

MINUTES
PORT OF SIUSLAW BOARD OF COMMISSIONERS
Regular Meeting
Wednesday, 17 August 2011
Port office 1499 Bay Street, Florence, OR 97439
Revised 22 September 2011

ATTENDANCE: Commission: Commissioner John Buchanan, Commissioner Joshua Greene (Greene), Commissioner Bill Fleenor (Fleenor); Commissioner Sally Owens (Owens); Commissioner John Scott (Scott) Staff: Interim Port Manager Susy Lacer (Lacer), Recording Secretary Dina McClure (McClure); Audience: Amy Bartlett of the Siuslaw News, John Spangler w/ODFW, Alan Campbell, Cindy Cable, Brien Mill, Ed Millerstrom, Bob and Pat Thorp, Bianca Hein

Commissioner Buchanan called the meeting to order at 7:00pm.

PRESENTATION: John Spangler from the Oregon Dept. of Fish & Wildlife asked if the Board was interested in trading a piece of property upriver near the Davidson Mill for the two islands in the middle of the river near North Fork. Spangler said the property was purchased in the 80's with federal money and appraised at \$85K one year ago. If ODFW sells the property, they are obligated to give 75% of the sale money back to the Feds. Part of the property is in a flood plain and neighbors are currently using it for cattle grazing. The property has no fish and wildlife habitat value and they are looking to trade for property that does, such as the islands the Port owns. If a trade was made, these islands would remain undeveloped. Fleenor said previous Port Manager Mark Freeman was in favor of this trade. Spangler said if the trade takes place, the Port would not be tied to the conditions of paying the Feds 75% if the Port sells the property. The Board agreed to move forward with the trade and asked Lacer to work with Spangler.

APPROVAL OF THE MINUTES: On the Motion made by Fleenor and seconded by Scott, the Board unanimously approved the Minutes of 20 July 2011 based on the correction of changing "Commissioner Commissioner Sally Owens" to "Commissioner Sally Owens".

REMARKS FROM CITIZENS: Thom Champlain requested the Board to consider expanding B Row to make more spots for RV's. Buchanan said they would look at the budget and consider it. Champlain thanked the Commissioners for the new restroom and said the staff seems to be in good spirits and working hard to get things done since the change in management. Champlain asked who owns the river (not happy to see the SS Eco moored across river) and Scott said the Dept of State Lands. Champlain asked if there was anything that could be sprayed on the gravel to keep down the dust in the campground. Champlain also made comment that G Dock lock was not operating right and the Board should

consider security cameras since there had been some incidents of theft. Greene said he had a conversation with previous Manager Freeman that security cameras were in the budget and suggested an oil based spray to keep down the dust in the campground. There was discussion regarding a substance that would be environmentally safe due to the proximity to the river.

FINANCIALS: Fleenor asked about the \$9543 loss on the July statements. McClure said \$300K of the budget (cash on hand) had not been entered into QuickBooks and will be corrected. Scott asked about a loan payment and McClure asked the Board to look at a short spreadsheet she had created that showed all the loans, frequency of payments and approximate outstanding balances. Fleenor asked about the equipment rental expense and McClure said it was the monthly Xerox rental and additional port-a-potty rental due to the new restroom project. Fleenor asked about advertising cost for July. McClure said in addition to the budgeted TV advertising, the annual payment for the Woodall's Campground directory came due. Fleenor asked about Marine Fuel and expressed concern of the \$800 annual profit. Lacer explained the flux in fuel cost versus the continuous change in retail price and said one of her projects was to take a closer look at policy. Greene mentioned the complexity of having fuel on hand, when to buy and forecasting how much will be sold. Fleenor had questions about labor expense and staff responsibilities. McClure offered to email him the Port staff job descriptions. **On the Motion made by Scott and seconded by Fleenor, the Board unanimously voted to approve the Financials of \$81,518.82.**

OLD BUSINESS

1. Other Items by Commission:

Fleenor asked about the Committee assignment for WLEOG and Buchanan said the assignment needed to be staff since it is an operational group.

Buchanan closed the Open Session at 7:30pm to adjourn to an Executive Session per ORS 192.660(2)(e).

Buchanan re-opened the Regular Session at 7:45pm.

NEW BUSINESS

1. Resolution 08-17-11A, Authorizing a Loan from the Oregon Port Revolving Fund, by entering into a Loan Contract with the Oregon Business Development Department for the Old Town Wharf Improvement Project.

On the Motion made by Scott, and seconded by Greene, the Board unanimously agreed to approve Resolution 08-17-11A, Authorizing a Loan from the Oregon Port Revolving Fund, by entering into a Loan Contract with the Oregon Business Development Department for the Old Town Wharf Improvement Project conditioned upon the verification that the collateral mentioned in the Trust Deed is the Boardwalk property not the Wharf.

2. Other Items by Commission

Ice machine contract update: Greene had a conversation with Port Attorney Wolf regarding the SFA and the ice machine contract. Greene said SFA sent the device to be built by a company in Seattle called Westcold. Mike Slover w/Key Mechanical was employed at Westcold at the time. Westcold then went bankrupt and was bought by another company. It is unknown if the new company took on any liability or was indemnified. Greene said Bill Deitrich, SFA Chair, is going to contact SFA's attorney to review the acceptance document. This document has language that says it's the contractor responsibility to "check the machine, have it running and make sure it can be given permits" and this language could make them liable. In order to move past this point Greene wants permission to have the Port attorney talk to the SFA attorney. Buchanan and Scott expressed concern regarding the assumption of ownership by getting further involved. Greene stated that since the Port acted as the contracting party that accepted the machine, in his opinion the Port has a responsibility to deliver the machine in working order to the SFA. Greene added there are State ordinances and laws that require these types of machines to be tested from a DEQ/air quality aspect. Greene emphasized the importance of the Port attorney's involvement since the contract is between the Port and the Contractor. Fleenor suggested the expenditure of up to five hours of legal counsel. **On the Motion made by Fleenor and seconded by Scott, the Board unanimously voted to allow up to five hours of legal counsel for the purpose of addressing the Port's responsibility in regards to the operation of the ice machine.** Scott asked the status of the ice machine's operation. Greene said the bladders should have been tested with nitrogen before the Freon was put in. Scott asked if that was mandated by the State and Greene said that's what they are trying to find out.

REPORTS:

Scott said according to staff, the concrete floats the Port has on property are not usable and Terry Duman is interested in a few. Scott suggested staff advertise these docks for sale.

Fleenor said he spoke with fishermen on the docks and they requested larger cleats for their large ropes. The Board requested Lacer to look into the cost of placing four or five cleats on the Transient Dock.

Lacer reported:

- McClure has agreed to work additional hours during the interim months.
- Commissioners Owens and Buchanan will attend PNWA's annual meeting in Portland Oct 12-14.
- Commissioner Fleenor will attend a presentation for NOAA in Newport on August 20.

Fleenor reminded Lacer to send an award letter to PND for the Wharf Improvement Project.

Buchanan closed the Open Session at 8:07pm to adjourn to an Executive Session per ORS 192.660(2)(a).

Buchanan re-opened the Regular Session at 8:50pm.

On the Motion made by Fleenor and seconded by Scott, the Board unanimously agreed to accept the Employment Agreement between Susy Lacer and the Port of Siuslaw.

Greene questioned the next move toward the ICM lease. Fleenor said the Sub-Committee will meet with Millerstrom as soon as possible to go over the decisions made tonight.

Meeting Adjourned 8:50pm.

President