

May 27, 2025
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, Lackey, Ruddiman, and Chuck. Also in attendance were Executive Director Paula Miranda, Deputy Executive Director Aaron Bretz, Finance Director Mark Brown, Summit PR representative Angela Nebel, US Army Corps Senior Planner Kelly Janes, US Army Corps Coastal Ecologist Chanda Littles, and Administrative Assistant Gloria Tucker. Members of the audience included residents Heather Mann, Siripon Pinnell, and Tom Pinnell.

BUDGET HEARING

Approval of Resolution 2025-02 Adopting the Budget, Making Appropriations and Categorizing the Tax. Sylvia introduced the agenda item. Brown explained this is one of those state regulated items that must be done by June 30. He noted he brought the budget from the Budget Committee meeting as is. He stated the executive team have reviewed it and are not recommending any changes to the budget. Chuck thanked staff for their hard work. There was no public comment.

MOTION was made by Chuck, seconded by Ruddiman, to adopt Resolution 2025-02 Adopting the Budget, Making Appropriations and Categorizing the Tax. The motion carried unanimously in a voice vote.

The Budget Hearing adjourned at 6:04 p.m.

REGULAR SESSION

PUBLIC COMMENT

Tom Pinnell stated he has a vessel at the end of D Dock in South Beach and has been there 22 years. He noted he has talked to the office and written letters. He indicated he would like the Port to improve the lighting situation for his boat. He explained the Port upgraded lighting a few years ago, but they stopped short of his boat. He added the dock needs one more post added to the end of the dock.

Tom Pinnell stated there's average of 50 feet from any boat to a light post, but from the light post to his boat is about 115 feet. He noted it's hard to get on his boat, and on a night with no moon, he can't see the ladder. He indicated it is a bit of a safety hazard issue. He added he had a couple other issues to bring up.

Tom Pinnell stated there is a board that goes between the boat and dock, called a rub board, that has been missing about 15 years. He noted he talked to the office, but nothing has been done. He indicated the last issue is the Wi-Fi situation. He added he doesn't get any Wi-Fi at the end of the dock on low tide.

Tom Pinnell stated he spent over \$80,000 on moorage since he's been here, so he thinks he is entitled to good lighting, the rub board and Wi-Fi. He suggested raising the antenna so the signal gets to the end of the marina. He added the campers have Wi-Fi. Miranda replied staff will follow up.

CONSENT CALENDAR

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

PRESENTATIONS

Commercial Marina Channel Project. Sylvia introduced the agenda item. Janes presented her report included in the packet. Ruddiman confirmed with Janes the dredge depth is 20 feet at mean low, low water. Retherford noted at the Commercial Fishing Users Group (CFUG) meeting there was a little bit of concern about disposal sites, which have some crab grounds. She asked will there be time for input from the fishing fleet. Janes replied that is the purpose of the public comment period. She explained they will post the report and give a couple of ways to submit comments for the record. She noted they will have to address those comments in the document as well.

Little's noted the ocean placement requires extensive environmental compliance, and the sites are regularly used. She explained additional impact would be based on more loads because it is already a high impact area. Miranda noted CFUG was concerned about rocks. Janes replied mudstone breaks up pretty easily, and there is some thought it would break up as it falls through the water column. She stated but if it doesn't, then the requirement, if it is allowed at the deep ocean sites, will be shallow or dispersed placement, and sand would be placed on top of it.

Sylvia asked who pays for the mitigation. Janes replied one acre is in the general navigation feature, and that is cost shared 90 percent federal, 10 percent for the Port. She explained for the one acre in the non-federal sponsor's project area, the Port, that is 100 percent paid by the Port. Sylvia noted all estuaries in Oregon have eel grass, and regardless of species of eel grass they are designated essential fish habitat. He stated these add significant costs to all uses of the estuary. He asked what is the cost for mitigation. Little's replied cost is roughly between \$400,000 and \$600,000 for all of it.

Chuck asked if eel grass regrows into those areas, and they are dredged again, would the Port have to mitigate for that eel grass. Little's replied the project assumes complete loss of eel grass in the channel to prevent that. Chuck asked on the chance some shoots grow where they are not supposed to grow, would the Port have to mitigate for that five years from now. Little's replied they have not completed the Endangered Species Act (ESA) consultation with the National Marine Fisheries Service (NMFS) yet, so they can put some language in there and see what they say. She added deferred maintenance could cause issues. Janes noted for the general navigation area, any future eel grass would be the federal government's responsibility to address.

Sylvia asked who maintains the eel grass that has been planted. Little's replied the Corps has to meet criteria for successful replanting for two years in a row, and the Port has to prevent construction or use of those areas for the future. Sylvia noted mitigation greatly increases cost to do any work like this. He stated because NMFS has declared this critical habitat, in all the estuaries, by making that overly simplistic, in his view, they have made it difficult for the whole state. He

added it increases costs for everyone trying to use estuaries not just for protection, but also for economic development.

Janes presented projected project costs. Miranda stated her understanding is the Corps will give some time for the Port to pay. Janes replied she will look into that. Miranda asked if the Port doesn't get the funds in time for the Corps schedule for Port Dock 7 [non-federal sponsor's project area], can the Corps separate out or delay [their work] to match the Port's funding. Janes replied they would not separate them out for mobilization costs but could delay until the Port is able to secure the funds. Bretz thanked the Army Corps for their work on this project.

OLD BUSINESS

Approval of Rondy's Lease Renewal. Sylvia introduced the agenda item. Miranda reported the lease is moving to month to month, which is different than what has been done in the past. She explained Hall wants to do some development but will give the Port a couple months' notice when they need the property. She indicated the Port has budgeted the funds to remove the dredge material. She added it is very expensive to move, and this may be the last extension. Retherford asked if the Port could find someone who might use or need the material. Bretz replied he could not get anyone to take it. Sylvia confirmed with staff it is the buyer's responsibility to test the material. He confirmed with staff it costs a couple hundred thousand dollars to move.

MOTION was made by Chuck, seconded by Ruddiman, to authorize the Executive Director to execute the seventh lease amendment as presented. The motion carried unanimously in a voice vote.

Approval of Summit PR Contract Renewal. Sylvia introduced the agenda item. Miranda reported typically, she would bring this in June, but Nebel won't be available. She noted Nebel has been doing an excellent job doing communications for the Port, in the newsletter and social media. She stated she intends eventually to add another newsletter, so it is quarterly.

Nebel reported social media stayed consistent, which is good, but she would rather see growth, so she is going to work on that. She noted there is an idea to start sending [a new] occasional newsletter to CFUG.

Retherford stated the work Nebel has done, and the importance of these newsletters is huge. She noted this is the only way to communicate with the public since people don't come to the meetings or call the office. She indicated the team does a fabulous job keeping things open and transparent, and this is one of those things you cannot not have. Miranda stated she gets a lot of comments from the community who read the newsletters and know what the Port is doing. She noted before, they were a bit in the dark. She added the beauty of working with Nebel is she instigates different stories, attends meetings, reads related things, and understands what the Port does. Sylvia stated Nebel does a great job, and this is a critical service. He noted people are reading it because he gets all kinds of comments.

MOTION was made by Retherford, seconded by Ruddiman, to authorize the Executive Director to execute a contract with Summit Public Relations Strategies, LLC, and move forward with the proposal not to exceed \$33,300 plus another 10% contingency. The motion carried unanimously in a voice vote.

Amendment to Alliance Consulting Engineering Agreement for the Electrical Engineering Project at Port Dock 5. Sylvia introduced the agenda item. Bretz reported he would

try to get this out to bid so the project can be done this coming fiscal year. He noted, unfortunately, between when engineer completed it to now, the national electrical codes have changed. He explained the engineer also had to work with the city inspector. He added the engineer has been great to work with.

MOTION was made by Chuck, seconded by Ruddiman, to authorize the Executive Director or her representative to amend and execute the Alliance Consulting Engineers contract in an amount not to exceed \$35,750 and for a duration through December 31, 2025. The motion carried unanimously in a voice vote.

Retherford stated with stuff like this that is a continued process, the Port can't stop mid-stream. She noted it is important to continue what was started. She thanked the team for keeping things moving.

Amendment to DOWL Agreement for Port Dock 7 Planning. Sylvia introduced the agenda item. Bretz reported this is an effort to get the Port to keep the pace of the Army Corps. He explained in order to compete for funding, the Port needs to be at 30 percent engineering. Miranda explained she did a debrief with MARAD, and they were very clear if the Port doesn't have 30 percent, it wouldn't compete. She noted if the Commission wants this to move forward, they don't have much of a choice. She added funds have been budgeted.

MOTION was made by Ruddiman, seconded by Chuck, to authorize the Executive Director or her representative to amend and execute the DOWL contract in an amount not to exceed \$425,818.19 to reach 30% engineering on the project. The motion carried unanimously in a voice vote.

Retherford asked if the Port can get grants for some of these costs. Miranda replied sometimes there are [planning] funds out there, but the problem is, the Port already started planning. She explained most planning grants don't [provide] funding in the middle of the project. Bretz added staff do keep an eye out for any opportunity.

Approval of Resolution 2025-01 Regarding Rates and Fees. Sylvia introduced the agenda item. Brown noted there are two additional options in his report, but they are for future consideration. Retherford stated it would be nice to have a more of an overlook at [the Terminal]. She noted it is hard to say it is fair. She explained [the difference] from the commercial slips and the price fishermen pay at the Terminal is extreme, and there is no comparison. She noted the Port doesn't have slips for the bigger boats but has to make sure the space pays for itself.

Retherford stated it is hard to say across the board [increases] when she is not sure how that plays out. She asked how do you explain what fair is. Sylvia replied fairness is a difficult concept to define. He suggested the strategic plan grapple with that, how to help or address users of infrastructure and services when they are going through rough times and do it consistent across all centers. He recommended being as fair as possible given the Port has to cover its costs ultimately. Miranda stated right now commercial users are paying for maintenance of the Terminal, and the Port is trying to come up with additional users to offset some of that maintenance.

Retherford stated if the Port adds timber or another customer, that will add a different level of wear and tear. She suggested making sure to keep those costs separate so there is a balance there. She requested more time to address individual cost centers.

Lackey stated one of the reasons the Terminal was rebuilt was to keep fleets returning here for their contribution to the economy and historical way of life. He noted he doesn't think that is in doubt or has changed. He indicated one thing that hasn't been addressed is doing something in

alignment with South Beach and keeping costs unchanged at the Terminal. He explained once costs are far in excess of other options that users have, the Port needs to stop and think about diminishing returns and impacts to the community. He noted the dockage charges at the Terminal are far in excess of other areas and that needs to be considered. He added whatever percentage is decided, for everything the Port has done, putting back into the facilities, it is appropriate for a cost increase.

Sylvia asked Lackey which option he recommends. Lackey replied commercial fishing dockage charges at the Terminal are exceedingly high, so option 3 or 5 with the exception of dockage charges for fishing vessels remaining the same [at the Terminal].

Bretz reported when the Port first bumped up Terminal rates for fishing vessels a couple of years ago, he compared a bunch of different ports. He noted he ran boats out of Westport for several years, and he is very familiar with their docks. He explained they have floating docks, but the Terminal is a pier. He stated the Port of Newport has established rates at the Terminal for fishing vessels commiserate with a service location. He noted people don't have anywhere else to go in Newport, and that's why Port Dock 7 is important. He indicated some boats will be able to move, will have another option, and those will be moorage rates for berthing.

Chuck stated in South Beach in the 13 years he has been here, there have been no improvements in South Beach. He noted there's been many projects in the commercial marina, and a lot of that money has come from the RV Park. He explained the Port is going to need to start reinvesting in South Beach, and it is already losing customers to other ports down south because they have cheaper facilities and just as good fishing. He indicated the Port needs to remain competitive, and docks in the sport marina need to be redone. He added that is a significant cost and asked where that money comes from. He suggested one reason to create new revenue is to make sure fees could be raised in lower increments. He added until the Port starts getting a new revenue stream, it will be in the same boat, kicking same can down the road.

Sylvia agreed. He stated South Beach may generate revenues in excess of costs if the Port doesn't include infrastructure. He explained once the Port adds in infrastructure and depreciation, that luxury is going to go away. He noted the Port won't be able to use it to support other centers including the commercial marina sector. He indicated that is one more complication in planning. Miranda noted the Port has a plan to replace the Annex, and the RV Park's money could have been used toward that project, but the Port doesn't because it has so many other falling apart assets.

Retherford confirmed with staff the International Terminal rates were raised last year. Sylvia noted Lackey commented that the fishing industry is important as part of the fabric of the community. He stated the Port is not compensated by tax dollars to support that, as much as Commissioners may agree and support that. He indicated if the community believes that and wants to contribute more on their taxes to support that larger economic and social benefit, [the Commission] would need to ask them to step up.

Lackey stated if someone raises prices on users, higher than users have other options for, and much, much higher than someone else, there will be an economic impact. He noted he hasn't heard any response to that. Sylvia agreed if the Port is far outside the competitive marketplace with rates, it will ultimately lose customers.

Retherford stated going forward, when Commission discusses rates by center, they should pick it apart instead of putting off areas. Miranda replied the goals and objectives session is a good place for that.

MOTION was made by Lackey, seconded by Retherford, to adopt Resolution 2025-01 for Option 5, 5 percent, with the exception of commercial fishing docking charges at the Terminal to remain unchanged. The motion carried unanimously in a voice vote.

NEW BUSINESS

Approval of Contract with Bergerson Construction Regarding Emergency Hoist Dock Repairs. Sylvia introduced the agenda item. Bretz presented his report included in the packet. He noted the Port has the state permits and just needs the Army Corps side. He explained he had to select a method of repair that is easier to permit rather than one that would cost less. Chuck asked if the Port looked back underneath at the sinkhole that was repaired, which had a 10-year life. Bretz replied the engineers did pay special attention to that area, and it doesn't look like there are any problems. He added the slabs are in pretty good shape, the pilings need work, but the structure itself seems OK.

MOTION was made by Chuck, seconded by Retherford, to authorize the Executive Director or her representative to execute the agreement with Bergerson Construction for emergency repairs to the Hoist Dock in the Commercial Marina not to exceed \$66,000. The motion carried unanimously in a voice vote.

STAFF REPORTS

Executive Director's Report. Miranda presented her report included in the packet. Retherford asked if the bill Gomberg supported for eel grass passed. Miranda replied it is still out there since it has a financial impact.

Miranda reported the Port Newport had elections, and even though one of the applicants had originally written the newspaper he was dropping out, after an overwhelming win, he is considering taking it if he can miss the first two meetings. She noted he may be able to attend remotely. She stated if he can be excused, then he is willing to serve. Sylvia replied that is acceptable.

COMMISSIONER REPORTS

Retherford offered condolence to the Stevenson family. She noted Jon Stevenson's upcoming service. She stated the fishing community has lost a special person and amazing fisherman. She added it has hit the community really hard.

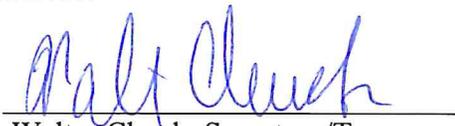
ADJOURNMENT

Having no further business, the meeting adjourned at 8:07 p.m.



Gil Sylvia, President

Attested:



Walter Chuck, Secretary/Treasurer