

Port of Umpqua

Regular Meeting Minutes
Wednesday, August 8, 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 Donna Train
Asst. Secretary 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.

APPROVAL OF AGENDA:

There was the addition of a 5th item, Ratify Letter of Support for the application by Jordan Cover Energy Project to the Department of Energy for long-term authorization to export liquefied natural gas. With this addition the agenda was approved.

APPROVAL OF MINUTES:

The draft version of the minutes for July 18, 2012 was presented for approval.

Commissioner Tymchuk made a motion, 2nd by Commissioner Train to approve the minutes as presented. Motion passed by unanimous vote.

APPROVAL OF BILLS:

Commissioner questions regarding bills:

While signing the bills Commissioner Nelson asked why there was a note on the check for the Visa Card payment that said to hold it. The reason why is because we had the information and receipt, but had not actually received the bill yet. It's expected and will be due before checks are signed again at the end of the month, so we will have the check ready and approved when the bill does come in. Since our meeting was a week early this was taken into consideration when paying bills and this was the only bill we knew would be affected.

Commissioner Nelson moved to approve payment of checks in the amount of **\$2,352.26** 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. Douglas County Industrial Development Board loan

This is a topic that has been brought up several times in the past. Information regarding the loan was provided in the meeting packets. There was also info provided regarding how to do a contingency transfer. Charmaine said the amount being paid out is not enough to create the need for a supplemental budget.

Donna said she didn't think the commission should pay more than had been budgeted for this year. Steve and Keith voiced their agreements with this and added that next year it could be established as a higher priority and budgeted for payoff if there was enough money to allow that.

There was discussion as to whether we should continue to make the monthly payments as we have been doing through the end of this fiscal year, or go ahead and cut a check for the budgeted amount in one payment.

It was decided to call the DCIDB and let them know they would be receiving a check to cover the next 11 months.

Commissioner Tymchuk then made a motion to approve the payment of one half of the outstanding debt owed to the Douglas County Industrial Development Board, not to exceed \$21,600 as was budgeted in the 2012-2013 fiscal year budget, to be paid

from the general fund. Commissioner Train 2nd the motion. The motion passed by unanimous vote.

2. Oregon Coastal Zone Management Association annual dues

The commissioners agreed that this organization is probably the most important association the Port of Umpqua has, and with that said,

Commissioner Tymchuk made a motion, 2nd by Commissioner Nelson to approve payment of the annual membership dues to the Oregon Coastal Zone Management Association of \$500.00 for the fiscal year 2012-2013. To be paid from the General Fund. The motion passed by unanimous vote.

3. Reedsport Urban Renewal Advisory Committee; Port representative

Charmaine said as of last month when the Port Commission made appointments, Jessica was assigned to the Urban Renewal Advisory Committee. Since that time there have been concerns that since Jessica works for the city it might appear that the city is “stacking” that committee. It has been requested that Jessica be removed from this assignment.

Keith asked Jessica if this was her concern, and she replied it was Vera’s. He had no concern in that regard. She is representing the Port of Umpqua not the City of Reedsport. This is an advisory committee to the city council, and there is no issue with Keith who is the mayor. Steve agreed he didn’t want to see the Port take a different position after they had decided she will be the Port representative.

Charmaine explained that Vera was very adamant about this; another conflict is that the group meets during Jessica’s regular work hours.

There was discussion about the pros and cons of leaving Jessica on the committee. During this discussion it was suggested that Jessica be moved from this committee to the Port representative to the Chamber of Commerce, and then move Donna to the Port representative on the Urban Renewal Advisory Committee.

Commissioner Tymchuk then made a motion to appoint Donna Train to represent the Port of Umpqua on the Reedsport Urban Renewal Advisory Committee. Commissioner Terra 2nd the motion. Motion passed by unanimous vote.

Commissioner Tymchuk then made a motion to appoint Jessica Terra as the Port of Umpqua representative on the Reedsport/Winchester Bay Chamber of Commerce. Commissioner Train 2nd the motion. Motion passed by unanimous vote.

4. Award Port Annex building lighting retrofit project

Steve reminded the commission that they did not have to take the lowest bid. Charmaine reminded the commission that this work is for the PUD “payback” program. At this time it’s not known the exact amount that will be paid back, and while some of the proposals included pay back amounts and some didn’t, they were simply using a formula available, again until

the actual work is complete the pay back amount is not known for sure. It should work out to be about half of the cost of the work.

There was discussion about whether or not priority could and should be given to local bidders as well as whether the commission should take the lowest bid or not.

Commissioner Tymchuk then made a motion to award the annex lighting retro fit project to DZ Electric. Commissioner Nelson 2nd the motion. Before the vote, Commissioner Reese stated that he was going to abstain from the vote because he knew all of the contractors submitting bids. The vote was then 4 in favor, with 1 abstained. Motion passed.

5. Ratify Letter of Support for the application by Jordan Cove Energy Project to the Department of Energy for long-term authorization to export liquefied natural gas.

Charmaine had received this request quite late and the drop dead date was before the Commission would meet, she double checked with our legal council that it was ok to get confirmation via phone or e-mail from the Commissioners to submit a letter of support. This is actually an after the fact type of situation.

Commissioner Tymchuk then made a motion to ratify a letter of support for the application by Jordan Cove Energy Project to the Department of Energy for long-term authorization to export liquefied natural gas. Commissioner Terra 2nd the motion. Motion passed by unanimous vote.

REPORTS:

PORT MANAGER'S REPORT:

Dock Report:

The Port Commercial Dock in Winchester Bay Brought in \$427.34 for the Month of June. The annual hoist inspection was conducted by Marine Surveyors and Consultants July 30th, all passed testing and certification requirements again this year. Barry asked what the max amount that could be lifted was, about 2300 pounds. The exact amount is posted on the hoist itself.

Open house went well.

Ray Bucheger, Patrick Sieng, Becky Bryant and Rosie Shatkin with Speaker Roblin's office will be here tomorrow to talk about the federal budget and our dredging appropriations, or lack of appropriations. This is their annual coast trip. Any commissioners interested are very welcome to join us. They will be here at 4:00 tomorrow afternoon.

All Weather Heating and Air Conditioning Inc:

We have been having issues with the heat pump/thermostats and sensors. Steve tried to contact Florence Heating and Sheet Metal, which we've used in the past, to no avail. I was able to speak with a gentleman with All Weather in Coos Bay; who came out and assessed the units and thermostats as well as evaluate the functionality. He understood the reasoning

behind how the system was set up. When it was for a single company it made perfect sense. In facilitating several separate businesses, it may make more sense to make some changes to the way the system functions. He is working on recommendations as well as suggestions for upgrading the thermostats and or sensors depending on the situation.

OPPA has started the ORS 777 review/rewrite project. I requested to be included in the process so I could learn more about the Statute that establishes Ports and is the operating guide for Oregon Ports. I figured the best way to do it is get involved with the process that will basically dissect and analyze the statute, if changes are recommended; it would need to go to the Legislature. It's going to be a great learning opportunity. If any of the Commissioners have suggestions or comments on any part of the statute, the committee is eager to hear about them.

I haven't heard anything recently on the sale of the building down town.

Did everyone sign the new signature cards at the bank?

I will be out Friday through Tuesday of next week.

Karen is moving forward on our web site project. She is ready for your input. She will be emailing you the link and would appreciate your evaluation, suggestions and opinions. Please take a few moments to look it over and get back with her.

SALMON HARBOR MANAGER:

There was no representative present.

COMMISSIONERS:

Donna reported that as a part of the Urban Renewal Board they have been involved in the downtown meetings for the waterfront. They have been very good meetings, and it appears that the representatives that have been attending are actually listening to the committees, and it has been a real good plan. These meetings are public and Donna encouraged everyone to attend if they get the chance.

Steve said a couple of weeks ago there were some meetings with Belinda Batton who is the director of NNMREC (Northwest National Marine Renewable Energy Center) from OSU. While the meeting wasn't well attended it was very interesting. The focus of the meeting was that Reedsport has a possible unique opportunity to have a very important program located here. It would be a Wave/Energy Research Center that would be located off our coast. This would also need a building to house scientists.

These test centers have been mandated by the Federal Government that all devices placed in the Ocean be tested and meet ecological standards, and in order for the testing to take place they will have to be able to tie into the grid.

Keith explained that the Federal Government has established two NNMREC Centers, one is out of University of Washington and is not generally wave energy, and the other is from Oregon State University and this one is principally wave energy. The idea is to establish a NNMREC test berth off the Oregon Coast that would allow for the hook up of 6 or 7 different devices, kind of a plug n play type of setup.

The four sites off the Oregon Coast currently being evaluated for this are West of Camp Rilea, which is a National Guard site out of Warrenton, one off of Newport, Reedsport and Coos Bay.

The NNMREC timeline is that sometime by late fall they will narrow the choices down to two sites and from there a consulting firm will be used to identify the best site. There will be some federal jobs that go along with this, and it's one to keep an eye on.

Barry said that in SOORC there were folks that do not want this here. They back having a test site 100% and the folks out of Newport really want it, so SOORC feels it would be simpler for the folks coming from the university to go there where it's already setup.

The next contact with Belinda will be in the form of a town hall meeting. Hopefully this will be well attended and the community will give their input on how they feel about the project. This meeting is scheduled for August 22, with the time to still to be determined, and it will be at Pacific Auditorium.

Charmaine said there was a good discussion earlier today at the Lower Umpqua Economic Development Forum where concerns were mentioned that there needs to be a real emphasis on the educational side of all this. In the past there has been some really negative feelings towards OPT and how they handled a lot of things in the beginning, and they don't want to see that affect the outcome of this project. The main question was whether Belinda and Kaety should move the meeting date so that they could do more outreach to the fishermen before this happens, with the hope being it would prevent this from becoming a contentious argument and allow them to deliver the information that they have.

Steve said he thought they should meet with the fishermen and move the meeting back to accommodate this. Barry said he didn't know if they should push it back now or not because it's the middle of fishing season and might not make a difference. Kaety said she has been trying to talk to the fishermen she had contact info for, and she has met with SOORC. In talking with Hugh of SOORC Charmaine's understanding was that SOORC has not taken an official stand on this issue. She has also spoken to Fred Jacquot of American Bridge and he didn't feel there was a need to move the meeting back either.

Keith said he felt there needs to be a significant outreach that not only the Port could participate in but we could use the local media as well as our own website to let folks know this is a completely different project from what folks are used to hearing about. The OPT project is not the NNMREC project.

Charmaine pointed out that the main purpose of these meetings is to let the folks coordinating the project know how accepting the communities are going to be. They aren't going to push this on anyone; it's got to be completely accepted by the community before they will move forward.

There was discussion about the pros and cons of having the NNMREC project located here.

Keith said he had received an e-mail yesterday from Mike Kelly who is the new vice president of OPT. It was just to touch base. Mike Kelly replaced Bob Lurie. No timeline as of yet, but Keith will keep us informed.

Donna asked when the dredging would happen this year. They have already been here a couple of days. They are planning to do some jetty evaluations and then they would like to hold off as long as they can to complete it because it needs to hold over for the winter.

Charmaine sent out a newsletter from Congressman Defazio regarding town hall meetings that have been scheduled. There aren't any in our area.

OPPA will have their annual conference September 21st and 22nd in Newport. With that final announcement the meeting was adjourned at 7:56 p.m.

The next Port of Umpqua Regular Meeting will be held September 19, 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