

PORT OF NEWPORT MINUTES

January 28, 2020

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 Vice-President Jim Burke 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; Gil Sylvia (Pos. #3); Jeff Lackey (Pos. #4); and Jim Burke, Vice-President (Pos. #5). Sara Skamser (Pos. #2), President, was absent.

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

Members of the Public and Media: Dietmar Goebel, Newport City Council; Angela Nebel, Summit Public Relations; and Rex Capri, citizen.

II. CHANGES TO THE AGENDA

0:18

There were no changes to the Agenda.

III. PUBLIC COMMENT

0:30

There was no public comment at this time.

IV. CONSENT CALENDAR.....

0:38

- A. Minutes
 - 1. Meeting Dec 17 2019
 - 2. Special Commission Meeting Jan 7 2020
- B. Financial Reports
- C. Payne West NOAA Facilities Earthquake & Flood Insurance (\$85,686.25)
- D. Silver Dollar Disposal – Port of Toledo
- E. HYAK – Network & Video System (\$7,700.00)

A motion was made by Chuck and seconded by Lackey to approve the Consent Calendar as presented. The motion passed 4 – 0.

V. OLD BUSINESS

A. Items Removed from Consent Calendar

1:00

There were no items removed from the Consent Calendar.

B. <u>Accounts Paid</u>	1:14
-------------------------------	------

A motion was made by Chuck and 2nd by Lackey to approve the Accounts Paid. The motion passed 4 – 0.

C. <u>GO Bond Purchase Agreement (Information Only)</u>	1:45
---	------

Miranda referred to the document included in the Meeting Packet, provided for information only to the Commissioners. There was no discussion on this item.

VI. NEW BUSINESS	2:19
-------------------------------	------

A. <u>2020 Annual Report (ORS 777.140) – Miranda</u>	2:28
--	------

Miranda presented the report included in the Meeting Packet. Hewitt advised is would be signed by the President, Vice-President and Secretary. There were no changes to the report.

B. <u>Newport Belle Bed & Breakfast Lease – Miranda</u>	3:43
---	------

Miranda presented the document included in the Meeting Packet. She said that she would prefer to negotiate a lease before a tenant came on board, but the Newport Belle had already been sold to new owners. Miranda advised the Commission about changes that had been made in comparison to the previous lease to better capture costs. She also informed the Commission about changes that would be made to the document presented regarding how the oil spill plan would be included and the correction of the location to Port H Dock. There was some discussion about the septic and sewer responsibilities.

A motion was made by Chuck and 2nd by Lackey to approve the Newport Belle Bed & Breakfast Lease. The motion passed 4 – 0.

C. <u>South Beach Boat Ramp Repair – Bretz</u>	9:33
--	------

Bretz referred to the Staff Reports included in the Meeting Packet. He said the second report was included to confirm that a \$10,000 grant was received from the Oregon State Marine Board (OSMB), which would allow the project to be completed this year since the higher cost was due to the need for a long reach excavator. Miranda added that a grant under \$25K did not require Commission approval, but the total contract of \$16,155.71 did. \$6,155.71 would be paid for by the Port, and the grant would be applied to this contract. Miranda gave kudos to Bretz for the quick turn-around with OSMB. Bretz acknowledged the contract and quotes were not included in the Meeting Packet, but were referred to in the report.

A motion was made by Lackey and seconded by Chuck to authorize the General Manager to contract with Road and Driveway to conduct boat ramp repairs in the amount of \$16,155.71. The motion passed 4 – 0.

D. <u>Port Dock 7/Fishing Pier Discussion – Bretz</u>	13:39
---	-------

Bretz presented the Power Point presentation, a copy of which is included in the Meeting Packet, which he said represented high level ideas that would be used in discussion with permitting agencies, which he wanted to first share with the Commission. Bretz talked about the loss over time of dock at Port Dock 7 and the changing needs of the fishing industry. He mentioned that

upland development would also be needed to make this project feasible. Bretz spoke of the need and necessary expense of mitigation, but added the suggested changes to the Public Fishing Pier could provide mitigation opportunities that would also address the Port’s objectives for the pier itself. He said that ODFW had mentioned the most valuable area at the public pier was at its end; much of the structure is over mudflats. The suggested configuration could also potentially increase the projects’ priority with the Army Corps because of its path on the breakwater, as well as provide benefits to users. Bretz said he anticipated that construction could possibly begin in 2024.

Chuck asked what kind of grants would be sought. Miranda spoke about possible planning and construction grant opportunities and the matching funds that would be available through the NOAA Bond refinancing. Sylvia commended Bretz for connecting the projects because of the permitting and funding benefits, and asked for a projected cost. Bretz said he roughly estimated \$19MM. Both Bretz and Miranda spoke about working with permitting agencies. Chuck raised concerns about parking and incoming boats with the suggested Public Fishing Pier configuration, and suggested if the projects wouldn’t work together they should still be focused on separately. Burke commented this was a great look forward and asked about the value of eel grass mitigation. Bretz commented that there would need to be discussion with agencies and mentioned the Port’s experience with the NOAA eel grass mitigation. Bretz also referred to the letter from Rondys Inc. in the Meeting Packet, and conversations with West Coast seafood processors and people working on the energy project, addressing the needs for services at the Port. Bretz speculated that if the right services and facilities were provided, Port Dock 7 would be filled when the project was completed. Miranda added that looking at economic impacts would also be part of the planning.

E. Budget Committee, Officer & Calendar – Miranda/Brown.....

48:17

Miranda suggested scheduling a Commission Work Session next month to review recruiting Budget Committee members, a proposed Budget Calendar, the status of the work done by staff in preparing for the budget, and goal setting as discussed in the October meeting.. She said that a lot of the staff work had already been done to develop capital improvement priorities, a budget calendar, and budget expenditures. Brown added he was currently working on a revenue estimate. A consensus was reached to schedule a Work Session for Monday, February 24, 2020 at 12:00 pm.

F. Audit Fiscal Year 2018-2019, Kern Thompson CPAs – Brown

52:50

Brown referred to the Audit Reports included in the Meeting Packet, and added they had been sent to members of record at the end of the fiscal year. He said the two recommendations were already addressed. By consensus, the Commissioners accepted the Audit for Fiscal Year 2018-2019.

VII. STAFF REPORTS

A. Director of Finance & Business Services

1. December Occupancy Report

55:37

Brown introduced the Staff Report included in the Meeting Packet. He said the negative cash flow in December was to be expected, and should turn positive by the end of February. He added total income was looking good. He pointed out that financial reports would now include a comparison to previous years. Brown said the Port was on track to meet budget and any needed changes would be presented next month. He referred to the aging report, and said the Port was receiving payments and meets monthly to decide actions needed. He commented that a semi-trailer at NIT will be seized if the year overdue bill is not paid. Brown said he was not happy with the current collection

agency and would be discussing that with Miranda. He suggested that the Port needs to attract events that will attract RVers to address low winter occupancy.

B. Director of Operations.....

1:00:30

Bretz introduced the Staff Report included in the Meeting Packet. He commented that the EDA said the grant money was set aside for the Port Dock 5 Pier project, and they were waiting on word from DC to finish processing. Bretz said based on the Hydro survey on the NOAA pier, he thought dredging won't be needed this year. It will also be evaluated next year. Bretz commented on the reissue of the storm sewer RFP. He mentioned the Port was looking to add security cameras in South Beach; they have provided helpful at the commercial marina. Bretz talked about his involvement with the Cascades West Economic Development District and the potential benefit to the Port. He said he is working on NOAA permitting changes. Bretz suggested the Port will want to pay attention to the City's parking discussion because the implementation of their permitting plan will change the way the Port's parking assets work. He commented that the consensus seems to be from the City that they are anxious to help. Bretz highlighted that the axle fees were working out.

C. General Manager

1:07:25

1. 2020 Seafood & Wine Festival Permission Letter

Miranda introduced the Staff Report included in the meeting packet, and commented on the holidays and conferences over the past month. Miranda said staff is moving forward with the budget, strategic plan and strategizing. She said she is also focused on staff training and budget. She added that the first session of training funded in part by the Ford Family Foundation would be held tomorrow. She shared information from the survey about staff satisfaction and dissatisfaction regarding working for the Port. Miranda added that the recent loss of employees was one reason change was needed. After training is complete, there will be follow up on its impact. She added that the Port of Newport has lower compensation rates than even most other ports. Miranda said that she and Burke attended the Association of Pacific Ports conference; she suggested that they add more content, and APP has a new CEO who will be working on that. She reminded the Commission that the SDAO Mission to Washington would be the first of March, which would be intense and provide opportunities for a lot of good contacts, and will be attended by Skamser, Chuck and herself. She asked the Commissioners to let her know if there are topics they want to focus on.

VIII. COMMISSIONER REPORTS/COMMENTS.....

1:14:09

Sylvia spoke about topics discussed when he attended Congressman Schrader's round table, included dredging, BOEM, water, and Toledo ship building training. Miranda commented on the importance of Commissioner attendance at such events, and asked that the Commissioners coordinate with her on attending. She offered to provide information if needed. Sylvia said he was impressed by the support across different organizations, and that he was a good place to communicate.

Burke spoke about training and presentations at the APP conference he attended, including security, sea level rise, National Wildlife Foundation grants, biological assessment, and tools for port development. Miranda added that she will have access to the presentations.

Chuck said he has been added to the Bureau of Ocean Energy Management (BOEM) Oregon Intergovernmental Renewable Energy Task Force.

IX. CALENDAR/FUTURE CONSIDERATIONS	2020	1:22:51
SDAO Annual Conference.....	Feb 6 – 9	
Ardor Adventures Run Love Run Race	Feb 8	
President’s Day, Port Office Closed	Feb 17	
Newport Seafood & Wine Festival	Feb 20 – 23	
Regular Commission Meeting	Feb 25	
SDAO Mission to Washington	Mar 1 – 5	

A Commission Work Session at noon on February 24, 2020 was added to the Calendar.

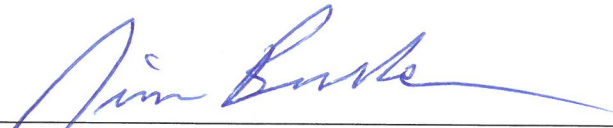
X. PUBLIC COMMENT	1:23:17
--------------------------------	---------

Rex Capri requested a summary of the efforts over the past year to attract new users at the terminal. Miranda will prepare a summary for the past eight months since she started at the Port of Newport.

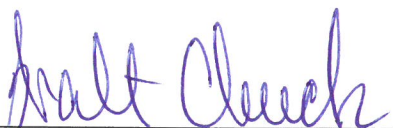
XI. ADJOURNMENT	1:24:08
------------------------------	---------

Having no further business, the meeting adjourned at 7:24 pm.

ATTESTED:



 James Burke, Vice-President



 Walter Chuck, Secretary/Treasurer