

PORT OF NEWPORT
MINUTES
April 22, 2014
Regular Meeting

I. CALL TO ORDER

Commissioner Jincks the regular meeting of the Port of Newport Board of Commissioners to order at 6:00 pm. in the South Beach Marina Activities Room.

Commissioners Present: David Jincks, Vice-President; Walter Chuck, Secretary; Ken Brown, Treasurer.

Commissioners Absent: JoAnn Barton, President; Dean Fleck, Assistant Secretary-Treasurer.

Port of Newport Management and Staff: Greenwood, General Manager; Albaugh, Director of Finance; Gibson, Port Staff; Webster, Administrative Assistant.

Others Present: Dennis Anstine, News Times; Dave Morgan, News Lincoln County; Yale Fogarty, Brian Coreln and Pat Ruddiman, ILWU Local 53; Jim Shaw, South Beach resident; Lee Fries, Newport; Hal Pritchett, Private Citizen; Chris Olson, Newport Marina Store & Charter; Mike & Vella Sorensen, FV Miss Raven; Robert Waddell, FV Misty, FV Ilwaco Indiana and Sea Pirate II; David Debelldy, FV Enterprise.

II. Changes to Agenda: No comments or changes to the agenda were made.

III. Approval of Minutes, Financial Reports and Paid Accounts:

- A. Minutes
 - 1. Regular Meeting-March 25, 2014
 - 2. Budget Priorities Work Session-April 8, 2014
 - 3. Tariff Work Session-April 14, 2014

Motion by Jincks, seconded by Brown to approve the minutes of the Work Session of March 25, 2014, Budget Priorities Work Session April 8, 2014 and Tariff Work Session April 14, 2014 meeting. Motion carried 3-0.

- B. Financial Report-Albaugh, Director of Finance
 - 1. Financial Reports
- C. Accounts Paid

There were no questions or discussion on the financial reports but approval of the accounts paid will be reviewed and approved at the next scheduled meeting.

Motion by Jincks, seconded by Chuck to approve the Financial Reports but to postpone approval of the Accounts Paid as submitted till the next meeting. Motion carried 3-0.

IV. Public Comment: No public comment was made.

V. Correspondence/Presentations: No correspondences or presentations made.

VI. OLD BUSINESS:

- A. Resolution Updating Tariffs:

Greenwood updated commissioners as to who attended the Tariff meeting of April 14, with attorney Michael Haglund and the reviewing of the first draft presentation of the Tariff to users and interested parties. This second draft document presented today included the recommendations made earlier. Some changes were as follows as identified under their specific clause in the Tariff document: conversion of measurement to gallons, ordering of vessel to vacate wording to include "subject to USCG approval" (pg 9), Port security fee would be \$895. per day (suggestion was made to word the fee to be "Time in Use" verses a specific dollar amount, Greenwood was open to this idea as long as fee charged would cover all costs associated with security) (pg 10), Collection and Guaranty of charges would include wording as "or the shipper" as an additional party of responsibility for charges when they are not absorbed by the cargo owner (pg 10), Fuel (pg 21) more information needs to be reviewed and considered

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in regards to past/current fuel rate charges and or surcharges, recommendations to charge the gas tanker a "user" fee for coming on to Port property was made (pg 21), addition to include "Above 198" length was done (pg 27), Indemnification and Insurance added wording "to comply with all General Rules in Section I of this Tariff and" (pg 34), and Labor Rates wording to read "Labor will be charged at the rates set out in the current ILWU/PMA West Coast Contract" union was specifically noted in this line; were pertinent revisions to be reviewed by the commission today. All the revision will be presented again at the May 13, 2014 meeting.

Greenwood asked for any further comments regarding this document and none were made.

- B. To Read An Ordinance Creating By-Laws for the Port of Newport Board of Commissioners by Title Only (ORS 198).

The is to approve to read the ordinance by title only at the next scheduled meeting.

Motion by Chuck, seconded by Brown to approve to read the ordinance by title only at the next meeting. Motion carried 3-0.

VII. NEW BUSINESS:

- A. Seafarer Lease Renewal

Current term of lease presented is at .74 cents per square foot when previous rate should be at \$1.35 per square foot. Question posed as to why a variation, more information needed to be attained to respond.

Motion by Jincks, second by Brown to attain the right to postpone the approval of this lease for one month to give Greenwood the time to attain the necessary information to present before the board could approve a lease. Motion carried 3-0.

- B. Resolution (No. 2014.02) Changing Enterprise Zone Boundary

This resolution is to attain a 3-5 year tax deferment if the Port participates with all parties (Cities of Lincoln City, Newport, Waldport, Toledo, the Ports of Toledo, Alsea and as well as Lincoln County) in this Enterprise Zone. The described property 7,561 acres is in Lincoln City.

Motion by Chuck, second by Brown to approve and sign resolution No 2014.02. Motion carried 3-0.

- C. Intergovernmental Agreement with Special Districts Insurance Trust

Greenwood presented the new Joinder of Trust Agreement from SDIS that needed to be signed to be included under ORS Chapter 190. The last Trust agreement was in 1985 and SDIS decided to update the agreement. Cost associated with this agreement will be going up as previously presented at a previous meeting.

Motion by Brown, second by Chuck to approve and sign Intergovernmental Agreement with Special Districts Insurance Trust Joinder. Motion carried 3-0.

- D. Resolution Adopting Rates, Fees and Charges

Rates within the entire document presented are still being worked on by staff. Section 1 item E City Water was reviewed and deemed that we will be allowed by the city to resale water, item F Fuel Surcharge will be reviewed and modified, Section 8 regarding retail sales of gift certificates, promotions, sponsorships and sundries was requested to the commission to delegate the manager the ability to set prices for mentioned items. More public knowledge of these upcoming changes to charges will be spread through meetings like this, Fisherman's Forum and the South Beach Marina User's meetings. Approved rates are scheduled to take place on July 1st, 2014. Question was raised how to enforce rates of those individuals conducting themselves as a charter business without a permit, business or appropriate insurance. When we have current local individuals who have for years worked with the Port and City with the appropriate documents. Greenwood responded by needing more information of how business is currently conducted by the current users and how to monitor others who are working outside the system.

More information and updates will be presented as we move forward to completion of the rate structure.

- E. Award Auditing Contract with Grimstad & Associates for \$21,100

Finance director Albaugh presented the final bids for the auditing services and made his recommendation based on quality, cost, and knowledge of service, industry references and client referrals. This will be a great cost savings to previous years audit services.

Motion by Chuck, second by Brown to approve, sign and award Grimstad and Associates the Audit Contract. Motion carried 3-0.

VIII. STAFF REPORTS:

- A. Departmental Reports
 1. Kevin Bryant, Commercial Marina Harbormaster
 2. Jim Durkee, Terminal Operations Manager*
 3. Rick Fuller, NOAA Facilities Manager
 4. Penny Gabrielson, south Beach Occupancy Report
 5. Chris Urbach, South Beach Marina Harbormaster
 6. Mike Goff, TCB Security

*Jim Durkee is taking a lot of additional responsibilities and education in preparation for the future activity the terminal will be having. No other comments were made regarding the staff reports.

- B. General Manager's Report
 1. Hoist Dock Grant Process

Port of Newport finished in third and the next meeting is scheduled for April 24th and the ACT is going well.

2. Terminal Renovation Project, Dredge/Mitigations Permit Progress

Thanks to Chuck who forwarded a list of questions to Greenwood to ask and receive answers to media use regarding budget, dredging, and recreational access. Greenwood will provide information at next scheduled meeting.

3. NOAA Recreational Mitigation Projects

Approximately 3-4 projects are still to be completed as we are being told by ODFW. Review of the original documents will need to be reviewed to confirm where we actually stand with what projects need to be done. Certain projects that were done didn't pass ODFW inspection for example the steps under the bridge (we will need to review the specs as originally indicated in the original documents to understand what the original requirements/specs we were to follow). Second project access point at McClain point received permit but was denied due to liability. Third project port dock E is in bad condition to allow public crabbing. Chuck responded that he could help Port with our communication with ODFW as to what projects need to be fulfilled and to what specifications. Further information will need to be attained and presented.

4. Yaquina Bay Fruit Processing Update

Greenwood presented the current letter of received by Yaquina Bay Fruit Processors requesting a long term lease agreement. The letter suggested a two step process to formalize the agreement. The first step would be to extend the current lease as it stands to September 2016. Then YBFP and the Port would have time to review/resolve the details of the current site plan, permit approval by the City of Newport regarding modification and zoning and plans for areas of site not being used by YBFP. Some preliminary site plans were previously attain by GLAS Architect and would need to be reviewed by Greenwood.

The Port has been approached by others (ODFW, Marine Studies Campus, and Port reserved land use) interested in use of the site currently used by YBFP. The total site is 4-5 acres and YBFP utilizes 2-3 acres. The objective is to make use of the entire site if possible. Funding will also be reviewed since funding was originally attained in the beginning to development the site through the Yaquina Bay Initiative; review of where we stand with the funding will be reviewed and presented when information is gathered.

IX. COMMISSIONER REPORTS:

A. P MEC Communications Protocol

This document was presented by Chuck covering the latest protocol to follow regarding communications with the public. No comments were made regarding this document. Request was made to have Brown to represent the Port on the Airport committee.

Motion by Brown, second by Jincks to approve and implement this P MEC Communications Protocol document. Motion carried 3-0.

X. PUBLIC COMMENT:

Mike Sorensen of Miss Raven who charters through Newport Marina Store and Charters shared his concerns with the commission regarding raising rates to those who have received commercial rates for years due to the inability to safely board their clients at the commercial docks and lack of available dock slip availability as well (would be taking slips from the commercial fishing fleet) it was deemed many years ago for the charters to use the South Beach Marina to conduct their business at the commercial rate for these two factors. The cost to him would be \$700 annually and may not seem a lot to most but it is for him. Chris Olson owner of Marina Store and Charters who coordinates the charter services at the marina commented that for 42 years the charter fleet has brought in much need tourist to the community with the services that they offer from hotel stays, to fishing supplies, to restaurants, etc. To raise the rates would be a hardship to many of the charter fleet due to other increasing costs in insurance costs to name a few. They constantly battle those that advertise as charters and don't call South Beach their home Port and don't pay all the legal fees it takes to operate legally in this community i.e. in permits, taxes etc. Robert Waddell of FV Misty and several other boats who has been chartering from the Tradewinds for 50+ years suggest that the charter fleet have a "Charter Rate" like the commercial fisherman have and not be classified as "Recreational". He also mentioned that most clients who enjoy fishing are familiar with the quality of service the charter fleet gives them and the ease of boarding the South Beach Marina offers by location. His business also brings much business and revenue to the community as other charter boats due and recommends that we stay with the same rate, at present if the rate should go up it would cost him approximately \$2,000 dollars annually. Greenwood noted that more services are offered at the South Beach Marina that is not offered at the commercial docks that warrants the increased costs. Greenwood commented that more knowledge and information as to the activity, size of vessel, type of vessel use etc will need to be gathered and reviewed with staff, end users and him. Greenwood wanted to assure everyone that he would try to find a compromise with those affected. And this is a long needed effort to standardize the rates and services offered at both marinas.

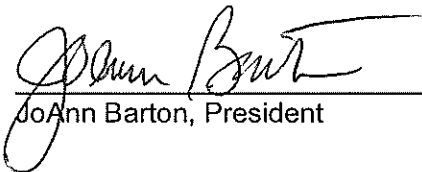
XI. UPCOMING MEETINGS/EVENTS:

- A.
- B. Budget Committee Meeting, May 13, 6:00pm
- C. Fishermen's Forum, Port Dock 7 Operations Shop, May 14 8:30am
- D. Commission Work Session May 23, 12 pm
- E. South Beach Marina Users Meeting, May 21, 8:30am
- F. Regular Commission Meeting May 22, 6:00pm (Rescheduled) Central Lin.PUD

XII. ADJOURNMENT

There being nothing more to come before the Board of Commissioners, the meeting was adjourned at 7:40 pm

ATTEST:



JoAnn Barton, President



Walter Chuck, Secretary/Treasurer