

PORT OF NEWPORT MINUTES

November 19, 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); and Jim Burke, Vice-President (Pos. #5). Jeff Lackey (Pos. #4) 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: Angela Nebel, Summit Communications; Dietmar Goebel, Newport City Council.

II. CHANGES TO THE AGENDA

0:23

Skamser presented Miranda’s request that New Business items VI (A) (B) and (C) be moved to the Consent Calendar. Chuck asked that item VI(C) remain on the agenda under New Business. Items VI (A) and (B) were moved to the Consent Calendar.

III. PUBLIC COMMENT

1:05

There was no public comment at this time.

IV. CONSENT CALENDAR.....

1:20

- A. Minutes 2019
 - 1. Regular Commission MeetingOct 22
- B. Financial Reports
- C. South Beach Siding, Additional Work
- D. Resolution 2019-xx Adopting a Family & Medical Leave Policy
- E. Resolution 2019-xx Adopting an IT Security Policy

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

V. OLD BUSINESS.....

1:50

A. Items Removed from Consent Calendar

No items were removed from the Consent Calendar.

B. Accounts Paid 2:00

A motion was made by Burke and seconded by Sylvia to approve the Accounts Paid. The motion passed 4 – 0.

C. Rogue Distillery Lease Amendment (reflecting their address change for State Liquor Board)..... 2:44

Bretz introduced the Staff Report included in the Meeting Packet. He said this related to Rogue’s license for their tasting facilities at the House of Spirits and the Distillery. He noted there was one change to the presented document at the request of the Oregon Liquor Control Commission: under Recitals, change “(otherwise known as OSU Drive)” to “(previously known as OSU Drive)”. He confirmed this was no change to the lease terms or area, just a formality regarding the distillery address.

A motion was made by Chuck and seconded by Burke to authorize the General Manager to sign the Lease Amendment for the Rogue Distillery, changing the address to 2160 SE Marine Science Drive (previously known as 2160 OSU Drive.) The motion passed 4 – 0.

D. NOAA and GO Bonds Preliminary Official Statements..... 4:57

Miranda introduced the Staff Report included in the Meeting Packet. She said the bonds underwriter required the Commission review the disclosure documents and deemed final letter. Chuck commented that the documents referred to the “Pacific Marine Energy Center South Energy Test Site”, which was now called PacWave. Miranda said she would follow up on that. Sylvia commented that there was a need to trust the General Manager when asked to review such a complicated document. Miranda said sometimes Port officials may be more familiar with some of the facts about the Port, but the document had already been reviewed by staff, the Port attorney, and bond counsel. Sylvia expressed concern about any potential risks that were unexpected or unreasonable, e.g. insurance, or if there was anything fundamentally different from the previous bond issue that could have hidden costs or liability. Miranda said staff was working closely with bond counsel and the municipal finance advisor from SDAO, and were relying on their expertise. Questions about concerns to date have all been addressed. Miranda referred to the General Manager’s staff report, page 243 in the Meeting Packet, regarding Moody’s rating the bonds. Miranda there was a conference call with Moody’s, which discussion included port operations, insurance and reserves. Brown said the biggest risk was getting the price asked. He added that typically a trustee holds reserves, which is not true in this case – something to be aware of. Miranda said there should be information next week about the ratings, and sometime in early December the interest rate would be determined. The expectation is that documents would be signed December 16/17, assuming the ratings are available. Skamser asked if there were periodic reviews. Brown said there is an annual audit and certain tax documents to be submitted on a site for municipal bonds sales. This has not been done in the past, and the Port has been catching up. Burke asked if there were any restrictions on the reserve; Miranda said there is only a minimum requirement that at least one year payment amount be marked for specific bond reserve and capital reserve. Brown added that anything left over could go into the general fund, and that the reserved funds were earning 2.65% interest.

A motion was made by Burke and seconded by Chuck to authorize the General Manager to complete and execute the Deemed Final Letter as presented. The motion passed 4 – 0.

VI. NEW BUSINESS.....

16:50

A. Resolution 2019-xx Adopting a Family & Medical Leave Policy

This Resolution was adopted under the Consent Calendar.

B. Resolution 2019-xx Adopting an IT Security Policy

This Resolution was adopted under the Consent Calendar

C. Resolution 2019-xx Adopting a Technology Replacement & Upgrade Policy

17:00

Chuck suggested that on page 218, Section 5.2 of the policy, add “as part of the budget process, as funds are available.” Brown said the Port has 10 products that are 10 years old, running on Windows 7, for which support will end in January 2020. Miranda thanked Brown and Hewitt for putting policies together, and added she appreciated Brown taking care of things that have been needed to improve efficiencies and meet requirements. Sylvia verified that employees will be made aware of the policies; Brown said employees will sign an acknowledgement to be placed in their personnel file. Skamser asked if the computer maintenance system (CMMS) was still up and running. Bretz said it is, and he is looking to expand its use. In response to Sylvia’s question about an inventory management system, Brown commented that he uncovered the need for the technology replacement in building such a system.

A motion was made by Chuck and seconded by Burke to adopt Resolution 2019-xx Adopting a Technology Replacement and Upgrade Policy with an amendment to Section 5.2 of the Policy to add “as funds are available.” The motion passed 4 – 0.

Hewitt commented that the approved Resolutions would be numbered in the order they appeared in the Packet as Resolutions 2019-17, 2019-18 and 2019-19.

D. Bergerson License

26:16

Bretz introduced the Staff Report included in the Meeting Packet. Skamser commented they would be working at an eel grass area. Bretz said there would be no in-water work and the area will be protected. Sylvia asked about the standards for protection. Bretz said this falls outside of permitting, and Bergerson Construction Inc has done the required communication. Any response need would be Bergerson’s responsibility. Bretz confirmed there was no liability to the Port. Miranda added that unlike other vessels, there was no fuel involved, so not an environmental concern. Skamser said she appreciated this information.

VII. STAFF REPORTS

A. Director of Finance & Business Services

31:02

1. October Occupancy Report

Brown discussed the rolling out of staff training, including harassment and discrimination, topics that protect the Port and SDAO. He suggested considering this training for the Commissioners as well. Miranda added training can also help with an insurance discount. She said the training is usually online and available at the SDAO annual meeting, which will be in Seaside this year.

Brown reviewed highlights from the staff report, and referred to the financial reports beginning on page 9 of the Meeting Packet. He added that the Balance Sheet was added back into the financial reports since adding accumulated depreciation to the profit and loss statements also reflects on the Balance Sheet. Brown said that depreciation expenses for NOAA will be moved back to the NOAA so this will be reflected on the restricted funds. He is working on showing depreciation in each profit center, and pointed out the impact of depreciation as shown on page 11 in the Meeting Packet. Brown said the release of an RFP for banking services does not necessarily mean the Port will be changing banks, but staff is looking for the best opportunities. He mentioned the Bond timeline included on page 231. With regard to the aging summary on page 229, Brown said there have been good responses to collections and seizure efforts in the commercial marina, with several payments and payment arrangements made on delinquent accounts. Skamser said this has been communicated well to users. Miranda said the intended message is that the Port wants people to approach staff and make a plan, with an awareness that the Port is managing public assets. Brown said outstanding debt of users of the recreational marina was being handled differently than the commercial marina. If arrangements aren't made, accounts will be sent to collections, and may result in seizures. The Port will try to avoid this upfront.

B. Director of Operations.....

48:17

Bretz introduced the Staff Report included in the Meeting Packet. He commented that if ODFW decides to split the Dungeness crab season, it will have a significant impact at the dock and on storage. Fishermen will be impacted as well. Bretz said the South Beach storm sewer permits should be in shortly. For the Port Dock 5 project there are only about 6 days of in-water work needed; the permits would still be good for the next in-water window. Bretz said that Fritz Graham had called EDA on the port's behalf – they are still working on the grant decisions. He updated South Beach Boat Ramp repair status. The Port has received a conditional permit from the Army Corps of Engineers (ACOE), pending a 401 Certification from the Department of Environmental Quality (DEQ), which should be coming once they've received payment. Bretz added that staff is already working with contractors to schedule the job. Bretz gave more detail on photos depicting the tax lot division changes related to the Rogue installation of wastewater treatment equipment. Miranda thanked Bretz for his extensive research and analysis of this issue. Bretz said the Port's lease from ODOT needs further review, and the Port will work with the ACOE to have the Port own the lot south of Rogue and the surrounding area. Bretz spoke about the difficult job completed by the commercial crew on the PD5 dock repairs, and the value of having the tug. Chuck asked if the cost for the storm water repairs would be in line with the previous estimate; Bretz said he believes so and will bring more information as it moves forward.

C. General Manager.....

1:01:00

Miranda introduced the Staff Report included in the Meeting Packet. She said that time on the job and experience were used as factors in making recent salary adjustments. Miranda talked about considering the needs of prospective tenants of the 9-acre property, including possible multiple uses. She said she is looking at staff education to have well-trained employees who are happy in their jobs and decreasing turnover. Most of the staff has been at the Port for 2 – 4 years, and the Port has lost 2 – 3 employees since she has been here. Training will also provide employees an opportunity to grow. Miranda said Brown has been a big help with human resources. She added that she had met with the Chamber of Commerce (COC) regarding the Seafood & Wine Festival.

Miranda highlighted the meeting with the Regional Solutions Team. There will be another meeting to come with Business Oregon regarding funding for projects. The COC may also provide some funding for a more permanent solution for the festival, which could also be a source of revenue for the Port.

Skamser added that the meeting was encouraging; they did say the Port needs a couple of “wins”. The Commission voiced no objection to Miranda serving on the Aquarium’s board, and Skamser added that there are some common goals. Miranda said the Port holiday party was being planned for December 6th.

VIII. COMMISSIONER REPORTS/COMMENTS 1:17:00

Burke said he attended OPAC meeting and a Sea Grant meeting at OSU. They requested the Port consider placement of a salinity and temperature monitor at Port Dock 5, which is a tool for the fishing fleet. This was a pilot project by Sea Grant last year that is being taken over by the Crab Commission, who would arrange for maintaining the monitor.

Skamser said she attended the Regional Solutions Team meeting and two crab meetings regarding whale entanglement. She said the process for making changes was slowed down, and the fishermen are being professional in providing their feedback.

IX. CALENDAR/FUTURE CONSIDERATIONS 1:19:30

- 2019
- Executive Session General Manager Evaluation, 12:00 pm Nov 20
- US Corps Open House Nov 22
- Ardor Adventures Turkey Trot Nov 29
- Thanksgiving Holiday - Port Office Closed..... Nov 28 – 29
- December Regular Monthly Commission Meeting Dec 17
- Christmas Holiday – Port Office Closed..... Dec 25

There were no changes to the Calendar/Future Considerations.

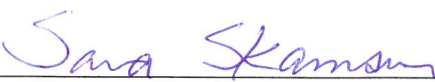
X. PUBLIC COMMENT 1:20:00

Dietmar Goebel asked when Rogue was installing the wastewater treatment system. Bretz said they are working on that now, and were shooting to have it complete by December 15th.

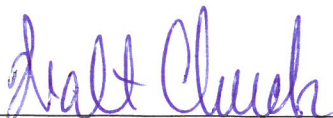
XI. ADJOURNMENT 1:20:52

Having no further business, the meeting adjourned at 7:20 pm.

ATTESTED:



Sara Skamser, President



Walter Chuck, Secretary/Treasurer