



PORT OF ALSEA

2017 PORT OF ALSEA NEWSLETTER

Board of Commissioners:

Rob Bishop, President
Jan Power, Vice-President
Ramon (Buster) Pankey, Secretary
Chuck Pavlik
Joe Rohleder

Staff:

Roxie Cuellar, Port Manager
Joe Warren, Maintenance Supervisor

Contact Information:

Office Address: 365 Port Street, Waldport, OR 97394
Office Mailing Address: P. O. Box 1060, Waldport, OR 97394
Office Phone Number: 541-563-3872
Office Email Address: rcuellar@portofalsea.com



Message from the Commission President Rob Bishop:

On behalf of the commissioners and staff, I thank all of the Port District residents for their support of the Port over the years. The Port is an important contributor to our local communities. It provides recreational opportunities for Port District residents from Yachats, Waldport, Tidewater, and those residing south of Seal Rock, who use the Port's facilities to launch and moor their boats on the Alsea Bay or crab from the Port's docks. In the summer and fall, many people from outside the district come here to use the Port facilities, and when they do, they spend their money at local businesses from Waldport to Yachats. We are now entering an exciting time as we plan for the Port's future and we hope you will be part of that process.

Why Mail Out a Newsletter?

Many people do not know what the Port of Alsea District is or even that they reside within it. An annual newsletter provides a way to communicate with Port District residents and bring residents up to date on Port issues. Future newsletter should be shorter as residents become more familiar with the Port of Alsea.

What is the Port of Alsea and What Areas are Included in the District?

The Port of Alsea District encompasses an area that has its northern border at Marsh Street south of Seal Beach. The Port's southern border is the Lincoln County / Lane County line, and the Lincoln County / Benton County line designates the eastern border. The Port of Alsea was established in 1911, before Highway 101 was constructed. The State legislature requires by statute that ports and their activities, with some exceptions, be associated with water; as a result, all of the Port of Alsea facilities and properties are currently located on the Alsea Bay and the Alsea River. The facilities are comprised of the port office, the boat launch and marina, parking lots, the port maintenance shop, public bathrooms, and Robinson Park. The Port also owns properties in the immediate vicinity of the office and marina that are leased out to local businesses – the Salty Dawg, Dock of the Bay, and the Shrimp Daddy. The Port also owns some vacant properties on the Alsea Bay and the Alsea River, as well as 19 acres of Lint Slough. The Port has added a boat and kayak launch on the Yachats River to its Capital Facilities Plan.

Who are the People Who Work for You?

The Port has five volunteer commissioners who serve on the Board of Commissioners. The Board establishes Port policies and oversees the work of the port manager. Each commissioner is elected by Port District residents for a four-year term. The Port has three employees - the port manager, the maintenance supervisor, and a summer maintenance person. All of the positions are part-time.

What Revenue Sources Does the Port of Alsea Have?

The Port essentially receives revenue from five sources: property taxes, launch and moorage fees, commercial licensing, property leases, and grants.

The Port receives property taxes at the rate of \$0.033 per \$1,000 of assessed value. A home in the district that is assessed at \$100,000 pays \$3.33 annually in property taxes to the Port of Alsea. It is estimated that the Port will receive just over \$42,000 from property taxes for the 2017 / 2018 fiscal year. The Port receives approximately \$40,000 a year in revenue from boat launch and moorage fees. In 2016, the Port created a commercial license fee of \$350 per year paid by commercial fishing guides, bait shrimpers, and commercial crabbers. In the first year, the commercial license fee brought in \$3,500 (in addition to their moorage fees). The Port receives about \$25,000 from port properties leased to local businesses. In total, the Port of Alsea receives a bit less than \$110,000 in revenues from port assets and property taxes annually.

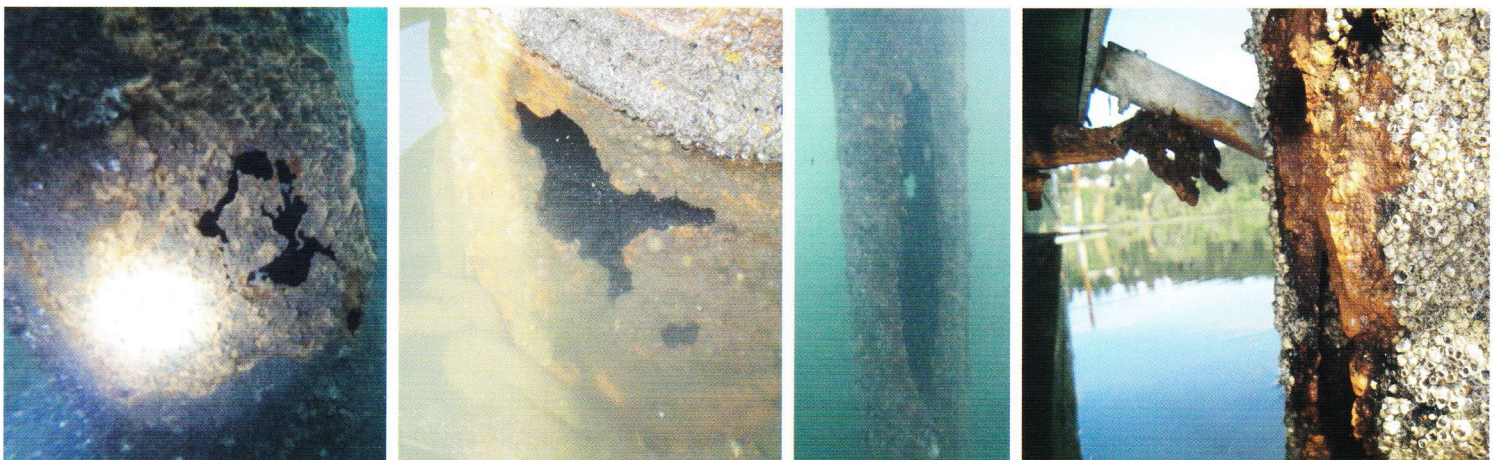
In addition, the Port receives grant money of various amounts, depending upon its needs and circumstances. Grants are rarely awarded for general operating expenses. Instead, they provide funds for specific projects. In the past fiscal year, as well as the current year, the Port has received exceptionally large amounts in grants and federal assistance as result of its FEMA claim (approximately \$525,000), as well as emergency funds from the State of Oregon (\$195,000), the Oregon State Marine Board (\$30,000), and an economic development grant from Lincoln County (\$15,000). All of these assistance and grant funds were awarded to help the Port dredge out its boat launch area and marina, to replace the debris boom at the east end of the marina, and to provide a small new recreational crabbing dock.

The Port is always looking for new, reliable revenue sources. The Port owned a residential house behind the office that was in very poor condition and was recently razed. The Port plans to make a long-term investment in the property, with a loan financed by Business Oregon, from money set aside for port investments at a very low interest rate. If the plans materialize, the Port will receive a small amount of annual revenue initially from the project, but will have a long-term lessee. This will allow the Port to pay for the new building through the lease payments, eventually owning the building free-and-clear, which will provide a long-term revenue source.

What Port Assets Are Available to the Public?

The Port of Alsea is one of the smallest ports on the Oregon Coast and its assets reflect that. The Port has upgraded its office by doing some modest but valuable remodeling. Fortunately, Rob Bishop, the Board Chair, is a licensed contractor and has donated his time over a period of two years to make the improvements. The Port lost some revenue when the Kayak Shack gave up its lease in the office building; the decision was made by the Port to turn that small space into the boardroom and meeting room rather than find a new renter. The loss of the \$250 per month lease was offset by the charge of the commercial license fee at the marina.

The boat launch and marina are the most valuable Port assets and are in the worst condition of any of the Port's holdings. The problem is that they are inevitably in a hostile, marine environment. Steel pilings only last about 25-40 years, and the pilings in the marina are in a serious state of deterioration, as the pictures below show.



The boat launch also needs to be replaced. The Oregon State Marine Board has set aside a \$325,000 grant to the Port of Alsea in the 2019-2020 fiscal year to build a new, two-lane boat launch with boarding docks for both lanes. The Port will need to raise \$175,000 for the required 25% matching funds. The new boat launch would need to be completed by June 30, 2020, in order to receive the \$325,000 grant.

With the dredging now completed, the Port hopes to increase its revenue both from boat launches and moorages. The Port

charges \$7.00 per launch, but users can also purchase an annual launch pass for \$50.00. The launch fee is good for a year from the date of purchase.

Another Port asset is Robinson Park, on the west side of the boat launch parking lot. It has three picnic areas with fire pits for the public to use. A trail through the park provides access to the beach for kayak launching. There are also picnic tables on the bay in front of the Dock of the Bay. The Port also owns the public bathrooms at the marina.

Who Uses the Port Facilities?

The two biggest usages are recreational crabbing and fishing. During salmon season, in September, 2016, 1,026 boaters paid daily launch fees. If there are an average of three people in each boat, more than 3,000 people used the boat launch in September, or 100 people a day, and that number does not include people who launched using their annual launch passes. Sixty-seven percent of those paying the daily launch came to the Port's marina from the Willamette Valley, 10% live in the Port district, 9% came from out of state, 5% came from coastal areas outside of the Port District, and 8% came from other areas of Oregon. In addition, the Port sold 108 annual launch passes; about two-thirds of those were sold to Port District residents. The guests who come to our area to use the Port's facilities buy gas and groceries, eat in restaurants in Waldport and Yachats, and stay in local motels and vacation homes, which means jobs and valuable revenues for the local communities within the Port District. Guests who come from out of the Port District also contribute substantially to the revenues needed for Port operations and maintenance.

Boaters also pay for moorage at the marina, with prices ranging from \$10 a night, \$150 a month, or as high as \$1,000 for an annual moorage. With the dredging completed, the Port now has additional dock space for moorage, and the Port will continue to provide dock space for recreational crabbers as well.

People who use the docks and platform in the marina for recreational crabbing presumably come from various locations, just as the boaters do. The Port does not have an accurate way to identify how many people use the docks for crabbing, but most summer and fall days find individuals and families on the designated docks and platform, with their lawn chairs and ice chests, enjoying a day at the marina.

Children 12 of age and under must wear life jackets on the docks. The Alsea Sportsman's Association donated a kiosk for life jackets and the Port purchased the life jackets for children to use. The goal is to keep children safe while using the Port facilities.

Does the Port of Alsea Really Need a New Boat launch and Marina?

Unfortunately, the answer is an emphatic "yes". They say pictures speak a thousand words, so the pictures above should convey a book. And it is not just the pilings. The concrete floats on the docks have reached the end of their lifespan as well. Over time, water has entered the sealed foam compartments within the floats, causing the docks to float lower in the water and become more susceptible to the surges and winds of the bay, with waves washing over the floats occasionally. Rust has eaten through some of the bracings and brackets, also making the marina more vulnerable to rough water and tidal surges. A local engineer who volunteered to examine the pilings wrote in his report "I could scrape and poke through [the pilings] in many locations with a screwdriver and scraper. My estimate is approximately 70-80% deterioration at about two to three feet above bottom on about half of the pilings."

How Much Does It Cost to Replace a Boat Launch and Marina?

The Port is working on those numbers now with Bill Cook, our marine consultant. The cost of replacing the marina is approximately \$2 million, depending on the materials used and the final design. In addition, the Port needs to pay \$175,000 of the \$500,000 cost to replace the boat launch. It is also looking at putting a small amount of money into upgrading the public bathrooms at the marina., as well as retiring a \$103,000 debt previously incurred to purchase a lot on Broadway that has since been converted into badly needed parking. Retirement of that debt would effectively increase the Port's badly needed revenues by approximately \$9,000 a year by eliminating the quarterly loan repayment. The Port anticipates that the total cost of the bond measure will be between \$2.2 million and \$2.5 million.

Whenever you build, you always build for the future. Currently, the Port has 35 moorage spaces, including those used by the commercial shrimpers and crabbers. Dock of the Bay leases seven moorages from the Port, leaving 25 spaces for the Port to rent out to recreational and commercial vessels, with three spaces set aside for 15 minute and 2-hour moorages. The Port plans to have approximately 48 slips in the new marina, although there will continue to be some side-ties as well.

Slips are more expensive, but it allows for more moorage in a comparable space, as well as more protection for the boats in the marina. The initial plan is for recreational crabbers to have a long, separate dock on the east end of the marina away from the boats, from which they could crab both sides of the dock, as well as a larger crabbing platform. The Port will also provide

a kayak launch. There would be no water or electricity to the docks, but conduits would be constructed under the docks to allow for a conversion if the Port decided to provide water or electricity to the docks in the future.



PORT OF ALSEA

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The Port anticipates going out for a bond measure in May, 2018. As already stated, an owner of a home assessed at \$100,000 currently pays \$3.33 each year in property taxes to the Port of Alsea. The Port anticipates that same property owner would pay \$16 to \$20 each year, the owner of property assessed at \$200,000 would pay between \$32 and \$40 per year, property assessed at \$300,000 would pay between \$48 and \$60 a year and so on. The bond would be either a 20 or a 25-year bond.

The Port of Alsea understands that no one wants to pay more property taxes, but the Port will work very hard to ensure that the residents of the Port District receive the maximum value for their dollars. A tentative design of the proposed marina is provided below. The Port encourages the public to provide comments to the Port on both the overall design and how the use of the docks are allocated between boating and recreational crabbers. Comments can be made to the port manager at rcuellar@portofalsea.com, or on the Port's Facebook page, or by mailing comments to the Port at P. O. Box 1060, Waldport, OR 97394.

You can also make comments directly to the commissioners during the public comment period at the board meetings on the third Thursday of the month at 2:00 at the Port office.

To Our Friends At
PO Box 1077
Waldport OR 97394-1077

All written comments will be given to the commissioners to review. If the bond measure passes in May, 2018, the new boat launch and marina would be constructed during the in-water work season between November, 2019 and February, 2020, although the floats can be added after the end of February. The new marina would be ready for the public to use in the spring of 2020.

The Port hopes to hear from you about the proposed marina and boat launch. After all, the Port facilities belong to you.

