

**PORT OF GOLD BEACH
BOARD OF COMMISSIONER'S
REGULAR MEETING
February 18, 2016**

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**PRESENT:**

Commissioner  
Milt Walker, President  
Bill McNair, Vice President  
Charles Riddle, Secretary  
Bill Fowler, Commissioner

**ABSENT:** Mark Lottis,

James Clemens, Port Manager  
Jeff Kemp, Accountant

The meeting was called to order at 6:00 pm by Commissioner Walker, Board President. Roll was called and the Pledge of Allegiance was recited.

**AUDIENCE COMMENTS:**

Alex Herrera explained that he was looking for a stable position and that he was hired as 32 hour, a part-time employee. He has recently been told his hours have been reduced to 30, and that the Board determines the hiring of full-time personnel. He asked whether a full-time position was in the current budget or in the near future. Commissioner Fowler stated that if there was a full-time position available, a current employee that has been evaluated to be proficient should be considered. Commissioner Riddle commented that the subject was to be determined by manager's discretion but in the past the Board has requested to be included in the decision to advance a part-time position to full-time. He also noted that until the end of the budget year, it would be difficult to determine. Commissioner McNair told Herrera that employment related issues were a managerial decision and explained the Port's personnel structure, the proper order of events, and the Board's role. When Walker inquired about the original statement, Herrera confirmed that Mr. Clemens had told him it was a Board decision. Riddle noted and Clemens confirmed that in the past, the Manager has been asked to consult with the Board before increasing a full-time head count. Riddle continued to explain that the manager has been given a total Personnel Services budget and has been told that part-time employment is at his discretion. Riddle felt that the same could be expected for full-time employment; it would be at his discretion as long as he didn't exceed the budget. Clemens explained why Herrera's position has been reduced to 30 hours and that he would be providing the Board with a Personnel Services budget projection for the remainder of the approved funds; approximately \$14,500. McNair asked about the Dredge allocation and Jeff Kemp explained that payroll must be run through the Operational - General Fund and that the dredging operation could put us over budget. He continued to explain that the Port has also undertaken a lot of needed but unexpected capital improvements and that a Resolution would be needed to transfer funds to the General Fund for Facility Maintenance, Personnel Services, and/or Capital Outlay. McNair asked about the Affordable Health Care Act and it was explained that the Port does not meet the minimum number of employees. **Riddle made a motion giving the Manager full discretion concerning personnel matters, as long as it does not exceed the budget, the motion was seconded by Walker; all were in favor, 4-0.** There were no additional audience comments.

**HUNTLEY PARK:** Clemens explained that Shawn could not attend. He reported that the work on the dangerous trees will proceed in two weeks - weather permitting and that the cougar sighting have ceased.

SHOP SUPERVISOR: Aaron Duncan was currently working on the dredging project and Clemens explained that he would cover the Shop update in his Manager's report.

OLD BUSINESS: Riddle asked if the building previously occupied by Bug-E-Boyz is owned by Neil and if the Port is being paid. Clemens reported that Neil does not want to establish a lease and has volunteered to surrender any funds received. A Special Meeting/Executive Session will be scheduled for Thursday, February 25, 2016 at 6:00 p.m. to continue the discussion. Riddle expressed concern for the loss of revenue and the effect to the budget. Jim feels that part of the building is turn-key and could off-set the land lease losses. He also reported that he has consulted Earl Reeder with Oregon Pacific Construction and an architect, Joe Slack, concerning condition of the building.

Dredging Update: The dredge is currently being unloaded and hopefully, it will go into the water on Friday morning. It will be moored over the weekend while the pipe is being welded and the upriver channel maintenance boat will be used to pull the pipe to the dredge on Monday morning. Clemens noted that the insurance bill would need to be paid and would be split with the Port of Bandon. The total bill was \$37,497.00 and was paid in full by the Port of Bandon; Gold Beach will reimburse Bandon for \$18,748.50. Clemens will bill the Infrastructure Finance Authority for the cost of the insurance and he feels there is a good possibility the Port will be reimbursed. When Riddle inquired about the budget estimate, Clemens replied it was not to exceed \$180,000 and that mobilization and insurance were a majority of the costs, followed by employee wages and fuel. Clemens asked the Board for guidance concerning the dredging fund line item. He noted that his spending authority was \$5000, without Board approval, and some future expenses could exceed his limit. Fowler noted that expenditure of the funds has been approved by the Board, Walker confirmed the Board's approval, and Riddle explained that the manager would not need to address the Board, as long as the total of the expenses did not exceed the \$180,000. McNair recommended and Clemens agreed to use a ledger to track the costs. It was confirmed that he could request the transfer of funds from the Dredging to Personnel Services to help cover the costs of man hours and overtime needed for the project.

Building Update: The subject was discussed earlier in the meeting and will continue in Executive Session.

Airport Fuel Tank Options: Clemens reported that there are not a lot of updates on the airport fuel tank. He has been working with the inspectors and in their opinion it is not in the Port's best interest to refurbish the existing tank. Tilting the tank will not solve the sump problem and water would be difficult to remove. The modification and repairs would exceed the cost of two new tanks. The tank is approximately 16 years old and it had improper fitting from the beginning. He will be meeting with WHPacific and Oregon Dept. of Aviation and hopes to have more information by the next meeting. He reported that the project is on the Port's CIP for 16/17 and that he has the information to present to the FAA, with hopes of receiving funding assistance that would only require a 10% match. Removing the JetA Fuel from the tank is a concern; temporary storage and treatment would be needed.

NEW BUSINESS: None

APPROVAL OF MINUTES:

**MOTION: To approve the January 21, 2016 minutes with the noted corrections.** Motion made by McNair, the seconded by Fowler; motion passed by a vote of 4 for, 0 against.

ACCOUNTS PAYABLE:

**MOTION: To accept accounts payable for January 20, 2016.** Motion made by Fowler and seconded by McNair. Motion passed by a vote of 4 for, 0 against.

**MOTION: To accept accounts payable for February 05, 2016.** Motion made by Fowler and seconded by Riddle. Motion passed by a vote of 4 for, 0 against.

ACCOUNTS RECEIVABLE: Clemens noted that several past due accounts have been paid in full and it was agreed that Bug-E-Boyz do not need to be listed. We are working with the customers remaining on the report.

#### BUDGET REPORT:

Jeff Kemp reported that the property taxes came in sooner than expected; the Port is approximately \$5000 ahead in the year-to-date predictions, and the prior year's taxes are up. Airport Ingress/Egress revenues were received and moorage revenues have increased since last month, Bay storage revenues continues to come in ahead of budget and the land lease revenues have increased over the last two to three months. Cannery leases are also slightly ahead and Kemp reported that the Port is within \$800 dollars of reaching the year to date budget. Personnel Services is on budget and the full-time employees' retirement accounts have been established and appropriately funded.

Kemp explained why Office Materials and Services and Audit expenses are down from the previous year. He explained that billing issues had delayed the payment of the liability insurance but noted that it would be corrected soon and that the SDAO Longevity refund has been mailed. He listed and explained the expenses in Airport, Marine, Operation and Facility Maintenance, and Capital Outlay accounts. He noted that there would not be a transfer in funds until the dredging project has been completed. Riddle and Kemp explained why the title of the Facility Maintenance had been changed to include "Dredging." Huntley Park's revenues are down slightly from last year and expenditures are on budget. Riddle noted that the Port is actually over budget in expenses, but there is a surplus in revenue that offsetting the unexpected costs in fixing the bay storage and cannery facilities. Clemens inquired about the significant increase in the Capital Outlay line item and if it was intended for the improvements to the Office. Riddle stated that he wasn't belaboring the subject and only wanted to make others aware of the actual figures; the Port is not going broke. He is not concerned with the \$10,000 overage in Capital Outlay; the \$52,000 in expenses is nowhere near the total approved budgeted amount of \$81,000 and he wanted them to be aware of the M&S.

#### MANAGER'S REPORT:

Clemens presented the Commissioners with a current core task list. He noted that he has added the electrical system upgrades that are needed in the compound. He estimates that it will cost approximately \$4000. He explained that the port personnel will be doing as much of the labor as legally possible. He has labeled it as a priority one task.

Clemens noted that Crow Clay, architect, has submitted drawing and he would like to meet with the Commissioners in March to discuss the options. McNair expressed some concerns with the layout but would like to meet with him.

Clemens briefed the Commissioners on the SDAO conference he had attended in Bend OR. He attended a course on Marijuana in the Workplace and he feels the Port is on firm ground for denying employee usage because of our safety sensitive areas. He noted that the employee manual does need to be updated. He will provide the Commissioners with copies at the next meeting and asked that they help update manual. Their notes will be compiled and a draft will be submitted for approval. Riddle noted that past suggestions from SDAO were to simplify our processes.

Clemens also provided information he learned about flying drones. There are conflicting rules between Oregon and the FAA but they cannot be flown within 6 miles of an airport. Riddle stated that if there are conflicting rules then the FAA would overrule all others.

Clemens spent time with the Workmen's Compensation attorneys, attended a Public Procurement, and a SDAO course on employee documentation.

Clemens briefed the Board on the progress made on the spill plans and Fowler requested a draft copy. Transfer the asset of the Sea Lion Patrol will need to be discussed at a later

meeting but Clemens presented the Commissioners with the new Launch Fee Collection envelopes that states "All funds enclosed, in excess of launch cost, is considered a donation for seal and sea lion control."

The Airport Master Plan should begin in March and there are still vacant positions on that committee and the Budget committee. The trees at Canfield Bar have been cut but the weather has stalled the completion of the project. After attending the Lower Rogue Watershed meeting, Clemens learned that half of the trees that had been placed for habitat at Jim Hunt Bar were washed out. Clemens provided additional details concerning the Retirement benefit contributions and he submitted a travel claim for the SDAO conference.

#### COMMISSIONER'S COMMENTS:

Commissioner Fowler updated the Board concerning the culvert pipe issue. He reported that the State and the City were present. The State has agreed to run a camera through with hopes of finding the problem causing the erosion.

Commissioner Riddle: none.

Commissioner McNair stated his concerns about employees approaching the Board on employment issues. There is an employee policy and legal counsel has made it clear that the Board should not become involved, with exception to the appeal process; personnel issues have been delegated to the Port Manager.

Commissioner Walker reported that some grading is needed on the bars and he used Canfield Bar as an example. Clemens agreed that all of them need attention. Walker stated that compared to the others, Canfield Bar was extremely bad. Clemens noted that \$3000 had been targeted for grading the access to the bar and he had changed that to be a reoccurring budgeted item. He also stated that it will probably cost more than \$3000 this year to do all of them. Walker explained that a ditch is needed at Orchard Bar.

AUDIENCE COMMENTS: None

#### ADJOURN:

**MOTION: To adjourn the regular meeting of February 18, 2016** made by McNair and seconded by Fowler. Motion was passed by a vote of 4 for, and 0 against at 7:55 P.M.