



**APPROVED 06-22-2010**

**MINUTES  
OF THE  
BOARD OF COMMISSIONERS  
MEETING**

**HELD ON**

**Tuesday, May 18, 2010  
6:00 p.m.**

**AT**

**Port of Tillamook Bay  
4000 Blimp Boulevard  
Tillamook, Oregon**

**1. Call to Order; Recognition of Persons Present**

Board President Jerry Dove called the meeting to order at 6:00 p.m. He congratulated Port Commissioner Bill Baertlein, who was sworn in earlier, and welcomed him to the Board.

Commissioners: Jerry Dove (President); Ken Bell (Vice President); Jim Young (Treasurer); and Bill Baertlein (Commissioner). **Commissioner John Ficher (Secretary) was not present at the meeting.**

Staff: Michele Bradley (General Manager); John Lewis (POTB Roadmaster); and Aaron Palter (Project Coordinator).

Public: Gus Meyer; Jill Williams; Georgine Beveridge; Carolyn A. Decker; and Patrick Murphy (PACE Engineers).

**2. Administration of Oath Ceremony – Bill Baertlein, Port of Tillamook Bay Commissioner Position #1.**

Item was removed from the agenda. Commissioner Baertlein was sworn in previously.

**3. Public Comment**

There was no public comment.

**4. Port Financial Report Discussion and Approval**

Ms. Bradley discussed her meeting with Commissioner Young to discuss financial reports. She said staff will continue to work on Commissioner Young's request for more detailed financial reporting to the Board. Commissioner Young said he is pleased to hear this.

Ms. Bradley discussed the Port financials with the Board, saying that overall the Port is good but is upside down c. \$25- \$30,000 on the year.

Commissioner Bell discussed his concerns of the financial reporting not indicating what account the insurance check was applied to, for the digester repairs. He also discussed hearing a statement from Joanne Dickinson during the budget committee hearing regarding a \$50,000 amount being received. Ms. Bradley responded that the Port did not receive \$50,000 for this. Commissioner Bell noted the digester is down \$30,000 for the year.

Commissioner Bell stated he is surprised to learn the airport is upside down financially. Commissioner Dove agreed. Commissioner Bell discussed the Port should consider raising fees at the airport. Ms. Bradley discussed the Port's recent cost of living increase for leases which did not include it.

Ms. Bradley went on to discuss the biomass tax credit disbursements. Port netted \$100,000 this year.

Commissioner Young inquired about items received in relation to budgeted amounts and said he is wondering what the Port could do to make itself financially well. There was a discussion about fiber sales at the digester. Ms. Bradley said she continues to work with George Devore to standardize sale prices.

There was a discussion about certain items being reflected in the financial reports which monies the Port might not be receiving. Ms. Bradley indicated this has been discussed with the accountant, and they have recommended it remain on the books.

There was a discussion among the Board of the need to trim expenses. She discussed staffing levels being low and the work it takes to operate the Port. She said the Board could have a workshop to discuss how the Port could trim expenses.

Commissioner Young said it seems that payables are being extended by 90 days or more and asked if some payables were a planned approach knowing money was coming into the Port. There was a consensus of the Board to have a more up-to-date financial report at each meeting, rather than a report showing figures at least a month old.

**Commissioner Bell made a Motion to approve the Port Financial Report. Commissioner Young seconded the Motion. The Motion was carried by a unanimous vote of those Commissioners present.**

## **5. Railroad Financial Report Discussion and Approval**

Ms. Bradley discussed the Port's recent payment to FRA for violations and settlement of other fines. The Port has no outstanding violations at this time. Banks Lumber is at 137 cars through april 2010, which is about 10 cars short of all they did in 2009.

Commissioner Bell asked about calls the Port has received for RR car hire. Ms. Bradley responded the Port has received some letters but no further action. There was a brief discussion about car hire. Ms. Bradley said that the IBIS figure remains in limbo and that the Port remains at a crossroads on this until OEM closes it out.

Commissioner Bell discussed accounts receivables on crossings; there are over \$20,000 in fees due over 90 days old. Commissioner Dove asked how the Port could go about collecting on these and pondered whether it was a consensus of folks along the railroad line that because the trains aren't moving they don't have to pay these fees. Ms. Bradley responded she will be tasking staff to dun overdue accounts.

Commissioner Young asked about the Port's liability along the tracks related to weed growth. Ms. Bradley responded the Port is attempting to keep up with this at minimal cost. John Lewis said he is currently spraying weeds along the tracks and is also dealing with alder trees.

There was a brief discussion about the railroad surplus equipment; the Port has prospects for purchase of some of this equipment.

**Commissioner Young made a Motion to approve the Railroad Financial Report. Commissioner Baertlein seconded the Motion. The Motion was carried by a unanimous vote of those Commissioners present.**

## **6. Approval of Minutes from 4/20/10 and 5/3/10**

Commissioner Bell indicated that the Minutes of the May 3<sup>rd</sup> meeting improperly reflected what he meant to say at that time. Commissioner Bell said it is his intention to retire on June 27, 2010. There were no additional corrections to the Minutes.

**Commissioner Bell made a Motion to approve the Minutes, as corrected. Commissioner Young seconded the Motion. The Motion was carried by a vote of 3-0. Commissioner Baertlein abstained from the vote, for the reason he was not a sitting Port Commissioner at the time of the May 3 meeting.**

## **7. FEMA Alternate Projects**

### **a. Discussion and Consideration of resolution POTB 2009-2010 #12 (nunc pro tunc) Accepting a Grant from the State of Oregon Department of Administrative Services; and**

**Authorizing General Manager Michele Bradley to Sign the Grant and any Additional Documents on Behalf of the Port of Tillamook Bay**

Ms. Bradley said that Counsel has suggested a more detailed Resolution than the one the Board adopted at a previous meeting. This Resolution would be adopted now for then.

**Commissioner Bell made a Motion to approve the Resolution. Commissioner Baertlein seconded the Motion. The Motion was carried by a unanimous vote of those Commissioners present.**

**b. Update on Status of Alternate Project requests**

Mr. Palter provided his monthly report to the Board.

**8. General Business**

**a. SDAO Employee Benefits**

Ms. Bradley said she is reviewing the potential of asking employees to pay for a portion of their health insurance and discussed the history of the Port's policy. The Board discussed the option of deductible changes. Ms. Bradley said she will work on a proposal for the Board.

**b. OYCC Grant**

Ms. Bradley and Mr. Palter discussed the recent award the Port received for this grant. This will bring summer work crews to the Port for conservation-related projects. Work will occur in the Coon Creek area as well as on the Port's landfill sites.

**c. Emergency Volunteer Corps/TsunamiReady**

Ms. Bradley discussed her recent meeting with DOGAMI on their plans. The County has a similar plan. Commissioner Dove questioned where the Port fits into this. Ms. Bradley responded this is all about having a plan in place. The Port will be providing letters to its tenants.

**d. Discussion of Policies and Strategic Business Plan**

Ms. Bradley informed the Board that staff has reviewed its policies and Strategic Business Plan and is now presenting the records to the Board for their action following their discussion of its desire to address the Port's policies. It was discussed that a Workshop could be conducted where the Board could discuss its policies and updates to them. Mr. Palter requested the Board provide him comments on the documents presented by email for his compilation and presentation at the Workshop. There was a discussion about the actions the Port has taken following adoption of its Strategic Business Plan, following the request of Commissioner Young for an update.

**e. Update on Tillamook Lightwave (Commissioner Jim Young)**

Ms. Bradley discussed Commissioner Young's recent appointment to Tillamook Lightwave. She discussed her attendance at a recent TLW meeting where the cable landing station purchase was discussed.

**9. Industrial Park Report**  
**OTHER – American Truss**

Ms. Bradley discussed the status of this lease termination with the Board. The Port is looking at early September for auction of the contents of the building.

**OTHER – Resort Project**

Ms. Bradley discussed the recent lease termination and the status of the Port's letter to The Bunkers Group.

**a. Biomass Tax Credit update**

Ms. Bradley discussed the monies the Port recently received for this; the Port netted approximately \$100,000.

**b. Digester Insurance Update**

This item was covered earlier. There was no further discussion or action.

**c. IFA PPM #826 Project close out**

Ms. Bradley discussed her recent meeting at OPPA and the monitoring of this close out.

**10. Railroad Division Reports**

**a. Rockaway Beach Transportation Plan**

Ms. Bradley reviewed the proposal for Miller Street with the Board. Commissioner Dove asked if the Port has been approached about a secondary access from Nedonna Beach. Ms. Bradley discussed her contact with a property owner in the area. The Port has had no contact from a developer.

Commissioner Bell discussed the Port's dun of Rockaway Beach for fees owed to the Port. Ms. Bradley said she would look into this.

**b. Modoc Rail Academy**

Ms. Bradley informed the Board that Modoc has met with the State's Economic revitalization Team (ERT) and Senator Johnson on their plans to relocate to the area. Modoc should be back in town next week to meet with herself, County Commissioner Mark Labhart and Tillamook County Economic Development Council Director Marshal Doak.

**c. Highway 101/6 Park Report**

Ms. Bradley discussed her recent meeting with CH2M Hill and ODOT on the project. ODOT continues to move forward with the project.

Commissioner Bell discussed the history of the Port's railroad right of way near Hoquarton Park. Commissioner Dove said the Board should think hard about how to sell this property. Commissioner

Bell discussed the effect of an abandonment of the right of way going back to the original property owners.

**d. ODOT Inspection Report**

John Lewis said the work train was inspected. There were no violations. Logging activities have concluded, although there is a possibility of going further down for more income.

**11. Airport Report**

**a. TPA Newsletter**

No action.

**b. Emergency Management “Field Day”**

Ms. Bradley discussed the Port’s donation of RV Park spaces for this event. She invited board members to attend the event.

**c. Connect Oregon III Update**

Ms. Bradley said applications are still being processed. Notifications should be going out the first part of July.

Commissioner Dove asked about a recent EDC meeting. Ms. Bradley discussed the meeting and the plans of Old Mill Marina to expand with a hotel and boat slips.

Ms. Bradley also discussed the recent Open House put on by DLCD and City of Tillamook regarding FEMA’s proposed floodway maps. She discussed the comments made by Mark Labhart and Senator Johnson at the EDC meeting regarding Oregon Solutions’ intent to file comments on the proposed maps relating to the recent work done by Oregon Solutions in the area of the new mapping.

**d. AIP Update (Airport Master Plan, Drainage and Fence)**

Ms. Bradley discussed a letter received from SHPO regarding a cultural resources review adding time to the drainage project.

**12. Lease Orders**

**a. Sammie Morgan – 7.32 acres pastureland for horse grazing**

**Commissioner Bell made a Motion to approve the Lease Orders. Commissioner Baertlein seconded the Motion. The Motion was carried by a unanimous vote of those Commissioners present.**

**13. Communications**

Commissioner Dove read the communications. Commissioner Young requested the June meeting be moved back one week. There was a Board consensus to move the meeting to June 22, 2010.

#### **14. Public Comment**

Carolyn Decker said the Port has a lot of stuff going on. She commented on the Port's leases and said the Port should ensure it is following the process carefully with good instruction.

Georgine Beveridge discussed her reaction to the draft lease policy the Board discussed.

Commissioner Young commented on the rights of property owners and the effect of not receiving rents.

Patrick Murphy said he was amazed at the breadth of tasks the Port has and its remarkable stewardship. He has done work with the Port in the past and looks forward to continuing relationships. There was a brief discussion about an upcoming RFP. Mr. Palter indicated that Mr. Murphy and PACE is on the list of interested persons and they would be notified of the public contracting opportunity.

#### **15. Executive Session per ORS 192.660 (2)(e) for real Property Transactions and ORS 192.660 (2)(i) for Performance Evaluation of Public Officer.**

Commissioner Dove read the statement for the executive session and indicated the Board may be coming back into regular session for making a decision. The meeting was recessed into executive session at the hour of 7:45 p.m. after which the meeting was reconvened into regular session for further business.

#### **16. Commissioners' Comments**

**Commissioner Bell made a Motion to move forward with the Jurisdictional Transfer Process with Tillamook County for acquisition of the roads within the Port of Tillamook Bay Industrial Park. Commissioner Young seconded the Motion. The Motion was carried by a unanimous vote of those Commissioners present.**

Commissioner Dove discussed the General Manager's evaluation, saying that goals have been set, and Ms. Bradley has had a successful evaluation for 2009. There was a discussion about establishing a monetary bonus for Ms. Bradley.

**Commissioner Bell made a Motion to approve a \$2,500 bonus for the General Manager. Commissioner Young seconded the Motion. The Motion was carried by a unanimous vote of those Commissioners present.**

Commissioner Bell asked if the Port was done with Garrick Corporation. There was a discussion of the Port's severing relations with Garrick in July of 2009.

There was a discussion about the status of a line of credit. Ms. Bradley is waiting for paperwork on this on how to fund from OEM and FEMA.

#### **17. Adjournment**

The meeting was adjourned at the hour of 8:56 p.m.

These Minutes were recorded and reduced to typewritten form by Aaron Palter, Project Coordinator.