Into Contract Negotiations for Same. **Gerry Opdahl moved to Accept the Proposal from Precision Approach Engineering for Airport Engineering Services for the Tillamook Municipal Airport (TMK); and to Direct the General Manager to Enter Into Contract Negotiations for Same. Jack Mulder seconded and the motion carried (5-0).** Michele will have the first meeting with Precision Approach on Thursday, March 23, 2018.

NOW SITTING AS THE BOARD OF COMMISSIONERS

8. Manager's Report (25 minutes)
 - a. Photo from ACEC Awards for Southern Flow Corridor Engineering
 - b. Recognition of POTB Outstanding Performer for our water system from the Oregon Health Department – Listed in OHD January 2018 newsletter.
 - c. County TLT revenue to date (information only)
 - d. FAA Capital Improvement Plan for Fiscal Years 2019-2023 – upcoming Tillamook Airport project is to Rehab Apron: Phase I - Environmental
 - e. Tillamook County Funding Priorities for 2018 has 3 projects affecting POTB on the list sent to Senator Merkley
 - f. Oregon Dept. of Aviation COAR newsletter (information only)
 - g. Top Five Executive Session Traps – informational for commissioners
 - h. Grant Approvals
 - i. TLT Marketing grant for Museum – for marketing brochures
 - ii. COAR (Aviation) Apron construction match funding to FAA funding
 - i. Update: Banks Rail Yard – P & W expressed interest in the purchase
 - j. Update: Tillamook BioGas Corp. LLC – The lease is in the works with the legal department. Jim Young asked regarding a profit share and Jack Mulder provided a breakdown of the options. The numbers work out better at a fixed rent of \$4000.00 per month with 3% annual increases even with the first 6 months free. Bob Olsen asked about a road fee and Michele said it is written into the lease.
9. Committee Reports (5 minutes each)
 - a. Tillamook Lightwave – Commissioner Young had nothing to report.
 - b. Salmonberry Trail – Commissioner Mulder reported that the STIA/POTB lease will be signed at the next meeting on April 6, 2018.
 - c. Friends of Tillamook Air Museum (FOTAM) – Commissioner Decker reported that FOTAM has received an EIN but is waiting for its 501(c)(3) number. They can accept donations. The logo was approved with a small modification. The FOTAM board has discussed updating the structural analysis. They are looking in to applying for TLT grants and other grants for planning & repairing Hangar B.
10. Communications
 - a. Next Strategic Business Planning Meeting – Thursday, April 12, 2018 @ 2:00
 - b. Next Regular Meeting – Tuesday, April 17, 2018 @ 6:00 p.m.

- c. No Special Meeting in April due to scheduling conflict
- d. Next Special Meeting – Thursday, May 3, 2018 before/after/with Budget Committee meeting – time TBD

11. Commissioner Comments: Bob Olsen mentioned the speeding trucks on Blimp Blvd and asked about borrowing or buying an electronic speed sign (SDAO safety grant?) to try to slow traffic. Speed bumps were considered.

Gerry Opdahl reported that he had asked for a couple of alterations to the engineering drawings from Rich Gitschlag for the Dave Hogan encroachment and asked if they had been completed yet. Michele said that when she talked to Rich he said he had a slight alteration before submitting the final plans. Michele asked the Board for a consensus on the plans and Gerry Opdahl and Jack Mulder said they would have no problems with the plans once the revisions were made. Michele will follow up with Rich for the final plans.

12. Adjournment @ 8:50 p.m.