

Port of Umpqua

Regular Meeting Minutes
Wednesday, February 15, 2017 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
Treasurer Lee Bridge
Asst. Secretary Carey Jones

Commissioners Not Present:

Secretary Barry Nelson

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:

Charmaine requested to add an item #4 – Moorage fees at the Umpqua River Dock: Fred Wahl Construction.

APPROVAL OF MINUTES:

The draft version of the minutes for January 18, 2017 was presented for approval.

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

APPROVAL OF BILLS:

Commissioner Jones moved to approve payment of checks in the amount of \$32,976.49 to be paid out of the General Fund, 2nd by Commissioner Tymchuk. Motion was passed by unanimous vote.

After the vote Charmaine pointed out that the check to Salmon Harbor for the Coos Bay Wagon Road funds had been included with the checks signed at the meeting.

PUBLIC COMMENT:

Erik Hesseling, Coordinator, Main Street Program:

Addressed the board requesting a donation of \$1,500 for the Main Street Façade Improvement Grant Program and a mural project that Main Street is hoping to have complete before mid-summer.

Steve: The Main Street Program Grant Program has been very successful. It's been used by existing and new business owners to enhance the outside appearances of their businesses. Steve requested that Erik provide a formal request for the Commissioners to consider as a business item at the next Port meeting.

Carey: Where will the mural be? A couple of locations have been discussed, primarily downtown along the levy wall at Rainbow Plaza. Erik did provide a conceptual flyer of a salmon theme mural created by artist Gary Herd. (This is available in the on-line pkt).

PUBLIC COMMENT ITEM #2 Discussing Oregon Revised Statutes (ORS) 777 House Bill (HB) 2902:

Fred Wahl, owner, Fred Wahl Marine Construction:

Fred said he was there to formally request support from The Port of Umpqua to help stop HB 2902 from passing in the legislature. If the bill were to pass it will allow Ports to enter into the boat building and repair business and to compete directly with privately owned shipyards. If this happens it could potentially put the private boat building and repair sector out of business.

Fred also brought up the fact that Ports do not have to pay property taxes. This makes it even more difficult for private owners to try and compete with government owned shipyards.

Ray Cox, owner, Giddings Boat Works: Has already lost a couple of clients to The Port of Toledo, who is backing this bill. The Port of Coos Bay recently bought a 100 ton travel lift and that put Ray's travel lift out of business. The issue of a government funded boat builder competing against private boat builders is already affecting him and if this bill passes it will completely put Giddings Boat Works out of business.

Linda McCollum, Mayor, City of Reedsport:

The City of Reedsport supports Fred Wahl Marine's stance as well as the others in the maritime repair business. There are three of these type of businesses right here in Douglas County that will be effected by this bill. The City's main objection to HB 2902 is the word "operate". She requested that The Port not only support the effort of having the bill revised by removing "operate" out of the wording but to also let the Oregon Public Ports Association (OPPA) know how this bill would affect businesses in the Port of Umpqua district.

Steve: The Port has been aware of the situation for a short time. Jonathan Wright has taken the lead to represent the community on this. Port of Umpqua has always been very supportive of Fred Wahl Marine Construction and will continue to do so.

Keith: Had done some research on this and found that ORS 777.258 currently states: "*a Port may in general do other acts and things not mentioned by the previous ORS as tend to promote maritime shipping, aviation and the commercial interest of the Port*".

This is a critical statement because it sounds as if a Port can already run a shipyard. Fred said he had gone as far as to hire a lobbyist to help Fred fight this bill. Keith asked what the lobbyist interpretation of that statement was. If it is already allowed, a completely different strategy needs to be taken in fighting this.

Instead of having the new wording removed, there needs to be a major change to the existing law. Port of Toledo is already operating a shipyard as if the state allows them to, which means HB 2902 is simply a housekeeping item.

Fred: Not sure that the Port of Toledo is operating lawfully right now, and Fred thinks that is why HB 2902 has quietly been put on the fast track. Also, in past Port of Toledo meeting minutes it says that Yaquina Boat Works operate the boatyard in Toledo but that is not the case.

Keith > Charmaine: What is the consensus of the OPPA? OPPA is who originated this bill but that was before there was any opposition. Now that there is opposition arising it is starting to be reviewed by the ports. There are actually 12 changes to ORS 777 that are going to be requested as the result of some housekeeping. OPPA has been working on ORS 777 because it hadn't been reviewed in a long time. OPPA didn't want to present all 12 changes to the legislature all at once during one session so, it's being presented in sections. Some of the changes are wording clarifications and this was a wording clarification requested by the Port of Toledo.

Keith: Told the business owners that now that the bill has been introduced they need to have OPPA withdraw the complete bill, not just remove some of the wording.

Steve: Took a consensus of the Port of Umpqua Board and afterward gave Charmaine direction to draft a letter to OPPA indicating The Port of Umpqua's opposition to HB 2902 and request that the bill be withdrawn.

Keith: Requested that the letter also be cc'd to all of the other Public Ports in Oregon and to add this topic to the March 15th Port meeting agenda as a follow-up.

Charmaine: Strongly suggested that the constituents reach out their representatives and the Coastal Caucus. Keith added that they should also reach out to the Dungeness Crab Commission too.

REGULAR BUSINESS:

1. Consider Acoustic Wall in Annex building:

At last month's meeting the discussion of having an acoustic wall built at the front of the Annex conference room was tabled.

Charmaine reminded the Commission that The Port will be painting the outside of the Winchester Buildings this year and it will be a Capital expense.

Carey: Have we gotten a bid for the painting project? It hasn't gone out to bid yet, Jonathan Wright estimated it would possibly be around \$11,000 for both buildings.

There was discussion about the storage this wall would provide for the extra tables and chairs as well as create a sound barrier from the traffic noise outside.

- **Commissioner Jones moved to approve the bid from Ben Hill for construction of a sound barrier wall in the Annex building not to exceed \$5,500, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.**
- **Commissioner Jones moved to approve the bid from Ladd Electric for electrical service for new wall not to exceed \$1,600, 2nd by Commissioner Tymchuk. Motion was passed by unanimous vote.**

Lee: After the vote he asked The Port to think about having an overhead video projector mounted in the Annex. There was discussion of having Ben Hill put in the framework needed for a ceiling mount while he was doing the work of putting in the new wall. This would make the Annex ready for a ceiling mounted video projector if The Port were to decide to put one in.

Keith: Asked Charmaine to check with Ben Hill about the possibility of putting in a ceiling mount at the same time he builds the new wall.

2. Recreational Immunity Rights – consider Resolution in support:

Charmaine: At the recent SDAO conference there was extensive discussion on the topic of SDAO acting as the “insurer” for many special districts who open up their property to the public for free.

Recently there was a court case in which a judge determined that while the district wasn’t liable, any staff, employees or volunteers could be individually sued. The districts have to indemnify their staff so in the end it would be the district that could get sued.

SDAO has requested that all districts adopt a resolution that can be sent to the legislature this session and have the law revised so that it reflects the original intent.

- **Commissioner Tymchuk moved to approve resolution 17-01 in support of legislation to restore the Recreational Immunity to landowners and their officers, employees, agents or volunteers who are acting within the scope of their employment or duties so to allow Oregonians to access their lands for recreational use and enjoyment, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.**

3. Budget Committee Member consideration:

As of December 31, 2016 three of The Port Budget Committee member terms expired. Sunnie Hedden has agreed to continue for another three years. Robin Triplett has moved and can no longer serve and Simi Hoover said she would serve again if no one else stepped forward to fill the spot.

Charmaine asked the board to let her know if they knew of anyone who may be interested. She has contacted one man that Steve knew and is awaiting to hear back from him.

- **Commissioner Tymchuk moved to reappoint Sunnie Hedden to the Port of Umpqua Budget Committee for an additional 3 year term ending December 31, 2019, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.**

Added:

4. Moorage fees at the Umpqua River Dock: Fred Wahl Marine Construction

Recently Fred Wahl brought to Charmaine’s attention that there are some vessel owners who are using the Port Dock on the Umpqua River to load and unload their boats and they are using electricity and water without Fred’s knowledge or permission. The current fee schedule does not address this situation.

Fred recommended that The Port modify the fee schedule that exists for that dock to accommodate these fishing vessels that are using it. The locks have been changed so anyone wanting to use the dock will have to contact

Fred Wahl Marine. At Fred's discretion his folks can open up the dock and let the vessel owners use it but, they will have to pay moorage fees.

The current fee schedule says vessels 65' and under are charged \$25 per day and vessels 66' and over are charged \$50 per day. Fred would like the fee in this situation to be \$50.00 per day minimum, even if they are not tied up for a whole day. He further requests that the initial \$50.00 be split in half, \$25.00 to the Port and \$25.00 to Fred. This would only be for the first day since Fred's crew is no longer occupying the facility on a full time basis they will have to make a special trip to the dock, unlock the gates and then keep track of the progress/status of the vessel utilizing the dock. If a vessel is there for more than a single day the current moorage agreement of 10% going to Fred and 90% coming to The Port will still apply.

The current management agreement states that 50 feet of the dock has to be available to vessels who may have an emergency. Nowhere in the current agreement does it say Fred has to allow others to use that dock in their daily operations.

- **Commissioner Tymchuk moved to approve the changes to the Umpqua River Dock Moorage fee schedule as proposed above, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.**

REPORTS:

STAFF REPORT:

The Port Commercial Dock in Winchester Bay Brought in \$771.51 which reflects the operations from December. Crabbing started after the first of January so revenue from that will reflect in next month's report. Unfortunately the fishery was shut down again due to the bacteria but it has now reopened.

Last month Commissioner Tymchuk asked how much revenue does The Port make from crabbing? In the FYI section of the binders is a document that shows crabbing revenue data: (This is available in the On-Line Pkt). The months where The Port really make money from crabbing are December through March.

The electrical receptacle at the dock needed to be repaired. When folks unplug from the receptacle they have a tendency to pull on the plug which had caused the receptacle to disconnect from the box. I had Ladd Electric repair the receptacle, place it on the far side of the dock rail to protect it from operations on the dock. Picture. (A picture was passed around showing the electrical receptacle, it is available in the On-Link Pkt).

I will be starting to prepare the 2017-18 budget. Please start thinking about projects or things you'd like to see in the next budget. We've received a request from the city to consider inclusion of \$20,000 to assist in the Reedsport boat launch expansion. With the fiscal year 2010-11 we budgeted \$100,000 in the event that the Port had an opportunity to assist somehow in the marketing of the I.P. site. Since that property was recently purchased and the new owners appear to have plans for development, do we need to continue that line item on in our budget? These are things to be considering in the next few weeks.

We had the HVAC systems replaced in September of 2014. There has not been an inspection on the system since that time. The electric bill for the main building was extraordinarily high the last two months. No doubt some of this can be attributed to the cold weather but I don't believe it all is. I have requested bids from 3 companies to do an annual inspection on the units. It would really be a good idea to start a maintenance agreement with one of these companies and have our system inspected annually. Commissioner Tymchuk agreed. The cost will not be above \$2,500 which will not exceed the Managers authority to have the work done.

SALMON HARBOR MANAGER:

No report – Paul Stallard is sick.

COMMISSIONERS:

No reports.

S.T.E.P.:

Explained that the topic of the library becoming a taxing district will not make it on the May ballot due to time restraints that have kept the group supporting this issue from completing all the required steps.

S.T.E.P. recently received some trout eggs that they will raise and then release the fish into Lake Marie.

OTHER:

Steve: Asked Charmaine if The Port had heard back from the county regarding the IGA. No, The Port has not received any notification at all.

Steve: Where are things with the Ice Machine Plant?

Charmaine: Both the Ice Machine and the container broke down. The container has not worked for at least 3 weeks. Chambers has been called and for various reasons have not been able to come service it. Larry thinks he can make ice without needing the container for the time being but, the container must get fixed.

The Ice Machine was working just fine and then on Sunday the machine and auger completely stopped working. Larry contacted Paul and together they contacted Joel with Highland Refrigeration. Joel flew in today to work on the machine and when he went to test the fix the electrical box blew. It's still being worked on and while the container is not under warranty the Ice Machine is, so everything being done right now is covered by the warranty.

Carey: Was in Pendleton recently and was approached at a meeting by a guy who said he was interested in putting on an Outdoor Show someplace on the coast near the water. His idea is to put up a 7.5 acre tent so the show itself would be inside but, by being right by the water he would be able to actually demonstrate new boats/kayaks/paddle boats, etc. Carey asked the Commissioners if supporting this would be something The Port would be interested in. The Commissioners were very interested. If the guy does decide to pursue this he needs to work with Paul at Salmon Harbor.

The port went into Executive Session at 8:25 p.m.

EXECUTIVE SESSION:

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

The port came out of Executive Session at 8:45 p.m.

The Regular Port meeting was adjourned at 8:46 p.m.

The next Port of Umpqua Regular Meeting will be held March 15, 2017 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 January 31, 2017 minutes:

Steve: Asked why there were no reserve accounts on the Balance Sheet. Explained in QuickBooks we work in a specific “company” to pay bills and that “company” is where the Balance Sheet comes from. There is a “Before” and “After” balance sheet that we use for balancing the printed checks.

Steve: Asked what a Chain Coil was. There was one bought at Kel-Cee Ace. It was a part needed for the Ice Machine.

****Checks were signed by Commissioners Reese and Tymchuk.**

Commissioner Questions from check signing at the February 15, 2017 meeting:
Questions from check signing at the February 15, 2017 meeting:

Jones: Thought we paid SDAO last month. We did, SDAO is who we have our medical insurance through now.

Reese: No questions.

Charmaine: After the vote to approve the bills she pointed out to the Commissioners that the Coos Bay Wagon Road Fund check to Salmon Harbor had been included in the checks signed at the meeting.

****Checks were signed by Commissioners Jones and Reese.**

Steve Reese, President

Karen Halstead, Admin. Assistant