Port of Brookings Harbor / Regular Meeting

August 18, 2015

1. CALL TO ORDER AND ROLL CALL

The Regular Meeting of the Port of Brookings Harbor Board of Commissioners was held on August 18, 2015 in the Best Western Beachfront Inn meeting room, Harbor, Oregon. Chairman Roy Davis called the meeting to order at 7:00pm. Director Ted Fitzgerald performed a roll call. Commissioners present were Roger Thompson, Sue Gold, and Tim Patterson. Commissioner Mike Manning was absent. Also present was Executive Director Ted Fitzgerald.

1. APPROVAL OF AGENDA

Chair. Davis asks for an approval of the agenda as written.

Comm. Thompson: I’d like to make an addition to the agenda under discussion items. Tidewinds lease and what the problem is no getting it signed.

Executive Director Fitzgerald: I think the Tidewinds Lease issue would better be handled in an Executive Session. We can schedule it as soon as possible for next week. It’s a real estate and personnel issue.

Commissioners agree to a meeting at the Port of Brookings Harbor Office at 4:30 P.M., Tuesday, August 25, 2015.

Comm. Sue Gold: I would like to add a discussion item: the healthcare issue that is going to be voted on in November.

Motion to add a discussion item on the healthcare issue to be voted on next month.

Motion is seconded by Comm. Thompson Voting Yes: Unanimous

Comm. Thompson: I would like to add a discussion on the transient lodging tax that will be voted on in November. You’ve got some information on your table about it.

Sue Gold moves to put this as a discussion item.

Comm. Patterson seconds the motion. Voting Yes: Unanimous

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Comm. Patterson: I’d like to add a discussion item on Resolution 422. The implementation of Resolution 422. Quarterly meeting workshops for planning and evaluating.

Comm. Gold moves to add this discussion item.

Comm. Thompson seconds the motion. Voting Yes: Unanimous.

Comm. Gold moves to approve the agenda as amended.

Comm. Thompson seconds the motion. Voting Yes: Unanimous

1. APPROVAL OF MINUTES

Vice Chair Gold moves to approve the Tuesday, July 21st, 2015 minutes.

Chairman Davis: Does anybody want to comment on the minutes?

Comm. Thompson: Yes. When we discussed the Tidewinds Charter Lease, what we are paying for the buildings, how it works. And I discussed in there about, I know I said $6,500, or $6,770, Ted said $14,000 that wasn’t in the minutes.

Chairman Davis: Forest, would you like to comment on that? Forest does our minutes for us

Forest Amsden: Can you repeat that please?

Comm. Thompson: When we discussed the Tidewinds Charter Lease Ted and I had quite a bit of discussion about how much the buildings we were trading for cost. I come up with $6,750 over the 5 year period. Ted said it was worth about $14,000. That was omitted, totally left out of the minutes.

Exec. Director Fitzgerald: We will have to go back and review that.

Jeremy Galvez: The Board directed Forest to summarize the minutes as much as possible, instead of doing word for word.

Comm. Thompson: If a Commissioner says something it should be in the minutes.

Chairman Davis: Forest, do you have a way to check your recordings for that meeting?

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Forest Amsden: I can go back and revise it, certainly.

Chairman Davis: If Roger says something tonight, or said something before, we should go back and put it in because he has asked for it.

Exec. Director Fitzgerald: I think he is asking for direction from the Board. Last meeting you told him to summarize, the Board directed staff to summarize. Now we are asking for direction.

Vice-Chair Gold, Chairman Davis, and Commissioner Patterson agree that summarization is good, and that verbatim minutes are too time consuming. However, providing an opportunity for revision prior to the following meeting is necessary.

Comm. Thompson: My only point was that if Ted and I disagree about a number, it should be in the minutes.

Comm. Patterson: Summarization is good, we had plenty of time to amend the minutes because they were out quickly.

Sue Gold makes a motion to approve the minutes of July 21st, 2015 as they will be amended. Comm. Thompson seconds the motion.

Voting Yes: Unanimous

1. OPERATIONAL AND FINANCIAL REVIEW

Revenues from operations were $368,160. Normal expenses were $202,426. The two categories together after property tax revenue, grant expense and debt service resulted in a net operating profit of $113,291.

Marina/moorage revenues came in at $42,747.

RV Park revenue was $110,824.

Fuel sales were $121,867.

Cold storage revenues were $1,757.

Yard activity revenue was $11,386.

Rental revenue was $33,552.

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The ice plant generated $30,431.

Repair and maintenance expenses were $11,231.

Fuel purchased for resale was $88,651.

Utility expenses were $16,554.

Office expense was $9,858.

The month of July saw continued work on completing the appraisal of all port properties. We hope to have a completed appraisal sometime in August, so that we may move forward with exploring re-financing options to address the port’s long-term debt load.

The RV Park continues to have a great summer, even with improvements continuing, as cash flow permits. We have opened the RV mini-mart, but are still challenged by staffing requirements.

Much work has been done with regard to the state’s purchase of a dredge for use in the south coast port basins. We hope to see delivery of the machine to Bandon in late September, and we have been working with the Department of Justice on an Intergovernmental Agreement wherein Brookings will operate the dredge project for Bandon as a State-wide pilot program. I am planning on travelling to Wisconsin in September for training on the dredge itself prior to its delivery.

Additionally I was contacted by Senator Merckley’s office last week regarding a meeting being organized including the Coastal ports, The Corps of Engineers, NMFS and other agencies regarding stream-lining permitting issues for projects critical to ports such as a dredging and other in-water work. While there have talks in this vein in the past, additional attention needs to be given to this issue so that more practical solutions can be put in place between the regulatory agencies and the ports, and it is best to be led by someone in Washington.

I am informed that the Pirate Festival was a success this year, although I was not in town while it was going on. Festivals like this and the Kite Festival bring a lot to the community and the people that organize them should be commended.

Commissioner Thompson approached me regarding two issues he would like to discuss, specifically the presence of religious and political organizations or signage on the port

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property, and the transient room tax proposed by the County, and its potential impacts on the port. While I was unable to add those items to the agenda, I wanted to bring them up in my management report for discussion.

Vice Chair Gold: I’ve noticed that RV Park revenue is up in comparison the last year, what do you attribute this too, good weather?

Exec. Director Fitzgerald: Good weather has a lot to do with it. Low fuel prices, better organization and management, the whole thing just seems to be running a lot smoother.

Vice Chair Gold: Kudos!

Comm. Thompson: Why are you going to learn how to run the dredge? Are you going to be the dredge operator or the Port manager?

Exec. Director Fitzgerald: I have to run the project, and I don’t like to do anything if I don’t know how to run it. I know how to run a lot of equipment and I’ve done a lot of jobs that way. I don’t like to have people working for me that know how to do the job better than me. I like to start at the bottom and work up, that’s how I’ve done everything my whole life; and it’s been pretty successful too. So I’ll stick with it.

Comm. Patterson: The commercial slip went up $100,000 and recreation went down, this is my first question. And also the minus $23,000 in the RV Park.

Exec. Director Fitzgerald: Essentially, Musser and Associates are helping us build our Quickbooks from the ground up. Our Quickbooks is messed up, and we are looking to clear this up.

Comm. Patterson: So this is an accounting issue, not a physical issue?

Exec. Director Fitzgerald: Yes.

Comm. Thompson: I have one question about the check registry. In the financial, why isn’t there any number expenses under 5010, wages and salaries, is blank.

Exec. Director Fitzgerald: I think you are going to have talk to the Treasurer (Mike Manning) regarding that, I know we are in the process of reworking our accounting. I’ve generally been trying to stay away from that whole thing and let Musser take care of it, but I know Mike has been working with those people.

Comm. Thompson: I noticed we paid penalties on the 2nd, 3rd, and 4th quarter of 2014 for the transient tax. Why didn’t we pay on time? It takes 10 minutes to do.

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Exec. Director Fitzgerald: It takes about five, and I’m not the one who didn’t pay the tax. We had a CFO at the time, who is no longer here. Luckily I was able to make my own investigation to find out the payments hadn’t been made. The notices have to make it out of the post office and not into the trash. You’ve noticed we have had substantial labor turnover over the last year, and this is one of the contributing factors of this high turnover rate. I would like to focus on getting these tasks handled by an outside entity, such as Musser and Associates. In fact, Musser has recommended that we have a CPA handle most of our bookkeeping going forward. With our labor pool, it seems to be pretty problematic to actually do the job.

Comm. Thompson: I’ve been an advocate for the launch machine for a number of years and am happy it’s in place. The check to Northwest Parking for $15,000, is that for the machine? Also, what is the charge for BC Fisheries?

Exec. Director Fitzgerald: Yes, we paid some up front, and this was the rest of it. There is an annual fee for connectivity, $2,080. Also, we rented some equipment from BC Fisheries for a project.

Comm. Thompson: What about the $831 to Mainbrace, is that a monthly charge or a regular charge?

Exec. Director Fitzgerald: We don’t have any more monthly charges for Mainbrace, the charge was for a few invoices for the websites they were doing for us.

Jeremey Galvez: We have taken control of all of that so there will be no monthly charges going forward. They also put in our phone system which was an additional $1,200 a few months back, and some of that showed up on the $831.

Comm. Patterson: We have a recommendation from Musser for a CPA, what did they base that recommendation on? They don’t want to do it, or?

Exec. Director Fitzgerald: They think that having that added control in our office would make the Port run better and leave less opportunity for mistakes, like the ones Roger Thompson pointed out.

Vice Chair Gold: Are they suggesting that we hire a CPA full time, permanently?

Executive Director Fitzgerald: No, and in fact all of the other Ports handle their finances this way (outsourcing accounting).

Comm. Patterson: So the Port will be a contractor of this person, not an employer?

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Exec. Director Fitzgerald: Yes

Comm. Patterson: Are you doing that or still studying it?

Exec. Director Fitzgerald: Well, for now I’m not interested in doing it. For now, Musser is doing it. But once we have everything back in place we can look at other options.

Summary: Musser and Associates will continue getting us caught up and fixed up on Quickbooks. Other contractors may be consulted for bids after this point. As for now, the Port is building Quickbooks from the ground up. Further cost and expense breakdowns will help keep track of true profit and losses for the various sectors. Musser and the auditors, working on the annual audit, are working together hand and hand.

Comm. Patterson motions to approve the July Financial Report.

Vice Chair Gold seconds. Voting Yes: Unanimous

1. PUBLIC COMMENTS:

**Ralph Martin**: Comments on the measure on the ballot to annex the Port District to the Curry Health District. Property owners within the annexed area will be obliged to pay the property tax rate of 0.7425 per $1,000 of assessed valuation of the property. Ralph Martin’s main point is that North County voters will surely vote in the measure because it reduces their property tax by 1/3, while Brookings and Harbor residents will be bailing out Curry Health District, which has about $45 million of debt due to their projects.

**Beverly Rasmussen**: I live in Brookings, across the harbor. I’m speaking for at least 2 of the neighbors who couldn’t be here tonight. We have been inundated with this noise for several years actually and this has…well this summer and last summer have been the worst. In the past couple years back, when it had gotten really bad, well we have a deck that comes out around and faces right on it, and the one place below us on the river is right across from Zola’s. And in the past I would call the Sheriff, and eventually when they could get to it, it quieted down a bit. But this year it has been exceptionally load and they play until late at night. We couldn’t have anybody over on our patio for any kind of Barbeque or any kind of a visit. We go in the house, we close up things so we don’t have to hear it. We can hear it all through dinner, and last week it was so bad, it was Sunday night, they were nice enough not to play while the concert was going on in the Park, then they cranked up afterwards, and it went on until quite late at night. And we had to close everything up, and turn the T.V. up, it really is quite annoying. And the lady across the river is taking care of her 90-something year old grandmother who is bed-ridden, and her grandchildren, and she can’t put them down for a rest while this goes on. So, what we wanted to know, is there some action we can take, or what can be done, to either quiet

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this music down or cut the hours. This late week they went on quite a bit later than usual, they’ve been quitting around 6 on Sunday, last week they went on. I called Zola’s and they said, well, it’s the Pirate Festival. This was like 8 or 9 o’clock on Sunday night. The pirate festival was pretty much cleaned up by then.

Chairman Davis: It closed at 9.

Beverly Rasmussen: Ok, well, we had the music until then, and they had the huge speakers and we are right across the river. Quarter of a mile.

Executive Director Fitzgerald: Ok, so that was the Pirate Festival. I also had a complaint; that was the night I got back from my vacation. I got back at 8PM, and somebody called me at 8:04. So I texted the owner and said “shut the music off”, and then we discussed it the following Tuesday, maybe, after that, and we directed them to not have any music on Sundays after 6PM. So tell me what happened this last Sunday.

Beverly Rasmussen: For some reason they cranked up after the music in the park quit, and I don’t know, it went on past 6 o’clock by quite a bit, we were watching T.V., I’m going to say about 8 o’clock. I don’t know when they actually quit because we plug our ears up and go to bed.

Vice-Chair Gold: I just want to let everyone know I had a complaint. It was left on my message machine. And they said ‘this is what it sounds like when the windows are closed’ (while holding up their phone). It was *pretty loud*, and that was a phone message. They were up the river quite a ways. I know sound travels over water really nice…

Mr. Rasmussen: We are up about a quarter mile.

Beverly Rasmussen: There was another lady who couldn’t make it who called in and left a message. And this is what I would have to do with the Sheriffs. I would wait until it was really cranked up and come out on my deck and say “I’m calling because of this noise”. But they are busy and they can’t always get…especially now because they are shorthanded. So, whatever…we can do…

Executive Director Fitzgerald: Well that leaves us with few options, we had negotiated a time, it was supposed to end at 6, and you are saying it didn’t end at 6. I don’t have your problem because I have a cold and I can’t hear anything, and I wasn’t down there on Sunday night. But, I’m glad to hear that, so we will take action pursuant to that.

Beverly Rasmussen: Also, I’ve heard there are no rules about how loud they can have those speakers?

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Executive Director Fitzgerald: There aren’t any actual…the Port doesn’t have any sound ordinance, per se; and I had discussed with them after the pirate festival, and told them you need to turn it down, and you can reformat the speakers, and we can do a lot things, like we talked about at the previous meeting. Look, if they don’t want to do it, they don’t want to do it that just makes things easier. It takes effort to try to work with the public, and if they don’t want to work with the public, that makes things easy.

Beverly Rasmussen: When I called Zola’s one time, they said their customers like this, and I thought, boy, it’s pretty bad if you need all of this noise to sell your pizza! \*laughs\*

Executive Director Fitzgerald: I’m not sure what drives that, but unfortunately it sounds like we…well we had a…we were trying to find a middle ground, but if parties aren’t willing to work with people, we can take appropriate action.

Chairman Davis: So Ted you’ll strive to set a time and…

Executive Director Fitzgerald: No I already set a time, and they didn’t follow it, that’s what it sounds like to me, so we won’t have music.

Chairmen Davis: You’ll be in touch with Zola’s then?

Executive Director Fitzgerald: Yeah, I’ll take care of it.

Comm. Patterson: What time did you set?

Executive Director Fitzgerald: 6PM on Sunday only, it’s not a drastic requirement, and if they are unable to do that… and probably the remedy for that is to stop the music for a while until we can all start behaving like adults.

Comm. Thompson: It’s *bad*.

Vice-Chair Gold: What if it was just until 6PM, how would that be?

Beverly Rasmussen: It’s still pretty hard with as loud as it is…because we can’t even invite anybody over and sit on the deck.

Vice-Chair Gold: Yeah, I know, I heard the message.

Comm. Patterson: So far, the only day they have broken it is Sunday, correct?

Executive Director Fitzgerald: Ya, except it sounds like, it’s a problem the rest of the time. But if Zola’s was willing to take the correct steps to mediate that, then I think we might be able to work together and they can plug in their earplugs part of the time, but it

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sounds we they aren’t even willing to take those intermediate steps so I think our best bet is to start over, and we can go in, and this has brought us to a point where if you are going to have music at the Port we are going to decide decibel level and all that stuff before you get a permit to have it. And that’s unfortunate, but I don’t see any other way to have it. I’m sorry if I’m yelling, but I can barely hear myself talk.

Comm. Patterson: If they were breaking your rules, whatever they were, day after day after day…but it sounds like it only occurred on Sunday. Also, there is no County Ordinance.

Comm. Thompson: The people who listen to the music aren’t any farther away from the band than from here to those cars on the other side of this building. And they usually have 20…25 people is the most they ever have listening to music.

Chairman Davis: I counted 75 last weekend.

Vice-Chair Gold: That was the pirate festival, so…

Executive Director Fitzgerald: Well, unfortunately, I think a lot of people do like that [the loud music], but we have to live within the confines of our community. So this is generally how I like to deal with stuff, I have people work together, and if it doesn’t work out then we go to the next step, and it sounds like we are at the next step. I will handle it.

Angie Christian: I was present for the entire Pirate Festival, and the music for the actual Pirate Festival was in no way, in my opinion, too loud, because I was able to have my door open and converse with people, outside and inside.

Vice-Chair Gold: So did you folks notice loudness earlier?

We heard some other folks earlier, they were fine, they were reasonable. But then [Zola’s] brings out those humongous speakers, and they are right in a front of us, and \*whew\*

Angie: The pirate festival was over at 5 o’clock on Sunday.

Executive Director Fitzgerald: It was?

Executive Director Fitzgerald: It sounds like Zola’s had some people scheduled for earlier, and they just went later. That’s, you know, anyways I’ll take care of it. I think we need to go back and start out from the beginning and see if we can get something that work.

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Vice-Chair Gold: Actually that’s not a bad idea, if the pirate festival music wasn’t bothering you maybe we can have Zola’s go to that same decibel level.

Comm. Thompson: You are at 70 right now. That’s normal speaking level.

**Connie Hunter:** Planning on bringing Oregon Solutions to assist in her plans for the Green Building. She has been working on the layers of planning necessary to accomplish her goal. The business model includes a retail space, a maker/artist space, a multi-cultural center, a caterer’s kitchen, a radio station, and a social services space.

(At this point, the recorder shut off due to recorder malfunction.)

1. ACTION ITEMS

There were no action items.

1. DISCUSSION ITEM

Health Care Annexation Issue: Vice Chair Gold discussed the possibility of launching an investigation into the pros and cons of health care annexation, she asked for direction from the Board as to whether or not she should launch said investigation. The Board directed her to launch her investigation into Health Care Annexation Pros and Cons.

Transient Room Lodging Tax: Commissioner Thompson presented the idea of creating an exploratory committee into the transient room lodging tax issue as it applies to the Port of Brookings Harbor. The Board of Commissioners agreed that an exploratory committee should be created, and the issue will be revisited at the next meeting. It was directed that the transient lodging tax issue be placed on the next meeting agenda as a discussion and an action item.

Resolution 422: Commissioner Patterson wanted to discuss Resolution 422 as it pertains to quarterly operations review and planning. It was decided that these operational reviews would take place as a workshop, the first workshop was scheduled Tuesday September 8th, 2015, with no time determined at this point.

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9. COMMISSIONERS REPORT

Comm. Thompson has nothing to report

Vice Chair Gold had nothing to report

Chairman Davis had nothing to report

Comm. Patterson had no report.

8. ADJOURNMENT

 The meeting was unanimously adjourned at 8:36 p.m.

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