

Port of Umpqua

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

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:

Two items were added to the agenda. Item #4 – Salmon Harbor 2017-2018 Budget Presentation from Paul Stallard and Item #5 – Refrigerator Container for the Ice Machine Options.

Commissioner Nelson made a motion to approve the agenda with the two added items, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.

APPROVAL OF MINUTES:

The draft version of minutes for the regular meeting on February 15, 2017 was presented for approval.

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

APPROVAL OF BILLS:

Commissioner Nelson moved to approve payment of checks in the amount of \$5,501.13 to be paid out of the General Fund, 2nd by Commissioner Jones. Motion was passed by unanimous vote.

After the vote Commissioner Reese asked if the check to Comfort Flow included the costs for having the repairs done to the HVAC system. No, the check was to cover their inspection and for filters we ordered through them.

PUBLIC COMMENT:

Deborah Yates CADBA & Reedsport Main St. Program – will be hosting the St. Patrick’s Day Trivia Contest on Friday, proceeds will go toward the Salmon Mural project on the wall along Rainbow Plaza.

REGULAR BUSINESS:

1. Budget Committee Member consideration:

Last month the board approved the re-application for Budget Committee member Sunnie Hedden. Simi Hoover and Robin Triplett also held positions that expired 12/31/16. Simi preferred not to re-apply but, she would if there was no one else who did. Robin Triplett has moved out of the area and is no longer eligible. The Port has received applications from James Skaggs and Lori Groves requesting to fill these two remaining vacancies. These are 3 year terms.

Steve: Knows both individuals who have applied and feels confident they both would fill the roles very well.

- **Commissioner Tymchuk made a motion to appoint James Skaggs and Lori Groves to the Port of Umpqua Budget Committee for 3 year terms ending December 31, 2019, 2nd by Commissioner Jones. Motion was passed by unanimous vote.**

2. Façade Improvement Program funding request:

Erik Hesselning, Coordinator of the Reedsport Main Street Program, approached the board during the Public Comment portion of the February 15th meeting and requested a donation of \$1,500 from The Port. At that meeting the Commissioners asked Erik to submit a formal letter of request, which he did. (A copy can be found in the Meeting pkt). In the letter Erik explained the breakdown of the requested donation. \$1,000 would go toward the Façade Improvement Grant Program for uptown businesses and the remaining \$500 would go toward the salmon mural to be painted professionally along Rainbow Plaza.

- **Commissioner Tymchuk made a motion to approve \$1,500 to the Façade Improvement Program for business façade grants and a mural in the downtown area, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.**

3. Boat Launch Project – City of Reedsport, Jonathan Wright:

Jonathan Wright, City Manager of Reedsport

Jonathan handed out a sheet showing the proposed Boat Launch Site Plan (this can be found in the Meeting Pkt). He noted one change that has been made that wasn't reflected on the handout. There will be 4 person restrooms instead of the 2 person restrooms as shown.

Recently The City was approved for a \$1.4 million grant to help pay for the new boat launch facility. The grant requires a 25% match, either in funds and/or in kind. The City has cash and in kind services that when combined equal \$100,000. City crews will be helping with labor but, there is still a lot of money the city must raise to meet this 25% requirement.

At the December 14, 2016 Port of Umpqua Meeting, Deanna Schafer from The City approached the Port Commission requesting a donation of \$20,000 to help The City with this project. Jonathan was at the meeting tonight asking that the amount of a donation be increased to \$40,000.

The City will be to partnering with a number of different agencies to raise the funds. There has been an indication from the Parks Department that they have applied for a grant that would give The City \$50,000. Deanna has also applied for two other grants.

The project timeline is to start construction early this summer by going in and laying the utilities down. Then cover the area with rock before fishing season opens so the boat launch can still be used by the fishermen this year. After fishing season the lot will be paved and The City plans on completing the rest of the facility the following year.

Charmaine: When do you need the funding?

Jonathan: The City plans on paying for the project in incremental reimbursements, which would allow for The Port to split the \$40,000 and have it come from two different budgets cycles. As long as The City has a pledge from The Port, it would be fine to receive the \$20,000 originally requested from this upcoming Port Budget, and then budget for the additional \$20,000 in 2018-2019.

Barry: Feels that \$40,000 is excessive and doesn't believe this is a Port project. Keith and Carey disagreed, pointing out that The Port had given money to the City of Elkton in the past for a large project. The Port doesn't really own much land to make improvements upon. Jonathan added this is an economic development and boater safety project which is very relevant to The Port.

Steve: Agreed with Keith and Carey in supporting the project, pointing out that it will also enhance the look of that area downtown.

- **Commissioner Jones made a motion to include \$20,000 in the fiscal year 2016-2017 budget and to include an additional \$20,000 in the fiscal year 2017-2018 budget for the Rainbow Plaza Boat Launch Rehabilitation Project, 2nd by Commissioner Bridge. Motion was passed by unanimous vote.**

4. Salmon Harbor Fiscal Year 2017-2018 Budget presentation – Paul Stallard Paul:

For the second year, Salmon Harbor's anticipated revenues have exceeded anticipated expenses; no unallocated dollars are required to balance Salmon Harbor's budget.

The beginning fund balance for fiscal year 2016-2017 was approximately \$985,462.

Anticipated 2017-2018's fiscal year budget is as follows - Revenue:

- Salmon Harbor Marina's proposed budget for moorage, launching, self- contained camping and land leases is \$871,150
- The RV Resort's proposed budget is \$1,100,100
- Fuel station's proposed budget is \$372,330

Salmon Harbor, the RV Resort & the Fuel Station's proposed total revenue is \$2,343,580.

- Personal Services proposed budget is \$926,682.
- Material/Services and Fuel proposed budget is \$1,210,224:
 - Shoreline riprap protected budget is approximately \$30,000,
 - Blacktop coat sealing for the RV Resort is estimated at approximately \$17,000.
- Approved Capital Outlay projects are estimated at approximately \$144,500.

Salmon Harbor's ending fund balance is approximately \$1,325,323.

- \$250,000 of the \$1,325,323 is designated for the reserve fund, in case of a bad salmon season.
- \$71,500 is designated from the West Spit CD for riprap replacement.
- Dredging fund total after 3 years of contributions is \$105,000. This is from saving \$35,000 each year over the last 3 years specifically for dredging.
- Salmon Harbor's unallocated remaining reserve is \$558,962.
- Design work and engineering for the Expansion development of the North End of the West Spit to the RV Resort is approximately \$277,000.
- This year's revenue exceeded expenditures by \$62,174.

Keith: Does this amount include monies that you put into the Capital Reserve Fund?

Paul: Yes.

- Central Services costs are estimated this year at approximately \$112,000, and it's anticipated to go up to \$118,000 the next year.

Keith: Bottom line, what was your expenditures and what was your revenue for 2016-2017?

Paul: Proposed revenues are \$2,227,195 and proposed expenses are \$2,110, 007.

Keith: Being very close to the end of the fiscal year how close are you actually to these numbers?

Paul: Right on line.

Salmon Harbor has tried to think of ways to cover future costs. After just raising the RV Resort rates to cover the increase in the garbage pickup prices, Salmon Harbor really can't raise the rates again without running off the customer base and having the resort outpriced by any competition like the Mill Casino.

The moorage is only at 40% occupied, if we raise those rates Salmon Harbor will lose some boats and possibly gain a couple so that would basically break even.

The rate for dry camping is \$15/night and all that covers is to camp on the blacktop and use of the public restrooms. There are no hookups of any kind.

All of those figures were looked at and even if Salmon Harbor were to make a 10% across the board increase that may bring in an extra \$37,000, which added to the \$64,000 it's still under the cost for Central Services without dipping into Salmon Harbor's savings and that is designated for riprap, future dredging and unforeseen things that come up. For example, we recently found out that the heat pumps for the Salmon Harbor offices were put in when the building was built in 1976, they don't make parts for those heat pumps under that office.

If Salmon Harbor has to dip into the savings year after year to cover the costs for Central Services eventually Salmon Harbor won't have any money set aside at all.

Charmaine: The \$71,500 you have listed for riprap, is that from the Certificate of Deposit that was designated for riprap?

Paul: Yes that is the \$71,500 designated for the West Spit riprap. Right now there are 9 other locations in Salmon Harbor that are in need of riprap. After going out for a quote it was cheaper to have Johnson Rock place it as opposed to Salmon Harbor renting a backhoe and having the rock delivered. That is the \$30,000 listed as "Shoreline riprap".

Steve: Does the \$62,000 go into the capital reserve or are you starting another reserve?

Paul: That would've gone back into the capital reserve but, having the Central Services cost for the first time this year, Salmon Harbor is going to have to use that \$62,000 plus make up the difference.

Carey: How did it go from \$81,000 to \$111,000 for Central Services?

Paul: There are departments in the County that will never make revenue, so the monies are taken from other departments within the County to be able to balance their budget. The County figures out what earnings are needed to pay for the departments not making revenue, and then look at the Materials & Services of departments like Salmon Harbor and come up with a percentage. Salmon Harbor's percentage was calculated to be 1.2% that the County will take to make up the monies that are needed to balance. Next year, after those departments not making revenue all get raises and their budgets go up, the amount other departments will pay will go up as well. Salmon Harbor calculated that there was a 34% increase from the \$81,000 to the \$112,000. Next year it will increase again for the same reasons.

Carey: The County has to realize Salmon Harbor is not like running a park or even a resort. If Salmon Harbor gets one bad year and/or the docks have problems and the County has taken all of Salmon Harbor's money for Central Services what will you do? Shut down the docks?

Keith: Thinks from the County's perspective, Salmon Harbor has \$558,000 just laying around. That isn't true, you have \$558,000 dedicated to capital projects, or that is the intent. 15 years ago the County told Salmon Harbor essentially you're on your own. We know the County is in a financial dire straits but, they asked you to go on your own, Salmon Harbor did, and has done well, largely because of the Marina and now they want to tap the dollars that Salmon Harbor stuck away for projects and use it to pay the payroll for the Road Department.

Keith: Has suggested to the Salmon Harbor Management Committee that they instruct Paul to bid all of his services out and see what it would cost.

Jonathan Wright: That has actually been looked at and Paul provides a lot of the services in house now. He has a very limited dependency on the County. Salmon Harbor has a payroll clerk and everything, Paul just requests checks out of Finance and may use Legal Services for contracts.

Carey: Another thing is the dredging. The Small Port's Coalition dredge is something Salmon Harbor will never get. That means Paul will need to bring a barge in for dredging and having to do that is going to double or triple what dredging was originally going to cost.

Paul: That is right, Salmon Harbor had been putting aside \$35,000 for 5 years thinking that there would be enough to use the SCPC dredge when it was being operated by Bandon or Brookings at a lower cost. Now it will cost \$160,000 just to have them show up, if not more. If Salmon Harbor needs to have breakwater done as well it could go up as high as \$400,000.

Carey: Saw the master plans for Half Moon Bay and Scottsburg Park, where is the County coming up with all of the money to make all of these new camping spots? Carey recently went out around Half Moon Bay to do some measuring for Dune Fest and almost had to borrow the oyster boat just to get down Triangle Road, and they are planning on putting a big fancy campground down there?

Paul: The County borrowed Salmon Harbor's backhoe the other day because the existing park was so full of water that there was water as high as the seats on the picnic tables. The County had to use the backhoe to dig trenches to drain the water out. All of the water was in the area that the County has future plans for.

Keith: How much is it going to cost to build the campground at Half Moon Bay?

Carey: Just for the campground at Half Moon Bay the cost is going to be \$1.1 million.

Paul: October 20th he drove out to count how many campers were remaining at Half Moon Bay. The clientele that uses that campground had all left and gone home. School was back in session. The RV Resort was still full on October 20th. The RV Resort rates are \$43/night, Half Moon Bay's rates are \$25/night. The point is that the County campground is full for only 4 months – during the summer season when the kids are out of school. Now, the County is planning to add 50 more sites out there just to be full for only 4 months.

Keith: What does the County get from the State for each one of those sites?

Paul: State RV Funds are going to give the County some extra dollars.

During the budget presentation the County told Paul to add the \$277,000 for engineering and design into his budget. It is in our budget but it doesn't need to be spent, and it worries Salmon Harbor because that is the safety fund.

Carey: It makes a whole lot of sense for Salmon Harbor because of the fact the RV Resort is staying full for so long throughout the whole year. Out towards the tip of Ork Rock would be premium camp spots.

Paul: Yes it would but, if the County won't tell Salmon Harbor how much Central Services are going to cost and next year it's \$200,000, then the next year \$250,000 and then the year after that it's \$300,000, he really doesn't want to spend the money. Paul needs to know if the cost for Central Services is going to increase, continue or stop. It says in the IGA that Salmon Harbor is to pay for the services that Salmon Harbor uses, not for the departments that cannot afford it. In the IGA it should state any extra monies go into a capital reserve fund. Each department pays only for the services their department uses.

Keith: That was the intent 15 years ago. The County simply told Salmon Harbor to lock money away and pay for your own projects, other than special projects. Of course The Port said with the IGA that theoretically there was a working arrangement to help fund projects. That was clearly the intent all of those years ago.

Carey: What has Salmon Harbor done, \$9.5 million dollars' worth of improvements?

Paul: Salmon Harbor has done \$9.7 million dollars' worth of improvements since 2003.

Keith: What would happen if you budget all of that unallocated money for the projects you need to do. You have \$558,000 and \$277,000 is going to go to engineering, so that leaves you with \$181,000 that you have to budget and once it's actually been budgeted then ask the County what they want to cut.

Paul: Especially when Commissioner Boice told me to budget for the project to expand the RV Resort on the North End of the West Spit, and Salmon Harbor is to be a quarter partner so Salmon Harbor's portion of that project is actually \$520,000.

Carey: How much did the Park's Department make from the pay boxes that are now in every park in the county?

Paul: That line item said \$208,000 was made off of the pay boxes. If you go to the first beach you pay, staging area you pay, go to the crab dock that Salmon Harbor helped them repair with boards and inmate labor and you pay there. So out of the 51 parks around the county they made \$208,000. That also includes Fishing Guide fees for using Scottsburg Launch and the other different spots they use.

Steve: Paul, what if you come up with a solution to contract out these Central Services and got rid of the \$112,000 charge by the County, what would prevent them from saying they have to have money so they add a surcharge?

Paul: There was a meeting at the Marine Activity Center and Commissioner Boice brought Jessica, the County's Management & Finance person to explain how it worked. There was some talk about Salmon Harbor contracting out for the services and Commissioner Boice told Paul to go see what was out there. Jessica did not appear to like that idea.

The County needs Salmon Harbor who is making the money to cover for the other departments. We could check with Chris Vaughn for payroll and hire an attorney at \$200 / hour and only use them when needed for land leases, eviction notices and other legal issues and Caryn has estimated it would all cost around \$80,000. Caryn figured that the \$83,000 that the County was going to charge would cover 1.5 employees in Roseburg. Realistically if Salmon Harbor hired an extra person to help with payroll, take care of billing and write checks and then send it to Roseburg, plus pay any attorney fees it would all come to about \$80,000.

Carey: That would still leave \$30,000 in your pocket.

Paul: The County would never allow it, but, if we could do that we would know the exact amount to budget for every year.

Keith: The County may not allow you to do that, but if you were able to budget for those services it would make the County have to admit you're paying that amount to cover the other departments.

I can see the county continuing to dip into Salmon Harbor, putting your capital reserve funds into a place where you can't complete the projects that it was designed to complete. Then, you go to the County and say "You've taken our nest egg and we want it back so Salmon Harbor can complete a project", and the County would tell you they can't give it to you because it's already been spent. Now the projects Salmon Harbor wants to do, most of which are maintenance type projects; where do you go? We'd end up watching the jewel of Western Douglas County in terms of campsites slowly deteriorate.

Steve: That's what happened before Salmon Harbor did the expansion.

Paul: Will look at getting some cost estimates for the services and present them to the County, letting the county know this was from direction from the Salmon Harbor Management Committee (SHMC).

Keith: I've reached out several times to Chris with e-mails asking where we are with the IGA because he'd asked me to send him something but he never gets back to me.

Paul: Will work with SHMC and keep The Port informed and get something going.

5. Refrigerated Container for Ice Machine, consider options

Charmaine: This item is referring to the container and not the machine itself. The Port purchased the Ice Machine and the Refrigerated Container and had it operational on September 12, 2016. September 27th it was reported that there was an issue with the container, it had stopped working. Chambers Plumbing & Heating sent a tech to repair it on October 18th and PacVan paid the invoice of \$1,750 for that work.

When crab season was pushed out the machine didn't get a lot of use at first. Crab season started January 1st and on January 11th the container unit stopped working again. PacVan was informed and a salesperson replied that PacVan couldn't do anything about it. It was an older unit and not under any warranty. Chambers was contacted again and were never able to get a tech out to work on it so on February 22nd Comfort Flow was contacted. These are the folks who work on the Winchester Building heat pumps. Comfort Flow recommended Mark Mosley at AirTemp Refrigeration who does this type of work. Mark looked at the unit and gave a bid to replace the complete container setup with all new components for \$11,500.

Next, contacted PacVan and let them know what the issues were just to see if they would back their equipment. PacVan came back with 3 options.

1. Replace the back of the machine with a new compressor and components at no charge.
2. Swap out the entire unit and replace it with a compatible unit at no charge but, that would entail having to take the whole ice machine out to do the work and then put it back in.
3. Replace it with a newer updated 2011 unit at an additional cost of \$2,500.

Barry: Refrigeration is vital in the fishing business, if you're 250 miles offshore and the refrigeration goes out you can lose \$10,000 to \$20,000. Mark is known in the area as someone who will do what they say they will and he is reasonably priced. He does the refrigeration not only for the fishermen, but for the bait dock, Becks Market, the Cannery, Pac

Choice and many more. He has been in the business for a very long time and his schooling has all been specifically for refrigeration. Barry highly recommended Mark.

Steve: Does not think highly of PacVan at all. There should've been some kind of warranty with the container they sold The Port. Bottom line is The Port needs something reliable. It'll be embarrassing if it never works again.

Carey: It has cost The Port already when some fishermen wanted ice and we couldn't provide it.

Steve: In favor of AirTemp. Get the job done right with someone local who can work on it without having to wait for them to travel a long way.

Steve: Would like to see some warranty information. Charmaine will get some information from Mark.

- **Commissioner Jones made a motion to hire AirTemp Refrigeration to replace the refrigerated container with parts and services not to exceed \$12,500 as reflected in his bid, 2nd by Commissioner Nelson. Motion was passed by unanimous vote.**

REPORTS:

STAFF REPORT:

The Port Commercial Dock in Winchester Bay Brought in \$682.27 for the Month of February. So far the ice machine revenue is \$2,807. At this time the Dock Assistant makes the ice as it's needed.

I forwarded an email invitation to the board to attend a local leaders meeting from Senator Merkley's office Sunday March 25th. This is scheduled before a town hall type meeting for the public. It will be from 10:00 to 10:30 AM in Roseburg. If you want to attend, please let me know, they wanted a head count.

You may have noted the very high electric bill for the main building for the last 3 months. Some of it may be attributed to the colder weather but I think it is too high for even that. I asked Steve if we should have the HVAC systems inspected, they haven't been inspected since installation in September of 2014. Steve looked at the thermostat readouts and noted that one of them was reading emergency heat mode so agreed it was time to have them inspected. Since I was already working with Comfort Flow for the reefer container, I requested a price from them to do the inspection. I also requested a price from Chambers Plumbing and Heating, which is the firm that did the replacement of the HVAC's. Chambers quote was between \$1,000 and \$1,800. Comfort Flow presented a quote of \$700 for a one time inspection. They also provided a quote if we wanted to enter into a twice per year maintenance agreement for \$600 per service or \$1,200 per year. I went with the single inspection for now. The technician did an in depth inspection and testing and made 3 recommendations: replace low pressure switches on units 1 and 4 and to remove a closed motorized damper in meeting room. I have approved the repairs to units 1 and 4 and will take

the additional recommendation under consideration. Quote for the repair of units 1 and 4 is \$573.00. That's been approved and they will come in soon and get them fixed.

Ice Machine:

When Mark showed up at the ice machine to check the container as he was walking around the machine he noticed that a gage light which is supposed to be green when the ice machine is operating correctly, had turned yellow. He said that was a problem. When that indicator is yellow it is letting you know there is moisture in that system which is not good. Moisture in there will destroy the system. There are two tanks within the system (circled in the picture) that have filters in place to filter out any moisture and those filters need to be changed. This particular item is still under warranty from Highland.

As of yesterday afternoon Charmaine was still awaiting on a reply from Highland as to how they plan to resolve all of the issues that have come up so quickly since purchasing this unit from them.

Charmaine passed around a picture of the area in the ice machine showing the indicator gage and two canisters that contain the filters. (Available in the Meeting pkt).

The following is the e-mail discussion between Charmaine and Highland regarding this issue:

E-mail sent To Highland Refrigeration on March 3rd:

First of all, thank you Joel for repairing the ice machine this last time. It has been working wonderfully since. However, we have had nothing but problems with the reefer container since we received it here. Pac Van paid for the first repair which was less than a month from when we got it. The reefer container has not worked, again, for several weeks now. We contacted Chambers Plumbing and Heating to come to do another service repair on the unit but they have been backlogged for a long time and were not able to send someone out. It was recommended to us to contact another local refrigeration business, Air Temp Refrigeration, which we did. Their technician got to the site in Winchester Bay before we were able to meet him there. He was not aware that he was going to be servicing the reefer container therefore, was looking over the ice machine when we showed up at the site. His observation was that the color in the little indicator gage is yellow and it should be green. At that time, he assumed he was there to fix that. When we told him we had contacted him to work on the reefer container, he informed us that yellow showing in that indicator gauge meant there is moisture in that system and that is not good. He told us that it would be harmful to the system and we needed to have the filters replaced in the two canisters and any moisture removed. The indicator gage would show green when it was functioning properly. I told him I'd contact you folks, since it is under warranty, and find out what your recommendations are.

I've attached a picture of the system I am referring to. The small observation gage, (I don't know what else to call it), and the canisters that he says holds the filters that need to be

replaced are circled in red. You can see in this picture that the indicator gage is showing yellow.

I was requested to take pictures of the pressure valves and send them to Alan, which I did. I asked Mark Mosley of Airtemp to confirm the picture I sent Alan was correct:

E-Mail response from Mark Mosley:

Yes you have circled the two filters that need changed, the refrigerant sight glass has a moisture indicator that is bright yellow indicating high moisture content in the sealed refrigeration system, it should be green which indicates a normal dehydrated system. If it is allowed to run in this condition the moisture in the system reacts with oils to form highly corrosive compounds which will attack compressor winding insulation, compressor bearings, valves and seats which will destroy your very expensive compressor.

Regards,

Mark Mosley

Airtemp Refrigeration

On the 14th I received this from Mr. Lars Matthiesen of Highland:

Charmaine,

I am surprised that Mark Mosley of Airtemp Refrigeration has found the moisture indicator to be bright yellow. We left the system fully charged and with bright green moisture indicator. The system, at all times, operates above the atmospheric pressure- there is no chance of any moisture being sucked into the system anywhere as the minimum pressure will be more than 15psig over ambient.

One of our service technicians, Joel James, visited the Winchester Bay location, fixing an electric problem on _____ 2017. He checked out the system before he left and did not make any note of any yellow dot in the moisture indicator.

On the other hand, changing the filter drier yearly is a normal maintenance procedure and not a warranty issue. As for the electrical problem, Joel noted that if the door on the electric control panel is not completely closed or if it is opened while it rains, water can enter the VF Drive for the fan control on the system and make it short out. That was verified while he was there.

Best regards,

Lars Matthiesen

HIGHLAND REFRIGERATION

And to this I responded:

Mr. Matthiesen,

The moisture indicator is yellow. I provided a picture which I have attached again here. Mr. Mosley simply brought to my attention that it should not be yellow but green and being yellow was an indication of moisture in the system and that ultimately, if it is allowed to run in this condition the moisture in the system reacts with oils to form highly corrosive compounds which will attack compressor winding insulation, compressor bearings, valves and seats which will destroy the very expensive compressor. We have not touched the motor or any workings behind that grate. No water has gotten into the control panel.

Changing the filter drier may be an annual maintenance procedure however, this machine has only been operational since September 12th and actually operating only part of that time due to it not working or no ice required. This certainly can't be standard, is it? Joel was here February 15th, how or what could we have done to compromise the system in that short of time?

----End of e-mail discussions---

SALMON HARBOR MANAGER:

No Report

S.T.E.P.:

Deborah Yates: S.T.E.P. has been experimenting with raising trout from eggs that will potentially go into Lake Marie. So far it's been a success. S.T.E.P. will potentially become responsible for providing all the trout to stock Lake Marie.

COMMISSIONERS:

Barry: Chaired the recent Salmon Industry meeting. Salmon returns on the Klamath River have been fairly low the last few years and it looked as if things would not be good again this year. Hopefully all of the recent rains this winter will help some.

There are three options for salmon fishing this year and one of those options is to have no ocean salmon fishing from Pelican down to the Mexican border. Things are getting serious when that is one of three options. Most of the ocean fishing would be allowed above that Florence line, which makes sense because last year 80% of all of the salmon landed was around the Newport area. There will be a meeting in early April in Sacramento and the decision will be made then as to what is going to happen this year.

Expecting to have a good Albacore season this year and crabbing this year has been really good.

Keith: Tomorrow night at 5 p.m. in the Tioga Hall at S.W.O.C.C. there will be a teleconference with the House Ways & Means Committee. Anyone with an interest in the upcoming budgetary process is encouraged to attend.

The next Port of Umpqua Regular Meeting will be held April 19, 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:**

2/28/17:

Commissioner questions from check signing at end of the month to be included in the March 15, 2017 minutes:

There were no questions.

Checks were signed by Commissioners Tymchuk and Bridge.

Questions from check signing at the March 15, 2017 meeting:
Commissioner Questions regarding bills from the meeting:

Carey: Why are there two addresses at Ork Rock Rd for utility bills? One is the ice machine the other is the dock.

Barry: No questions.

During approval of the bills during the meeting:

Steve: When Comfort Flow did their repairs were we billed and is that what the checks to Comfort Flow are for? No, they haven't done the repairs yet. The bills being paid now are for filters & the inspection they did on our system.

Steve Reese, President

Karen Halstead, Admin. Assistant