

MINUTES
PORT OF SIUSLAW COMMISSION MEETING
Wednesday, February 15, 2017, 7:00pm
100 Harbor Street, Florence, Oregon 97439

Commissioners Attending: Ron Caputo, Terry Duman, Nancy Rickard, David Huntington, Mike Buckwald

Staff Attending: Steven Leskin, Port Manager; Dina McClure, Administrative Assistant

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

2. Public Comment:

- David Swinney, a moorage customer, was concerned that the hoist and fuel were not available when a vessel needed those services. Swinney said he is having issues with Port staff regarding his moorage account. Swinney said creosote pilings are polluting the river and the Port is responsible for their removal.
- Gordon Owen, a moorage customer, distributed copies of a letter and a receipt showing a zero balance on 10/1/16 to the Commissioners. Owen reviewed the recent history of his payments and communication with Port staff, claiming he has been overcharged moorage and late fees. Owen said he requested a meeting with the Commissioners in October, but received no response. Commissioner Buckwald asked if Owen's boat was seaworthy. Owen replied the motor needs work and the sails are not in good shape.
- Jonathan Wright, Reedsport City Manager, said Oregon Public Ports Association (OPPA) is drafting HB 2902 to amend language in ORS 777.210 to allow ports to "operate" shipyards. Wright said it is not fair because private companies have to pay personal property taxes and ports are exempt. Wright requested the Commission direct Manager Leskin to oppose HB 2902. Kim Clardy, Office Manager for Fred Wahl Marine Construction, said if HB 2902 passes, it will create competition for private shipyards resulting in the loss of local jobs. Clardy asked the board to support opposition to HB 2902. There was discussion between Commissioner Duman and Wright regarding the shipyard at the Port of Toledo, originally owned by Fred Wahl. Manager Leskin, who sits on the OPPA board, is in support of HB 2902. Leskin said there was a conflict between Wahl and Port of Toledo which lead to Toledo's request to draft this bill. Wright said ports can currently lease shipyards to private companies, but if HB 2902 passes Oregon ports would be allowed to operate shipyards creating an uneven playing field for private companies.

3. Approval of Minutes by Consent: (7:29) There were no comments from the board and the Minutes were approved by consent.

- 4. Financial Statements by Consent:** (7:30) Admin McClure said there are two vacancies on the Budget Committee and applications are due March 14. McClure reported bills paid in January were \$90,722.74. There were no comments from the board and the Financials were approved by consent.
- 5. Port Manager Evaluation Protest:** (7:31) Commissioner Rickard read a statement (attached to these Minutes). Commissioner Huntington said Leskin received good marks on his evaluation and had been given a pay increase six months prior.
- 6. Resolution 2-15-17A To Clarify the Meaning of a Commercial Vessel:** (7:36) Manager Leskin said a vessel receiving the commercial discount should be built to engage in marine commerce and pay its moorage through its commercial activity. There was discussion regarding the language “built to engage” and what constitutes proof of commercial status. Leskin said some moorage tenants purchase an inexpensive commercial fishing license to receive the commercial discounted rate but their boat never leaves the marina resulting in a loss of revenue. The board requested Leskin to revise the wording and they would revisit the Resolution at next month’s meeting.
- 7. Resolution 2-15-17B To Declare Surplus Items:** (7:52) Manager Leskin said another port is looking for dock sections and we have two, soon to be three, damaged dock sections available. **On the Motion, made by Commissioner Buckwald, and seconded by Commissioner Rickard, the board voted unanimously to adopt Resolution 2-15-17B, to declare three damaged docks surplus.**
- 8. Commissioner and Port Manager Reports**

Manager Leskin reported:

- The C-Row Erosion Repair permit is being reviewed by NOAA. If approved, work can begin. If the permit is not approved, there will be an additional 160 day review process.
- There is not much interest regarding the sale of the PVIP property.
- Bank loan consolidation is under review. He will have a recommendation at the next meeting.
- Attended the annual SDAO conference in Portland.

Commissioner Rickard reported:

- Attended City Council, Siuslaw Watershed Council, Lane Council of Governments, the Mayor’s State of the City Address, and Lane Area Committee on Transportation meetings.

Commissioner Duman requested further conversation regarding Gordon Owen's boat Tenacious, scheduled to be auctioned on Friday, February 24. Duman was not convinced the port was doing right by charging Owen the daily rate. It was decided to hold a Special Meeting on Monday, February 20 at 4:00pm.

9. Port News from around Oregon: No news was reported.

10. Public Comment:

- Gordon Owen said the lien on his boat resulted from money not paid but he has a receipt showing a zero balance. Owen didn't pay invoices out of protest thinking the worst that would happen is he would be sent to collections.
- David Swinney said it costs more than \$25 for a vessel to be ready for commercial business.

11. Commission President Caputo adjourned the meeting at 8:07pm.

RESERVATION RECEIPT

Reservation #: 4526353
Grand Total: \$1,680.00
Paid To Date: (\$1,680.00)
Balance Due: \$0.00

Guest Information:	Merchant Information:	Payment Information:
Gordon Owen 831 Wecoma loop Florence, OR, 97439 (510)798-7767 gowen30@yahoo.com	Port of Siuslaw Campground and Marina 100 Harbor Street PO Box 1220 Florence, OR, 97439 (541)997-3040 campground@portofsiuslaw.com	Payment - Check

Description	Status	Check-in	Check-out	Price
Boat Slip - B-04 , Standard , Water/Electric	Checked-in	10/01/2015 2:00PM	10/01/2016 12:00PM	\$1,680.00

Unit Name	Unit Type	Unit Length	Unit Width	Unit Depth	Unit Height	Amp Service
Tenacious	Power Boat	40 feet				

Payment Policy: A payment of 100% of reservation fee is required at time of booking. Advanced payments made over the internet are always paid by credit card. By providing a credit card number, you are authorizing reservationfriend.com to bill your credit card for the full amount of reservation, including any costs accrued while at the property, and outstanding balances not paid at time of departure.

Cancellation Policy: No Cancellation Fee. Please contact the property for Cancellations or to make any Changes to your Reservation.

Change Policy: No service charges are applied for changes to this reservation.

Payments	Payment Date	Amount	Summary
Payment - Check	04/11/2016	(\$579.00)	Sub Total: \$1,680.00
Payment - Check	04/06/2016	(\$261.00)	Tax: \$0.00
Payment - Cash	10/13/2015	(\$840.00)	Grand Total: \$1,680.00
			Paid To Date: (\$1,680.00)
			Security Deposit: \$0.00
			Balance Due: \$0.00

I AGREE TO READ AND COMPLY WITH ALL RULES AND REGULATIONS GIVEN TO ME AT THE TIME OF BOOKING, CHECK-IN OR POSTED AT THE PROPERTY.

I HAVE AUTHORIZED MY CREDIT CARD TO BE CHARGED FOR THESE SERVICES AND ANY ADDITIONAL SERVICES I REQUEST OR PURCHASE DURING MY STAY.

Guest Signature: _____
 (Gordon Owen)



PORT OF SIUSLAW
Serving Western Lane County and The Central Oregon Coast

September 14, 2016

Gordon Owen
831 Wecoma Loop
Florence, OR 97439

Dear Mr. Owen,

Your moorage contract with the Port of Siuslaw expires on 10/1/16. Your past due bill of \$746.89 will need to be paid in full by 10/1/16 before a new contract can be processed. We will also need to have proof of insurance. I have enclosed a letter showing the insurance requirements.

If you have questions, please feel free to call me at 541-997-3040 or e mail me at kelly@portofsiuslaw.com.

Thank you,

Kelly
Port of Siuslaw

*mailed
9-14*

October 7, 2016

Hi Steve I'd like nothing more than to pay my slip fees but it seems you haven't given up on trying to collect money I don't owe the Port of Siuslaw.

We meet and talked about this so I don't want to spend a lot of time here telling you things you know or should know.

I have a receipt from your office saying the slip is paid in full. It has the dates I made the payments and the payment amounts and then it says balance due \$0.00 it's very clear.

The information gets entered into the computer system, which I have no control of how that is done and then you push print. So clearly this was your agent working the counter came up with or if you will, agreed to.

I should also point out the first payment is \$261.00 and so to have the second payment made in the amount of \$579.00 the exact amount of what would have been do to finish out the lease agreement seems a little odd that this is not intentional.

So in our meeting with you and Kelly tell me I don't think this is something the new gal would have done, well that's just ridiculous. First just by the fact she is the "new gal" makes it kind of hard to know what should would or would not have done. Secondly did I mention I have a receipt that shows exactly what our transaction was?

The payment on the six month lease was a few days late (see receipt) so to take my inability to make that payment on time and use it as a reason to make me pay slip fees at almost double the rate is clearly just predatory type of behavior on your behalf.

I'd paid the monthly fee because I was late (first payment) and then tried to pay for a six-month lease, which is what you have on your payment brochure (please see your payment brochure) it was at that time your agent suggested that it would be easier just to pay off the lease amount. So this wasn't even my idea on how to handle this transaction it was your agent that wanted to do it this way.

So since you either don't have the authority or the willingness to make this right on your own I'd like to meet with the Port Authorities and see if we can't get pass this. Actually whatever the immediate out come of this is I want to meet with the Port Commissioners and lodge a complaint with them face to face on how this whole thing has been handled.

I apologize that I'm just now getting this to you, I had to seek some legal council in the matter and it took longer than I would have liked.

So if we can't solve this with the Siuslaw Port Commissioners we can take this to court.

Please inform we on how you'd like to precede from here.

Sincerely Gordon D. Owen

PS. I'm attaching a copy of the receipt for you to see again.



PORT OF SIUSLAW

Serving Western Lane County and The Central Oregon Coast

Creating quality jobs and business through the development and application of Port facilities, resources and unique capabilities

October 10, 2016

Mr. Gordon Owen
831 Wecoma Loop
Florence, OR 97439

Re: TENACIOUS

Mr. Owen:

I am in receipt of your hand delivered letter, dated October 7, 2016.

Your moorage agreement with the Port expired October 1, 2016. You have not signed a new moorage agreement for the coming year. The Port is electing NOT to renew your moorage agreement for 2016/2017. You need to remove your boat immediately from the Port of Siuslaw boat basin.

The rate for remaining in the boat basin without a moorage agreement is \$17/day.

Kelly and I have again reviewed your account. Your current balance owing with the Port is \$746.89. We will suspend this charge if TENACIOUS is re-moved by October 31 and your moorage is current at the time of departure.

Yours most sincerely,

Steven Leskin
General Manager

mailed 10-11

100 Harbor Street, PO Box 1220, Florence, OR 97439 – Phone: 541-997-3426 – Fax: 541-997-9407
E-mail: port@portofsiuslaw.com – www.portofsiuslaw.com

November 8, 2016

Gordon Owen
831 Wecoma Loop
Florence, OR 97439

By: Certified Mail/Return Receipt

RE: Port of Siuslaw Slip Rental

Mr. Owen:

This law firm represents the Port of Siuslaw. I am informed that you reserved a boat slip at the Port of Siuslaw for the period of October 1, 2015, through September 2016, with a checkout date of October 1, 2016. I am informed that my client provided that service to you, but you have not removed your boat *Tenacious* from the Port's facility effective October 1, 2016, as agreed. I have reviewed my client's September 14, 2016 and October 10, 2016 letters to you; enclosed are copies for your records. That correspondence notes your payment delinquency, failure to remove (and my client's demand that you remove) your boat from the Port facility, along with notification of the assessment of a moorage fee for every day you fail to remove your boat from my client's property.

As of the date of this letter, you have not paid the past due fees, and you continue to incur additional daily moorage fees. This letter is NOTICE to you that the Port of Siuslaw is exercising its authority, including but not limited to ORS 87.152, and is retaining possession of *Tenacious* until you have paid all of the charges due to the Port of Siuslaw. Take NOTICE that you are not authorized to remove the boat *Tenacious* until you have satisfied your account due in full. You should direct your full payment to, and seek assistance from, General Manager Steve Leskin.

Take NOTICE that your failure to timely pay charges due the Port of Siuslaw has created a lien on *Tenacious* for the services you requested and my client

Gordon Owen
Page 2
November 8, 2016

provided, along with additional moorage fees. Please take NOTICE that this firm intends to FORECLOSE that lien as authorized under Oregon Law. Consistent with the License Agreement, the Lien will include attorney fees. Find enclosed a copy of your Reservation Receipt and the Moorage License Agreement you executed.

FEWEL, BREWER & COULOMBE



David Coulombe

DEC/krr
Enclosures

Jonathan Wright

From: Jonathan Wright <jwright@cityofreedsport.org>
Sent: Wednesday, January 25, 2017 12:00 PM
To: 'mlandauer@sdao.com'
Cc: 'Mayor Linda McCollum'; 'Jim Zimmer'; 'free.debra@ymail.com'; 'Rep McKeown'
Subject: Proposed Legislation

Mark,

My office recently received troubling information concerning a potential bill being drafted for the legislature by the Oregon Public Ports Association (OPPA). Not wanting to perpetuate misinformation, I was hoping that you could provide me with information relating to any potential proposed legislation by the OPPA, specifically as it relates to Ports being allowed to operate ship or boatyards. As you may know, Reedsport is home to two shipyards (Reedsport Machine and Fred Wahl Marine Construction) that are the singular source of industrial development in Coastal Douglas County since the fall of the timber industry, so we obviously have a strong interest in any such matter.

We are confident in our reading of the Oregon Revised Statutes (ORS) 777.210 that it currently does not allow "ship" and "boatyard" activities by precluding them from the list of allowed activities. As you are probably aware the dictionary defines shipyards as, "a yard, place, or enclosure where ships are built or repaired." This would take the role of a port from providing support services to maritime industries to competing in the entire range of service that are currently provided by the private shipyards of Oregon. The most obvious issue with this is the port's strong economic advantage over a private operation. The most notable being, the stable source of revenue created by being tax supported and their tax exempt status. The way that business regulations in the state are currently set up, no private shipyard could economically compete with a publicly owned port operation.

We are most certainly not against ports and recognize the importance of their role in supporting the private shipyards of the state. In fact, we fully support the efforts of the Port of Toledo to provide the Yaquina Boat Yard with a larger capacity haul out facility to better serve their needs. As stated, the fear is that one or more of these ports will start providing repair services, or worse, start building vessels in what is already a very limited market. If a rule change is to be proposed, we respectfully request that you use a term like marine ways, boat haul out facility or other related term that provides no implication that a Port can operate a shipyard.

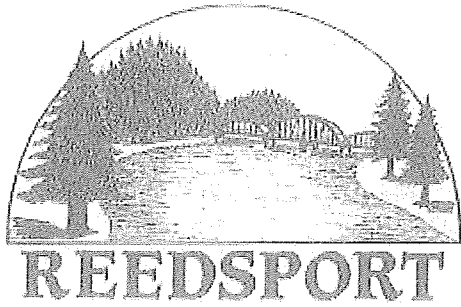
I appreciate your time with this very important matter and will await your response.

Sincerely,

Jonathan Wright

City Manager
451 Winchester Ave
Reedsport OR 97467
541-271-3603 Ext 220

A Personal Commitment to a Positive Result



CITY of REEDSPORT

451 Winchester Avenue
Reedsport, OR 97467-1597
Phone (541) 271-3603
Fax (541) 271-2809

February 14, 2017

Dear Ports of Oregon,

I am writing regarding **House Bill 2902** as drafted by the Oregon Public Ports Association (OPPA). This bill would grant public ports the ability to compete with Oregon small businesses by operating shipyards. As you are hopefully aware, private shipyards make up a large part of the economy on the south coast of Oregon. This industry is directly responsible for the creation and maintenance of hundreds of family wage jobs and help support many other ancillary small businesses. Three such shipyards in Douglas County alone (Reedsport Machine, North River Boats and Fred Wahl Marine Construction), as well as half a dozen supporting businesses, would be directly impacted by this legislation if allowed to go forward as proposed.

Currently the language proposed by the OPPA states that ports would be allowed to:

“Acquire, construct, maintain and operate facilities for construction, repairing or maintaining any type of watercraft.”

The word, ***“operate”*** would set a precedent for Oregon Revised Statutes (ORS) 777.210 by changing the intent of this section. Currently the term is used to describe the types of facilities that can be developed and maintained in support of each port’s respective industries; however, this new provision would afford ports the ability to create businesses that will directly compete with the same. Granted no business can pick its competitors but, as special districts, ports have an advantage over private competitors with tax revenues, personal property tax exemptions and support organizations such the OPPA and Special Districts Association of Oregon (SDAO) all on their side.

There is no argument that ports play a valuable role in job creation and economic development in each respective region they serve but taking ports from supporting industries to becoming competing industries will only serve to harm existing Oregon small businesses. We respectfully request that your Port Commissioners review this matter and decide if the word “operate” should be included in this bill. If you agree that it should be removed, please contact the OPPA and your local legislative representative.

Sincerely,


(OVER)

Attachment

February 14, 2017


Linda McCollum, Mayor

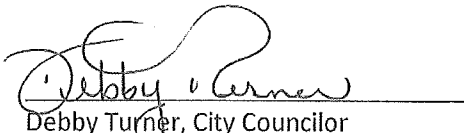

Frank Barth Jr., City Councilor


DeeDee Murphy, City Councilor


Leslee Collier, City Councilor


Diane Essig, City Councilor


Rich Patten, City Councilor


Debby Turner, City Councilor

House Bill 2902

Sponsored by Representative GOMBERG; Representative SMITH DB, Senators JOHNSON, ROBLAN (at the request of Oregon Public Ports Association)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Authorizes ports to acquire, construct, maintain and operate shipyards.

1

A BILL FOR AN ACT

2

Relating to port shipyard activities; amending ORS 777.210.

3

Be It Enacted by the People of the State of Oregon:

4

SECTION 1. ORS 777.210 is amended to read:

5

777.210. A port may:

6

(1) Establish, operate and maintain water transportation lines in any of the navigable waters of this state and waters tributary thereto, any portion of which may touch the boundaries of the port.

9

(2) Engage generally in the business of buying and selling coal, fuel oil and all kinds of fuel for watercraft of all kinds.

11

(3) Acquire, construct, maintain *[or]* and operate sea walls, jetties, piers, wharves, docks, boat landings, warehouses, storehouses, elevators, grain bins, terminal icing plants, facilities for processing agricultural, fish or meat products, bunkers, oil tanks, ferries, canals, locks, tidal basins, bridges, subways, tramways, cableways, conveyors, power plants, power transmission lines, administration buildings and fishing terminals, and modern appliances and buildings for the economical handling, packing, storing and transportation of freight and handling of passenger traffic with full power to lease and sell the same, together with the lands upon which they are situated, whether held by the port in its governmental capacity or not.

19

(4) For the public convenience and the convenience of its shipping and commercial interests, may improve all or any portion of the waterfront of its harbors, rivers and waterways.

21

(5) Enlarge its tidal area, and construct, excavate *[or]* and dredge canals and channels connecting its waterways with one another or with other waterways and the sea.

23

(6) Acquire, *[or]* construct, maintain *[or]* and operate airports anywhere within the port.

24

(7) Acquire, construct, maintain, operate, support, promote *[or]* and invest in facilities and related activities for the propagation of fish in accordance with the commercial fishing laws.

26

(8) **Acquire, construct, maintain and operate facilities for constructing, repairing or maintaining any type of watercraft.**

27

28

NOTE: Matter in boldfaced type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in boldfaced type.

Port Manager Evaluation No. 2

I feel that the commissioners did not do the right thing at the public meeting for the evaluation of the Port Manager, Steven Leskin on January 30. We had a simplified form that we were to mark with a 1 for needs improvement or a 2 for meets expectations. The purpose was to talk about the comments that we made and address any area that we felt might make the manager's work more productive. Mr. Leskin received "meets expectations" on all twelve of the critical areas with a few "needs improvement" scores such as: updating information, communication between manager and commission and carrying out assignments requested by the commission. These items were not addressed one by one giving time for a reply from the Manager. I don't understand the comments: updating information, lack of communication between manager and commission and carrying out assignments requested by the commission. Mr. Leskin sends the commissioners a weekly report by email. I'm not aware of assignments not carried out or lack of updating information. Personally, I feel that he did meet expectations on all areas of the evaluation and should have been given a salary adjustment. When a motion was made and seconded to provide him with a 4% salary increase there were two votes for and no response from 3 commissioners.

When Mr. Leskin was hired in February of last year he immediately took on the many problems facing the port. One of the first was to work with FEMA to secure funds for damages to the bulkhead by high water storms in 2015. He is working with an engineer and the commission has been informed of the progress as it works its way through approval and funding from two different agencies. There were many clean-up projects, derelict, not-sea worthy boats, general maintenance, updating schedules and fees for the marina and campground to be more in line with other ports and parks nearby. He and port staff have been working on the ordinances, making them current and in order. Mr. Leskin initiated several projects to make the port more a part of the community, finding ways to draw more people to the port. He has been following the proposed policy statement of 2016 by working to eliminate surplus properties, decrease spending and increase revenue. *See Ron Caputo's State of the Port 2016*

I feel that commissioners have the responsibility to support the Manager and staff recommendations and to do their share in the communication process.