

MINUTES

PORT OF SIUSLAW COMMISSION MEETING

Wednesday, 20 May 2015, 7:00pm

Port Office, 100 Harbor St, Florence OR 97439

ATTENDANCE:

Commission: Commissioner Ron Caputo (Caputo), Commissioner Nancy Rickard (Rickard), Commissioner Terry Duman (Duman), Commissioner Jay Cable (Cable); Commissioner David Huntington (Huntington)

Staff: Port Manager Robert Forsythe (Forsythe); Recording Secretary Dina McClure (McClure);

Media: Alan Campbell/Campbell Productions, Jack Davis/Siuslaw News

Commission President Caputo called the meeting to order at 7:00pm.

PRESENTATION: Bill Trotter, Emerald CPA Group, gave a summary of the FY13-14 Audit. Trotter said he added a graph in the Annual Financial Report which shows operational expenses higher than operational revenue, with both increasing over time at the same rate. Trotter referred to a report that shows year end revenues and expenses where asset depreciation is partially responsible for causing a negative \$145K Change in Net Position. Trotter advised the board to have a long term plan to increase revenue because assets will soon have to be replaced out of operational income or grants. Trotter said loan interest is a large expense which will be reduced over time as long as no additional debt is acquired. Trotter said, in a society of inflation, the board needs to take a prudent attitude at raising fees often, in small increments, because it is painful to raise fees a large amount if it is put off for several years.

APPROVAL OF THE AGENDA: There were no changes to the agenda.

APPROVAL OF MINUTES: Rickard asked to amend the Minutes to state that she attends most of the Siuslaw Watershed Council meetings, not all. **On the Motion, made by Rickard, and seconded by Huntington, four board members voted to approve the Minutes, as amended, from the Regular Meeting on 15 April 2015. Cable abstained voting since he was not present at the April meeting.**

REMARKS FROM CITIZENS: None.

FINANCIALS: Caputo noted that campground revenue and occupancy is up and the financials look good. Rickard said there is no additional money for extra projects. **On the Motion, made by Rickard, and seconded by Duman, the board voted unanimously to ratify bills paid in the amount of \$52,312.11.**

Caputo opened the Public Hearing regarding Campground and Moorage Rate Increases.

Larry Omen said the Siuslaw News reported moorage rates were doubling. McClure said that was not true. There was discussion about when previous rate increases occurred and how much the current rates proposals were. McClure said the previous recreational moorage increase was 7 years ago, campground rates were 5 years ago, and commercial moorage increased last year. McClure gave an overview of the proposed rate increases. There was discussion about the east basin recreational moorage rates being charged by dock location instead of by the length of slip. McClure said there would be an increase for weekly and monthly rates for the 24' slips, but the 40' slip rate would decrease. The public asked what additional amenities they would get in return for paying more. McClure said the rates are being raised to pay for the increasing cost of running the Port. Rickard said rates have not been raised in several years which makes it painful to do now. Caputo said we need to increase our income to pay for overhead and he hopes an additional campground restroom will be built this year. Caputo said the Port is paying debt for large improvements such as rebuilding the Wharf. Caputo said next year's budget has been approved based on rate increases and if the board does not raise rates, they will need to cut expenses. Omen asked how much money the Port spends on commercial versus recreational fishing. Forsythe said the Port tracks each revenue source but the City may have more statistics in their economic development groups. There was more discussion about the proposed campground fees.

Caputo closed the Public Hearing.

OLD BUSINESS

1. **Resolution 5-20-15A Revise Campground Reservation Policy:** McClure said the December Member program would be limited to the 36 original people in the group. **On the Motion, made by Rickard, and seconded by Cable, the board voted unanimously to approve Resolution 5-20-15A.**
2. **Resolution 5-20-15B Revise Campground Rates:** Rickard said rates need to increase in order to pay for extra projects and the Port's tax revenue doesn't cover much. Huntington said the auditor said revenues are up. Rickard said she knows campers who want to stay here but we are booked. Duman said monthly campers were asked to leave during Rhody Days so staff could overbook the sites. Forsythe said staff did not overbook and Rhody weekend has been booked for a long time. McClure said it was cheaper for monthly campers to get the winter monthly rate and leave for two nights than it was to charge them the weekly and daily rates for the nights they stayed. Duman said staff still charged twice for the same sites. Cable said technically Duman is correct but it was a better deal for the customer even though they had to leave. Cable said he doesn't agree with the rate increase because similar priced campgrounds have more amenities than we do. Cable said the Port has a sub-standard product and the Port should either improve the product or lower the rate. Cable said the board should look at reducing expenses instead of raising rates. Rickard said rates have not been changed in years and expenses are increasing. Cable said there haven't been any improvements either. Rickard said

the Port has an amenity that no one else has; shopping and restaurants two blocks away. Rickard said people also want to go clamming and be by the river. Caputo said the Port is special and should not be compared to others. There was discussion about not having money for extra projects and paying loans for past projects. Caputo called for a vote. **Rickard made a motion to adopt Resolution 5-20-15B To Revise Campground Rates. There was no second. Caputo said without a second the motion dies.** Rickard asked the board to explain why they are opposed to raising rates after hearing the auditor recommend it. Huntington said they already explained why. Rickard referred to the budget meeting when staff cuts were suggested and said a lot of maintenance and cleaning take place in the off season. Cable said they voted on this and need to move on. Caputo said the board would meet at a future date to cut expenses in the budget.

3. **Resolution 5-20-15C Revise Commercial Moorage Rates:** Huntington declared a conflict of interest. Duman asked if he had to abstain due to being a commercial fisherman. Forsythe said Duman needed to declare a conflict of interest since he pays commercial moorage. Duman said "If you are going to charge anybody, charge a commercial fisherman". There was no further discussion. **Rickard moved to adopt Resolution 5-20-15C To Revise Commercial Moorage Rates. Caputo seconded. Rickard, Caputo, and Cable voted to adopt the Resolution.**
4. **Resolution 5-20-15D Revise West Basin Recreational Moorage Rates:** There was no discussion. **Rickard moved to adopt Resolution 5-20-15D To Revise West Basin Recreational Moorage Rates. Caputo seconded. Rickard voted yes. Huntington, Duman, and Cable voted No. Resolution 5-20-15D was not adopted.**
5. **Resolution 5-20-15E Revise East Basin Recreational Moorage Rates:** Huntington said he didn't understand the revised pricing for the 40' slips. McClure said East Basin rates are calculated by the size of the slip. McClure said the Resolution makes the 40' slip rate the same price as a 24' slip. McClure said the Resolution proposes an increase in the 24' slip rate and if the Resolution is adopted, a boat in a 40' slip will cost less after July 1 than it does now. **Cable moved to adopt Resolution 5-20-15D To Revise East Basin Recreational Moorage Rates. Rickard seconded.** Duman asked for more explanation. McClure said currently a 20' boat on G Dock pays \$13 p/day for a 24' slip and \$17 p/day for a 40' slip. If the Resolution is adopted, the rate for a 20' boat on G Dock will be \$15 p/day no matter what size slip they are in. **Caputo called for a vote. Rickard, Caputo, and Cable voted Yes and Huntington and Duman voted No. Resolution 5-20-15E was adopted.**

REPORTS

- Caputo attended the Lane Area Council of Transportation meeting by phone.
- Caputo attended the Florence Urban Renewal Agency (FURA) meeting and they have \$2M for projects. Caputo said FURA is interested in purchasing the Nopal parking lot, the grass area, and the 1499 Bay Street property.

- Forsythe said HB 3104 (revising ORS 777 to allow ports to do business with telecommunication companies) passed the House and Senate and is now on the Governor's desk to be signed.
- Forsythe said conversations are ongoing with the City about purchasing the Nopal parking lot and 1499 Bay Street so he is having the properties appraised.
- Forsythe said a consultant is working on the dredging permit.
- Forsythe said he is working on creating an IGA with the City to borrow maintenance equipment.
- Rickard went to a Special Districts (SDAO) round table meeting in Veneta where several elected officials from different districts were there to ask questions.
- Rickard said she and Caputo attended the Siuslaw Watershed Council meeting. She spoke with Surfrider representatives who would like to do a presentation for the Port. Rickard said an ODFW consultant hired to assess coastal fisheries would be a good guest speaker at a future Port meeting as well.
- Rickard said SDAO will hold new board member training in Florence on July 14.
- Rickard thanked Forsythe for the manager project report and staff meeting notes.
- Cable said it makes the Port look bad when the Boardwalk Market port-a-potties are locked Monday to Friday. Cable said they should be unlocked or not present. Forsythe said it is in their contract to have them open.
- Cable asked if the Port is liable for giving permission to a business to operate when that operation caused injury to someone. Forsythe said the business applied for a concessionaire permit and gave the Port all the proper documentation including their insurance prior to arriving. Forsythe said he has given copies of the paperwork to the authorities.

President Caputo adjourned the Regular Meeting at 8:15pm to enter into Executive Session per ORS 192.660 (2) (e).

President