

**Port of Morrow**  
**Regular Commission Meeting**  
October 7, 2009  
#2 Marine Drive, Riverfront Center  
Boardman, OR. 97818

**PRESENT**

**Commissioners:** Marvin Padberg, Don Russell, Larry Lindsay, Joe Taylor and Jerry Healy

**Staff:** Gary Neal, Lisa Mittelsdorf, Eileen Hendricks and Dori Drago

**Others:** As listed on sign-in sheet

**I. CALL TO ORDER AND INTRODUCTIONS**

The regular session was called to order by Marvin Padberg at 1:35 pm.

**II. APPROVAL OF MINUTES – September 9, 2009**

Joe Taylor made a motion to approve the minutes of the September 9, 2009 regular meeting. Jerry Healy seconded the motion, motion carried.

**III. OLD BUSINESS**

**A. Willow Creek Valley Economic Development Group**

No one from the group was present to report, however, Rick Minster was at the last meeting and reported there was discussion of the lack of housing in the area. They also reported on the work force training that was done at the hospital, he said there is a lack of coverage for the nurses shifts. They also worked on their strategic plan. They are working on an itemized list of housing in the area. They are working with investors and have looked at potential lots and discussed building a duplex.

**B. Heppner Site NFA Status**

There is no update at this time.

**C. Rail**

In regards to the South Spur – The Contractor should be completed with the improvements by the end of this month. They have the sub grade in throughout the site. They have finished that portion across Industrial Way, which extends the rail into the Planer Mill site. We are waiting for a schedule from the paving contractor to patch that crossing. They have two crews working, one crew is working at the Planer site and the other crew is working on the switch location West of Ullman Blvd. On or around October 19<sup>th</sup> they are scheduled to start on the Ullman Blvd. crossing rebuild.

**D. T2 Update**

Gary said he has received a request for an extension on the agreement and suggested it be discussed in Executive Session.

**E. LRA – workshop**

Gary said at the last LRA meeting there was a presentation from the National Guard about what they would like to see happen. Their proposal is to operate the North half of the Depot on both sides of the County Line.

The Confederated Tribes provided a report and Carl Scheeler gave a presentation on the natural resource habitat inventory and some areas they have concern about the sensitive species.

There was discussion regarding the Port's being one of the public entities eligible for a Public Interest Transfer. Gary suggested the Port of Morrow submit a notice of interest.

The next meeting is scheduled for October 22, 2009.

**F. Lone – Emert Addition Update**

The project is complete. The overall cost of the material was increased from the original estimate because the waterline was not taken into account when the cost of the gravel was estimated. The specifications require the waterline be bedded back with  $\frac{3}{4}$  crushed gravel and that was not taken into account. The approximate total cost of the material is \$100,000. With the First Addition the Port donated the labor and equipment and Lone Group paid us back for the cost of the material with the sale of each lot.

**G. OPPA – Upriver Ports Meeting**

Gary attended the Upriver Ports Meeting held here at the Port a couple of weeks ago. Representatives from Cascade Locks, Hood River, The Dalles, Arlington and Umatilla along with Ken Armstrong, the Executive Director of the Oregon Ports Association, met to discuss the Ports' plans and strategies associated with committees and processes and the upcoming Legislative Sessions. Gary took them on a tour of the Port after the meeting. He said it was nice for our neighbors to see some of the projects we are working on.

**H. Warehouse Expansion**

Gary asked for approval to proceed with an addition of 40,000 square feet to the Warehouse currently leased to Cascade Specialties.

Joe Taylor moved to proceed with the 40,000 square foot expansion. Don Russell seconded the motion. The motion carried.

**I. Other**

None

**IV. NEW BUSINESS**

**A. Resolution 2009-07, Financing for Warehouse Expansion**

This financing would take out the existing financing and add the expansion.

Don Russell moved to approve Resolution 2009-07. A Resolution of the Port of Morrow, Oregon authorizing the Issuance and Negotiated Sale of Full Faith and Credit Obligations, Series 2009 in an aggregate principal amount not to exceed \$5,000,000; designating an authorized representative; authorizing the execution and delivery of a financing agreement and an escrow agreement; and related matters. Joe Taylor seconded the motion. The motion carried.

**B. Audit Report**

Brent Lewis of Seydel, Lewis & Poe reported that the 2008-09 audit of the Port of Morrow is complete and the systems are in place. The audit began August 12, 2009 and was finished October 1, 2009. He commended Eileen on the great job she has done, he said funds are properly collateralized, insurance is in place and there are no over expenditures.

Jerry Healy moved we accept the Audit Report for the fiscal year ended June 30, 2009. Joe Taylor seconded the motion. Motion carried.

**C. IFA Board Appointment**

Gary has been appointed by the Governor to sit on the IFA Board, he is looking forward to sitting on this Board on behalf of Ports and learning more about the Programs. The first meeting will be October 23<sup>rd</sup> in Salem.

**D. SDAO Best Practices Questionnaire**

Eileen presented the Commissioners with a questionnaire for them to fill out based on their interpretation of where we rank, for insurance purposes.

**E. November Meeting Date**

The November Commission meeting is currently scheduled for November 11<sup>th</sup> which falls on Veterans Day. Gary recommended changing the meeting to Tuesday the 10<sup>th</sup>, all were in agreement.

**F. Other**

Gary mentioned The Dalles Navigation Lock is temporarily shut down. At the PNWA meeting next Tuesday, there will be a briefing from the Corps of Engineers on the status of this closure as well as the 4 month closure scheduled December 2010.

Gary informed the Commissioners that PGE is holding public meetings on their project from Boardman to Salem. An Open House is scheduled for November 10<sup>th</sup>, here at the Port from 4pm to 8pm.

Gary asked the Commissioners for approval to get an American Express card primarily for when we need to go to Costco.

Joe Taylor moved to approve an American Express card. Don Russell seconded the motion. The motion carried.

Gary and Lisa informed the Commissioners that the heating and cooling system is being modified in the Riverfront room for noise abatement and we are working on acoustics as well.

Gary also mentioned the pipeline to the South farm needs to be replaced and told the Commissioners, unless they objected we need to get it done. All Commissioners agreed it should be replaced at this time.

**V. STAFF REPORTS**

Building use, container activity and water usage were all discussed.

The regular meeting was recessed to executive session at 2:50 pm.

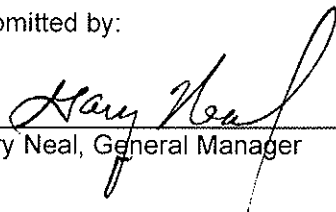
**Executive Session under Leases and Legal Action – ORS 192.660**

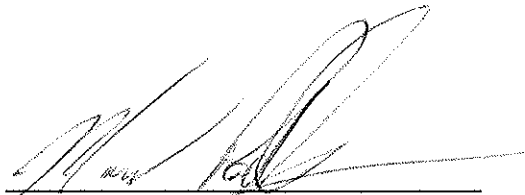
The regular meeting was called back to order at 3:30 pm.

Joe Taylor moved to approve a 60 day extension to T2, for the Power Plant in Heppner with the condition of a \$2500 reimbursement option and the understanding that he notify us as soon as possible if it will not move forward. Don Russell seconded the motion, motion carried.

There being no further business, the meeting was adjourned at 3:35 pm.

Submitted by:

  
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Gary Neal, General Manager

  
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Marvin Padberg, Commission President