

Port of Umpqua

Regular Meeting Minutes
Wednesday, February 17, 2016 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 Lee Bridge
Asst. Secretary Carey Jones

Commissioners Not Present:

Port Staff Present:

Port Manager Charmaine Vitek

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, it was approved as presented.

APPROVAL OF MINUTES:

The draft version of the minutes for January 20, 2016 was presented for approval.

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

APPROVAL OF BILLS:

Commissioner Tymchuk moved to approve payment of checks in the amount of \$3,875.72 to be paid out of the General Fund, 2nd by Commissioner Jones. Motion passed by unanimous vote.

PUBLIC COMMENT:

Deborah Yates, Reedsport Oregon: She reminded everyone that the CADBA Pub Crawl & Trivia Contest will be held on St. Patrick's Day, Thursday, March 17, 2016 from 5-8 p.m. Everyone is to meet at the Eagles Lodge.

REGULAR BUSINESS:

1. Ice Machine Preliminary Financial Analysis – BST Associates (by phone)

The Commissioners were presented with the preliminary Pro Forma Financial Analysis from BST Associates for the potential ice machine project in Salmon Harbor.

Paul has been talking with Highland Refrigeration who originally developed a cost estimate for an ice machine setup in May 2015. Since that time, the employee who created the May 2015 estimate is no longer with the company and the current contact informed Paul of a couple of major discrepancies in that original bid.

First of all it was based on an operational setup that Highland does not recommend. Also the original estimate stated that 16 totes of ice could be stored at a time, which is not the case, only 9 totes of ice will fit in the storage area at one time. This means the Preliminary Pro Forma shows higher production numbers than what they would actually be.

Brian, BST: Explained that one of the biggest variables in the Pro Forma is the labor costs. As part of their study they were able to actually interview a couple of clients who are using relatively similar systems to what would be used in Salmon Harbor. During one of those discussions with a facility in Santa Cruz, Brian was told that during times of peak demand if totes had to be stored outside at that location having the ice melt hadn't been a big issue.

Keith: How many totes would a typical boat need when coming in for ice? According to most of the surveys Charmaine received back from local commercial fishermen it showed that the smaller salmon boats usually needed a single tote or two. During high demand times like we have now during crab season, the crab needs to be iced down for transport and they can use up to 8 totes at a time. The machine can make 16 totes in a 24 hour period, the issue is purely storage.

There was discussion about maintenance costs, which should be minimal according to the clients already using similar systems. Brian has also checked to make sure this will not compete with any local individual or business offering the same product.

Charmaine: Will approach Port Counsel to find out if The Port must go out for bid since the ice machine setup is a specialized project and if there are no other vendors similar to Hyland then we may not have to. We will have to go out for bid for the electrical portion of the project.

The tables provided with the Pro Forma showing the costs on a low demand, average demand and high demand were discussed. It was mentioned that once the word gets out there will be even more fishermen who will come into Salmon Harbor to get ice while fishing because of the convenience vs. having to go all the way to Charleston or Newport.

Steve thanked Brian for the document and the time spent on it, saying it will be very valuable to the Port when they decide whether or not to pursue the ice machine project.

Charmaine: Noted that there will be a need for a different forklift. The existing forklift is beginning to be a liability as is shown with all of the bills for repairs being paid every month. The costs for a forklift or a pallet jack were not included in the BST estimates, but is something to keep in mind.

2. Oregon Ethics Law Policy:

As part of Special Districts Property/Casualty discount program, SDAO are urging Districts to adopt policies that are recommended or required by State Statute in order to bring Districts into compliance. This also encourages Board members to be knowledgeable regarding holding public office and adhering to Oregon Revised Statutes when operating in the elected official capacity. SDAO consistently strives to educate and update board members in order to reduce the liability Districts may incur due to an errant board member doing something illegal. SDAO then must defend the board member and that increases insurance costs.

This year Districts can earn a 2% credit toward their Property/Casualty premium by adopting an Ethics Law policy. The recommended policy and resolution adopting it has been provided for your review.

- ✓ Commissioner Tymchuk made a motion to adopt Resolution 16-01 adopting the Oregon Ethics Law Policy, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.

3. Statement of Economic Interest (SEI):

For years all board members have been required to fill out an SEI and then mail it to the Ethics Commission.

This year the SEI's have to be submitted on-line. Charmaine has received some training, and she is get all of the Commissioners set up. They will then be sent an e-mail that will allow each of them to submit their SEI on-line after they have entered their personal information. Each Commissioner must have a valid e-mail and if they don't they can come into the office and set one up. There is on-line training available showing how to complete their information. This business item is informational only, no action was required.

REPORTS:

STAFF REPORT:

Dock Report:

The Port Commercial Dock in Winchester Bay Brought in \$379.00 for the Month of January 2016.

The CCD Economic Development Corporation asked me if I would be interested in participating in their Board of Directors. They meet quarterly in North Bend. I have submitted the application to serve on the board and was appointed by the DC Board of Commissioners this morning.

We have hired Eric Boe as the assistant Wharfinger (dock assistant). He will be working with Larry to learn the hoist and processes.

Wayne Patterson has replaced Alex Campbell as the Executive Director of the Partnership for Economic Development out of Roseburg. He will be taking Jeff Griffin's position as the Regional Solutions Director for Southern Oregon in the Governor's office.

I have provided materials for the work shop scheduled for next Tuesday the 23rd at 4:00 PM. The IGA managing Salmon Harbor and the Strategic Business Plan with the amendments. I've also provided the Budget Committee Calendar. If there are additional materials you feel we may need for the work shop, please let me know.

SALMON HARBOR MANAGER:

Paul: Its budget season and Caryn is going to be out for a few weeks, she is healing from a broken foot she suffered in a car accident.

COMMISSIONERS:

Lee: Reminded everybody to think about the potential for a Library District that will be on the ballot. They will be asking for .44 per \$1,000 assessed evaluation, and since most of Reedsport is under compression that means if approved it will basically come from the revenue streams of all of the other districts. He pointed out that it may be hard to attract business to come here if we don't have a library.

Keith: The IP sales process continues to move relatively smooth. Jonathan has touched base with Chris Claflin about Regionally Significant Industrial Sites.

Jonathan, Reedsport City Manager: Regionally Significant Industrial Sites provides a unique opportunity to those sites who are certified to qualify for potential state funding for development costs. There was discussion on potential industrial sites in the area that could possibly benefit from this program.

Tomorrow Jonathan and the Mayor will travel to Portland to work with a representative from Fred Wahl on the Connect Oregon grant. Jonathan has been doing research on the new Fred

Wahl facility and it's potential. During his research he discovered while comparing estuary ports that the Umpqua River bar is the second largest port that can accommodate industrial manufacturing with the number one port being the Port of Coos Bay. This will allow vessels to literally float right up to or deploy from the new Fred Wahl facility for either manufacturing or repairs.

S.T.E.P.:

Deb Yates: S.T.E.P. in the process of applying for a grant to build a fish cleaning station in Reedsport. They have secured a location near the ramp at the Reedsport public dock and are using plans that have become the model from a fish cleaning station that was built in Florence. There is a chance they could receive the grant but, if S.T.E.P. can get others in the community to donate time, materials and funds she feels it will give them an advantage as it will show that there is actual community support behind this project. The City has offered to donate by helping build the structure, S.T.E.P. will be working on the project, and she is requesting that The Port show their support by donating funds.

Barry: This is the kind of project we should support.

It was verified that there are funds budgeted and available for donations to the S.T.E.P. program.

- ✓ Commissioner Tymchuk made a motion that the Port of Umpqua donate \$2,500 to S.T.E.P. contingent upon them receiving the R&E grant for a fish cleaning station, 2nd by Commissioner Nelson. Motion was passed by unanimous vote.

After the vote Steve requested that Deb bring in an official letter of request for the donation.

The meeting was adjourned at 8:16 p.m.

The next Port of Umpqua Regular Meeting will be held March 16, 2016 at 7:00 p.m. at the Port of Umpqua Annex building, 1841 Winchester Ave., Reedsport, Oregon 97467.

The Commissioners had no questions during checking signing during the month.

Steve Reese, President

Karen Halstead, Admin. Assistant