

# Port of Umpqua

Regular Meeting Minutes  
July 17, 2024 at 7 p.m.  
Port of Umpqua Annex  
1841 Winchester Ave  
Reedsport, OR

*THESE MINUTES ARE FINAL and APPROVED.*

## **Commissioners Present:**

President Carey Jones  
Vice President Joe Mulkey  
Secretary Donna Train  
Treasurer Randy DuVal  
Assistant Secretary Deborah Yates

## **Port Staff Present:**

Port Manager Scott Kent  
Administrative Assistant Karen Halstead

**Public Present:** Dana Ferguson

**Online Attendees:** Charmaine Vitek

*NOTE: All items handed out at the meeting are available for view by public request.*

## **Proceedings:**

The meeting was called to order at 7 p.m. by President Carey Jones.

## **PLEDGE OF ALLEGIANCE**

**CONSENT AGENDA – All items listed are considered routine and will be enacted by one motion.**

- **APPROVAL OF AGENDA:** As presented.
- **APPROVAL OF MINUTES:** June 19, 2024 as presented.
- **APPROVAL OF BILLS:** In the amount of \$11,915.20 to be paid from the General Fund.

**Commissioner Train made a motion to approve the Consent Agenda as presented, 2<sup>nd</sup> by Commissioner Yates. The motion was passed anonymously.**

## **PUBLIC COMMENT:**

There was none.

## **REGULAR BUSINESS:**

### **1. Discussion on the Reedsport wharf**

**Scott:** This business item concerns the Umpqua River Wharf in downtown Reedsport. There is an interest from outside parties to purchase the wharf. One estimate is for \$150,000 from Fred Wahl Marine Construction. The wharf needs maintenance in the amount of approximately \$483,000 (per the inspection report from Moffatt & Nichol engineers) within the next twenty years. Such repairs may extend the service life an additional thirty years.

Before the meeting Scott had received an email from The City with information, they requested that The Port consider when discussing selling the dock. The City uses the fact that there is a public loading dock with access to a shipping channel as an economic development tool when recruiting businesses to locate to Reedsport. As recently as 2-weeks ago, in partnership with SCDC there was a request for information from a frozen goods shipper to potentially relocate their business here. This company could potentially provide 30-40 jobs. The key to selling our area was the Port's Dock location in close proximity to their potential cold storage location.

**Carey:** Were there any contact names or phone numbers from this business so The Port could contact them for more information?

**Scott:** No, this new information from an email he'd received at about 5:30 this afternoon.

**Carey:** Is usually very much against selling Port property but after meeting with Fred Wahl it is obvious he is not going to sell, lease or rent any property to The Port.

**Joe:** Did Fred say he'd sell the entire shipyard for \$7.5 million dollars?

**Carey:** Fred did offer to sell but the price came from Mike Wahl.

**Joe:** Now that The City may have something happening, Hewes Craft has been mentioned as possibly being interested in something up there, these both have the potential for income. There is already a lease income from the cruise ships that moor at the docks and the use for a building. Maybe The Port should try to figure out a way to get the whole property.

If Fred won't give The Port an easement to the dock it may be worth discussing adding to the Wharf so it would meet at the road that is City owned and The Port may be able to get access that way.

There was discussion at a previous meeting and the fishermen said they want another crane to be able to off-load product at the Wharf. Right now, it appears that Joe is the only fisherman that uses the Umpqua Wharf to off-load. The reason he is the only person now is because Joe owns his own crane, there is no crane on the dock for others to use.

**Randy:** There is no reason to be in a hurry to do anything right now. As far as the crane goes, putting in an electric crane on that dock doesn't make sense to him, The Port would be better off with a mobile crane.

**Joe:** He would be fine letting the fishermen use a regular hoist if they provided the liability insurance needed like they did before. There is no way he'd want anyone using a mobile crane. It sounds good in theory, but he would not be comfortable just letting anyone come up and use a mobile crane.

**Carey:** If The Port were to put in a mobile crane, we would have to hire an operator. Right now, there is not much work to do out there, The Port would have to find someone who would be willing to be available at a moment's notice. To run that wharf would require someone who is familiar with the fishing industry. There are a lot of costs involved, not just the price of the dock but the studies and research it will require. There is also the possibility of The Port investing in all of this and then someone else decides they want to buy the shipyard and all of that money The Port invested was for nothing.

When Fred mentioned he'd be willing to sell the whole shipyard he also made the comment he does not want any competition operating there.

**Carey:** If The Port were to consider buying the shipyard, The Port would need to hire more staff to look for money and grants and everything else that would be required. Instead of hiring HGE doing the work The Port may need to have someone on staff that could handle the research and searching for funding.

**Scott:** He didn't feel that doing those things was insurmountable for the current staff.

**Joe:** Brought up the system that is currently in place to charge for moorage at the Wharf. He felt that what's in place now may need to be re-evaluated. As it is now, a vessel that is 150' long and takes up the whole wharf is paying the same moorage that he pays, his boat is 68' long. He discussed using a tiered system that would charge more based on 20' increments. Possibly adjust the rates to a tier that ran (for example) 0' to 50', 50' to 70', 70' to 90' and 90 and above.

**Donna:** She thought The Port should contact an attorney over the easement issue with the Wharf. An attorney may be able to find options we aren't aware of.

**Carey:** Asked Scott if an attorney was notified when The Port researched the easement in the past.

**Scott:** No attorney, there was a surveyor who proposed an easement that Scott didn't feel was a good option. He agreed contacting an attorney would be a good idea.

**Randy:** When you contact an attorney, you need to make sure they specialize in easement law. Others agreed, it needs to be an attorney who knows easement law.

Scott said he would talk to Danny, manager of Umpqua Bank, about what the debt service would look like if The Port were to take out a loan for \$7 million dollars.

**Randy:** Thought The Port had already approved to have Fred Wahl fix the curb on the dock at the Wharf. That is correct, Fred said it would be about Mid-July when they could get to it so they should be working on it anytime soon.

There was discussion about the Knife River property that may be for sale in the next 4 or 5 years. Randy suggested to find out the price and for The Port to possibly work out a deal where they could put in a down payment until Knife River is ready to actually sell.

**Donna:** Asked if Fred wouldn't sell to The Port, would he consider leasing to another business?

**Scott:** He'd be interested but not through The Port.

Scott received directions from the board to contact an attorney who specializes in easements and while talking to our attorney bring up the possibility of putting a down payment on the Knife River property.

The hoist repair and electrical work will be put on hold for now until The Port gets feedback from the attorney.

**The board decided to table this item and items #2 (Hoist Repair) and #3 (Hoist Electrical) at this time.**

**2. Hoist repair**

This item was tabled as part of the discussion from Item #1.

**3. Hoist electrical**

This item was tabled as part of the discussion from Item #1.

**4. Budget hearing; supplemental budget, Resolution 24-3**

**Scott:** The Port of Umpqua is expected to receive grants in the amount of \$200,000 to be used for a technical study and preliminary plans for the Providence Creek tidegate project. This was not included in the budget adopted in May 2024; therefore, a supplemental budget is required. See attached supplemental budget description.

**The supplemental budget hearing officially began at 7:43 p.m.**

This will show "grants to be received" on one side of the ledger and professional services will have the expenditure on the other side.

**Carey:** He has heard that as soon as the tide-gate is fixed, Mark Holiday is going to sell Leeds Island to the Parks & Recreation of The City of Reedsport for a park. This will include an observatory for birds, hiking trails, horse trails, picnic area and fishing stations on both the river and the slough.

**Scott:** He had statement from The City:

"The city counsel made a motion for the project to move forward but The City has no involvement in the planning at this time". Matt Ruwaldt is the lead on this and has several leads on grants for planning. The timeline is unknown at this time. The City are thinking about ideas but there hasn't been a decision made as of yet".

**Carey:** With this in mind does The Port want to spend money on this if they are going to turn around and sell it?

**Deb:** If he plans on benefiting from the work The Port does on this property, she doesn't feel The Port should pursue it.

**Scott:** It'll be \$200,000 for the study and then when the tide-gate is actually put in he thinks it could cost up to a couple of million dollars. The Port cannot afford that, so we would have to pursue grants for the actual work on the tide-gate.

**Joe:** If The Port puts the tide-gate in and if Mark waited 10 years to sell it, what is the difference between selling now or later down the line?

**Donna:** If something happens to the tide-gate after this will The Port still be responsible? Mark approached her and said it was The Port's responsibility.

**Scott:** He could call Mark and ask the question if he is planning to sell. The worst thing he could do was not answer.

**Joe:** Does The Port approving to receive this grant affect The Port in anyway?

**Scott:** No, it simply says The Port now has money to do a study and hire an engineer to draw up a set of plans. The Port will need to request multiple proposals from engineering firms before deciding which engineer to hire due to how high the cost is for this project.

➤ **Commissioner Train made a motion to approve the supplemental budget as presented, 2<sup>nd</sup> by Commissioner Mulkey. The motion was passed unanimously.**

## **5. Manager evaluation**

**Carey:** He'd given Scott the option to cover the Manager evaluation in an executive session and he declined and asked that it be done in open session. Deb handed out the compiled Manager Evaluations that had been calculated using the individual Commissioners evaluations.

Scott said he could see areas where he is doing well and areas that need improvement. He offered to come up with an improvement plan on the areas that showed lower scores and send it to the board via email.

**Carey:** Next year he would like to see the board have a work or executive session and address the scores. During this session the board could set a goal for improvement.

**Donna:** This was done before Scott started working on the off-shore wind energy project. He's now involved with that.

**Deb:** She finds this disconcerting; she has an office in the building, and she knows more about what is happening in the office than the others.

**Randy:** He almost didn't fill out an evaluation because he hasn't been on the board long enough to have really formed an opinion on some things. He isn't sure what the job

description says or even if one exists. If there isn't one the board needs to work up one to see what the parameters are of the Port Manager's job.

**Deb:** Didn't feel this evaluation was a very good assessment tool.

**Carey:** That is why he'd like to have a work/executive session so the board can come up with a plan with actual goals for Scott.

**Joe:** Why wait a year, why not do it sooner?

**Deb:** She agrees, Scott needs direction from the board and needs to know what they are expecting from him.

It was decided to have an executive session at 5 pm before the August 21<sup>st</sup> regular meeting to discuss the board's goals and to give Scott some direction. It will also allow Scott a chance to show the board actual projects he is working on now.

## **6. Partnership for the Umpqua Rivers Sponsorship**

**Scott:** The Partnership for the Umpqua Rivers is requesting sponsorship of \$100. The Partnership is a non-profit, non-government organization that is charged with restoring, enhancing water quality and fish habitat within the Umpqua Basin. Their white paper states they are mostly focused on upriver and tributaries for salmon spawning habitat. It doesn't appear that they do much work on our end of the river.

**Carey:** Had done some research. Their office is in Portland, it's not close to our area. Their executive director for this 501(c)3 makes \$68,000 per year. He looked at the members on the board and there was no representative from S.T.E.P., no watershed or soil and water conservation representatives. Everything they are working on is up in North Umpqua. He doesn't see where they are doing anything locally.

**Deb:** She used to represent S.T.E.P. on the board, and while on the board she noticed that there weren't a lot of accountabilities concerning their finances, she pointed out while on the board that there was money going out but there was no accounting as to where it was going.

**Carey:** What benefit is it for The Port to be a sponsor for The Partnership? He is against sponsoring them. Deb agreed she was too.

- **Commissioner Yates made a motion to decline the request from the Partnership for the Umpqua Rivers for sponsorship at a cost of \$100, 2<sup>nd</sup> by Commissioner Train. The motion was passed unanimously.**

## **7. PNWA Membership**

**Scott:** Dues for membership with the Pacific Northwest Waterways Association (PNWA) are due, totaling \$920. This is a very important organization who lobbies for dredging. Scott has attended one of their conferences and he highly suggests The Port support them.

- **Commissioner Mulkey made a motion to sponsor PNWA for an amount totaling \$920, 2<sup>nd</sup> by Commissioner DuVal. The motion was passed unanimously.**

## **REPORTS:**

### **STAFF REPORT:**

**Scott:** He requested permission from the board to participate in a Supervisor class that will cost \$400. It will be held via Zoom on Fridays from 8-11:30 am. The board consensus was yes.

Read from an excerpt from a wind energy lease document. “The issuance of one commercial wind-energy lease and associated easements within the Coos Bay wind energy area (that is us), and one lease associated with easements within the Brookings area. The issuance of the lease only grants the lessee the exclusive right to conduct site characterization activities and to support BOEM a site assessment plan or a construction and operations plan at a future date. Specifically, cable corridors are not proposed as part of this action. A reasonably foreseeable effect of the issuance of the lease is that the lessees would conduct environmental and site characteristics activities in the lease area and on the outer continental shelf, such as vessel surveys, geotechnical exploration of the sea floor and placement of anchored meteorological buoys. Under the reasonably foreseeable scenario BOEM has stated it could issue leases in late 2024 and surveys could begin in the spring of 2025. Lessees would have up to 5 years to perform site assessment activities before they must submit a COP (construction operation plan). BOEM expects site assessment activities could continue through early 2030 prior to a lessee submitting a COP to BOEM. A BOEM decision to lease areas of the outer continental shelf for offshore wind exploration and exploration activities does not equate to a decision to permit the construction or operation of offshore wind development projects. A subsequent BOEM decision whether to approve a COP for an actual wind energy facility will be subject to Federal consistency review by the State at a later time under sub-part D after years of additional site assessment and project design”.

What this is saying is that BOEM has granted lessees to start studying the geotechnical and bathymetrical features of the proposed wind energy sites. The point is BOEM is moving forward but it will be 5 years before they submit a study and a working plan.

**Joe:** Has a friend who lives up by Eugene who contacted him. He’s got a plot of land that for whatever reason he has been approached a couple of times every year to put up solar panels. He told Joe that he has the contacts of those who are in charge of looking for this sort of thing and he offered to give Joe the contact information for any of them if The Port wanted to contact them.

### **Scott (Staff report continued):**

1. Umpqua Bank has agreed to increase the rate of return on our money market account to 2.11%. The effect of this increase is substantial. For the month of June, we received over \$2000, which is in contrast to our previous returns of about \$10. I investigated the returns at First Interstate Bank and the local credit union, and they cannot match the return provided by Umpqua Bank.

**Deb:** Why all of a sudden are we getting a return of \$2,000 vs. \$10?

**Randy:** Because they went to the bank and told them The Port needed to be getting a better return. No one else had done that, that's why.

**Scott:**

2. Commissioner Jones and I met with Fred Whal regarding the purchase of land adjacent to the Reedsport Wharf. Fred was not interested in selling the land to the port.
3. We have received word from Mat Ruwaldt that Business Oregon has approved a grant for a study and development of plans for the replacement of the tide gate at Providence creek in the amount of \$160,000. There needs to be a \$40,000 match, which we are trying to get from ODFW. The grant writer is in Alaska for a few months, which will possibly delay the application to ODFW, but the project is proceeding.
4. I have been informed that once the tide gate is replaced, the owner of Leeds island, where the tide gate is located may be sold to the City of Reedsport and turned into a park. I still need to gather additional information on the plan.
5. The study for which we received funding for the tide gate is just the first step. The cost to replace the tide gate may be close to \$1.5 million dollars. We will need to secure a grant for the tide gate replacement as the Port cannot afford such a cost.
6. Commissioners will need to complete public meeting law training. We will inform you when SDIS is ready to stream the video. Other than that, all our Best Practices have been completed, which gives us a discount on our liability insurance. Karen spearheaded this project.
7. Northwest Landscape is planning on constructing a new building on the property we sold them. Good to see them expanding.
8. I sent out letters to all of our state and federal representatives indicating our position against offshore wind. I did receive a phone call from Boomer Wright, who agreed with our position.

**Carey:** Have you heard from Jim Zimmer?

**Scott:** He has not.

**Carey:** How is the dredging going on the river?

**Scott:** The dredge Yaquina has been there this week. They may go up North before coming back here to finish the job.

**S.T.E.P. Deb Yates:**

Will be getting their pre-smolts on September 20<sup>th</sup> & 21<sup>st</sup>. They placed their smolts out in Winchester Bay. Dana Ferguson offered to talk to Deb about using an area that PDS has for storing their smolts.



Salmon Derby: Deb got all of the raffle tickets ready, and she has all of the banners up. They are selling raffle tickets now, you can buy tickets from Deb. The posters will go out August 1<sup>st</sup>.

**COMMISSIONERS:**

**Randy:** The gate at the Wharf needs to be fixed. It's important to secure that property. Recently there have been some fires in the area so that gate needs to be fixed, Randy offered to help Scott go down and fix it.

Regarding the wind energy project. Randy suggests The Port does some research and gets the facts of damage that has been done where they are already set up. Have a meeting with Boomer Wright and give him that information to use and have him represent The Port's stance on being against this. The Port needs a well written letter and send it to every newspaper in Douglas County, plus The World Newspaper to get this information out to the public.

**Joe:** Josh at England Marine would be a very good resource; he has been following all of the wind energy stuff since the beginning.

**Carey:** Spoke to Brandon Gentry, he works on the turbines inland and he told Carey they aren't allowed to park company trucks within 100 yards of the turbines because they leak so much oil and hydraulic fluid it will ruin a truck. Brandon says it's between 50 to 150 gallons a day that are coming out of them. As a Port, we've voted not to support this, and he thinks everyone on the Commission should do research on them. That way if or when someone is approached, they can get the facts out there.

**Joe:** One problem is the fact a lot of people don't know this is going on. He had an observer on his boat a couple of weeks ago and they didn't know it was happening. This is someone who works for the government on the ocean and they didn't know anything about it.

**Randy:** There are a lot of people who don't know, we have to get the word out.

Dana offered to bring in a guy who works for Pacific Power & Light and he has installed them, and he can tell you how bad they are.

**Randy:** He asked Deb about the Salmon Derby that is being put on by Salmon Harbor.

**Deb:** This is the third year for this other Derby. The way it got started was when someone who came down from Portland and went fishing one weekend had the thought that Salmon Harbor should have a Salmon Derby. He didn't check on whether there was already a derby or not. They (Deb didn't know who it was that runs this derby) decided to have a Salmon Derby and said they would give the money they raised to S.T.E.P. The first year the money was given to ODFW who wouldn't take it and suggested it be given to S.T.E.P. None of the money has ever been given to S.T.E.P. Doug Buck stated this year the money is to be split between OAA (Oregon Angler's Alliance) and S.T.E.P. Deb said she wasn't sure if they would or not as they have never received a penny from them so far. Dana stated that this derby was started by a company called LUMAS.

**Randy:** A BBQ was suggested at a previous meeting, where are we with that?

**Karen:** Now that I'm back from vacation I'll be planning that; looking at probably late August/early September.

**Carey:** The date for the rib cookoff has been changed so it won't conflict with the Salmon Derby. It'll be the second weekend in September.

Does anyone know if there is a limit on Green Crabs?

**Joe:** There is no limit at all, in fact they want people to take them. They are considered an invasive species.

**Carey:** He spoke to one of the recipients of The Port scholarships, she is very excited. She asked if The Port scholarships are only for high school seniors, or could she apply again next year when she'd be a sophomore in college.

**Carey:** During the recent hot spell, the senior center was the only cooling spot in town. Since it was the only place available with air conditioning, they had a lot of people come down. The Moose Lodge did allow some folks to come in to get out of the heat. He wondered if the board might consider utilizing The Annex if that happens again.

**Karen:** The only issue would be liability insurance. We require anyone renting the Annex to provide liability insurance.

Carey asked if staff could check with Kriston at JUUL to find out whether our insurance would cover it or not.

**The meeting was adjourned at 8:51 p.m.**

The next Port of Umpqua Regular Meeting will be held August 21, 2024 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:**

**6/28/24:**

**Commissioner questions from check signing at end of the month to be included in the July 17, 2024 minutes:**

There were no questions.

Checks were signed by Commissioners DuVal and Yates.

**Questions from check signing at the July 17, 2024 meeting:**

**Randy:** What did the engineers come up with?

**A:** Haven't gotten a report back yet.

**Carey:** What is digital voice from DFN? Not happy with the phone/internet bill, it seems too high.

**The engineering price seems way too high, what was it for?**

**A:** It's for the topographical survey and architectural services.

Checks were signed by Commissioners DuVal and Jones.

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Carey Jones, President

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Karen Halstead, Admin. Assistant