

MINUTES
PORT OF SIUSLAW COMMISSION
REGULAR MEETING
 Wednesday, 20 January 2010

Commission President Greene called the Regular Meeting of the Port of Siuslaw Board of Commissioners to order at 7:10 p.m. in the Port office conference room located at 1499 Bay Street, Florence, Lane County, Oregon.

ATTENDANCE: Commission: Commissioner John Scott (Scott), Commissioner Bob Thorp (Thorp); Commissioner John Buchanan (Buchanan); Commissioner Joshua Greene (Greene), Commissioner Bud Saulsgiver (Saulsgiver); Staff: Port Manager Mark Freeman (Freeman), Recording Secretaries Susy Lacer (Lacer) and Dina McClure (McClure).

Audience: Jacque Morgan (Morgan), Don Wilbur (Wilbur), Sally Owens (Owens), Wilbur TERNYIK (Ternyik), Joyce TERNYIK, Brien Mill, Louie Campbell of Campbell Productions, Ryan Cronk of the Siuslaw News.

MINUTES: On the **MOTION made by Buchanan, seconded by Scott, the Board unanimously approved the Minutes of December 19, 2009, as submitted.**

REMARKS FROM CITIZENS/GROUPS: Dina McClure, the new Administrative Assistant, was introduced to Commission.

PRESENTATION: Jacque Morgan, Assistant Manager of the City of Florence, referred to map of proposed enterprise zone in packet. Morgan stated tonight is first step of the Enterprise Zone renewal process and that the current EZ is due to sunset 30 June, 2010. Morgan stated 12 of the state's 59 Ent. Zones are up for renewal this year and the process may be competitive. Morgan stated she was here tonight to see if the Commissioners had any questions and to make sure they were in agreement with the proposed EZ area. Morgan noted the application will be for a joint EZ and e-commerce zone. Morgan stated she will return in March to request a Resolution from the Port regarding the final EZ application. Morgan stated April 2nd is the deadline for application and that she would like Freeman's assistance in completing the application. Discussion of area included in EZ. Regarding a City map of the airport and the Port's industrial park, Scott asked how restricted the Port was in use of its IP because of the airport overlay. Morgan stated there were no restrictions that she was aware of. Greene stated that Brubaker had told him the FAA doesn't like residential property adjoining an airport. Morgan agreed but noted there is a difference between not liking and restricting. Scott stated there might be a possible height restriction in the IP, but not a use restriction. Morgan agreed.

FINANCIAL REVIEW: Freeman explained that annual property insurance was higher due to increased value of wharf. Financials also included loan payment to the state's port revolving loan fund. **On the Motion, made by Buchanan, seconded by Scott, the Board unanimously voted to ratify payment of bills listed in the amount of \$94,448.93.**

OLD BUSINESS: Greene requested an update on the Siuslaw Fisherman's Association Ice Machine. Freeman stated he met with Lane County Commissioner Fleenor and the topic was scheduled to be on January County Commissioners meeting. Freeman stated he has not heard back regarding a timeline. Greene stressed the importance of completing the ice machine prior to fishing season and offered to speak with Fleenor if necessary. Freeman stated Fleenor had already agreed to expedite the process.

NEW BUSINESS: 1. Resolution #01-20-10A Establishing a Registered Agent. Lacer explained the Port's Auditors discovered the Port did not have a Registered Agent recorded with the Secretary of State's office and this resolution would rectify that situation, naming Freeman as the Agent. **On the Motion, made by Scott, seconded by Thorp, the Board**

unanimously voted to approve Resolution #01-20-10A Establishing a Registered Agent.

2. Discussion of Don Wilbur Island Mitigation Bank. Don Wilbur (DW) handed out materials to the Board and Wilbur TERNYIK (WT) displayed and explained a large estuary map. DW is requesting support and approval from the Port for his project to establish a wetland mitigation bank on his property that currently hosts two designated Dredged Material Disposal Sites (25 & 25A). Wilbur stated the mitigation bank would be in perpetuity and would be compatible with dredged material disposal. It has taken 7 years to approve mitigation bank and they have permits from the US Army Corps of Engineers and Oregon Department of State Lands. Wilbur stated nothing he is doing will preclude the Port from putting dredge spoils on the site.

Sally Owens (SO) suggested using Wilbur's 51 acre property at mouth of N Fork River for a designated spoils site. Buchanan agreed. Scott said willing to trade for alternative site.

Greene liked idea and wants to do what is best for estuary and river. The idea of dredging 5 - 10 years from now on what is considered estuary is going to get push-back politically. If we have an alternative location provided by DW, it would be easy for everyone.

DW said it would take a couple of years to get okay from COE/DSL for alternative site. They have the program and permits on Wilbur Island now. They've already sold credits and have more to sell.

Greene is concerned about trying to exercise our right to dredge in that area 5-10 years from now, especially if it starts getting bought up, and expressed concern that by putting dredge spoils on mitigation bank property would hinder ability to utilize it. DW disagreed. Greene said sooner or later you'll run out of room. If you sell credits, you make money. You're taking 4-5 acres away from estuary that you can utilize. DW said if this were a monetary item, he wouldn't be here. They are already getting 50-60 acres of usable land for mitigation site. If Port needs it or COE says it needs to be there, DSL gets permit to put it there. Greene said you're doing this to restore property back to its natural habitat and that nature will progress in 5-10 years. Seems strange anyone would allow foreign material to be dumped on top of an estuary. It doesn't make sense.

Greene asked WT what he thinks Port should do, based on TERNYIK's years of service as a Port Commissioner. WT said depositing dredge spoils on the mitigation bank site might be difficult and it might be easier to go with N Fork property but you still need to go through the process for permit. The process gets more difficult with time.

Buchanan asked how can we help DW.

Thorp is concerned about having a place to dispose of spoils. If we had alternative site, without so many restrictions and agencies, that would help each of us and simplify what you want by having us out of the picture.

SO referred to a 1978 map of 40 designated disposal sites. WT said in putting the existing Dredge Material Disposal Plan map together (he was involved in that process) they tried to push for every river that had COE projects done and wanted all agencies to agree to the map of all sites and estuaries, then have them approve it so they can be protected. Agencies are famous for saying, "that was then, this is now". It's to the Port's advantage to leave the designated sites in the plan. Once you fill up one site an alternative is needed.

SO said in order to establish a mitigation bank you have to go through a whole process, many agencies, state and federal, and it is now an approved, established and working mitigation bank. We need to appoint a long term steward. We had to create an endowment with each credit sale going into a fund. Many large agencies are interested in stewardship. It is a for profit venture and the right thing to do with 300 acres. Eventually

hope to include west end of island also. We'd like to not have to do a dredge spoil plan amendment. It's not appropriate to go through process and remove dredge spoils when mitigation bank does not preclude usage of dredge spoils.

DW said Port should be involved as a long term steward and there would be a lot of money in its fund in the future. SO said after 5 years work has been completed (referred to PowerPoint printout from web site). WT said to research possibilities in mitigation banks.

Scott said, looking at estuary water trail, could this bank be a part of this? SO said yes, she'd talked to Freeman about it and there is allowance for trail in bank agreements. She then referred to support letters in packet. WT said service area for the bank goes from the north bank Umpqua River to the south bank Alsea River. DW said they have 52 credits to sell (1 credit equals 1 acre, 44,000 square feet). Greene stated he was concerned that if the Port goes along with approving the mitigation bank, it will make it more difficult for the Port for future dredging. Scott said if we had to do it in the future we'd have to go through same steps.

Freeman said restoration is a good thing but suggests there might be complexities that can't be seen now. He suggested some time to look at "what if's". DW said there is no time and his attorney said it would be nice if they had Port's support at meeting the following morning. SO said the project will proceed with or without the Port's support. Owens stated they may have to go through the process of a new Dredge Material Disposal Plan anyway and at that time their designated sites could be excluded from the Plan.

Buchanan would like to give Freeman time to explore "what if's" but DW needs our support now. Scott said he has no problem with mitigation banks but would be concerned if dredge spoil overlays were removed. DW said they are willing to leave dredge spoil overlays.

Greene expressed concern about ever being able to put dredge spoils on this property once this goes through. We need another piece of property for dredge spoils. WT said this could be true. Buchanan said this would be next step but we need to give DW support now. Wilbur requested a decision from the Board.

Motion was made by Buchanan, seconded by Scott, to support mitigation bank with caveat that we want the dredge spoil designation maintained. Discussion. DW said he has no control of this.

Greene asked if there is property that could be put on the table as an alternative. If so, Port would grant full support. Scott said Waite ranch a possibility. Greene said Waite ranch would be great and we could table this discussion but there is a motion on the table and window of tomorrow morning.

SO said it was not necessary to have the Port's full letter of support, they were going to go through the process anyway. We were advised by our attorney to get your ideas on it and how you feel about the dredge material site. It's not critical but we just want your support.

Prior Motion changed by Buchanan: To approve a concept with a vision of an alternative spoils area that we can utilize in the future, seconded by Scott. Discussion.

There was discussion about contacting new owners of Waite ranch and how it would benefit them and us to become approved.

Thorp wished we had more time. To have something upriver as a dump site is important to us. We're reluctant to give this up or put it in jeopardy.

SO referred to page 2 of the wetlands packet given to Commissioners. Greene read the sentence Owens had highlighted, which refers only to DMD site 25A: "(Add of new site 25A) with use to occur only after site configuration is approved by state and federal agencies with review/comment and sign-off authority."

Port of Siuslaw Regular Commission Meeting 20 Jan 2010

Greene said the river up to Mapleton will need to be dredged in the near future so it stands to reason that even if we support project, we still need an alternative disposal site.

Buchanan said it doesn't change anything. DW agreed and said you still have to go through the hoops.

Greene reminded of motion still on table, on hold for discussion.

Buchanan changed his MOTION again and moved: To conditionally support the project with future assistance to develop some spoil lands. The MOTION was amended by Greene: **The support would have a caveat or concern that utilizing the dredge spoils located on the project is an unrealistic solution and we need to find an alternative.** The MOTION was seconded by Scott and passed unanimously by the Board.

3. Discussion of Renewing the Lease for the Old Town Market. Greene spoke with Richard Wiget, the manager of the Florence Old Town Market, and he agreed to limit vendors selling imported items to 8 (15% of vendors). Last year there were 56 vendors, currently there are 42 renewals.

Scott thinks this is fair solution to keep everyone happy. The vendors have agreed to visit similar shops to make sure their prices are fair.

Greene wants to move forward with draft of agreement so we can get Wiget signed up for another year. He talked to Old Town retailers that were against or on the fence and even though they would like to see Market sell only handmade items, Wiget cannot afford to eliminate all imports at this time. There has to be a compromise and this is a fair solution.

The directive to add the language to the concession permit has consensus of the Board. Freeman will make the addition to Wiget's concessionaire agreement.

Greene asked if there were any questions on existing form? Freeman said the concession permit has been revised to address concerns regarding staff and past issues. Freeman said all okay with insurance and legal requirements. Greene asked about signage? Freeman said sometimes there are requirements to place signage over railroad trestle, or close to Hwy 126 and people need to investigate those requirements. Saulsgiver asked if sandwich boards are legal? Buchanan said check with the City. Freeman said it lets people know there are guidelines and certain agencies might object to certain signage. People need to do the research. Greene asked about other issues, i.e. boardwalk, electrical access. Freeman said language in permit needs to cover our bases so we don't end up eating the cost.

Greene noted that in the past, with the Red Bus for example, Concessionaire agreements were discussed with the Commission. Greene stated the way the form reads now is that the Port Manager can approve any concession request and Greene is not sure that is how he wants it to read. Discussion on whether all concessionaire requests should go before the Commission.

Thorp stated there will be some out-of-the-ordinary requests and that if there is a request that could create a liability for the Port, the Commission should know about the request. Greene requested that Freeman notify the Board of all concessionaire requests received. Freeman agreed to do so.

Freeman stated he had also received requests from the Chamber to do a vendor fair for Rhody Days and that last year the Chamber operated the fair on the boardwalk during Rhody Days and it could be same for this year. Greene asked about fees for the vendor fair. Freeman stated the Port charges \$150/day for the concessionaire permit for the vendor fair and the Chamber sets its own rates for each individual vendor.

REPORTS: Freeman stated the Port will be able to have more concrete floats in the east basin and that the F dock replacement was nearly done, then the H dock replacement will begin.

Scott asked about results of the Fireworks ban meeting with the City. Freeman stated the City had two draft ordinances and meeting attendees agreed on the ordinance calling for a ban on personal fireworks in the Old Town area; the ordinance is waiting to be adopted by the City. Greene asked Freeman to send him a copy of the map showing the proposed ban area.

Freeman stated he had attended a City meeting regarding zoning in the industrial park and that the City is working to make the process easier and more business-user friendly. Freeman noted all of the proposed zoning is still to be approved by the City. Buchanan stated CLPUD is an asset for drawing business to our industrial park because of its reliable electric service.

Freeman stated he had not yet signed off on MSLTD and that once he signs off ODOT will begin working on the final paperwork. Freeman stated he has heard the Port's loan for the project may be \$176k or more.

Freeman stated he is working on costs for the campground restroom replacement project and that he may be changing manufacturers to save time and money.

Thorp announced he is submitting his resignation from the Commission effective the end of February because of health and personal reasons. The Board expressed their regrets on Thorp leaving and wished him well. Greene stated if the Board has enough interested people, they may be able to interview and appoint a replacement without having to advertise. Buchanan noted the Board had advertised for openings in the past. Lacer agreed to check state rules to see what was required.

ADJOURNMENT: Greene adjourned the meeting at 8:50pm.

President

