

PORT OF NEWPORT
COMMERCIAL FISHING USERS GROUP COMMITTEE MINUTES

April 18, 2019
Committee 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

Committee Chair Heather Mann called the Regular Meeting of the Port of Newport Commercial Fishing Users Group Committee to order at 9:01 am at the South Beach Activities Room, 2120 SE Marine Science Dr., Newport, Oregon. Mann asked those present to introduce themselves.

Committee Members Present: Mike Pettis (Pos. #2); Heather Mann (Pos. #5); Ted Gibson (Pos. #6); Bob Eder (Pos. #9); and David Jincks (Pos. #11).

Alternates Present: Clay Archambault (Pos. #1); Cari Brandberg (Pos. #3); John Holt (Pos. #7); and Jerry Biddinger (Pos. #8).

Committee Members Absent: Ernie Phillips (Pos. #4); and Dave Wright (Pos. #10).

Port Commission Liaisons: Sara Skamser and Jim Burke.

Management and Staff: Teri Dresler, Interim General Manager; Aaron Bretz, Director of Operations; Don Moon, International Terminal Supervisor; Mark Harris, Accounting Supervisor; and Karen Hewitt, Administrative Supervisor.

Members of the Public and Media: David Olsen, Newport resident; John Moody, Pacific Seafood; Josh Brown, Pacific Seafood; Mike Storey, F/V Pegasus; Rex Capri, Newport resident; Bill Olivera, Pacific Seafood; and Gary Ripka, fisherman.

II. CHANGES TO THE AGENDA

1:38

Mann requested information about squid at the Terminal. Jincks mentioned critical weight restrictions over the bow of the Hennebique located in the Newport International Terminal (NIT) lot. He asked that Port staff pay attention to managing use of that space.

III. PUBLIC COMMENT

3:15

There was no public comment at this time.

IV. PROPOSED PORT OF NEWPORT RATES FY 2019-2020

3:39

A. **Discussion of Staff Recommendations.** Bretz introduced the rates document and two related staff reports, included in the Meeting Packet. Bretz said no decisions had been made by the Commission regarding these proposed Rates. There was discussion about the timing of getting the electrical project done at PD5. Bretz reminded the committee that the Port Dock 5 Pier project is a precursor to upgrading pedestals.

Bretz shared some of his research on dockage rates for large vessels and possible consequences for the proposed increase in dockage at NIT. Mann asked where the revenue from increased fees would go. Dresler said the revenue goes into the General Fund from which expenses were paid for all lines of business. The Port can't afford to keep the lines of business separated because they can't pay for themselves from year to year; the lines of business would need to be self-sustaining to be isolated. There was additional discussion about the comparison of rates at NIT and the Commercial Marina, and the possible impact of rate changes on usage. Jincks commented on the value of services uniquely available at the terminal. There was discussion on options for adjusting transient rates to a greater percent. There was also discussion about the lack of availability of annual moorages, and possible consideration for home port boats.

Bretz shared research he had done on fuel surcharges. He added he was concerned about future regulations that could affect the Port on regulated fuel transfer requirements. There was discussion about the proposed truck fee per axle. Olivera asked about the per axle fee as it would apply to the fish plant. Bretz and Dresler both commented that the terms for leaseholders would be negotiated and addressed in their leases.

Mann expressed concern that the available storage at NIT was shrinking. Bretz said the Port would make storage on Port property work, and there were plans for paving. There was discussion about the advantages of storage at NIT and possible impacts from Rondys development. Bretz answered questions about how squid gear was being charged: storage, wharfage, trucks per axle, and service fees. The revenue generated has not yet been calculated. Dresler confirmed that there was not an agreement with the ice plant to use the pier; the plant was planned on Rondys property by Community Ice, LLC, led by George Hall and Ed Backus.

Mann asked about the reported reduction in revenue at NIT. Harris explained he had completed a 4 year month by month comparison, and a significant drop in revenue was found when there was a period of staff turnover, which may have resulted in inconsistent recording and oversight of revenue at NIT. He plans to look at the service tickets for that period. Harris added that revenue was trending back up. In addition, the Port is looking for ways to automate the process in this budget period.

Mann asked about Charter rates. Dresler said the Port was stepping up enforcement of proper licensing to get a better picture of the situation. Mann asked the group to come to a consensus for recommendations to the Commission at their next Budget Priorities Work Session. Dresler said the budget meeting would be an opportunity for the Commission to weigh in on priorities and seek more information from staff. A recommended budget would be prepared to be distributed to the Budget Committee on May 7th in preparation for their meeting on May 14th. May 1st would be a deadline for changes. Mann suggested that the Committee would provide recommendations regarding commercial moorage, NIT moorage, storage, truck fees and fuel surcharges. Bretz spoke to the benefits of committing to the three year plan for increasing commercial moorage rates. There was additional discussion about the funding for capital improvements. Dresler suggested the Committee comment on what was discussed today regarding the importance of rebuilding Port Docks 5 and 7, and said the electrical work being discussed is a preliminary slice of that huge project. Bretz added that the Port Dock 5 Pier rebuild is a precursor to these projects. There was additional discussion about the moorage rates options and impacts of those changes.

The Committee made the following recommendations by consensus:

1. Increase commercial moorage rates in line with the three-year non-compounded proposal, increasing daily and monthly moorage rates 15% and semi-annual and annual rates 10% for FY 2019-20.
2. Move forward with the proposed moorage exception rate at NIT.
3. Accept the storage rate change at NIT and encourage storage to remain on Port property.
4. Accept the proposed truck fee per axle with special arrangements for leaseholders.
5. Leave the fuel surcharge at the current rate.

V. NIT OPERATIONS 1:42:50

A. Gear Storage. This item was discussed as part of Item IV.

B. Forklift Use. Bretz gave a reminder to the Committee of the rule that only Port employees may operate a forklift on Port property, for both reasons of revenue and liability. This is different for leaseholders using forklifts on their leased property in the conduct of their business. There was some discussion about the guidelines. Bretz said it is important for the Port to maintain and regulate use at the pier.

VI. HB2284 UPDATE 1:46:26

Mann said that a hearing on the Bill was scheduled for Monday, April 22nd, at 3:00 pm, to be heard with two other bills. She may go and provide comment. Skamser said that she and Stewart Lamerdin were prepared to represent the Port; a Resolution had already been passed by the Commission in opposition to the Bill. Skamser said they were building on the relationship with the lawmakers and the community at large, and the Port has made a decision to get a communications consultant.

VII. FUTURE AGENDA ITEMS/COMMITTEE COMMENTS 1:50:30

Biddinger said that cleats are pulling loose at the outer dock on Port Dock 7. With salmon season kicking off, there will be an influx of trawlers; repairs are needed. Mann said that most of the Alaska boats are on the way back, most hoping to get in by June 15th. There are boats already double-tied at NIT. She added that an economic report on the commercial fishing industry is being prepared which will be publically available when complete.

VIII. PUBLIC COMMENT

There was no public comment at this time.

IX. ADJOURNMENT 1:57:00

Having no further business, the meeting adjourned at 10:58 am.

ATTESTED:

Heather Mann, Committee Chair

Bob Eder, Committee Vice-Chair