

Port of Umpqua

Regular Meeting Minutes
Wednesday, October 17, 2012 at 7 p.m.
Port of Umpqua Annex
1841 Winchester Ave
Reedsport, OR

THESE MINUTES ARE FINAL and APPROVED.

Commissioners Present:

Vice President Keith Tymchuk
Secretary Barry Nelson
Treasurer Donna Train
Asst. Secretary Jessica Terra

Commissioners Not Present:

President Steve Reese

Port Staff Present:

Port Manager Charmaine Vitek
Administrative Assistant Karen Halstead

Proceedings:

The meeting was called to order at 7 p.m. by Vice President Keith Tymchuk. Keith announced that he would be taking over the meeting since Steve had just gotten back from vacation and was not present at this time.

APPROVAL OF AGENDA:

There were no additions or deletions from the Agenda that was presented. Commissioner Terra made a motion to approve the agenda as presented, Commissioner Train 2nd the motion. The motion passed by unanimous vote.

APPROVAL OF MINUTES:

The draft version of the minutes for September 19, 2012 was presented for approval.

Commissioner Train made a motion, 2nd by Commissioner Terra to approve the minutes as presented. Commissioner Nelson abstained from voting because he did not attend that

meeting. Motion passed with Commissioner's Train, Terra and Tymchuk voting in favor, and Commissioner Nelson abstaining.

APPROVAL OF BILLS:

Commissioner questions regarding bills:

While signing the checks Commissioner Nelson asked who Joe Coyne is. He is a local citizen that rented out our Annex for a meet and greet event on October 5, 2012.

Commissioner Train noted that in the minutes it said that the Port was going to go 50/50 with Salmon Harbor up to \$1,000 and she didn't see a payment in the checks presented. Charmaine explained that the Port has not been billed by Salmon Harbor as of yet.

Commissioner Nelson moved to approve payment of checks in the amount of \$ **1,916.63** to be paid out of the General Fund, 2nd by Commissioner Terra. Motion passed by unanimous vote.

PUBLIC COMMENT:

There was none.

REGULAR BUSINESS:

1. Northwest National Marine renewable Energy Center presentation:

Dave Hansen, Ph.D., Extension Program Leader, Oregon Sea Grant Program, Oregon State University

Commissioner Tymchuk introduced and welcomed Dave to the meeting and turned it over to him.

Dave said he that at the end of the presentation he was going to leave the criteria that NNMREC has in mind for the communities that are planning to form a citizen's group to develop a proposal to host the Energy Center.

Keith asked when establishing these community site teams, one thing he wasn't sure of was who is responsible for putting these groups together. Dave hadn't heard this question before but said his understanding was that NNMREC would help with some staff time, but it's whoever in the community that decides to take the lead that would be responsible to convene the group.

Charmaine wanted to know if that meant that the community was supposed to submit a proposal for the site. Yes, but even though it says proposal, it wouldn't need to be as formal as some proposals would be. Its more answers to the issues that NNMREC has identified as needed for the ideal site.

The final decision as to which "community" will host the site will be up to Belinda Batten. It's the team's responsibility to decide where "within their community" would be the ideal location or locations based on the criteria that will be provided. Then NNMREC will do a

more technical evaluation of locations suggested to see if they really meet the requirements.

One item of interest is the fact that because this isn't a full blown wave power installation, it's really a limited sized thing to test different wave energy devices, that the amount of power generated for testing will not require that it come on shore like a power sub-station, it's going to be easier to tie into the grid than originally thought. This opens up some other possibilities since one of the big considerations in cost is the cabling.

Deborah Yates asked if there was an existing building that was available for this would that be a good thing. Dave said that was a very good question and he wasn't sure that was on the list, but that it should be.

For clarification the acronyms that will be used include NNMREC (Northwest Natural Marine Energy Center). P MEC (Pacific Marine Energy Center) is the testing facility that NNMREC is putting in. This will be a place where companies can come and have the university test their full scale models. This way it's not just the companies testing results that are available for people to see. If this all follows the model being used in Europe then it will be the companies that are having the testing done that will largely fund this operation.

The role of Sea Grant in all of this is that they are working with NNMREC to help do the outreach to the communities. They do not have a personal interest in all of this they are simply helping bring together the parties that do have an interest. Once this has been done it will then be totally between the communities and NNMREC to make any and all final decisions.

NNMREC is one of three national renewable energy centers. One is located in Florida where they are working two main projects, one is energy associated with currents and the other is called OTEC (Ocean Thermal Energy Conversion). This is basically taking advantage of the temperature difference between the surface and down deep. Hawaii has a renewable energy center where they do some wave research; they also do the thermal conversion. The third is the Northwest Center that actually has two elements to it; one is Title Energy that comes out of the University of Washington and then Oregon State is doing the wave energy. At this point, no one in the U.S. has a full scale test facility such as the one we are discussing tonight.

Internationally there is only one site where companies bring their products to be tested and that is in Scotland. This facility is known as EMEC (European Marine Energy Center). This facility is booked over five years into the future for companies wanting to get in and test. With their facility being jammed like this, they are being very helpful with NNMREC in getting this new facility established as opposed to looking at it as being a competitor. They are providing a lot of expertise to help get this facility started.

The mission statement for NNMREC is to facilitate the development of marine energy technology in form, regulatory and policy decisions and to close key gaps in scientific understanding with a focus on student growth and development.

With that statement in mind there is a lot that this process is going to look at, not simply which of these configurations is most efficient or most durable in producing energy but what kind of effect do they have on the environment, what kind of a footprint is required, and what other uses in the area will be interfered with or may or may not be compatible.

Barry asked if this would become a situation as they had in Delaware where those folks were not in favor of the wind energy stuff but a presidential decree put it all outside the state water lines so they didn't have a say in the matter. Dave pointed out that this brought up a very good point; the facility in question for NNMREC would be right at or about the three mile limit from the shore to allow for the depth required. This also means any equipment used near shore probably would not be tested at this facility.

NNMREC has no desire to bypass the wishes of the community, even if it weren't in state waters the cables still need to go through the area, and therefore the acceptance of the folks this would affect like the recreational boaters or the commercial fishermen is still a very solid point they will consider.

Site characteristics include a site that is at least 60 meters deep, optimally deeper even up to 100 meters. Sandy or soft bottom is preferred. Proximity to a deep water port that is deeper than 40 feet. There needs to be a facility on shore for monitoring which ties in to where the cable would come to shore. There will need to be a facility that can support the people that will come here to work including the folks from the businesses utilizing the testing facility, students, and maintenance people. Proximity to the connection to the grid, hopefully the cable won't to go any longer than a couple of miles because of the expense. Finally minimal effects on the environment and the prior use of the area. Each of these items needs to be addressed and included in any proposal. They also prefer that the operation and maintenance facility be located within an hour to town.

Fred asked if the deep water port needed to be collocated with the O & M facility. They do not; in fact as Dave pointed out, this is a wish list. It does not mean it has to be all or nothing to qualify; these are just the items to be taken into consideration when the final decision is made.

Barry asked if NNMREC planned on paying for all of this. There is some money available now, around 21 million. They need to decide where this facility will be by the end of this calendar year because at the beginning of the next calendar year the Department of Energy is going to have monies available for putting in facilities like this, but you need to be in the process of actually doing it to qualify for the money. If you're not set to ask for that money then someone else potentially will get it, or it'll be spent on whatever else they can use it for. In order to get that DOE money it requires a one to one match. So, what counts as matched? If the community is putting volunteer time and

donating a facility it seems like that could be a reasonable thing to count as a match, but those guidelines are not available right now, so we don't know for sure. The bottom line is there is going to be some investment by somebody besides the DOE to make this happen.

...

Commissioner Tymchuk stated they were seeking a statement that the Port of Umpqua issues a letter of support for a Reedsport NNMREC site.Commissioner Nelson was very adamant that he did not support this at all.

Commissioner Train then made a motion that the Port of Umpqua provides a statement of support for the Reedsport NNMREC site. Commissioner Terra 2nd the motion. Motion passed with a 3 to 1 result. Commissioner's Tymchuk, Train & Terra voted in favor (yes), and Commissioner Nelson voted against (no).

2. Consider statement of support for a Reedsport NNMREC site

3. Consider membership in the Oregon Wave Energy Trust

Charmaine contacted them and found out specifically if the commission joined today would that membership be for a year from today or would it be up for renewal at the end of the calendar year. It now is for a year from the date of joining.

Keith said he had suggested this membership. The city council had unanimously become a member of OWET at their last meeting with the thought that the \$500 investment may help establish community support for NNMREC satisfaction. He thinks the same is true for the Port commission.

Barry asked where else they receive money from. OWET is funded through the Oregon Innovation Council, with a goal to be self sufficient without those dollars.

Commissioner Terra then made a motion to approve the annual Professional Membership to Oregon Wave Energy Trust in the amount of \$500.00 to be paid from the general fund. Commissioner Train 2nd the motion. The motion passed with a 3 to 1 result. Commissioner's Tymchuk, Train & Terra voted in favor (yes), and Commissioner Nelson voted against (no).

4. Funding Statewide Port Projects OPPA concept

Oregon Public Port Association is seeking a pilot program and the legislature is considering going along with it. The project would earmark \$10 million dollars towards port projects that would retain or create new jobs. There was a "white paper" with the supporting information for this included in the meeting packets (attached).

The request is for Ports to agree to follow the process for funding, and if their projects are not chosen, they agree to not try and undercut the process.

Barry asked if Salmon Harbor was a part of this. No they are not this is just for public ports.

Linda Noel said this was the first time she had heard of this process and fund; she asked for clarification from Charmaine if the other funding sources that Salmon Harbor has access through the Port and the County remains.

Commissioner Train made a motion to support the Port Project Funding Strategy and project selection process advocated by OPPA for possible funding sources for Ports through a resolution, a letter or a copy of the board's minutes. Commissioner Nelson 2nd the motion. Motion passed by unanimous vote.

5. Declare Surplus Property

After moving from the building at 364 N. 4th, we have a few items that remain in the building. A list of those items was provided with the meeting packets and these are either no longer in working order or no longer of use. We are open to any suggestions as to what to do with the items remaining.

Commissioner Nelson made a motion to designate surplus property of the items listed and declare these items no longer of use or value to the Port district and direct staff to dispose of by donation, sale or discard. Commissioner Terra 2nd the motion. Motion passed by unanimous vote.

6. Port Policies: Public Meeting and Public Records Law

To be in compliance with the Oregon Public Records Law, all special districts are supposed to adopt policies which will also enable them to be eligible for SDAO insurance discounts and such. It's been suggested by President Reese that the port start working their way through adopting these policies, so Charmaine provided a draft to our council Paul who in turn made many recommendations which have been implemented.

Commissioner Train then made a motion to adopt Resolution 12-02 adopting the Port of Umpqua Public Records and Public Meetings Policies dated October 17, 2012. Commissioner Terra 2nd the motion. Motion passed by unanimous vote.

7. Designate person to negotiate real property transactions

Keith said Steve had called him and asked that he be designated as the person to negotiate real property transactions. He also requested that Keith be designated as well.

Commissioner Nelson made a motion to designate the Port President and the Port Vice President to negotiate real property transactions for the Port of Umpqua Commission. Commissioner Terra 2nd the motion. Motion passed by unanimous vote.

REPORTS:

PORT MANAGER'S REPORT:

Next month's meeting is scheduled for the day before Thanksgiving, do you want to move this meeting or is this okay? The week before Thanksgiving would be Wednesday November 14th. The commission agreed it would be better to move to the week before.

I will be out next week. Karen will be holding the fort down.

I will be advertising for budget committee members, any suggestions or recommendations are welcome.

SALMON HARBOR MANAGER:

Linda Noel was attending the meeting to represent Salmon Harbor. She reported that as of October 15 the Winchester Bay RV Sewer dump will be open 24/7 again. It had been very limited from Memorial Day to Labor Day. October 15 is the start of the winter season and rates for the RV Park, and it is also recognized by the Winchester Bay Sanitary District who was okay with this as well. The \$10 fee that had been adopted will continue to be in effect.

The Pacific Coast Congress of Harbormasters and Port Managers conference was held last week, October 9 through 11th. Linda thanked the mayor for opening remarks to the session which really helped set the tone and was well received. About 35 – 40 people were registered and there were about 60 for the banquet on Thursday night. The Port had previously agreed to support the conference with a donation of up to \$1,000, all of which will be used and is much appreciated. Linda then gave a full report on the conference providing pictures that are included in the meeting packet.

COMMISSIONERS:

There were no reports at this time.

At this time the meeting adjourned and the commission went into Executive Session at 8:54 p.m.

EXECUTIVE SESSION:

Pursuant to ORS 192.660 (2) (e) Regarding Real Property Transactions

The commission returned from Executive session at 9:08 and the regular meeting was then adjourned at 9:09 p.m.

The next Port of Umpqua Regular Meeting will be held November 14, 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