

PORT OF NEWPORT MINUTES

August 27, 2019

Regular Commission Meeting

This is not an exact transcript. The audio of the session is available on the Port's website.

Agenda Item

**Audio
Time**
0:00

I. CALL TO ORDER

Commission President Sara Skamser called the Regular Commission Meeting of the Port of Newport Board of Commissioners to order at 6:00 pm at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, Oregon.

Commissioners Present: Walter Chuck (Pos. #1), Secretary/Treasurer; Sara Skamser (Pos. #2), President; Gil Sylvia (Pos. #3); Jeff Lackey (Pos. #4); and Jim Burke, Vice-President (Pos. #5).

Management and Staff: Paula J. Miranda, General Manager; Aaron Bretz, Director of Operations; Mark A. Brown, Director of Finance & Business Services; Mark Harris, Accounting Supervisor; and Karen Hewitt, Administrative Supervisor.

Members of the Public and Media: Pat Ruddiman, ILWU; Wayde Dudley, Port Mates; Barb Dudley, Port Mates; Rick & Brenda Verlin, fishing/research; Doug Cooper, Hampton Lumber; Rex Capri, Newport resident.

II. CHANGES TO THE AGENDA

0:10

Burke requested that a discussion about the Commercial Fishing Users Group Committee be added under New Business.

III. PUBLIC COMMENT

0:43

There was no public comment at this time.

Paula Miranda administered the oath of office to incoming Commissioner Gil Sylvia.

IV. CONSENT CALENDAR.....

2:29

- A. Minutes
 - 1. Regular Commission MeetingJuly 23, 2019
- B. Financial Reports
- C. Hawkins Delafield & Wood LLP Engagement Letters
- D. Contracts
 - 1. Vertiv – NOAA Liebert Air Conditioner Outside Unit
 - 2. L&R Construction - Men’s and Women’s Shower Building Siding,
South Beach
- E. Resolution 2019-11 Designating Bank Accounts and Authorizing Check Signers

A motion was made by Chuck and seconded by Burke to approve the Consent Calendar. The motion passed 5 – 0.

V. OLD BUSINESS.....

2:57

A. Items Removed from Consent Calendar

There were no items removed from the Consent Calendar

B. Accounts Paid

3:02

Chuck declared an actual conflict of interest because one of the checks was payable to him. Miranda said reimbursement would not present a conflict of interest, but Chuck still wanted to declare.

A motion was made by Lackey and seconded by Burke to approve the Accounts Paid. The motion passed 4 – 0, with Chuck abstaining.

VI. NEW BUSINESS.....

4:38

A. Resolution 2019-12 Adopting a Public Records Policy.....

4:44

Miranda said the policy was written to update to the new laws and for different formatting. She added that it had been reviewed by Pete Gintner, Port attorney.

A motion was made by Chuck and seconded by Lackey to adopt Resolution 2019-12 Adopting a Public Records Policy. The motion passed 5 – 0.

B. Commercial Fishing Users Group (CFUG) Committee

6:44

Skamser commented that she is a liaison to the CFUG Committee, and that meetings could be scheduled in response to a Commission or a Committee request. Skamser said she had spoken with the Committee Chair who said that after September 20th would be a good time to schedule a meeting. Skamser added that items for discussion could include new rates and fees, storage, and Community Ice. Burke said he would like to facilitate the conversation. Skamser said she would move forward with scheduling.

VII. STAFF REPORTS

A. Director of Finance & Business Services

9:05

1. July Occupancy Report

Skamser welcomed Brown on his first official Staff Report. Brown acknowledged Harris and the finance staff for a job well done while the Director position was vacant. Brown said that Harris was in attendance to help address questions. Brown referred to the Staff Report included in the Meeting Packet and to the Financial Reports included as part of the Consent Calendar. He explained that the financial reports were a “snap shot” as of July 31st. He said that the comparison to budget was based on a straight line estimate, but that may be estimated differently in the future. He added he planned to share some ratios next month. Brown said Bretz would discuss further the transfer of \$1.4MM from the General Fund to Capital Construction for the pier access project. Brown said he was doing cost analysis to determine areas that were profitable or not profitable. He said that he was focused on preparing for the audit. Brown referred to the letter included in the meeting packet that he intended to send to customers regarding implementing the new Fiscal Management Policies, and asked the Commission for feedback.

(The Commissioners later said to move forward with the letter.) Brown said that leases would be accounted for in their geographic profit center, so he was working on assigning administrative costs as well. Brown said he was also looking at exploring software that may better suit the needs of the Port than Quickbooks, as well as interfacing with South Beach. Skamser commented she was glad that staff was looking at software that would improve efficiency. Brown added that a project manager may be needed to help implement a software change.

Skamser referred to the July Occupancy Report. Bretz said the numbers were still up, and Brown added that Bill Hewitt had commented on the high level of activity in the Recreational Marina.

B. Director of Operations.....

23:03

Bretz referred to the Staff Report included in the Meeting Packet. He said that tuna landings may be increasing. Bretz elaborated on the information provided to the EDA regarding the Joint Permit Application process and SLOPES (Standard Local Operating Procedures for Endangered Species) assessment. He said that the Port needs to push forward with the bid documents.

Bretz presented PowerPoint slides regarding the stormwater outfall in South Beach, which are included in the Meeting Packet. He explained the areas showing damage and the variation in problems throughout the drainage system, with the pictures provided by robotic camera. He suggested that the sink hole was a significant problem, located at the north side of the circle close to the underground fuel storage tank, although there was no evidence yet of movement of the tank. Bretz said the City would also come out to run a smaller camera through the area. Bretz proposed that the installation of a sleeve in the existing pipe, which would result in more efficient flow, and cost an estimated \$70K. Sylvia asked about the City’s responsibility. Bretz said the City’s waterline was related to the pothole so they were helping out with the project, but the stormwater system is the Port’s responsibility. Miranda added that this type of responsibility generally falls to the property owner, but can vary with the size of the project. Bretz added there can also be other stipulations related to using grant funds. Miranda said she was working with Brown in looking at cost vs. revenue regarding leased properties in order to capture costs like infrastructure replacement. Bretz added that if a sleeve would not work, the repairs would cost closer to \$200K, as digging would be difficult. He said that ODOT had tried to fix the influx of water on the south outfall at high tide by cutting off the outfall pipe and adding rocks, but those rocks have since been driven into the pipe by the swells and needs to be cleaned out.

Bretz said the building permit for the Port Dock 5 Pier project was around \$11K, which was refundable except for a fee for review if the project did not materialize. He said that area around the International Terminal had been cleared and grass placed so it drains properly. He suggests that next year the 9-acre property be kept mowed so wetlands areas can be evaluated.

C. General Manager

48:30

Miranda welcomed Sylvia to the Commission. She said she was happy to have Brown on board, who has already hit the ground running and was looking for Port efficiencies. She echoed the thanks to Harris and crew for their work in the absence of a finance director. She said she was regularly meeting with operations, finance, and the Commission President, and her door was always open to Commissioners.

Miranda referred to the Staff Report included in the Meeting Packet. She said that she was looking at different ways to bring in revenue. She will be meeting with the ILWU and their lobbyist, and posted the availability of the 9-acre property on a state website through Oregon Prospector. Miranda said she had reviewed research and analysis done by Don Mann in 2008 regarding cruise ships, and she had met with

Mann as well. Engaging cruise ships would be a community project. There was some discussion about the size of the ships that would be suitable for Newport. Miranda thanked Bretz for his work on the EDA grant. Staff has also been working on EPA Brownfields grants for the initial phases looking at the environmental assessment of the property behind NOAA and the Rogue sea wall. This assessment would be needed before moving forward with analyzing the project needs. Miranda mentioned attending the Oregon Coastal Caucus Economic Summit with Skamser and Chuck, and meeting with people that would help the Port move forward in working with Business Oregon. Miranda said she was working with David Ulbricht from SDAO on bond refinancing. There would be a selection process, and the project would probably start in January/February of 2020. Burke asked if there was an update on Port Dock 1. Miranda said she had met with Stephen Webster, and she wanted to look if the piece of dock Webster wanted cut off had any value to the port. Most likely she will have more information at the next Commission meeting.

Miranda referred to the letter from Summit Public Relations Strategies regarding a possible newsletter. She spoke about the value of getting a publication out to those who don't already have a connection with the Port that would introduce them to what the Port does and refer them to the website and Facebook pages. Sylvia asked about the contract with Summit and the public relations plan. Skamser commented there were still people who related to having something in their hand. Lackey said he thought it would be good for the community to have a connection to what goes on at the port, and the newsletter could be a collection of what's issued electronically, that would include a personal hook. Miranda said the concept would be to have news stories and facts in initial print newsletter distributions, and later make the newsletters digital. Chuck suggested a Work Session be scheduled to discuss this with the costs laid out. Sylvia suggested it may be valuable to get a baseline of how the public views the Port, then run the campaign and evaluate any change in perception. Skamser said this work was included in the scope of work approved by the Commission in the Summit contract. Miranda will discuss the possibility of a Work Session with Skamser.

VIII. COMMISSIONER REPORTS/COMMENTS

1:21:58

Skamser commented on attending the Coastal Caucus Economic Summit and the positive interactions there. Chuck said he had attended as well, and also attended Congressman Schrader's round table on wind energy. Chuck said there will be more discussion on the issue in mid-September, and in October will be on the Agenda for OPAC (Oregon's Ocean Policy Advisory Council). Comments will be accepted at the beginning and end of the process, and Chuck suggested the Commission consider making comments early.

IX. CALENDAR/FUTURE CONSIDERATIONS

1:24:18

- 2019
- Labor Day, Port Office Closed..... Sep 2
- Ardor Adventures Twisted Pine Run Sep 14
- SOLVE South Beach Cleanup Sep 18
- The World's Largest Pet Walk..... Sep 28
- Oregon Public Port Association Annual Conference.....Oct 3 – 4
- PCC Semi-Annual Fall ConferenceOct 8 – 11
- Yaquina Bay Yacht Club Columbus Day Regatta Oct 12 - 13
- OEDA Annual Fall ConferenceOct 22
- Regular Commission MeetingOct 27 – 29

There were some corrections to the Calendar: the September Regular Commission Meeting is on September 24th; the October Regular Commission Meeting is on October 22nd; the OEDA Annual Fall conference is October 27 -29.

Chuck said he was interested in attending the OPPA conference. He won't be able to attend the September Commission Meeting.

1:31:48

X. PUBLIC COMMENT

Barb Dudley suggested having an unveiling of the mural in South Beach that would be open to the public, possibly combined with Rogue's celebration. Miranda will follow up.

Rick Verlin said he was interested in what was going on at the Terminal and shared comments on the possibility of cruise ships and how that might leave the Terminal open for the distant water fleet in the winter.

1:36:30

XI. ADJOURNMENT

Having no further business, the meeting adjourned at 7:37 pm.

ATTESTED:



Sara Skamser, President



GIL SYLVIA
COMMISSIONER