

**PORT OF NEWPORT MINUTES**

March 2, 2021

Commission Budget Priorities Work Session

*This is not an exact transcript. The audio of the session is available on the Port’s website.*

This meeting was held virtually by invitation only. The public was invited to view the live stream of this meeting on our YouTube Channel, Port of Newport Meetings Audio. Live chat was not monitored. The public could submit comment through a form on our website no later than 4:00 pm on Monday, March 1st, to be read into the meeting at the appropriate time.

**Agenda Item**

**Audio  
Time**

**I. CALL TO ORDER .....**

0:00

Commission President Jim Burke called the Commission Budget Priorities Work Session of the Port of Newport Board of Commissioners to order at 6:06 pm.

**Commissioners Present:** Walter Chuck, Secretary/Treasurer (Pos. #1); Kelley Retherford (Pos. #2); Gil Sylvia, Vice President (Pos. #3); Jeff Lackey (Pos. #4); and Jim Burke, President (Pos. #5).

**Management and Staff:** Paula J. Miranda, General Manager; Aaron Bretz, Director of Operations; Mark A. Brown, Director of Finance & Business Services; and Karen Hewitt, Administrative Supervisor.

**Members of the Public and Media:** Angela Nebel, Summit Public Relations Strategies.

**II. CHANGES TO THE AGENDA .....**

0:12

There were no changes to the Agenda.

**III. PUBLIC COMMENT**

There was no public comment.

**IV. REVIEW BUDGET PRIORITIES MESSAGE & DISCUSS PRIORITIES .....**

0:29

Brown remarked this was an opportunity for the Commission to review what staff had set as priorities, to rearrange as appropriate, add any additional priorities, or remove priorities from the plan for the upcoming fiscal year. Brown introduced the Staff Report and Project Priorities included in the Meeting Packet. He clarified that a “1” indicated highest priority. Miranda added that some projects from the current fiscal year were included. These projects may or may not end up being completed before the end of this fiscal year, in some cases depending on funding. Brown added that reserves of \$1.2MM would be set aside. Brown remarked on the need to plan for the Port Dock 7 project in the next budget cycle so that potentially grants could be sought for construction in the subsequent fiscal year. He added the Commission would meet at a future date to discuss the 5-year projects list. Brown said that projects on the included list that were noted as

contract/professional services would be found included in a support services section of the budget, separate from other projects.

Sylvia asked about the dollar amount under the column “2022” and the funding source if not noted. Miranda said the dollar amount represented the total project cost. She said when the budget was presented it would provide more detail about what Port funds would be used, but the General Fund would be most impacted. Brown said additional external funds may be obtained, if available. Sylvia also asked that the meaning of an assigned priority number be made clear to the public. Brown said some projects identified as lower priority may be completed because of funding opportunities. Miranda commented that the Port would push hard to get high level priorities to happen, but there would also be consideration of the availability of outside funds. For example, planning for Port Dock 7 is a high priority which the Port may decide to move forward on using General Funds if outside funds aren’t available. Burke asked how project priorities were shown on the budget documents. Brown said projects on the budget did not need to include priority ranking. Sylvia suggested if priorities were included in the budget, their interpretation should be explained to the public.

Chuck suggested that an important project not on the list was replacing the public fishing pier, which would provide a lot of mitigation credit. Miranda said there was previous discussion about tying that project together with the Port Dock 7 rebuild to take advantage of mitigation credits, and Brown suggested including the public fishing pier in the title of the Port Dock 7 project. Chuck said there were sources willing to spend money on public fishing.

Burke commented he did not see other expenditures related to Rogue in the priorities. Miranda said it would be hard to evaluate until the current phase II seawall assessment was complete. There may be more engineering work for which a grant could be applied, but she does not foresee fixing the seawall in the upcoming fiscal year. She suggested that if worse comes to worst a budget amendment may be needed. Burke also suggested including some other work place improvements, specifically in the Commercial shop where one space is used for staff to work, share computers, and eat lunch. He suggested perhaps installing some stand up work stations, a deep clean and a mini breakroom. Bretz said COVID-19 aside, neither the Commercial nor the Recreational shop were laid out the way they should be. For example, the Harbormasters should have an office where they counsel personnel, talk with people, and complete other tasks. Bretz suggested it would be a good idea to look at doing that right. Miranda said it would be hard to do the Administration Building and the shop buildings at the same time. Burke suggested planning some interim moves to make the spaces more efficient and sanitary within a reasonable dollar amount. Bretz said there will be room in the maintenance budget for minor changes. He added that there was an issue with the lack of breakrooms throughout the entire Port.

Chuck said there were priorities he would like to see ranked higher: asset condition inspection, and the service dock in South Beach. Brown said he anticipated the Port would push to get those projects, like others ranked 5 or higher, done in the fiscal year. Staff would again discuss priorities after this input from the Commission. Brown said that a preliminary budget would be sent out for Commissioners’ review. One change already made was a reduction in the footprint for NOAA dredging. Miranda said she agreed with Chuck that asset condition assessment was a high priority, especially in light of recent emergencies. She would like to pick a few areas that are more concerning to inspect in the upcoming fiscal year, and then keep moving to different locations in

subsequent years on a regular basis. Bretz commented that staff was looking to shift from corrective to more preventative maintenance. As for the priority of the service dock in SB, Bretz said the pilings were connected to the Rogue seawall so completing that evaluation was important. An interim fix may be called for before replacing the service dock. Sylvia said he found the priorities consistent with past discussions. He added that asset inspections in an organized way evaluating condition, life expectancy, and rough replacement cost estimate would also help with the strategic plan. Miranda added it would help with more realistic future budgets as well, and projects could be staggered in a way that made sense. Bretz added that moving to more preventative maintenance would mean more intangible costs, but the Port could stay in front of issues. He submitted the example of the 9-acre property at McLean Point where some preventative property maintenance may have avoided wetlands issues. Miranda commented that if the Port becomes aware of issues, there will be an obligation to address any liability. Sylvia said these would be smart costs in the short term that would avoid larger costs and problems in the long term.

**V. SET BUDGET COMMITTEE MEETING DATE ..... 39:53**

Hewitt will send a Doodle Poll to Commission and Freeholder Budget Committee Members to find available dates.

**VI. PRELIMINARY BUDGET (NO DISCUSSION)..... 40:50**

Brown will send a preliminary Budget to Hewitt for distribution to the Commissioners after the meeting.

Miranda commented that there was still one vacancy on the Budget Committee. More information is available on the Port's website and Facebook page.

**VII. ADJOURNMENT ..... 41:48**

Having no further business, the meeting adjourned at 6:48 pm.

ATTESTED

**james m burke** Digitally signed by james m burke  
Date: 2021.03.26 15:20:25 -07'00'

James Burke, President

**Walter Chuck** Digitally signed by Walter Chuck  
DN: cn=Walter Chuck, o=Port of Newport, ou=Port of  
Newport, email=wchuck@portofnewport.com, c=US  
Date: 2021.03.30 12:23:44 -07'00'

Walter Chuck, Secretary/Treasurer