

Port of Umpqua

Regular Meeting Minutes
September 18, 2024 at 7 p.m.
Port of Umpqua Annex
1841 Winchester Ave
Reedsport, OR

THESE MINUTES ARE FINAL and APPROVED.

Commissioners Present:

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

Commissioners Not Present:

President Carey Jones

Port Staff Present:

Port Manager Scott Kent
Administrative Assistant Karen Halstead

Public Present:

Online Attendees: Charmaine Vitek & Rhonda Black

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 Vice-President Joe Mulkey.

It is noted that a quorum of Commissioners was present for this meeting.

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:** August 21, 2024 as presented.
- **APPROVAL OF BILLS:** In the amount of \$6,423.74 to be paid from the General Fund.

Commissioner Train made a motion to approve the Consent Agenda as presented, 2nd by Commissioner DuVal. The motion was passed by unanimous vote.

PUBLIC COMMENT:

There was none.

REGULAR BUSINESS:

1. Umpqua River Wharf Survey:

Scott: I met with Walter White, (professional land surveyor with SHN, Coos Bay) at the Umpqua River Wharf site on September 17, 2024 to discuss the question of legal access from the public right of way to the wharf.

The specific questions that were asked:

- 1) Is there a recorded easement that allows for access from the right of way to the wharf
- 2) Does the Port own any property or facility other than the wharf
- 3) If so, mark the boundaries.

Received a proposal this afternoon from SHN, Scott read the proposal to the board. SHN has estimated this proposal on a time and expense basis at approximately \$10,900. This includes the following scope of work.

1. Research, conduct public record research for existing records of surveys and deeds for the subject property and adjacent properties.
2. Research will also include ordering the preliminary title report to determine possible encumbrances for the properties.
3. Download FEMA maps and survey studies.
4. *Boundary survey field work to include:* SHN will conduct a controlled survey to develop a survey control network for the property. The control survey will be based on Oregon State plane coordinate's system.
5. SHN will determine a boundary resolution of the property based on existing conditions.
6. *Topographic field work:* SHN will conduct an unmanned ariel system flight for improved acquisition of the entire property. SHN will not process orthophotography for development of contour information. SHN will provide a limited topographic survey to determine where the above ground structures are located on the subject property.
7. *Mapping:* SHN will prepare an existing condition map of all measured data, including boundary lines, visible structures and roadways. The map will also include current ariel images of the site.
8. SHN will set property corners and file a record of the survey with Douglas County.

SHN will require a 50% detainer for all survey projects.

In summary, to help The Port answer the question of ownership of the driveway and anything else it will cost \$10,900 from SHN.

Joe: Did they itemize any of that cost?

Scott: They did, each item that was read had a cost associated with it.

Joe: He was curious because he felt The Port could get a title search done ourselves.

Scott: It's a matter of interpretation and Scott felt a surveyor would be best to go through all of that data and give The Port his opinion.

Joe: When you talked to the attorney about this what was their feeling, was their opinion that The Port does not have an easement?

Scott: Didn't get into that much detail, when he brought it up to the attorney the first thing they said was to hire a surveyor.

In the past, before Scott's time at The Port, Stuntzner Engineering out of Coos Bay was asked to draft up an easement for access. They did that but it still didn't answer the question of who owns that property.

- **Commissioner DuVal made a motion to retain Walter White, PLS of SHN (Coos Bay, Oregon) to research title reports and perform field work as necessary to answer the question of access and land ownership. Consulting fee to be determined upon receiving the engineering proposal (which Scott received today for \$10,900), 2nd by Commissioner Train. The motion was passed by unanimous vote.**

2. Highway 38 railroad grade separation:

Scott: This topic is the proposed overpass on highway 38 to accommodate the rail traffic underneath it. This is due to the expected 14 trains per day that will be coming through town. Winchester Avenue will be greatly affected because there is no way to create an overpass there.

The City Manager of Reedsport is requesting a letter of support from The Port for the railroad crossing (grade separation) over highway 38. For the record Scott read the proposed letter of support provided by The City.

“The Port of Umpqua is writing to voice our strong support for the Reedsport Grade Separation Project in its application for the FRA's Railroad Crossing Elimination (RCE) program. This project supports the development of the Pacific Coast Intermodal Port (PCIP) project in Coos Bay, Oregon, which has the potential to become a critical import/export gateway significant to our nation's supply chain.

For the City of Reedsport, the proposed rail crossing project will improve access management, access to and response times from emergency services, and stormwater controls in the area. The City and the Port of Coos Bay led to the forward-thinking establishment of a Project Advisory Committee (PAC) composed of local community members, business owners, and tribal representatives. This project team is suited to take the lead in delivering a project supported by - and optimally benefitting - its community”.

Deb: Has gone to a number of meetings discussing this and the only entity aside from the shipping people that this will benefit is Coos Bay. Reedsport is going to suffer, the overpass is going to change the rainwater flow down highway 38, it will decrease the value of some of the housing in the area. A couple of the houses will have a cement wall constructed in their front yard. It's going to be noisy; it will impact on our infrastructure; it's not going to benefit Reedsport at all.

Donna: When the Urban Renewal Board first was established, she was one of the original committee members. The whole reason that board was established was to control the stormwater downtown. In the letter it says “the rail line connects to a class 1 rail system. That railroad was built in 1917, a mile of it goes through her property up Schofield. She is okay with one train going through but not 14-17 trains that are a mile long every day. In the letter template that was provided for The Port to fill in the blanks it mentions “has the potential to return high-quality jobs and revitalize the economy of this region, while also enhancing the nation’s supply chain capacity and national security”.

Donna: The potential for high-quality jobs is for North Bend and Coos Bay, not Reedsport. For national security, what are they going to target? Before anyone at The Port of Umpqua decides on sending a letter of support, she would like to see The Port of Coos Bay come to a Port meeting and show a map showing all of the railroad crossings from the proposed terminal through the Port of Umpqua area. There are at least 4 crossings just up Schofield. What are the people up there going to do? Wait for a mile long train coming through 14-17 times a day to be able to cross? This proposal only fixes one crossing. What happens to the delivery drivers like UPS and FedEx? What will happen to their schedules if they have to wait on all of these trains? The Port represents 750 square miles, it isn’t just the City of Reedsport. What about the train whistles? Every time they go through one of these crossings that is a lot of noise. This letter doesn’t say anything about compensation to Reedsport for the interruptions, the noise or the increased railroad crossings affecting traffic. There is a safety issue with all of these fast-moving trains coming through town. Donna researched railroad de-railings. In some areas there are caustic shipments being hauled. Will anyone be notified of what is being transported? The trains currently going through town are not fast trains. The trains being proposed are fast, double-decker railroad cars. In 2023 the U.S. registered 995 fatalities, and 6,700 non-fatal injuries on the railroads. She is also concerned that these trains will be traveling through wetlands. If there are any of these de-railings it is going to wreck our area.

Randy: He doesn’t understand why The City of Reedsport is trying to promote this. What is their justification for wanting this? He’d prefer a letter stating that The Port of Umpqua is against this.

There was discussion about how this could also affect other areas that aren’t part of The Port’s district and how this could be a safety issue everywhere that the trains run.

Joe: He’s been learning about wetlands and how other areas in the U.S. have managed their wetlands poorly and that has resulted in issues where the wetlands have been hurt. The health of the wetlands in our area is crucial.

Deb: Another issue she has noticed is the Holly Knolls trailer park. There are a lot of people who live there and there is going to only be one entrance/exit due to the proposed overpass.

Joe: He enjoys living in a small town where it’s a quieter way of living but with that said he also doesn’t want to stand in the way of growth. He would like to see surrounding areas grow

as well as Reedsport, but this train system is only going to affect our town and for the most part is not going to benefit Reedsport at all. Donna agreed, she is all for development that will bring in money to the area, but this particular project not only will not bring benefits to Reedsport but will negatively impact some residents whose property values will go down because of it.

Randy: The Port needs to represent the taxpayers of the area; this provides no benefit whatsoever to the area and he felt The Port should send a letter in opposition to this.

- **Commissioner DuVal made a motion to send a letter of opposition for the Highway 38 Railroad Grade Separation, 2nd by Commissioner Train. The motion was passed by unanimous vote.**

REPORTS:

STAFF REPORT:

Scott:

Funds

Checking	308,664
Savings (main)	474,273
Dock Reserve	184,662
Capital Reserve	452,841
Maintenance Reserve	45,490

The Maintenance Reserve fund used to be approximately \$10,000 higher but Scott paid for the work Fred Wahl Marine Construction (FWMC) did on the curb at the Umpqua River Wharf. He paid FWMC out of that fund.

Pacific Dream

Last month we made \$2,226 from poundage at the Pacific Dream site.

Providence Creek Tide Gate

We received notice of our successful application for a grant in the amount of \$160,000 from Business Oregon. We will be pursuing an additional \$40,000 from ODFW for the required matching funds. The purpose of the grant is to fund a preliminary study, fieldwork, and preliminary design work for replacement of the existing tidegate and replacement with a fish-friendly tide gate. The existing gate is failing.

I have emailed our attorney asking for the procedure to hire an engineer due to the high cost of this proposal. We have one in mind, but we need to make sure we follow all the rules and provide an opportunity for other engineers to submit a proposal for review.

Wharf Curb Repair

Repairs to a portion of the existing wood curb have been completed by FWMC at the Reedsport wharf. Their bid was \$14,000 but the final invoice was \$10,700. I inspected the

work and found it satisfactory. The invoice was paid with a cashier's check from Umpqua Bank drawing money from the Maintenance Reserve Fund. Scott mentioned that The Port had received 2 bids. One came in at \$33,000 so it was good that FWMC submitted a such a lower bid.

Audit

Signe Grimstad is performing a municipal audit of the Port's financial records. She will be on-site Thursday September 19th. I have gathered the files she requested. These are usually full day events.

Phone Conversation with Ray Bucheger

I contacted Ray Bucheger of FBB Federal Relations regarding dredging next summer. He explained to me that the President's budget always undercuts funding for the Army Corps of Engineers, but congress regularly increases the budget amount. Ray is one of the primary lobbyists, in addition to PNWA who pushes for dredge funding on the Oregon Coast.

Salmon Harbor

I attended a planning meeting with Salmon Harbor on August 20, 2024. The purpose of the meeting was to review proposed architectural drawings of improvements and changes to the harbor as part of their strategic plan. Two options were presented by the architect, HGE. There will be another planning meeting in October (date and time to be determined). The Commissioners asked Scott to inform them when the next meeting is scheduled so they can all attend.

Scott contacted Jim Zimmer, Salmon Harbor Master for an update of what has been happening there since the last meeting, the following was his report.

Salmon Harbor Dredging Project

- **Schedule:** The dredging is set to begin between September 25th and October 5th, weather permitting. Once started, it's expected to take about a week and a half to two weeks. The east basin launch ramp will be closed during the project, and maneuverability in the harbor will be limited. This dredging will happen at the end of "A" Dock and near where the commercial dock is located.
- **Scope:** They will be removing approximately 8,500 cubic yards of sediment from the east basin, including the Coast Guard moorings and about 300 feet of the west half of "A" Dock.
- **Equipment:**
 - **DB Morty** – A derrick barge with a 12-cubic-yard crane bucket.
 - **Scow KS-10** – A dump scow with a capacity of 3,000 cubic yards.

- **Assist Boat Becky T** – 50' x 19' x 7' assist tug.
- **Survey 4** – 25' x 9' survey boat for monitoring and quality control (already on-site).
- **Pacific Gemini** – 73' x 24' tow tug.
- **Logistics:**
 - The survey boat is already on-site, and the dredge will arrive next week. Since Salmon Harbor doesn't have space for something of that size, it will be moored at the upriver port dock.
 - The assist tug will return to Humboldt Bay to retrieve the scow. Once the scow arrives, the dredge will be brought down to the marina to start the project.
- **Disposal:** Dredged material will be disposed of offshore according to environmental regulations.
- **Costs:**
 - **Salmon Harbor:** \$45,000 for mobilization and \$150,000 to remove 3,500 cubic yards.
 - **Coast Guard:** \$947,000 for mobilization to remove 5,000 cubic yards.

Salmon Harbor Master Plan

- The long-term master plan is still in development, with Healthy Sustainable Solutions as the consultant.
- The third Technical Advisory Committee (TAC) meeting took place on August 20th to review conceptual designs. The next meeting is scheduled for the second week of October, and we expect the final product by November, by final product he means final architectural drawings from HGE.

Abandoned and Derelict Vessels (ADVs)

- Salmon Harbor currently has five abandoned and derelict vessels (ADVs) in the harbor, with an estimated disposal cost of \$100,000.
- The Oregon Department of State Lands (DSL) convened an ADV Workgroup from September 2023 to April 2024 to develop a statewide program addressing the issue. They are hoping for funding assistance from this new program, but it's still in development.

Reedsport Shipyard (This is the downtown location vs. Bolin Island)

At our previous meeting Fred Wahl of FWMC suggested that the port “forced” him to pay off the remaining balance of the sale agreement. However, Karen found in the manager report during the Port meeting on June 15, 2011, that Fred Wahl had called and asked to pay off the loan in the amount of \$191,903.

Fred Wahl paid off the loan to the Port on the Marine Ways, principal payment \$195,570.85 and interest at \$41.53 per day for \$290.68; total payment was \$195,861.53. By paying this loan off early Fred saved \$31,124 in interest which of course, the Port did not collect. The funds were deposited directly into the Capital Reserve fund, as the 2011-12 budget was approved to accept directly deposited funds from the payments on the property. In summary, The Port did not force Fred Wahl to pay this off early, it was his decision.

Sign at Wharf

I would like to post a sign at the Reedsport Wharf limiting the types of vehicles that can access it. Our engineer calculated that 80,000 lb. tractor trailers should not go on the dock.

Sale of Wharf

At the last meeting Scott was asked by the Board to give a history of the sale of the Umpqua River Wharf.

There was discussion by the board with Fred Wahl to sell the Reedsport Wharf on 6/16/2021 and 2/15/17. The board declined to sell. The topic of access was talked about, too. The offered price from Fred was \$150,000. Keep in mind that we have \$450,000 for maintenance that needs to be done according to our engineer after his inspection; we do not have the resources for this project. The access issue has been around for a long time.

11/18/20 - Charmaine provided a spreadsheet that showed the moorage The Port has received from Fred over the years for using the dock. It was noted that the moorage received has significantly decreased since Fred moved his boat yard over to Bolin Island. During the discussion at this previous Port meeting, Keith and Deanna agreed that for the time being they would prefer not to sell the dock. Lee stated he felt it was a liability, and an asset that The Port could not utilize.

Charmaine pointed out that in the past The Port has tried to find out if there are any easements through Fred’s property to access the Umpqua River Dock. Several people including Port legal counsel, Douglas County and Jessica Terra from The City have investigated this, no one has been able to find an easement. Deanna suggested that Charmaine contact the planning person at The City, Hailey Sheldon who has been very successful locating hard to find easements for the city, but she was unable to find one for The Port. Hopefully our surveyor can get us a definitive answer.

01/20/2016: Charmaine inquired to the state if we can indeed sell the wharf, they said that we could sell. The question was does FWMC still want that dock. There was difficulty in determining a fair price for the dock. It looks like we have insurance coverage for the dock in

excess of its value, but not its replacement value. There was concern that the Port did not have overland access to the wharf.

3/30/16: Letter from the US Department of Commerce sent the port a letter indicating that it is permissible to sell the wharf. There is no contractual requirement otherwise.

7/21/21: Keith was surprised that this technicality would get past Dave Anderson, previous Port Counsel. The Port's current Legal Counsel, John Wolfe, discovered that on the warrant deed there is in fact wording that says, "*excluding the lands under the dock*" which is standard for DSL, they own the land underneath, and we pay a lease for that to have the dock above. Scott has determined that the assessor map incorrectly displays the actual footprint for the Wharf. This has been fixed by DSL when they physically measured the Wharf. The assessor map has not been updated. DSL was out there fairly recently measuring the Wharf.

7/21/21(cont.): Keith gave a brief history of the Umpqua River Dock to bring the new commissioners up to date. There have been several discussions with Fred Wahl about his interest in buying the dock. The Port has approached Fred and vice versa about this. Now there is some interest from Fred again in buying the dock. In previous discussions it was decided that The Port would hold on to the dock. There was one problem, no one was able to find an easement to the dock. When the dock was built, The Port owned the Shipyard and therefore an easement wasn't a problem because The Port owned the entire property. Fred started leasing the Shipyard with a lease to buy option. He eventually did buy the Shipyard, and it appears that in the sale process The Port may no longer have an easement to the dock.

In summary, The Wharf purchase by Fred Wahl has been a topic of discussion for many years with the board always backing out.

Computers and Copy Machine

We will be working this month with Shannon Sheets, our IT specialist, to look into upgrading our computers and copy machine. I hope to have some prices for next month's meeting. Computers are becoming a problem with frequent crashes and slow responses.

Sink Holes Adjacent to Driveway to Wharf

There are two sink holes on either side of the driveway to the wharf. I recommend that we wait for the surveyor to determine the extent of our property and therefore our liability for the holes before designing a repair. The repair will not require a permit unless we find structural damage to the sheet pile wall. Scott looked underneath and he didn't expect there to be damage.

Wind Energy

The leasing process for the two offshore lease areas will be bid on or around October 15, 2024. I will keep you informed of the outcome.

S.T.E.P. Deb Yates:

The fish are coming into the trap so S.T.E.P. will be doing the first trapping tomorrow and take the fish over to the raceway.

S.T.E.P. is in the process of installing a security system that was paid for in donations from The Tribe. Should have the fencing in by the end of November.

Had the most successful Salmon Derby ever but they made so much they will now have to pay taxes on what they earned because it's over \$10,000. This year they were able to use card readers for credit/debit cards. It worked really well. They were also able to take donations on their website but unfortunately scammers showed up and Deb has had to work for quite a while with Umpqua Bank to get things cleared up.

On September 25th the smolts are coming back from Elk River Hatchery. S.T.E.P. originally gave them 105,000 eggs and are only getting 60,000 smolts back. O.D.F.W. has decided that the entire process is going to be done in one day, which in the past has not been successful because it really stresses the fish.

Joe: Suggested that Deb talk to the Commissioners at O.D.F.W. He knows some of them and he was pretty sure if they were made aware of the problems, they would act so S.T.E.P. wouldn't have to do these types of projects that O.D.F.W. says they do when there hasn't been a good outcome in the past. He stated that the Commissioners at O.D.F.W. really do care about the fish and if they were made aware he felt things would change.

COMMISSIONERS:

Deb: Regarding the wind bidding process. Deb asked Deanna if the person wanting to purchase the property had been successful? Deanna didn't say yes or no but she did say that somebody has taken a four-year lease on the IP Property. It looks like this may be part of that bidding process.

Asked when is the SDAO training in Florence?

Karen: September 26th at Driftwood Shores. Training is starting at 9:00 a.m., you can check in as early as 8:30 a.m.

Donna: She has visited a couple of the new businesses in town just to welcome them. She let them know she was with The Port of Umpqua. They didn't know what The Port was, so she talked with them about it. One business, The Wooden Indian has a really nice lady owner and she has a beautiful shop. The other business is Big Foot Subs. Donna said the food was delicious. It is a nice family operation. Donna plans on visiting other new businesses to welcome them from The Port.

Randy: He went on a dock tour in Charleston recently and he talked with some of the ladies that were presenting it from Oregon Sea Grant. They were very familiar with the Wind Energy projects and they are opposed to it too. They mentioned that the technology for these wind turbines has not even been created, they are going to create as they move forward. Randy is glad that The Port of Umpqua opposes it as well.

Donna: Knew that the area down there is putting it on the ballot so the citizens can vote on it.

The meeting was adjourned at 8:01 p.m.

The next Port of Umpqua Regular Meeting will be held October 16, 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:**

8/30/24:

Commissioner questions from check signing at end of the month to be included in the September 18, 2024 minutes:

There were no questions.

Checks were signed by Commissioners Yates and DuVal.

Questions from check signing at the September 18, 2024 meeting:

There were no questions.

Checks were signed by Commissioners DuVal and Train.

Carey Jones, President

Karen Halstead, Admin. Assistant