

PORT OF NEWPORT MINUTES

September 24, 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**

I. CALL TO ORDER.....

0:00

Commission President Sara Skamser called the Regular Commission Meeting of the Port of Newport Board of Commissioners to order at 6:21 pm at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, Oregon.

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

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: Representative David Gomberg, Oregon Legislature; Angela Nebel, Summit Public Relations; Jim Cline, Rogue; Dietmar Goebel, Newport City Council; Doug Cooper, Hampton Lumber; Derrick Tokos, City of Newport; Evan Hall, Rondys Inc.; David Allen; Stephen Webster, 267 SW Bay Blvd. LLC.

II. CHANGES TO THE AGENDA.....

0:13

There were no changes to the Agenda.

III. PUBLIC COMMENT

0:22

There was no public comment at this time.

IV. CONSENT CALENDAR.....

1:00

- A. Minutes.....2019
 - 1. Regular Commission Meeting Aug 27
 - 2. Special Commission Meeting Aug 27
- B. Financial Reports
- C. Surplus Property Declaration – 10 Washing Machines

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

V. CORRESPONDENCE/PRESENTATIONS

1:30

A.	<u>Delegation OCS Renewable Energy Task Force (BOEM) Letter 2019.09.11</u>	1:42
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Skamser referred to the letter included in the Meeting Packet. Skamser said that she, Miranda, Chuck and Lackey had attended the task force meeting, and there was a lot of information presented. Skamser commented that there seemed to be a lack of input from stakeholders in their plan, and opportunities for stakeholder input were limited. Burke said he appreciated the request to have meetings on the coast. Lackey said this has the potential to be a big issue in many ways.

B.	<u>Status of the Draft Amendments to the City's Public Parking Policies</u> <u>Derrick Tokos email 2019.09.16</u>	3:34
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Skamser introduced the email included in the Meeting Packet, and the Staff Report included as an addendum to the Meeting Packet. Bretz said his report provided a snapshot of what occurred over the past few years, and the City had requested input from the Port. Bretz recommended the Commission issue the letter drafted in the Staff Report. Burke said he supported Bretz’s suggestion. Lackey commented he was a liaison to the Parking Committee along with Aaron, and he supported the letter, proposing that Bretz and Miranda move forward as they see fit and work with the City on the Port’s role in this issue. He suggested the Commission not commit to a more definite recommendation at this point. Skamser commented on the number of fishermen who need parking at the Bayfront. Miranda referred to the city’s parking alternative map included as an addendum to the Meeting Packet. Skamser and Sylvia both mentioned the issue of meters as a point of contention and continued review. Skamser confirmed consensus of the Commission that Port staff move forward with the recommended letter to the City with any changes determined by staff, with signature by the Port Commission.

C.	<u>Letter from the City of Newport regarding validity of Permit No. 13743 for the Development of a Log Export Shipping Yard at 1580 SE Bay Blvd</u>	14:33
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Skamser referred to the Staff Report included in the Meeting Packet. Miranda reviewed the Staff Report, highlighting that the permit is for a log yard only, and justification for an extension is required by the State’s structural code. Miranda said the Commission was not obligated to make a decision at this meeting, but the City wants to hear from the Port by the end of October. She said there may be other uses for the site, and the site itself could use some preparation. Miranda said she had met with representatives from the ILWU and Rondys about possible uses, and did not want to give the impression that the Port was not open for business. Miranda added she had received emails from Commissioner Chuck and a phone call from ILWU representative Yale Fogarty expressing concern about terminating the permit. Skamser spoke about the advantage of recovering funds to use to improve the property. Burke commented that the Port could not provide a timeline for construction right now. Sylvia asked what the cost would be to restart the permit process; Miranda referred to the spreadsheet of expenses included in the Meeting Packet. Tokos confirmed that permit and traffic impact analysis were related specifically to the Teevin Bros. project and further explained details of the permit.

Doug Cooper offered public comment, and said he was surprised the permit was log yard specific since it had been promoted as a multi-use facility. He questioned if a wrong message would be sent if the permit expired, and spoke about the dive taken in the log export market while saw mills were facing a shortage of supply.

Skamser tabled the discussion for a month pending discovery of more facts and consideration of additional information.

VI. NEW BUSINESS

A. Resolution 2019-13 Adopting a Telework Policy 42:27

Brown introduced the resolution and policy, proposed in response to recognized issues and the current method for Port staff to connect from home. He said that no staff regularly teleworks, but occasionally a staff member will coordinate with a supervisor to do so, utilized by 5 – 6 of total staff members. Miranda added some staff members would also like access when at conferences. The policy had been reviewed by the Port attorney, and Splashtop software was recommended by the Port’s IT consultant.

A motion was made by Burke and seconded by Sylvia to adopt Resolution 2019-13 Adopting a Telework Policy. The motion passed 4 – 0.

B. Resolution 2019-14 Authorizing the Refunding of Taxable Lease Revenue Bonds, Series 2010 and Amendment of the Master Lease Revenue Bond Declaration
C. Resolution 2019-15 Authorizing the Issuance, Sale and Delivery of General Obligation Refunding Bonds; Designating a Port Official; Delegating the Negotiation and Approval of Financial Documents and Related Matters 47:39

Miranda asked to discuss items VI (B) and (C) together. She mentioned the letters from August’s Regular Meeting to engage bond counsel to look at refinancing the NOAA and General Obligation (GO) Bonds. Miranda said she was working with David Ulbricht from SDAO, who has received a list of submissions from which he will put together some choices. She clarified that the refinancing will not change the terms of the bonds, but will reduce debt.

A motion was made by Lackey and seconded by Burke to approve Resolution 2019-14 Authorizing the Refunding of Taxable Lease Revenue Bonds, Series 2010 and Amendment of the Master Lease Revenue Bond Declaration and Resolution 2019-15 Authorizing the Issuance, Sale and Delivery of General Obligation Refunding Bonds; Designating a Port Official; Delegating the Negotiation and Approval of Financial Documents and Related Matters as written. The motion passed 4 – 0.

VII. OLD BUSINESS 54:50

A. Items Removed from Consent Calendar

There were no items removed from the Consent Calendar.

B. Accounts Paid 54:54

Brown commented on the reason for the change in the reporting schedule.

C. Quit Claim Deed and Memorandum of Understanding (MOU) with 267 SW BAY BLVD, LLC (Stephen Webster) 56:00

Miranda introduced the Staff Report included in the Meeting Packet. She added that the MOU includes a clause to allow for the occasional vessel extending into the other’s property, which is common practice. Stephen Webster suggested considering blocking vehicle access relative to the dock’s condition. Skamser asked if the Port could replace pilings on PD1 if needed. Webster said if

there was any need to remedy the Port's structure, the Port could use his property for staging. The agreement is a reciprocal arrangement.

A motion was made by Burke and seconded by Lackey to approve the Quitclaim Deed and Memorandum of Understanding with Stephen Webster under 267 SW Bay LLC as presented. The motion passed 4 – 0.

D. South Beach Storm Drain Repair

1:03:17

Bretz introduced the staff report, and said the City was able to get a camera into the most problematic area, referring to the photo included in the Meeting Packet. He said a sleeve wouldn't work in this section, which would need to be excavated. Miranda commented that staff would not ordinarily request approval before a Request for Proposal, but this situation could become an emergency. Bretz said he had spoken with finance staff, and there were unspecified funds that could be used since this wasn't itemized in the budget. Brown commented this was a good use of the per-axle charge fees.

A motion was made by Lackey and seconded by Burke to authorize the General Manager to proceed with the work necessary to address the storm drain issue pending further evaluation, not to exceed \$135,000. The motion passed 4 – 0.

E. Resolution 2109-16 Setting Rates, Fees & Charges.....

1:09:13

Brown said when the rates were approved in June, some of the South Beach rates were left in question. Prices at the RV Park have been adjusted based on market research. He also spoke about the need to address issues with long-term tenants. Sylvia asked how rate increased in general were determined; Brown is looking to analyze costs, in particular electric and sewer. Miranda said capturing costs was also part of the Strategic Plan. Brown added that the Marine Board would be concerned if South Beach was supporting the rest of the Port. Brown said the recreational marina is currently operating near 100%.

A motion was made by Burke and seconded by Lackey to approve Resolution 2019-16 Setting Rates, Fees & Charges. The motion passed 4 – 0.

VIII. STAFF REPORTS

A. Director of Finance & Business Services.....

1:20:22

1. August Occupancy Report

Brown referred to the Staff Report and reviewed highlights. He commented that in the future the balance sheet would be presented twice a year, and overhead allocation will show on income statements moving forward. He added that the Port was ending the busy season and depreciation was not yet included so a better picture of the Port's finances will be found in upcoming months' reports. If depreciation and overhead were included, the Port would show a loss; South Beach is the only unit that is still profitable after those considerations. Brown also pointed out the current status of receivables, and the plan for seizures, notices for overdue accounts, interest and late charges, and potential contracting with a collection agency through State contracts. Miranda added that since the Port is now fully staffed in the administrative office, it is possible to move forward with addressing receivables. Regarding the South Beach Occupancy report, Brown highlighted the sold out marina. He said he expected a drop in occupancy in October, which is typical for the RV Park.

B. Director of Operations 1:33:48

Bretz introduced the Staff Report included in the Meeting Packet. He added that the EDA Grant application was undergoing legal review; he doesn't expect to hear about an award until mid-October. Bretz said he is working with the City on a building permit for the Port Dock 5 Pier project. Also, KPFF Consulting Engineers is reviewing the bid book, which will be sent out for bid contingent on receiving the EDA grant.

Bretz said that ODFW is considering changes to the Dungeness crab season, which could be more difficult to manage at the hoist dock. Sylvia asked if ODFW ever came to the Port to give a report, and suggested arranging for a presentation from the agency once a year.

C. General Manager 1:39:00

Miranda introduced the Staff Report included in the Meeting Packet. She commented that she appreciated Brown and his insights. Miranda added she has received some feedback from reaching out to potential users of the International Terminal (NIT), with an awareness that the Port is not a full terminal operation. Miranda suggested the Port may have to reach out to a third party operator similar to the role Teevin was to play. She is reaching out to set up meetings with different groups, with different commodities. She will also be meeting with Evan Hall to discuss opportunities. NIT is also listed on Oregon Prospector. Miranda added she and Bretz had also met with the Port of Astoria regarding cruise ships. She will also reach out to the fishermen to review their needs, and is looking into the possibility of using the Oregon State University (OSU) dock. Sylvia suggested this topic would be an area of interest for the newsletter.

Miranda said she would like to have Oregon Cascades West Council of Governments (OCWCOG) review the Port's capital projects and strategic plan for opportunities. She said there will be a regional solutions team meeting here in Newport on November 7th, which will not be a public meeting but two Commissioners could attend.

IX. UPDATE COMMISSIONER LIAISON ASSIGNMENTS 1:52:04

Skamser introduced the current list, and suggested it was time to review since there is now a full Commission. The Commission requested information on how often the organizations meet; Hewitt will research and provide information at the next Commission Meeting. David Allen suggested contacting the City's Vision 2040 Committee about stakeholder representation since Sylvia was serving prior to being appointed as a Port Commissioner; Sylvia will look into that.

X. COMMISSIONER REPORTS/COMMENTS..... 2:00:09

Lackey said he requested information from staff regarding the main items in the fiscal year to review with the Commission at a future meeting, perhaps next month, and suggested adding a strategic business plan review. Skamser said she had attended a radio show with Kathy Kraken along with Miranda, had met with Fred Abousleman who is stepping down from OCWCOG, and went to the Yaquina Bay Economic Foundation Meeting with Miranda. She commented it has been nice to share a good word about the Port.

XI. CALENDAR/FUTURE CONSIDERATIONS..... 2:02:42

The November Regular Meeting will be moved to Tuesday, November 19, 2019, and the December Regular Meeting will be moved to Tuesday, December 17, 2019.

XII. PUBLIC COMMENT

2:03:05

David Allen spoke as a Newport resident to make comments on the letter from the congressional delegation to BOEM. He said that letter was the result of a round table discussion with Representative Schrader and the Newport Rec Center. He added a task force would be meeting on Friday, and there is a push to have more local government representation. He also wanted to make sure fisheries and commodities were involved. Allen said he would provide more information when available. He commented there was local support for the PAC wave energy testing facility, but concerns with large wind energy projects.

XIII. ADJOURNMENT

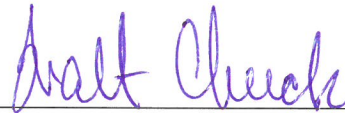
2:10:58

Having no further business, the meeting adjourned at 8:32 pm.

ATTESTED:



Sara Skamsen, President



Walter Chuck, Secretary/Treasurer