

Port of Umpqua

Regular Meeting Minutes
March 19, 2025 at 7 p.m.
Port of Umpqua Annex
1841 Winchester Ave
Reedsport, OR

THESE MINUTES ARE FINAL and APPROVED.

Commissioners Present:

President Carey Jones (via online)
Vice President Joe Mulkey
Secretary Donna Train
Treasurer Randy DuVal
Assistant Secretary Deborah Yates (Arrived at 7:06)

Port Staff Present:

Port Manager Scott Kent
Senior Administrative Assistant Karen Halstead

Public Present: Courtney Halstead (SCDC)

Online Attendees: Carey Jones & 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 Vice President Joe Mulkey.

PLEDGE OF ALLEGIANCE

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

- **APPROVAL OF AGENDA:** Scott requested to amend the agenda and add Item #4 – Assessor Proposal for Downtown Properties.
- **APPROVAL OF MINUTES:** February 19, 2025 as presented.
- **APPROVAL OF BILLS:** In the amount of \$10,612.07 to be paid from the General Fund.

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

PUBLIC COMMENT:

There was none.

REGULAR BUSINESS:

1. Presentation by SCDC for Membership Request – Courtney Halstead (SCDC, Inc.):

Courtney is the Economic Development Technician and Operations Manager for SCDC. February 10, 2025 SCDC celebrated 25 years serving the Southern Oregon Coast. SCDC is a 501c3 non-profit organization who receives most of their funding from general membership fees and private grants and they receive a smaller portion of their funding from State and Federal grants.

The City of Reedsport is one of the original founding members along with the Coos County Government. The Port of Umpqua has been a supporting member since 2018. Scott currently serves on the board of directors. Courtney referred to a letter that had been provided in the Commissioner's meeting packets from Lexie Woodward, SCDC's Executive Director. This letter gave a brief history of the organization and highlighted some of the new services that they have implemented since January 2024, as well as discussing some long-standing services that SCDC provides to its membership and the Southern Oregon Coast.

Recently CCD Business Development relinquished managing the local Enterprise Zones. This is a big tax incentive for new businesses. SCDC stepped up and agreed to manage the Lower Umpqua Enterprise Zone and 2 additional zones within Coos County. This was made possible by receiving a major grant from the Bandon Dunes Charitable Foundation and the Ford Family Foundation. With this funding SCDC hired LeMar Hoy as their Economic Development Manager. LeMar has a lot of experience in Economic Development and fortunately also has experience in Enterprise Zones, so he has hit the ground running and is doing a wonderful job.

Courtney and Tonya, SCDC's Entrepreneurship Program Manager, have started to facilitate a program called "CO.STARTERS" which is a nationally recognized program for small businesses or people who have business ideas they want to pursue. The program is a 10-week course covering every aspect of starting and running a business. The idea is to take a business from the beginning idea of it to actually launching the business. The first program was held last fall, and the newest course started March 1st and is being held at the Highwater Offices in Reedsport every Saturday for 10 weeks. This class is at full capacity which is good to see this much interest in the Reedsport area.

Joe: When you hold these 10-week courses how many of the people in those classes go on to have successful businesses?

Courtney: Nationally it about 65%, locally everyone who attended the first course last fall has continued to make progress taking the necessary steps to continue their businesses or to make the new businesses grow. In this current course 7 out of the 10 businesses are actively in business. There are 3 who are in the concept stage of a business.

Joe: What has The Port contributed to SCDC in the past?

Scott: Last year there was a changeover with SCDC's Executive Director and The Port was cautious on the donation and only gave \$500. Before that, The Port were Bronze members at \$2,500.

Carey: What does The Port get for their membership?

Scott: From The Port's perspective, he sits on the board of directors. It also is the funding that helps them to continue to operate.

Courtney: Added that by being a Bronze Member it helps make it possible for SCDC to continue to manage the Lower Umpqua Enterprise Zone. The Port is also included in their marketing materials by highlighting the office spaces that The Port has available.

Joe: Who are the businesses that SCDC specifically has helped in our local enterprise zones?

Courtney: American Bridge was one of their projects. Fred Wahl's expansion and relocation to Bolin Island. In the past they have helped the Hospital District. The School District is a founding member of SCDC, and GrayGuns is a current participant in the enterprise zone. SCDC has done extensive work on the old I.P. Property and were involved in connecting the energy company that just bought it. They had hoped to do on-shore energy but with the Bowen lease going to the side they are now looking at potentially getting involved in some kind of solar energy.

Deb: Did the energy company buy the I.P. Property or did they lease it?

Courtney: It's her understanding that they bought that property. She said Deb could look at the county tax records to find out who currently owns the property.

Donna: When American Bridge came to town it was a real shock when they left, and it appeared to be just about the time they were going to have to pay taxes. By giving tax breaks for 10 years, how can you ensure people won't just stay while they get the tax break and then leave when the time comes that they'll have to start paying taxes?

Courtney: She will talk to LeMar who knows more about the enterprise zone details and find out what the specific parameters are around those zones, and if there is a recourse if a business only stays for the amount of time they get those tax breaks. After she talks with LeMar she'll pass along that information to Scott to share with the board.

The Commissioners came to a consensus that they didn't want to go above Bronze membership.

- **Commissioner DuVal made a motion to approve support at the Bronze level, 2nd by Commissioner Train. The motion was passed unanimously.**

2. Wall construction between Schofield and Umpqua suites

Scott: At this time, there is a privacy wall built full height between the Umpqua and Smith suites but not one between the Schofield and Umpqua suites so if you're in an office you can hear what is going on in another office. We recently had interest from an attorney who was looking to lease some space and this concern came up. If we were to build a pony wall between the suites it would eliminate sounds crossing into other offices and would work like a fire-break.

- **Commissioner Yates made a motion to construct a pony wall between the Schofield and Umpqua suites to provide privacy and a fire block, 2nd by Commissioner DuVal. The motion was passed unanimously.**

3. Fencing at Tyree

Scott: Between Northwest Landscape Maintenance (NWLM) and our Tyree property some of the NWLM folks are parking on our Tyree property. Commissioner DuVal thought it would be a good idea to build a fence between the two properties. A motion on this would mean Scott would go out for bids to construct the fence.

Joe: Should we ask NWLM to pitch in on the costs since this is a property line fence?

Randy: You can do it either way. They may request a gate, and we don't really need a gate.

Carey: Have you checked with Tyree to make sure that the placement of the fence will still allow plenty of room for their trucks and trailers to make turns in there?

Randy: There is plenty of room.

Scott: Will get with Tyree just to be sure.

Scott provided a map of the property in the meeting packets; he and Randy will go out and put in some stakes marking the property lines.

- **Commissioner DuVal made a motion to approve fencing located between Northwest Landscape and Tyree, 2nd by Commissioner Train, stating there is no need for a gate. The motion was passed unanimously.**

4. **NEW:** Assessor proposal downtown properties

Scott: (A map was provided in the business item information): There are two properties that The Port is looking at located on both sides of the railroad tracks. The map was shaded to show the actual properties lines. The first step is to have an appraisal done to help The Port determine if they wanted to make an offer on those properties. Scott contacted 2 assessors; one only did residential construction. Christ Fromme does commercial appraisals and his fee for the assessment of those 2 properties would be \$2,500.

Randy: It's not uncommon for the seller to pay a portion of an appraisal, at least half. If The Port gets this property surveyed the seller gets a free survey on his property. If he's not willing to pay half Randy feels The Port should not pursue the property.

Scott is going to reach out to Jeff Unger and see if he is willing to split the cost of an appraisal of the properties with The Port.

- **Commissioner Yates made a motion to approve the proposal by Chris Fromme, Appraiser, to evaluate MAP 21-12-35CD TL's 9700 and 9800 in the amount of \$2,500 IF Jeff Unger agrees to pay half of the cost, 2nd by Commissioner DuVal. The motion was passed unanimously.**

After the vote Donna said it's her understanding that wetlands cannot be filled in.

Joe: It's his understanding if you want to fill in wetlands you then have to make improvements to another wetland property.

REPORTS:

STAFF REPORT:

Scott Manager's Report:

Funds

Checking	\$446,700
Savings (main)	\$479,170
Dock Reserve	\$193,560
Capital Reserve	\$462,900
Maintenance Reserve	\$45,960

Pacific Dream

We made \$2,040 from poundage at the Pacific Dream site.

Salmon Harbor

No report

Office Equipment Upgrades

We have retained Shannon Sheets to assist us with the upgrade of two computers and a copy machine. She will be drafting a proposal which I will bring to the board for review at a later date. My plan is to wait until the next budget cycle to invest in new equipment.

HVAC

An HVAC technician performed annual maintenance on our heat pumps. There is additional maintenance that needs to be performed but we need to wait for parts. The estimate for repairs is \$1,346, which I approved. Units 1 and 4 require maintenance.

Storage Building

When Scott was at the SDAO conference, he attended a legal presentation and one of the takeaways was that Special Districts need to stay in their lanes and do projects that follow what the founding documents of the district say that they can do. Scott contacted The Port's attorney about the plans to build storage units, and he received the following response:

"I'm attaching two prior emails from our office evaluating various activities the Port of Umpqua has asked about in the past. Per this advice, and as you anticipate, a port organized under ORS 777 can undertake only those activities that statutes specifically authorize. If you peruse these statutes, you'll see the wide variety of powers a port district holds – including the operating the obvious- docks and warehouses- to recreation facilities, industrial, research and development parks, sports, convention and trade show facilities, dredging, telecom facilities and pipelines. However, storage is mentioned only as relates to goods that pass over Port docks and warehouses.

The Port does have extended, unenumerated powers to, in general, do other acts and things, not mentioned by ORS 777, as tend to promote the maritime shipping, aviation and commercial interests of the port. However, this power has been interpreted only to extend to authorized operations. For example, the Oregon Court of Appeals has held that a port cannot build and operate a recreational tramway, even though ports are explicitly authorized to build tramways for other purposes.

I found no express or implied authority to operate storage facilities which are not associated with goods passing over Port docks and warehouses from vessels otherwise using a Port facility. Therefore, particularly given Harrison, I believe you are correct that the Port should not purchase this Reedsport property in order to construct a storage building solely to augment Port income. While that would promote the commercial interests of The Port, operating a storage facility offsite away from Port facilities is not a power the Port holds.

If the Port does move forward with the purchase of real property at any point in the future, let me know. In addition to certain general requirements that apply to all special districts, ports also have a legal obligation to obtain an appraisal of the fair market value of the property from a state certified appraiser who is “disinterested in the transaction and independent of the port.”

Scott: In summary the lawyer is saying that The Port cannot construct storage buildings.

Deb: We can build an industrial park.

Scott: That is correct, we can build an industrial park but no storage units.

Joe: Another area where there is a shortage on the West Coast is cold storage. He personally has considered leasing property from Salmon Harbor and setting up a cold storage unit. In the last few years there has been a significant increase in agricultural produce that needs to be held in cold storage, and because of that the cold storage units in the Seattle area that would typically hold fish products are filling up with produce. In the last 5-10 years there has been a lack of room for seafood products needing cold storage. That may be something The Port would want to consider.

Scott: The Budget Meeting will be next month, April 16th starting at 6:00 p.m. and it will be followed by the Regular Meeting.

Karen’s Staff Report:

Poundage: Last month there was 68,030 pounds that came over the Umpqua Spit dock.

Public Meeting Law Training: Commissioners have two options to complete the Public Meeting Law Training. It can be done in person at City Hall when they have a trainer coming here in June or there are several online webinars that Commissioners can sign up for individually. If anyone would prefer to take the training online let me know and I’ll send you a link to the calendar to sign up for the date of your choice.

Carey: Asked if there was an update on the Ethic’s Commissions Economic Impact Statement filing.

Scott: Offered to have Carey come into the office to get that done.

S.T.E.P. Deb Yates:

Most of the fish have died. Between vandalism and Mother Nature S.T.E.P. only has about 25,000 fish left. The plan is to take those 25,000 pre-smolts, double-fin clip them and release them from as far up Winchester Creek as they can get. This will help them acclimatize to salt

water at their own pace. ODFW doesn't agree with this plan but hopefully that is how they'll be released. The water is so cold now that it will be June before they can fin-clip which is about a month later than usual.

COMMISSIONERS:

Donna: Went to the Urban Renewal Meeting last month and there was a grant of a couple hundred thousand dollars available; several businesses applied for assistance from this grant. The one Donna hopes will go through is a new building for the Lower Umpqua Hospital Pharmacy. Their plan is to lease the old Fullhart Insurance building. Right now, they are operating in a 400 square foot facility, and they have grown a lot since Reedsport Pharmacy closed. Lower Umpqua Pharmacy is doing about 3,000 prescriptions a day. Before they were putting out 400 a day. They asked for half of the expenses to remodel the building and get it up and running. They anticipate it will take 3 or 4 months to complete. There is another Urban Renewal meeting coming up and they'll discuss this more. Donna would like to see the actual budget from the Hospital.

Deb: The Urban Renewal Committee gave them \$119,000 but they say they need \$238,000 in total to accomplish this.

Deb: Recently had the St. Patrick's Day Pub Crawl and S.T.E.P. has been designated as the recipient of the funds raised. The past few years this funding hasn't been given to them, hopefully they will receive it this year. This was a record year for The Pub Crawl's attendance and the funds that were raised.

Randy: There is graffiti on the back of the Winchester Building that needs to be covered up.

Randy: What's the update on the new sign for the Umpqua River Wharf?

Karen: It's been ordered and was recently shipped.

Carey: Has PDS provided any new information on future construction at the Umpqua Spit?

Scott: No, he emailed them recently asking for an update and he hasn't gotten any response. He will follow-up with them tomorrow.

The meeting was adjourned at 8:14 p.m.

The next Port of Umpqua Regular Meeting will be held April 16, 2025. There will be a Budget Committee Meeting at 6:00 p.m., the Regular Meeting will follow 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:**

2/28/25:

Commissioner questions from check signing at end of the month to be included in the March 19, 2025 minutes:

There were no questions.

Checks were signed by Commissioners Jones and Yates.

Questions from check signing at the March 19, 2025 meeting:

Commissioner Questions regarding bills from the meeting:

Randy: Point Monitor, who is that?

A: The fire monitoring company for the Winchester Bldgs. Fire system

Randy: Who is Kyle Barnes?

A: He does the landscaping for the courtyard. He recently cleared the walkways to make them safer when walking into the courtyard from the gate.

Randy: What do you know about the new computers?

A: We will pursue the new computers in the next fiscal year budget cycle.

Joe: No questions.

Checks were signed by Commissioners DuVal & Mulkey

Carey Jones, President

Karen Halstead, Senior Admin. Assistant