



DOUGLAS COUNTY INDUSTRIAL DEVELOPMENT BOARD

522 SE Washington Ave. Suite 111A
Roseburg, Oregon 97470
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Minutes

December 15, 2015

9:30-10:30

Room 310

Douglas County Courthouse
1036 SE Douglas
Roseburg, OR 97470

I. Welcome & introductions

Dave Sabala called the meeting to order and announced a quorum is present. Attendees introduced themselves, see attachment A.

II. Approval of Minutes – November 12, 2015 meeting

Alex Palm made a motion to approve the minutes with no changes. Ron Doan seconded. The motion carried.

III. New Business:

A. Salmon Harbor Dredging Project

Dave Sabala introduced Paul Stallard with Salmon Harbor and explained a letter, write up and plans were included with the meeting packet.

Charmaine Vitek stated she was unsure but may need to declare a conflict of interest due to the IGA the Port of Umpqua has with Douglas County to manage Salmon Harbor.

Paul Stallard with Salmon Harbor requested funding in the amount of \$100K to bring the mobile dredge to Salmon Harbor to dredge two priority areas in the allotted permit time frame of five years.

Paul stated the State of Oregon has purchased a portable dredge to be shared among the Oregon Coast's shallow draft ports via the South Coast Ports Coalition. He explained the use of this dredge will save Salmon Harbor and other ports thousands of dollars compared to contracting a clam shell/shovel designed dredge, which would cost upward of \$300K just to bring the dredge into the harbor without any work being done.

Paul explained Salmon Harbor's management committee has allocated \$35K per year to save for this dredging. He stated as of now they have \$35K and after July 1 hope to have another \$35K. He said the South Coast Ports Coalition doesn't think that's enough to get the dredge to come to Salmon Harbor. Paul said there are currently four priority areas within the East Basin of Salmon Harbor that are in need of dredging, however; to utilize the dredge for all four areas the cost to Salmon Harbor would be \$233,181. He said the four priority areas in the East Basin have been narrowed down to two; the most important areas to keep dredged. He explained these areas are the docks utilized by commercial fisherman and Reedsport Machine and Fabrication. He said Breakwater Dock and "A" Dock moors commercial fishing boats and provides transient moorage for boats to be hauled out of the water by Reedsport Machine and Fabrication. He said if Salmon Harbor focuses the dredging on these two areas the cost would be \$134,279. He said at this time during low tide the bigger vessels actually sit on the bottom. He said during crabbing and Salmon season, if it is low tide those vessels can't move.

Paul explained Salmon Harbor has applied for a dredging permit which has a five year timeline of use and a specific dredging window of November 1 through February 1 designated by the US Army Corps of Engineers. He explained those permits cost approximately \$40K. He said if they have to wait three years to get the money saved up they will lose some of their available time to dredge due to the five year window.

Paul explained Salmon Harbor has annual moorage with 38 commercial fishing boats, hundreds of recreationally moored boats, provide services for charter/fishing guides and hosts thousands of tourists who frequent the area throughout the year. He said each commercial fishing boat has a three to five man crew with good paying jobs. He explained the dredging would help retain eleven family wage jobs with Reedsport Machine and Fabrication; a boat haul-out and repair facility that also holds a contract with the US Coast Guard and repairs a lot of smaller boats that come through there. He said the Coast Guard station employs approximately 50 men and women.

Paul explained when they have to turn boats away it has a trickle affect; fuel isn't sold to boats coming in and going out of the bay, no moorage is sold, family owned boats would move to other ports, business would slow with the lack of people in the area and at the same time the Port of Umpqua wouldn't deliver product across the dock.

Paul explained Salmon Harbor has an IGA with the County and the Port of Umpqua. He said in 1998 the marina was in disrepair and they were getting approximately \$250K a year from the County to balance the budget. He said they have not received any money from the County or the Port since 2003 when the RV Park went in. In that time, since 1998-2015 Salmon Harbor has invested \$9.7M in improvements in that area. Paul said they try to run the Harbor like a business and put money aside and try to invest \$125K per year in improvements. He said with saving the \$35K per year for the dredging that will reduce what improvements they can do during the year.

Charmaine Vitek said Salmon Harbor is a part of Douglas County. She said they have been asked to be self-sufficient and are doing a good job of that. She explained the State has required the Ports put away money in their budgets to address when the dredge is available to ensure they can afford to use it. She explained the Port has put away \$15K in this budget cycle for Salmon Harbor and plans to in the future if Salmon Harbor needs it. She said Salmon Harbor is able to use the dredge due to the IGA with the Port of Umpqua.

Paul explained the dredge is in Bandon and was scheduled to go to Charleston next. He said Charleston is having some trouble with their permit and if they are not able to secure their permit will want to move Salmon Harbor up a year. He said the Coalition wants a commitment from him and his Board and at this time they do not have the money.

Paul explained Salmon Harbor has not been dredged in eight years and without the necessary dredging upkeep of these priority areas, the marina would not have sufficient depth for mooring the larger boats resulting in boats moving to other ports where depth isn't an issue.

Dave Sabala explained to Paul that the IDB is an advisory board that makes recommendations to the Board of Commissioners and the Commissioners have the final say.

Discussion ensued.

Paul explained the last time Salmon Harbor was dredged was 2003 and they dredged the same key areas. He said the problem was they had \$380K worth of dredging done and approximately \$180K of that was just to get the dredge there. He said they weren't able to dig as deep as they wanted to and just took the top off the key areas. He said with this dredge they will be able to dig deeper which will last 20 years.

Discussion ensued.

Alex Palm asked if this project will have future asks or if Paul thinks this will be a one-time request. Paul Stallard replied it should be a one-time request.

Ron Doan made a motion to recommend to the Board of Commissioners to support Salmon Harbor by contributing \$100K to the Dredging Project prior to the end of FY 2016. Melony Marsh seconded. The motion passed unanimously.

B. SCDC, RSIA Application

Alex Campbell explained that the SCDC is working to secure a RSIA (Regionally Significant Industrial Area) designation for several properties. Alex is requesting the IDB ask the Commissioners to provide a Resolution in support of the RSIA application.

Charmaine Vitek stated the Knife River site is Marine Industrial. She stated Marine Industrial and Heavy industrial property is crucial and there is very little industrial property available. She stated the fact the property would be kept industrial is important.

Alex Palm stated the designation limits what you can and cannot do on the properties with specific development.

Charmaine Vitek made a motion to have the IDB request the Commissioners issue a Resolution in support of the RSIA application that includes Bolon Island and/or the Knife River site and/or the International Paper site contingent on the owner's being supportive of the application. Steve Mountainspring seconded.

Discussion on the benefits and restrictions regarding land use development ensued.

Alex Palm explained the RSIA designation prohibits any type of zone changes on the designated properties for 10 years.

Dave Sabala called the question. The motion passed.

C. 800 Hastings Reversion Clause

Alex Campbell explained Bob Ragon, owner of 800 Hastings requests the removal of the reversion clause on the property so he may sell. He said the reversion clause places a cloud on the property title and an interested industrial buyer is unable to get financing based on the cloud.

Ron Doan made a motion to recommend the County move forward with removing the reversion clause. Charmaine Vitek seconded. The motion passed with 6 ayes and Melony Marsh abstaining due to a potential conflict.

IV. Unfinished Business/Reports

- A. Sutherlin Spec Building/UCC Industrial Arts Building - Tabled
- B. Med Ed Update -- Tabled

V. Open Discussion

- IV. Open Discussion - Tabled

VII. Adjourn DCIDB Business Meeting

Respectfully submitted,

Douglas County Industrial Development Board

Copy with signatures on file

Copy with signatures on file

Brandi Whelchel, Staff

President/Vice President

Attachment A

A recording of the meeting is available at the CCD office, 522 SE Washington Suite 111A, Roseburg, Oregon.

The following DCIDB members attended the meeting:

Dave Sabala, Lauren Young, Ron Doan, Alex Palm, Melony Marsh, Charmaine Vitek and Steve Mountainspring

The following DCIDB Ex-officio members attended the meeting:

Robb Paul, Lance Colley and Kristi Gilbert

County Representatives:

Paul Meyer

Staff:

Alex Campbell, The Partnership for Economic Development; Satania Korpi, CCD Staff, Eileen Ophus, CCD Staff and Brandi Whelchel, CCD Staff

Ad Hoc Committee Members:

Lauren Young, Alex Palm, Dave Sabala and Melony Marsh

Guests:

Savanna Wright, Salmon Harbor; Paul Stallard, Salmon Harbor; Bob Ragon, Land Owner;