

**PORT OF GARIBALDI  
MINUTES OF MEETING  
DECEMBER 9, 2009**

**OPEN REGULAR MEETING**

The **regular meeting** of the Port of Garibaldi was held in the Port of Garibaldi Conference Room and was called to order at 7:04 p.m. by President Folkema and convened in the council chambers at Garibaldi City Hall. The US Army Corps of Engineers conducted a Town Hall meeting.

Commissioners present: Valerie Folkema, Mary Sause,  
John Luquette, Bob Browning, and  
Sarah Absher

Staff present: Kevin Greenwood, Betty Thomas, David Olson,  
Bill Sargent

Visitors: Joe Wrabek, Paul Daniels, Lois Daniels, Marshall  
Doak, Gus Meyer, John O'Leary, Mick Buell, Linda  
Buell, Don Bacon, Tron Buell, Christine Buell

**MINUTES OF PREVIOUS MEETING**

Minutes of the regular meeting of November 4, 2009 and the special meeting of November 16, 2009 were reviewed. Motion by Sause, seconded by Luquette, to approve minutes of previous meetings of November 4, 2009 and November 16, 2009 as presented. Motion carried 5 - 0.

**FINANCIAL REPORT**

Motion by Sause, second by Browning, to approve the November 2009 financial reports and payment of bills. Motion carried 5 - 0.

**PUBLIC CONCERNS**

None.

**NEW BUSINESS**

**RESOLUTION NO. 2009-11 AMENDING ENTERPRISE ZONE**

Marshall Doak of EDCTC noted that the existing Enterprise Zone needed to be updated to include all parcels at Port of Tillamook Bay. This was a housekeeping resolution. Motion by Sause, second by Browning, to adopt a resolution amending the boundary of the String of Pearls Enterprise Zone. Motion carried 5 - 0.

**GRANT APPLICATION FOR PORT STRATEGIC PLAN**

Manager explained the need for updated Strategic Business and Capital Facility plans and hopes to get a grant to fund these. He noted state support. Motion by Sause, second by Luquette, to apply for a \$50,000 grant to update the Port's Strategic and Capital Facilities Plan. Motion carried 5 - 0.

**AWARD OF PERSONAL SERVICES CONTRACT WITH SDAO/HUDSON INSURANCE FOR GENERAL LIABILITY COVERAGE**

Manager explained that under public contracting law, insurance falls under personal services. Due to the size of the contract, he requested that the board authorize it by a motion. He noted a bid of \$30,772 for insurance through Special Districts Association of Oregon(SDAO). Hudson Insurance is the agent of record for SDAO. Manager also noted that SDAO gave the Port received a \$2,800 credit for completion of the Best Practices questionnaires. Noted that the small two-story building rented by Pacific Oyster has not been insured and is included in the Pacific Oyster lease. Pacific Oyster was put on notice clarifying the Port's position. Motion by Browning, second by Sause, to award the insurance contract for general liability insurance coverage to SDAO/Hudson Insurance in the amount of \$32,772.00. Motion carried 5 - 0.

**RECEIPT OF AUDITOR'S REPORT**

President Folkema **acknowledged receipt of the auditor's report for last fiscal year ending June 30, 2009.** Manager noted that the Port had been very responsible with its cash especially considering the amount of services provided. Folkema agreed that the Port had been good stewards, but noted that the Port does not have a lot of money especially for long-term capital outlay projects. Manager felt the Port should consider putting monies into a capital asset reserve fund. Manager also noted the timber tax revenue history and felt it should be used to fund capital, rather than operations.

**PARCEL 21 - PIER'S END VACANCY**

Manager recommended applying to list the Pier's End on the National Historic Register. He noted that the facility outside needed to retain its original architectural style, but the inside can be remodeled. However, whoever has it leased would have to have it open once a year to the public. If the structure needed to be torn down, it would require a 60-day notice process.

Absher asked if there was an exception if the facility were to incur severe storm damage. Manager noted it would still require a 60 day review process.

Browning asked if there was a maintenance standard. Manager noted the vast majority of the building must retain the original architectural structure. The siding on the east side of the building needs work, however, there may be grant monies available through this program.

Luquette asked if there were insurance requirements, but Manager noted there were none. Manager did feel there could be tax advantages to potential tenants.

Folkema noted the facility is unique and there are also the historic clambeds at the site. She felt being on the registry would add value.

Manager noted there is time involved in preparing this application, however, there are people at the State Historical office that will help. The project could take a year to go through. Manager did note that once the building is on the historic register, it is difficult to remove.

Paul Daniels suggested selling the build and felt it was a money pit. Manager disagreed, and felt the building was unique and has the potential to generate revenue surpassing its current value. The Port is making the building more marketable by adding a 40' dock. He noted that adding a float did not affect the architectural structure, so it would not be a problem that it was not an original part of the facility. Being on the historic register adds opportunity for funding and for a unique business opportunity. Manager noted that the Port also pays an annual lease of \$350 to the Dept. of State Lands for use of the state's waterland.

Motion by Sause, second by Absher, to apply for listing the Pier's End on the National Historic Register. Motion carried 5 - 0.

**PARCEL 12 - COAST METAL FABRICATION ADDENDUM TO ALLOW MONTHLY PAYMENTS**

Manager noted Robert Brodigan, dba: Coast Metal Fabrication, had requested to amend his lease to allow him to pay his lease monthly instead of annually. Motion by Browning, second by Sause, to approve a lease amendment

with Coast Metal Fabrication upon receipt of additional information from the guarantors. Motion carried 5 - 0.

**PARCEL 2 - QUITCLAIM DEED AND WELLS FARGO SETTLEMENT UPDATE**

Attorney Bill Sargent noted the history on Parcel 2 and the time spent with the attorneys for Wells Fargo Bank and Bank of Astoria regarding security interest. Wells Fargo is now the secured party. He reviewed the history of the Bay Ocean leasehold on Parcel 2 and the financing involved. Wells Fargo wants the Port to quitclaim the interest in the structure. He felt a quit claim deed wouldn't hurt the Port, but they owe nearly \$10,000 in property taxes and City water and sewer. He felt the arrearages and bills need to get caught up as well as the need to keep the development charge credits active by having the water/sewer on at least one month a year. Getting the property accounts current was discussed as a condition of the quitclaim. Motion by Browning, second by Sause, to accept the action to quitclaim as long as all accounts get current allowing system development charge credits to be active. Motion carried 5 - 0.

**OLD BUSINESS**

**PARCEL 32 - TCGH AMBULANCE QUARTERS LEASE**

Manager noted the lease for Parcel 32 had been signed by the Tillamook County General Hospital for the ambulance facility. The hospital will bring their own modular building on site and the Port will continue to lease the land and garage, yet remove the existing mobile home. The lease works out to an annual rate of \$10,028 for five years. Motion by Browning, second by Sause, to sign the new lease agreement with Tillamook County General Hospital for Parcel 32. Motion carried 5 - 0.

**READ AN ORDINANCE AMENDING ORDINANCE 15 "RULES AND REGULATIONS" TO FURTHER DEFINE PROVISIONS FOR TRANSIENT MOORAGE AND TO INCLUDE ENVIRONMENTAL BEST PRACTICES BY TITLE ONLY**

President Folkema noted Ordinance #15 as amended, noting Ordinance 17 would be read by title only. Manager noted the process and the policy being reviewed.

Manager explained that the policy background is that Ordinance 15 is the Port's Rules and Regulations code, however there was little discussion in the document about transient moorage. Manager felt an ordinance amendment was

needed to incorporate transient and clean marina policies into the regulations.

Ordinance 17 was reviewed. Manager reviewed the changes by line item. The ordinance allows the rates and fees authorized by the ordinance to be changed by resolution. Also, the collection process can be refined by resolution. In an effort to assist the collection process, the Port may ask for, but not require, boat owner social security number and date of birth. The ordinance adds 'transient' as a moorage classification and adds transient vessel rules and regulations.

Folkema asked if a vessel is not in their slip, if they can ask for a transient to be in their slip. Thomas noted they could, though the Port does have the right to rent spots when the slipholder is out. Thomas noted that sometimes slipholders will write notes allowing someone to tie in their slip, however, transient fees are required.

The clean marina designation was discussed regarding solid waste in Section E. Folkema asked that requirement ORS be cited. It was believed that sport crabbers dumping old fish carcass out of their pots would be against the policy. Folkema felt that Item E2 needed to be clarified. Thomas noted that the end of the cargo dock is considered the 'federal' channel, however, Browning felt the bay crabbers disposing of gear would be a problem.

Tron Buell asked why the six-month pass is included in the ordinance. Folkema explained the rate was set to maximize the fishing seasons and Port revenues according to the fishing seasons, yet assist long term transient vessels commercially fishing or waiting for moorage. Folkema noted the staff report, and explained that staff had researched whether adding a monthly rate would increase revenues, and the study showed the Port would lose revenues in most cases. Christine Buell felt that adding a more flexible rate structure would increase revenues. Browning suggested discussing greater flexibility on transient rates at a rate discussion. Folkema and Browning asked that a rate resolution be drafted for review at the January meeting.

Motion by Browning, second by Sause, to read an ordinance amending Ordinance Number 15 to further define provisions for transient moorage and to include environmental best practices by title only. Motion carried 5 - 0.

## **COMMISSIONER CONCERNS AND REPORTS**

### **COMMISSIONER LUQUETTE:**

Luquette thanked staff for producing new policy manuals. He also expressed thanks to Darus Peake for cleaning up Parcel 24B. Olson noted that Peake was waiting for the start of crab season so the crab pots would be gone, which allowed for the cleanup.

### **COMMISSIONER FOLKEMA**

Folkema reported that the heads of State Agencies came to a Governor's Economic Revitalization Team (ERT) meeting to discuss jetties, strategic planning, capital projects, and wind or wave energy as it pertains to the jetty system.

Folkema noted her term on the Northwest Area Commission on Transportation (NFACT) is ending. The group prioritizes transportation issues. Folkema suggested that Sarah Absher replace Folkema on the committee. Absher agreed to be the replacement. Manager to follow up with Mark Labhart.

Folkema noted her upcoming surgery and turned the meeting over to Vice-Chair Mary Sause who will do the duties of the president until further notice following surgery.

### **COMMISSIONER SAUSE**

Sause complimented and thanked the Manager for his memo to the Governor's Revitalization Team.

### **COMMISSIONER ABSHER**

Absher reported attending the ERT meeting today with the heads of the State Agencies, noted she is learning a lot and appreciates the opportunity to serve.

## **STAFF REPORTS**

### **MAINTENANCE SUPERVISOR'S REPORT:**

Olson brought the eroding of the seawall along Mooring Basin Rd. to the board's attention. Noted that this could cause severe problems to the marina. Commission encouraged Olson to proceed with project cost estimates. Added that staff has been aggressively cleaning parcels and that Parcels 5 and 20 (the old Bay Ocean lots) are clean and will be working to remove the old tank. Crew will be working at Pier's End to prepare for a new tenant including the addition of a new 40-ft. dock.

**OFFICE MANAGER'S REPORT:**

Greenwood reported for Thomas (who stepped out for a few minutes) noting that the office has been very busy for a normally slow time of year. Staff would like to switch payroll providers to a provider recommended by Sterling Savings Bank that allows for direct deposit of payroll for employees at a cost savings to the Port. Also, the Port would like to contract with a collection agency out of Hillsboro that does public entities and is willing to take the small transient accounts. Commission gave consensus to proceed.

**MANAGER REPORT**

**PARCEL 36 - 103-A S. SEVENTH STREET APARTMENT**

Manager noted that the Latter Day Saints Church will likely be renting the apartment for their missionaries. The missionaries (two at a time) would live in Garibaldi for six to nine months before moving to another town. The Church would visit the apartment once or twice a year to check and make sure the apartment is in good shape and the missionaries are doing their job. Becky Buck from Sterling Savings Bank rents to the Church and gave a good recommendation about payment.

**100<sup>th</sup> ANNIVERSARY UPDATE:**

Manager suggested a 30 minutes documentary which could serve as a marketing tool for several years. The budget committee set aside \$20,000 to promote the anniversary. Anchor Pictures submitted a proposal. All the information would be public and the Garibaldi Museum has agreed to house the items. The Port has final ownership for it to stay in the public domain and for people to have access to it. It was noted that additional fees would be needed for licensing rights.

Absher asked if the Pioneer Museum would share in the cost and the video? Greenwood felt there were also grants available. Absher agreed to contact Jane Scott about submitting a proposal by next week as six months will be cutting it close if the documentary were to be ready for Garibaldi Days.

Manager noted that in connection with the Port's 100 year celebration, the sailing vessel Hawaiian Chieftain will be here to celebrate during the crab races, March 13-14, 2010. The Garibaldi Museum is assisting in promotion of the event. Also added that the Post Office will produce a

cancellation stamp and that the Port will have a booth and float in the Garibaldi Days parade.

**BOAT BASIN EXPANSION - PUBLIC PRIVATE PARTNERSHIP WORKSHOP**

Manager reported that Dave Leland, Leland Consulting Group, won't be able to put anything together before the new year to help the Port evaluate the potential for a public private partnership. He felt this was fine since we're still waiting to hear back on our estuary planning grant. Manager is hoping to have something together for Leland in January.

**GATEWAY SIGN UPDATE**

Manager noted that the port is waiting for the sign designer, Tim Turner, to submit engineered plans. Manager reported he is working with the companies that have utility lines (Charter, CenturyTel, PUD) and Miami Cove Electric. He noted there will need to be undergrounding of the service to the Watershed building and undergrounding to a power pole behind the charter offices. The drop to the apartment and garage will be from the pole. We'll need to include an additional drop from the apartment or charter office in order to light the sign without having to incur an additional \$1500 for a new service.

**CLEAN MARINA BASIN PROCESS**

Manager reported that the Clean Marine Program is close to completion and that Olson had obtained all the signs needed to meet the state's requirements.

**COMMUNITY ARTS PROJECT**

Manager reported that the Community Arts Project is going to have a ribbon cutting ceremony at the boardwalk fence will be on December 17<sup>th</sup> at 3:00 p.m. Manager also noted the TEP open house on December 17, 2009 as well.

**SDAO CONFERENCE**

Manager noted the upcoming SDAO conference in Seaside, February 5-7, 2010 and asked the board to let staff know who would like to attend. Absher asked to know the conference cutoff date.

**CHRISTMAS POTLUCK WITH CITY**

Manager noted the Port has been invited to attend the City's annual Christmas potluck on December 16, 2009.

**ADJOURNED**

The meeting adjourned at 9:01 p.m.

Respectfully Submitted,

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Valerie S. Folkema, President

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Robert Browning, Secretary/Treasurer