

# Port of Umpqua

Regular Meeting Minutes  
Wednesday, May 15, 2013 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

## **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 were no changes to the agenda and it was approved as presented.

### **APPROVAL OF MINUTES:**

The draft version of the minutes for April 17, 2013 was presented for approval.

Commissioner Nelson made a motion, 2<sup>nd</sup> by Commissioner Terra to approve the minutes as presented. Motion passed by unanimous vote.

### **APPROVAL OF BILLS:**

Commissioner questions regarding bills: There were none.

Commissioner Train moved to approve payment of checks in the amount of \$3,146.16 to be paid out of the General Fund, 2<sup>nd</sup> by Commissioner Terra. Motion passed by unanimous vote.

**PUBLIC COMMENT:**

There was none.

**REGULAR BUSINESS:**

**1. Fiscal Year 2013-2014 Budget**

Charmaine said there were no changes proposed to the budget as it was presented and then adopted by the Budget Committee at the Budget Meeting on April 17, 2013. She recommended approval of resolution 13-02, adopting the budget, making appropriations imposing and categorizing the tax for fiscal year 2013-2014. The resolution was prepared to reflect the budget as approved by the Budget Committee for Oregon Budget Law. After the budget is approved by the Budget Committee and prior to July 1, 2013 the commission has the authority to adjust resources and expenditures, however there are limitations. Taxes may not be increased over the amount approved by the Budget Committee; estimated expenditures in a fund cannot be increased by more than \$5,000 or 10% whichever is greater. Neither of the two limitations can be exceeded without first publishing a revised budget summary and holding another budget hearing. The budget must be adopted by June 30, 2013.

**Receive Public Comment**

At this point Steve declared the public hearing for the budget for 2013-2014 open. No commissioners who came forward to declare a conflict of interest. There was no testimony in opposition of the proposed budget. This portion of the hearing to was then closed.

Keith said he was taking off his commissioner hat and speaking as a citizen and in that regard he recommended that the Port Commission pass the proposed budget. The Port as seen by accounting procedures and comments that have come from the accountants; is in very good financial shape. With this in mind the Port should continue in the direction it is going. With that said he suggested that they adopt the budget.

**a) Adopt the 2013-2014 Fiscal Year budget**

Commissioner Nelson then made a motion adopt the 2013-2014 fiscal year budget as presented and approved by the Port of Umpqua Budget Committee. Motion was 2<sup>nd</sup> by Commissioner Train. Motion passed by unanimous vote.

**b) Adopt Resolution 13-02**

Commissioner Nelson made a motion to adopt Resolution 13-02 adopting the budget in the amount of one million, four hundred eighty four, five hundred ninety nine dollars (\$1,484,599.00) making appropriations, imposing and categorizing the tax for fiscal year 2013-2014. Commissioner Tymchuk 2<sup>nd</sup> the motion. Motion passed by unanimous vote.

## **2. Port Attorney: Paul Nolte**

Recently Paul had notified Charmaine that he would be closing his practice and retiring as of June 30, 2013. He had been invited to the meeting to see if he had any suggestions of anyone to fill the need for Port legal services after he retires.

Paul said he has recently talked with John Wolfe who used to be a Port Commissioner and now represents the Port of Siuslaw from his law office out of Eugene. He would have the experience that the Port will be looking for, and he is already familiar with the Port of Umpqua. Local attorney Steve Miller had also suggested John as a replacement possibility; John had been a partner with Steve years ago. Charmaine questioned if there would be a conflict of interest with Siuslaw. It may occasionally arise, but generally it wouldn't be an issue unless there was a conflict between Port of Umpqua and the Port of Siuslaw.

Paul said he has enjoyed the short time he has represented the port. The Port doesn't seem to have many legal issues, and the commission has handled things he has seen properly and has shown an ability to move forward in these difficult economic times.

Steve commended Paul on his many years of public service. The whole commission chimed in their appreciation as well.

## **3. Chamber of Commerce Membership dues**

Keith said the Port's mission is economic development and that is the same mission as the chamber of commerce so it just makes sense to be a part of their membership.

Commissioner Tymchuk made a motion to approve annual membership dues in the amount of \$347.50 for the year 2013 to the Reedsport Winchester Bay Chamber of Commerce to be paid from the General Fund. Commissioner Nelson 2<sup>nd</sup> the motion, and the motion passed by unanimous vote.

## **4. Manager Review**

Charmaine said she wanted to hear any questions or comments that any of the commissioners had on her review. One item she wanted to talk about was item 6-A; administer the terms of the intergovernmental agreement between Douglas County and the Port of Umpqua. Previously she had not gotten such high marks on this and she was asking for some clarification from the commission on exactly what that item meant and what their expectations were.

Steve pointed out that there hasn't been any real life example dealing with the IGA in the past and that makes it hard to grade whether it's been handled correctly or not.

The review form that has been used in the past came directly from Special Districts. Charmaine has been doing some research of other ports and how they conduct their manager reviews, and she has found there is actually a process that several have used which seems to work with the current review, the difference being that it starts in

January and it provides more goals and direction for the manager to work toward. She hopes the commission will look at this new process and implement it giving her something to work toward. She said she would be working on that to present to the commission in the future.

Keith pointed out that there are over 30 items that Charmaine is evaluated on and looking at her history from when she was first hired she has shown improvement on every single item. He said and the commission agreed that shows a high level of skill and excellence in all that she does.

\*\* Donna did make a recommendation that the IGA be put into the meeting binders just in case it ever did come up at some point then they would already have access to it.

## **REPORTS:**

### **PORT MANAGER'S REPORT:**

Dock Report:

The Port Commercial Dock in Winchester Bay Brought in \$5,167 for the Month of April. Steve asked what kind of product has been coming across the dock lately. It has mostly been crab, and they are just starting to get into salmon season.

The hydraulic line on the fork lift needed to be replaced; this has been done.

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I received word that one of our Lessees will not be renewing their lease next year as hoped. Unless the unforeseen happens, Marketron will not renew their lease. They had planned to bring all their employees working from home in the area, back together here in the building. That has not happened and it probably won't. Their monthly rent is \$1,688 which they plan to continue paying through the end of the calendar year.

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Dredging: This is moving so fast and there is so much information coming through about dredging, Charmaine said she tries to keep it all forwarded to the commissioners as it comes in.

WRDA is in conjunction with the Harbor Maintenance Trust Fund. Bottom line despite efforts by Senators Wyden and Merkley it doesn't appear we will see any additional money for the Oregon Coastal ports until 2020. Even then the amount for dredging could be minimal if anything at all.

It's still being worked on, this is just one step in what will be a long process.

Next is the 5 Ports group that includes Brookings, Gold Beach, Port Orford, Bandon and Port of Umpqua. The issues here revolve around dredging that the Corp would do, but the state would fund in some manner, and there is another discussion about helping this 5 Port group to buy some kind of dredge so that the basins could be dredged on their own.

#### Memorandum of Understanding between State and Corps-

There is a lot of discussion going on between the Corp and the state as well as who will keep and use the money that is for the dredging equipment. It's still in the works and that is about all we know now. Senator Betsy Johnson has taken the wheel on this, which is out of her realm because we aren't in her jurisdiction but she is helping to push for it. This topic would be geared toward the harbors and not the federal channels. Another caveat is that the Ports will need to piggy back onto the Corp permit to do this dredging and the spoils will have to go into the ACOE approved spoil site.

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#### OPPA Ports Economic Impact Report project:

This has been discussed in the past; it is part of the Port's Strategic Plan. They want to document the significant economic impact role that port's play in Oregon's economy, both individually and collectively. The intent is for this information to be used to support advocacy efforts at the state and federal levels, as well as each individual port including any pursuit of project grant applications and other funding. It's just like the economic impact report we had done with our business plan only this is on the state level. The goal is for this to be done later this year ahead of the legislative session.

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Fred Wahl is planning an open house this Saturday and you have all been invited.

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#### Centennial update:

A copy of the invitation was out handed with the binders for the commissioners to see, and if there were any changes anyone would like before they are sent out. The celebration is going to be very low key; we are planning on cake, coffee & punch. So far there haven't been a lot of pictures coming in from the public but we are still working on that. The original plan was to have a couple of folks speak at the celebration but that doesn't look promising so we are working on some other kind of a program to have. The upside is going to be the plaque. Mr. Blumberg came in and gave me some great ideas that will really look nice.

#### **SALMON HARBOR MANAGER:**

May 1<sup>st</sup> was the Salmon Harbor Management meeting and one of the topics was the closure of the docks. This topic of discussion actually started back in 2010. The discussion at the meeting started out quite intense. The management committee explained their financial situation at the meeting, they are cutting significant amounts out of the budget this year and they just cannot afford to retro fit or replace the docks in the East Basin. As it stands now the decision is to close Docks D & E this year, followed by the rest in 2014.

Even though they tried to explain this is purely a business decision, folks attending the meeting seemed adamant about wanting to keep the ambience in the harbor by keeping the docks there. Jeff agreed to keep working with the Winchester Bay Merchants Association. He has provided them with both budget and IGA information they have requested. He also agreed to work with them for the remainder of the time he will be there. Jim Bruce indicated that the new manager will have to work with them as well. With all that said, it still doesn't change the fact that they are still looking at closing those docks by 2014.

The following night there was a joint meeting with the Winchester Bay Sanitary District. Donna and Jim were there as well. It turned out to be a very positive discussion about the RV Dump station, with both sides looking at all the information. It was determined this is a community issue and not just an RV Dump issue; waste and containments are coming from the community and other RV parks as well as Salmon Harbor.

At the end of the day they were able to negotiate going from 26 dumps per day down to 20 and they agreed to close the RV Dump during the major holidays leaving it open to the RV Park campers only with the Camp Host supervising those dumps. All in all they were able to accomplish what they set out to do which was educate the board and the community that there is more to it than just the RV Dump issue.

Donna said she went down and spoke with a business owner in Winchester Bay who is not a member of the Winchester Bay merchants. She asked what his thoughts were on the docks in the East Basin and he said they were an eye sore; the only thing that could be done is to take them out. He also noted he has seen a huge drop in people stopping by his business and he thinks it's because of the Winchester Bay Sanitary District making Salmon Harbor cut back on the dumps. Now people seem to be bypassing Winchester Bay and going on down the road to the next available dump station.

Interviews for the Harbor Manager recruitment will be held next Wednesday and Thursday. There were five applicants that made the final cut. The Management Committee and Human Resources director will be doing those interviews. Hopefully there will be a final decision made there soon after. Of the five applicants one is from Portland, two are from California and the other two are local.

This past Monday Jeff said he presented the budget to the Douglas County budget committee. It included \$373,400 in cuts this year, of that \$93,000 was cut from personal services with the elimination of two full time positions, \$118,928 cut out of materials & services and \$161,300 was taken out of the capital outlay. The board looked at three options for cuts and decided to take the most conservative approach this year to have the greatest impact allowing for adjustments slowly rather than a significant cut all at once. It does include \$250,000 reserve and the board maintained that in the event some major adjustment had to be made they could compensate for it in that one year. The budget was approved on Tuesday.

#### **COMMISSIONERS:**

Keith said he didn't know as much about the river mouth or river channel dredging as Charmaine but he does know that the state is working with the Corp in finding a way to do some of the dredging that is needed. It's his understanding that the state doesn't want this to become a state responsibility. This is a Corp responsibility and should be paid for and completed by the Corp. The state does realize though that it could become a real problem if they don't step up and do some of that dredging before 2020.

In November or October of last year Keith received a phone call asking if the Regional Solutions Team that he chairs would be interested in being the funnel for the monies to the South Coast Ports to acquire a suction type dredge that would meet the for dredging inside their harbors. That discussion has been going on for some time and now it's coming to a head.

Senator Betsy Johnson has been taking the lead but Representative Caddy McKeown has been very active in the process as well.

The Port of Umpqua is going to have to make sure we have good communication with Salmon Harbor because the port is really the harbor where most of the dredging will be done. Over the next couple of months we will need to make sure we have open communications between Jeff and The Port as to exactly what those dredging needs are.

There will also have to be a Memorandum of Understanding arranged between the 5 South Coast Ports on how the dredging will be done, how it will be prioritized, who schedules the dredging, etc. There are some real questions still bubbling about that need to be solved and again good communication will be vital.

Ted Fitzgerald from the Port of Brookings has taken on the role of heading this up. Keith has been asked to put together a letter of support from Regional Solutions, which would go to the state. Since this was identified as a priority late last year the support comes easily. Everyone that is part of the Regional Solutions group supports this so getting their backing won't be an issue. The tricky part of putting the letter together is that it needs to meet the needs of both the Coastal Caucus and the South Coast Ports, and those needs aren't necessarily the same. The Coastal Caucus wanted something that was more general and the South Coast Ports wanted something specific. Keith said he will be sending that letter out tomorrow to the Regional Solutions team for signatures and then it will be forwarded on to the state.

Barry reported that the SOORC meeting was held at the Oregon Institute of Marine Biology. After the meeting they took them across the street next to Pac Choice's shrimp unloading operation which was pointed out is the largest shrimp operation on the whole west coast. They are putting together a miniature version of what is happening in Newport. There will be public displays showing all kinds of interesting things. They gave them a tour of the building and it's a beautiful spot that looks out over the harbor. This has all been funded by private donations; the Ford Foundation has donated as well. There was no tax money used at all.

There were no further reports. It was 7:54 p.m. and the commission then went into executive session.

#### **EXECUTIVE SESSION:**

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

The board came out of executive session at 8:04 p.m. and the regular meeting was adjourned at 8:05 p.m.

The next Port of Umpqua Regular Meeting will be held June 19, 2013 at 7:00 p.m. at the Port of Umpqua Annex building, 1841 Winchester Ave., Reedsport, Oregon 97467.

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Steve Reese, President

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Karen Halstead, Admin. Assistant