

**Port of Morrow
Regular Commission Meeting**

April 8, 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, Ron McKinnis 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 1:30 pm.

II. APPROVAL OF MINUTES – March 11, 2009

Joe Taylor made a motion to approve the minutes of the March 11, 2009 regular meeting. Jerry Healy seconded the motion, motion carried.

III. APPROVAL OF MINUTES – March 16, 2009 Special Meeting

Joe Taylor made a motion to approve the minutes of the March 16, 2009 special meeting. Jerry Healy seconded the motion, motion carried.

IV. OLD BUSINESS

A. East Beach

Gary reported on the progress in the East Beach area. On the Lewis and Clark extension we are almost done with the sanitary sewer lines. Ron is ready to do the layouts for the fresh water system so they can get it installed. We should be ready for paving in about 30 days.

The test results for the water quality analysis came back and the nitrate levels are still above the ten parts level, we are working on getting the upper well pumping then put a screen between the upper well and the lower well and see if we can get better results.

The doors are up on the Transload building and it is enclosed. Ron said the electrical work on the inside of the building is done but we still need power to the building. The colors have been picked, they should start painting soon.

B. Willow Creek Valley Economic Development Group

There was no report.

C. T-3 Update

The contractor work is completed and the crane is running well. There is one item left on our list concerning the crane and we have a meeting next week regarding that. There is some mitigation work we need to get done in the next year in the Mesner Bay area as part of our agreement on our permit for the face dock.

Gary reported we are working on getting two barges side by side in the lock for a photo.

D. Heppner Site NFA Status

Ron received confirmation from the lab that they started testing the last water sample yesterday afternoon. Ron said he emailed all Commissioners a short list that gave a perspective of where the consultant thinks we are going to be in submitting everything and getting the NFA. This included on our part some survey work and evaluation. We have not come to terms on whether we will do any further testing, Ron has asked the lab for their recommendation. Even if everything looks good it will still take about six months to get a letter from DEQ.

Gary reported the Power Plant property could transfer without any issues.

E. Rail Logistics

Gary reported that the HDR Contracts have been signed and the Northwest Container lease is progressing to a stage that hopefully we will be out for bids on the project in the next 30 to 45 days. Lisa said we need to do an amendment to the Northwest Container lease to revise the legal description.

F. Legislative Conference Calls

We have Legislative Conference calls with Dave Nelson and Greg Smith the first and third Tuesday of every month at 7:30am. They are looking at pieces of the legislation that might make things in the economy a little more palatable. They will be doing a revenue impact on all of the bills.

G. Enterprise Zone Application

There were five zones available and five applicants. All applicants want to recertify. Our application with the County and City has been submitted and received.

V. NEW BUSINESS

A. Review of Employee Safety Manual

Lisa said there are a few items we don't have completed yet. When we get them completed we will email them out to the Commissioners for their approval next month.

B. Ione – Emert Addition

The Grow Ione Board was here to discuss the Emert Addition project. The Port assisted with completion of the first addition and the Grow Ione Board was here to request assistance with the second addition. The Port would order the materials to install water lines and provide labor for installation and cutting the road in, meeting the standard of the City. As the lots are sold the Port will be reimbursed for material costs.

Jerry Healy moved to support Ione by installing water lines and building roads. Don Russell seconded motion. Motion carried.

C. Stimulus Funds

We have applied for stimulus funds for a rail improvement project and a pavement project to improve roads. We were awarded the rail improvement money at \$1,484,400. The project scope includes adding stacking trackage and extending the rail into the Planer Mill Site. It also includes placing flashing lights on Ullman.

D. Ports Day – Commissioner Attendance

Ports Day at the Capital is April 29th Lisa will be there and would like the Commissioners that are interested to go as well. Joe and Don both expressed interest in going. Marv said he would not be able to attend.

E. Resolution 2009-03 – 1998 PGE Bonds

PGE issued bonds in 1998 that have 5 year remarketing provisions. Due to market conditions, PGE is planning to purchase them back. This Resolution allows them to repurchase and hold their Bonds without retiring them. It also allows them to make payments to Bond Holders (themselves) directly. They have asked us to adopt Resolution 2009-03, authorizing the re-purchase. It also authorizes a Second Supplemental Loan Agreement and a Second Supplemental Trust Indenture.

Don Russell moved to approve Resolution 2009-03. Joe Taylor seconded the motion. Motion carried.

F. Resolution 2009-04 – Approval to expend proceeds for retirement of debt – Cascade Specialties

Cascade Specialties has exercised their option to purchase their facility for \$1.9 million. Resolution 2009-04 approves the expenditure of the proceeds of this transaction for the retirement of debt, specifically our 1994A Revenue Bonds and Port Revolving Loans 040-132 and 040-168. It also allows for the payoff of any other financings deemed beneficial to the Port by Gary Neal, General Manager or his designee.

Joe Taylor moved to approve Resolution 2009-04. Jerry Healy seconded the motion. Motion carried.

VI. STAFF REPORTS

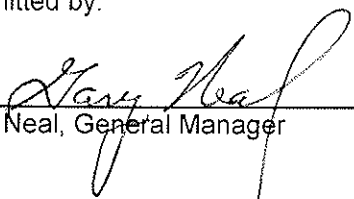
Building use, container activity and water usage were all discussed.

The regular meeting was recessed to executive session at 2:45 pm.


Executive Session under Leases and Legal Action – ORS 192.660

There being no further business, the meeting was adjourned at 3:30 pm.

Submitted by:



Gary Neal, General Manager



Marvin Padberg, Commission President