

Port of Umpqua

Regular Meeting Minutes
Wednesday, July 18, 2012 at 7 p.m.
Port of Umpqua Annex
1841 Winchester Ave
Reedsport, OR

THESE MINUTES ARE FINAL AND APPROVED.

Commissioners Present:

President Steve Reese
Vice President Keith Tymchuk
Secretary Barry Nelson
Treasurer VACANT
Asst. Secretary Donna Train
New Commissioner Appointee – Jessica Terra

Commissioners Not Present:

Port Staff Present:

Port Manager Charmaine Vitek
Administrative Assistant Karen Halstead

Proceedings:

The meeting was called to order at 7 p.m. by President Steve Reese.

OATH OF OFFICE FOR NEW COMMISSIONER JESSICA TERRA:

Port Manager Charmaine Vitek conducted the oath of office for newly appointed commissioner Jessica Terra.

APPROVAL OF AGENDA:

There were no additions or deletions to the agenda.

APPROVAL OF MINUTES:

The draft version of the minutes for June 20, 2012 was presented for approval.

Commissioner Nelson made a motion, 2nd by Commissioner Train to approve the minutes as presented. Motion passed by a vote of 3 in favor, no votes opposed, but Commissioner Tymchuk did not vote since he wasn't present at the June 20th meeting.

APPROVAL OF BILLS:

Commissioner questions regarding bills:

While signing checks Commissioner Nelson questioned the check payment to Walter Landscaping. There was two charges listed as maintenance, and he asked why. The charge for \$144.17 is from their contract, then they did an extra job of window cleaning that is not included in that contract and that would be the charge of \$70.00.

Commissioner Train asked what the \$80.00 check to Paul Nolte was for; wondering if that was a monthly stipend we pay for his legal services. Charmaine explained that we do not pay a monthly stipend, but that we had used his services for an amount totaling \$80.00 during the month, and pointed out that there is an itemized statement that is attached to the bill.

Commissioner Train moved to approve payment of checks in the amount of **\$4,098.28** to be paid out of the General Fund, 2nd by Commissioner Tymchuk. Motion passed by unanimous vote.

PUBLIC COMMENT:

There was none.

REGULAR BUSINESS:

1. Election of Officers for the 2012-2013 Fiscal Year

In the meeting packets the commissioners had been provided a listing of the current positions being held. There was one vacancy that needed to be filled, that of the treasurer which become vacant when Debbie Williams resigned from the commission.

Keith suggested if it was okay with the others on the commission that they move Donna to the position of treasurer and appoint Jessica to the position of Assistant Secretary. The rest would then stay as they are. Everyone agreed so he then made a motion stating this, Commissioner Nelson 2nd the motion, the motion passed by unanimous vote.

President: Current/Steve Reese
Vice President: Current/Keith Tymchuk
Secretary: Current/Barry Nelson
Treasurer: Current/Vacant
Asst. Secretary: Current/Donna Train

Elected: Steve Reese
Elected: Keith Tymchuk
Elected: Barry Nelson
Elected: Donna Train
Elected: Jessica Terra

For the purpose of recording into the minutes, Charmaine stated the following:

Port Manager: Charmaine Vitek

Port Admin. Asst.: Karen Halstead

Dock Asst.: Larry Greene

Port Attorney: Paul Nolte

Port Financial Inst.: Umpqua Bank

Insurance Agent/Record: Fullhart Insurance

2. Committees and Appointments:

Here is a listing of the appointments from the previous year.

Southwest Area Commission on Transportation (SWACT): Charmaine

Oregon Coastal Zone Management Association (OCZMA): Barry Alt. Charmaine

Oregon Public Ports Association: Charmaine

Lower Umpqua Economic Development: Steve & Charmaine

Douglas County Industrial Development Board (DCIDB): Charmaine

Reedsport/Winchester Bay Chamber of Commerce: Donna

Emergency Management/Tsunami Response Group: Charmaine

Reedsport Urban Renewal Advisory Committee: Charmaine

Wave Energy: Keith

Port Attorney: Paul Nolte

Port Financial Institution: Umpqua Bank

It was suggested that Jessica take over as the Port representative to the Urban Renewal Advisory Committee, and then to leave all other designations as they were. Jessica agreed to the position and Steve confirmed that there would not be any conflict with any of his assignments.

Steve added that he is also on the Lighthouse Oversight Committee, but this wasn't done as a port representative, it didn't get voted on by the commission. Keith thought they did request Steve be a part of this because he is on the Port Commission, but the Port did not appoint so it won't go on the official list of committees.

Barry said it worked well for him to continue as the representative to OCZMA because he has been appointed to their executive board as well.

Barry made a motion to approve committee and other appointments as recommended for the Fiscal Year 2012 – 2013. Keith 2nd the motion, motion passed by unanimous vote.

3. PNWA annual membership dues

Charmaine said that this group has been instrumental and fabulous with Heather attending the OPPA meetings, and getting acquainted. They are very much on the ball and it would definitely be in the Port's best interest to continue membership with their organization.

Keith made a motion to approve Pacific Northwest Waterways Association annual dues in the amount of \$590 to be paid from the General Fund. Barry 2nd the motion, motion passed by unanimous vote.

4. Special Public Works Fund loans

Information had been provided in the meeting packets showing the balance of the individual loans being discussed as of July 1, 2012. There was also the daily amount to add to the balances. Depending on the exact day of payoff for the Umpqua River Dock loan, there would be an additional \$15.90 per day and \$11.91 per day for the Winchester Bay Dock. The capital improvement fund balance is \$612,555.00 before any payoffs, and after would be approximately \$431,000 and some change. The original payoff date for the Umpqua River Dock is 2015 so by paying early there would be a savings of about \$14,969. The Winchester Bay Dock is scheduled to be paid off in 2026, and it would have a savings of \$39,257.

Barry said he felt the Port should definitely do it, and Keith agreed. It's been discussed for quite some time, and as of right now there are no capital projects on the horizon. With these loan interest rates of 5.5 & 6% it would be good business to pay them off, plus if a project did come up it would actually be cheaper to borrow now because of the interest rates being so low.

Barry then made a motion that the Port of Umpqua pay off the remainder of loan number L95001 for the Umpqua River Commercial Dock to OBDD Infrastructure Finance Authority in the amount of \$100,355.59 plus \$15.90 for each day after July 1, 2012. To be paid from the Capital Reserve Fund. Keith 2nd the motion, motion passed by unanimous vote.

Barry then made a motion that the Port of Umpqua pay off the remainder of loan number L01011 for the Winchester Bay Commercial Dock to OBDD Infrastructure Finance Authority in the amount of \$80,686.43 plus \$11.91 for each day after July 1, 2012. To be paid from the Capital Reserve Fund. Keith 2nd the motion, motion passed by unanimous vote.

******After the vote Keith requested that Charmaine make a public statement to the press and to Douglas County. Steve questioned making a statement to Douglas County, and asked what had been decided on paying off the outstanding Douglas County loan. In the future it is possible to go ahead and either pay off half or the entire loan to Douglas County which would be an act of good faith to do so.

Barry asked if we were pay that off would it be beneficial in some way to Salmon Harbor. The consensus was no, but it would be due diligence to pay what we owe. This payment wouldn't come out of one of the reserve funds though; half of it was already budgeted from the General Fund.

******Keith requested that it be added to the agenda next month when it could be discussed further, including what positive effects this could have for Salmon Harbor if any.

REPORTS:

PORT MANAGER'S REPORT:

Dock Report:

The Port Commercial Dock in Winchester Bay Brought in \$2,303 for the Month of June 2012.

Open house we were considering Friday August 3rd. All other Friday's are booked at least through the middle of September. Perhaps cookies, juice, coffee, open the buildings for folks to wander through. Are there any thoughts?

Steve mentioned the first Friday event that is held every month by CDABA. He wondered if that could be arranged to be held here. Charmaine pointed out that usually happens in the evening and we were thinking of something during the day similar to how Umpqua Bank has at times.

Everyone agreed that the date was a good date for it; Charmaine will fine tune the details.

IP Bond fee payment, since we had not received the IP bond fee payment when they were invoiced in November of last year, we assumed we had reached the end of the term. However, we received the payment June 28th. I am sure the term has ended, it says it runs through 2011 so we were not sure if that meant January 2011 or December 2011.

PCC contribution: As Jeff reported previously, Pacific Coast Congress will be holding the semiannual fall conference at Salmon Harbor this October. Jeff and I had a discussion about how the Port might participate both financially and maybe even other ways. When Jim Mix first approached the possibility, our budget was already being approved and adopted. However, we discussed the prospect of using the revenue from line item Promotion and Marketing, which was budgeted \$1,000. Jeff may want to talk about this further in his report.

I asked Karen to take on our web site as a project. Our website was static, we could not add or remove things such as our audit or business plan without going through a third party. With the changes the Port has gone through and wanting to advertise the offices and annex rental, I felt we needed to have control over the web site. Karen has been working on web site and email transfer project. She has completed moving our email accounts from Charter, who we no longer use for phone service, saving the Port \$55 per month. She is moving forward on the web site, it is a learning opportunity and she is doing a fabulous job. She will be able to modify the site as we grow and change to keep it up to date. As well as making our meeting minutes, agendas, budgets, audits and anything else we may want to publicize available to the public to view.

WE received a thank you letter from STEP in appreciation for the donation and sponsorship.

Don't forget we have moved next month's meeting up one week to August 8th.

Steve asked if there had been any rentals of the annex, and yes there have been quite a few. They have been mostly from non-profit organizations that we don't usually charge a rental fee, but it is being used.

Steve also asked what had happened to the Ice Plant tour, and Barry said he's working on it.

SALMON HARBOR MANAGER:

The draft agenda for the PCC conference was just created, this event will be held the 9th, 10th & 11th of October 2012. It will be a little different from past meetings; the plan is for folks to arrive on Tuesday evening for pre-registration which will probably happen at one of the local restaurants. The event will then start Wednesday morning at the MAC. Lewis Transportation will be providing shuttles from the motels in town. There is a lot of work sessions scheduled for that first day, with lunch being catered and served on site. Wednesday night there will be no official activities scheduled which will allow visitors to go out into the community to places of their choice. It will then start again Thursday morning, again lunch will be catered in at the MAC and then there will be a program presented by the Coast Guard. The banquet will then be held Thursday evening where awards and presentations will be announced. There will also be entertainment provided, and Jeff is soliciting for entertainment ideas.

The RV Dump station issues continue. There is now an attendant working out there 5 days a week, Thursday through Mondays. He is scheduled to be there until the allotted 26 dumps are achieved or folks just quit showing up. There have been quite a few folks that have tried to not pay the fee, so it's good he is out there to supervise. There has also been a problem with congestion at the sight from folks not needing to use the RV Dump but instead needing to use the water station which is located directly in front of the dump. It's been decided to have the water line moved over so it can help ease this problem.

The project to replace the rails on Docks 1 through 3 was just completed, and on the good news front, a deal was just worked out today with Southern Oregon Sanitation to start providing recycling at the recycling station which had been closed last year. There were a lot of folks in both the private sector and the business community who had used that service. They will be able to take in paper, cardboard, batteries, tin, aluminum and plastic bottles. They cannot take any glass of any kind. There have been requests for quite some time to get this service back so it should be an asset to many.

The construction of the MAC continues, with a waterline for the overhead sprinklers being installed this week.

Jeff said there are several possibilities of how the Port can contribute to the PCC conference. The most obvious is a gift donation that could help with programs or other needs. He will talk with Charmaine further when he has more concrete thoughts on this.

Barry said he had received a call a couple of weeks ago from the guy from "Save our Salmon", who asked if he could visit during one of his up and down coastal visits. Barry pointed out to him concerns he had with the logistics of some of their plans. The interesting

part of this is the man's connections in Washington. The Salmon Commission would love to be able to break the wild fishing policies because it harms everything from our local fishing to how many fish can be released from the hatcheries. Barry said he was fairly sure the Salmon Commission would back him but it won't happen until he is a little more concrete in his ideas, which he can then present to the whole commission for further discussion.

Jeff thanked Barry for the comments he made at the Salmon Harbor meeting concerning this. His board was ready to give consent in writing a letter of support but based on Barry's information they were able to hold off until they are convinced it would be a good thing. He did ask Barry to keep him informed so when the time comes the board can revisit writing that letter of support if need be.

COMMISSIONERS:

Keith said he was a little late to the meeting this evening because he was attending a ceremony at the lighthouse museum with the Admiral of the Northwest Region of the Coast Guard. There was one gentleman present who used to be stationed at Station Umpqua River during the early 80's and he is now the highest ranking enlisted Coast Guardsman in the nation. Chief Clemons who is the current commanding officer now at Station Umpqua River had just returned from Washington D.C. where he received an award for being the ancient river keeper in the nation, which means he has more time on life saving vessels and stations than any other person in the Coast Guard. Chief Clemons said he would love the opportunity to come speak to the Port Commission at some future meeting.

There may be a request coming from the Port of Coos Bay to write a letter of support for the Port of Coos Bay Coal and Railroad process. Keith said he certainly hopes if that request does come through that the Port of Umpqua will agree to give a letter of support.

There will be a meeting on Friday that the Port of Coos Bay has requested Keith attend that will include some of the governor's staff discussing some of their projects. It may also include discussion about a recent article in the Register Guard where the City of Eugene was stated as going to issue a letter in opposition. Three folks including Keith made some phone calls regarding this, and that has now been postponed.

Keith's last conversation with OPT leads to them expecting a September deployment for the first wave buoy. The exact date is still unset.

Donna said her only concern with supporting the Port of Coos Bay project would be the coal particles flying around so she requested Keith make note on his ride with the railroad on how much does get away.

Keith explained originally there was a report which has been highly disputed that 3% of the coal that is loaded is lost in transit. There have been other articles disputing this and saying that is a very high exaggeration. If it was 3% of each car and it goes 1,200 to 1,400 miles on the rail that would not be very much on a per mile basis. That was the main concern with the

City of Eugene, the dust that is lost. The mayor and Keith had a very good conversation, she was gracious in calling him back and now it's his thoughts that they are no longer concerned about the dust. They basically just do not like the idea of coal generated electric plants. This issue of dust is really just a smoke screen. Barry pointed out that the sand that gets blown around is a lot worse issue than any coal is going to be. This chatter over coal dust is strictly environmental. Keith also pointed out the local and Oregon jobs that will result from this project are significant with construction opening up 2,600 to 3,000 jobs and then there will be 540 to 580 permanent jobs right here in our community.

Keith wrapped up by saying we may expect a request for a letter of support, he knew cities had received the request and he thought they would be going out to ports as well.

PORT ATTORNEY:

No report

EXECUTIVE SESSION:

There was none.

The meeting was adjourned at 7:47 p.m.

The next Port of Umpqua Regular Meeting will be held August 8, 2012 at 7:00 p.m. at the Port of Umpqua Annex building, 1841 Winchester Ave., Reedsport, Oregon 97467.

Steve Reese, President

Karen Halstead, Admin. Assistant