PORT OF NEWPORT MINUTES
March 24, 2015,
Regular Meeting

I. CALL TO ORDER

Commission President Walter Chuck called the regular meeting of the Port of Newport Board of Commissioners to order at 6:05 PM at the South Beach Marina and RV Park Activities Room.

Commissioners Present: Walter Chuck (Pos. #1), President; Dean Fleck (Pos. #5), Vice President; Ken Brown (Pos. #4), Secretary / Treasurer; JoAnn Barton (Pos. #3); and David Jincks (Pos. #2).

Port of Newport Management and Staff: Kevin Greenwood, General Manager; Stephen Larrabee, Director of Finance; Roxie Cuellar, Administrative Assistant; and Rick Fuller, NOAA Facilities Manager.

Members of the Public: Wayde Dudley; Barb Dudley; Yale Fogarty; Ralph Busby, Newport City Council; Pat Ruddiman; Joe Novella; Tim Gross, Director of Finance, City of Newport; Stewart Lamerdin, candidate for commission position #3. Kiera Morgan, Dennis Anstine, and Larry Coonrod represented the media.

II. CHANGES TO THE AGENDA

The General Manager requested two changes to the agenda. Tim Gross, Director of Public Works from the City of Newport, was added to the agenda for a presentation on the planned stormwater outfall on Port property. He also changed the name of a correspondence on the agenda from Capital Club to the Oregon Public Port Association.

III. PUBLIC COMMENT

None

IV. CONSENT CALENDAR

No changes were made to the consent calendar as presented. The consent calendar consisted of the following items:

A. Minutes of Regular Meeting of February 24, 2015
B. Financial Reports
C. Special Use Permit – Davis Shows Carnival, April 30, 2015
D. Special Use Permit – Newport Marathon, May 30, 2015
E. Special Use Permit – Barrel to Keg Race, July 18, 2015

A motion was made by Barton and seconded by Fleck to accept the consent calendar. The motion passed 5-0.

V. CORRESPONDENCE / PRESENTATIONS

A. Oregon Boating Foundation

Joe Novella, from the Oregon Boating Foundation, gave a presentation about the Foundation. It was formed in 2008 to provide safety awareness and education on the central Oregon coast and to give sailing instructions to youth. It partnered with 4-H and the Yaquina Bay Yacht Club to teach kayak lessons. They now offer adult lessons and high-school sailing. The latter has been very successful. They have Kids' Day at the Float House when youth can check out boats. Tuesday at the Float House is for adults to work on projects and get together for pizza. Fleck said he was totally amazed at how much the Foundation is doing with local youth. President Chuck voiced his appreciation of the Foundation.

B. City of Newport Stormwater Mitigation Project

Tim Gross, Director of Public Works, City of Newport, addressed the commissioners on the issue of stormwater upgrades. The city has continued with plans to improve the stormwater conveyance at various intersections. The city is proposing the installation of a new stormwater line on Fogarty and a new outfall on the bay. The new outfall will be located close to the current outfall on Port property. The amount of stormwater being discharged will not be changed, nor will there be pollution controls added; the steep grade of Fogarty causes the water to discharge at too great a rate to install separators. Instead, the result will be a better conveyance system of the existing stormwater. Gross asked that the Port, as the landowner, sign a joint application with the city to the Department of State Lands and the Army Corps of Engineers on the mitigation project involving the mudflats around the outfall. Gross said the city would be coming back at a later date with a proposed easement and compensation package. He said that the compensation package would be initially based upon an appraisal ordered by the city. A motion was made by Barton and seconded by Fleck that the General Manager should sign the joint application with the city to DSL and ACE on the mitigation project. The motion passed 5-0.

C. Newport Urban Renewal District

The General Manager reviewed the proposed Newport Urban Renewal Project. The city council, acting as the Urban Renewal Agency, approved the larger geographic option. The materials in the packet outline the financial impact on the Port. The annual loss in 2016 would be $1600; total loss through 2036 would be just over $250,000. City Councilor Ralph Busby, said that those numbers are not written in stone. The City is forming a committee that will look at the Urban Renewal District in greater detail. The Port has a seat on the committee. Commissioner Brown volunteered to serve on the committee; President Chuck offered to serve as the alternate. The General Manager noted that the Port has benefited from urban renewal projects in the past.

D. The Oregon Public Port Association

The General Manager related that the letter from OPPA summarized the funding opportunities that the Association was supporting, which included dredging projects that would benefit the Port.

E. U. S. Coast Guard Response Cutters

The General Manager discussed the letter received by Rick Fuller, the Port Facilities Manager for NOAA. NOAA MOC-P facility is one of three sites being considered for the location for two of the new Coast Guard Fast Response Cutters. The cutters would serve as patrol boats for fishery patrols, search and rescue, and national defense. Environmental assessments will be completed on all three sites. Local input will be taken until April 7, 2015. Several local agencies and businesses located close to the proposed location received letters requesting input. The General Manger told the commissioners that he could prepare letters for others, advocating for the Newport site. Barton asked if we should hire a consulting firm, as was done when the city was lobbying for NOAA MOC-P. The General Manager said that we would do this on our own, given the short deadline and the fact that it is a much smaller project. Barton asked if we would be expected to build buildings and then lease them to Homeland Security. The General Manager and Rick Fuller said that the process was not far enough along to know that. Commissioners expressed reluctance to have the General Manager advocate for a project if they did not know the full consequences of the project. The General Manager reminded the commissioners that, while the decision on where to locate the cutters could be on a fast track, the actual process would not be completed until 2021. The commissioners discussed what the Fast Response Cutters could potentially do to the dynamics of the Port, given their military appearance and guns. Commissioner Brown noted that the Coast Guard boats are also equipped with guns. Fleck said he did not have a problem with guns on the cutters. Rick Fuller reminded everyone that NOAA had the final say on whether or not the project was acceptable because they hold the lease on the land that would be used to accommodate the project. The commissioners instructed the General Manager to go forward on the matter.

F. NOAA Recreational Mitigation Projects

President Chuck said the purpose of the letter was to assure the Department of State Lands that the alternative crabbing sites were well vetted. He said a statement in the letter was incorrect; he had discussed the issue with five agencies rather than seven. He was told that the letter would be corrected. <u>A motion was made by Brown and seconded by Barton to accept the letter. The motion passed 5-0.</u>

VII. OLD BUSINESS

A. Accounts Paid

A motion was made by Barton and seconded by Jincks to accept the Accounts Paid; The motion passed 3-0, Fleck and Brown recused themselves because of payments made to Les Schwab and Englund Marine.

B. Resolution Setting Rates, Fees, and Charges (ORS294.160)

General Manager said this was still for information only. Action on the rates would be taken in May or June. Some additional charges would be for 120 volt electricity at the International Terminal, as well as an electrical surcharge at the South Beach marina. Administrative fees have been added for public record requests, as well as for background and credit checks for visitors staying more than 30 days at the South Beach marina and RV parks. He said that some people at the hoist dock had expressed concern about the fee increases. Jincks asked about the posting of the proposed rates on the website. The General Manager said it was being worked on and hoped to have it up in the next week.

VIII. NEW BUSINESS

A. Port of Newport Public Records Policy

The General Manager reminded the commissioners that a public records policy was required by the Port bylaws and that the Port would receive a 2% reduction in its insurance premiums if the Port adopted a public records policy. He also spoke to the issue of having the commissioners conduct their port business on a Port email account. He said that makes it easier for the elected officials. Commissioner Jincks preferred for the Port to find out what is actually required. He noted that his emails for Port business were very limited in number.

IX. STAFF REPORTS

A. Department Reports

1. Steve Larrabee, Director of Finance
2. Rick Fuller, NOAA Facilities Manager
3. Kevin Bryant, Commercial Marina Harbormaster
4. Jim Durkee, Terminal Operations Manager
5. Penny Gabrielson, South Beach RV Park
6. Chris Urbach, South Beach Marina Harbormaster
7. Mike Goff, TCB Security
8. Safety Committee Report

The commissioners had no comments on the staff reports.

B. General Manager's Report

1. **Rogue Brewery Expansion**

The General Manager told the commissioners that the negotiations were ongoing. He met with an engineer about plans to fill the old launch ramp and reconfigure traffic areas. Those changes would be part of the negotiation process with Rogue.

2. **International Terminal Update**

The General Manager said that the final touches were being made to the mitigation project. He said that Teevin had inquired about a lease option on its nine-acre site. The Port would apply for grants to construct the lay-down area and Teevin would have first-right-of-refusal to lease the facility. The General Manager noted that Teevin does a lot of auxiliary work other than log exports and that the State is very interested in the project. He has received a rough draft of a lease agreement from Teevin and will have attorney Gintner review it. Barton asked why the Port was not using the same attorney on a lease option as in the past. The General Manager said he did not want to pay an attorney to start from scratch in order to save money. Jincks asked if this would include mitigation, if the Halls had been contacted and, if so, what was their response. Jincks said that the footprint of the lay-down area would be reduced if mitigation had to be done on-site. The General Manager said that he would be contacting them. President Chuck said that he had been approached by State officials indicating that they were very supportive of the project. Commissioner Brown said that he had discussed the project with state officials as well and they were very positive.

3. **Pacific NW Waterways (PNWA) Mission to DC, March 1-5**

The General Manager said that the trip to Washington D. C. was very productive. He was very proud of the Fishermen's Wives and their success in educating officials. He said it would be more complicated going forward and had recommended that that they hire the Port's PR firm in Washington D. C. to continue the advocacy on a step-by-step basis.

4. **Sea Lion Issues**

The General Manager said that the Sea Lion agreement with the Newport Sea Lion Docks Foundation had been delayed because of time constraints, but that there had been issues about sea lions in the last week. The significant increase in the number of sea lions on the commercial docks was a problem. He had consulted with NOAA about allowed methods of deterrence. The Port was using paintballs, in large part because it allowed staff to keep a safe distance from the animals. While the Port is using approved methods to deter the sea lions, it does create a PR problem. The Port has the staff person using the paint gun wearing an orange vest to identify him as a Port employee. An additional staff person, also in an orange vest, on the boardwalk, talking with people and explaining what the Port is doing. Commissioner Fleck said that the Port needs to make people aware of the dangers of approaching the animals on

the docks. Commissioner Jincks agreed and suggested that a sign be posted warning people from approaching the sea lions. The General Manager also spoke of the damage that the sea lions are doing to the docks. The sea lions essentially torque the docks when they get on and off, breaking concrete and electrical lines. He said the Port is looking at other options as well because the paint guns only produce a temporary result.

5. South Beach Vision Plan

The General Manager is working with the county Economic Development Commission. It is preparing two grant applications to help pay for the planning project that are due in April. He said that Rachael Cotton, a RARE intern with EDALC, has been doing a great job.

6. Capital Facilities Plan Update – Project List

The General Manager referred to the list of projects in the packet which will be reviewed at the April 7 Budget Meeting.

7. Organizational Liaisons

The General Manager said that the list of commissioner assignments was an old one. President Chuck said that he had replaced Barton on two committees. The General Manager suggested that commissioner assignments would be reviewed after the elections and the new commissioners were sworn in. Stewart Lamerdin was introduced by President Chuck. Lamerdin is running unopposed for Commissioner Barton's seat (Position #3) on the Board. Patricia Patrick-Joling, a candidate running unopposed for Commissioner Fleck's seat (Position #5) was invited to attend but had a previous engagement.

X. COMMISSIONER REPORTS

There were no commissioner reports.

XI. CALENDAR / FUTURE CONSIDERATIONS

Chuck read the following calendar items:

A. 04/07 Commission Budget Priorities Work Session
B. 04/08 Fishermen's Forum
C. 04/14 Second Commission Budget Work Session, if needed
D. 04/28 Regular Commission Meeting (Yaquina Bay Yacht Club)

He also added that the Oregon Coast Sportsmen's Expo would be held from March 27-29.

XII. PUBLIC COMMENT

Wade Dudley urged the commissioners to advocate for the fast response cutters. He also noted that the Port needs to enforce the No Crabbing on Port Dock 5.

XIII. ADJOURNMENT

Having no further business, the meeting adjourned at 7:35 PM.

ATTEST:

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Walter Chuck, President	Ken Brown, Secretary / Treasurer