

Port of Umpqua

Regular Meeting Minutes
August 19, 2026, at 7 p.m.
Port of Umpqua Annex
1841 Winchester Ave
Reedsport, OR

THESE MINUTES ARE FINAL and APPROVED.

Commissioners Present:

President Joe Mulkey
Vice President Cindy Simmons
Secretary Rhonda Black
Treasurer Allen Teitzel (appointed during meeting, business Item #3)
Assistant Secretary Tom Black

Port Staff Present:

Port Manager Scott Kent
Senior Administrative Assistant Karen Halstead

Public Present: Allen Teitzel (Port Commissioner applicant & City Counselor, Dana Ferguson (PDS)

Online Attendees: Randy DuVal

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

Proceedings:

The meeting was called to order at 7 p.m. by 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:** July 15, 2026, as presented.
- **APPROVAL OF BILLS:** In the amount of \$8,231.04 to be paid from the General Fund.

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

PUBLIC COMMENT:

Allen Teitzel (City Council of Reedsport):

The city opened bids for the levy project on Tuesday, and he's been told the bids came in under budget. The contract should be awarded on August 24, 2026. Laskey was the low bidder so the money will be staying in town.

REGULAR BUSINESS:

- 1. Conference with PDS representative regarding invoicing procedures for vessels having a memorandum of understanding with PDS for product offloaded over the PDS dock**

Joe declared a conflict of interest.

Scott: The question to be resolved is "who should The Port bill for product coming over the dock" from a buyer who has a Memorandum of Understanding (MOU) with PDS. Section 5.4 of the lease agreement between PDS and The Port is as follows:

5.4 As part of the Lessee's dock operations, PDS will operate, manage, invoice and track dock operation revenue and pay Port on a monthly basis: \$0.01 per pound of squid; \$0.015 per pound of shrimp; and \$0.03 per pound of crab, black cod, and any other product unloaded on the dock. Supporting documentation if income shall accompany monthly payments.

Karen: Pacific Dream keeps a spreadsheet of all their fish tickets. I also get a report from ODFW that lists all the fish tickets, and I compare those to make sure I have gotten everything that needs to be billed for. I didn't know there was an MOU with Da Yang until I was informed there was by ODFW. Da Yang bought squid over the Port Dock. According to the lease, I am to bill PDS for that product. When the squid came in there were also "by-products", for example crab or fish that came in with it. Technically that by-product would be charged at .03 cents/pound. The rest is squid which is charged at .01/pound.

Does the board want me to break down what poundage is squid and not squid from a particular fish ticket and charge them according to the lease or charge it all as squid? How does the board want it invoiced?

Cindy: So, they don't keep the by-product? It goes back and ODFW doesn't get paid for that poundage?

Karen: I have no idea what ODFW receives from the fish tickets, plus, Da Yang did not put a dollar value on the fish tickets, all it had was the poundage.

Dana Ferguson (PDS): The by-product has zero value. It's required by ODFW that all products that come out of the ocean must be broken down on the fish ticket.

There was discussion on exactly how the fish tickets are filled out to meet ODFW requirements regardless of whether the product that comes over the dock is of value or not.

Rhonda: How does the MOU have anything to do with The Port?

Karen: The MOU means that PDS is offloading poundage over The Port dock, and if I don't know there is an MOU then I don't know that there is poundage money PDS should be paying The Port.

Rhonda: It sounds like The Port should have a copy of the MOU, so we know they exist.

Dana: PDS doesn't have a market currently for squid so PDS setup Da Yang to come and take the squid and they create the fish tickets. Da Yang fills the fish tickets out, so he has no way of knowing what they say.

Rhonda: There is always going to be by-product regardless of what fishery it is. Asking Karen, how do you know how much is by catch and how much is product? You wouldn't know.

Karen: The only time it is obvious to me is when it is squid. It's broken down on the fish ticket.

Rhonda: We need to treat everyone the same. To make everyone the same, would you treat others differently? The MOU between PDS and another buyer has nothing to do with The Port at all.

Karen: It would be nice to know when there is one, so I know to bill for product coming over our dock.

Rhonda: Trying to find a consistency, so it will make things simpler.

Cindy: If there is zero value on it, then it would be zero.

Rhonda: That opens a loophole.

Karen: If you go back to the lease, it states that "all product", it doesn't single out by-products, should be charged at certain rates.

Rhonda: She wouldn't do something that would not follow the lease. The Port also needs copies of the MOU's.

Dana: Wouldn't be an issue of MOU's if this was a public dock instead of a private dock.

Rhonda: Going by the lease it is a standard rate; it doesn't say anything about whether it is product of value or by-product. We can always change our minds, but for now, for consistency, bill them at the standard rate that is in the lease.

Rhonda: Bring it back up next month when we can look at the actual MOU.

There was no motion, the board gave Karen direction to bill at the rates as they are listed in the lease. The business item was tabled and will be discussed at the next meeting when the board can look at an actual MOU.

Ice Machine:

Dana: The ice machine is going to need to be replaced based on what he's been told by Comfort Flow; it is not worth fixing in its current condition.

He doesn't know if PDS is responsible for getting things like this fixed, but their thought is this, if they put in a new ice machine, when they leave, they want to take that ice machine with them.

There are a couple available at Highland Refrigeration, the same place where the current ice machine came from. The new ice machines cost about \$150,000.

The current icehouse was basically setup for sport fisherman. When PDS first started there wasn't as many crab and squid coming through that dock. The current need for ice is more than the current ice machine can make.

PDS wants to know if they put in an ice machine, can they take it with them if they leave?

Karen: The lease specifically states that PDS is responsible for all maintenance, Rhonda said she'd read that in the lease too.

Rhonda: She feels the current ice machine needs to be either repaired or replaced. PDS could take their new ice machine with them but there would still be the issue of the original ice machine not being repaired.

Joe: They are thinking of bringing in a machine that is significantly bigger and better than what is there.

Dana: The machine wasn't in the best condition when PDS took over the lease.

Cindy: In the past The Port looked at putting in an ice machine for a long time and didn't because of the expense. The smaller boats that wanted ice, wanted the ice for free and the bigger boats didn't need it because they took care of their own. There was always the question of who exactly would use it. Hadn't heard anything about sport fishermen wanting ice.

Dana: Sport fishermen use it most during tuna season. PDS has been maintaining it, and it is now at the end of its useful life according to the tech from Comfort Flow who looked at it. PDS has fixed every component on it, put new motors in it, they have done everything that they can. Now the main compressor has gone out, it would be \$20-\$30,000 for a new compressor and then it will be something else wrong with it. There must be a point and time when they don't want to keep fixing it.

Rhonda: Can see your point but maintenance is maintenance. It would be like borrowing someone's truck and giving it back to them broken.

Joe: He knows that the current ice machine has had problems since day one, and it's been limped along. He isn't sure it is right for PDS to put \$150,000 into a real ice machine and The Port keeping it if they leave.

There is also the idea of whether The Port wants to help with the costs and then the ice machine would stay if they were to leave.

Dana: Jon and Jared with PDS are very busy with the work they have up north, Dana told them they need to get an ice machine at the Umpqua Spit because he's having to truck in ice every day, which costs them a fortune going to Port Orford and Newport.

Cindy: Isn't there ice in Charleston?

Dana: You can only get a flatbed truck in there and he doesn't have a flatbed. The state has put a weight limit where their ice is located. You also must have a forklift and the people to operate it to get ice from there. It's easier to just go to Newport instead.

Rhonda: The board doesn't have enough information to move forward on this right now. She sent Scott an email, and he will do research on it and bring it back to the board.

This was tabled for a future meeting when additional information is available.

2. Audit Agreement with Grimstad CPA for Annual Port Audit

Scott: He received a proposal from Signe Grimstad, the Port's Auditor, and her estimated amount was \$10,300. Her engagement letter was included in the meeting packets. She is familiar with The Port of Umpqua, and she does an excellent job; Scott recommended that the board keep Signe on as the auditor.

- **Commissioner Simmons made a motion to retain Grimstad CPA to audit the financial statements of the business, business-type activities, and disclosures, which collectively comprise the basic financial statements of the report for fiscal year ending June 30, 2026, 2nd by Commissioner Rhonda Black. The motion was passed by unanimous vote.**

3. Commissioner Candidate Interview

Scott: There is one candidate. He had provided the Commissioners with some potential questions. The applicant is Allen Tietzel.

Cindy>Allen: Tell us what your interest is in serving on The Port board.

Allen: He has been part of Reedsport his whole life, he wants to give back to the community now that he can. It is his understanding that The Port not only has to do with The Port, but it also has to do with economic development, which is his main interest. He is currently on the City Council, and he feels it would be a great asset to be a part of both the city and the port; the two should work together. He feels The Port may have a little more flexibility than the city does. He's seen the fishing and timber industries go away but he feels this area is a great asset not only for tourism but also for industry.

He believes that a lot is going to happen in the community in the future, and he feels he needs to be a part of it.

Cindy: Likes the idea to work more closely with The City, especially now that The City is looking at the levies.

Allen: Another fact is that The City controls the water in both Winchester Bay and Reedsport, and that is a big asset. The City now owns all the property around the lake. It's getting to the stage where it could be logged in the near future and The City decided they didn't want that, so they decided to purchase the parcel that was left so they could protect the water and not have to put in a filter system.

- **Commissioner Simmons made a motion to appoint Allen Teitzel as a Port Commissioner for the Port of Umpqua, Position #1, 2nd by Commissioner Tom Black. Motion was passed by unanimous vote.**

4. Hourly rate increase for Senior Administrative Assistant

Scott: He's proposing a 3% increase based on the western region cpi graph that has been included in the business item. Karen's rate is currently \$28.60 / hour, and a 3% increase would raise her compensation to \$29.46 / hour. This is basically a cost-of-living increase.

Cindy: Was this in the budget?

Scott: Yes, it is in the budget.

Joe: He was thinking about this; it seems like The Port talks about this during the budget process then the request comes later. Would it be unreasonable to start scheduling it to be done at the same time?

Scott: When he is preparing the budget, he can tell them some of the projects he has in his head, and this could be included as one of the items he brings up.

Joe: He feels Karen brings a lot of value to The Port, and he would like to see this happen. She does a lot and would be very hard to replace.

- **Commissioner Rhonda Black made a motion to increase the compensation rate for the Senior Administrative Assistant from \$28.60/hr. to \$29.46/hr., 2nd by Commissioner Tom Black. Motion was passed by unanimous vote.**

REPORTS:

STAFF REPORT:

Scott: In the last month he received his certificate of completion for the Supervisor Training, which had over 30 hours of training. This will also satisfy his requirements for continuing education required by the Engineering Board.

He checked the status of the lights at the Umpqua River Wharf and found that they are not yet functional. He called the electrician and he told him that the breakers were off so that PUD could run the overhead wires. They said they would turn the breakers back on, so this weekend Scott will go check to see if the lights are on.

He completed a new version of the Public Meeting Policy to align with recommendations from SDAO. This will be in next month's meeting packet for Commissioner review. This satisfied a portion of credits where we can receive 10% credit on our insurance from SDAO.

Scott sent a copy of the minutes of our last meeting to our attorney and requested that she revise the proposed resolution which tends to limit our liability for the repair of dikes and tide gates. At the time the agenda was prepared he had not received a document. A couple of days ago he did receive it, and it too will be in next month's meeting packet.

The new HVAC compressor has alleviated our heating and cooling problems. There have been no complaints since it was installed.

Recently we have been looking around in the records office which is currently disorganized. While in there he found some files that he thinks may be the files that were thought to be out at Salmon Harbor. Scott has been going through these files to see what is in them. Specifically, he has been reading about the dock repair in Winchester Bay when The Port received grant money to re-do the dock.

In other news, Scott is running for position #4 on the City Council. He turned in his signatures to the city, so he'll see how that goes.

SALMON HARBOR MANAGER:

S.T.E.P. Deb Yates:

COMMISSIONERS:

Rhonda: Had a 2-day meeting for the Soil & Water Conservation Commission. The 2nd day was held at the Port Annex. It was a good meeting.

Cindy: The Harbor has new directional signs up that do say "fresh seafood" in big letters. They do look nice.

They had "Shop the Dock" on the breakwater dock, which also included the oyster farm this time.

There is a proposal in the very early stages to put a bill in to expand the species that can be grown on aquaculture leases. Back in the 90's there was a provision put in place to include mussels and clams, so the leases could grow 10% of those species. Over the years someone, maybe ODFW, has pulled that back so now, new leases don't have that provision. The hope is that this new bill would address the ability to change types and growing methods, and the ability to add other species because there are a lot of interest in urchins, abalone and gooey ducks that are grown in other states but cannot be grown in Oregon. Primarily because the public owns all the waterways in Oregon, so those leases are the provision to allow aquaculture or oyster farming in the state. On one hand they can do it, on the other hand there are a lot of restrictions around flexibility and expanding and trying new things. It's in the

early stages; they are just gathering support for it. It's being lobbied by the Oregon Coast Visitor's Association. Cindy would like to see as this moves forward that ports get involved in it as well. Help gather information and provide support to increase the ability to farm shellfish in Oregon. Shellfish are the kind of species that improve water quality. It would also put just one agency that would be working with the growers to coordinate this. Right now, growers are dealing with multiple agencies. This would allow for more Oregon grown seafood to be produced.

Allen: The Gardiner property had an offer on it. It is his understanding that the offer has gone dead because of power. His understanding is that Bonneville is only allowing so much power for a new build and with the size of that property they would not be allowed enough power for a big development. What he thinks will need to happen is for someone to try and split that property up to allow for smaller builds where they can get enough power that would be needed. He thinks this is something that The Port needs to look at. The City is interested in helping with that development, even though it's not located within city limits, The City uses that property as their industrial inventory. There is no industrial inventory in town.

Rhonda: It would be a smart thing for The Port to look in to. We are a port without a port; we own a tiny spot in Winchester Bay that we lease and a little tiny dock downtown. We have some mitigation sites out by the river. That doesn't make us an industrial port, or a port that could accommodate any vessels of any kind.

Joe: Would be very interested in pursuing that.

Allen: He understands that a while back The Port investigated putting in some storage units. He understood that those were something The Port wouldn't be allowed to do. There has been some new development on that. You may want to talk to the Port of Siuslaw; they have developed some storage units. Talk to Steve Wilson who is the planning director for the city of Reedsport. He's got some information on that.

EXECUTIVE SESSION:

5. Executive Session ORS 192.660.(2)(i)

Executive Session - ORS 192.660(2)(i)

The Board of Port Commissioners for the Port of Umpqua will now meet in executive session pursuant to ORS 192.660(2)(i), to review and evaluate the performance of the Port's District Manager.

The board went into Executive Session at 8:02 p.m.
The board came out of Executive Session at 8:29 p.m.

The meeting was adjourned at 8:29 p.m.

The next Port of Umpqua Regular Meeting will be held September 16 , 2026, 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:**

7/31/26:

Commissioner questions from check signing at end of the month to be included in the August 19, 2026, minutes:

There were no questions.

Checks were signed by Commissioners Simmons and Mulkey.

Questions about checks signed at the August 19, 2026, meeting:

There were no questions.

Checks were signed by Commissioners Simmons and Mulkey.

President – Joe Mulkey

Karen Halstead, Sr. Admin. Assistant