

Port of Umpqua

Regular Meeting Minutes
Wednesday, June 15, 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
Secretary Barry Nelson
Treasurer Lee Bridge
Asst. Secretary Carey Jones

Commissioners Not Present:

Vice President Keith Tymchuk

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 or additions to the agenda and it was approved.

APPROVAL OF MINUTES:

The draft version of the minutes for the budget meeting May 18, 2016 was presented for approval. Commissioner Nelson made a motion, 2nd by Commissioner Bridge to approve the minutes as presented. Motion was passed by unanimous vote.

The draft version of the minutes for the regular meeting on May 18, 2016 was presented for approval. Commissioner Nelson made a motion, 2nd by Commissioner Bridge to approve the minutes as presented. Motion was passed by unanimous vote.

APPROVAL OF BILLS:

Commissioner Nelson moved to approve payment of checks in the amount of \$7,475.99 to be paid out of the General Fund, 2nd by Commissioner Jones. Motion was passed by unanimous vote.

PUBLIC COMMENT:

There was none.

REGULAR BUSINESS:

1. Fiscal Year 2016-2017 Budget

a) Receive Public Comment

There was no conflict of interest nor testimony in opposition of the proposed budget by any of the Commissioners.

Steve – Testimony in Favor:

He was really pleased with how the budget was pulled together. It is a very professional document.

b) Adopt the 2016-2017 Fiscal Year Budget

- ✓ Commissioner Jones made a motion to adopt the 2016-2017 fiscal year budget as presented and approved by the Port of Umpqua Budget Committee, 2nd by Commissioner Nelson. Motion was passed by unanimous vote.

a) Adopt Resolution 16-02

- ✓ Commissioner Jones made a motion to adopt Resolution 16-02 adopting the budget in the amount of one million, seven hundred sixty-five thousand, one hundred dollars (\$1,765,100.00) making appropriations, imposing and categorizing the tax for fiscal year 2016-2017. Motion was passed by unanimous vote.

Charmaine: After the vote she offered some informational clarification on why there is specific wording in the motions to adopt the budget and the resolution. What The Port uses is what the State recommends. After the budget is adopted by The Port it is then sent to the County and the County Assessor needs this specific wording in order to charge tax payers for the tax.

Lee: Added that the budget itself is a financial plan that requires approval. The resolution sets up appropriations, which is permission of the governing body to spend according to the budget plan.

2. Workers Compensation Renewal – Debbie McKinney

Debbie: The rates have gone down this year which will save The Port around \$150.00.

Charmaine: When the budget was originally presented to Special Districts the Workers Comp. amount came back doubled what she had budgeted for because on the budget line item for the Dock Assistant the amount was doubled to allow for the projected wages for an ice plant employee. Debbie immediately contacted Special Districts and informed them that no one has been hired in that position yet. If The Port does hire someone there is the potential of having to pay a little more at the end of the year but, it won't be double. Job classification also makes a difference and she clarified with Special Districts that if someone were to be hired they would be in a class that allows for a lower premium. The Workers Compensation insurance is paid now and then at the end of the year Special Districts will review The Port and if there has been a change in employees during the year The Port may owe a little more at that time.

- ✓ Commissioner Nelson made a motion to approve workers compensation renewal for the 2016-2017 fiscal years with Special Districts of Oregon in the amount of \$1,042, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.

3. Staff Salaries

Steve: Are these CPI driven?

Charmaine: No, CPI is 1.2%.

Steve said he felt it was an excellent value, and Lee voiced his agreement.

- ✓ Commissioner Jones made a motion to approve the wage and salary increases as requested by the Port Manager, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.

4. PNWA annual dues

Charmaine: PNWA lobbies in Washington D.C. for the ports and they do an excellent job advocating for our dredging dollars. The dues to PNWA is the best money The Port spends.

- ✓ Commissioner Nelson made a motion approve Pacific Northwest Waterways Association annual dues in the amount of \$620.00 to be paid from the General Fund, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.

5. Shall the Port request bids to paint the Annex and Business Center buildings?

The outside of the Winchester buildings are all in dire need of being painted. It was going to be done last year and it didn't happen. Charmaine talked to Steve about doing it this year keeping in mind the expense The Port will have with the Ice Machine project. Steve said the buildings are getting worse and The Port needs to do something about it. Jonathan Wright has a painting business and he came and looked at the buildings. He felt the job would be under \$7,000, so Charmaine budgeted for \$10,000 just to be safe. The Port can request bids if the Commission decides they want to pursue the project this year.

Steve: This is the original paint job from the building remodel in 1996. He asked if the owner of the attached building had been contacted to see if he wanted to have his portion painted as well. He is out of town right now so Charmaine hasn't talked to him yet.

Carey: If he doesn't want to cooperate would the paint job stop at our boundary?
Yes, the front and their side of the building has very little that would need paint. It's in the back where it would show.

Charmaine will contact the neighbor.

While Jonathan was here he did point out where some of the paint has flaked off and said sometimes that is an indication of water coming down through the brick. From what he saw he didn't think that was the case here.

Lee: When he bought his building behind The Port's buildings, he was told that the cement block that was used on these buildings came from a local manufacturer and there was a problem with the blocks leaching out moisture which in turn will cause a scaling that makes the paint peel off like it is doing now.

Jonathan mentioned there is a bonding agent that can be used to make the paint adhere better to the block.

- ✓ Commissioner Jones made a motion to authorize the Port Manager to proceed with acquiring bids to paint the outside of the Annex and Business Center buildings, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.

REPORTS:

STAFF REPORT:

Dock Report:

The Port Commercial Dock in Winchester Bay Brought in \$1,772 for the Month of May.

Ice Machine Update:

Electrical, quotes are due Monday June 20th. There is no need for a meeting to decide which bid to accept because the proposal for quotes indicated the lowest bid would be chosen. PUD will be providing an updated cost estimate this week.

Sent out the request for bids (RFB) today for the Cement slab that the Ice Machine will sit on and they are due by Friday June 24.

All of the preliminary County permit requirements have been met including an elevation certificate.

I will be ordering the 18 totes from DACO tomorrow for \$17,421 including shipping, and I will be looking for a pallet jack.

Charmaine let the board know based on advice from The Port's Legal Counsel she is moving forward with this project without coming to the board for every charge that comes up. It's in the

contract that the lowest bid is what will be accepted. If the board disagrees with this they need to let her know.

Steve > Charmaine: Send out e-mail updates to keep the board informed of the progress being made.

South Coast Ports Coalition report:

A few years ago the Army Corp. of Engineers let South Coast Ports know that there would no longer be any federal dollars dedicated to dredging on the South Coast. The South Coast Ports got together and formed the South Coast Ports Coalition (SCPC). Over the last 2 ½ years SCPC has worked together toward the goal of finding a way to get the much needed dredging done. By working together as a group and with legislators they were able to do what had never been done before, and that was to get the State to appropriate 2 million dollars for a dredge to be used specifically for dredging the South Coast's Marinas and Harbors.

Recently the new Assistant Manager for the Infrastructure Finance Authority (IFA), Chris Cummings, scheduled a conference call meeting with SCPC. During that conference call SCPC was told that they no longer have control of the dredge. It had been decided the dredge will go to and be managed by the Port of Coos Bay.

Paul: The first IGA went through the Port of Brookings. Brookings was chosen because they had employees who were experienced at running a dredge similar to the dredge SCPC had bought. The Port of Brookings dedicated a 3 man crew to the dredge. That crew went to Bandon and worked with the vendor to learn how to operate the new dredge. Working the dredge in Bandon, the crew was able to work out all of the kinks, they welded all of the piping that is needed and figured out how to transport everything when the dredge is moved from one port to another.

After working in Bandon the dredge went to work at Gold Beach and when Gold Beach was almost done, Brookings's Harbor had a large sink hole happen on Highway 101 and as a result all of the sediment ended up in their harbor especially around the fuel dock. As an emergency, the dredge was sent to Brookings who had received financial help from FEMA. Dredging was done to get rid of all the mud that had gathered around their fuel docks preventing any boats including the Coast Guard from fueling up.

While this dredging was going on, SCPC has been working together to come up with a matrix that would be used to schedule the order in which the harbors and marinas would be dredged. Due to another emergency situation the dredge was scheduled to go to the Port of Alsea who also has received FEMA dollars for emergency dredging.

So far the Ports have saved 1.3 million dollars' that would have been spent on dredging and SCPC has been congratulated on all they have accomplished in this ground breaking endeavor. Then SCPC got the call from the IFA who announced that the Port of Brookings would no longer have the IGA. The IGA is going to the Port of Coos Bay who will now manage the dredge.

There are many concerns with this decision. The Port of Brookings had dedicated a 3 man crew to dredge. It's unknown if the Port of Coos Bay has the manpower to run the dredge, plus the Port of Coos Bay will most likely use union labor, meaning the ports would have to pay union wages for the dredge that was bought to "save" money.

SCPC is concerned that since the Port of Coos Bay doesn't have anyone trained to run the dredge it's been decided that the money that was left from the appropriated 2 million dollars will be used to bring in trainers from the vendor to train people from the Port of Coos Bay. SCPC had planned to use that money for much needed booster pumps.

During the conversation with IFA it was asked several times where did this leave SCPC and the answer was that SCPC would be an advisory board to a third party. It appears SCPC really doesn't have a role anymore with a dredge that their combined efforts and hard work made possible.

SALMON HARBOR MANAGER:

Paul handed out a some pictures (these are included in the On-Line pkt) that showed work that was recently done on the crabbing pier in Winchester Bay.

The Douglas County Parks Department had some surveys and studies done on what it would take to fix the aging pier, which had sections closed to the public due to unsafe conditions. It was estimated that it would cost \$349,000 just to fix the main walkway and around \$800,000 to fix the whole pier.

After looking over the walkway and tie-rails, Paul offered to fix enough of the pier so the County Parks Department would not have to close it to the public this summer.

With lumber purchased by the County Parks Department and using inmate labor, Paul and his crew were able to fix 300 feet of the pier; all of the dangerous spots, in a day and a half. The cost of the lumber was \$8,000 and Salmon Harbor covered the cost of the inmate labor.

COMMISSIONERS:

Barry: Has heard rumors about meetings that have been held to discuss the future plans for the I.P. property once it's sold. Rumor has it that they plan to have a marijuana grow at the site.

Carey: Attended the Gardiner Sanitary District meeting and during that meeting there was discussion of a marijuana grow going in at that site but it was pure speculation and not fact. That could be the meeting that Barry has heard about.

Steve: Knows that the people buying the property are just about to close the deal. There have been several businesses that have been looked at to locate there.

There is a new company called AGR Mechanical that will be taking over the repair of railroad cars and locomotives and they plan to locate in Gardiner. Starting out there will be about 3 employees plus a secretary but, they expect to see a major full buildup in a year from now.

Barry: OCZMA requested that he be on the executive board again. He has served on the board since 2009 and he declined the request this year.

Carey: Chainsaw Carvings start on Thursday and will go through Sunday, DuneFest is rolling along. This year the Chamber has decided not to hire a director for DuneFest to save money.

Lee: Attended the Cascadia Rising exercise on June 7th. He learned a lot but, one thing he feels The Port should address in the future is a plan for maritime rescue and bringing in survival supplies in the case of a disaster.

Steve: Feels that any emergency supplies would be handled by the Coast Guard. Were it to happen he's sure the area would be under Marshall Law and someone would come in and take charge.

The meeting was adjourned at 8:02 p.m.

The next Port of Umpqua Regular Meeting will be held July 20, 2016 at 7:00 p.m. at the Port of Umpqua Annex building, 1841 Winchester Ave., Reedsport, Oregon 97467.

****Note: THESE ARE QUESTIONS FROM THE COMMISSIONERS WHILE SIGNING CHECKS, BOTH AT THE END OF THE MONTH, AND DURING THE CHECK SIGNING AT THE MEETING:**

Commissioner questions from check signing at end of the month to be included in the June 15th minutes:

Steve: No questions

Keith: No questions

Commissioner Questions regarding bills at the June 15, 2016 meeting:

Carey: Is \$75 w/Winchester Bay Fire Dept. an annual fee? Yes

Same with the American Legion? Yes

Questioned the \$500 for the elevation certification for the ice plant project, stating that it seemed high.

Barry: No questions.

Steve: *(After the motion to approve the bills)* what is the check for the land survey for? Elevation certification for the ice plant.

Steve Reese, President

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Karen Halstead, Admin. Assistant

Minutes – June 15, 2016
Recorder – Karen Halstead