



APPROVED 12/18/18

MINUTES

BOARD OF COMMISSIONERS

REGULAR MONTHLY MEETING

TUESDAY, OCTOBER 23, 2018, 6:00 P.M.

POTB MAIN OFFICES – CONFERENCE ROOM

4000 Blimp Boulevard, Tillamook, Oregon 97141

1. Call to Order – 5:59 p.m.
Recognition of Persons Present – Commissioners Jack Mulder; Jim Young; Gerry Opdahl; Bob Olsen and Carolyn Decker
Port Staff – General Manager Michele Bradley; Aaron Palter and Margaret Amick
Gus Meyer - Port taxpayer
Ken Ulbricht and Lynn Ulbricht – Presenters for item #3
2. Public Comment for Items Not on the Agenda – Gus Meyer asked if the Port has contacted the Tillamook Fire Department to burn down Building 69 as a training exercise which would save the Port the demolition cost. Michele explained that the TFD requires the asbestos to all be removed before they will burn it down.
3. Presentation and Discussion Regarding Property in Wheeler, OR and Marine Drive – Ken Ulbricht is working on a housing development project and is asking the Port for a lease in the railroad right of way strictly for public parking. The project will be in compliance without the lease but the extra parking would offer overflow parking for visitors to the tenants and people accessing the shore. He described the 30 units as single family, cottage style homes between 700 – 1400 sf. and spoke of community building and other amenities he plans for the development. The board reached a consensus to authorize Michele to contact the Salmonberry Trail Intergovernmental Agency to continue the process for approval.
4. Second Reading of Ordinance #8, an Ordinance Creating the Port of Tillamook Bay Road Maintenance Program; Establishing a Road Maintenance Fee; and Providing for Penalties for Nonpayment. Includes Continued Public Hearing from September 2018 Meeting. *By Direction of the Board, the Proposed Ordinance May be Read by Title Only.* **Jim Young moved to Approve reading Ordinance #8, an Ordinance Creating the Port of Tillamook Bay Road Maintenance Program; Establishing a Road Maintenance Fee; and Providing for Penalties for Nonpayment by title only, Carolyn Decker seconded and the motion carried (5-0).** Aaron Palter gave the second reading of the ordinance by title

only. Jack asked if the Port had received any negative feedback from the tenants regarding the Ordinance and Michele said only from Denis Schmitz (Woodmark Cedar). The board discussed whether to add more categories for setting the fee schedule to distinguish more precisely between those industries with less traffic and the ones with more traffic. They asked if it could be done without having to begin the public notice process again. Aaron said that at this point the ordinance can be revised without starting the process over again. If they decide to add categories after adoption of the ordinance then the process begins again. It was asked if the percentages apportioned to each category can be written into the resolution to allow more flexibility to make changes. Aaron said he would have to check with legal and get back to them. The board decided to table the item until the November 1, 2018 meeting. Jack stated that he would like the Port to make clear to the public that a portion of the fees collected will be used for annual maintenance and the balance will be reserved for repaving costs when needed.

5. Consideration of the Adoption of Ordinance #8, an Ordinance Creating the Port of Tillamook Bay Road Maintenance Program; Establishing a Road Maintenance Fee; and Providing for Penalties for Nonpayment - Item tabled until the November 1, 2018 meeting.
6. Discussion and Consideration of Resolution 2018-2019 #3 In the Matter of Adopting the Road Maintenance Program Fees Schedule - Item tabled until Ordinance #8 is adopted.
7. Consent Agenda – Motion to Approve Consent Agenda
 - a. Prior Meeting Minutes – Regular Meeting September 18, 2018
 - b. Lease Order #18-30 Greg Mayotte; Hangar #19; Storage; mo. to mo.**Jim Young moved to approve the Consent Agenda as presented, Carolyn Decker seconded and the motion carried (5-0).**
8. Financial Report – Pami Boomer provided the report to be reviewed by the Commissioners for the November 1, 2018 meeting.
9. Discussion and Consideration of Railroad Private Roadway Crossing License Agreement and Railroad License Agreement. Michele presented, for approval, updated versions of the agreements that reflect the involvement of STIA in granting the licenses. **Carolyn Decker moved to approve the revised Railroad Private Roadway Crossing License Agreement and Railroad License Agreement, Bob Olsen seconded and the motion carried (5-0).**
10. Discussion of Draft Water Management Conservation Plan (WMCP). The Port sent the plan to the City of Tillamook and to Tillamook County for comments and received no feedback within thirty days. The final draft was then sent to Oregon Water Resources Department on October 2, 2018 for a thirty day public comment period. Then OWRD will send the Port an evaluation of the WMCP with an approval or identifying needed revisions. This process can take up to ninety days.

11. Discussion and Consideration of Disadvantaged Business Enterprise (DBE) Policy and to appoint the General Manager as the DBE Liaison Officer (DBELO), to be signed by the Board President. The board acknowledged that the DBE Policy is required by the U.S. Department of Transportation (USDOT) to receive funds from them for improvements to the Port. **Gerry Opdahl moved to adopt the Disadvantaged Business Enterprise (DBE) Policy and to appoint the General Manager as the DBE Liaison Officer (DBELO). Jim Young seconded and the motion carried (5-0).**

Jack recessed the meeting for a five minute break at 7:44 p.m. and reopened the meeting at 7:49 p.m.

12. Discussion and Consideration of Memorandum of Agreement with Tillamook County, City of Tillamook, Tillamook Estuary Partnership and Tillamook Bay Flood Improvement District for the Southern Flow Corridor Landowner Preferred Alternative Project Management Plan. The purpose of the agreement is to specify which of the parties involved with the SFC will be responsible for managing and maintaining the site. Tillamook County will be responsible for maintaining the levees. The board had previously agreed to limit the Port's financial contribution to the project to \$4,300,000 but is willing to provide approximately 12 hours of staff time annually for inspecting and monitoring the site. Gerry asked why there is a 5 year term on the agreement and Aaron explained that it is anticipated that the area should transition from fresh water to a salt marsh within that time span. **Bob Olsen moved to approve the Memorandum of Agreement with Tillamook County, City of Tillamook, Tillamook Estuary Partnership and Tillamook Bay Flood Improvement District for the Southern Flow Corridor Landowner Preferred Alternative Project Management Plan. Jim Young seconded and the motion carried (5-0).**
13. Discussion of Employee Holiday Bonuses. After a short discussion among the commissioners, **Carolyn Decker moved to increase the Thanksgiving bonus to \$100 and the Christmas bonus \$200 for 2018. Gerry Opdahl seconded and the motion carried (5-0).**
14. Manager's Report
- a. Update on Renewal of State Certified Sites at POTB (attached) – Tillamook County Commissioners approved to provide a letter of support to the state regarding the Port's renewal application for state certification of 3 parcels as being shovel ready for development. Michele needs to write one more letter and complete some online application to finish the process.
 - b. Update on OCSR (10.05.18 Notice from Army Corps) and OCSR Response (attached) – The Army Corps of Engineers (AoEC) received a report of possible unauthorized work on the Nehalem River by OCSR during some repairs to a washout along the railroad bed. An onsite meeting with the AoCE, the EPA and OCSR determined there was no violation and that there was no permit needed. OCSR will add additional vegetation to help stabilize the area.

- c. Update on Oregon Pay Equity and Employee Salary and Wage Workshop – Aaron Palter is reviewing job descriptions and pay scales from other entities and will present the information at the next workshop.
- d. Recent Airport FAA Inspection (attached) – The only issue needing attention was that the grass was a little high around the airfield reflectors and signs. It was attended to immediately and continues to be maintained.
- e. FAA Project Update – Apron 2 Rehab (circle paving/fencing) (attached) – Photographs were provided showing the fencing per FAA specifications of 6 feet tall and topped with barbed wire for security fences.
- f. Update on Banks Road issues (verbal) – A meeting was convened by Senator Betsy Johnson and attended by members of organizations representing truckers; railroads; ODOT; Washington County; City of Banks; Hampton Lumber; STIA; and others. There are competing plans for developing the intersection at Banks Road and the sale of the Banks yard would have an impact on them. Michele said she needs the board to consider how much of the land at Banks the Port is willing to sell. P & W Railroad wants to buy a 4 mile section of the rail line north of Banks Road which would prevent several of the interested parties from following through on their plans for that area. P & W has said that if they can't buy the 4 mile section they will consider discontinuing the switching operations at the Banks yard and the Port would have to perform those operations itself.
- g. Update on ODA COAR Grant Planning Grant Application (verbal) – Michele reported that she has applied for a COAR grant to fund the engineering and environmental work to build box hangars near the FBO. The match amount would be about \$7500.
- h. Notice of RRAP activity at Airport (Regional Resiliency Assessment Program) – Michele has been contacted by Homeland Security regarding a visit to Tillamook County in November to evaluate the area's ability to withstand damage from an emergency event. There will be representatives from several government agencies doing the assessment. Tillamook Airport has been designated as one of the top airports for receiving supplies after a disaster and/or as a staging area.
- i. Update on FAA Test Site Range Authorization (verbal) – Near Space has been reauthorized as a Test Site Range.
- j. Update on Lease Issues (verbal)
 - i. Oregon Coast Futbol – Requested to vacate lease since they found a site with a long term lease. The board agreed to grant the request.
 - ii. JJS – Building 72 is available to rent since the prospective tenant had a setback and is not able to follow through with his plans.
 - iii. VAM in hangar – The Vintage Aviation Museum is unwilling to sign the Port's lease without substantial changes so Michele has discontinued the process with them.
 - iv. Michele told the board that the Economic Development Council interviewed two candidates for the manager position and will be performing background checks.

15. Committee Reports

- a. Tillamook Lightwave – Jim Young had little to report from the TLW meeting earlier in the day. He reported that he asked The Wave for a report comparing TLW's performance to that of other internet providers in the area. Jim is still concerned that monthly meetings are still being canceled and not rescheduled for another time in that month. It was suggested that a letter be sent to all the directors addressing the issue. Michele will follow through.
- b. Salmonberry Trail – Jack Mulder said that STIA is in a time of transition. The governance structure was set up to continue the planning process but isn't set up to build and operate the trail. The organization needs to evolve to work out how to build and operate the trail segments. Tillamook Forest Heritage Trust has the kind of 501(c)(3) that makes them ineligible for some grants, including for a director. The next six months will be very transitional; there will be some retirements in personnel and there has been discussion of a change in the number of voting members from 4 to 7. Michele told that OCSR wants to become a member, even if only on the ex officio board. Jack has mixed feelings but it is something he would like to explore.
 - i. Annual Report – Jack supplied the annual report for review.
 - ii. Valley Segment Executive Summary – The plan from Banks Road up to Timber is pretty much done and STIA is working on the planning for the canyon.
- c. Friends of Tillamook Air Museum (FOTAM) – Carolyn Decker reported on the meeting of October 2, 2018. The board finalized FOTAM'S mission statement. She reported that TBCC does not have any students to serve as an intern to write up grant applications but that in the near future there will be a seminar on writing grants. She encouraged everyone to attend the seminar and intends to talk to the instructor to get some advice from her. The bank account contains \$10,295.59. Gerry Opdahl reported on a quote from Purcell of \$2.50/sf for coating the roof of Hangar B. Gerry figured a total of \$1,000,000 – \$1,500,000.

16. Discussion and Consideration of 1st Amendment to the POTB – Tillamook BioGas LLC Lease - The Port and Tillamook People's Utility District (PUD) will enter into a Power Purchase Agreement (PPA) regarding the renewed operation of the digester. The PPA allows the Port to designate Tillamook Biogas, LLC (TBG) as the Facility Operator of the digester, and they have entered into a lease. The section 6.2 in the amendment specifies the types of security agreeable to the Port in order to protect the Port from any liability resulting from the operation of the digester or from TBG becoming noncompliant with the terms of the agreements. The options are; a bond; a letter of credit; insurance; or a guaranty by Biogas Corp. or any combination of the options, in an amount to be determined. TBG is still reviewing the terms of the agreements but the Board may approve the amendment on the condition that there will be no further changes to it. Once TBG signs the amendment the Port will sign the PPA with PUD. This will open the way for TBG to begin the process of starting up production. **Jim Young moved to Approve the First Amendment to the POTB – Tillamook BioGas LLC Lease/Plant Operating Agreement in Concept and General Terms. Carolyn Decker seconded. Jack**

clarified that the language in 6.2 will be finalized in discussion with TBG and legal, and Michele will have authority to sign. The motion carried (5-0).

17. Communications
 - a. Next Special Meeting – Thursday, November 1, 2018 @ 12:30 p.m., (if needed) Jack Mulder will be unavailable for this meeting.
 - b. Next FOTAM Meeting – November 9, 2018 @ 10:00 a.m. (if needed)
 - c. Port offices closed November 12, 2018 in observance of Veterans Day. VFW will have a Veterans Day program at the Air Museum on November 11, 2018
 - d. Next Regular Meeting – Tuesday, November 20, 2018 @ 6:00 p.m.
 - e. Port offices closed November 22 & 23, 2018 for Thanksgiving
18. Executive Session per ORS 192.660 (2)(e) for Real Property Transaction – Moved to November 1, 2018 meeting.
19. Commissioner Comments: None
20. Adjournment: 9:10 p.m.