

July 30, 2021
12:12 P.M.
Newport, OR

PORT OF NEWPORT COMMISSION MINUTES

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

The Port of Newport Commission met on the above date and time at the Port of Newport Recreational Marina. In attendance were Commissioners Burke, Retherford, Chuck, and Lackey. Sylvia was excused. Also in attendance were General Manager Paula Miranda, Finance Director Mark Brown, and Administrative Assistant Gloria Tucker.

CHANGES TO THE AGENDA

Miranda noted the joint meeting minutes from June 28, 2021, will be included in the next meeting packet. She suggested the Commission elect Commission Officers before conducting the business of the meeting.

NEW BUSINESS

Election of Commission Officers. Burke asked for a recommendation on a slate of officers. Miranda reported, currently, Burke is the President, Sylvia is the Vice President, and Chuck is the Secretary/Treasurer.

MOTION was made by Retherford, seconded by Lackey, to keep the slate of officers the same. The motion carried unanimously in a voice vote.

CONSENT CALENDAR

MOTION was made by Chuck, seconded by Retherford, to approve the consent calendar as presented. The motion carried unanimously in a voice vote.

OLD BUSINESS

Accounts Paid. MOTION was made by Chuck, seconded by Lackey, to approve accounts paid. The motion carried unanimously in a voice vote.

Foulweather Trawl, LLC Lease Amendment and Extension. Burke introduced the agenda item. Miranda reported Foulweather Trawl has been a tenant of the Port for a few years. She stated their lease expired in September, and the Port has been working on updating the lease. She noted there were a few changes to the lease, including increasing rates and adding additional ground space. She explained they need that space for stretching nets, and this will guarantee they have space when things get busy.

Burke expressed support for the new lease. Chuck suggested as new leases go out, to make sure to amend them to reflect current market rates. Miranda replied the leases are being updated, but the rates are adjusted over a few years so there's not a dramatic increase at once.

MOTION was made by Lackey, seconded by Chuck, to allow the General Manager to execute the Lease Amendment and Extension to Foulweather Trawl, LLC, as attached. The motion carried unanimously in a voice vote.

Memorandum of Understanding – Goplen (Port Dock 1). Burke introduced the agenda item. Miranda reported as the Port approached Department of State Lands (DSL) to make an amendment to a lease, they realized there was not a lease. She explained the Port has had that dock for more than 100 years, and sometimes that happens when ports have been there before DSL existed. She noted since they don't have a lease, DSL always gives the upland owner the first right to enter a lease with them. She stated the property deed gave the Port the first right to enter a lease with DSL, but the deed did not include DSL as a party. She added the Port was able to get the upland owner to apply for the lease, and then DSL would assign that lease to the Port.

Miranda reported to protect the Port's rights, she decided to put everything in writing through an MOU. She stated this MOU reflects all the things discussed. She noted the Goplens own Clearwater Restaurant, so the upland property is the restaurant. She indicated that doesn't stop the Goplens from extending their leasehold. She said if the Port or Goplens want to do something, they will work together and try to not create problems for each other.

MOTION was made by Retherford, seconded by Chuck, to allow the Port of Newport and Hans and Janell Goplen to enter a Memorandum of Understanding as attached. The motion carried unanimously in a voice vote.

Eaton – Power Pedestals Purchase. Burke introduced the agenda item. Miranda reported, basically, as the Port finishes engineering work at Port Dock 3 and 5, they are entering the phase where they are ready to do the actual work. She noted they are trying to get ahead and get the equipment needed. She explained if they don't order the pedestal now, then by September or October when they are ready to do the work, they may not be available to install. She indicated there is some back and forth between the city and this company to make sure what is ordered is UL listed. She said the Port's attorney made sure to include some language that should they not get permission for UL listing, then this order is void. She added the Port is only going to buy this if they get the listing.

Retherford stated she supports the idea of upgrading to SMART plugs. Chuck asked if the old twist-on plugs are compatible. Miranda replied she believes they could be compatible, but unfortunately, some boat owners will have to make some upgrades. Burke noted the amp increase and the safety with the SMART plugs is great. He stated he approves the last paragraph that gives option, "the port shall have the option to delay the order further or cancel the order and be refunded any amount already paid, and be relieved of any obligation to pay for supplies or services to the manufacturer and Eaton in relation to this order." Chuck stated if the Port finds out they are not compatible, to let boat owners know of the need to upgrade. Miranda replied staff will be working with the boat owners.

MOTION was made by Chuck to approve the General Manager to contract with Eaton, who is the sole source for this power pedestal, to purchase 58 Marine Power Pedestals in an amount not to exceed \$114,630.40

Brown recommended amending the motion to include GM or designee.

MOTION was made by Chuck, seconded by Retherford, to authorize the General Manager or designee to contract with Eaton, who is the sole source for this power pedestal, to purchase 58

Marine Power Pedestals in an amount not to exceed \$114,630.40. The motion carried unanimously in a voice vote.

NEW BUSINESS

IGA Agreement with Oregon State Marine Board. Burke introduced the agenda item. Miranda reported the Port has been working with the Oregon State Marine Board and all the ports on this Intergovernmental Agreement (IGA). She noted the original IGA put a lot of burden on ports. She explained they hired an attorney to try to implement some language that did not put on as much of a burden. She stated the Board would have given the Port some reimbursement for derelict vessels, but then would require a lot of work that would cost money. She indicated, at the end, they came up with a better agreement. She added it still puts some burden on the ports, there are a few things to do, but in the end, she does not think it is a bad agreement.

Miranda reported there is only so much money available, and there will be some funding from the federal government that will be split among all the ports. She explained ports along the coast are spending between \$30,000-\$100,000 on abandoned boats. She stated the Port will be able to make a request every year, and if they have funds available, they will provide funds for reimbursement. She noted if they don't have the funds, it will come from the Port's pocket as it has in the past. She added last calendar year, the Port spent \$50,000, and this year, they have spent \$20,000 so far.

Burke expressed support for the IGA. He asked if there is any further work on being designated a Clean Marina. Miranda replied the Port already has the designation, but the program has more requirements on top of that. Retherford stated the recreational side has been certified and asked if they need to certify the commercial side. Miranda replied that is not typically done for commercial marinas, but she will look into it.

MOTION was made by Retherford, seconded by Lackey, to approve the attached intergovernmental agreement with the Oregon State Marine Board for abandoned and derelict vessel removal. The motion carried unanimously in a voice vote.

Port of Toledo Intergovernmental Agreement. Burke introduced the agenda item. Miranda reported this is a follow up item with the previous IGA. She explained as the Port removes the derelict boats out of its marina, they have to take them somewhere, usually the Port of Toledo. She stated staff have worked through some old invoices, and they really want to make sure every time they take something over there, and there are some issues, the Port of Toledo will bring that to the Port of Newport before continuing their work. She noted there's not much the Port can do about the towing or storage fees, but there is negotiation on the service they provide in their yard. She added the Port did negotiate a better rate for the storage because it may take a while to work with boat owners.

Miranda reported she put in a 20 percent contingency because the Port of Toledo may not know what they are going to find when they open stuff. She noted sometimes it is difficult to wait a month to bring a repair before the Commission. She stated she would like to be able to enter a contract with the Port of Toledo, and then proceed if costs are higher. She noted she would let the Commission know of the slight increase beyond the initial cost. She emphasized if the cost is much more, she will bring it to Commission first. Chuck recommended keeping close track of costs with Port of Toledo projects. He emphasized the importance of not draining the contingency.

MOTION was made by Chuck, seconded by Lackey, to allow the General Manager to execute the intergovernmental agreement between the Port of Newport and the Port of Toledo as attached. The motion carried unanimously in a voice vote.

Miranda added the Port of Toledo rates included in the packet are rates per hour.

STAFF REPORTS

General Manager. Miranda reported the Port Dock 5 Pier Project is mostly completed, and they had a successful ribbon cutting ceremony. She noted Advanced American will be coming back in August to officially finish the project by installing the new electrical panel for Port Dock 5. She stated the Feasibility Study project with the US Army Corps of Engineers (USACE) for dredging at the commercial docks is underway. She indicated this is a long process that may take as long as two years. She added the electrical engineering plan at Port Dock 5 and 3 is completed.

Miranda reported the Port is looking for an early purchase of equipment in order to avoid delay on the actual installation, which can be expected sometime this fall. She stated the Port started to receive quotes for the conditional assessment of Port Dock 7. She noted they expect that by next Commission meeting, the Port should have some options on how to look at that assessment. She indicated the repair to the catch basin at South Beach Marina was completed, but new sink holes keep popping up. She explained the Port is currently investigating potential sink holes. She added the cost of fixing this one shouldn't be as high as the previous sink hole.

Miranda reported PBS Engineering is still working away on the Rogue seawall. She stated the results should come out soon. She noted she is working on grant through Business Oregon for \$50,000-\$100,000 for PD7. She indicated the Port reached an agreement with the upland owner from Port Dock 1. She added they have not yet reached an understanding with the neighbor of the 343 SW Bay Blvd property, but he seems more open to a possible agreement to extend the dock in front of his property.

Miranda reported the Port is still working with a prospect for the International Terminal (NIT), but there is not much to share yet. She noted, meanwhile, there is an opportunity to apply for a Port Infrastructure Grant with the Maritime Administration (MARAD). She stated this grant is aimed towards smaller ports. She indicated the problem is there is a minimum of \$1 million for the grant application. She added after discussing it with MARAD, a possible alternative is to apply for the grading of the 9 acres and purchase equipment that would be needed for future operations of the International Terminal.

Miranda reported staff have done some research, and that is a possible solution. She noted it is a long shot, since the Port is still trying to bring in a customer. She explained this is one of those chicken or egg situations. She stated by having the proper equipment, one could argue that they have more tools in hand to make the terminal more ready to bring in a new customer. She indicated for the nearly \$2.5 million grant, \$500,000 is needed for the match. She added Commission would have to amend the budget if they get the grant. She asked if there was support for applying for the grant. The Commission reached consensus to apply for the grant.

Miranda reported the Port has been in conversations with the Tall Ships on a possible event next year. She stated this event would take place over the course of 4 days. She noted Commissioner Burke and she met with the Tall Ships' representative on July 28 to further discuss this event. She indicated this may be at the International Terminal. She added if the grading is done, that area could be used for parking.

Miranda reported the event will involve all the maritime folks. She noted she will have conversations with the Blue Economy folks to see if they can be a part of this event. She explained there would be three to five ships here. She indicated one concern is figuring out gangways and access to vessels. She emphasized the need for sponsors. Burke stated the organization is mission driven and passionate about education. He noted the fact tall ships were built near here in the past is a good tie. He indicated they did not bring up much about financials, but that would be discussed next.

Miranda reported if the Port decides to move forward, a contract would come to the Commission in September/October. She emphasized the need to put together a committee on how to manage this festival. She noted a couple of employees left the Port to move across country, which left a gap on both the RV Park and the Administration office. She announced the Port promoted Erica Breece as the new RV Park Supervisor and hired Gloria Tucker as the new Administrative Assistant. She added they promoted Aja Burke as the new North Commercial Harbormaster. She explained the current harbormaster Kent Gibson is on a leave, and when he gets back, he will give a final training before he retires from the Port.

Miranda reported the Port financials are still looking good. She noted they are currently reviewing four of the six responses to the Financial System RFP for a final selection. She stated the Port has received a \$10,000 grant from the Oregon Cascades West Council of Governments thanks to Brown's application. She indicated Brown is currently working on a cybersecurity plan, as well as the employee handbook update. She added he is also working on an affirmative action plan, which the Port currently doesn't have, but should.

Miranda reported South Beach (both RV park and Marina) are at full capacity. She stated, unfortunately, the downfall of full capacity is the number of complaints it generates. She noted complaints are typically due to the lack of parking, long lines leading to the launch ramp, and not enough space on the cleaning tables. She indicated, unfortunately, some of those problems will only be resolved with time. She added some may never be resolved due to lack of real estate to expand. She explained staff will continue to work with customers in addressing as many issues as possible.

Miranda reported the Port is still pursuing some grants through Business Oregon, ODFW, MARAD and the EDA for the South Beach Marina, NIT, and the Commercial Marina. She stated they are down to the last stretch in finalizing bid documents for the Admin Building. She noted they just received an award letter from Business Oregon approving a 20-year loan should the Port receive competitive bids and decide to move forward with the building construction. She indicated a copy of the letter is attached. She added the Port has provided a license for OSU to use Recreational Marina launch ramp, finger docks, and rear section of the parking lot for scientific training purposes between July 26-30.

Miranda reported she was approached on a possibility of joining the Oregon Coast Aquarium Board. She noted she attended their board meeting as an observant on July 24. She indicated she plans to join the board. She asked for questions from the Commission. Chuck suggested creating a FAQ on crabbing. He stated there is misinformation on the old ramp. He recommended getting bullet points to the public on the ramp. Miranda replied she will work with PR Specialist Angela Nebel on a Facebook post and the next newsletter.

Miranda reported she received a letter from the West Coast Seafood Processors Association about concerns on reintroduction of otters in the Bay. She confirmed the Commission is comfortable with her signing the letter. She added she will post letter in the next packet. Chuck

noted the huge impact to the seafood industry and possible loss of access that reintroduction may have. Burke and Retherford noted potential conflicts of interest.

ADJOURNMENT

Having no further business, the meeting adjourned at 1:26 P.M.

ATTESTED

JAMES BURKE

JAMES BURKE (Aug 30, 2021 15:16 PDT)

James Burke, President

Walter Chuck

Walter Chuck, Secretary/Treasurer