

# Port of Siuslaw

# Strategic Business Plan

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Prepared by Port of Siuslaw Commission and Staff  
with assistance from  
Business Oregon Ports Program and Infrastructure Finance Authority,  
& Residents of the Port of Siuslaw District

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## Executive Summary

According to Ports 2010: A New Strategic Business Plan for Oregon's Statewide Port System (Business Oregon Infrastructure Finance Authority, 2010), one out of six Oregon jobs is directly or indirectly tied to cargo, recreation, industrial, commercial or other activities at Oregon's ports. Port districts support thousands of family wage jobs and are a key component to sustaining the state's economy and quality of life. In wages alone, jobs related to Oregon's ports contribute over \$4.5 billion annually to the state's economy. Of the state's total employment of 1.6 million, ports supply 60,000 direct jobs, another 80,000 in indirect jobs, and an additional 120,000 in port-dependent jobs. The Ports 2010 report also notes the recreation value of port operations; in one year (2002), 18 of Oregon's 23 ports provided for over 700,000 recreation visits, resulting in \$75 million in trip spending and \$31 million in purchases of boat-related goods and services. Spending by port visitors resulted in \$109 million in sales, translating to \$41 million in wages and 1,670 jobs for the state's economy. Oregon port districts are an integral part of the state's overall economy and the Port of Siuslaw is one driver of that economic engine.

The Port of Siuslaw serves a population of approximately 32,000 in western Lane County, an area of over 720 square miles. An estimated 172 jobs are directly dependent on the Port of Siuslaw, including Port personnel, employees of businesses on leased Port property, and employees of vessels based at the Port; this accounts for approximately \$2.7 million in direct wages.

The Port owns more than 150 acres of property and operates and maintains essential public infrastructure including a commercial wharf, transient vessel docks, recreational and commercial marinas, a boat launch, boardwalk, commercial retail space, and public parking. The Port functions as a public enterprise form of government; total budget for FY2011-12 was \$1.6 million.

The Port of Siuslaw is a local government and receives property tax revenue at a fixed rate of \$0.1474 per \$1,000 of assessed value. The Port's top ten taxpayers for 2012 included regional utilities, timber and wood products companies, a winery, a regional retail store, and real estate companies; tax payments comprised approximately 27% of the Port's overall revenue in FY2012. Since tax revenues are insufficient to cover expenses, the Port also operates an RV campground and offers commercial property leases; those two sources comprised 37% of overall revenues in FY2012. Similar to many public entities, the Port of Siuslaw has been reliant on grant funding to complete major infrastructure repair and replacement; grant funds comprised 20% of total revenue in FY2012.

Challenges facing the Port over the next five years include: 1) The simultaneous financial challenges of funding the needed maintenance on public facilities, and servicing the current debt of \$1.6 million; 2) The capital facilities challenge of completing repairs to a failing riverfront bulkhead; 3) The economic challenge of a limited available workforce, and a fundamental change in regional industry from forestry and fishing to recreation and tourism; 4) The federal challenge of elimination of navigational dredging funding in the Siuslaw River, along with erosion of the river jetties; and, 5) The management challenge of communicating effectively with residents about what the Port of Siuslaw can do to improve economic and community development in the district.

Opportunities for the Port during the next five years include: 1) The growing tourism, arts, wine, and recreation industries, including recreational fishing; 2) A successful and expanding RV campground and marina; 3) Identification and determination of best use of surplus Port properties; 4) Collaboration with local organizations to accomplish community goals; and, 5) Promoting a scenic and unique location as a visitor destination.

Given the Port's mission of economic and community development, one of the primary needs of the district is to increase employment opportunities and the number of living wage jobs. Demographic analysis of the district reveals a steadily increasing and rapidly aging population, with a low percentage of residents in the workforce. Income and poverty rates in the district appear to be holding steady and unemployment rates are comparable to regional levels. The demographics of the Port of Siuslaw district reflect the market changes occurring: the majority older and non-working residents have available time and resources to pursue leisure activities, including recreation, boating and fishing, and tourism. While at the same time, there may be little motivation by the older majority to expand or grow new opportunities and jobs for the younger, less financially secure minority.

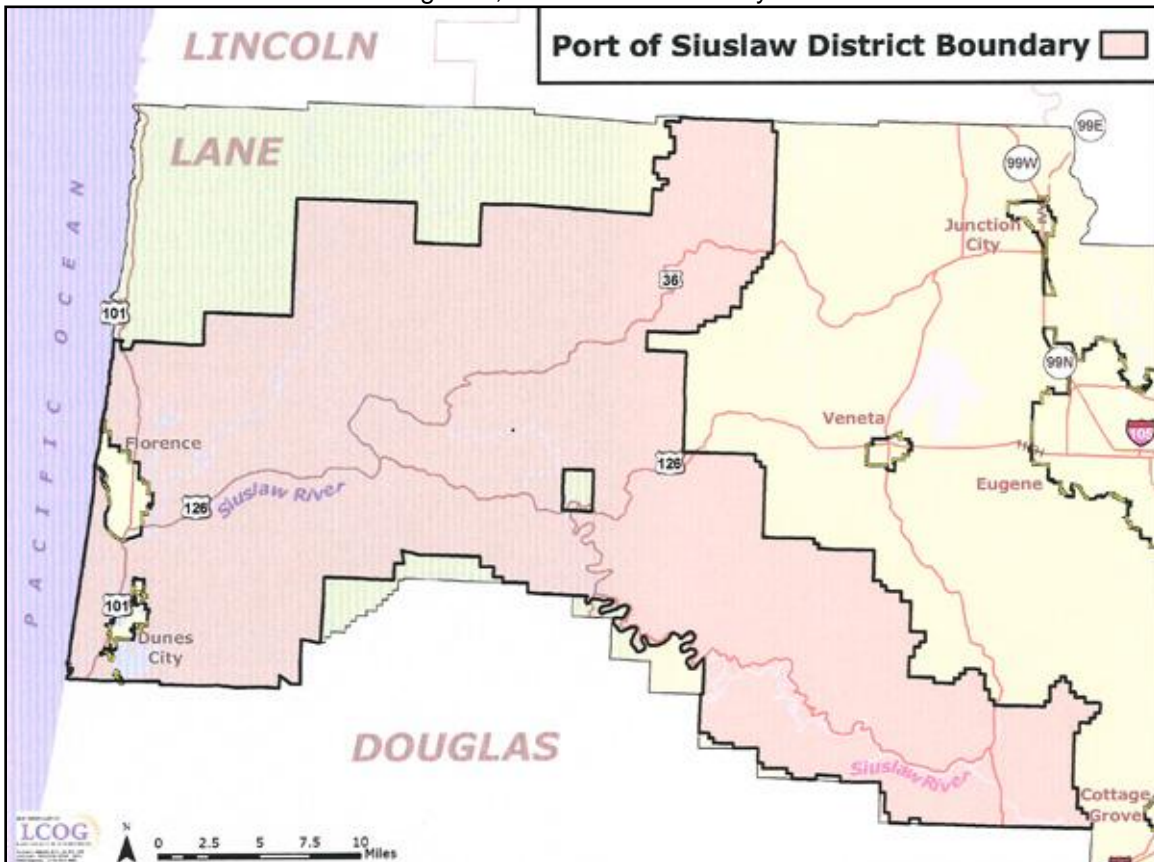
Port of Siuslaw Commissioners and staff allotted nearly twelve months to develop a strategic plan to guide operations for the next five years. To carry out its mission from 2013-2018, the Port's resources will be used to help create jobs by supporting expanding and emerging businesses, and promoting recreation and tourism; as well as collaborating with district entities, both private and public, to improve community development.

# I. Port History & Mission

## History

The Port of Siuslaw was established in 1909—the first coastal port district authorized by Oregon Revised Statutes (ORS) Chapter 777. Oregon port districts were created to act as economic engines to promote trade and commerce within their service areas. The Port’s boundaries were defined by the Siuslaw River watershed; the local economy at the time was based on fishing, canning and lumber. The Port district encompasses over 720 square miles in western Lane County, including the cities of Florence and Dunes City; smaller communities including Westlake, Mapleton, Triangle Lake, Blachly, Swisshome, Deadwood, Walton and Lorane; and unincorporated areas of Lane County. See Figure 1, Port District Boundary. The Port’s base of operations is in Florence, five river miles from where the Siuslaw River meets the Pacific Ocean.

Figure 1, Port District Boundary



## **Mission Statement**

*The Port of Siuslaw provides asset management and services that enhance economic and community development for the district.*

Port Commissioners revised the prior mission statement and adopted this new statement during the process of updating the strategic plan. The mission statement reflects the Port's focus on creating and retaining jobs, and improving quality of life for district residents—all while being responsible stewards of the district's resources.

The Port of Siuslaw takes a broad view of economic development to include encouraging small business and entrepreneurial growth, as well as business recruitment and expansion in relevant small to medium-sized industries. Community development encompasses not only supporting sustainable business practices, but also ensuring adequate infrastructure to maintain an appealing, livable district and quality of life for residents. Promoting the natural environment, civic amenities and community aesthetics all support positive community development. Diverse recreational opportunities, high quality schools, accessible medical care—all of these elements, and more, are viewed by the Port as part of a healthy economy.

## **Overall Goals/ Strategic Objectives**

The primary goal for the Port of Siuslaw is to promote sustainable economic and community development within the district. Objectives within this goal, by type of activity, include:

- Marine Property & Facilities—Maintain and enhance waterfront marine facilities to enhance commercial fishing, tourism, recreation and business development; support safe ocean access for boaters; and acquire/dispose of marine property to realize the Port's mission.
- Industrial Property—Expand economic development through planned industrial property acquisition and development.
- Aviation Property—Enhance transportation connections to promote business, tourism and recreation opportunities.
- Commercial Property—Improve economic development through well-planned commercial property acquisition, disposal and redevelopment.
- Recreational Property & Facilities—Maintain and improve the RV campground, marina, and related facilities to provide competitive amenities and increase revenue generation; strategically acquire additional recreational property to further the Port's mission.



- Management—Employ best management practices for Port ordinances, policies and procedures, including emergency management protocols; ensure professional development and needed resources are allocated to allow staff and board to achieve the Port’s mission.
- Financial—Actively pursue debt reduction and assure adequate financial reserves to accomplish future economic development services, while monitoring further Port taxpayer obligations to matching grants that provide insufficient return on investment.
- Environmental—Collaborate with district entities to encourage and maintain stewardship of the Siuslaw River estuary and to promote sustainable operations.
- Community—Enhance district communities by supporting relevant industries and initiatives, such as tourism, recreation, fishing, Oregon wine, active transportation, art, and farm-to-table agriculture, and encourage educational outreach regarding sustainable business practices.
- Marketing—Identify and implement specific marketing efforts, using all relevant media, to help achieve Port strategic planning goals.

### **Strategic Planning Process**

The Port began the process of updating its five year strategic plan in June 2012 with an all day special public meeting and long range planning session held in the upriver portion of the district near Lorane. Port staff and the Board of Commissioners, with the assistance of Business Oregon and the Ports Program, continued to work on the Plan over the next year. From inception, this Plan has been modeled on the strategic business plan template provided by Business Oregon and has been developed to meet the requirements of Business Oregon and to support the recommendations of Ports 2010: A New, Statewide Strategic Business Plan for Oregon’s Port System.

The approach used in updating the Plan included a cooperative examination and assessment of Port assets, activities, condition and capacity, district needs and potential opportunities, and situational analyses. Parties involved in this examination and assessment included the Commission, staff, district business and community leaders, agency representatives, Port customers and tenants, and district residents. Notices regarding the Port’s intent and progress on revising the five year Plan were posted on the Port’s website and Facebook pages, as well as in local media, during the year-long process.

An update was provided at the Commission’s regular February 20, 2013 meeting and public input was invited regarding the Plan. In April 2013, a series of press releases and specific solicitations for public input were issued via online and print media; over



fifty requests for input were sent directly to district stakeholders, customers, and agency partners. The 2013-18 Plan update was a listed agenda item at the Board's regularly scheduled monthly meeting on April 15, 2013, where public comment was accepted. Written comments and suggestions were received from members of the public in response to the solicitations; all input was reviewed and included in the Plan, as appropriate.

A draft Plan was included in the Commission's regular May 15, 2013 meeting packet; the packet was posted online and a hard copy was available at the Port office. Review of the draft Plan was a listed agenda item and public comment was received. The Port held a special work session on May 30, 2013, for the purpose of reviewing and revising the draft Plan; public comment was again accepted. On June 6, 2013, the Port held an open house at the district office. A copy of the draft plan was available for review and comment.

A final draft of the 2013-18 Strategic Plan was posted online and available at the Port office on June 12, 2013, for additional public comment. The final draft Plan was included in the June 19, 2013 Board meeting packet. Adoption of the Plan was listed as an agenda item at that meeting and public comment was received.

The Plan was adopted unanimously by the Commission on 19 June 2013.

## II. Port Overview

The Port of Siuslaw is primarily engaged in the commercial, industrial, maritime, recreation, tourism, and transportation activities of the central Oregon coast regional economy. The district office is located in Historic Old Town Florence on the banks of the Siuslaw River. Port-owned facilities are located in Florence and in Mapleton, fifteen miles upriver.

### Port Description

#### Operations, Facilities & Property

**Marine facilities** owned and operated by the Port and located on the Siuslaw River in Florence include: a 51 slip commercial and 53 slip recreational marina, both dredged in 2008; a 22,000 square foot (sf) commercial wharf renovated in 2013; a two-ton hoist located on the wharf; commercial forklift and workboat; a three-lane public boat launch with 160' of transient vessel dock, and 240' of concrete boarding float installed in 2011. See Figure 2, Port of Siuslaw Waterfront Facilities in Florence.

Figure 2, Port of Siuslaw Waterfront Facilities in Florence



Florence waterfront facilities also include a 10,000 gallon capacity (4,000 gallon gas and 6,000 gallon diesel, above surface tank) marine fueling station; 500' of riverfront bulkhead underlying the boardwalk; and 758' of concrete transient vessel dock installed in 2009. A 50,000 cubic yard capacity (500' x 550') Dredged Material Disposal site (DMDS #19); 800' of riverfront bulkhead; and 875' of shear and debris booms are also owned and maintained by the Port in Florence. Two marine pumpout-dump stations are located on the docks, and funding for a floating restroom to be located on the river has been requested.

In addition, the Port owns and operates a 140' transient vessel dock, public restroom and 12 space parking lot in Mapleton, approximately 15 miles upriver of Florence. In partnership with the Siuslaw Soil & Water Conservation District, the Port maintains the Siuslaw River Gauge in Mapleton.

The Port is also the local sponsor for maintenance of the federal navigation channel in the Siuslaw River by the US Army Corps of Engineers (USACE). An entrance channel into the Siuslaw, authorized at 18' deep and 300' wide, runs from deep water to river mile (RM) 0.2. From there, the channel is authorized at 16' deep and 200' wide, to the dock at Florence at RM 5.0. A turning basin opposite the dock is 16' deep, 400' wide, and 600' long. The turning basin was dredged to its authorized depth in 2010 by the Corps. From Florence, a 12-foot deep, 15-foot wide channel is authorized to river mile 16.5. At RM 15.8, the channel widens into an authorized turning basin 12' deep, 300' wide, and 500' long. Annual cost for entrance dredging ranged from \$600,000 to \$900,000. As of 2013, no dredging has been authorized or is planned for the Siuslaw River. The Siuslaw River jetties were built between 1893 and 1916, with significant extensions added in 1985, bringing the south jetty to a full length of 6,585' and the north jetty to 9,564'. Since that time, the south jetty has had a total loss of 488' in length and the north jetty 499'. In 2011, USACE completed a Major Maintenance Report for needed repairs to the jetties. The cost estimate for the preferred repair plan is \$122 million.



**Industrial land** includes the Pacific View Industrial Park (PVIP), a 38-acre state certified shovel-ready site, located within Florence city limits three miles northwest of the Port office. See photo at left. This certification designates development could proceed within six months of acquisition for one of eight specified industry profiles. The Park is zoned light industrial and the Port is actively marketing this property for sale. The site is part of an enterprise and e-commerce

zone, which includes substantial tax incentives, and is fiber optic service capable.

**Commercial facilities** include the 0.71 acre Boardwalk property, comprised of a 28,000sf open grass space, the 585' boardwalk, and adjacent 199 space parking lot, all overlooking the river in Old Town. This property is one of the last open waterfront

spaces in Florence and was developed for commercial application; however, recent input indicates some district residents may prefer to keep the open space, with temporary usage for farmer's markets and similar events. The Port offers some leased parking in the Nopal lot. Additional commercial facilities include two leased restaurant buildings located on the wharf, one 6,000 sf and one 5,000 sf; a 1,200 sf leased retail building (formerly the Port's district office) directly across the street from the wharf; a 5,000 sf leased retail/commercial building near the RV campground entrance; and rental of 60 covered storage units totaling 14,880sf.

**Recreational facilities** include a 103 site waterfront RV Campground, with a new 9,500sf, 12 site hiker-biker camp completed in 2013. The campground, located at the east end of Old Town Florence, includes public and camper-only restrooms and showers, new in 2011; a new laundry facility in 2012; RV dump station; car and boat wash; trails; gazebo; and a 75 space car and boat trailer parking lot. The 1,800 sf district office building also houses the campground and marina office, and a rentable 450 sf conference room. A 1,920 sf maintenance shop and 1,900 sf warehouse building are owned and used by Port staff. The Port owns and maintains two small pocket parks in Old Town, Anchor Park and Mariner's Plaza, as well as a 100 sf building which is used by the US Coast Guard Auxiliary and Oregon Department of Fish & Wildlife and is located adjacent to the boat launch.

The Port owns a total of 38 parcels of real property. See Appendix A, Port Property Inventory.



## **Revenue Centers**

Sport fishing and recreation continue to be significant sources of revenue for the Port of Siuslaw, along with commercial property lease activities. Operating revenue comes primarily from the campground and related activities (e.g. laundry, carwash), followed by lease income, marine fuel sales, moorage, storage and parking fees. Minor operating income is generated from other use fees such as forklift operation.

**The RV campground facility** appears to be generating sufficient revenue to cover its operational and capital costs. The laundry building was recently replaced, including new equipment. Close attention to fee structures and value-added amenities—such as installing a vending machine to dispense laundry supplies—resulted in a revenue-positive operation. Several improvements have been made in the campground in recent years, including upgrading electric service to 50amp, upgrading water/electric sites to full service, and creation of the hiker-biker camp (see photo below, right). These customer-requested improvements resulted in increased customer satisfaction and enable the Port to continue to charge competitive rates.



**Landlord activities** generally appear to produce sufficient revenue to offset operational and capital costs. The Port's retail/commercial buildings located on Bay Street and Harbor Street appear to provide sufficient rent payments to cover long-term costs.

The Bay Street building was the former Port office and several improvements were made to the property before it was leased as retail space. Port of Siuslaw management strives to find a sustainable balance between charging adequate lease fees to pay for ongoing capital replacement costs, while supporting small and emerging business growth within the district.

The two restaurant leases on the Old Town Wharf present a more challenging financial picture. The timber wharf was built in 1966 and sustained significant damage during the intervening years due to fire, active use, lack of proper maintenance and its location in the Siuslaw River waterway. The expected service life of the original wharf was 40 years. In 2013 the Port completed major repairs to the wharf to address structural deficiencies and provide an estimated additional service life of 30 years; cost of those repairs was \$1.8 million. Averaged over a thirty year span, that cost is partially covered by annual lease revenue from the two restaurants. However, the Port has received wharf replacement estimates of \$6 million. If the Port was successful in arranging financing to pay for that project, and presuming a 40 year service life, as was

the case for the original wharf construction, current annual lease payments would not cover that capital replacement cost. The Port is aware of this discrepancy and plans to negotiate future lease rates to help offset long-term capital costs. The Port is working towards full cost recovery in its operations. Temporary land and facility use fees (concessionaires, farmers markets) do not generate sufficient revenue to cover capital costs. Lease fees for the boardwalk area, for instance, cover some long-term costs such as replacement of the fire sprinkler system, but would not cover replacement of the entire boardwalk. The original boardwalk development/parking lot project was completed in 1998 at a cost of \$1 million.

**Marine fuel sales** do not currently provide sufficient revenue to offset capital expenses. The Port adds a small mark-up to the cost of bulk fuel but this increase is not enough to pay for expensive over-water fuel system replacement costs. Port management recognizes this shortfall and has taken steps to increase fuel price mark-up to help address this issue. Staff are also investigating other options, such as contracting the fuel sales and delivery system to an outside entity.

**Moorage slip rentals** appear to generate sufficient revenue to cover operational and capital costs, particularly for the recreational marina. In 2012, replacement cost for one damaged concrete float, which provided three to four moorage slips, in the commercial marina was over \$11,000. If those three to four slips were rented throughout the year, moorage fees would cover the long-term costs. The challenge with the commercial marina is that it is not consistently occupied; the FY2014 budget proposes only \$12,000 in total revenue from commercial moorage. The recreational marina, see photo above, presents a more positive revenue scenario. In 1998, the Port reconstructed a large part of the recreational marina at a cost of \$450,000. Presuming a typical 40 year service life for new docks, moorage rate fees can cover operational and capital replacement costs. The Port also has history of locating and acquiring used dock sections that can be repurposed to complete marina repairs and upgrades at a reduced cost.



As noted in the Ports 2010 Statewide Plan: “Historically, ports and other quasi-public agencies are asked to provide services that were needed by society but were not profitable and therefore could not be provided by private enterprise.” Many Oregon port marinas charge rates that are sufficient to cover operations and maintenance costs, but few charge enough to cover facility replacement. Several recent projects in the Pacific Northwest have demonstrated that the moorage rate required to cover construction costs for marina docks and floats can amount to \$10 or more per foot per month. In contrast, rates at port-owned marinas run approximately \$1 to \$6 per foot per month. “The moorage market on the Oregon coast and on the Columbia River is probably not strong enough to allow marina operators to raise rates to a level that would cover operating costs; however, these facilities are a key component to the local economy in

many areas, and in order to preserve those economies the cost of replacing moorage facilities must be financed through tax revenues or grant programs.”

**Transient vessel docks** do not currently generate sufficient income to offset capital costs. The nature of transient vessels is that some visit just for the day and do not generate moorage payments under the Port’s current fee structure. Port management also weighs the economic value of providing easily accessible boat tie-ups for visitors to Historic Old Town Florence, with the long-term costs of maintaining and replacing these facilities. In 2009 the Port completed replacement and expansion of the transient vessel dock that runs in front of the wharf, along with replacement of the landing from Bay Street that also serves one of the restaurant tenants on the wharf. See photo at left. The prior dock and landing had



both deteriorated to the point they had been closed for safety reasons. Total cost of this replacement facility project was \$2.2 million. This capital cost will not be covered by operating revenues for this facility.

**Covered and outside storage rental** revenues have not offset long-term costs. In addition, the Port is re-evaluating the use of its properties and the provision of covered and outside storage is no longer a core activity of the Port of Siuslaw. In 2013, the outside storage areas are slated for removal to make room for expanded campground sites. Economic considerations and needs dictate the Port be more financially self-sustaining. To that end, the Port plans to remove the indoor covered storage buildings, which have reached the end of their service life and would require substantial capital costs for replacement of the buildings. In their place, additional pull-through RV campsites would be installed; another amenity that has been frequently requested by customers. Port staff are in discussion with two different entities who may desire marine-related shop space on Port property. If those discussions progress, the Port plans either to retain a portion of one of the storage buildings and remodel it into rentable shop space, or purchase additional property and install rentable marine-related storage space.

**Parking fees** generated from the Harbor Street parking lot do not currently cover operational and capital costs. In 2011, the Port had the Harbor lot resurfaced at a cost of \$32,000. Current parking fees in the lot are minimal, in part because of maintenance funding assistance received from the Oregon State Marine Board (OSMB). If fees are increased, parking lot maintenance grant assistance is reduced. Port management is presently evaluating the cost benefit of keeping fees low to retain the full percentage of Marine Board funding versus increasing fees to provide adequate revenue to cover long-term costs. Another consideration is that OSMB has, in the past, consistently offered grant funding for major maintenance and capital work on the parking lot. Those grants typically cover 75%-100% of project costs.



Up until 2013, no parking fees were charged for the Nopal parking lot specifically. Some revenue was generated from that facility as part of land use fees for events held on the Boardwalk area, including rental of the parking lot for use by the carnival during the annual Rhododendron Festival. Port staff have recently evaluated and increased use fees charged for concessionaires on Port property. In addition, the Port has recently added new monthly parking rental fees to increase revenues from this lot with a goal of full cost recovery.

**Miscellaneous fees for service** are charged for items such as forklift operation by Port staff. Rates for these services have not been sufficient to cover associated operational and capital costs. However, equipment such as the forklift and work boat are also used by Port staff in day-to-day operations, including deploying debris booms, removing debris from docks, and moving materials on Port property. This equipment is therefore employed in maintenance of other Port facilities, not just for direct customer fee-for-service work. Port management has been recently evaluating and increasing fees for service to more adequately cover both short and long-term costs.

In general, revenue from Port activities and facilities, along with tax revenue, currently covers operational expenses, but not all capital costs. Grants and loans remain necessary to fund required capital maintenance and replacement costs to allow the Port to accomplish its mission. The Port continues to work towards full cost recovery.

### **Non-revenue activities**

As a local government, the Port of Siuslaw has ongoing operational costs that do not generate revenue. Examples of these activities include costs of complying with state, county and local rules, such as the public records and meetings laws, public contracting laws, local budget law, annual audits, and required Port employee and Commissioner trainings. In addition, the Port chooses to operate in a transparent manner and endeavors to make information readily available to district residents, resulting in costs for activities such as filming and web broadcasting of Commission meetings, operation of a website to provide electronic versions of meeting packets, minutes, budget documents, annual audits, strategic plans, and more. Port Commissioners and staff also participate in local, regional, state and national organizations to collaborate on joint projects and identify cost-efficiencies in sharing resources.

Some Port of Siuslaw facilities do not currently generate direct revenue and are simply maintained for public use. As part of the preparation of this Strategic Plan, Port management is evaluating each of these facilities to determine if there are ways they can be made to generate income, and if so, implement steps to accomplish that result. If the evaluation reveals the facility or activity cannot feasibly be made to produce income, Port leadership will determine if the value of the facility/activity to district residents is sufficiently high that it warrants continued subsidizing of costs by other operations, or if the activity should be ended and/or the facility transferred, sold or donated.



In Historic Old Town Florence, the Port's **boardwalk** is one of the most notable and popular locations for both residents and visitors. See photo at left. The actual wood structure and the bulkhead beneath it generate no direct revenue for the Port, even though the boardwalk is heavily used. Concessionaire and ground use fees are issued for the grass area adjoining the boardwalk, but, due to concerns on maintaining safe pedestrian and emergency access, the boardwalk itself is not leased.

Similarly, the Port's two mini-parks in Old Town Florence, **Anchor Park and Mariner's Plaza**, are operated as a public benefit for tourists and residents and generate no income to the Port. See photo of Anchor Park at right. Providing trash and recycle services on the boardwalk and parks is also an ongoing expense, without an offsetting revenue source. The boardwalk, and parks, as adjacent open spaces next to the temporarily leased grass field can be considered to contribute to concessionaire and land use lease revenue generation.



The **boat launch** is another example of a facility that does not generate direct income for the Port. There is currently no fee for using the boat launch. A minimal (currently \$2) parking fee applies to the nearby Harbor Street parking lot which offers boat trailer parking. The Port is fortunate the Oregon State Marine Board has provided consistent financial assistance to maintain and upgrade the boat launch, however, the Port accrues ongoing maintenance and capital costs for this facility with no offsetting income source. In 2011, Marine Board grants paid \$75,000 towards replacing the boarding float. The boat launch can be considered to contribute to generation of Harbor Street parking lot fees, as well as potentially to moorage rental fees and campground fees.

**Dredged Material Disposal Site #19** is the Port's only directly-owned disposal site, and is another facility that does not currently generate revenue. Site #19 is the cleared, sandy area in the center of photo at left. Once the dredged material that currently fills the site has dried sufficiently to allow removal, this material may be sold. However, the Port is obligated to pay royalty charges to the state of Oregon on all material sold, resulting in reduced income from sale of this material.



The entire **Mapleton facility** does not generate any direct revenue. See photo at right. OSMB provides funding to help with maintenance costs, and, again, they have a history of assisting with grant funding for capital costs for the facility. However, the Port maintains the Mapleton transient vessel dock, landing, parking lot and restroom 365 days per year and it generates no income for the Port.



Operation of the **Harbor Street public restroom** does not generate direct income either, although, one half of the facility is designated for use by campground guests, therefore some portion of the restroom operations could be considered to indirectly contribute to income generation from the campground. Providing restrooms/showers is an essential amenity to offer to campers, recreational and commercial fishermen. Because of its proximity to the boat launch, the Marine Board also provides annual funding for maintenance for the half of the restroom that serves the public, as well as a history of grant assistance for capital costs. In 2011, OSMB grants paid \$41,000 to help replace the facility. The restroom is one of the only public restroom/showers available at no cost in Florence and is used by a large number of visitors, homeless and transient residents. In addition, the Port, via Marine Board maintenance assistance, subsidizes the cost of operating the City of Florence public restroom in Old Town.

The **small building adjacent to the boat launch**, used by the US Coast Guard Auxiliary (USCGA), also does not generate revenue to the Port. Currently, maintenance on the building is paid for by the Auxiliary, although the Port pays for utilities and has, in the past, paid for both maintenance and capital upgrades to the building. The Auxiliary provides services for boaters, including free safety inspections. Oregon Department of Fish & Wildlife (ODFW) personnel are present during fishing season collecting catch data and providing information to fishermen. Because USCGA and ODFW are both providing no cost services to boaters and fishers, their use of this facility could be considered as indirectly contributing to moorage slip rental, as well as, potentially, campground site rental and Harbor parking lot fees.

As noted previously, the **transient vessel dock** in Florence generates some direct revenue for overnight moorage and a small amount for hoist fees and potential seafood sales, but also is used by day trip boaters at no cost. Port staff and Commissioners must weigh the economic value of providing boating visitors easy access to Florence businesses, with the expense of subsidizing capital costs for the facility long-term.

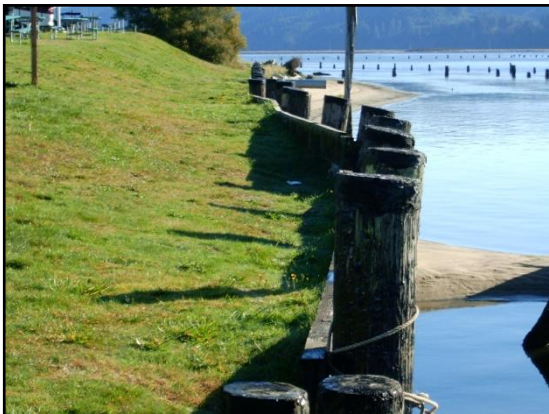
Likewise, the **landing at Maple Street** that links pedestrian access in Old Town to marine access on the transient vessel docks does not provide any direct income to the Port. However, it can be considered as indirectly contributing to both overnight moorage fees on the transient vessel dock, hoist fees, and the building lease for Mo's Restaurant

on the wharf, since the landing provides access to Mo's back door and is their service and delivery entrance. The Maple Street landing was replaced as part of the overall transient vessel dock project in 2009; cost of the landing was approximately \$60,000. The landing had been closed prior to replacement due to deterioration of the structure and safety concerns.

**Marine pumpout-dump stations** also do not generate any income for the Port. Again, the Marine Board offers annual funding for maintenance assistance grants, as well as a consistent history of providing 100% grant assistance for capital costs for the two units. In 2011, OSMB grants paid \$22,000 to replace the boat launch unit. Presence of the stations at the boat launch and on the transient vessel dock could be considered as indirectly contributing to collection of moorage fees, as well as potentially Harbor Street parking fees, campground site rental fees, and vending at the boat wash.

Joint maintenance of the **Siuslaw River Gauge** (with the Siuslaw Soil & Water Conservation District) is an example of a facility that offers no revenue to the Port and is provided as a service to upriver district residents. It is also an example of the Port's ongoing collaboration with other local government entities to accomplish a community-driven benefit.

The **bulkhead** that protects the Harbor Street parking lot and riverfront campground sites, as well as providing a stable site for the landing that links the recreational moorage basin docks to the shore, is another example of a vital facility that generates no direct income for the Port. This 800' structure was built in 1983 and is failing in several locations; note deflection in photos below.



Bulkhead - east view, campground at left



Bulkhead - west view, sport marina at left

The Port is actively seeking funding to help pay for capital repair/replacement expenses and this project is identified as a critical issue for the Port. The bulkhead is a classic example of underlying infrastructure that is essential for operations and safety, but does not generate income and is therefore difficult to adequately fund for maintenance and long-term costs. Presence of a safe and functional bulkhead can be considered to indirectly contribute to revenue generation by moorage slip rental, parking lot fees, marine fuels sales, and campsite rental fees.



## Port Resources

Primary operating revenue sources for the Port of Siuslaw are RV campground fees, commercial leases, fuel sales, and moorage and storage fees. The Port's permanent tax rate is \$0.1474 per \$1,000 of assessed value. In FY2012, property tax payments amounted to 27% of total operating and non-operating revenues. See Figure 3, Revenue Sources FY2012 and Figure 4, Revenue Sources FY2008.

Figure 3, Revenue Sources FY2012

<u>Revenue Source</u>	<u>FY2011-12</u>	<u>Percent of Total</u>
Property Tax Revenue	\$290,028	27%
Campground Revenue	\$240,097	22%
Grants	\$215,991	20%
Lease Revenue	\$161,342	15%
Fuel Revenue	\$60,195	6%
Moorage Revenue	\$50,199	5%
Storage Revenue	\$22,190	2%
Misc Revenue	\$32,270	3%
<b>Total Revenues</b>	<b>\$1,072,312</b>	<b>100%</b>

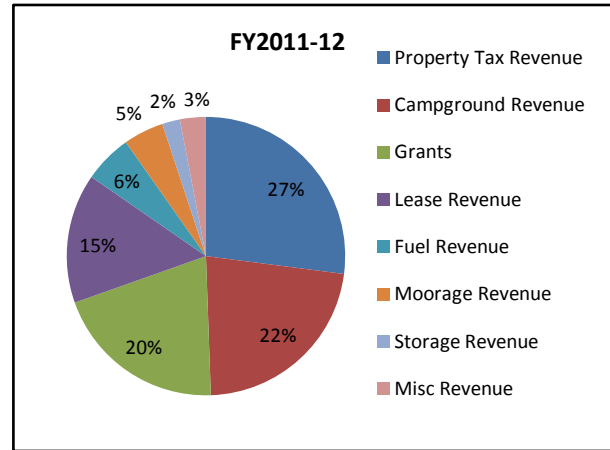
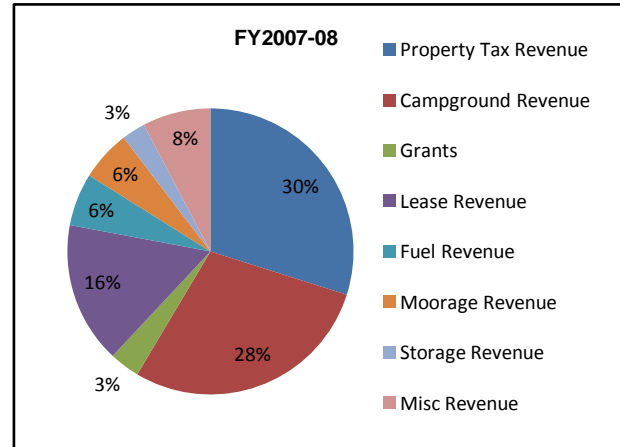


Figure 4, Revenue Sources FY2008

<u>Revenue Source</u>	<u>FY2007-08</u>	<u>Percent of Total</u>
Property Tax Revenue	\$234,580	30%
Campground Revenue	\$224,790	29%
Grants	\$26,858	3%
Lease Revenue	\$125,435	16%
Fuel Revenue	\$46,746	6%
Moorage Revenue	\$44,809	6%
Storage Revenue	\$20,959	3%
Misc Revenue	\$60,459	8%
<b>Total Revenues</b>	<b>\$784,636</b>	<b>100%</b>



## **Operational**

According to the Port of Siuslaw audited financial report for FY 2011-12, operating revenues accounted for \$534,023. See Table 1, Operating Revenues & Expenses Past Five Years. Operating expenses before depreciation totaled \$714,495. Depreciation expense for the year was \$416,093, resulting in net operating revenues before depreciation of \$180,472 and net revenues after depreciation of \$(596,565).

Table 1, Operating Revenues & Expenses Past Five Years

	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>
Operating Revenue	\$534,023	\$459,781	\$476,316	\$444,650	\$489,106
Operating Expense Before Depreciation	\$714,495	\$712,668	\$655,132	\$607,400	\$626,087
Depreciation Expense	\$416,093	\$370,056	\$248,669	\$247,847	\$200,041
Operating Expense After Depreciation	\$1,130,588	\$1,082,724	\$903,801	\$855,247	\$826,128
Net Operating Revenue Before Depreciation	(\$180,472)	(\$252,887)	(\$178,816)	(\$162,750)	(\$136,981)
Net Operating Revenue After Depreciation	(\$596,565)	(\$622,943)	(\$427,485)	(\$410,597)	(\$337,022)

As can be seen in Table 1, above, operating revenues amounted to an average of 72% of operating expenses, before depreciation, over the past five completed fiscal years. Depreciation has increased significantly, over 200%, because of the capital improvements the Port has made in that time. Over the past five years, operating revenues accounted for only 50% of operating expenses after depreciation.

In recent history, operating revenues for the Port have been insufficient to cover operating costs, and the Port has relied on grant/loan funding to help pay for capital projects. Port management is working to increase revenues to cover operating expenses, and, ideally, capital expenses. However, despite best practices and diligent attention to cost recovery, the Port does not believe it will be able to complete necessary large capital projects, for example repair of the bulkhead, without grant/loan assistance requiring no matching funds. The bulkhead project is an example of the Strategic Plan guiding specific outside funding requests to allow the Port to accomplish its mission.

## **Non-operational**

Over the past five fiscal years, property tax revenues for the Port of Siuslaw ranged from 23% to 28% of total operating expenses after depreciation, with an average of 26%. See Table 2, Non-operating Revenue Detail Past Five Years.

State forest sales revenue has been variable over the past five years, ranging from 1% to 3% of total operating costs.

The Oregon State Marine Board offers annual Maintenance Assistant Program grant funds to help with ongoing maintenance costs for Marine Board-funded facilities. These grant funds cover approximately half of the Port's maintenance costs for the eligible facilities and provide approximately 1% of total overall operating expenses for the Port.

While the City of Florence does have an Urban Renewal District which Port property taxes help fund, no monies from the Florence Urban Renewal Agency are designated only for Port projects.

Non-operating revenues for the Port have been increasingly impacted by debt service, due primarily to matching funds required for grant awards. Interest expense for FY2012 was \$73,482, up significantly from \$36,986 in FY2011. See Table 2, Non-operating Revenue Detail Past Five Years. This increase was due in large part to the \$601,000 loan acquired to complete repairs to the landing and transient vessel dock in Florence and the subsequent start of loan payments on that debt. The Port's current debt load is approximately \$1.6 million. See Table 5, Long-term Debt Summary on page 33.

Table 2, Non-operating Revenue Detail Past Five Years

	2011-12	2010-11	2009-10	2008-09	2007-08
Property Tax Revenue	\$262,014	\$256,204	\$248,660	\$240,089	\$225,314
State Forest Sales Revenue	\$28,014	\$23,079	\$14,589	\$25,153	\$9,266
OSMB Maintenance Grant	\$12,300	\$12,300	\$11,725	\$9,200	\$9,200
Other Grant Revenue	\$137,194	\$96,005	\$744,760	\$173,783	\$17,658
Interest Income	\$9,501	\$4,021	\$6,235	\$11,042	\$22,249
Interest Expense	(\$73,482)	(\$36,986)	(\$29,577)	(\$24,793)	(\$20,469)
Miscellaneous Income	\$22,769	\$40,300	\$24,143	\$15,368	\$11,843
<b>Total Non-operating Revenue</b>	<b>\$398,310</b>	<b>\$394,923</b>	<b>\$1,020,535</b>	<b>\$424,689</b>	<b>\$275,061</b>
<b>Total Operating Expense After Depreciation</b>	<b>\$1,130,588</b>	<b>\$1,082,724</b>	<b>\$903,801</b>	<b>\$855,247</b>	<b>\$826,128</b>

In FY2012 the Port realized a gain on sale of fixed assets in the amount of \$149,708 for the sale of commercial land to a long-time leasee. The Port completed a comprehensive survey of all Port properties in 2013. Results of this survey revealed the Port owned 38 different properties, totaling over \$20 million in market value. Evaluation of the properties immediately determined nine of them were of no present or future value to the Port. The Commission has declared these nine properties surplus and they will be sold, traded or donated in coming years. Evaluation of the remaining properties will be completed and the Port expects several additional properties to be declared surplus and divested. See Appendix A, Port Property Inventory.



## **Outside sources**

During the past five fiscal years the Port has received \$1,169,400 in grant funds; an average of \$233,880 per year. See Table 3, Grants & Loans Received Past Five Years. During that same period the Port has taken on \$926,000 in additional debt; an average of \$185,200 per year. These outside source loan funds have been accrued to help pay for major capital projects, often to provide required matching funds for awarded grants. With the exception of one commercial bank loan for \$250,000, all loans are held by Business Oregon.

Table 3, Grants & Loans Received Past Five Years

	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2008-09</b>	<b>2007-08</b>
Grants	\$137,194	\$96,005	\$744,760	\$173,783	\$17,658
Loans	0	\$601,000	0	\$325,000	0

Grant and loan funds have been used primarily to complete capital facility projects such as replacement of docks and marine infrastructure. Additional uses for these funds include maintenance dredging of marinas, tourism related projects, economic development, and completion of strategic plans. See Table 4, Grant & Loan Purposes Past Five Years.

Table 4, Grant &amp; Loan Purposes Past Five Years

<b>FY2011-12</b>			
<b>Purpose</b>	<b>Grant Amount</b>	<b>Appropriation</b>	<b>Loan Amount</b>
Replace boat launch boarding float	\$75,000		
Harbor parking lot resurfacing & Replace pumpout at boat launch	\$62,194		
<b>TOTAL</b>	<b>\$137,194</b>	<b>0</b>	<b>0</b>
<b>FY2010-11</b>			
<b>Purpose</b>	<b>Grant Amount</b>	<b>Appropriation</b>	<b>Loan Amount</b>
Wharf upgrades to allow installation of commercial utilities	\$57,941		
Harbor parking lot resurfacing & Replace pumpout at boat launch	\$24,384		
Tourism, brochures & advertising	\$7,500		
Tourism, web video	\$3,300		
Security cameras and lights	\$2,880		
Replace and upgrade Florence transient vessel dock, Maple Street landing, commercial hoist, wharf electrical service	0		\$601,000
<b>TOTAL</b>	<b>\$96,005</b>	<b>0</b>	<b>\$601,000</b>
<b>FY2009-10</b>			
<b>Purpose</b>	<b>Grant Amount</b>	<b>Appropriation</b>	<b>Loan Amount</b>
Replace and upgrade Florence transient vessel dock, Maple Street landing, commercial hoist, wharf electrical service	\$711,843	\$495,000	
Wharf upgrades to allow installation of commercial utilities	\$31,163		
Tourism, web video	\$370		
Security cameras	\$1,384		
<b>TOTAL</b>	<b>\$744,760</b>	<b>\$495,000</b>	<b>0</b>
<b>FY2008-09</b>			
<b>Purpose</b>	<b>Grant Amount</b>	<b>Appropriation</b>	<b>Loan Amount</b>
Marina Dredging	\$154,115		\$75,000
2008-13 Strategic Plan	\$19,668		
Complete purchase of Industrial Park			\$250,000
<b>TOTAL</b>	<b>\$173,783</b>	<b>0</b>	<b>\$250,000</b>
<b>FY2007-08</b>			
<b>Purpose</b>	<b>Grant Amount</b>	<b>Appropriation</b>	<b>Loan Amount</b>
Establish Siuslaw Water Trail	\$15,659		
2008-13 Strategic Plan	\$1,999		
<b>TOTAL</b>	<b>\$17,658</b>	<b>0</b>	<b>0</b>

In addition to the grant projects detailed in Table 4, during the current fiscal year, 2013, the Port is completing major repairs to the Old Town wharf. This work is being accomplished with a \$1.5 million grant from the ConnectOregon III program of the Oregon Department of Transportation, along with matching loan funds of \$375,000 from Business Oregon via the Port Revolving Loan Fund.

Grant funds have averaged 26% of total operating expenses (after depreciation) over the past five years, with a low of 2% and a high of 84%. The high year occurred when the Port replaced the landing and transient vessel dock at a cost of \$2.2 million with grant/loan assistance from Business Oregon (the Port Revolving Loan Fund), the Oregon State Marine Board, US Fish & Wildlife Service, and the Clean Vessel Act, along with a federal transportation appropriation.

With the exception of the failing bulkhead along the waterfront, the Port's efforts to catch up with deferred maintenance and to complete major facilities repair/replacement are nearly complete. With the exception of bulkhead repair funding, the Port intends to structure revenues and manage expenses such that revenue will cover operating costs, as well as allow accumulation of reserves for future capital outlay. By policy, the Port sets aside a minimum of \$15,000 per year for future capital expenditures. One of the Port's financial goals for the next five years is an evaluation of how to more effectively fund capital reserves; implementing an annual fixed percentage of net gain towards capital reserves is one idea under consideration.

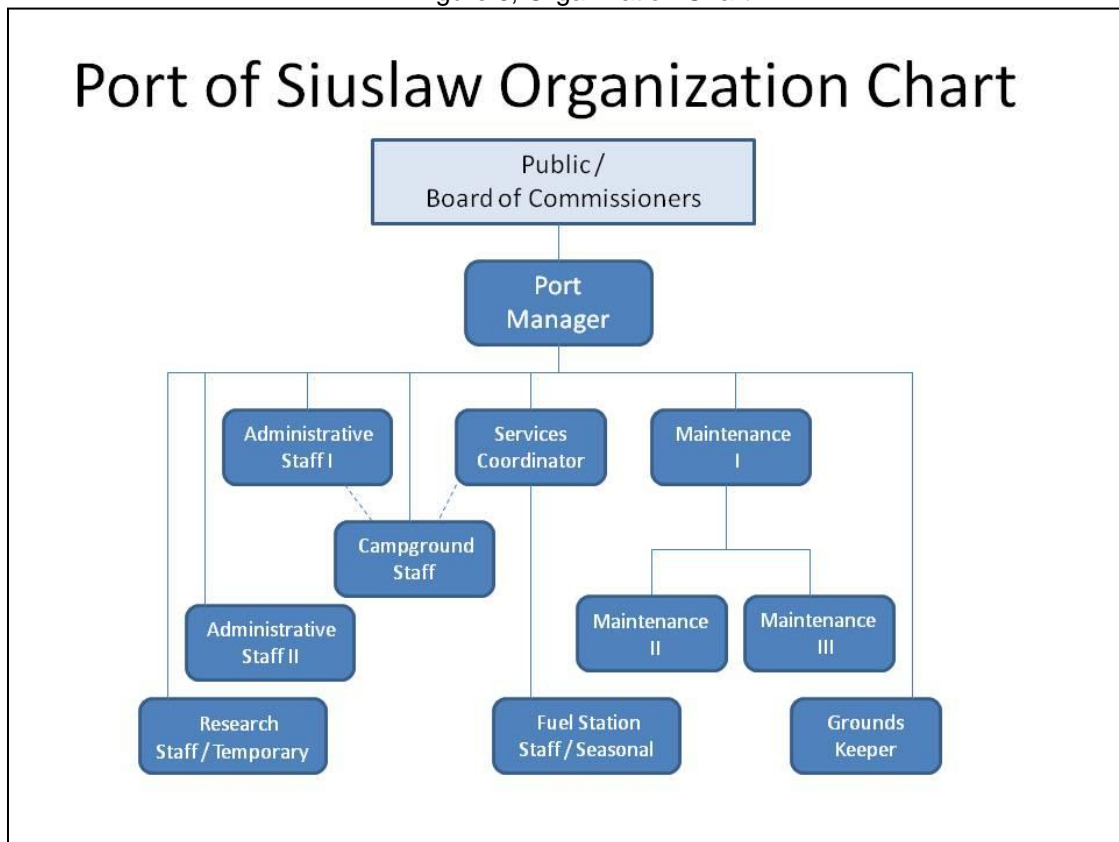
## Port Policies and Procedures

### Operating procedures

The Port of Siuslaw operates under a five member elected, volunteer Board of Commissioners. The Commissioners are responsible for setting policy, and for selecting and supervising the Port Manager. The Manager is responsible for day-to-day operations of the Port; for selecting and supervising the remainder of Port staff; the overall administration of the Port's fiscal matters and personnel policies; and the development, operation and maintenance of Port facilities.

Currently the Port of Siuslaw has eleven total staff members, approximately 8.5 FTE, including: a Manager, two administrative staff, a services coordinator, one campground office staff, one research staff, and five maintenance staff. See Figure 5, Organization Chart.

Figure 5, Organization Chart



The Board has adopted a Commission policy manual which covers the general operating procedures for the Board. The "Port of Siuslaw Commission Rules, Regulations, Duties & Responsibilities" document defines the primary responsibility of the Board as the formulation and evaluation of policy, with routine matters concerning

the operational aspects of the District to be delegated to professional staff. See Appendix B, Port of Siuslaw Commission Rules, Regulations, Duties & Responsibilities.

The Port also has a full set of adopted policies and ordinances to guide Commission and staff. See Appendix C, Port Ordinances, Policies & Procedures List.

## **Governance**

The Port Board has an adopted governance document: “Port of Siuslaw Commission Rules, Regulations, Duties & Responsibilities,” most recently revised in 2013. This document defines the role of Commissioners as public officials who must act in the best interests of the public and who are accountable to the public through federal, state and local laws. The Commission Rules specify that Board members must operate under the general provisions for port districts and special districts established by the state of Oregon. The Rules further clarify that the primary duty of the Board is formulation and evaluation of policy and that routine operation of the Port is delegated to staff. Commission Rules note that the Board is responsible for monitoring the district’s progress in attaining goals and objectives, while pursuing its mission.

The Rules document notes that a Conflict of Interest can arise anytime a public official takes any action or makes any decision or recommendation, which can be perceived as giving benefit or detriment to the official or the official’s relative, or a business with which the official or the official’s relative is associated. The Commission Rules further stipulate that if a conflict of interest does arise, the official must announce publicly the nature of the potential conflict of interest before taking any action.

## **Commission**

The Port of Siuslaw Board of Commissioners is comprised of five elected officials. The four-year terms are staggered to allow continuity in Board service.

The present Board includes:

**Position 1**—John Buchanan. He has served on the Board since 2005 and, after a 50 year career as a firefighter, in May of 2013 announced his retirement from the Siuslaw Valley Fire & Rescue district where he has served as Fire Chief since 1996. Commissioner Buchanan resides in Florence and has been a public official for over 20 years. His current term ends June 30, 2013. Commissioner Buchanan completed board training.

**Position 2**—John Murphey. He was appointed to the Board in 2013 to fill a vacancy. He has served on a variety of elected and appointed boards for over twenty years. Commissioner Murphey is co-owner of Coast Insurance Services Inc. and is a lifelong Florence resident. His current appointed term ends June 30, 2013. Commissioner Murphey completed Special Districts Association of Oregon’s (SDAO) and Lane Council of Government board trainings.

**Position 3**—John Scott. He has served on the Board since 2002 and retired in 2012 from a second career as a real estate broker, following a 35 year career in marketing/manufacture management. Commissioner Scott has served on a variety of elected and appointed boards for over ten years. He resides in Dunes City and his current term expires June 30, 2013. Commissioner Scott completed board training through SDAO.

**Position 4**—William Fleenor, Ph.D. He has served on the Board since 2011 and recently became a real estate broker following a varied career as a research scientist, inventor, educator, and business owner/CEO in packaging-manufacturing and technology services. Commissioner Fleenor has 12 years of service as an elected official, including four years as a county commissioner, along with service on a variety of local boards. He resides in Mapleton and his current term expires June 30, 2015. Commissioner Fleenor completed board training through both SDAO and the Association of Oregon Counties.

**Position 5**—Robert Thorp. He was appointed to the Board during his current term to fill a vacancy in 2012, and also served on the Board from 2007-2010. Commissioner Thorp is retired following careers in law enforcement and human resources. He is a resident of Florence and his current term ends June 30, 2013. Commissioner Thorp completed board training through SDAO.

The Commission Rules document provides governance for the Board and defines the role of Commissioners as public officials who must act in the best interests of the public and who are accountable to the public through federal, state and local laws. The Commission Rules specify that Board members must operate under the general provisions for port districts and special districts established by the state of Oregon. The Rules further clarify that the primary duty of the Board is formulation and evaluation of policy and that routine operation of the Port is delegated to staff. Commission Rules note that the Board is responsible for monitoring the district's progress in attaining goals and objectives, while pursuing its mission.

All Port Commissioners complete new board member training, provided by Special Districts Association of Oregon or a similar authority, when elected to the Board, if they have not already done so as a result of recent prior board service. They are also provided copies of relevant Oregon Revised Statutes, the Oregon Government Ethics Commission guide, and the Port Commission Rules, along with copies of the Port's Strategic Business Plan and Adopted Budget. Board members are given the opportunity and encouraged to attend annual trainings on Local Budget Law, Oregon Government Ethics rules, Risk Management, and other topics as desired. The Port also maintains a library of training materials, including SDAO's board member training, and Commissioners are encouraged to review these materials. Port staff arrange regular safety, human resources, ethics, and other trainings and Commissioners are invited to attend. Funds are also budgeted for at least one Board member to attend the annual SDAO conference each year for continuing education.

## **Staff/ Professional Development**

The Port Manager is the supervisor for all other Port personnel, which currently includes two Administrative employees (one full-time and one part-time); a full-time Services Coordinator; a part-time Campground office employee; a temporary Research employee; a volunteer Camp Host; a part-time, seasonal Fuel Station employee; a full-time Groundskeeper; and three full-time Maintenance employees. The Manager has been with the Port since 2012 and has over twenty years of management experience in both the public and private sector. The two Administrative employees have been with the Port since 2007 and 2009, respectively, and have backgrounds in fisheries, grantwriting, human resources, and small business ownership. The Services Coordinator has been with the Port since 1999 and has filled multiple, increasingly responsible positions during that time. The Maintenance I employee has been with the Port since 2001 and has a background in construction.

Port management strongly believes in the value of professional development and has a history of scheduling regular trainings on a variety of topics. As training providers transition from in-person classes to more virtual options, the Port is also acquiring relevant training software for all employees. Board training software was acquired in 2012. Recent upgrades to the Port office conference room, including a 50" wall-mounted screen and wireless computer interface, have been completed with the goal of making it an effective and accessible training venue for Board, staff and members of the public. Specific professional development goals for Port staff include basic supervision and human resources training for the Maintenance I staff; managerial, negotiation and procurement training for the Services Coordinator; and cash handling training for relevant employees. In addition, annual and biennial trainings occur on topics including budget law, safety, human resources and others. Professional development goals for the Commission include annual training/ refresher courses in elected official board training, governance, ethics, and public meetings law.



## Financial and Market Conditions

### Competition

Competition for the Port district includes all other area providers of services and facilities which the Port offers; primarily other campground, moorage, fishing, and recreation providers. Specifically, the Port has identified the following competition for:

- RV Campground—Other RV campgrounds in Florence such as Pacific Pines, B&E Wayside, Westlake Resort, Harbor Vista and Honeyman.
- Tourism Destination—Other tourism destinations on the central coast such as Newport, Yachats and Bandon.
- Boat Launch—Upriver launch sites such as Tiernan.
- Moorage—Winchester Bay offers vessel haul-outs. Upriver marinas such as C&D Docks, Siuslaw Marina; marinas on local lakes such as Westlake, Siltcoos Lake; other ports and marinas.
- Industrial Land Development—Other cities, counties, and port districts with similar certified industrial lands.
- Commercial Building Rental—Real estate management companies; other local building owners.
- Storage—EPO Storage; other covered storage providers.
- Laundromat—37<sup>th</sup> Street Laundry; other local providers.
- Car wash—Car Wash & Shine; and other local providers.
- Marine fueling—Land-based fuel stations for customers with boats on trailers.
- Energy generation—Central Lincoln People’s Utility District; potential wave generation companies.
- Fishing—Other central coast rivers and lakes; locations with closer ocean access.

Competitors for communities within the district include other cities where new businesses and families may decide to locate, instead of within the Port district. Community competition also includes other attractions and locations seeking tourists and visitor-related revenues. For the wine industry, other wineries outside the district boundaries would be competitors seeking part of the same market share.

The Port can expect increased competition from the Three Rivers Casino & Hotel (operated by the Confederated Tribes of the Coos, Lower Umpqua and Siuslaw Indians) in the future. The Casino plans to double the number of hotel rooms, add a new nonsmoking restaurant and indoor aquatic center, and create a 60-space overnight RV park at their facility on Highway 126 just east of Florence.

Port of Siuslaw activities and facilities compete on a limited basis with private operations in the region. There are no other private RV campgrounds/ marinas on the Siuslaw River in Florence; however there are two others located upriver offering similar services. The Port's covered storage competes with at least one private RV/ boat storage business in Florence, but is not competitive with most private storage providers because the Port's units are gravel, without utilities, and not fully enclosed; the Port proposes to eliminate its covered storage during the period of this Strategic Plan. The Port's laundromat and car/boat wash compete marginally with local providers, although the laundry facility is small and has limited hours and the car/ boat wash is rudimentary.

### **Existing Markets**

The Port of Siuslaw and its facilities serve the following existing markets:

- Tourism & Eco-tourism
- Recreation (hiking, cycling, camping)
- Sport fishing (river and ocean)
- Recreational boating (motorized & paddle)
- Tour boats
- Marine Research (surveying, monitoring)
- Charter/ Guide fishing
- Commercial fishing (boutique fishery)
- Light industrial & commercial business creation/ expansion/ relocation.

According to Port of Siuslaw records, most (approximately 80%) of the Port's visitors and facility users, primarily RV campground and marina customers, come from the Pacific Northwest and the west coast. Oregon visitors predominate, with Willamette Valley visitors comprising the largest segment within Oregon. An additional 10% of visitors/ users come from throughout the nation, and approximately 10% of the Port's customers come from outside the United States.

Existing markets not directly served by Port-owned or operated facilities, but served by other businesses within the Port district include:

- Timber & value-added forest products
- Non-marine transportation (aviation, railroad)
- Real estate
- Injection molding, precision machine shop, tool & die, specialized plastics
- Farm-to-table and niche agriculture

- Oregon wine & craft beer
- Medical & healthcare
- Retiree relocation—In 2004, *USA Today* announced Florence was named the best place to retire in the US, according to Retirement Places Rated
- Transpacific fiber optic cable landing and distribution.

Like many Oregon coastal ports, the Port of Siuslaw is a designated harbor of refuge for vessels in need of assistance due to severe weather or other urgent situations. While the Port is not often called upon to act in this capacity, appropriate facilities need to be available to fulfill this obligation when needed. Typically, the Port's transient vessel dock in Florence has been used for this purpose.

As noted in the Oregon 2010 Ports Plan, even though a port district does not directly own or operate a business, they are catalysts for economic growth in the communities by encouraging development within the district, partnering for community improvements, and supporting cities and other entities to foster economic development. For instance, the Port of Siuslaw does not own a hotel, but the Port's activities directly impact occupancy for district lodging through support of community events such as the annual Rhododendron Festival which includes a carnival placed in the Port's Nopal parking lot.

### **Port Resources & Financial Condition**

Port of Siuslaw resources appear stable. Cash reserves average \$275,000 between the Port's money market and checking accounts. This amounts to a four to five month operating reserve. Over the past five years, through conservative budgeting and attention to expenses, the Port has expended only 50% to 90% of budgeted appropriations, allowing for year-end surpluses of \$150,000 to \$328,000. Staff capacity is presently adequate and is increasing through recent management focus on professional development, training and restructuring.

Assets of the Port of Siuslaw include the Port office building, shop and storage buildings, leased buildings, marine and land-based facilities, the industrial park land, equipment, vehicles, and inventory. Total assets for FY2012 were \$6,390,799, according to the audited financial report. Port assets also include the recently inventoried 38 pieces of Port-owned real property with a 2012 total assessed value of \$10.3 million and market value of \$20.7 million.

Port liabilities are primarily from long-term debt (often obtained to provide required matching funds for grant awards), as well as deposits being held, payroll liabilities and deferred revenue from upcoming campground reservations.

The Port currently has five loans being repaid, with a sixth being drawn on in 2013 with payments expected to begin in FY2014. See Table 5, Long-term Debt Summary. These low-interest loans have primarily been acquired as part of a funding package to complete necessary infrastructure repairs and replacements, as well as for

improvements for economic development. The Port has a history of successfully leveraging funds to accomplish needed projects. In 2005 the Port completed repayment of a \$150,000 loan from Business Oregon to complete parking lot and RV campground improvements, and in 2009 the Port repaid a \$103,000 loan from Business Oregon, acquired to upgrade the commercial docks.

Table 5, Long-term Debt Summary

Loan Number - Purpose	Initial Balance	Balance on 6/30/12	Annual Payment	Year Ending
#520130 - Nopal Development	\$330,866	\$106,486	\$29,456	2016
#L0004 - Boardwalk Development	\$189,139	\$141,298	\$15,961	2025
#1000214241 - Industrial Park	\$250,000	\$250,000	\$11,280	2013
#524016 - Marina Dredging	\$75,000	\$70,218	\$5,876	2029
#525186 - Transient Vessel Dock	\$601,000	\$576,644	\$46,400	2031
#525196 - Wharf Repairs	~\$375,000	n/a	\$29,940	~2033

The oldest of the outstanding loans (#520130) dates to 1995 when the Port borrowed \$330,866 from Business Oregon to help complete the commercial dock and business site development project, better known as the boardwalk project.



This project created the Nopal parking lot, the to-be-developed commercial space, the seawall and boardwalk, relocation of the marine fueling station, and renovated the commercial marina. The second loan (#L0004) is from 2000, also from Business Oregon, an additional \$189,139 was borrowed for the balance of the boardwalk project.

The third outstanding loan (#1000214241) was accrued in 2008 in the amount of \$250,000 from Siuslaw Bank to complete purchase of the 38 acre Industrial Park land from Lane County. This five-year, interest-only loan comes due in calendar year 2013 and the Port will need to repay or refinance it at that time.

In 2009 the Port completed dredging of its marinas for the first time in over twenty years and accrued the fourth outstanding loan (#524016) of \$75,000 to accomplish this much needed maintenance dredging.

In 2011, the Port acquired the fifth loan (#525186) of \$601,000 from Business Oregon to complete replacement of the transient vessel dock and landing, along with a new hoist and utility upgrades on the wharf.

And, in 2013 the Port began drawing on a new, sixth, loan (#525196) from Business Oregon to provide matching funds for the grant award to complete renovation of the Old Town wharf. That loan amount is expected to be \$375,000.

The Port's permanent tax rate is \$0.1474 per \$1,000 of assessed value. In FY2012, property tax payments amounted to 27% of total operating and non-operating revenues.

The Port's overall financial condition is stable. In spite of increasing liabilities, net assets have increased 20% since FY2008 and have shown steady growth, as reported in the Port's annual audited financial statements. See Table 6, Assets & Liabilities Past Five Years. One of the priorities of this five year plan is to address debt consolidation and repayment. Revenue bonds are one idea under consideration to fund projects needed in the future to help the Port achieve its mission. These bonds would be repaid through revenues generated by the facility improvements.

Table 6, Assets & Liabilities Past Five Years

<u>Year</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Net Assets</u>
<b>2011-12</b>	\$6,390,799	\$1,266,290	\$5,124,509
<b>2010-11</b>	\$6,414,333	\$762,133	\$4,691,857
<b>2009-10</b>	\$5,588,269	\$668,392	\$4,919,877
<b>2008-09</b>	\$5,011,137	\$697,582	\$4,313,555
<b>2007-08</b>	\$4,706,155	\$425,895	\$4,280,260

### **III. Defining the Problem**

#### **District Demographic Profile**

The Port of Siuslaw district covers over 720 square miles in rural, western Lane County. It includes the cities of Florence and Dunes City, as well as the communities of Mapleton, Triangle Lake and unincorporated areas of the County. The southerly district boundary is at the Lane-Douglas County line and the northerly boundary is near Heceta Head on the Oregon coast. Inland, the boundaries extend as far as Horton to the northeast, near Noti and Vaughn to the east, and continue southeast to just outside of Cottage Grove, encompassing the Lorane area.

For purposes of determining demographic data, the Port district is comprised of six US Census County Divisions (CCDs): Dunes City, Florence, Middle Siuslaw River-Triangle Lake, North Siuslaw, South Siuslaw, and Upper Siuslaw CCDs. Of these, approximately 80% of the North Siuslaw CCD and 95% of the Middle Siuslaw CCD are included within the district boundaries. The remaining four CCDs are fully within the Port's boundaries.

Florence is the largest city within the district; its population accounts for approximately one-fourth of the district's estimated 32,000 residents (Census ACS 2005-2011 data). See Table 7, District Demographics.

A review of the data illustrates one of the most notable characteristics of the population of the Port of Siuslaw district—its age. Based on a weighted average from the Census county divisions, the median age of district residents is 57, compared to 38 for both Lane County and Oregon state residents, and 37 in the US. The district also has a significantly higher percentage of individuals age 65 and older, compared to County or state levels. Florence has been named a top retirement location in the nation on multiple occasions in the past ten years.

Table 7, District Demographics

Location	Population	Median Age	Percent of Population Age 65+	Per Capita Income	Percent Individuals w/ Income Below Poverty	Percent Individuals Age 25+ with at least HS Diploma
City of Florence	8,364	60.2	39%	\$25,163	13%	91%
Lane County	349,832	38.6	15%	\$24,105	17%	90%
Oregon	3,801,991	38.2	14%	\$26,561	15%	89%
Dunes City CCD	2,514	57.1	32%	\$29,530	7%	93%
Florence CCD	12,337	57.9	37%	\$23,565	14%	90%
Middle Siuslaw River- Triangle Lake CCD	1,919	52.3	20%	\$20,804	21%	86%
North Siuslaw CCD	11,961	59.6	37%	\$23,301	11%	89%
South Siuslaw CCD	2,512	55.4	29%	\$26,289	9%	90%
Upper Siuslaw CCD	1,587	46.1	16%	\$22,207	12%	91%

(US Census, American Community Survey, 2007-11 & 2005-9)

There is less racial and ethnic diversity in Florence than in Lane County, the state, or the nation. The population in Florence is 93% White, versus 91% in the County, 89% in Oregon and 78% nationwide (Census ACS 2007-11). Percentages of Hispanic/ Latino residents in Florence (5%) are also lower than in the County (8%) or the state (12%).

Per capita incomes in the Port district overall (\$23,963), are somewhat lower than County (\$24,105) or state (\$26,561) incomes, and significantly lower than the US per capita of \$27,915 (Census ACS 2007-11, 2005-09). Individual poverty rates in the district are an estimated 12%, compared to 17% in Lane County, 15% in the state and 14% nationwide. Median household income for the City of Florence is \$35,692, compared to \$42,621 in the County, \$49,850 in Oregon, and \$52,762 nationwide.

Basic educational attainment in the district is similar to regional levels. Within the Port district and Lane County, approximately 90% of residents age 25 and older have at least a High School diploma; statewide the rate is 89%, and nationwide it is 85%. For more advanced education, City of Florence residents lag behind regional levels. Only 13% of Florence residents age 25 and older have a Bachelor's degree or higher, compared to 17% in the County, and 18% in Oregon and the US (Census ACS 2007-11).

Because of limitations in Census data collection at the county division level, it is difficult to accurately compare district population over time. However, the City of Florence population increased 15% from 2000 to 2011, compared to 8% at the County level and

11% in Oregon. See Table 8, Population Change 2000-2011. Dunes City increased 6% during that same period.

Table 8, Population Change 2000-2011

Population	2000	2011	Number Change	Percent Change
City of Florence	7,263	8,364	1,101	15%
Dunes City	1,241	1,309	68	6%
Lane County	322,959	349,832	26,873	8%
Oregon	3,421,399	3,801,991	380,592	11%

(Census 2000 and ACS 2007-11)

The change in median age for Florence over the past ten years is also noteworthy; an increase of almost five years. See Table 9, Median Age Change 2000-2011.

Table 9, Median Age Change 2000-2011

Median Age	2000	2011	Percent Change
City of Florence	55.8	60.2	8%
Lane County	36.6	38.6	6%
Oregon	36.3	38.2	5%

(Census 2000 and ACS 2007-11)

The individual poverty rate for City of Florence residents in 2000 was 14%, compared to 13% in 2011 (Census 2000 and ACS 2007-11). By comparison, Lane County and Oregon state poverty rates went from 14% in 2000 to 17% and 15%, respectively, in 2011. Per capita income for Florence residents was \$18,008 in 2000, and \$25,163 in 2011. Per capita income for Lane County went from \$19,681 to \$24,105, and for state residents went from \$20,940 to \$26,561 during the same time frame.

Overall, the population of the Port district over the past ten years has been increasing at a steady rate, somewhat faster than County or state levels, and also aging at a faster rate. The Florence area, in particular, has a high preponderance of retired persons. Income levels in the district are increasing at a slightly higher rate than County or state incomes.

### **District Economic Profile**

Related to its older than average population, the Port district has a much lower percentage of its population, age 16 and older, in the workforce; an estimated 43%, versus 61% for Lane County, 64% for state and national levels. See Table 10, Labor Force Data. The City of Florence has just 35% of its eligible population in the labor force. Total estimated labor force in the district is 27,055.



Table 10, Labor Force Data

Location	Total Estimated Labor Force	Percent in Labor Force	Percent Unemployed	Key Industry Sector
City of Florence	-	35%	6.5%	Arts/ Entertainment/ Recreation/ Accommodation & Food Services
Lane County	-	61%	10.4%	Educational Services/ Healthcare & Social Assistance
Oregon	-	64%	9.8%	Educational Services/ Healthcare & Social Assistance
Dunes City CCD	2,137	41%	3.6%	Educational Services/ Healthcare & Social Assistance
Florence CCD	11,244	43%	6.4%	Arts/ Entertainment/ Recreation/ Accommodation & Food Services
Middle Siuslaw-Triangle Lk CCD	1,661	52%	13.7%	Educational Services/ Healthcare & Social Assistance
North Siuslaw CCD	10,880	39%	7.8%	Educational Services/ Healthcare & Social Assistance
South Siuslaw CCD	2,155	46%	3.4%	Educational Services/ Healthcare & Social Assistance
Upper Siuslaw CCD	1,237	61%	13.9%	Educational Services/ Healthcare & Social Assistance

(US Census, American Community Survey, 2007-11 &amp; 2005-9)

Unemployment rates within the Port district vary considerably by area, according to Census data, with an overall estimate of 7% for the six CCDs, compared to 10% in both Lane County and the state of Oregon (ACS 2007-11 data). More recent Oregon Employment Department data for Lane County shows County unemployment rates are similar to state rates, and both are consistently higher than national rates. See Table 11, Unemployment Percentage Rates 2000-12. Because of the influence of Eugene/ Springfield on the Lane County data, it may also be useful to consider unemployment rates for the coastal counties to the north and south of the Port district. Rates for both Lincoln and Coos Counties are typically higher than those reported for Lane County.

Table 11, Unemployment Percentage Rates, Seasonally Adjusted, 2000-12

Year	Lane County	Lincoln County	Coos County	Oregon	US
2012	8.6	9.3	10.7	8.7	8.1
2011	9.5	9.9	11.4	9.6	8.9
2010	11.1	10.6	12.5	10.7	9.6
2009	12.2	10.4	12.8	11.1	9.3
2008	6.7	6.6	8.2	6.5	5.8
2007	5.2	5.5	6.6	5.2	4.6
2006	5.4	6	6.8	5.3	4.6
2005	6.2	7	7.6	6.2	5.1
2000	5.4	6.5	7.4	5.1	4

(OR Employment Dept, Local Area Employment Statistics)

Current key industry sectors within the Port district reflect the changes in the regional economy. Based on workforce estimates (Census ACS 2007-11), healthcare and education are the primary employers in the district, followed by the tourism-related fields of entertainment, recreation and lodging.

The top five industry sectors for the district are:

1. Educational services/ Healthcare & Social Assistance
2. Arts/ Entertainment/ Recreation/ Accommodation & Food Services
3. Retail Trade
4. Construction
5. Professional/ Scientific/ Management/ Administrative & Waste Management Services

City of Florence industry employment aligns with the district. See Table 12, Industry Employment City of Florence.

Table 12, Industry Employment, City of Florence

<b>2011 All Industry Establishments within Florence City Limits</b>			
	<b>Establishments</b>	<b>Avg Employment</b>	<b>Total Payroll</b>
<b>Total</b>	<b>383</b>	<b>3,340</b>	<b>\$ 100,678,274</b>
Agriculture, Forestry, Fishing & Hunting	3	4	\$ 95,225
Utilities and Construction	29	109	\$ 4,908,436
Manufacturing	9	44	\$ 1,196,683
Wholesale Trade	12	19	\$ 832,820
Retail Trade	70	662	\$ 15,192,114
Transportation and Warehousing	5	50	\$ 1,615,310
Information	13	95	\$ 2,611,837
Finance and Insurance	16	118	\$ 4,212,717
Real Estate and Rental and Leasing	28	92	\$ 1,806,804
Professional and Technical Services	20	48	\$ 1,489,561
Management of Companies and Enterprises	3	20	\$ 811,854
Administrative and Waste Services	15	128	\$ 2,608,524
Educational Services	4	147	\$ 6,131,999
Health Care and Social Assistance	39	898	\$ 40,439,939
Arts, Entertainment, and Recreation	5	74	\$ 896,187
Accommodation and Food Services	62	600	\$ 8,118,115
Other Services (religious orgs, non-profits, car re	44	150	\$ 3,162,559
Public Administration	6	83	\$ 4,547,590

(Oregon Employment Department, Labor Market Information)

As part of this strategic planning process, Port Board and staff identified the following industries as occurring within the district and the surrounding region:

- Agriculture
- Alternative Energy Generation (wind, wave, solar)
- Arts / Entertainment
- Education
- Financial Services
- Healthcare

- Land Development
- Lodging/ Hospitality (including restaurants)
- Manufacturing
- Natural Resource Extraction (Lumber/ Wood Products, Gravel/ Rock).
- Real Estate
- Recreation (hiking, cycling, boating, ATV)
- Retail Trade
- Retirement
- RV Maintenance/ Repair/ Retail Support
- Sport & Commercial Fishing
- Telecommunications
- Tourism
- Transportation (air, water, surface)
- Utilities
- Viticulture & Wine making & Craft Beer

The largest employers in the district are: Three Rivers Casino & Hotel (500 employees), PeaceHealth Medical Group (470), Fred Meyer (220), King Estate Winery (186), Siuslaw School District (153), Safeway (100), R & R King Logging (82), Mo's Restaurant (70), Driftwood Shores Resort (69), and Oregon Pacific Bank (62).

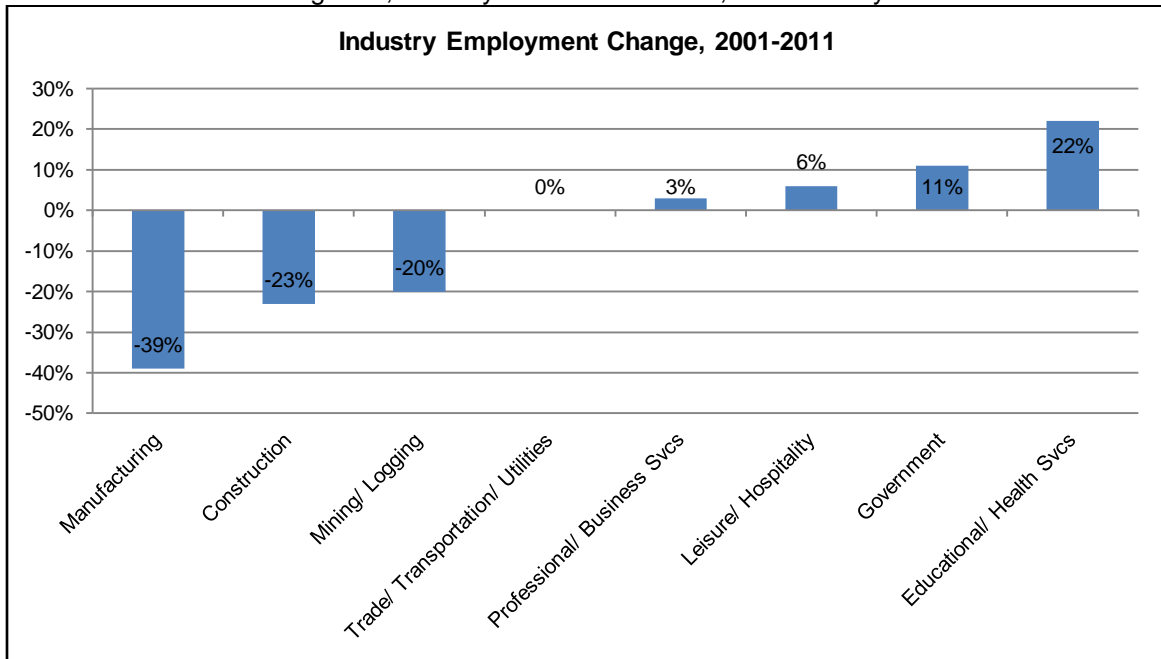
### **Trends for Regional Key Industries, State & National Industries**

Based on workforce estimates (Census ACS 2007-11), Healthcare and Education are the current primary industries in the Port district, followed by the Tourism-related fields of Entertainment and Recreation.

Lane County's key industry sectors closely aligned with the district; Healthcare/ Education was number one, followed by Retail, Manufacturing, Tourism-related, and Professional. Oregon and the US both had the same top three industry sectors as the County, with Professional and Tourism-related sectors alternating places for positions four and five.

In comparison, 1998 data from the Oregon Employment Department (OED) showed Lane County's principal industries were Agriculture, Education and Tourism. A compilation of industry sector employment data between 2001 and 2011 by OED shows the largest declines occurred in Manufacturing (-39%), Construction (-23%), and Mining/ Logging (-20%) over the ten year period. See Figure 6, Industry Trends 2001-2011, Lane County. Within the industry title of Manufacturing, durable goods decreased 46%, wood products manufacturing decreased 46%, and transportation equipment manufactured dropped 77%.

Figure 6, Industry Trends 2001-2011, Lane County

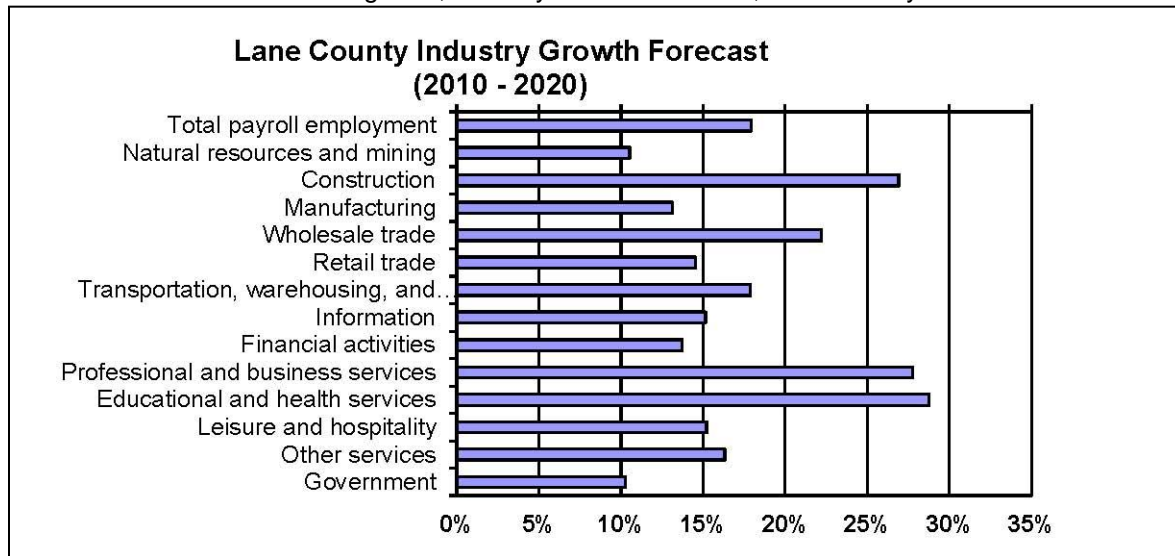


(Oregon Employment Department, Workforce & Economic Research)

Within that same ten year period, Educational/ Health Services showed the largest employment increase (22%), along with Government (11%), and Leisure/ Hospitality (6%). Under the Educational/ Health Services category, Healthcare alone increased 26%. The Trade/ Transportation/ Utilities sector showed 0% change between 2001 and 2011, although within the sector, retail trade decreased 1% overall while general merchandise/ clothing stores, and food/ beverage stores both increased 2% and 5%, respectively. The professional/ business services category grew by 3% overall, while the administrative/ support services subcategory increased 18%.

For Lane County between 2010 and 2020, the Oregon Employment Department forecasts the largest growth in Educational/ Health Services, followed by Professional/ Business Services, and Construction. See Figure 7, Industry Growth Forecast, Lane County.

Figure 7, Industry Growth Forecast, Lane County



(Oregon Employment Department, Labor Market Information)

For the state of Oregon, all major industries are forecast to expand between 2010 and 2020 (OED, Employment Projections by Industry and Occupation 2010-2020). Educational/ Health Services is expected to show the most growth, followed by Professional and Business Services, Construction, and Leisure and Hospitality. Occupations in paper manufacturing, publishing, and telecommunications are all forecast to show declining employment.

On a national level, healthcare/ social assistance is forecast as the fastest growing industry, followed by professional/ business services (US Bureau of Labor Statistics Employment Projections, 2012). Construction and financial activities sectors are also forecast to grow significantly. The housing market is improving nationally, statewide and locally. Nationally, the most rapidly declining industries are manufacturing, transportation/ warehousing, and mining.

The Port foresees a continuing change in focus from ocean fishing to river fishing as successful management of fisheries increases available river seasons, in conjunction with uncertainties regarding maintenance dredging at the river mouth which is necessary to ensure reliable ocean access. **Recreation and tourism** are growing local and regional industries and will be an increasing focus for the Port, both for the RV campground, hiking and cycling, as well as for **boating and sport fishing**. Increasing growth in **charter, tour and guide boat** businesses is also expected. According to the Oregon State Marine Board 2010 Triennial Survey, the Siuslaw River is the 15<sup>th</sup> most used waterway in the state, up from #19 in the 2008 Survey. Boaters reported 36,503 boat use days (the number of days a boat was used on the waterway) in 2010 on the Siuslaw River. This is a 40% increase over 2008 when 26,028 boat use days were reported. The Port continues to work with the City of Florence and other entities to promote the district as a tourism destination, with an emerging emphasis on **eco-tourism**.

Along with tourism expansion, related growth in **service industries** is anticipated. **Marine/ocean research** is a growing regional industry, and the Port expects to increase its involvement in this area. Currently, one 56' research vessel moors with the Port year round; this vessel completes monitoring and research cruises for a variety of entities. **Live fish markets** and related facilities are expanding businesses in the state and the Port expects growth in this area as well. **Business incubators** to support emerging businesses are an increasing activity within the state and the Port has already begun work in this area and expects to expand this activity. The Port expects increases in all **medical and healthcare** fields, along with **internet-related** businesses within the district.

Other emerging businesses within the district include **alternative energy** generation, **biosolids/** soil amendments, and **biofuels**. Clean technology (including renewable energy) has been classified as a key industry according to Business Oregon. Wind, wave, solar and biofuel alternative energy sources are all part of a growing industry in Oregon and nationwide. Various wave and wind energy companies have investigated potential sites on the Oregon coast, including Newport to the north and Reedsport to the south; pilot projects are underway. Solar energy is a growing industry within Oregon and within the district. In 2012, King Estate Winery installed a 1 MW solar power system at the winery in the east part of the district. The system has 4,144 solar panels on approximately 4 acres of land; King Estate is an active proponent of sustainable agriculture and environmentally-conscious business practices. As part of this five year plan, the Port is investigating the feasibility of incorporating alternative energy generation on Port property.

The **wine industry**, lead by King Estate, is expected to continue to thrive, along with increasing **craft beer** production, and **farm-to-table** agriculture.

The **forest products** industry has been declining over recent decades and is expected to continue to decline in the district, along with **manufacturing**.

**Commercial fishing** is expected to remain flat in the district. The Port of Siuslaw currently has less than ten active commercial boats that fish out of Florence. The primary catch is Albacore tuna and Dungeness crab. Over the past five years, landings of commercially harvested seafood in Florence have averaged 44,000 pounds per year (ODFW Commercial Landings Data). See Table 13, Commercial Seafood Landings. By comparison, 208,000 pounds were landed in Florence in 2004. Statewide, the volume of commercially harvested seafood has fluctuated over the past ten years, from a high of 312 million pounds in 2005, to a low of 204 million pounds in 2008. In the past five years, statewide harvest has increased steadily. The Oregon Commercial Fishing Industry Economic Contributions in 2011 and Outlook for 2012 Briefing Report (The Research Group, February 2012), shows there were 4,553 vessels making deliveries to Oregon ports in 1981, compared to just 1,180 vessels in 2010. For 2011, the number of vessels decreased to 1,170. The report also notes that in addition to the continuing trend of fewer commercial vessels fishing, and consolidation of processor ownerships,



there is also a shift in the number of landings being made at small ports versus those made at regional fisheries centers.

Table 13, Commercial Seafood Landings in Pounds

	2012	2011	2010	2009	2008	2004
Florence	38,308	51,772	42,176	45,202	42,660	208,270
Oregon	306,729,289	285,978,192	216,764,223	210,988,407	204,873,571	294,286,115

(Oregon Department of Fish & Wildlife, Commercial Landings Data)

While the commercial fishing industry has been declining at the Port, the **sport fishing** industry has been actively growing. ODFW sports harvest statistics (based on returned angler tags) show a 211% increase in sport catch of salmon and steelhead in the coastal Siuslaw River system in the past five years. See Table 14, Sport Salmon & Steelhead Catch. These figures include spring and fall Chinook salmon, Coho salmon, and summer and winter Steelhead Trout.

Table 14, Sport Salmon & Steelhead Catch, 2007-2011

	2011	2010	2009	2008	2007
Coastal Siuslaw River	8,216	6,058	3,157	2,241	3,884

(Oregon Department of Fish & Wildlife, Sport Harvest Statistics)

The 2010 Oregon Ports Plan refers to the following primary defined market areas for port districts:

- Tourism & Recreation (marinas, boat launch, parks, sport fishing, tour boats, pleasure craft, RV parks, eco-tourism)
- Marine Transportation (shallow draft cargo)
- Non-Marine Transportation (aviation, railroad)
- Land Development & Use (economic development facilitation, marine oriented industrial, dry land industrial, water oriented commercial, seafood processing)
- Other marine facilities/ services (commercial fishing)

Of these market areas, the Port of Siuslaw anticipates growth in Tourism & Recreation, Non-marine Transportation, and Land Development & Use over the next five years. The Port expects flat activity in commercial fishing and continued declining activity in Marine Transportation.

## **Analysis**

As referenced in the data shown in prior sections, the Port of Siuslaw's population has a higher median age than both state and national averages, coupled with a higher percentage of individuals age 65 and older. Per capita incomes in the Port district are lower than state or national incomes, although individual poverty rates in the district are less than state or national rates. Educational attainment for district residents is slightly lower than in Oregon or the US. The City of Florence population is increasing at a higher rate than the state overall.

Over the past ten years, district demographics show a rapidly aging population, with increasing educational attainment and worsening poverty rates. Related to its older than average population, the Port district has a much lower, and decreasing, percentage of its population in the workforce compared to Lane County, the state of Oregon, or the US.

While fewer residents of the Port district are in the labor force, County and stateside workforce rates remain fairly constant. Job trends for the County are increasing across most industries. Healthcare/ Educational Services is the current primary industry in the Port district, followed by the Tourism-related fields of Entertainment and Recreation, then Retail, Construction, and Professional Services. Lane County's key industry sectors align with the district: Healthcare/ Education, followed by Retail, Manufacturing, Tourism-related, and Professional/ Business Services. Oregon and the US had the same top five industry sectors as the County.

Between 2001 and 2011, the largest industry declines in the County occurred in Manufacturing, Construction, and Mining/ Logging. Within that same ten year period, Educational/ Health Services showed the largest employment increase, along with Government, and Leisure/ Hospitality. The Trade/ Transportation/ Utilities sector showed no change. The Professional/ Business Services industry category grew slightly.

Forecasts for Lane County between 2010 and 2020 indicate the largest growth in Educational/ Health Services, followed by Professional/ Business Services, and Construction; slowest growth is forecast for Government and Natural Resources/ Mining. For the state of Oregon, Educational/ Health Services is expected to increase the most, followed closely by Professional/ Business Services, and Construction, with Leisure/ Hospitality also increasing significantly. Slowest growth statewide is forecast for Government, Financial Activities, and Information. On a national level, Healthcare/ Social Assistance is forecast as the fastest growing industry, followed by Professional/ Business Services. Construction and Financial Activities sectors are also forecast to grow significantly. Nationally, the most rapidly declining industries are Manufacturing, Transportation/ Warehousing, and Mining.

## IV. Policy Context

### Threshold Statement

This Strategic Plan has been prepared based on a template provided by Business Oregon; the Port of Siuslaw is committed to following its governances and this Plan. The Port will update the five-year Capital Plan, along with its goals and objectives annually as part of the budgeting process. The Port will also review and update the Management, Financial, Environmental, Community, and Marketing Plans annually prior to the budgeting process. Sitting commissioners have undergone board training and have agreed on procedures for handling conflict-of-interest issues and have agreed to follow best practices. Flexibility has been provided in the Plan to allow for unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals.

### Environmental Issues

The Port acts as a steward of the Siuslaw River Estuary and collaborates with other relevant organizations in this effort, including the Siuslaw Watershed Council and the Siuslaw Soil & Water Conservation district. The Port offers assistance to district entities for redevelopment of prior industrial sites. See photo of former mill at right. The Port encourages sustainable practices within the district and assistance with brownfields-type cleanups is also available. The



Port is part of the Siuslaw Estuary Partnership project with the City of Florence to promote improved water quality and enhanced recreation opportunities in the estuary. In addition, as part of this strategic plan, the Port will be investigating possibilities in alternative energy generation such as wind, solar and wave, as well as how to support upriver land owners in developing organic farming operations.

### Statewide Planning Goal 9 – Economic Development

The Port owns the 38-acre, state certified 'shovel-ready', Pacific View Industrial Park and is actively marketing this property for sale. The marketing plan has been a joint effort with the City of Florence which owns the adjoining Pacific View Business Park. The Port, the City, and Lane County all collaborate in long-range economic planning. The Port also owns and leases four commercial buildings in Florence and is open to acquiring more commercial lands for lease or development.

While the Port has limited resources available to acquire new properties that can help further economic development, Port management is committed to increasing revenues

and taking advantage of suitable development opportunities. If presented with an opportunity to acquire new properties that would further the Port's mission, all avenues for acquisition would be considered, including taking on additional debt if necessary. Each potential acquisition would be considered on an individual basis. One possible commercial waterfront marine property, for instance, may require a significant cash outlay before the property could begin to be profitable for the Port, while an established RV campground could have an immediate income stream.

### **Statewide Planning Goal 12 – Transportation**

The Port owns and operates marinas, docks, transient vessel docks, a commercial wharf, and multi-use walkways. The Port promotes active transportation in all forms, including walking, bicycling, boating, paddling (kayak/canoe) and mass transit. In 2008 the Port partnered with the Siuslaw Watershed Council to complete the Siuslaw Water Trail; over 30 river miles of paddling trail in the estuary. In 2013, the Port added new hiker-biker campsites to provide needed services for the thousands of hikers and cyclists who travel the Oregon coast annually. One of the strategic projects included in this Plan is consideration of acquiring operation of the Florence Municipal Airport. In conjunction with the airport, the Port is also investigating options for zip cars or similar rentals to improve local transportation connections. Another project including in this Plan is continuing collaboration with the City of Florence on the Siuslaw Estuary Trail, a multi-use path to connect Old Town Florence with existing bike/pedestrian trails north of Highway 126. The Port of Siuslaw, along with the City, is an active partner in the Lane Area Commission on Transportation (LACT) for regional transportation project planning.

The Port is also interested in the efforts of the Oregon International Port of Coos Bay to regain and expand rail service for the central and south coast. Two spur lines on the rail extend to two mill sites in Mapleton; both mills are inactive at present but are important industrial sites and may offer potential employment opportunities for the future if rail is preserved and expanded.

### **Statewide Planning Goal 17 – Water Dependent Use**

The Port is very involved in water dependent use and planning on a local and regional level, and is interested in addressing water-dependent use regulations. One major waterfront project currently being pursued by the Port is repair of the failing Siuslaw River bulkhead. This project has been identified as a critical issue for the Port and, if not addressed, would have significant impact on other water dependent/related operations on and near Port land. As part of this five year Plan, the Port is also investigating the possibility of developing new mitigation banks on existing Port-owned property. As an economic development agency, the Port supports appropriate development of waterfront lands. The Port is providing assistance to a new kayak rental business located on Port property in Old Town. The US Coast Guard, via Station Siuslaw River, is potentially locating some operations on Port property in Old Town and in the PVIP.

On an ongoing basis, as part of this Plan, the Port is evaluating new commercial property opportunities, including a possible seafood cannery/ smokehouse/ market, and vessel-based dining/ lodging businesses. The Port also plans to install a public crabbing/ fishing dock and is investigating additional ways to increase public access to the waterfront.

One area of great concern to the Port is the dwindling local commercial fishing industry and its negative impact on the local economy. The Port of Siuslaw, as is the case with many ports, is trying to develop a sustainable business model that would help commercial fishermen deliver a higher quality product to be sold at a higher market price.

Based on management's analysis, none of the Port's current waterfront property needs to be preserved for maritime cargo activity or other marine-related use. The Port does have current waterfront properties that would be suitable for redevelopment to increase district economic activity and provide increased revenues for the Port.

### **Statewide Port Strategic Plan Recommendations**

This five year plan addresses the recommendations of the Statewide Port Plan:

- The Port of Siuslaw will solidify a formal business relationship with the State Ports Program through an IGA or similar document, will continue to provide training for Commission and staff, and will comply with ongoing reporting and follow-up activities regarding this Strategic Plan.
- The Port has already and will continue to participate in the development of a statewide Capital Facilities Plan.
- The Port of Siuslaw Strategic Plan is consistent with the format, goals and objectives of the statewide template for port strategic plans.
- The Port continues to support the regionally significant industries of commercial and sport fishing, outdoor recreation, tourism, marine sciences, and agriculture.
- The Port will improve communication with district residents and others regarding the activities of the Port and its importance to the local and regional economy.

### **Other Local and Regional Plans**

This Strategic Plan is consistent with prior Strategic Business Plans adopted by the Port of Siuslaw, including the most recent 2008-2013 Plan.

The Port's 2013-18 Plan is also aligned with and supports the City of Florence Realization 2020 Comprehensive Plan (2011). Specifically: collaboration on redeveloping the old school site on Quince Street, development of the Port's industrial land including cooperative marketing with the City, designation of DMDS #19 as a mineral and aggregate site, collaborating with the Port on compatible architectural guidelines in the downtown area, support of the Port's mission to create jobs and develop business, supporting the Port in promoting water-related tourism and recreation, and collaboration on other Port-related projects. The Realization 2020 Plan references promotion of businesses and industries that provide family wage jobs and year-round employment, and notes local declines in the fishing and timber industries. The 2020 Plan also references that economic development in Florence is dependent on tourism and retirement industries. These industry references are all compatible with growing and declining industry analyses in the Port's Plan, and align with the Port's focus for the next five years.

This Strategic Plan is congruent with the City's Florence Transportation System Plan (2012). Specifically: the proposed Estuary Trail to link Port property with other City trails, the existing Siuslaw Water Trail, promoting bicycling with the Port's new hiker-biker camp, support of future rail transportation, Siuslaw River navigation and maintenance of the federally authorized channel, and other water transportation-related projects. The Transportation Plan outlines coordination between the City and Port on projects that affect Port facilities or operations.

The Port's Plan is consistent with the Lane County 2012-17 Strategic Plan, specifically in the economic development goals of developing County industrial lands, and creation of a County revolving loan fund to help promote rural business expansion, workforce development, and job creation and retention.

This Strategic Plan is also compatible with plans produced by the Lane Area Commission on Transportation, and Travel Oregon (including the growth and economic importance of the tourism, recreation and travel industries).

### **Political Context and Analysis**

The Port has good working relationships with the City of Florence, Lane County, Siuslaw Valley Fire & Rescue district, Siuslaw Soil and Water Conservation district, Central Lincoln People's Utility District, Siuslaw Public Library District, Siuslaw School District, Heceta Water District, Western Lane Emergency Operations Group, Coast Guard Station Siuslaw River, and other regional government entities. Port management meets with representatives of many of these agencies on a quarterly basis to keep communication open and maximize opportunities for pooling resources. The Port also collaborates with area agencies to organize relevant training opportunities, such as a recent Oregon Government Ethics Commission workshop.



Local interest groups include environmentally focused organizations such as the Siuslaw Chapter of the Surfrider Foundation, natural resource focused organizations such as the Siuslaw Institute, and fishery focused organizations such as the Florence Salmon Trout Enhancement Program. The Port has worked with these and many others in the past and continues to collaborate with interest groups as indicated. One of the activities to be addressed as part of this plan is to improve communications with district residents; working with local interest groups will be an important part of achieving that goal.

Demographic changes in the Port district population—increasing median age and a decreasing number of residents in the workforce—are likely having an impact on local perceptions and attitudes towards the Port. An aging population is sometimes hesitant to embrace new economic activities and may be reluctant to move away from traditional market activities. This situation provides greater incentive for the Port to improve communications with residents by sharing information and explaining the Port's changing roles in the community.

## V. Situational Analysis

### **SWOT: Strengths, Weaknesses, Opportunities and Threats**

As part of the strategic planning process, the Port completed a Core Competencies and Challenges analysis of its resources, demographics and economic profile.

#### Core Competencies / Strengths

RV Campground & related operations  
Experienced, knowledgeable & team-oriented staff  
Experienced & fully trained Board  
Comprehensive policy & planning documents  
Complete assets inventory  
Scenic physical environment  
Local amenities & attractions  
Most major infrastructure upgraded  
Good working relationship with area agencies  
Major tourism location & destination  
Ample volunteer base

#### Challenges

Maintaining public use facilities with limited revenues  
Redefining focus from timber & commercial fishing to tourism & recreation  
Large debt load and payments  
Limited funds available to invest  
Need for salary plan/ appraisal policy  
Inadequate communication/ marketing of Port's mission and activities  
Securing funding & completing repairs on bulkhead  
Regular follow-up on Strategic Plan  
Limited local workforce  
Limited access, located off I-5 corridor  
Redesign campground to meet future needs

#### Opportunities

Growing tourism, recreation & arts industries  
Increased recreational fishing  
Highlight being five river miles from the ocean  
Promote Historic Old Town Florence  
Support new and existing district businesses  
Expand the campground and area recreation  
Increase partnerships with district entities  
Revenue enhancement  
Underutilized boardwalk area  
Divestiture of surplus properties

#### Threats

Current debt load  
Lack of attention to training, policies, etc.  
Decreasing capital grant support  
Lack of federal dredging & jetty funding  
Inaccurate perceptions of the Port

One example of the results of the Port's ongoing assessment is the recent decision to eliminate covered storage and expand the RV campground. Providing covered storage may not be utilizing Port property to its greatest and best use. Covered storage may be better suited at a different location where the land is less valuable and is underutilized.

Professional staff and an experienced board are core strengths for the Port. Management believes in supporting, empowering and developing staff to their fullest abilities to maximize use of Port resources. Current management practices an open-minded approach and has expanded the number of staff over the past year to accomplish additional activities. The use of a 50% grant-funded intern to accomplish the needed property survey is another example of efficient use of human resources, along with staff reorganizations, and increased use of contractors where appropriate.

### **Critical Issues**

The most critical issue facing the Port at this time is repair of the failing bulkhead along the Siuslaw River. If this infrastructure failed, it would have catastrophic effects on the Port's RV campground, marina, boat launch and waterfront walkways, as well as new business operations. Recreation, tourism and fishing revenues would all be negatively impacted. Cost to complete repairs is estimated at \$1.5 million.

A second critical issue is the Port's overall financial condition, particularly the current debt load and the resulting limitations on the Port's ability to realize its mission while reduced funds are available to pursue economic development activities, such as assisting the commercial fishing fleet. Related to this issue is the challenge of how to pay for replacement of major infrastructure long-term, such as eventual replacement of the wharf.

A third issue is maintaining ocean access for essential activities, such as Coast Guard rescue operations. Station Siuslaw River completed 53 rescues in 2012. Their vessels need to be able to cross the bar to provide this lifesaving service. The Siuslaw Station's strategic location between other Coast Guard Stations in Newport to the north, and Coos Bay to the south, allows them to respond quickly to central coast emergencies. Ongoing maintenance dredging and jetty repairs are needed to keep ocean access. Maintaining access will also directly benefit commercial fishing.

### **Demand Analysis**

An analysis of business trends affecting the Port's facilities and activities is included in earlier sections of this Plan. This section provides an overview of those trends and resultant demands and opportunities for the Port.

In Lane County, the Oregon Employment Department (OED) projects the largest growth industries over the next ten years will be educational and health services; professional and business services; construction; trade, transportation and utilities; and leisure and hospitality. The weakest industries for growth are predicted to be natural resources and mining; and government. As part of the process of creating this Plan, the Port Commission considered if and how to redefine the Port from its historic emphasis on

resource extraction (commercial fishing, forestry), jetty/ channel maintenance and ocean access, to diversify and meet the demands of emerging and growing industries.

#### ❖ **Retail**

The retail market is increasing in the district, and is expected to continue to increase. OED estimates a 15% growth rate in retail trade between 2010 and 2020 in Lane County, and the addition of 2,600 job openings in the sector. Port assets are well matched to address this demand through retail leases and promotion of tourism and recreation.

#### ❖ **Recreation, Lodging, Hospitality & Tourism**

Demand for tourism and recreation related services is rising in the district, and is expected to continue to rise. Recreation, particularly, shows rapidly increasing participation in kayaking, boating, sport fishing, cycling, and hiking, along with sand boarding and other activities on the dunes. Leisure activities such as gaming are also becoming more popular and the Three Rivers Casino & Hotel has continued plans for expansion. OED projects growth of 15% and an increase of 2,100 job openings in the leisure and hospitality sector in Lane County between 2010 and 2020. The Port is well positioned to help meet this demand through its location in Historic Old Town Florence, operation and expansion of the RV campground, boat launch and marinas, restaurant leases, and support of new restaurant and recreation businesses and convention lodging opportunities.

#### ❖ **Housing & Retirement**

Following the recession, the housing market in the district is improving and demand is increasing. Florence continues to be a desirable destination for retirement and housing demand is expected to continue to increase in the district. The construction sector is predicted to grow 15% and add 1,400 job openings in Lane County from 2010-2020 (OED). In conjunction with the rising number of retirees in the district, demand is expected to increase for related fields, such as financial and investment services, elder care and assisted living, medical equipment and supplies, and veterinary care. Health care and social assistance alone are projected to grow 30% and add 6,100 jobs in Lane County between 2010 and 2020 (OED). Other than providing recreation and leisure amenities, the Port is not directly involved in the housing, healthcare or retirement markets in the district.

#### ❖ **Art**

Like many areas on the Oregon coast, the art industry is strengthening in the Port district. Florence and many of the smaller communities in the district have active artists and a growing number of cooperative groups working together to promote economic development via the arts. Demand for art supplies, space to display and sell artwork, venues for teaching, and opportunities for marketing art are all increasing in the district. OED reports professional and business services have a projected growth of 28% in the County and the addition of 4,000 job openings between 2010 and 2020. The Port's assets and plans are well matched to help meet this demand; one idea under consideration for part of the boardwalk area is a venue for artists to display their work,

the Port is open to acquiring additional commercial properties for lease, and in addressing community goals the Port stands ready to support cooperative marketing and business promotion efforts for art groups.

#### ❖ **Industrial**

Lane County and the Port district economies rely largely on non-industrial uses, such as recreation and tourism, therefore demand for industrial land is expected to be moderate. Positive trends within the sector include the emergence of green industries in the rural economy, the rapid growth of alternative energy generation, and an increase in internet-related employment and data centers. The Oregon Employment Department forecasts growth of 13% and an increase of 1,600 job openings in manufacturing for Lane County between 2010 and 2020. The Port is well positioned for expected industrial land demand in the district.

#### ❖ **Commercial Fishing & Forestry**

The demand for commercial fishing and forestry related sectors is decreasing in the district and expected to remain flat or continue to decrease. OED predicts growth of 11% and an increase of 200 job openings in natural resources and mining in Lane County between 2010 and 2020. The Port continues to provide moorage, wharf and transportation services for the commercial fishing industry in the district and is prepared to meet projected demand. Limited aspects of farming are expected to increase in the district, including farm-to-table operations, use of greenhouses, and hydroponics. The Port currently provides temporary leased space for local farmers markets on the boardwalk and is prepared to help meet the demands of emerging niche agriculture through expanded commercial leases, potential business incubation, and technical assistance.

### **District Needs**

Given the Port's mission of economic and community development, one of the primary needs for the district is additional living wage jobs and employment opportunities. Demographic analysis of the district reveals a steadily increasing and rapidly aging population, with a low percentage of residents in the workforce. Income and poverty rates in the district appear to be holding steady and unemployment rates are comparable to regional levels.

The demographics of the district reflect the market changes occurring and resultant demands. The majority older and non-working residents have available time and resources to pursue leisure activities, including recreation, boating and fishing, and tourism. However, the minority actively working residents, particularly families, have need of additional employment opportunities in the district.

As part of this strategic planning process, the Commission reviewed current and past business lines pursued by the Port, and identified potential new business lines to better meet district needs. Past and present business lines at the Port of Siuslaw include

marine fuel, commercial leases and land use, industrial land development, moorage, floating business leases, recreational boating and fishing, commercial fishing, seafood landing & sales, camping, storage, vending, parking, active transportation, and water related recreation and tourism, including eco-tourism. New potential business lines identified include non-water dependent commercial activities (e.g. year round venue for arts/ farmers market, artist lofts), wine tasting facilities, houseboat/ floating home leases, event sponsorship, business incubator services, marine research, alternative energy generation, mitigation banks, airport operation, and industrial property cleanup and redevelopment.

The Port's assets, capacity and resources can be used most effectively to pursue strategies to create jobs through promoting recreation and tourism, and supporting expanding and emerging businesses, as well as collaborating with district entities to improve community development.

### **Risk Analysis**

The Port's biggest risk in pursuing Plan goals is its current debt load of approximately \$1.6 million. Service on this debt reduces the Port's available funds to pursue new economic development activities.

An additional major risk includes the potential reduction or loss of ocean access due to elimination of maintenance dredging in the Siuslaw River and deterioration of the jetties. If that situation occurred, it would result in a significant change in focus for the Port.

A further risk relates to the Port's need to be as financially self-sustaining as possible. As noted in the Port's 2002 Strategic Financial & Operational Assessment, "To the maximum extent possible, the beneficiaries of the Port facilities and services should be paying for those facilities and services." One aspect of this risk is the financial challenge of maintaining the extensive public infrastructure that the Port owns and operates. A second aspect is more political in nature and involves the risk of estranging district residents because of inadequate communication and publicity regarding the Port's financial situation and its goal of full cost recovery.



## VI. Strategic Business Plan Goals and Objectives

The Port of Siuslaw's mission is to provide asset management and services that enhance economic and community development for the district. For the coming five years, the Port has adopted the following strategic goals, objectives and action steps to accomplish this mission. Goals are organized by operational areas: Property, Management, Financial, Environmental, Community and Marketing. Each goal contains one or more strategic objectives, in addition to measurable action steps. The Capital Plan, Management Plan, Financial Plan, Environmental Plan, Community Plan, and Marketing Plan included later in this document identify prioritized goals in each area.

### Property Goals

A. Property Goal: Manage Port properties, including acquisition and disposal, to maximize economic and community development in the district.

#### **A. 1. Marine Properties & Facilities**

##### Bulkhead & Boardwalk

###### Background and Status

The 800' riverfront bulkhead was installed thirty years ago and is failing in several locations. The current bulkhead consists of driven timber pile with timber lagging, anchored with cables. This vital infrastructure stretches from immediately east of the boat launch, along the Harbor Street parking lot, recreational marina, and RV campground, to just past the shear boom. The bulkhead provides protection for not only the Port's waterfront activities, but also leased and moorage-based businesses that operate from Port property.

Cost estimates have been provided by engineers for conceptual design, survey and geotechnical work. One preliminary construction approach and cost estimate has been identified by a marine contractor. That approach involves installing H pile and concrete lagging. A second option considered involves steel sheetpile, using Z sheets. Engineering and construction plans have not been completed. The Port has contacted regulatory authorities, the Oregon Department of State Lands and the US Army Corps of Engineers, regarding this upcoming project. Preliminary design and engineering will be needed before permits can be acquired for the project. The Port has also been in contact with state and federal representatives regarding possible funding sources for the project. Total project cost is estimated at \$1.5 million; funding has not yet been secured.

The 500' waterfront boardwalk is fifteen years old and needs maintenance and repair work to keep it attractive, functional and safe. This popular facility begins at the east end of the Old Town wharf and continues along the waterfront adjacent to the commercial marina, ending at the boat launch. Some of the wood

decking needs repaired or replaced, the railing and decorative light poles need to be re-powder coated, and the fire suppression sprinkler system needs to be replaced. Total cost is estimated at \$20,000.

### **Strategic Objective – Marine Properties & Facilities**

A.1.1. Maintain and enhance waterfront marine facilities to expand tourism, recreation and business development for the district.

#### **Action Plan**

- ✓ Complete assessment and preliminary engineering for repairs to failing bulkhead, with possible bulkhead extension, by FY2014.
- ✓ Complete needed boardwalk repairs (powder coat poles & fence, repair boards, and replace fire suppression system (along with wharf system), by FY2016.
- ✓ Locate and secure funding and permits for bulkhead project by FY2016.
- ✓ Complete bulkhead final engineering, repairs/extension (estimated total cost \$1.5 M), by FY2018.

## Marinas

### **Background and Status**

The Port's two marinas have both undergone major renovations in the past, as well as ongoing minor repairs and upgrades. Currently the commercial (west) marina offers 51 moorage slips which include water and electric service, in addition to transient vessel docks. Security cameras and lighting are needed in the commercial marina.

The recreational (east) marina has 53 moorage slips, along with transient vessel docks. Only one dock (G dock) in the east marina offers water and electric service for moorage customers. Limited security cameras and lights are in place in the recreational marina. The 10,000 gallon capacity marine fueling station is at the end of G dock and is in need of system upgrades to remain secure and competitive.

Currently the Port uses recovered logs as debris booms during the winter season to protect the marinas from the large quantities of floating debris that regularly arrive due to heavy rain, high tides and seasonal flooding. Installing and removing these heavy logs is hazardous for Port staff each fall and spring, in addition to being unwieldy for boaters to open and close when exiting and entering the marinas and boat launch during the winter months. The Port maintains shear booms at the east end of the recreational marina as well as

upriver at the Mapleton transient vessel dock. These shear booms are also made from old logs and are both high maintenance and ineffective. The Port has completed preliminary research into options for lighter weight, more effective debris and shear booms (a total of 875') and is seeking funding to acquire these essential risk management tools.

As an added amenity for recreational fishers, and to provide additional waterfront access for residents and visitors, the Port plans to install a public crabbing and fishing dock. Component dock sections are on hand and appropriate piling are in place in a preferred location on the east end of the recreational marina. A landing will need to be acquired, as well as permitting and design work.

The Port has also applied for grant funding from the Oregon State Marine Board to install a floating restroom to provide services for boaters in the Siuslaw River. If approved, this project would require installation of two new piling in the river, plus permitting. Total cost estimate to purchase and install the restroom is \$145,000; annual operation costs are projected to be \$8,500.

### **Strategic Objective – Marine Properties & Facilities**

A.1.2. Maintain and enhance marinas and public docks to support business creation/expansion and encourage tourism and recreation.

#### **Action Plan**

- ✓ Upgrade dock facilities as needed to provide competitive amenities for boaters, ongoing. Complete security upgrades (lights, cameras, etc.), phased each year, by FY2016. Complete feasibility assessment of upgrading services on moorage slips in east basin (F dock) by FY2014; if indicated, complete permitting and design, and install by FY2016. Assess and complete needed fuel dock upgrades (gate, dispenser, electronics) by FY2017. Potential moorage slip/boat house upgrades for Coast Guard use by FY2018.
- ✓ If successful in grant award, install and maintain floating restroom on Siuslaw River by FY2014.
- ✓ Replace debris and shear booms by FY2017. Research options with OSMB & Coast Guard by FY2014. Locate and secure funding assistance by FY2015.
- ✓ Complete permitting and design, and install crabbing/fishing dock to increase river access for public by FY2018.
- ✓ Investigate feasibility of houseboats/floating home leases and/or rentals, and adopt appropriate policy by FY2018.

## Ocean & River Access

### Background and Status

The Port is the local sponsor for maintenance of the federal navigation channel in the Siuslaw River by the US Army Corps of Engineers (USACE). An entrance channel into the Siuslaw, authorized at 18' deep and 300' wide, runs from deep water to river mile (RM) 0.2. From there, the channel is authorized at 16' deep and 200' wide, to the dock at Florence at RM 5.0. The channel widens at bends in the river. A turning basin opposite the dock is 16' deep, 400' wide, and 600' long. The turning basin was dredged to its authorized depth in 2010 by the Corps. From Florence, a 12-foot deep, 15-foot wide channel is authorized to river mile 16.5. At RM 15.8, the channel widens into an authorized turning basin 12' deep, 300' wide, and 500' long.

Shoaling at the river entrance to the ocean usually requires dredging to 20'-22' to ensure the authorized depth of 18' between historically annual dredging operations. Annual costs for this entrance dredging ranged from \$600,000 to \$900,000. The entrance and south jetty shoals build during late winter and spring. The inside range and south turn shoals are affected more by river flood stages than by tidal action. In the past, a small hopper dredge has removed material from the entrance shoals between April and October each year. As of 2013, no dredging has been authorized or is planned for the Siuslaw River. In addition to providing ocean access for commercial and recreational fishers and boaters, having a navigable entrance is essential for the lifesaving activities of the US Coast Guard Station Siuslaw River. In 2012 the Station completed 53 rescues. The Port of Siuslaw, along with other small coastal ports in the same situation, is actively working to see funding restored for maintenance dredging.

Shoals result from the river moving sand supplied by dunes to the south; in addition, shoaling results from movement of the river's normal bed load. Occasionally, when additional federal funding is available, the lower river, from RM 0.0 to the Highway 101 bridge near RM 4.8, is dredged by the same hopper dredge that works the entrance bar. This reach is supposed to be maintained to 12' mean lower low water (MLLW) to accommodate existing traffic. Estimated costs to return this section of the channel to its authorized depth exceed \$2.5 million. Removing shoals above the highway bridge with a hopper dredge is possible, but the lack of in-water disposal sites makes this dredging impractical. The channel above river mile 5.0 requires infrequent maintenance. A pipeline dredge last cleared the shoals at RM 5.5 and 6.0 in 1981. No dredging has been performed above that point since 1976. Some shoaling occurs from RM 5.0 to RM 16.0, but it has remained fairly constant and is not currently limiting traffic.

The Siuslaw River jetties were built between 1893 and 1916, with significant extensions added in 1985, bringing the south jetty to a full length of 6,585' and the north jetty to 9,564'. Since that time, the south jetty has had a total loss of 488' in length and the north jetty 499'. In 2011, USACE completed a Major

Maintenance Report for needed repairs to the jetties. The cost estimate for the preferred repair plan is \$122 million.

The Port currently owns and operates an upland dredged material disposal site (DMDS) designated for storage. Site #19 is at the east end of the RV campground and has been used repeatedly over the years to accept and store material dredged from Port marinas.

### **Strategic Objective – Marine Properties & Facilities**

A.1.3. Support maintenance dredging and safe ocean access to promote business, recreation and safe boating for the community.

#### Action Plan

- ✓ At the local, state and federal level, advocate for continued maintenance dredging (\$600,000 per year) and jetty repairs (estimate \$122 million), and release of Harbor Maintenance Trust Fund (HMTF) for intended use, and also seek local solutions to keep the Siuslaw River bar passable (e.g. private dredging, mining collaboration), yearly through FY2018.
- ✓ Explore hydropower tidal/river and wind energy options for electric generation for Port use and/or demonstration sites, and prepare results and recommendation by FY2018.
- ✓ Investigate feasibility of potential use changes for Dredged Material Disposal Sites (DMDS) #19 and #22, and prepare results and recommendation by FY2018.

### Marine Property Acquisitions & Disposal

#### Background and Status

The Port of Siuslaw remains open to both acquiring and disposing of marine properties in pursuit of its mission of economic development. The Mapleton tie-up facility does not generate revenue for the Port and management plans to investigate options for other ownership/ operation of the facility.

### **Strategic Objective - Marine Properties & Facilities**

A.1.4. Enhance economic development within the district through deliberate marine property acquisition and/or disposal.

#### Action Plan

- ✓ Investigate feasibility of decommissioning the Mapleton facility or removing it from Port ownership, prepare results and recommendation by FY2017; if indicated, complete transition by 2020.

- ✓ Pursue unanticipated marine business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

## **A.2. Industrial Properties**

### Background and Status

The Port owns a 38 acre light industrial zoned property, the Pacific View Industrial Park. This property has been certified as shovel-ready by the state, meaning development could proceed within six months of acquisition for any one of eight specified industry profiles, including Campus Industrial/ Electronic, Food Processing, and Computer Assembly. This buildable land would be well-suited for a new data processing center. The property was acquired from Lane County for economic development.

A fiber optics landing station is adjacent to the site. Reliable, affordable electric service of over 3 megawatts is currently accessible on site, with expansion of up to at least 50 MW available. Redundant sourcing is supplied by at least three feeders capable of serving PVIP; the closest substation is within one mile of the property. The site lies within the city limits of Florence and completely out of the 100 year floodplain. It is mainly comprised of soil type 44 Dune Land and some Waldport fine sand with elevations ranging from 25 to 40 feet. A Phase One Environmental Site Assessment was completed in 2007 with the DEQ issuing a No Further Action Letter for the property. Oregon Department of Fish and Wildlife has determined that site development will not impact state listed fish or wildlife species. The appropriate Native American tribes have been contacted and an archeological investigation completed with a conclusion that ground disturbing activities are unlikely to impact significant archeological resources.

The City of Florence municipal airport is adjacent; it has a 3,000 foot runway and accommodates single and twin engine aircraft. The PVIP property is within a half-mile of Highway 101 and two miles from the intersection with Highway 126 that connects Florence with Eugene and I-5. The Port of Siuslaw offers cargo transfer facilities approximately three miles away. Rail service is operated by the International Port of Coos Bay and passes through the Port of Siuslaw district before tying in with class one rail lines at Eugene.

The Industrial Park offers a unique setting with access to the Siuslaw River and overlooking both the river and the Pacific Ocean. As part of the Florence Enterprise and E-commerce Zone the property offers significant business incentives. The Port is actively marketing this property for sale.

### **Strategic Objective – Industrial Properties**

A.2.1. Enhance economic development within the district through planned industrial property acquisition, disposal or redevelopment.

#### Action Plan

- ✓ Market and sell all lots in Pacific View Industrial Park (PVIP) by FY2018; Potential purchase of 10 acres by Central Lincoln People's Utility District (CLPUD) by FY2014; Potential purchase of undetermined acreage to US Coast Guard by FY2018, with possible development costs to Port.
- ✓ Assess feasibility of acquisition or redevelopment of former mill sites on Highway 126, or any brownfields in the district, and prepare results and recommendation by FY2018. If indicated, complete acquisition/redevelopment of site(s) by FY2023.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

### **A.3. Aviation Properties**

#### Background and Status

The City of Florence currently owns and operates the Florence Municipal Airport, which has a 3,000 foot paved and lighted runway and accommodates aircraft with wingspans up to 49ft and weight of 12,500 pounds. The Florence Airport (FAA LID: 6S2) offers self-serve fuel (100LL and Jet A), a courtesy car and bicycles, and a pilot lounge. The Port is open to the possibility of acquiring and/or developing the airport to enhance transportation options and economic development in the district.

### **Strategic Objective – Aviation Properties**

A.3.1. Enhance transportation connections to promote business, tourism and recreation opportunities within the district.

#### Action Plan

- ✓ Investigate feasibility of acquiring/ operating/ developing the Florence Municipal Airport (rental cars, restaurant, lodging, expanded fueling, fire station) and prepare results and recommendation by FY2018.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.



#### **A.4. Commercial Properties**

##### Background and Status

The Port of Siuslaw remains open to both acquiring and disposing of suitable commercial properties in pursuit of its mission of economic and community development. Lease revenue from commercial properties generated approximately 15% of the Port's total revenues in FY2012.

The Port owns the 0.71 acre boardwalk property, which includes 28,000sf of open grass space, and the 585' boardwalk, all overlooking the Siuslaw River in Old Town. This property is one of the last open waterfront spaces in Florence and was constructed for economic development and intended for commercial use. It currently receives temporary usage for farmer's markets and similar events.

In the adjacent 199 space parking lot the Port offers limited leased parking. This is the only large public parking lot in Old Town Florence. Port management plans to investigate the feasibility of implementing paid parking in the lot.

Additional commercial facilities owned by the Port include two leased restaurant buildings located on the wharf, one 6,000 sf and one 5,000 sf. A 1,200 sf leased retail building (formerly the Port's district office) is directly across the street from the wharf. The Port owns an additional 5,000 sf leased retail/commercial building near the campground entrance which currently houses an antique/ estate sale business. The Port also rents 60 covered storage units totaling 14,880sf.

An ongoing activity for the Port is evaluation of acquiring or developing potential new commercial properties or businesses. Possible ventures include existing RV parks, former mill sites, seafood cannery or smokehouse, vessel-based dining/ lodging venue, and a wine tasting facility overlooking the estuary.

As part of this five year Plan, the Port intends to investigate the feasibility of establishing a business incubator structure and/or system to help emerging businesses become established in the district. Available services may include use of building or office space and equipment, technical assistance, business planning, and reduced rent for a period of 1-3 years. Incubator services would be available to start up businesses on an application basis.

The Port recently completed an inventory of all Port-owned property. As part of this Plan the Port intends to complete surveys and establish corner markers, as appropriate, for these properties. Each parcel will be evaluated to determine if it is surplus and, if so, it will be divested.

## **Strategic Objective – Commercial Properties**

A.4.1. Enhance economic development within the district through well-planned commercial property acquisition, disposal or development.

### Action Plan

- ✓ Maintain and improve Port leased facilities to maximize revenues, yearly through FY2018.
- ✓ Investigate paid parking fee/structure for Port lots, prepare report and recommendation by FY2014; if indicated, implement by FY2015.
- ✓ Investigate resolution of any encumbrances on boardwalk property and prepare report on findings by FY2015; evaluate partial development of property for Arts/Wine/Tourism or other venues (pavilion, convertible multi-use space for year round use, art lofts, retail), and prepare report and recommendation by FY2017.
- ✓ Potential installation of rental shop space (10,000sf) suitable for marine industry or Coast Guard use near Port maintenance shop, 080C Harbor Street, by FY2018.
- ✓ Complete Port-owned property surveys and evaluation of all properties by FY2014. Declare and dispose of surplus properties, ongoing, through FY2018.
- ✓ Investigate feasibility of acquiring and/or developing commercial properties for lease, prepare results and recommendations on a yearly basis through FY2018; possibilities suggested include:  
B&E Wayside RV Park on Highway 101,  
former mill sites on Highway 126,  
cannery/smokehouse in Old Town,  
vessel-based dining/lodging venue on the river.  
If indicated, complete acquisition/development within one year of recommendation.
- ✓ Investigate feasibility of offering an established winery within the district the opportunity to build and operate a wine tasting facility on Port property (one suggested location is overlooking the estuary near the new hiker-biker camp area); prepare results and recommendations by FY2015.
- ✓ Evaluate and, if feasible, establish business incubator framework and/or facility to support new and emerging businesses in the district by FY2016; e.g. offer low lease rates and technical assistance for first one to three years of operation; kayak rentals, organic farming, etc.

- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

## **A.5. Commercial Fishing**

### Background and Status

The Port of Siuslaw, as is the case with many ports, is trying to develop a sustainable business model that would help commercial fishermen deliver a higher quality product to be sold at a higher market price.

### **Strategic Objective – Commercial Fishing**

A.5.1. Enhance commercial fishing opportunities within the district.

#### Action Plan

- ✓ Investigate feasibility of enhancing commercial fishing opportunities, ongoing.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

## **A.6. Recreational Properties**

### **RV Campground**

#### Background and Status

The Port has operated an RV campground for over thirty years; the campground provided nearly one-quarter of the Port's total revenues in FY2012. A total of 103 sites are located in the RV Campground, including 67 full hookup, 23 water/ electric, and 13 primitive waterfront sites. In 2013 a new 12 site hiker-biker camp area was completed. The campground, located at the east end of Historic Old Town Florence, includes public and camper-only restrooms and showers, new in 2011. A new laundry facility was finished in 2012. Other amenities at the campground include an RV dump station, carwash and boat flush stations, trails, a gazebo with water and electric service, and a 75 space single car and boat trailer parking lot. The district office and the campground and marina office share the same building, which includes a rentable conference room.

Proposed projects during the five year Plan include removal of the covered storage buildings and creation of pull-through RV campsites; investigation of adding yurts, cabins or rental RVs to the campground to enhance off-season use;

and installing a second restroom at the east end of the campground for campers' use, including a possible clubhouse/ community space.

Significant upgrades have been completed in the campground in recent years, and continuing upgrades in amenities are needed to remain competitive in the industry and to respond to customer requests.

### **Strategic Objective – Recreational Properties**

A.6.1. Maintain and improve the campground and related facilities to provide competitive amenities for customers to increase occupancy and revenue generation.

#### **Action Plan**

- ✓ Reconfigure and upgrade C Row by FY2014.
- ✓ Install kayak/canoe launch by FY2014.
- ✓ Upgrade gazebo by FY2014.
- ✓ Install online customer survey to capture customer requests by FY2015.
- ✓ Upgrade hiker-biker-paddler camp amenities (gear cabinets, electric service) by FY2015.
- ✓ Increase security (lights, cameras, gates, card locks) by FY2015.
- ✓ Maximize full service at all campsites by FY2015.
- ✓ Remove covered storage buildings and install pull-through campsites by FY2015.
- ✓ Investigate and install rental RVs, cabins and/or yurts by FY2016.
- ✓ Install second restroom for campers by FY2016.
- ✓ Install clubhouse/community space by FY2016.
- ✓ Pave campsites and roads by FY2017.
- ✓ Replace existing picnic table tops & benches (110), campsite dividers, etc. with eco-friendly, sustainable, cost-effective materials, phased yearly, by FY2018.
- ✓ Investigate expanding campground into DMDS #19, prepare results and recommendation by FY2018.

## Recreational Property Development & Acquisitions

### Background and Status

The Port of Siuslaw remains open to both acquiring and disposing of suitable recreational properties in pursuit of its mission of economic and community development.

As recreation and tourism become the predominant industries in the district, the Port is focused on developing additional recreational facilities, and promoting new and expanding recreational businesses. One example of this is the Port's assistance to a new kayak rental business in Old Town. Presently a trail leads to the water's edge for paddle craft launching; installation of a kayak/ canoe launch is proposed as part of this Plan.

The need for improved public access to the Siuslaw River estuary has been identified and documented in City of Florence and Port long-term plans for many years. A proposed multi-use estuary trail will connect the new Siuslaw Interpretive Center at the west end of Old Town, through the commercial area of downtown, to the Port's recreational waterfront areas and the estuary, up to the City's existing Munsel Creek Bike Path at Highway 126, and potentially connect with the Three Rivers Casino property north of Highway 126. The trail would provide an active transportation corridor for cyclists and pedestrians, and provide public access to observe the scenic estuary, enhancing day-use recreation and tourism. Total estimated cost for the trail is \$678,000; cost for the section across Port property is \$94,000.

### **Strategic Objective – Recreational Properties**

A.6.2. Enhance economic development within the district through planned recreational property acquisition and development.

#### Action Plan

- ✓ Encourage new and expanded recreation-related businesses (e.g. kayak rental, charter fishing, gear/boat rentals) to operate in the district by providing technical assistance and/or business incubator services, ongoing.
- ✓ Investigate feasibility of establishing Siltcoos Lake kayak trail, prepare results and recommendation by FY2017.
- ✓ Evaluate feasibility of acquisition/ development of International Paper site by FY2017.
- ✓ In collaboration with the City of Florence and other entities, complete the Siuslaw River Estuary Trail sections located on Port property and support linkages with other trails, by FY2018.

- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.
- 

## **Management Goals**

B. Management Goal: Manage Port personnel and resources to achieve maximum economic and community development services for district residents, businesses and organizations.

### Policies & Procedures

#### Background and Status

The Port of Siuslaw has established ordinances, policies and procedures which require regular review and revision to remain current and effective. Following adoption of this Strategic Plan, one of the Port's first tasks will be to complete formalization of the working agreement between the Port and Business Oregon.

#### **Strategic Objective – Management**

B.1. Ensure timely creation, adoption and implementation of best management practices for Port ordinances, policies and procedures, including emergency management protocols.

#### Action Plan

- ✓ Complete Intergovernmental Agreement or similar with Business Oregon by FY2014.
- ✓ Complete review and revision, as needed, of all ordinances, policies and procedures, including fee structures, by FY2014.
- ✓ Investigate and determine jurisdictional boundaries for adjoining/overlapping local governments, by FY2015.
- ✓ Investigate feasibility of implementing electronic records management system, prepare report and recommendation by FY2015; if indicated, implement system by FY2016.
- ✓ Complete annual review and update of Capital, Management, Financial, Environmental, Community, and Marketing Plans in March (as part of budgeting process), yearly through FY2018.
- ✓ Continue to practice risk management, complete annual SDAO review and evaluation of best management practices and make revisions as indicated, ongoing.

- ✓ Continue partnership with Western Lane Emergency Operations Group and emergency management preparations, ongoing.

## Staff & Board

### Background and Status

The Port has an experienced and professional staff and Board; trainings are budgeted and completed annually. The new Port office includes a conference room that has been equipped to serve as a virtual training space. The current Port Manager plans to retire within the coming five years and a transition plan will be created to administer that change.

### **Strategic Objective - Management**

- B. 2. Supply needed resources and professional development for staff and board members to ensure they can provide maximum economic development services to district residents and businesses.

### Action Plan

- ✓ Acquire appropriate training software by FY2014. Continue to budget for and coordinate annual staff and board training, ongoing yearly.
- ✓ Initiate State of the Port Message from Board President by FY2014 (January meeting), and continue annually.
- ✓ Investigate feasibility of establishing advisory committees, prepare recommendation by December FY2014; if indicated, begin committee meetings by December FY2015.
- ✓ Create and implement transition plan for anticipated change in port management by FY2015.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

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## **Financial Goals**

- C. Financial Goal: Manage Port financial assets to maximize cost:benefit results in economic and community development for the district.

## Debt Management

### Background and Status

The Port currently has five loans being repaid, with a sixth being drawn on in



2013 and payments expected to begin in FY2014. These low-interest loans have been acquired primarily to provide required matching funds for grant awards to complete necessary infrastructure repairs and replacements, as well as improvements for economic development. The Port has a history of successfully leveraging funds to accomplish needed projects; in 2005 the Port completed repayment of a \$150,000 loan from Business Oregon to complete parking lot and RV campground improvements, and in 2009 the Port repaid a \$103,000 loan from Business Oregon, acquired to upgrade the commercial docks.

The oldest of the outstanding loans dates to 1995 when the Port borrowed \$330,866 from Business Oregon to help complete the commercial dock and business site development project, better known as the boardwalk project. This project created the Nopal parking lot, the to-be-developed commercial space, the seawall and boardwalk, and renovated the commercial marina. The second loan is from 2000, also from Business Oregon, an additional \$189,139 was borrowed for the balance of the boardwalk project. The third outstanding loan was accrued in 2008 in the amount of \$250,000 from Siuslaw Bank to complete purchase of the 38 acre Industrial Park land from Lane County. This five-year, interest-only loan comes due in calendar year 2013 and the Port will need to repay or refinance it at that time. In 2009 the Port completed dredging of its marinas for the first time in over twenty years and accrued an additional loan of \$75,000 to accomplish this needed maintenance dredging. In 2011, the Port acquired a loan of \$601,000 from Business Oregon to complete replacement of the transient vessel dock and landing, along with a new hoist and utility upgrades on the wharf. And, in 2013 the Port began drawing on a new loan from Business Oregon to provide matching funds for the grant award to complete renovation of the Old Town wharf. That loan amount is expected to be \$375,000.

The Port's current total debt is \$1.6 million; debt service for FY2012 was over \$130,000.

### **Strategic Objective - Financial**

- C.1. Actively pursue reduction of existing debt to allow future economic development services within the district.

#### **Action Plan**

- ✓ Investigate options for debt consolidation to reduce annual loan payments, prepare recommendations by December FY2014; if indicated, execute consolidation as soon as practical.
- ✓ Continue to identify and implement measures to maximize revenues and reduce unnecessary expenses, ongoing.
- ✓ Annually evaluate and, if indicated, adjust rates for services to remain at market levels.

- ✓ Investigate applicability of using revenue or municipal bonds to fund needed projects by FY2015 or as soon practical.
- ✓ Complete Port-owned real property surveys and evaluations of all properties by December FY2014. Declare and dispose of surplus properties on an ongoing basis.
- ✓ Investigate feasibility of establishing a revolving loan fund that district businesses could access for job creation/expansion, prepare report and recommendations by December FY2015; if indicated, implement fund as soon as practical.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

## Reserves

### Background and Status

Port cash reserves average \$275,000 between the money market and checking accounts; this amounts to a four to five month operating reserve. By policy the Port sets aside a minimum \$15,000 per year for future capital outlay. Depreciation has been an increasing expense for the Port, particularly in recent years as major facilities have been replaced. The Port continues to work towards a full cost recovery operation.

### **Strategic Objective - Financial**

C.2. Ensure adequate financial reserves for the district to achieve its mission of economic and community development.

### Action Plan

- ✓ Complete a Key Facilities Condition Survey by FY2014.
- ✓ Create and implement a 5-20 year capital maintenance plan to guide effective financial planning for major facilities maintenance and replacement costs, by FY2015.
- ✓ Follow capital maintenance plan recommendations and best management practices to maximize service life of Port facilities, ongoing.
- ✓ Investigate and update policy for funding capital reserves, with required minimum amount set aside annually, by FY2014.

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## Environmental Goals

D. Environmental Goal: Manage Port assets to maintain stewardship of the Siuslaw River estuary and promote sustainable operations in the district to benefit community and economic development.

### Background and Status

The Port of Siuslaw is committed to best management practices in the environment and to being a responsible steward of the Siuslaw River watershed, in collaboration with other organizations, including the Siuslaw Watershed Council and the Siuslaw Soil & Water Conservation district. As part of its environmental focus, the Port is willing to assist district entities in redevelopment of former industrial sites, including former mill sites along the river; assistance with brownfields-type cleanups is also available.

The Port encourages sustainable practices within the district and within its own operations. As part of the Siuslaw Estuary Partnership project with the City of Florence, the Port is working to promote improved water quality and enhanced recreation opportunities in the estuary. In addition, as part of this strategic plan, the Port is investigating possibilities in alternative energy generation such as wind, solar and wave, as well as how to support upriver land owners in developing organic farming operations.

### Strategic Objective - Environmental

D.1. Collaborate with district entities to ensure sound environmental stewardship within the Siuslaw River estuary.

### Action Plan

- ✓ Renew partnership with Siuslaw Watershed Council and collaborate on estuary projects for community and economic development, ongoing.
- ✓ Support water quality monitoring in the estuary, ongoing.
- ✓ Offer technical assistance for brownfields and similar clean-up efforts within the district to promote redevelopment (e.g. former mill sites), ongoing.
- ✓ If awarded grant funds, install and maintain a floating restroom on the Siuslaw River by FY2014.
- ✓ Continue to promote sustainable operations, including renewable energy generation, at the Port and in the district, ongoing.
- ✓ Continue to support removal of invasive weeds in the district, ongoing.

- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.
- 

## Community Goals

E. Community Goal: Manage Port assets to maximize community developments, promote community initiatives, and enhance quality of life for district residents.

### Background and Status

The Port of Siuslaw has been an active partner in many community development projects and enjoys a good working relationship with area public and private entities. Community efforts are often independent, however, and lack organization, resulting in duplication and inefficient use of resources for all parties. The Port provides important infrastructure and services regularly used by the public, yet its involvement in the community is frequently unnoticed, and many residents are unaware of the assistance available through the Port. To achieve its mission of economic and community development, the Port is committed to supporting district projects and initiatives.

### Strategic Objective - Community

E.1. Enhance district communities by supporting relevant industries and initiatives, such as tourism and eco-tourism, recreation, fishing, Oregon wine, craft beer, active transportation, art, and niche agriculture.

### Action Plan

- ✓ Promote tourism, e.g. sponsor events (boat/RV show, fishing derby, wine fest), support establishment of convention hotel/ facilities, partner to install interpretive and informational signage, beautification, encourage access to waterfront and picnic facilities, participate in co-operative and cross-market advertising, facilitate community-wide online events calendar, promote public art, spearhead Rural Tourism Studio Program/ We Speak Oregon/ etc., ongoing.
- ✓ Offer technical assistance, such as business planning, financial analysis and grant writing services, to existing and new district businesses and organizations, ongoing.
- ✓ Collaborate with local entities (City of Florence, Lane County, Confederated Tribes of the Coos, Lower Umpqua & Siuslaw Indians,

Florence Area Chamber of Commerce, Siuslaw Watershed Council, Central Lincoln People's Utility District, Salmon Trout Enhancement Program, etc.) to accomplish community-driven initiatives, e.g. Arts & Economic Development, ongoing.

- ✓ Promote active transportation options (mass transit, zip cars, train, bicycle, pedestrian, paddle craft) within the district, ongoing.
- ✓ Work with the commercial fishing industry to explore alternative fish storage and buying methodologies to enhance product marketability and profitability, by FY2016.
- ✓ Investigate feasibility of installing a river walkway along Old Town, prepare report by FY2018.
- ✓ Pursue unanticipated business opportunities that contribute to the Port's economic development or revenue enhancement goals, ongoing.

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## Marketing Goals

F. Marketing Goal: Effectively market Port assets and services to maximize community and economic development in the district.

### Background and Status

The Port of Siuslaw has improved marketing efforts in recent years through print, online and television media, to successfully increase occupancy at the RV campground. That effort needs to continue and expand in order to further boost revenues from Port operations and services. The Port has not aggressively marketed the Pacific View Industrial Park land and needs to focus resources to accomplish that objective. The Port also has not effectively communicated with district residents and businesses regarding Port activities, opportunities and services. To achieve the goals included in this five year Plan, the Port will need to devote attention to regular and targeted communication marketing.

### Strategic Objective - Marketing

- F.1. Using all relevant media, implement specific marketing efforts to help achieve strategic planning goals and improve communications within the district.

## Action Plan

- ✓ Identify and apply targeted marketing for Port properties; e.g. promote industrial property for sale, advertise campground and improvements, highlight public crabbing dock, ongoing.
- ✓ Use marketing to support management goals, including clear messaging of the Port's mission and timely communication with district residents (newsletter, quarterly meetings), ongoing.
- ✓ Incorporate marketing to achieve financial goals; e.g. surplus property disposal, debt consolidation, ongoing.
- ✓ Identify and initiate specific marketing to realize environmental goals; including technical assistance opportunities, promote repurposed and sustainable operations, ongoing.
- ✓ Employ marketing to attain community goals; e.g. event promotion, active transportation options, training opportunities, community calendar, ongoing.

## VII. Facilities and Business Plans

The Capital, Management, Financial, Environmental, Community, and Marketing Plans will each be reviewed and updated annually in March, as part of the Port's budget process for the coming fiscal year.

### Five-Year Capital Plan

The Five-Year Capital Plan includes all Property goals, strategic objectives and action steps for the Port of Siuslaw's Marine, Industrial, Aviation, Commercial and Recreational properties and facilities.

Potential funding sources identified include Port of Siuslaw Operating Funds (Port), Port staff time (Staff), Port of Siuslaw Revenue Bonds (RB), Business Oregon Infrastructure Finance Authority (IFA), Oregon Department of Transportation (ODOT), Oregon State Marine Board (OSMB), Special Districts Association of Oregon (SDAO), US Economic Development Administration (EDA), Lane County (LC), Oregon Tourism Commission (OTC), Oregon Parks & Recreation Department (OPRD), and US Department of Agriculture (USDA). Capital project costs shown are for planning purposes only and are based on preliminary engineering estimates, recently completed Port projects, and similar projects elsewhere; final construction costs may vary.

In-depth description and implementation detail for selected capital facilities projects is included in a separate document, Capital Facilities Plan Project Detail & Implementation.

**A. Property Goal:** Manage Port properties, including acquisition and disposal, to maximize economic and community development in the district.

#### A.1. Marine Properties & Facilities

##### Strategic Objectives

- A.1.1. Maintain and enhance waterfront marine facilities to expand tourism, recreation and business development for the district.
- A.1.2. Maintain and enhance marinas and public docks to support business creation/expansion and encourage tourism and recreation.
- A.1.3. Support maintenance dredging and safe ocean access to promote business, recreation and safe boating for the community.
- A.1.4. Enhance economic development within the district through deliberate marine property acquisition and/or disposal.



<b>FIVE-YEAR CAPITAL PLAN - MARINE</b>						
<b>Marine Project Description / Funding Source</b>	<b>Priority</b>	<b>FY2014 Cost</b>	<b>FY2015 Cost</b>	<b>FY2016 Cost</b>	<b>FY2017 Cost</b>	<b>FY2018 Cost</b>
<b><u>Bulkheads &amp; Boardwalk</u></b>						
Complete bulkhead repair preliminary design, surveys / Port, IFA	1	\$15,000				
Secure funding and permits for bulkhead repairs / Port	1	Staff	Staff	\$20,000		
Complete bulkhead repair final engineering & construction / Port, IFA, EDA, USDA, LC, OPRD.	1					\$1.5 M
Complete needed boardwalk repairs (fence, deck, fire suppression) / Port, SDAO, LC, OTC	1		Staff	\$20,000		
<b><u>Marinas</u></b>						
Maintain & improve marinas to provide competitive amenities / Port	1	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Complete security upgrades (cameras, lights), phased / Port, SDAO	1	\$5,000	\$2,000	\$2,000		
Evaluate feasibility of F Dock service upgrades, implement if indicated / Port	1	Staff		\$24,000		
If awarded, install & maintain floating restroom on Siuslaw River / Port, OSMB	1	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Assess & complete needed fuel dock upgrades / Port, OSMB	2			Staff	\$19,000	
Research, secure funding, and replace debris & shear booms / Port, OSMB, SDAO	2		Staff	Staff	\$600,000	
Complete permitting, design & install public crabbing & fishing dock / Port, OPRD	3				\$2,000	\$12,000
Determine feasibility of houseboat or floating home leases; develop policy / Port	3					Staff
<b><u>Ocean &amp; River Access</u></b>						
Advocate for continued federal dredging and jetty repairs / Port	1	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Explore renewable energy generation for Port use or demonstration sites / Port	3					Staff
Investigate feasibility of changes to DMDS #19 & #22 / Port	3					Staff
<b><u>Acquisitions &amp; Disposal</u></b>						
Assess feasibility of decommissioning or divesting Mapleton facility / Port	3				Staff	

A.2. Industrial Properties

Strategic Objective

A.2.1. Enhance economic development within the district through planned industrial property acquisition, disposal or redevelopment.

FIVE-YEAR CAPITAL PLAN - INDUSTRIAL						
Industrial Project Description / Funding Source	Priority	FY2014 Cost	FY2015 Cost	FY2016 Cost	FY2017 Cost	FY2018 Cost
Market and sell Pacific View Industrial Park property / Port	1					Staff
Assess feasibility of redevelopment of former mill sites / Port	3					Staff

A.3. Aviation Properties

Strategic Objective

A.3.1. Enhance transportation connections to promote business, tourism and recreation opportunities within the district.

FIVE-YEAR CAPITAL PLAN - AVIATION						
Aviation Project Description / Funding Source	Priority	FY2014 Cost	FY2015 Cost	FY2016 Cost	FY2017 Cost	FY2018 Cost
Assess feasibility of operating or developing Florence Airport / Port	3					Staff

#### A.4. Commercial Properties

##### Strategic Objective

A.4.1. Enhance economic development within the district through well-planned commercial property acquisition, disposal or development.

<b>FIVE-YEAR CAPITAL PLAN - COMMERCIAL</b>						
<b>Commercial Project Description / Funding Source</b>	<b>Priority</b>	<b>FY2014 Cost</b>	<b>FY2015 Cost</b>	<b>FY2016 Cost</b>	<b>FY2017 Cost</b>	<b>FY2018 Cost</b>
Maintain and improve Port leased facilities to maximize revenues / Port	1	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Investigate paid parking options; implement if indicated / Port	1	Staff	\$156,000			
Complete Port property surveys; declare & dispose of surplus / Port	1	\$12,000	Staff	Staff	Staff	Staff
Evaluate feasibility of acquiring new lease properties; implement / Port, IFA, EDA	1	Staff, Variable	Staff, Variable	Staff, Variable	Staff, Variable	Staff, Variable
Evaluate feasibility of new wine tasting facility on Port property / Port	2		Staff			
Investigate any encumbrances on boardwalk property / Port	2		Staff			
Evaluate business incubator feasibility; implement if indicated / Port, IFA, USDA, EDA	2	Staff	Staff	\$100,000		
Evaluate partial boardwalk development / Port	3				Staff	
Potential installation of rental shop space at 080C Harbor Street / Port, IFA, Coast Guard	3					\$45,000

#### A.5. Commercial Fishing

##### Strategic Objective

A.5.1. Enhance commercial fishing opportunities within the district.

<b>FIVE-YEAR CAPITAL PLAN – COMMERCIAL FISHING</b>						
<b>Commercial Fishing Project / Funding Source</b>	<b>Priority</b>	<b>FY2014 Cost</b>	<b>FY2015 Cost</b>	<b>FY2016 Cost</b>	<b>FY2017 Cost</b>	<b>FY2018 Cost</b>
Investigate feasibility of enhancing commercial fishing opportunities / Port	1	Staff	Staff	Staff	Staff	Staff

**A.6. Recreational Properties** (see Figure 8, Campground Map, below)

**Strategic Objectives**

A.6.1. Maintain and improve the campground and related facilities to provide competitive amenities for customers to increase occupancy and revenue generation.

A.6.2. Enhance economic development within the district through planned recreational property acquisition and development.

<b>FIVE-YEAR CAPITAL PLAN - RECREATION</b>						
<b>Recreational Project Description / Funding Source</b>	<b>Priority</b>	<b>FY2014 Cost</b>	<b>FY2015 Cost</b>	<b>FY2016 Cost</b>	<b>FY2017 Cost</b>	<b>FY2018 Cost</b>
<b><u>RV Campground</u></b>						
Reconfigure and upgrade C Row / Port	1	\$15,000				
Install kayak & canoe launch / Port	1	\$5,000				
Upgrade gazebo / Port	1	\$5,000				
Replace picnic tables, etc. with sustainable materials, phased / Port	1	\$3,000	\$8,000	\$8,000	\$8,000	\$8,000
Install online survey to capture customer suggestions / Port	2		Staff			
Upgrade hiker-biker camp amenities / Port	2		\$2,000			
Upgrade security (lights, cameras) / Port, SDAO	2		\$2,000			
Maximize full service at all campsites / Port, RB	2		\$15,000			
Remove storage buildings & install pull-through campsites / Port, RB	2		\$50,000			
Investigate and install rental RVs, cabins or yurts / Port, RB	3		Staff	\$30,000		
Install second restroom for campers / Port	3			\$150,000		
Install clubhouse, community room / Port	3			\$30,000		
Pave campsites and roads / Port	3				\$160,000	
Investigate expanding campground into DMDS #19 / Port	3					Staff

FIVE-YEAR CAPITAL PLAN – RECREATION						
Recreational Project Description / Funding Source	Priority	FY2014 Cost	FY2015 Cost	FY2016 Cost	FY2017 Cost	FY2018 Cost
<u>Development &amp; Acquisitions</u>						
Support new & expanding recreation businesses / Port	1	Staff	Staff	Staff	Staff	Staff
Investigate feasibility of establishing Siltcoos Lake kayak trail / Port	3				Staff	
Investigate feasibility of developing International Paper site / Port	3				Staff	
Collaborate with City to complete Siuslaw Estuary Trail sections / Port, City of Florence, ODOT, OPRD, LC, others	3					\$678,000

Figure 8, Campground Map



## **Management Plan**

B. Management Goal: Manage Port personnel and resources to achieve maximum economic and community development services for district residents, businesses and organizations.

### Strategic Objectives

B.1. Ensure timely creation, adoption and implementation of best management practices for Port ordinances, policies and procedures, including emergency management protocols.

B.2. Supply needed resources and professional development for staff and board members to ensure they can provide maximum economic development services to district residents and businesses.

<b>MANAGEMENT PLAN</b>	<b>Priority</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
<u>Policies and Procedures</u>						
Complete IGA with Business Oregon	1					
Review & revise ordinances, policies and procedures	1					
Continue risk management, SDAO annual review	1					
Continue WLEOG partnership & emergency management preparations	1					
Review & update Capital and other Plans annually	1					
Investigate and determine jurisdictional boundaries	2					
Assess feasibility of electronic records; implement if indicated	3					
<u>Staff &amp; Board</u>						
Acquire training software	1					
Continue to budget for & coordinate annual Board & staff trainings	1					
Assess feasibility of advisory committees; implement if indicated	1					
Initiate annual statement by Board President in January; continue yearly	2					
Create & implement Port management transition plan	3					

## **Financial Plan**

C. Financial Goal: Manage Port financial assets to maximize cost-benefit results in economic and community development for the district.

### Strategic Objectives

C.1. Actively pursue reduction of existing debt to allow future economic development services within the district.

C.2. Ensure adequate financial reserves for the district to achieve its mission of economic and community development.

<b>FINANCIAL PLAN</b>	<b>Priority</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
<u>Debt Management</u>						
Investigate debt consolidation; implement if indicated	1					
Annually evaluate service rates, adjust as needed	1					
Continue to maximize revenues & reduce unnecessary expenses	1					
Complete Port property surveys, evaluation & disposal	1					
Investigate applicability of revenue/ municipal bonds	2					
Assess feasibility of revolving loan fund; implement if indicated	2					
<u>Reserves</u>						
Complete key facilities condition survey	1					
Continue best management to maximize facilities service life	1					
Investigate & update policy for funding capital reserves	1					
Create & implement 5-20 year capital maintenance plan	2					

## **Environmental Plan**

D. Environmental Goal: Manage Port assets to maintain stewardship of the Siuslaw River estuary and promote sustainable operations in the district to benefit community and economic development.

Strategic Objective

D.1. Collaborate with district entities to ensure sound environmental stewardship within the Siuslaw River estuary.

<b>ENVIRONMENTAL PLAN</b>	<b>Priority</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Renew partnership with SWC & collaborate on estuary projects	1					
Continue to support water quality monitoring in estuary	1					
Offer technical assistance for brownfields/ cleanup efforts	1					
Continue to promote sustainable operations & renewable energy	1					
Continue to support invasive weed removal	1					
If awarded grant, install & maintain floating restroom on Siuslaw River	1					



## **Community Plan**

E. Community Goal: Manage Port assets to maximize community developments, promote community initiatives, and enhance quality of life for district residents.

### Strategic Objective

E.1. Enhance district communities by supporting relevant industries and initiatives, such as tourism and eco-tourism, recreation, fishing, Oregon wine, craft beer, active transportation, art, and niche agriculture.

<b>COMMUNITY PLAN</b>	<b>Priority</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
Promote tourism; sponsor events/ calendar, marketing, training	1					
Offer technical assistance to new and existing businesses	1					
Collaborate with local entities to accomplish community initiatives	1					
Promote active transportation; walk, bike, paddle, mass transit	1					
Work with commercial fishing industry to enhance marketability	2					
Investigate feasibility of river walkway in Old Town	3					

## **Marketing Plan**

F. Marketing Goal: Effectively market Port assets and services to maximize community and economic development in the district.

Strategic Objective

F.1. Using all relevant media, implement specific marketing efforts to help achieve strategic planning goals and improve communications within the district.

<b>MARKETING PLAN</b>	Priority	FY2014	FY2015	FY2016	FY2017	FY2018
Market Port properties for sale, advertise campground & amenities	1					
Communicate regularly & clearly with district residents	1					
Market surplus properties, promote debt reduction activities	1					
Advertise technical assistance services, promote sustainability	1					
Event marketing, co-op advertising, training opportunities	1					

## VIII. Appendices



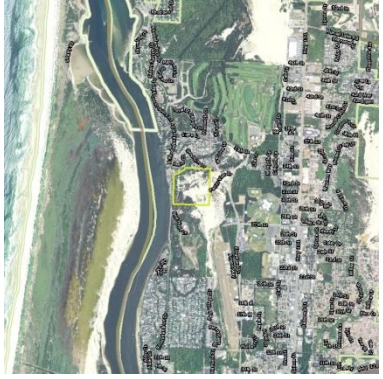

### Appendix A, Port Property Inventory





Port of Siuslaw Owned Property Inventory, List, 2012

<u>Property</u>	<u>Map &amp; Tax Lot</u>	<u>Location</u>	<u>Market Value</u>	<u>Assessed Value</u>	<u>Acres</u>
#1	18_10_02_42_03000	Lot north of Mapleton dock	\$500	\$500	0.1
#2	18_10_02_43_01600	North end of Mapleton dock	\$46,018	\$18,912	0.33
#3	18_12_22_00_00701	Pacific View Industrial Park, main	\$1,896,105	\$910,263	38.79
#4	18_12_22_23_01000	Pacific View, waterfront	\$23,288	\$905	0.15
#5	18_12_22_23_01201	Pacific View, connector	\$3,556	\$3,556	0.47
#6	18_12_26_00_00701	Bulkhead near campground	\$1,924,101	\$926,745	3.55
#7	18_12_26_00_00800	Island east of campground	\$500	\$500	70.45
#8	18_12_26_31_06200	Miller's acre - A	\$1,511	\$834	1.12
#9	18_12_26_31_06202	Miller's acre - B	\$1,511	\$834	0.12
#10	18_12_26_31_06203	Miller's acre - C	\$1,511	\$834	0.05
#11	18_12_26_31_06204	Miller's acre - D	\$1,511	\$834	0.01
#12	18_12_26_31_06205	Miller's acre - E	\$1,511	\$834	0.09
#13	18_12_27_33_00400	Tidelands west of wastewater plant - A	\$500	\$500	0.25
#14	18_12_27_33_00500	Tidelands west of wastewater plant - B	\$500	\$500	0.48
#15	18_12_27_33_00600	Tidelands west of wastewater plant - C	\$500	\$500	0.3
#16	18_12_27_33_00700	Tidelands west of wastewater plant - D	\$500	\$500	0.98
#17	18_12_27_34_04500	Tidelands west of wastewater plant - E	\$500	\$500	1.68
#18	18_12_34_11_07101	Nopal parking lot	\$2,639,926	\$1,096,000	2.28
#19	18_12_34_11_07102	Boardwalk grass area	\$1,068,860	\$426,178	0.71
#20	18_12_34_11_07103	Bulkhead by boardwalk	\$2,545,762	\$1,711,134	1.2
#21	18_12_34_11_08802	North parking area 1499 Bay St	\$234,891	\$147,064	0.11
#22	18_12_34_11_12800	Tidelands west of Bay St - A	\$2,675	\$1,090	0.05
#23	18_12_34_11_12900	Tidelands west of Bay St - B	\$2,675	\$1,090	0.03

<u>Property</u>	<u>Map &amp; Tax Lot</u>	<u>Location</u>	<u>Market Value</u>	<u>Assessed Value</u>	<u>Acres</u>
#24	18_12_34_11_13200	Old Town wharf - A	\$344,045	\$266,566	0.82
#25	18_12_34_11_13200	Old Town wharf - B	\$268,167	\$99,010	0.82
#26	18_12_34_21_01400	West of wastewater plant, Rhody Dr	\$1,509	\$834	1.42
#27	18_12_35_22_02500	080A Harbor St - A	\$49,386	\$20,204	0
#28	18_12_35_22_03500	West campground & DMDS	\$19,189	\$19,189	10.13
#29	18_12_35_22_03502	080B/C Harbor St - A	\$811,459	\$343,546	0.96
#30	18_12_35_22_03502	080B/C Harbor St - B	\$407,885	\$190,490	0.96
#31	18_12_34_11_13200	Old Town wharf - C	\$665,955	\$509,167	0.82
#32	18_12_34_11_13200	Old Town wharf - D	\$614,332	\$298,635	0.82
#33	18_12_34_11_13200	Old Town wharf - E	\$614,332	\$298,635	0.82
#34	18_12_34_11_08803	1499 Bay St & east parking area	\$511,662	\$292,544	0.2
#35	18_12_35_22_03500	Harbor parking lot & DMDS	\$3,745,330	\$1,777,121	10.13
#36	18_12_35_22_03501	080A Harbor St - B	\$241,176	\$134,297	0.11
#37	18_12_35_22_03503	100 Harbor St & campground	\$1,996,871	\$835,885	2.92
#38	18_10_02_43_01700	Mapleton dock restroom	\$46,387	\$23,051	0.19
<b>TOTALS</b>			<b>\$20,736,597</b>	<b>\$10,359,781</b>	<b>154.42</b>

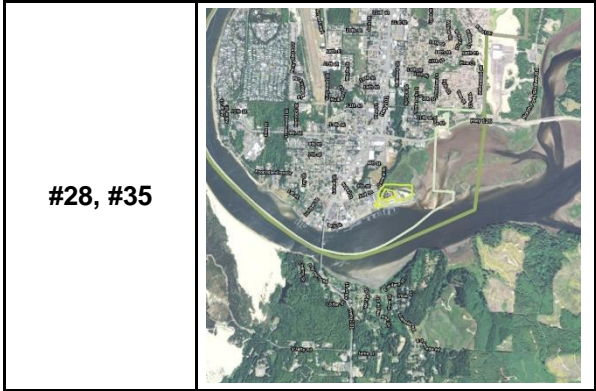
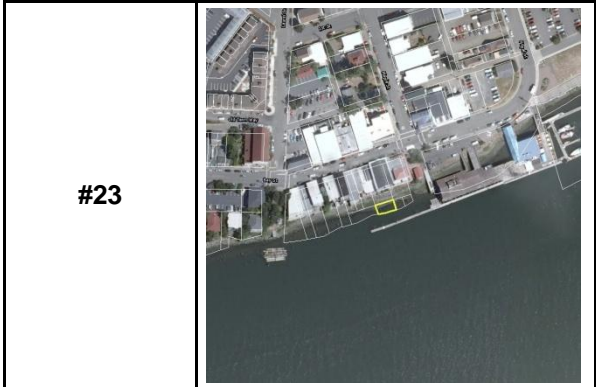
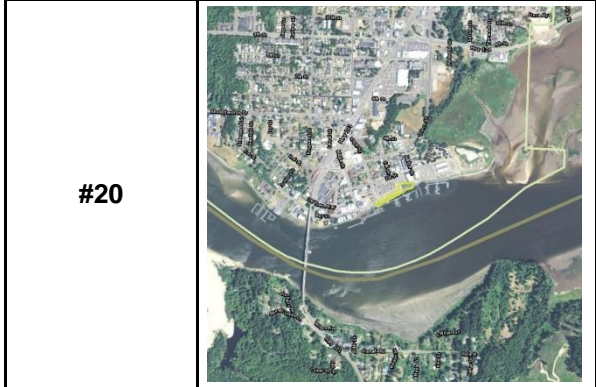
**Port of Siuslaw Owned Property Inventory, Location Photos, 2012**

Property #	Location Photo
#1	
#2	
#3	
#4	

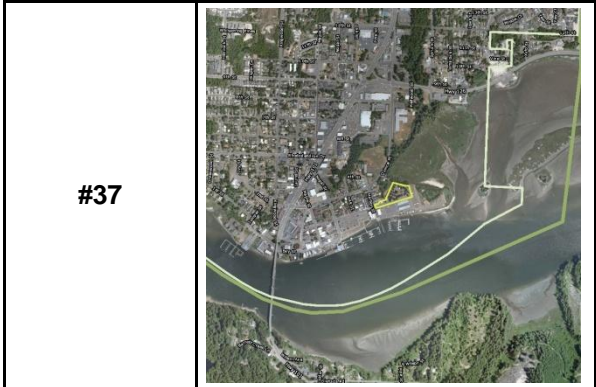
Property #	Location Photo
#5	
#6	
#7	
#8, #9	













**Appendix B, Port of Siuslaw Commission Rules, Regulations, Duties  
& Responsibilities**

**PORT OF SIUSLAW  
COMMISSION**

**RULES, REGULATIONS,  
DUTIES, AND  
RESPONSIBILITIES**

**Adopted by the**

**PORT OF SIUSLAW  
BOARD OF COMMISSIONERS**

**Revised  
February 20, 2013**

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## Introduction

The power and authority given a special service district, except as otherwise provided, shall be exercised by a board of directors. Each type of special district has its own statutes and requirements for board members. Some districts refer to board members as commissioners or directors. For the purpose of consistency throughout this material, district governing officials will be referred to as commissioners. Most districts require that commissioners either reside in the district that they represent for a specified period of time, or at least own property within the boundary of the district. The number of commissioners also varies as does the length of their terms.

District commissioners are public officials who must act in the best interests of the public and are accountable to the public through federal, state, and local laws. Governance is a heavy responsibility which must not be taken lightly. Public laws concerning district elections, public records and meetings, investment, and budgeting can be time consuming and often frustrating to understand. Commissioners can become objects of public scrutiny and criticism if affairs of their districts are not managed properly.

Acting as a commissioner can be a rewarding experience which brings a sense of pride in the knowledge that local services depend on the efficient and dependable operation of district services. Well informed commissioners should pay close attention to the needs of the population their districts serve and be aware of their many and important responsibilities.

A well formulated commission policy manual can assist commissioners in understanding their responsibilities and can also assist in orienting new commissioners.

## Commission Rules & Regulations

### **RULES AND REGULATIONS**

1. The Port of Siuslaw Board of Commissioners shall operate directly under the general provisions for port districts and special districts established by the State of Oregon, and the following general operating procedures.
2. The rules and regulations are intended to provide a general understanding and a uniformity in the practices and procedures for the operation of the Port of Siuslaw District.
3. These rules and regulations express the judgment and will of the Port of Siuslaw Board of Commissioners and are binding on all members.
4. In the event that any part or parts of these rules and regulations are found to be in conflict with the law, then only such part or parts so found shall be null and void and the remainder thereof shall remain in full force and effect.

### **AMENDMENT OR SUSPENSION OF RULES**

1. The rules and regulations of the Port of Siuslaw Board of Commissioners may be amended or suspended by a majority of the Commissioners at any Commission meeting, provided that each Commissioner shall have been notified in writing of the proposed amendment or notice of the proposed suspension at least forty-eight (48) hours in advance of the meeting.
2. Where a new regulation replaces or amends an existing regulation, the Commission shall repeal the older one by direct action.
3. The Port Manager may, in case of emergency, suspend any part of these rules and regulations which may be in conflict with handling an emergency; provided, however, that the Port Manager shall report the fact of, and the reason for, such suspension at the next meeting of the Commission; and provided further that the suspension shall expire at the time of said report unless continued in effect by the Commission.
4. All previous policies not consistent with the articles of this policy document are hereby declared null and void. In any instance of conflict, this document will supersede past actions. Nothing herein is intended to override the provisions of Federal, State, or local laws, and such laws take precedence in the event of conflict.

## Board of Commissioners Rules of Conduct

The Board of Commissioners of the Port of Siuslaw is committed to providing excellence in legislative leadership that results in the provision of the highest quality of services to its residents. In order to assist in the government of the behavior between and among members of the Board of Commissioners, the following rules shall be observed:

1. We, as a Board of Commissioners, value confirming the dignity of each individual Commissioner. We also recognize the importance of respecting the style, values, and opinions of one another. We encourage responsiveness and attentive listening in our communication.
2. We, as a Board of Commissioners, shall place the needs of the residents first.
3. We, as the Board of Commissioners, recognize that our primary responsibility is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.
4. We, as a Board of Commissioners, shall commit ourselves to emphasizing the positive, avoiding double talk, hidden agendas, gossip, talking behind people's backs, and other negative forms of interaction.
5. We, as a Board of Commissioners, commit ourselves to focusing on issues and not personalities. We will encourage the presentation of others' opinions. We will avoid cliques and voting blocs based on personalities rather than issues. We will make decisions only after all available findings of fact have been presented and discussed.
6. We, as a Board of Commissioners, when responding to citizen requests and concerns, shall be courteous, responding to individuals in a positive manner and routing their concerns and interests through appropriate channels.
7. We, as a Board of Commissioners, should avoid public "minority" opinion discussions except during Commission meetings where other Commission members may have the opportunity to observe all facets of the issue.
8. We, as a Board of Commissioners, commit to supporting Commission action. The role of the Commissioner is not to place barriers once a decision has been made by the Commission and is ready to be implemented. We acknowledge the right of individuals to disagree with ideas, without being disagreeable. Different points of view are healthy in contributing to the decision-making process.
9. We, as a Board of Commissioners, shall practice the following procedures in: 1) seeking clarification on informational items; 2) handling complaints; 3) handling items related to

safety; 4) presenting items for discussion at Commission meetings and in other forums; and 5) seeking clarification for policy-related concerns.

- a. Informational Items: Commissioners may directly approach professional staff members to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.
- b. Handling Complaints from Residents of the District: Complaints made to members of the Board of Commissioners should be directly referred to the Port Manager of the District, who will channel the complaint to the proper department for solution, and shall discuss the complaint at a regular meeting only after failure of administrative remedies or solutions.
- c. Safety: Concerns for safety or hazards should be reported to the Port Manager or to the front desk at the Port office. Emergency situations should be dealt with immediately by seeking appropriate assistance.
- d. Agenda Items: Commissioners wishing to have items placed on the Commission meeting agenda or at other Commission functions should present these to the Port Manager and/or the Commission Chair.
- e. Policy-related Concerns: Policy-related questions, especially related to personnel, legal action, land acquisition and development, finances, and programming should be directed to the Port Manager and/or to a Commissioner when advisable.

10. We, as a Board of Commissioners, recognize the work of the District as a team effort. All individuals shall work together in a collaborative process, assisting each other and the Chair, in conducting the affairs of the District.

11. We, as a Board of Commissioners, shall each operate as part of the whole, issues will be brought to the attention of the Commission as a whole, rather than to individual members selectively.

12. We, as a Board of Commissioners, recognize that the Port Manager has been delegated executive responsibility and authority for properly discharging the required professional duties within limits of established Commission policy and applicable laws, and are encouraged to work with the Port manager, at our convenience, to discuss current issues, concerns and District projects.

13. We, as a Board of Commissioners, are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

14. We, as a Board of Commissioners, when approached by professional staff members concerning policy within the District, shall direct inquiries to their supervisor. The chain of command should be followed.

15. We, as a Board of Commissioners, shall be prepared by reviewing District materials and will engage in a program of development directed toward improving our legislative decision-making capabilities.

## Compensation & Expenses

### **(Provided for informational purposes)**

A district commissioner may not receive over \$50 per day or a portion thereof as compensation for services performed as a member of the governing body. Such compensation shall not be deemed lucrative. The governing body may provide for reimbursement of a member for actual and reasonable traveling and other expenses necessarily incurred by a member in performing official duties. (ORS 298.190)

Public officials in Oregon are prohibited from using their office in order to obtain financial gain for themselves, their relatives, or business with which they or any member of their household is associated. Commissioners devote a great deal of energy and time to the community. They must view their position as one of service and representation, not as an avenue toward financial gain.

## Financial Disclosure

### **(Provided for informational purposes)**

Officers of special districts are not required to file financial records with a district unless the district is a metropolitan service district. However, a district may enact a resolution requiring its officials to disclose their financial records.

## Bonding

The Port of Siuslaw District shall require bond or irrevocable letter of credit of any member of the commission or any officer or employee of the district who is charged with possession and control of district funds and properties. The amount of the bond shall be fixed by the commission of the district. The premium shall be paid from the district funds. The letter of credit shall be issued by a commercial bank.

Under certain conditions, the amount of the bond can affect the frequency of a financial audit as required by the State of Oregon.



## Commissioner Liabilities

### **(Provided for informational purposes)**

Governments are no longer governed by the principal of sovereign immunity, which in the past protected them from liability. This size of claims against governing bodies in the State of Oregon is limited by the Oregon Tort Claims Act. The act sets a limit of \$500,000 for each claim filed against a governing body. To protect themselves from liability, the Port of Siuslaw District provides Errors and Omissions Liability coverage.

District boards and their members can be held liable if a claim filed against the district meets any of the four following tests:

1. Violation of Duties: The violation must be clearly outside the scope of the districts' duties and responsibilities.
2. Cause and Effect: The Commission or the decisions of its members must be the cause of the injury. If the decision was not the substantial reason behind the injury, then the Commission cannot be held liable.
3. Breach of Duty: The District Commission must use reasonable care to prevent an injury if the potential for an injury is foreseeable. For example, liability can be found if an unsafe work area, that the Commission was informed of and failed to take any action against, was the cause of an accident. The court will follow the Prudent Person Rule when deciding if the District liable: "Would a reasonable person have known that if they failed to do something, an injury would occur?"
4. Injury of Damage: There must be injury or damage caused to the plaintiff in order for the District to be held liable for a tort. Potential injury or damage is not a substantial enough reason to sue the District.

## Discretionary Immunity

### (Provided for informational purposes)

*Source: Special Districts Legal Counsel  
Bollinger, Hampton & Tarlow  
Risk Management Review, January 1991*

Under Oregon law, public bodies and their officers, employees and agents are immune from liability for “any claim based upon the performance of or the failure to exercise or perform a discretionary function or duty, whether or not the discretion is abused”. (ORS 30.265)

A discretionary (immune) act is an act in which a policy decision is made, while a ministerial (non-immune) act is an act which implements a policy decision which has already been made. In the real world, the distinction is often vague.

Not every exercise of judgment constitutes an exercise of “discretion”. In deciding whether an act was the result of a delegation of responsibility for policy choices to a certain level of operations (discretionary), as distinguished from routine decisions which every employee must make in every action he or she takes (ministerial). For example, if an officer or committee had to decide whether to take one action versus another because of financial constraints, a discretionary action is usually present because a policy decision regarding financial priorities will have been made.

Similarly, the decision to choose one plan of a roadway over another plan is probably a discretionary act; most acts done in routine maintenance of a road would be ministerial.

Establishing that an act was discretionary allows a court to dismiss an action against the public body before trial. It is, therefore, well worth some planning to create a record which will help to prove the discretionary nature of acts of your district.

First, all decisions which actually are policy decisions should be made by the person or committee which has the duty and/or right to make such decisions. Do not allow policy to be made at an inappropriate level. Second, all decisions made should be documented and a synopsis of the discussions regarding the decision should be kept. Carefully written minutes of a meeting may be sufficient to accomplish this documentation.

If a claim is filed against your district, be aware of the discretionary immunity defense and provide a documentation of related decisions and actions to your attorney as soon as possible.

## Conflicts of Interest

### **(Provided for informational purposes)**

A conflict of interest can arise anytime a public official takes any action or makes any decision or recommendation, which can be perceived as giving benefit or detriment to the official or the official's relative, or a business with which the official or the official's relative is associated, unless the benefit is a result of the following:

1. The commissioner is required to be a member of a certain business, organization, or occupation required as a prerequisite to holding the office or position on the commission.
2. The commissioner is part of a class which consists of all inhabitants of the state or a smaller class which is composed of large industry, occupational or other group, including one of which or in which the Commissioner, or the Commissioner's relative or business with the Commissioner or the Commissioner's relative is associated, is a member or is engaged. The Commission may, by rule, limit the minimum size of or otherwise establish criteria for or identify the smaller classes that qualify under this exception.

If a conflict of interest does arise, the official **must** announce publicly the nature of the potential conflict of interest before taking any action thereon in the capacity of a public official. (ORS 244.120). Announcements regarding the conflict of interest must be made each time that it arises. If the issue is disclosed at several different commission meetings, then the conflict of interest must be disclosed each time.

**Simply declining to vote on a matter where a potential conflict of interest arises is not adequate. The conflict must be publicly declared and announced. The decision of whether or not to participate in the discussion of the matter resides with the commission. Failure to announce a conflict of interest is against the law and can result in civil penalties.**

The Oregon Ethics laws define "relative" to mean the spouse of the public official, any children of the public official or the public official's spouse, and brothers, sisters, or parents of the public official or the public official's spouse.

The Oregon Ethics laws also defines "business with which the person is associated" to mean any business of which the person or the person's relative is a director, officer, owner, or employee, or agent or any corporation in which the person or the person's relative owns or has owned stock worth \$1,000 or more at any point in the preceding calendar year.

## Code of Ethics

### **(Provided for informational purposes)**

All public officials in Oregon should be aware of and follow the State of Oregon's Code of Ethics: (ORS 244.040)

The following actions are prohibited regardless of whether potential conflicts of interest are announced or disclosed pursuant to ORS 244.120:

1. No public official shall attempt to use or use official position or office to obtain financial gain for the public official, other than official salary, honoraria or reimbursement of expenses, or any relative of the public official, or for any business with which the public official or a relative of the public official is associated.
2. No public official or candidate for the office or a relative of the public official or candidate shall solicit or receive, whether directly or indirectly, during any calendar year, any gift or gifts with an aggregate value in excess of \$100 from any single source who could reasonably be known to have a legislative or administrative interest in any governmental agency in which the official has or the candidate if elected would have any official position or over which the official exercises or the candidate if elected would exercise any authority.
3. No public official shall solicit or receive, either directly or indirectly, and no person shall offer or give to any public official any pledge or promise of future employment, based on any understanding that such public official's vote, official action or judgment would be influenced thereby.
4. No public official shall attempt to further or further the personal gain of the public official through the use of confidential information gained in the course of or by reason of the official position or activities of the public official in any way.
5. No person shall offer during any calendar year any gifts with an aggregate value in excess of \$100 to any public official or candidate therefore or a relative of the public official or candidate if the person has a legislative or administrative interest in a governmental agency in which the official has or the candidate if elected would have any official position or over which the official exercises or the candidate if elected would exercise any authority.
6. No person shall attempt to represent or represent a client for a fee before the governing body of a district of which the person is a member. This does not apply to the person's employer, business partner or other associates.

## Harassment

The Port of Siuslaw District strongly disapproves of, and does not tolerate, harassment of any kind. Commissioners, as well as employees, must avoid offensive and inappropriate behavior and are also responsible for assuring that the workplace of the Port of Siuslaw District is free from harassment at all times.

1. It is the policy of the Port that harassment on the basis of an employee's race, creed, color, national origin, age, sex, marital status, religious affiliation, or the presence of a physical, sensory, or mental disability, will not be permitted. Prohibited harassment includes comments, slurs, jokes, innuendos, cartoons, pranks, physical harassment, or any similar activities which are derogatory on the basis of the employee's protected class membership of which are promoted by the employee's protected class membership. Harassment also includes any negative actions toward an employee based upon that employee's participation in activities identified with, or promoting the interests or a protected group. Sexual harassment, whether on- or off-duty includes unwelcome sexual advances, unwelcome requests for sexual favors, and other unwelcome verbal or physical conduct of a sexual nature. In addition, all such sexual conduct, whether welcome or not, is absolutely prohibited while an employee or volunteer is on duty. No personnel decisions shall be based upon an employee's response to such harassment. The Port regards duty-related harassment as a serious transgression and reason for discipline or discharge.
2. Employees have the right to be free from such harassment, either from co-workers, supervisors or commissioners while on or off the job. Harassment is prohibited by state and federal anti-discrimination laws where:
  - a. Submission to such conduct is either explicitly or implicitly a term or condition of employment or volunteer status;
  - b. Submission to or rejection of such conduct by an individual is used as the basis for decisions relating to the individual's employment or volunteer status, or
  - c. Such conduct has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

## REPORTING HARASSMENT

1. Should an issue of harassment be raised, all related matters will be kept confidential to the extent possible throughout the investigation, counseling and disciplinary stages. Any employee receiving notice of harassment shall notify the Port Manager, in writing, who will then direct an investigation and insure that the charge is resolved appropriately.
2. Any employee who feels harassed under this policy or is aware of the harassment of another employee is urged to report this to an immediate supervisor, or the Port Manager. The report

may be formal or informal. A formal report shall include a written statement. If the individual believes he or she is being harassed by the Port Manager, is uncomfortable in discussing the matter with the Port Manager, or if the Port Manager is unavailable, the person involved shall notify the chair of the Port Commission. No complainant shall be retaliated against in any way for complaining of harassment.

## INVESTIGATION OF COMPLAINTS

1. When the Port Manager or chair of the Port Commission is notified of alleged harassment, he or she will notify Port's legal counsel and will promptly investigate the complaint. The first pre-investigation step shall be to inquire of all persons reporting as to whether the record now includes all allegations of harassment. The investigation will include interviews with the directly-involved parties, and where necessary, any other parties who may have observed the alleged harassment or who may be similarly situated with the complaining party (such as co-workers who may be able to testify to their experience with the person who is accused of the harassment).
2. The investigator shall cause the person accused of harassment to be advised of the allegations, and afford him or her an opportunity to reply to the allegations orally or in writing. The accused person shall also be advised that any retaliatory conduct by him or her shall be subject to disciplinary action regardless of the truthfulness of the allegations of harassment. The results of the investigation shall be reduced to writing. A finding shall be made that there is or is not reasonable cause for disciplinary action. Nothing in this section shall limit the authority of the Port to modify its policies or practices to correct any appearance of sexual harassment without finding reasonable cause for disciplinary action or taking any disciplinary action. The report will also include any recommendations to remedy any harm which was suffered if the evidence shows that the person alleged to have been affected by sexual harassment was injured or harmed.
3. A report which finds reasonable cause for disciplinary action will be maintained in the personnel file of any employee subject to discipline. The employee may place in the employee's personnel file a statement of rebuttal or correction. For the purpose of this section, a former employee may also present such statement.
4. Where a complaint cannot be substantiated, a general warning shall be made to all employees and volunteers regarding the possible ramifications of a substantiated harassment complaint and all employees and volunteers will be asked to review the sexual harassment policy.

## Port of Siuslaw Commission Duties

### **DUTIES OF THE DISTRICT COMMISSION**

Recognizing the legal definition of its duties, the Board of Commissioners, in providing adequate and suitable maritime and marine-related services for the citizens of the Port of Siuslaw District shall consider its major responsibilities to be:

1. To select and employ a professionally trained and experienced Port Manager to administer the District.
2. To interpret the needs and desires of the constituents of the Port of Siuslaw.
3. To provide for the preparation and subsequent adoption of an annual budget.
4. To approve preliminary and final project plans and specifications, as well as acquisition and disposal of Port property.
5. To provide District facilities, equipment and supplies for implementing the District's programs, operations and maintenance.
6. To formulate and approve Ordinances and Resolutions for the Port.
7. To determine questions of policy.
8. To consider and act upon recommendations of the Port Manager in all matters of policy, salary schedules or other personnel matters of significance.
9. To require reports by the Port Manager concerning the conditions, efficiency and needs of the Port of Siuslaw District.
10. To inform the public concerning the progress and needs of the District and to solicit and consider public opinion as it affects the programs and services provided by the District.
11. To implement all actions required by law.

### **ORGANIZATION OF THE DISTRICT COMMISSION**

1. The Commission shall consist of five members elected from within the Port District as provided for in ORS-777.135.
2. At the first Commission meeting in July of each year, there shall be elected a President, 1<sup>st</sup> Vice President, 2<sup>nd</sup> Vice President, Secretary, and Treasurer. Each officer so elected shall take office immediately and shall serve until the first Commission meeting of the following year, or until his/her successor is elected and qualified to serve.

It is acceptable for any person to fill the same office for consecutive years. A member shall be eligible for more than two consecutive terms as president. New members of the Commission shall begin at Treasurer. If there is more than one new member of the Commission at any time, the new members shall be designated to such offices as the Commission shall determine.

3. If the President should resign or for any reason be unable to fulfill his/her obligation during his/her term of office, the 1<sup>st</sup> Vice President shall automatically fill the position of President. In the event any other office becomes vacant, the position found vacant shall be filled at the next regular meeting of the Board of Commissioners by nomination and vote of the remaining Commissioners. The member so elected shall hold that term of office only until July 1 next succeeding the next regular election held in this state.
4. The duties of the President shall be to preside at all meetings/work sessions of the Commission, to sign all documents which require a formal signature of the Commission, to create standing and special committees, and to appoint Commissioners to those standing and special committees. Commission concurrence will be requested on the creation of committees and the appointment to those committees. The President shall have a vote on all issues before the Commission and shall be called upon for the final individual vote on roll-call votes.
5. The 1<sup>st</sup> Vice President shall preside in the absence of the President and shall perform such other duties as may be assigned by the President. In the absence of the President and 1<sup>st</sup> Vice President, the 2<sup>nd</sup> Vice President shall perform the duties of the President.
6. A recording secretary who shall not be a member of the Board of Commissioners shall be hired to take the minutes of all Commission meetings and all informal minutes when requested by the President to do so.

#### **MEETINGS OF THE DISTRICT COMMISSION**

1. The Commission shall establish a yearly calendar of regular monthly meeting dates and times at the first meeting of each new fiscal year. Regular meeting dates may be changed upon the majority vote of the Commission. Commission members shall attend all meetings faithfully except in cases of illness or when the absence has been approved by the President prior to such meeting(s).
2. Special meetings may be called by the President at any time or by any three members of the Commission. Notice thereof shall be given to every member not less than two (2) days in advance, if possible, unless such notice be waived by the members. No business shall be transacted at any special meeting which does not come within the purpose or purposes set forth in the call for the meeting, unless all the members of the Commission are present and agree to the consideration of the additional items.
3. All meetings of the Commission shall be subject to the State of Oregon Public Meetings statutes. (ORS 192.620).



4. A quorum shall consist of a majority of the Commission. If the scheduled meeting time arrives and a recognized quorum is not assembled, the meeting may be officially cancelled after a fifteen (15) minute waiting period.
5. At an appropriate time during each public meeting, the members of the general public in attendance at the meeting shall be offered an opportunity for comment, or to bring issues before the Commission that may otherwise not have been included on the agenda. (Limited to five minutes per individual unless arrangements are made with the Commission President in advance).

Additionally, Commissioners may present topics or issues to the Commission that may not have been included on the agenda during that portion of the meeting set aside for New Business. In either instance, official action will be initiated only upon unanimous vote of the Commission to place the issue on the agenda for action at that time.

6. The order of business at a regular meeting of the Commission shall be:

- I. Call to Order
- II. Introductions
- III. Minutes
- IV. Hearings from Citizens
- V. Financial Review & Payment of Bills
- VI. Old Business
- VII. New Business
- VIII. Reports
- IX. Correspondence
- X. Adjournment

7. Listed below is the procedure which allows for any orderly discussion of each issue:

- a. Staff report and recommendation
- b. Motion and second (if appropriate)
- c. Comments or questions of individual commissioners
- d. Public comment in support (if appropriate)
- e. Public comment in opposition (if appropriate)
- f. Additional comments of individual commissioners
- g. Action

8. The pamphlet titled *Parliamentary Procedure Made Easier*, Oregon State University Extension Service, Extension Circular 947, reprinted January 1982, (a simplified version of Robert's Rules of Order, shall be observed except as otherwise specified by these rules and regulations.

## **MINUTES OF MEETINGS**

1. The official minutes of the Commission meetings, signed by the President and Secretary, shall be kept in accordance with the provisions of ORS 192.650 and shall be made available to citizens desiring to examine them, subject to the State of Oregon Public Records statutes and Administrative Policy.
2. Copies of the minutes shall be prepared as soon as practical after each meeting and shall be distributed to all Commissioners.

## **COMMITTEES**

1. Special committees may be created by the President, with concurrence by the Commission. Committee members will be appointed by the President, with concurrence by the Commission. Whenever desirable, the Commission will function as a committee of the whole. Other committee members may be selected from the public when deemed desirable. The President will set time lines for each committee.
2. The functions of a committee shall be those designated by title. It shall be the responsibility of a committee to study topics referred to it and to make recommendations to the Commission for final action.
3. Special committees (ad hoc) may be created by the Commission for special assignments. When so created, such committees shall be appointed by the President and shall terminate upon completion of their assignments, or they may be terminated by a majority vote of the Commission attending any regularly scheduled meeting.
4. The Port Manager shall be eligible to attend any meetings of any standing or special committee except when his/her employment is under consideration.
5. Standing committees may be created by the President, with concurrence by the Commission. Committee members will be appointed by the President, with concurrence by the Commission.
6. All special and standing committee meetings will be subject to the State of Oregon Public Meetings and Public Records statutes.

## **AUTHORITY OF MEMBERS**

1. The Commission shall not be bound in any way by any statements or action on the part of any individual Commissioner or employee, except when such statement or action is predicated on previous action taken or policy adopted by the Commission.

2. All business must be conducted at legal meetings. If a proposition or complaint comes to a Commissioner, he/she should be courteous, but should not commit the Commission. Routine matters should be referred to the Port Manager. Matters of policy should come before the Commission.
3. All District business brought to the attention of an individual Commission shall be handled in the following manner:
  - Be courteous to the constituent and determine whether the stated business shall be referred to the Port Manager or to the Commission.
  - Direct the constituent to either call the Port Manager or to appear at the next Commission meeting and discuss the matter with the entire Commission.
  - No District business decision is ever made by an individual Commissioner outside the official Commission meeting.

### **TRAINING, EDUCATION, AND CONFERENCES**

1. It is the policy of the Port of Siuslaw to encourage Commission development and excellence of performance by reimbursing expenses incurred for tuition, travel, and lodging as a result of training, educational courses, participation with professional organizations, and attendance at state, regional, and national conferences associated with the interests of the District.
2. The Administrative Assistant is responsible for registration and lodging arrangements for Commissioners attending state, regional, and national conferences. Commissioners will make their own travel arrangements. Expense reporting forms will be forwarded to each Commissioner attending a conference.
3. When a Commissioner requests to attend a training or educational course, and that request is approved by the Board of Commissioners, the Administrative Assistant is responsible for the registration of the Commissioner.
4. Upon returning from conferences, seminars, workshops, etc., each Commissioner will either prepare a report or make a verbal report during the next Commission meeting detailing what was learned at the session(s) that will be of benefit to the District. Materials may be turned in to the Administrative Assistant to be included in the library at the Administrative office so that other Commissioners and staff may have access to them.
5. Commissioners are responsible for paying their own tuition for an educational course when requests are approved by the Board of Commissioners. Upon completion of that course, the Commissioner will submit a request for reimbursement to the Administrative Assistant. The Administrative Assistant will fill out an authorization for payment, obtain the Port Manager's signature, and route the authorization to date services for processing. Copies of the authorization for payment will be forwarded to the Board of Commissioners.

## **LEGAL COUNSEL**

1. An attorney shall be selected by the Commission. The Port Manager and the President of the Commission may request any legal advice that may be needed in handling or in dealing with matters pertaining to the welfare of the Port of Siuslaw District. Individual Commissioners should direct requests through the Port Manager and/or the President. The adequacy and cost/benefit of Port Legal Counsel shall be reviewed every three years or less if circumstances so dictate.

## **AUDITOR**

1. An auditor shall be selected and appointed by the Commission and retained on a yearly retainer fee. The auditor must be a Certified Public Accountant and a member of the State Board of Accountancy roster authorized to conduct municipal audits. The Port Manager and the President of the Commission may request advice on any financial matters pertaining to the financial welfare of the Port of Siuslaw District. Individual Commissioners should direct requests through the Port Manager and/or the President. The adequacy and cost/benefit of the Port Auditor shall be reviewed every three years or less if circumstances so dictate.

## **INSURANCE AGENT(S) OF RECORD**

1. An Insurance Agent(s) of Record shall be selected and appointed by the Commission. The Port Manager and the President of the Commission may request advice that may be needed in handling or in dealing with insurance matters pertaining to the welfare of the Port of Siuslaw District. Individual Commissioners should direct requests through the Port Manager and/or the President. Request for proposals for Insurance Agent of Record shall be solicited every three years.

## **BANKING SERVICES**

1. Request for Proposals for Banking Services shall be solicited every three years. The Port Manager and the President of the Commission may request advice that may be needed for decisions regarding the finances of the Port of Siuslaw District. Individual Commissioners should direct requests through the Port Manager and/or the President.

## Port of Siuslaw Commission Responsibilities

### 1. Communications

Develop regular channels of communication with commissioners and the staff.

Schedule regular meetings between the commission president and the Port Manager, the commission president and other commissioners.

Encourage participation of staff members on appropriate committees.

Develop procedures for bringing staff opinions and recommendations to the commission, as well as commission opinions and decisions to the staff.

Invite clients, other local governments, and groups to commission or committee meetings or other types of commission sponsored assemblies to explore and develop approaches to common concerns.

Recognize that information obtained at commission meetings may be non-public and confidential, making disclosure a breach of trust.

Make use of educational sessions, workshops and seminars to further understanding of issues.

Respect the opinion of other members and accept the principle of majority rule in commission decisions.

### 2. Financial

Approve the annual budget.

Monitor district finances and the budget, settling policy or taking action to ensure the fiscal integrity of the organization.

### 3. Policies, Objectives, and Plans

Approve the annual strategic plan or plan of operations.

Approve policies for the organization.

A commissioner's basic function is policy making – not administrative.

Develop and approve long-range plan of growth and development for the organization.

Approve specific important projects.

Approve any significant departure from established plans or policy.

Receive and pass on committee or other planning body recommendations.

Ensure that program objectives are assigned to the proper planning or implementing subgroups.

Where applicable, bring other local governments or community groups into the planning and decision-making process.

Approve contracts binding the organization.

Approve major changes in the district's organization or structure.

Approve commission plans of action.

Pass district resolutions.

#### 4. Management

Select the district president and other officers.

Hire the Port Manager.

Define the duties and responsibilities for the president, Port Manager, officers, and major committee chairpersons.

Select legal counsel and consultants for the commission.

Authorize officers or commission agents to enter into contracts or to sign other written instruments and to take financial actions.

Approve the plan, form and amount of management compensation, that is, salaries, bonuses, vacation, travel, and so on.

Evaluate the performance of the Port Manager.

Approve the form and amount of reimbursement for commissioners.

Approve programs for management development.

Provide advice and consultation to management on matters within the purview of the commissioner's responsibilities.

Recognize that the Port Manager should have full administrative authority for properly discharging the duties of managing the operation within the limits of the established commission policy.

Give the Port Manager the respect and consideration due dedicated people in their community service role.

5. Employee Relations

Approve any employee benefit plans.

Insist that personnel complaints go through a proper chain of command. If not resolved, only then should the commission get involved.

Approve contracts with and between any unions involved with the organization.

Do not allow personnel problems other than problems with the Port Manager to be brought into commission considerations.

6. Control

Identify types of information needed by the commission to analyze effectively the district's directions and achievement. Create a process for collecting and analyzing information.

Participate in regular physical visits to district assets.

Realize that the citizens within the boundaries of the district are the true "owners" of the district.

Review and assess the organization's performance against objectives, resources, plans, policies, and services rendered.

Analyze major "shortfalls" in achievement.

Identify obstacles, sense changing needs, propose new directions or goals.

Insure that the district is in compliance with all federal, state, and local laws.

7. Board of Commissioners

Motivate commissioners to accept positions of leadership and responsibility.

Appoint, change, or abolish committees of the commission.

Appoint, compensate outside auditors and legal counsel.

Approve contracts for professional services required by and for the commission.

Do not make commitments on any matter that should come before the commission as a whole.

Recognize that an individual commissioner has no legal status to act for the entire commission.

Realize that if a quorum of the commission meets, then the meeting is considered a public meeting and must comply with all the requirements of the Oregon Public Meetings Laws.

Discussions on matters of overall policy outside of regular commission meetings can violate the open meetings law.

8. Public Accountability

Encourage members of the public to attend open meetings.

Establish a place on meeting agendas for comments and presentations by members of the public.

Keep the public informed on all district matters.

Make decisions based on the wishes and needs of the public.

Spend the district's money with prudence and trust.

Place the needs of the public above the ambitions of the commission or the district.



## Appendix C, Port Ordinances, Policies & Procedures List

### **Port of Siuslaw Ordinances, Policies & Procedures**

#### **Section 1**

Port Commission Rules of Procedure – approved 6-5-74, revised 2-20-2013

#### **Section 2**

General Operating Policies and Procedures – approved 10-91  
RV park, moorage, storage, fuel dock, maintenance

#### **Section 3**

District Meeting Room Rules – approved 9-10-97

#### **Ordinances**

1. Establishment of Rules and Regulations for Port Property  
Est. 6-3-64, Amended 3-6-68
2. Small Vessel Facilities  
Est. 12-9-69, Revised 8-3-72
3. Establishing a Pier Head Line  
Adopted 5-3-72, Revised 1-22-75
4. General Codes and Definitions  
Adopted 11-4-76
6. Public Works Fund and Sale of Bonds  
Passed 6-25-86
7. Authorizing a Loan from Special Public Works Fund  
Dated 11-29-99
8. Repeals Ordinance #3.  
Adopted 12-21-05
9. Establishing the West Lane Emergency Operations Group  
Adopted 3-21-07
10. Authorizing a Loan from the Oregon Port Revolving Fund  
Passed 4-23-08
11. Regulating use of Fireworks on Port Property  
Passed 5-13-09

#### **Policies**

Removal, Disposal or Sale of Abandoned or Hazardous Vessel Policy, Adopted 4-8-98

Budget Review and Fixed Asset Records Policy, Adopted 4-9-97

Capitalization of Fixed Assets Policy, Adopted 8-12-97, revised 4-11-01, 7-15-09

Capital Maintenance Policy, Adopted 10-14-98

Commercial and Recreational Moorage Utility Policy, Adopted 7-14-99

Commissioner Travel Policy, Adopted 5-18-00

Concessionaire Policy, Adopted 6-11-97, amended 5-17-06, 3-21-07, 3-19-08

Delegated Purchasing Authority, Adopted 3-16-05

Purchasing Policies and Small Purchase Procedures, Revised 8-17-02

Fuel Pricing Policy, Adopted 5-13-98, Revised 6-13-01, 1-09-02, 6-18-03, amended 8-15-07

Gazebo Use Policy, Adopted 6-14-01

Grant Sponsorship Policy, Adopted 1-18-95

Identity Theft Prevention Policy, Adopted 6-17-09

Legal Counsel, Adopted 12-17-03

Live Aboard Policy, Revised 7-16-03, 6-18-08, 10-10-10

Lockout/Tagout Procedures, Adopted 12-5-12

Loss Prevention Policy Statement

Merchandize Pricing Policy, Adopted 9-8-99

Outside Storage Area Policy, Adopted 5-12-99, revised 1-21-04, 4-20-05

Personnel Policies, Revised 12-11

Public Contracting Rules and Amendments to the Oregon Public Contracting Codes, Adopted 3-16-05, revised 6-21-06, 4-27-11

Public Records Policy, Adopted 1-21-04

Real Estate Brokerage Commission Policy, Adopted 5-28-03

Real Estate Transactions and Property Management, Revised 2-19-03

Records Retention Policy, Adopted 12-5-12

Returned Check Policy, Adopted 11-19-03

Port of Siuslaw Commission – Rules, regulations, duties and responsibilities, Adopted 4-9-97, Revised 2-20-2013

RV Park Monthly Rental Policy, Adopted 1-13-99 Revised 6-13-01

RV Park and Marina Reservations, Deposits and Refunds Policy, Adopted 9-21-05  
Amended 10-19-05

Safety and Accidents – Resolution amending the Personnel Manual, Adopted 1-16-00

Safety and Health Loss Prevention Program, Adopted 12-5-12

Seafood Sales Policy, Revised 6-12-02, 6-18-03, 10-17-07

Transient Dock and Floats Operations Policy, Revised 5-12-99

Vehicle Use Policy, Adopted 12-13-00