

Port of Umpqua

Regular Meeting Minutes
December 18, 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
Secretary Donna Train
Treasurer Randy DuVal
Assistant Secretary Deborah Yates

Commissioners Not Present:

Vice President Joe Mulkey

Port Staff Present:

Port Manager Scott Kent
Senior Administrative Assistant Karen Halstead

Public Present: Keith Tymchuk & William Cutshall (Reedsport Interim Police Chief)

Online Attendees: Rhonda Black (USWCD)

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.

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:** November 20, 2024 as presented.
- **APPROVAL OF BILLS:** In the amount of \$4,886.07 to be paid from the General Fund.

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

PUBLIC COMMENT:

Keith Tymchuk: Was there to provide an update on the potential Douglas Point Golf Course (DPGC) project. The status is where it has been for a while. There is an option to purchase that has not yet been done so they renewed the option to purchase 700+ acres. The Forest Service has 26 acres that are located in the middle of the land they are looking to buy. DPGC is considering either purchasing, leasing or doing a land swap with the Forest Service since these 26 acres are in the middle of the property for the golf course. It is difficult to exchange land with the Forest Service due to government regulations and there are on-going discussions on how to get around this. Some of the principals of the project want something to be done about the Forest Service land before they commit to buy. Representatives from Val Hoyle and Senator Ron Wyden's office(s) and DSL have all been out there. The Golf Course Group are trying to reach out to all parties who have some jurisdiction out there which includes the Tribes. They reached out to the local Tribes in hopes of addressing any concerns the Tribe has. The initial meeting with the Tribes seemed to go very well but after that meeting, the Forest Service met with the Tribe. It appears there was some kind of mis-communication or a misunderstanding that resulted from that meeting because after the meeting between the Forest Service and the Tribes, the Tribe sent the DPGC group a letter stating they are not in favor of this project at this time. The DPGC group are working to resolve any and all concerns the Tribe may have.

Carey: Is the group working on this project still upbeat about it happening?

Keith: Yes, they are. All of the financial backing is still in place; this is a significant project financially. They have a lobbyist in Washington D.C. who is very positive about the project and as of right now all of the money backing remains in place. The principals are asking The City, The School District and other local groups for a letter of support for the golf course project; the economic benefits are going to create jobs and there will be a huge amount in the tax base. Keith asked The Port if they would provide a letter of support.

Bill Cutshall (Interim Reedsport Police Chief):

Introduced himself and said he is currently acting as the Interim Police Chief and has been for about 6 months. He gave a history of his past positions at other police departments. He said came on an invitation to the meeting so the Commissioners would know who he is and said he would like to offer The Port any support they may want.

Deb: Asked Bill to tell the Commission about his community policing academy and what he is hoping to accomplish.

Bill: In the early 2000's he met a police chief who taught Bill quite a lot about "community policing". His theory is straightforward, he feels he works for the community and his goal is to address any problems there may be. The only way to know about those problems is for the community to trust him. The only way the community can learn to trust him is to get to know him. In the past while he was a police chief in Kansas, he had a program called "The Chief Walking the Beat" which was documented on Facebook and YouTube. It followed him as he was out doing his job. This was a way for people to recognize him if they encountered him. Another program he did was "Shop with a Cop" at Christmas where they would take kids out to do Christmas shopping. His goal is to make a difference in his line of work.

Deb (speaking as a citizen): A long time ago there was an active organization called the “Lower Umpqua Economic Development Forum” (LUEDF), which has since gone dormant. Sheri Aasen and Deb are working together to bring this organization back to life. Deb is thinking about putting up a survey online where citizens can let LUEDF know what they would like to see done in our town. She doesn’t think there currently are any places in town where businesses can be discussed and what local businesspeople are doing. LUEDF will discuss business stuff on their web page and there will be a survey available for anyone to anonymously fill out and submit their thoughts. Every month at the City Council Meeting, Deb will present her discoveries from these responses from the surveys submitted. The survey or the webpage has not yet been created.

REGULAR BUSINESS:

1. Audit report

Signe Grimstad (via phone): It was noted that the Commissioners had been provided with a copy of the audit report.

It was a quiet year, there were no new standards adopted this year which helped make her job easier.

Page 1: This page has grown a bit over the last few years. The opinion is at the top of this page, and Signe said it reflected a clean opinion. This page also explains the procedures the auditors used and what they are reporting on.

Page I: Is the Management Discussion: This page compares the current year with the previous year. It shows the 2024 assets and liabilities compared to 2023 with a variance. In 2024 there was about a \$108,000 increase, there were no additions to capital assets just depreciations of about \$58,000.

Liabilities, which are what are due for the current year, are at \$26,800 in 2024 compared to \$18,000 in 2023 putting the liabilities up by \$8,600.

The net position as a result of assets less liabilities went down, what has gone up are the unrestricted from \$1.6 million compared to \$1.5 million in 2023 for an increase of \$77,000. This is a very healthy position. Unrestricted funds are resources available for the board to spend or be able to take advantage of for future opportunities without any restrictions.

Comparing profits from 2024 to 2023 are down which is mainly a reflection of poundage revenue. Leases and rentals were down just a little and property taxes were up. There was some grant revenue that came in, \$38,800 in 2024 compared to \$16,500 in 2023. Interest earnings income is up.

There was no other income or expense activity such as sales of assets or miscellaneous income so the revenue in 2024 is \$384,500 compared to \$397,500 in 2023.

Charges for services were up a bit, about \$3,000 and depreciation and amortization are going on and increased by \$2,800.

Overall, the change in net position (or profit) was \$30,800 in 2024 compared to \$46,600 in 2023.

Page III: The Port shows they are debt free. Some budgetary highlights showed all expenditures were all within the appropriations.

Signe said Scott did a really nice job providing information for the Economic Outlook portion of the audit. She highly recommended the Commissioners review his comments as they're definitely worth reading.

Page 3: Is the Balance Sheet showing in detail what was discussed earlier.

Page 4: Shows a little more detail about income and expenses, broken out between operations and the operating expenses.

Page 5: This page reflects the actual increase in The Port's bank account, this year cash increased by \$15,125.

Page 6: Shows the notes that support all the numbers and there is nothing new shown in this narration. This narration is required.

Page 10: This page reflects the receivables in detail.

Page(s) 11 and 12: Discusses the leases including the lease payable with the State of Oregon and the lease receivable with the tenants and other leases.

Page 13: Is for subsequent events that would have happened after the year end, of which none were noted.

Page(s) 15 and 16: Shows the budget to actual comparisons. These were all clean with no overages to bring up.

The last 2 pages represent the Oregon Minimum Standards, a requirement to bring up any exceptions to the bullet points reflected on page 20. There were no exceptions there to report.

Page 21: Internal controls, the types of deficiencies or material deficiencies that may be significant would be commented on here. There was nothing in a deficiency that was noted, this was a very clean report for the Oregon Minimum Standards.

Questions:

Carey: Asked Signe if she were to grade this audit, what would that letter grade be?

Signe: This report is a good solid A. There was a bit of a loss but that was mainly depreciation coming through. The economic outlook reflects that The Port is looking toward the future. It shows that The Port is actively looking for economic development opportunities and there are sufficient funds to proceed if an opportunity arises. It is good to see the energy.

Donna: Before the vote she wanted to thank Scott and Karen for the hard work they put in to making a report like this possible.

- **Commissioner Yates made a motion to receive Fiscal Year 2023-2024 Audit prepared by Grimstad & Associates, 2nd by Commissioner DuVal. The motion was passed by a unanimous vote.**

2. Service Contract with Prior Engineering LLC (Engineer)

Carey: Before moving forward with this conversation, Carey wanted to talk through the project a bit more. In talking with Scott, he found out there needs to be a wetland delineation. Carey contacted someone from the State of Oregon and the conversation didn't set well with him. There needs to be a Geotech evaluation as well. It seems like others say they will help The Port and get involved yet they aren't going to give The Port any funding until The Port pays for everything up front and then if other resources can get the money, they will reimburse The Port. This is \$400,000 worth of work for a private individual who may be planning to turn around and sell the property. Carey asked Scott why The Port needs to pay for the wetland delineation and the Geotech evaluation and the answer was that there are no engineers who would take on this project without it.

Deb: Cannot see how The Port is responsible for this tidegate.

Carey: That was what Carey wanted to discuss. 78 years ago, the Port of Umpqua Board of Commissioners decided to take it over for some reason. Times are different now and he doesn't understand why the funding and work should be done by The Port.

Randy: If The Port is responsible for this particular tidegate, how about all of the others within the district? What is The Port's liability? Dean Creek, Schofield and other areas have flooding problems and need help too.

Carey: At a local event recently, there were 3 different people who approached him asking about getting their tidegates taken care of. They were all legitimate complaints and needs. Speaking on his behalf only, he suggested to these people that they attend a Port meeting and listen to the questions the Commissioners are asking, and they may get some answers. There is no documented proof that The Port is responsible because of previous year's flooding.

Deb: Once The Port sets the precedent then others will come in asking.

Carey: Dave Peck replaced his tidegate and he didn't get any help from The Port. The Soil & Water Conservation District along with the Water District helped him. Same situation with Glover, he didn't get help from The Port. Rhonda Black did a good job for him and Carey feels that is where tidegates need to be helped from.

He has talked to the Chairman and the Maintenance Supervisor at the Golf Course, Joe Z. and Rick Miska, and they never come to The Port and ask for help controlling flooding on the golf course. They had to close the golf course down recently due to flooding.

Carey does not feel The Port should take responsibility for the tidegates at all.

Donna: Does The County take responsibility for any of the tidegates?

A: No.

Donna said she felt it should be the responsibility of the landowners.

Carey had problems with tidegates on his property and he didn't ask for any help, as did the rancher with property next to him. There are other organizations who are willing to help and somehow The Port got pulled in to be involved.

There are other projects that The Port is planning to use it's funding for.

Donna: Is there any paperwork that states that The Port is responsible for that tidegate?

Carey: He wasn't aware of anything.

- **Commissioner Yates made a motion (due to a lack of historical proof that The Port of Umpqua is responsible for any tidegates on ranch property), to move that The Port of Umpqua cease and desist in any future tidegate installation or repair, 2nd by Commissioner DuVal. The motion was passed by a unanimous vote.**

Scott stated after the motion that he would have to see what the repercussions will be with the grant award, but The Port has not spent any of that money. There will be some consultant fees that will need to be paid but those are nominal, The Port has the money to cover those. If anyone contacts Scott about tidegates the Commissioners gave him direction to refer them to Rhonda Black at the USWCD who has handled other tidegates in the area.

Randy: The landowners need to form their own drainage district if they are serious about having tidegates replaced. That is what drainage districts are for, to handle these types of situations.

REPORTS:

STAFF REPORT:

Karen:

Meeting Packets:

Currently, I am printing hard copies for 4 out of 5 Commissioners. Do the Commissioners want to eliminate the electronic copies? I have no problem sending an electronic copy to

anyone that prefers the packet that way. It was decided to eliminate sending electronic copies out to everyone and Karen will notify them when the hard copies are ready.

OGEC Public Meeting Law Training:

This year the OGEC made changes to the Public Meeting Laws. ORS 192.700 states that all board members need to attend training on Public Meeting Laws at least once during their term(s). I contacted OGEC about having someone come provide training to the board in person or the board can attend a webinar training via Zoom. OGEC has offered to send someone or provide a webinar on May 21, 2025 at 1:00 p.m. This is also the date for the May 2025 meeting, so the board may want to start the Regular meeting earlier on that day.

The other option is for each individual Commissioner to go onto the OGEC website and sign up for a webinar. This particular training covers the new laws on public meetings and gives an overview of Executive Sessions. There is an additional training course that specifically goes into detail on Executive Sessions. I feel would be this course would be very beneficial to everyone, but it is not required.

Carey: Asked if he takes the training once, will that be valid for the requirement at other boards he is on?

Karen: You only have to take it one time and it will be valid for all the other boards you may be on. I will confirm this with the OGEC.

May 21, 2025 will not work for the entire board. Karen will work with OGEC to find another date that works for everyone and schedule a webinar that everyone can attend in the Port Annex.

Donna: There can be fines from OGEC if you do not take the training. It is required.

Karen: Reminded the Commissioners that the microphone for the meetings is calibrated to the room and will pick up on any side conversations that may be happening during the main discussion. This is a problem when transcribing the meeting minutes because the mic doesn't focus on the main conversation and discussion gets missed.

Port Manager Report:

Scott:

Funds

Checking	\$441,900
Savings main	\$477,000
Dock Reserve	\$188,000
Capital Reserve	\$457,000
Maintenance Reserve	\$46,000

Pacific Dream

We made \$2,014 from poundage at the Pacific Dream site last month.

Salmon Harbor (Report via email from Jim Zimmer)

They've got a new kayak launch at Dock 9 (SH crab dock), courtesy of the Oregon Coast Visitors Association.

They've completed dredging work on the westernmost 175' of A-dock, getting it to a depth of 12-15 feet. While we were shooting for a consistent 15', we couldn't quite reach that across the entire area due to it being below design depth. The remainder of A-dock will have to wait for another round of dredging with smaller equipment.

The Technical Advisory Committee (TAC) is set to do the final review of the draft master plan on November 20th. We'll update the plan based on their input and expect to have it posted online around December or January.

There are six derelict vessels in the harbor with disposal costs estimated at roughly \$120,000. A new program through the Department of State Lands is in development, but it's still about 1.5 years out. In the meantime, I'll try to sell a couple of the vessels (though I'm not too optimistic), demolish the worst ones, and hold onto some to see if the new program can help.

For dock updates, we're planning to rebuild the 80' fingers and main dock at Dock 3 for short-term (2-hour) transient recreational boater use, along with putting in new beams on the approach. At Dock 1, we'll be rebuilding all whalers and fingers and installing new bumpers.

We're planning to reline the fuel tank this winter/spring, which will mean a short closure of the fuel dock. We'll try to make it as quick and painless as possible.

The Port of Umpqua wrote a letter of support for repairing the west basin launch ramp docks and Scott did let them know about the faulty bumpers Donna mentioned at the last meeting.

Emergency Operations Group

While at the emergency operations group meeting, we received a tsunami warning. The meeting was adjourned. We closed the office for the duration of the warning.

Office Equipment Upgrades

We have retained Shannon Sheets to assist us with the upgrade of two computers and the copy machine. She will be drafting a proposal which I will bring to the board for review at a later date. Have not received her proposal yet. The proposal should be completed by mid-January 2025.

Reedsport Wharf

Commissioner Jones and I met with our surveyors from SHN Engineering and an attorney, Mr. Gould, in Coos Bay to discuss the issue of legal access to the wharf. The surveyor will perform a historical title search to see how the present situation happened and will get back to us with the results. Currently, it looks like we have access to the wharf on the north side of the existing gravel driveway. There is also property to the south of the wharf that will be investigated.

Real Estate Loan

I contacted Umpqua Bank regarding a real estate loan. The interest rate varies from 4% to 18% percent depending on various factors. To lock in a rate, they need to have more information about the property we are interested in purchasing. I also contacted Ag West Farm Credit, as recommended by Joe Mulkey, but they do not make the type of loans we need.

Storage Building

I contacted Keizer Steel Buildings regarding kits for storage buildings but have not heard back. Scott has 3 phone calls into them, hasn't heard back yet.

S.T.E.P. Deb Yates:

S.T.E.P. spawned the few broods stock they had over 3 days. The last morning there were 5 females, 3 males, and 2 Jacks left. 2 of the S.T.E.P. guys went to the raceway, and they found 4 salmon carcass skins lying at the bottom. There have been otters getting in there and they got all but 1 female, 1 male and 2 Jacks.

S.T.E.P. sent 48,000 eggs to Elk River. Elk River somehow killed all of the smolts this year which meant they lost 68,000.

There are about 30,000 at the S.T.E.P. hatchery and they will be held until they are pre-smolts and then they'll be released. The plan is to take these pre-smolts farther up Winchester Creek with no net pens and see how that works. These fish will be marked by fin clipping.

Got the security fence in around the rearing ponds and have some of the security cameras installed.

For the future of the hatchery S.T.E.P. will have to get associated with one of the Tribes to mediate between S.T.E.P. and ODFW. Coquille Tribe has established a different S.T.E.P. hatchery on the Millicoma and it's going well.

COMMISSIONERS:

Carey: He talked with Jim Zimmer, and he said Salmon Harbor is going to replace the entire dock at the launch that Donna had brought up concerns about.

Donna: She printed out copies of a report about ODFW's decision to end the 64-year Hatchery program on the North Umpqua River. She asked Scott if he attended the meeting on December 5 at the MAC in Winchester Bay. He did not, he didn't know anything about it, nor did anyone else know about this meeting.

Donna said the information in this report is very scary about what ODFW is planning to do to our rivers.

It is upsetting that ODFW doesn't notify the public about their meetings which are only available to the public online. ODFW just wants to close the hatcheries down. It isn't right that ODFW received money to rebuild a hatchery that burned down, and they aren't planning on rebuilding.

Donna gave Karen a copy of the document to make copies for the Commissioners.

Carey: He wanted to confirm that the other Commissioners are on board with his plans for The Port to purchase property so The Port can help stabilize the railroad project in this area. He talked to one of the members of the railroad project at the Port of Coos Bay and told them the railroad tracks are going through our town, and The Port would like to be involved. To move forward he wants to be sure everyone else is on board buying more property.

Carey asked for a consensus from the other board members, and everyone confirmed they agreed with Carey's ideas.

Carey: Last month Commissioner Mulkey said he knew that the Ossian had off-loaded product across the dock in Winchester Bay, but PDS wasn't billed for it. Karen was asked to look into this since it was poundage going over the dock. Karen reported that the Ossian had in fact off-loaded products twice, but it wasn't in that particular billing cycle. It will be billed for in this current billing cycle.

Randy: He thought The Port was going to fix the gate at the Umpqua River Wharf. The Port held off until the completion of the survey to make sure we owned it. The surveyors confirmed that the gate is on Port property and Randy would like to see those gates fixed.

Scott: The Port is not yet positive we own that property, that is what the current survey is for. They are doing a historical title search to see how this situation got started and to make sure The Port owns what we think we own.

Randy: There is still a motor home parked on the dock; The Port needs to come up with a policy that prevents people from being able to do that. He knows the motorhome belongs to the engineer of the boat moored there but he doesn't think he should be allowed to keep it on our dock.

The meeting was adjourned at 8:34 pm

The next Port of Umpqua Regular Meeting will be held January 15, 2025 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 while signing checks at the end of the month:

Commissioner questions while signing checks at the X 2024 meeting:

Carey Jones, President
Assistant

Karen Halstead, Senior Admin.