

PORT OF NEWPORT MINUTES

March 24, 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

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 6:01 pm by conference phone only, per the restrictions from the Governor on public gatherings due to COVID-19 and Port policy. The Agenda included the contact information for the public and media to attend. Commissioner and Staff attendance, and all votes were taken by roll call.

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; and Karen Hewitt, Administrative Supervisor.

Members of the Public and Media: Doug Cooper, Hampton Lumber; Angela Nebel, Summit Public Relations; Dietmar Goebel, Newport City Council; and Jeffrey Johnson, Budget Committee candidate.

Skamser announced the phone number and participant code for the meeting. She asked if any members of the public or media wanted to comment on a particular Agenda item; no requests were made.

II. CHANGES TO THE AGENDA.....

3:01

There were no changes to the Agenda.

III. PUBLIC COMMENT

3:40

There was no public comment at this time.

IV. CONSENT CALENDAR.....

3:51

- A. Minutes
 - 1. Regular Commission Meeting..... Feb 25 2020
- B. Financial Reports
- C. Contracts
 - 1. HYAK – South Beach Security Cameras \$26,514.44
 - 2. Bergerson Construction – NOAA Camel Chain Replacement \$20,000.00
 - 3. SDIS Property/Casualty Insurance \$268,191.00

Sylvia noted a correction to the minutes on page 5 of 86 to note a motion made by Chuck and seconded by Sylvia.

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

V. OLD BUSINESS 7:16

A. Items Removed from Consent Calendar

No items were removed from the Consent Calendar.

B. Accounts Paid 7:23

A motion was made by Lackey and seconded by Chuck to accept the Accounts Paid. The motion passed 5 – 0.

C. Budget Committee 8:54

Skamser reminded the Commissioners about the appointments at the Work Session on March 18th. Both Skamser and Sylvia reportedly positively on their conversations with Jeffrey Johnson as a Budget Committee candidate.

A motion was made by Lackey and seconded by Sylvia to appoint Jeffrey Johnson to the Budget Committee through 2022. The motion passed 5 – 0.

There was discussion about dates for the General Manager’s performance evaluation and a Budget Committee Meeting. Skamser and Chuck went over the General Manager’s review process. It was agreed that Chuck would prepare the review documents and tally the results, with assistance from Burke so that Burke could take over the process next year. There was consensus that the General Manager’s review would be held by Executive Session at 5:00 pm on April 28th prior to the Regular Meeting at 6:00 pm. Chuck suggested polling the Budget Committee members for dates available in May for a Budget Committee Meeting.

**D. South Beach Storm Drain Repair
1. Resolution 2020-05 Authorizing Transfer of Appropriated Funds
2. Earth Works Excavation Contract**

Bretz introduced the Staff Report, included as an addendum to the Meeting Packet. He said the contract cost listed on the agenda is only for the alternative if needed; the contract cost in the staff report is correct. Bretz said the project was being presented this way because a transfer of funds was required. He reviewed past discussions about the project and the need to have it completed to avoid a potential fuel tank shift and fuel line rupture. He added the recommended contractor provided the most complete proposal, and they method of lining the pipe had also been used by the City of Newport. Bretz talked about the investigation of the pipe and the identified scope of the needed repairs. Bretz also discussed how the scoring was done and the reason for choosing Earth Works, which was

a combination of the evaluators' rankings of Earth Works at first (2/3) or second (1/3), and the cost. Bretz explained why the cost was higher than the initial estimate.

A motion was made by Lackey and seconded by Burke to authorize the General Manager to enter into a contract with Earthworks Excavation in an amount not to exceed \$255,017, and in addition, authorizes Alt.1 if necessary in the amount of \$42,744 for the purpose of repairing the north storm water outfall in South Beach.

Chuck noted that this is a large outlay, not budgeted for or in the Strategic Plan. This is an example of something that can come up that needs addressing.

The motion passed 5 – 0.

A motion was made by Chuck and seconded by Sylvia to adopt Resolution 2020-05 Authorizing Transfer of Appropriated Funds within the 2019-2020 Fiscal Year Budget. The motion passed 5 – 0.

VI. STAFF REPORTS

- A. Director of Finance & Business Services.....
1. February Occupancy Report

Brown introduced the Staff Report included in the Meeting Packet, and referred to the Financial Reports beginning on page 9 of the Meeting Packet. He provided an update on the status of converting bank accounts and said he would be emailing signature cards from 1st Interstate Bank to be signed, scanned and returned; the conversion is being done electronically for now. He said he would be submitting paperwork for the Local Government Investment Pool (LGIF). Brown said he is watching the markets to determine the right time to maximize returns when transferring funds. He commented he sent a Request for Proposal (RFP) for a Voice-over Internet Protocol (VoIP) phone system to Miranda for review, which would save money over time. Brown mentioned that year-to-date cash flow was positive, but negative for February. This would generally be the start of a busy time when cash flow would pick up, but this year would depend on how long isolation was needed to protect vulnerable individuals.

Brown pointed out some changes on the balance sheet, referring to page 12 and “13030 · FB-Assigned - Facility Improve”, which represented axle fees set aside for infrastructure projects. He explained moving forward there will be three types of accounts: assigned, committed and restricted. Also, the unappropriated ending fund balance has been moved from the budgeted section. Brown said the Port has some liability because of the Allegiance HRA deductible reimbursement account, which he will be watching closely. He said a committed fund for improvements at the NOAA pier was set up in January. He mentioned the improvements in accounts receivable and change in invoicing. Brown said he was working with Pete Gintner, the Port’s attorney, to see if scheduled auctions can be delayed. Lackey asked for more information about committed and restricted fund designations; Brown said distinguishing these categories was a legal way to set up the funds that was more efficient for staff.

Brown introduced the RV Park and Marina Occupancy Report, included in the Meeting Packet. In addition to the stay-at-home order, he is waiting for a report from the Chamber

of Commerce showing occupancy rates of other RV Parks before speculating about the reasons for this year's decrease in occupancy in the RV Parks. He will be looking for trends. Skamser commented the Port is heading into leaner times and said staff has been kind and helpful in explaining to users about closures.

B. Director of Operations

Bretz introduced the Staff Report included in the Meeting Packet, saying much is dated already. He has been occupied with the changing situation based on the virus outbreak, changing operations and communication. The South Beach boat ramp has been shut down, along with public restrooms north and south, still allowing for emergency response and limited commercial use of the boat ramp. There was significant use of the boat ramp over the weekend, which had started to taper off on Sunday. Bretz said the commercial marina was busy with some crab coming in as well as equipment at the hoist dock. The International Terminal (NIT) is busy changing shrimp gear and will be changing gear for the hake season.

Bretz said he had a conference call with the EDA regarding performance expectations on the grant, and the EDA is providing helpful checklists. There are a few benchmarks to meet before contracting for project management; the RFP will be reviewed by the EDA before it is released. He explained the status of site certification, and will present documents to the Commission in the future. Referring to the ACOE feasibility study, Bretz said that if the Port does some geotech sampling in advance, that cost won't be eligible for fund matching but would reduce the total project cost and match smaller. Bretz mentioned that Chris Urbach and Jim Durkee have both returned to work in a limited capacity.

Bretz said he had received questions from the Midwater Trawlers' Cooperative about services at the Port with the COVID-19 situation. Bretz said that this work is essential and the Port will keep services available as long as it can. If a percentage of people get sick, we could expect the Port to also be affected, possibly resulting in a reduction in available staff and a slowdown in services. He recommended commercial fishermen get work done as early as they can. He suggested the Port identify essential services, draw back on those that aren't, and responsibly manage staff. He referred to the COVID-19 memo prepared by Miranda, which is posted on the Port's website. There was some discussion about the closure of the boat ramp. Miranda explained the decision was based on guidelines from the Governor and local authorities regarding recreation. She said she had also discussed this decision with the City administration, agreeing on the need to limit tourists. Miranda said she is also in communication with other Ports via email. Sylvia asked about potential liability to the Port if users violate rules. Miranda said she thought the Port has done its part, and does not have the capacity to regulate the behavior of people on their vessels. Brown said the Port has not been given this authority by law. Skamser commented that Lincoln County had also weighed in on the closures.

C. General Manager

Miranda introduced the Staff Report included in the Meeting Packet. She commented things were moving quickly and a lot had been updated since the report was written. Chuck reopened discussion about the boat ramp closure. He said he supported the closure, but had concerns about this not being directly addressed in the County/Cities' Order, and the perception that the Port was acting independently in closing the ramp. Miranda said they had provided a draft of the order prior to the adoption, and she had conversations

regarding closures of tourist attractions with the County and the City. She acknowledged this was a difficult decision, but the Port has to do its part. Essential services are continuing at the Port, and employees are continuing to work. Miranda said she gave employees the option to work from home where possible, and also offered options to use PTO or temporary unemployment. If operations staff can't work, there will be an impact on service and a possible limit to hours of operations. Miranda said NIT will operate as usual as long as possible, aware that the Alaska fleet is coming back. The Port of Toledo is also busy and operating. Miranda added she is speaking with elected officials and state agencies about finding funds for Ports. Some losses are easier to measure than others, and the duration of the COVID-19 situation is not known. Burke said he supported Miranda's decision. He added that only animal care personnel are working at the Aquarium, divided into split shifts with a buffer in between to separate as much as possible essential staff that can't work from home.

Miranda said the PNWA Mission to Washington Conference she attended with Chuck was successful. Miranda said they met with many agencies, including the US Army Corps of Engineers (ACOE) and the Office of Management & Budget (OMB), and elected officials, as well as gathered good information from speakers. Sylvia asked about the specificity of the lobbying done at the conference. Miranda said there was significant discussion about navigation and the importance of the EDA grant. The Port does not have a specific project right now to present, but it was an important opportunity to provide background on the Port of Newport. This next year will be focused on planning.

Miranda said she would be asking Angela Nebel to put out more information over social media, and will be working with her on updates. Miranda mentioned the Commissioners may have received the Harbor News newsletter, which was mailed and posted on the website. Miranda has been working from home, but hopes to be back in the office on Monday.

VII. COMMISSIONER REPORTS/COMMENTS

Chuck expanded on the trip to the PNWA Mission to Washington, and spoke about meetings with senators, representatives and aides from the Pacific Northwest. He talked about meeting with NOAA and additional information that will be needed regarding mitigation. He commented that the coronavirus outbreak did limit some of the elected officials' involvement in the conference. Chuck said they lobbied for using the harbor maintenance tax for dredging. He mentioned bringing Rogue beer to the reception, and that overall the trip was worthwhile.

VIII. CALENDAR/FUTURE CONSIDERATIONS

Item	2020
Regular Commission Meeting	Apr 28
Newport Loyalty Days & Sea Fair Festival	May 1 - 3
Budget Committee Meeting	
2nd Budget Committee Meeting (if needed	
Regular Commission Meeting	May 26
Public Budget Hearing & Regular Commission Meeting	Jun 23

Skamser commented that the General Manager Performance Evaluation will be scheduled for an Executive Session at 5:00 pm on April 28th, preceding the Regular Meeting. She added the Port would be looking to schedule a Budget Committee Meeting in May.

IX. PUBLIC COMMENT

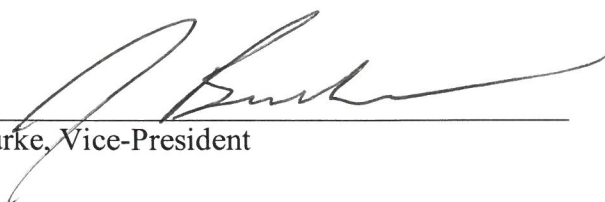
Dietmar Goebel mentioned that the Cities and County made tough decisions last night with consideration for the safety of people. He commented that based on the Governor's direction regarding closing down non-essential services, the Port made the right decision to close the recreational boat ramp. Skamser commented that the City, County and the Port will remain strong partners through all of this.

X. ADJOURNMENT.....

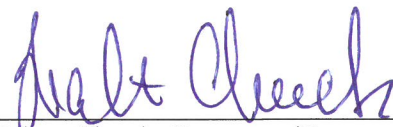
VII.

Having no further business, the meeting adjourned at 7:49 pm.

ATTESTED:



Jim Burke, Vice-President



Walter Chuck, Secretary/Treasurer