



PORT OF NEHALEM

P. O. Box 476
Nehalem, OR 97131-0476

PORT OF NEHALEM SPECIAL BOARD MEETING March 30th 2015

CALL TO ORDER:

President Dale Stockton called the meeting to order at 7:30 p.m.

Commissioners present: Rick Dart, Lindy Scovell, and Jim Peters. Public present Loren Remy, Terry Fullan, Vern Scovell and Mark Tellhed, Secretary: Karrie Purdom

PRESENTATION:

Mark Tellhed explained the post dredge survey to the Commissioners. Vern Scovell stated he made a complete study of the survey. Vern handed out measurements to the board members to review. He also mentioned he felt he had done the best job he could have with what tools he had to work with. Rick made a motion to accept the survey, motion was passed unanimously 4-0.

It was determined by the board to send copies of the survey to each agency indicating the parameters where the humps were that were required to be removed.

Rick wanted to address his feelings of wanting to have an attorney view the contract between the Port and Vern. He stated he was not comfortable with making a decision regarding the additional \$30,000 request from Vern without knowing if the contract is binding or not in the eyes of the law. Lindy stated that Vern had to have agreed with the contract being binding because he did the job, and met the deadline. Dale stated he did not feel it was necessary to consult an attorney. Jim agreed it was not necessary. Jim addressed the board by reading the contract noting in particular, "This agreement is between the Port of Nehalem, Roy Garren and Nehalem River Dredging Inc." as well as "Nehalem River Dredging Inc. will provide all equipment, normal business tools and labor necessary for this job." "The price for this task will not exceed \$50,000 plus \$10,000 rental for the dredge. Not to exceed a total of \$60,000."

There was much discussion at length regarding the itemized cost list presented by Vern.

Jim proposed a plan for a compromise, by paying Vern the \$1200 per day, for the five days Vern went over. It was voted by the board as part of the contract. We are able to pay that and stay within the terms of the contract. Dale commented he'd be willing to give Vern the \$6000 for overtime.

Rick made a proposal to pay Vern \$11,500. Jim questioned what basis can he justify the amount. Rick feels this is a fair amount and justifies it by the fact that Vern was asked to come in and do the job, and that's what he did. He completed the job. This is a compromise Rick can live with. Jim commented that at least his proposal of the \$6000 is justified by the parameters of the contract. Lindy also commented that the \$6000 is justifiable within the terms of the contract, but anything above that amount, there is no real justification.

Jim made a motion to resolve this issue, we pay an additional \$6000 over and above what we already paid. Lindy second the motion. Both Rick and Dale disclosed a conflict of interest due to financial customer ties with Vern. Lindy disclosed a conflict of interest due to Vern being his father. The motion failed by a vote of: Dale – yes, Jim – yes, Lindy – abstain, Rick – no. Jim asked Rick if he'd be willing to change his vote, noting that \$6000 is better than nothing. Rick said he just can't vote on that in good conscience.

Loren Remy asked the question, that if the additional \$6000 was a part of the contract, couldn't that just be fulfilled without it needing a vote from the commission? It's within the realm of the contract to pay it.

Jim and Dale both stated they feel it's justified within the terms of the contract. Jim asked Rick if it would be offensive to him if they summarized this meeting and present to Vern the \$6000 as the amount that can be justified to pay. Rick said he could agree with the \$6000 as a fulfillment of the contract but not as a final payment. Lindy added the fact that Vern was the one who set the job cost at \$60,000 not the Port, as well as remembering that the price per yard was way above the Corps price per yard.

Rick made a motion to pay the \$6000 as a fulfillment of the contract. The \$30,000 is not being recognized in this motion. Jim second the motion. Motion passed: Dale, Jim & Rick – yes, Lindy – abstain.

ADJOURN: 9:15 P.M.

Attest _____
Secretary

Approved _____
President