



PORT OF TILLAMOOK BAY REGULAR BOARD MEETING MINUTES

Date: September 16, 2008 at 6:00 pm

APPROVED 12/16/08

1. The Meeting was called to order by Commissioner Riedel.
2. Recognition of Persons present; Public Comment Period.
 - a. Commissioners: Jerry Dove, Ken Bell, Art Riedel, John Ficher, Joe Meyer.
 - b. Public: Ken O'Toole - Headlight Herald, Georgine Beveridge, Gus Meyer, Butch Parker- Tillamook County, Marshall Doak- EDC, Mike Oliver- TNAS, Shell & Mike Sheldon- Sheldon Oil, Dick Carr- Bunkers Group.
 - c. Employees: Michele Bradley, Ashley Arthur, Josh Balmer, Jerry Everhart, John Lewis.

Acting board president Riedel resigned his position as president and passed the position to Commissioner Dove. Commissioner Dove accepted the position.
3. Port Financials
 - a. Michele Bradley gave a brief update on the financials for the Port and the sale of property to Goodman dba Port Storage. Port financials look well; water bills are lower due to fixing minimal leaks. Museum income was up slightly from last month.
4. Railroad Financials
 - a. Banks lumber had 95 cars through the end of August 2008. Miscellaneous income was from scrap metal.
 - b. Commissioner Dove asked about the sale of the locomotives from the Port. The Port has yet to sell any as of late. Further discussions will be held on the sale of the locomotives.

Commissioner Bell motioned to approve financials for both the Port and Railroad. Commissioner Riedel seconded the motion. Voted yes: Meyer, Ficher, Dove, Bell, Riedel. Motion passed.

5. Approval of Minutes from 5/28/08 Budget, 5/21/08, 5/28/08 and 6/2/08
Commissioner Riedel motioned to approve stated minutes. Commissioner Bell seconded the motion. Voted yes: Dove, Ficher, Meyer, Riedel, Bell. Motion passed.

6. Railroad Division reports
 - a. Banks Reload update: Michele Bradley spoke with the Feed Mill and they don't believe that building a reload in Banks will be beneficial with all the cost associated with it. The only feasible way would be to have the Class I Railroad companies subsidize some money or it will not happen. Josh Balmer and Michele Bradley will discuss with BN & PNWRS companies.
 - b. Operations update:
 - i. Federal Railroad Association inspected a few rail cars. All cars inspected passed.
 - j. George Bonner would like to store 35 cars on the line at POTB. Commissioner Bell asked if the Port will charge for the use of the line. Rate per car would be two dollars per day per car. Commissioner Dove asked if the Port needs to use the line, will he have to pay us to move the cars? Michele Bradley stated yes, there will be a charge to move the cars and Hampton will receive free car storage in lieu of their costs to move their abandoned cars that were trucked out at Hampton's expense.
 - k. POTB received first check from B & G logging, almost \$2,000 for log debris. Commissioner Dove asked how many more loads of debris to remove. John Lewis stated at least 10 more loads of debris.
 - c. Cedar at Tunnel 25 update: Michele Bradley and Commissioner Bell spoke with Cyril Jacob, and he believes the wood (cedar) that he bid on is no longer at the tunnel. John Lewis accompanied Cyril two times to physically inspect the wood he bid on. Michele Bradley says Cyril still owes for the wood until the Port is provided with further proof.
 - d. Banks Sellars Realignment update: Shell Sheldon is concerned about the shut off on Hwy 47 and access to U.S. 26. This will affect the corner of Sheldon's business which is easily accessible for commuters. ODOT wants this project to move forward, the City of Banks does not want the project to happen. This situation has been an issue prior to Sheldon purchasing the property in 2006. Shell Supports whatever decision the POTB makes. Shell would prefer signals and not gates; safety first. John Lewis believes signals are easier for the POTB to maintain, and gates will make thru traffic impossible.
 - e. Foss Salmonberry road update: no new updates at this time.
 - i. Declaration of Cooperation with Tillamook County: Andy Jordan approved.

Commissioner Meyer motioned to accept the Declaration of Cooperation. Commissioner Riedel seconded the motion. Voted yes: Bell, Ficher, Dove, Riedel, Meyer. Motion passed.

7. Digester Report
 - a. Over 1,000 yards of fiber moved last month. Farmers are paying \$15 per yard of fiber.

- b. Zwald transport: Zwald would like POTB to have Garick sign a contract. POTB can not have anything put in contract until January 2009, the anniversary of Garick's current contract.
- 8. Airport Report:
 - a. Three hangers are almost ready to rent again.
- 9. Industrial Park Status update:
 - a. Resort Update
 - i. Ammunition road: Butch Parker from the Tillamook County Planner believes there is some progress on ammunition road, not much. Discussion of conditional use permits for use of road. POTB working with ODOT for the access conveyance.
 - j. City Water letter: The city needs access to the utility lines.
 - b. Hangar B update: No new updates, progress slow project not moving as fast as the POTB would like.
 - c. Asbestos Survey Update: Glacier samples are currently being tested, have not received a notice from DEQ.
- 10. Consideration of Railroad Crossing and encroachment Fee increase
 - a. Michele Bradley explained to the Board that the current railroad fee schedule has been the same since 2007 and handed out a proposed fee increase sheet.

Commissioner Bell motioned to adopt Railroad fee schedule. Commissioner Meyer seconded the motion. Voted yes: Dove, Riedel, Ficher, Meyer, Bell. Motion passed.

- 11. Updated Check Signer form for USNB Accounts:
 - a. Board consensus to continue having checks signed by two employees, Michele Bradley, and Joanne Dickinson. One Commissioner will continue to sign checks over \$5,000 dollars.
- 12. Authorization for Manager to sign ODOT Conveyance of Access Rights-POTB Resolution 2008-2009 # 5.

Commissioner Bell motioned to adopt Resolution 2008-2009. Commissioner Riedel seconded the motion. Voted yes: Riedel, Dove, Ficher, Meyer, Bell. Motioned passed.

- 13. Discussion and selection of POTB Board Member representative for NW Area Commission on Transportation

Commissioner Bell Motioned to appoint Commissioner Dove to be representative for NW Area Commission on Transportation. Commissioner Ficher seconded the motion. Voted yes: Riedel, Bell, Dove, Meyer, Ficher. Motion passed.

- 14. Lease Orders/Issues
 - a. Noreen Bowden
 - b. Vernon Imel Tree Service
 - c. Captain Garibaldi's Wheelhouse
 - d. Terry Spath

Commissioner Bell motioned to adopt all four lease orders. Commissioner Meyer seconded the motion. Voted yes: Ficher, Dove, Riedel, Meyer, Bell. Motion passed.

15. Discussion and selection of officers
 - a. Jerry Dove- President; Art Riedel- Vice President; Kenneth Bell- Secretary; Joe Meyer- Treasurer; John Ficher-Commissioner.

Commissioner Bell motioned to appoint board positions. Commissioner Meyer seconded the motion. Voted yes: Ficher, Dove, Riedel, Meyer, Bell. Motion passed.

16. Discussion of purchase vs. lease of locomotive for Tunnel 25 debris
Michele Bradley gave a presentation on the cost/revenue breakdown of leasing a locomotive for FEMA work versus owning the locomotive. If a locomotive was purchased (small enough to be hauled by truck to the tunnel worksite) the POTB would then also own another asset.

Commissioner Dove motioned to use money from the pool for loan in November to buy a locomotive. Reimburse pool with FEMA money or equipment sale. Commissioner Riedel seconded the motion. Voted yes: Meyer, Ficher, Riedel, Bell, Dove. Motion passed.

17. Reports and Communication
 - a. Upcoming meeting were discussed

Executive Session was entered into at 7:43 pm.

Regular meeting resumed at 8:00 pm

18. Commissioner Comment
No further comments
19. Meeting adjourned at 8:03 pm