



PORT OF NEHALEM

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

PORT OF NEHALEM SPECIAL MEETING NOVEMBER 5th, 2014

CALL TO ORDER:

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

Commissioners present: Rick Dart, Lindy Scovell, Jim Peters. Secretary: Karrie Purdom

PRESENTATION:

Jim presented a re-dredging update notifying the board of a delay in the schedule. There are four reasons for the delay and Jim needs an okay from the board on three of the reasons.

On Friday, October 31st, Vern Scovell notified Jim they will not be arriving in Nehalem as planned and that Roy Garren was very firm on this. Jim requested from Vern the opportunity to contact Roy. Vern told Jim, Roy would be available to speak with Jim on Monday November 3rd after 9:00 am.

Jim drove to Roseberg on Sunday afternoon to meet Roy face to face when Roy arrived at his office. After an hour and a half of meeting with Roy, there was still zero flexibility on Roys part.

Dale asked why they aren't coming as planned. Jim began to explain that Roy is still stinging from the lawsuit and this is his way of having retribution. Secondly, they are concerned with leaving the Corps job by coming to Nehalem in between Depot Bay and Garibaldi. Jim continued to explain the Corps job is a great deal of money and ours is not. Thirdly, their insurance and bond is undividable. They have 90 days of coverage to complete the three locations. September - Depot Bay, October - Garibaldi and November - Nehalem. They paid \$39,000 for the policy which is the bond they had to have for the Corps jobs.

According to Roy the forth excuse was that it would require a forth leg of travel as opposed to only three moves. Jim offered several solutions to Roy, none of which he was willing to accept. Jim realized his only course of action at that point was to acquire a firm schedule for after Garibaldi was complete and request extensions from the agencies.

On Monday morning after meeting with Roy, Jim drove directly to Salem to request from DSL an extension. From Salem, Jim drove to Portland. Tuesday morning Jim went to the Corps to request an extension. Jim stated that as of this morning he confirmed extensions from all agencies. The extension that has been given for the completion of the re-dredging is now February 15th, 2014.

At this point the new schedule is as follows. They are going to be here between December 5th – 15th. Vern wants to be finished by Christmas. The contingency to this contract with Roy is that he has to complete his commitment to the Corps first. In the contract with Roy, Jim has included a cost of \$1200.00 per day for insurance and labor. Rick and Dale questioned why we have to pay it, when the original contract was for a set price. Jim clarified if we held up the progress in some way, it was on us. If Vern or the equipment held up the completion, it was on them.

Vern indicated to Jim he should be able to get the job completed in five days and doesn't anticipate any need to enter into the part of the contract that would fall under the \$1200.00 per day. Jim emphasized what could happen is Onion Peak may not be able to enter the water which could hold up the dredge causing it to sit in waiting. This would affect the need for their additional fee to cover insurance costs.

Rick, Lindy and Dale told Jim they need to place a set number of days for the fee to be used. They determined five days should be the maximum and not agree to it being open ended.

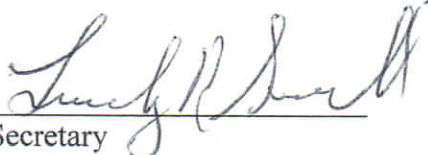
The next item Jim requested was that the Port presents an update to the public via the newspaper. He noted there have been 26 FOIA (Freedom of Information Act) hits on the status of the dredging. The board agreed to have a public notice placed in the paper.

Jim informed the board that Vern and Roy requested to be released from the original contract. Rick felt strongly that until the job is completed they should not be released; Lindy was in agreement with this. Jim stated there is a statute of limitations ending on December 31, 2014. Also mentioning that our attorneys Stoel Rives never informed Vern or Roy the lawsuit has been put to rest. Rick suggested sending Roy a copy of the letter sent to Stoel Rives requesting to end litigation.

Rick felt it would be in the Ports best interest to have an attorney take a look at the new agreement signed by Roy Garren to be sure it will protect the Port. Lindy felt it might be a good idea as well. Ultimately it was decided to forego an attorney and keep the faith the signed agreement will be honored. Dale felt that since Roy signed in front of Jim, he believes the work will be done. Rick, Lindy and Dale all agreed to move forward with Jims requests.

Lindy asked Rick or Dale if they have spoken with Clint regarding the Tiderunners. Rick said he had spoken with Clint after the confrontation but has not since then. Lindy noted that where he works, the way a disciplinary matter is handled, there is a detailed letter written about the given situation, and the discussion between the board and the employee to which they both sign and it goes in the employees' personal file. This is done to ensure there is a paper trail otherwise it could appear as though the event never happened.

6. ADJOURN: 8:45 P.M.

Attest 
Secretary

Approved 
President