

March 19, 2024
6:00 P.M.
Newport, OR

PORT OF NEWPORT COMMISSION MINUTES

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

The Port of Newport Commission met on the above date and time at the Administration Building, 600 SE Bay Blvd., and virtually via Microsoft Teams. In attendance were Commissioners Sylvia, Retherford, Ruddiman, Chuck, and Lackey. Also in attendance were Executive Director Paula Miranda, Director of Business and Finance Services Mark Brown, Operations Director Aaron Bretz, PR Representative Angela Nebel, and Administrative Assistant Gloria Tucker.

CONSENT CALENDAR

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

OLD BUSINESS

General Liability Limits. Sylvia introduced the agenda item. Bretz reported currently the Port requires charter boats provide insurance up to general liability limits of \$2 million plus commercial vessel limits. He explained he recently worked through this with one business and anticipates there will be more requests for variances. He noted in insurance premiums the \$1 million limit is generally \$1,500 annually, and \$2 million is \$5,000 a year. He stated some of these charters are small businesses, running a few trips a year. He indicated he talked to SDIS, and they clarified they would cover the Port. He added the Tort limit is \$2 million.

Bretz reported his recommendation is to consider businesses for approval if they can provide a \$1 million limit of general liability coverage, name the Port as additional insured and include premise additions for their use of the facility. He stated a lot of small charter boats claim they are 26 feet long and ask why they need to carry \$2 million of coverage since they can only do so much damage with a small boat. He explained the coverage is for their customers, if a customer trips or falls and it results in a permanent disability, they could sue the Port for \$2 million. He noted the charters' business brings people into the facility, and they are not covered under recreational immunity because people pay for the trips. He indicated he thinks it's reasonable to consider a \$1 million limit provided they met the Port's other requirements. Miranda added she felt it was better to apply this rule across all passenger vessels, rather than one by one.

Chuck asked is this for inspected charter vessels. Bretz replied this applies to all commercial passenger vessels. Chuck confirmed with staff the big vessels would also have a \$1 million limit. Sylvia asked what would happen if Commission denied this request. Bretz replied the Port has a permit process, and those people without \$2 million liability would be denied. He stated in practicality those businesses will try to get away with it. He added the Port would lose some businesses who are concerned about following the rules. Chuck asked what the permit compliance rate is. Bretz replied he doesn't know the rate, but 15 permits have been issued. Chuck asked if illegality opens the Port up for liability. Bretz replied it is a legal fight at that point.

MOTION was made by Lackey, seconded by Retherford, to authorize staff to make the appropriate changes to the existing rates and insurance requirements to authorize Commercial Passenger Vessels to operate at the Port with a General Liability Limit of \$1 million to include a combination of liability and premise extensions in addition to the standard requirements for a commercial vessel. The motion carried unanimously in a voice vote.

Approval of Resolution 2024-04 Regarding Fiscal Year 24-25 Rates, Fees, and Charges. Sylvia introduced the agenda item. Brown reported last Commission meeting, the Commission discussed rates and fees. He explained staff were asked to take another look. Miranda summarized the letter from the Longshore regarding their concerns about charging for parking at NIT. She stated staff talked about it, and since they are providing a service for the Port, she suggests the Port provide them free passes while they are doing the work. Lackey asked how parking is going to work at the Terminal. Brown replied there will be the same rates as the commercial parking. He explained people will need to get a permit at the Administration office. Miranda explained the charges will help with maintenance costs for parking. Bretz added vendors aren't charged for parking. Brown added the Port could also issue free one-day passes for vendors.

Sylvia asked if the current rates and fees are about CPI. Brown replied originally some fees were higher than CPI because of higher costs, but this schedule used CPI across the board. Miranda explained at the last meeting there was some comments from Lackey and Retherford who were concerned about commercial fees because the fishing industry had a big hit this last couple of years. She noted there was a request to take it easy. She stated the rates will be pulled back this year to focus on CPI, and staff will see where the Port stands next year. She added if it is necessary to revisit, the Port can.

Lackey asked if there has been any discussion with anyone who uses the Terminal about the parking. Miranda replied staff are having a Commercial Fishing User Group meeting in April to discuss several things, including parking. She added the fees will not be implemented until July. Lackey noted there may be shrimpers who only come one time to the Terminal, and it would be nice to have those conversations ahead of time. Brown stated, if necessary, staff could build in a daily rate.

MOTION was made by Ruddiman, seconded by Chuck, to adopt resolution 2024-04 setting Rates, Fees, and Charges. The motion carried unanimously in a voice vote.

Approval of Amendment to NOAA Lease. Sylvia introduced the agenda item. Brown reported NOAA gives a one-time payment to help reimburse for costs associated with their lease. He explained this was implemented shortly after the original contract was signed. Miranda explained this adjustment is part of the lease, but NOAA always calls it a lease amendment, triggering additional approval. Sylvia confirmed with staff the dollar amount is \$34,000.

MOTION was made by Retherford, seconded by Ruddiman, to authorize the Executive Director or designee to sign Amendment 34 to the NOAA lease. The motion carried unanimously in a voice vote.

Executive Director Performance Evaluation. Sylvia introduced the agenda item. He reported the Commission reviews Miranda every year. He stated in general, the Commission scored her performance at a high level, including internal and external leadership, fundraising, working with the Congressional delegation, and all her work in the community. He indicated this

is very consistent with the last two years. He added Commission is talking about a salary increase, which includes the categories of merit, cost of living, competitive rate, and one year bonus.

Sylvia reported his focus would be primarily on COL or merit. He noted he is not sure there is a competitive rate issue, but that can always be revisited in the future. Lackey confirmed with Sylvia the Commission will discuss salary tonight. Chuck asked Miranda her thoughts in consideration of the budget and highest staff increase. Miranda replied any increase should include CPI, and she didn't expect merit to be any higher than for the other employees, which is no more than 3 percent. She added an increase is entirely up to the Commission.

Sylvia stated the CPI is 3.7 percent, so a total 6.7 percent would be the increase. Chuck stated whatever the increase, he really appreciates Miranda's work for the Port. Retherford asked if more PTO would be needed. Miranda replied she does not need more. She added eventually she would like to have a position that is a Deputy Director who can cover the time she is away.

MOTION was made by Chuck, seconded by Lackey, to increase the Executive Director salary to CPI plus the highest employee merit rate increase of 3 percent, for a total of 6.7 percent effective on her contract date. The motion carried unanimously in a voice vote.

Approval of Port Office Rental – NW Vessel Management, LLC. Sylvia introduced the agenda item. Miranda reported Commission approved TCB for this lease a few months ago, but they decided not to lease the property. She noted the offices were listed for lease again, and folks from NW Vessel Management expressed they would like to lease starting May 1. She explained it's a company that manages various fishing vessels, and the Port did a background check, and they look good. Sylvia asked how they manage vessels. Retherford replied they manage the financials and paperwork, business services, for several vessels. Miranda added she thinks they are a great fit.

MOTION was made by Retherford, seconded by Lackey to authorize the Executive Director or designee to execute a lease with NW Vessel Management, LLC as attached. The motion carried unanimously in a voice vote.

STAFF REPORTS

Executive Director. Miranda presented the report included in the packet. She noted the Pacific Coast Congress of Harbormasters Conference is coming up April 1-4, hosted in Newport. She stated Representative Hoyle will be one the speakers. Retherford asked if the Port needs any help from Commission. Miranda replied the schedule is set, but let staff know if planning to attend. She added she is working on the newsletter, which is focusing on the environment.

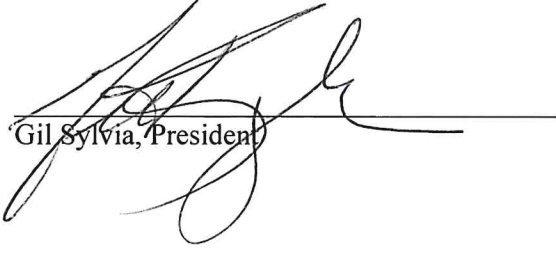
COMMISSIONER REPORTS

Chuck reported on his attendance to the Mission to Washington. Retherford asked if there was any talk of help with dredging. Chuck replied the Ports talked about the skyrocketing price of dredging and how to maintain that in the future. Miranda noted several legislators endorsed the Water Bill (WRDA), which allows the Army Corps to take on small marinas. She added she doesn't know when that is going to be enacted. Lackey confirmed with staff the PIDP grant is a candidate for the Port Dock 7 rebuild. Miranda noted the max of that grant is \$25 million.

Rethford asked for the date of the CFUG meeting. Miranda replied that will be around April 15 or 16. Discussion ensued on the upcoming meeting regarding sea otter reintroduction.

ADJOURNMENT

Having no further business, the meeting adjourned at 7:04 p.m.



Gil Sylvia, President



Walter Chuck, Secretary/Treasurer