

PORT OF GOLD BEACH
BOARD OF COMMISSIONER'S
REGULAR MEETING
December 18, 2014

PRESENT:

Milt Walker, President
Bill McNair, Vice President
Charles Riddle, Secretary
Mark Lottis, Commissioner

ABSENT:

Mark Harshman, Commissioner

Debbie Collins, Port Manager
Jeff Kemp, Accountant

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

AUDIENCE COMMENTS:

None

HUNTLEY PARK:

Manager Collins reported for Huntley Park saying it was slower last month than the month before!!

OLD BUSINESS:

Collins went over the plan written by Tor Flatebo. The plan gives detail on the structure as well as the materials that will be needed to enclose the bays. Collins said she had the contractor that replaced the shop roof look at the bay structure and that they had taken measurements for estimating the cost of the job. The Board discussed how to move forward and decided to have Collins call out for price quotes to enclose the bays.

NEW BUSINESS:

Walker asked Collins about the date change, Collins told the Board that she had an appointment in Portland on January 15th and asked if the meeting could be changed to January 22nd, 2015. The Board had no problem with the change, McNair said he may have a conflict with that date and would let Collins know. The Board agreed to change the Regular Meeting date to January 22, 2015.

APPROVAL OF MINUTES:

Minutes could not be approved due to lack of Meeting Quorum. Walker said he did notice the sign company name was incorrect and should be Colt not Colter, Collins said she would make the correction.

ACCOUNTS PAYABLE:

MOTION: To accept accounts payable for November 20, 2014. Motion made by McNair and seconded by Lottis. Motion passed by a vote of 4 for, 0 against. (Harshman was absent)

MOTION: To accept accounts payable for December 5, 2014 Motion made by Riddle and seconded by Walker. Motion passed by a vote of 4 for, 0 against. (Harshman was absent)

ACCOUNTS RECEIVABLE:

McNair asked if there was some reason that Frank Roberts wasn't paying. Collins said she had spoke with him several times and he told her he would be catching it up. Collins also stated that he was getting a letter from her for payment. McNair stated there is people waiting for enclosed bays and that they would be more likely to pay. Lottis asked what the late charge was and Collins said it is \$5.00 a month. McNair asked what the policy was for evicting someone; Collins explained that she sends letter for payment out. McNair stated the port should look at our policy and also find out how other storage facilities handle late payments and evictions. Lottis Motioned to raise the Ports late charge to get current with competitive rates and go to 1½%. Walker asked for a second, none was made. Lottis continued with the current \$5.00 late charge was not even up to a credit card rate and needed to get current. McNair configured the 1½% rate stating that on the \$540.00 in question that at 1½% would only be \$8.10 dollars on the full amount which is considerably less than the current rate of \$5.00 per month. McNair explained rather than be a motion; it should be a discussion topic to consider options, Lottis then retracted his motion. After some discussion McNair suggested the review of the ports storage agreement and eviction policy. Riddle said he agreed with McNair in that the \$5.00 charge was better than the 1½%. Lottis said he got caught up in the same tenants being late and the same dollar amounts and it was an embarrassment. Riddle stated he was more curious about why Jim Mauch, dba; Bug-E-Boyz was behind again, McNair questioned what happened, it got caught up and now behind again. Collins stated that he received a letter of payment and a reminder call last month. Collins said she can't go choke money out of someone; they have to come in and pay and she has to follow their lease for collection. Collins said if it goes on it will go back to the attorney and then he will have to pay attorney fees again. McNair agreed the lease is explicit and states what needs to be done. Some discussion on if the port ends up with the building that it would be a tear down stated McNair. Riddle asked if it was ever resolved on whether the port would end up with the building if non payment. Collins stated that she had asked the attorney and sent his response out to the commissioners. Riddle couldn't recollect the email so Collins stated that she would resend it. McNair asked if the taxes were still behind, Collins responded they were. There were some questions back and forth on who is responsible for the past due taxes if they are unpaid. Collins and Kemp both responded that the port would be responsible. McNair suggested asking Jim Kolen, Collins reminded the Board when the real-estate office was in the cannery and left without paying her taxes that the port had to pay them in order to lease the space again. The Board agreed that the past due taxes should be put on receivables and billed to Mauch; Collins said she would do that.

BUDGET REPORT:

Jeff Kemp went through the budget report and stated that he realized the land leases were off after looking at the receivables and noting that Jim Mauch, dba; Bug-E-Boyz is the shortfall by it being past due.

MANAGER'S REPORT:

Collins informed the Board that the lease for Cone Amore' was up and that Geri Kendall would be giving it up in the spring. Collins attended an OPPA Conference by phone on December 4th and IFA stated that they will be approving the South Coast Ports SBP in the first quarter of 2015. Collins applied for a Safety Match Grant from SDAO and received it. The total was \$3,525.00 so SDAO would pay for \$1,763.00. Collins plans to purchase dock safety ladders, life ring cabinets and safety stations for the docks, upgraded alarm system, table saw, welding helmet, oxyacetylene outfit and welding gloves and apron. Collins told the Board that she has found that the new fuel dispenser tally meter was off. It registers 21.10 gallons per every 5 gallons pumped through. She stated that it does not affect the gallon total or the cost total so customers were billed correctly.

She said that she would get with McNair to make the adjustment on the port billing and that Rick Setzer with SME would be coming by next time he was in town to address the problem. Collins reported to the Board that there were a couple new sink holes on the south jetty, one she was concerned about because of it being so close to the road. She has been in contact with the ACOE about it and would be monitoring them. Collins for informational purposes informed the Board that Padda-Loc Mini Storage had sent out increase notices to their tenants stating it was due to the port increasing their lease. Collins thought it interesting since their lease was reduced at the last meeting by almost \$1,000.00 dollars. Collins felt the Board should be aware of this. Collins told the Board that the port will remain with Moda Health Insurance at this time and that the ports insurance had gone down for 2015 \$2,532.00 making the annual insurance cost with SDIS \$41,384.300. Collins also informed the Board that this cost also reflects adding airport fencing, the airport cardlock system, the fish refrigeration box, the donated coast guard shed and equipment at Huntley Park. Collins informed the Board that ODFW renewed their lease for the last 2 year extensions of their original lease and the port would be receiving their annual payment before the end of the year. Lastly Collins informed the Board that she was giving Christmas bonus checks to employees and asked if the Board would like to give Laurie Herrera one. The Board asked Collins what she was giving full time employees to which Collins stated \$200.00. The Board decided to also give Laurie a \$200.00 Christmas bonus. **Motion: To give Laurie Herrera a Christmas bonus check in the amount of \$200.00.** Motion made by McNair and seconded by Riddle. Motion passed by a vote of 4 for, 0 against. (Harshman was absent) Walker brought up Christmas bonus for Manager Collins. Discussion was had on last year's amount asking Collins what it was which she replied \$250.00 and what the increase was for employees this year. Collins stated that she doubled last years bonuses since the personnel services is lower than expected due to her not putting on a second full time maintenance person. **Motion: To give Manager Collins a Christmas bonus check for \$100.00 more than last year making the amount \$350.00.** Motion made by Lottis and seconded by McNair. Motion passed by a vote of 4 for, 0 against. (Harshman was absent)

COMMISSIONER'S COMMENTS:

Riddle stated that he would like to start in January having the Board set a task list for the manager and he would also like to make up a task list for the Board to have and follow. Riddle would like to start discussing the manager's evaluation and when to start it. Lottis stated that he agreed with Riddle. Riddle said that he thinks the Board needed to be more involved in the agenda and setting meetings. Walker said he thinks it should go through Management, Collins stated that she always checks with Walker being the president for additions to the agenda. Riddle stated that he feels some things that should be on the agenda are not making it, Walker stated that it was of no fault of the Manager because she checks with him before publishing it and that none of the commissioners have given him any agenda items. Riddle went on to say he feels it should be a discussion item for another meeting.

Lottis started by saying he was seeing a lot more seals on the docks this year and the port should discuss a deterrent method. Lottis said he had talked to Garth at NOAA Fisheries about the seals and that there was a program that the port could initiate and that he would be happy to work with the manager. The Board agreed to Collins and Lottis working together with Garth on a seal deterrent. Next Lottis handed out a letter to all in attendance regarding his attendance. (Letter attached) McNair stated that the letter is a result of his meeting with Lottis regarding the concerns of his attendance as the Board requested after which he called Commissioner Riddle and explained the meeting. After allowing time for reading, Walker commented that he would like to see Lottis's attendance be better and be at more meetings. Walker also stated that when Lottis took the position as a commissioner he took it for the taxpayers and there needs to be more representation for them. Lottis said in response to those comments that two of the missed

meetings were intentional and if explanation of why was needed Lottis would do so. Lottis added that further more since being elected and now adding a new business expansion further complicates the problem as he will become busier, Lottis said if his attendance was going to be better it would only be marginal at best. Walker stated that he has had several people approach him and complain about why Lottis doesn't attend meetings. Walker also stated that in all of his years on the Board of Commissioners he had never seen such poor attendance. Collins commented that she too has had people come in the port office and ask why Mark doesn't attend meetings. McNair spoke saying he didn't like the second hand of hearing things and asked Collins to make a list of who comes in so that the commissioner could comment to them personally. McNair commented that he was happy to see a business owner of the port on the Board, Riddle agreed. McNair brought up the fact that so much is done by electronics these days and wanted a question asked of Special Districts of whether a vote can be made by proxy or email or does the Commissioner have to be physically present. Collins replied that they could be present by phone to vote but not by email. McNair asked for more clarification and requested that Collins check with Special Districts. Walker asked for any other comments or concerns regarding Lottis. Riddle responded saying he was happy to have a Port tenant on the Board and that it was a benefit. Walker then said he had one other comment about meeting attendance by Lottis and the fact that he missed a very important meeting when the Coast Guard was invited. Lottis stated that he missed that meeting on purpose and that the Coast Guard was not brought in because of him but because of others concerned about bar closings. Lottis also stated that he didn't want the meeting to reflect on his business, 5 Star Charters or Lottis Marine because they have had some degree of contentiousness over the bar closures. Lottis stated the Coast Guard was here for other boaters and not to end up with a back and forth between the Coast Guard and him or his business. McNair stated to Lottis he was declaring an actual conflict. Lottis went on to say he didn't want the meeting to reflect on his business or potential of harming the relationship with the Coast Guard and that is why he did not attend the meeting with the Coast Guard intentionally. Walker stated that explained why he missed the meeting. Lottis went on to say that after the meeting he was asked by the Board to monitor the bar closures and that he did with the result being there was improvement and nothing detrimental came through August and September.

McNair commented that he was happy to see the Core Task List updated and wants to see things moving on a list. McNair stated that Collins has the storage bays in the works and maybe next the port should focus on the parking at the fish cleaning station. McNair said since we have these things on the docket maybe have Tor come and measure out the space for the fish station parking lot and after that maybe think about the south jetty rehab and perhaps hire a design company to come up with ideas. McNair stated that Crow Clay has a lot on file for the port and maybe they would be a good one to call to start a plan of action for the area. McNair stated that the Board needed to prioritize projects for Collins so she feels comfortable in doing what the Board wanted and the order in which they felt they should be done, to give guidance to the Manager. McNair asked the Board if they agreed with moving the fish station up next and to have Collins talk to Tor about measuring the space, the Board agreed to proceed in that direction. Collins told the Board that she was just starting to look for someone to do some rehab on the office, new windows, insulation and walls as part of the Core Task list as well.

Walker commented that he had a citizen approach him about wanting to pay to grade the north jetty. Walker didn't want to say a name yet but wondered if the Board had any objections to it. He also stated that it would need rock according to another friend that worked for the county. Walker asked if the port would be willing to pay for the rock if this is done, the Board agreed that would definitely be paid for by the port. Walker said this citizen also offered to grade the road going down to Canfield Bar. Walker said he went and looked at it and that it does need to be done. The Board agreed that it was very nice of a citizen to offer to do the grading and that the port is

responsible for caring for the access to the properties. Riddle and McNair stated that the upland port properties should be added to the Core Task List for access and maintenance. McNair asked the Board if they agreed they should be added and they concurred.

AUDIENCE COMMENTS:

Tom Schultz commented that he wanted to direct his comment to Commissioner Lottis. When the Coast Guard was here at the meeting it was a real shame that there was not a full Board. Schultz told Lottis that it was a good meeting with a good audience and that the Coast Guard answered all the questions asked and then at the next meeting that Lottis started picking on the Coast Guard about the things they answered at the last meeting. Schultz re-irritated that it was a shameful meeting that there was not a full board. Schultz also said that he doesn't agree that a person should give their name when they have a comment or question about a commissioner. Schultz also said that he was one of the people who asked why Lottis wasn't at the meetings. He said that the Board does a good job and would hate to see change. Schultz said it would be more of an intimidation to be confronted by a commissioner and he didn't think that was appropriate. Walker agreed with Schultz and said that a list should not be made and given to the commissioner.

Walker was going to adjourn the meeting with a break before Executive Session but Collins asked if it could be put on the next month's agenda since she did have some questions to ask the Board but due to a mouth surgery she had that day she was in some pain and couldn't really do it then. The Board agreed to Collins request.

EXECUTIVE SESSION:

Not held, will be put on January's agenda.

ADJOURN:

MOTION to adjourn made by McNair and seconded by Lottis. Motion was passed by a vote of 4 for, and 0 against (Harshman was absent) at 8:23 PM.

December 18, 2014

Fellow Commissioners:

It has come to my attention just yesterday that there is possible concern in regards to my attendance to the monthly Commissioner meetings. This related to the job I do as a Commissioner. When I was approached by then a current Port Commissioner and members of the community to run for office due to my background, current business interests and community involvement. I told them that my work schedule and personal travel would preclude my attending meetings on a regular basis. The response was that's fine you just have to be involved, informed and active in the Port. This I have done. I have taken the assigned responsibilities for the Plaza, area around that, given reports and made recommendations for improvement and met with tenants and private users to that end. I keep up on reports and monthly accounting. When not able to make a meeting I check in with the manager or assistant for details on the agenda. I have also met with other Commissioners prior to meetings that require input and paperwork for the meeting to be on schedule and make progress. Some of the meetings were not attended to minimize possible conflict of interest that could develop as a result of my business activities. My business schedule and travel related to that has increased so my attendance most likely will not change. I will continue to be involved, engaged and part of the process in the Port of Gold Beach in working through the projects we have talked about, issues such as dredging and others as they develop.

I look forward to questions and comments to this.

Respectfully,

A handwritten signature in black ink, appearing to read 'Mark Lottis', written in a cursive style.

Mark Lottis