

December 19, 2023
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, Administrative Assistant Gloria Tucker, Terminal Facilities Manager Don Moon, Good Work Architects Representative Mark Kuykendall, and PR Consultant Angela Nebel. Visitors included Moon's daughter.

CHANGES TO THE AGENDA

Miranda suggested moving up Item C. Employee Recognition to Item A. in Presentations. Sylvia agreed.

CONSENT CALENDAR

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

PRESENTATIONS

Employee Recognition – 7 Year Anniversary — Don Moon. Sylvia introduced the agenda item. Miranda, Bretz, and the Commission thanked Moon for his service.

RV Annex Plan – Good Work Architects. Sylvia introduced the agenda item. Kuykendall overviewed the presentation included in the packet. He noted the consultants determined the Dry Camp site (referring to the graveled overflow dry camp area) worked best as the new site for the RV Annex. He explained the target customers would be young families. He emphasized the importance of creating a great experience for the RV campers. Bretz reported there is room in the market to support this facility. He stated the capabilities of the Dry Camp site can improve the quality of the Annex vastly. He noted the current Annex lot could be used many ways, and it could double parking capacity in South Beach. Kuykendall added lane widening at the boat ramp could happen concurrently with a construction project at the Dry Camp site, resulting in some construction savings. Bretz noted there are more spaces available at the Dry Camp than at the Annex. Sylvia noted the consultant's recommendations on the website and social media presence for the RV Park and RV Annex. Kuykendall replied branding and marketing are important as well as the experience. Miranda replied, unfortunately, a lot of the negative reviews have to do with the deterioration of the RV Annex site. Chuck asked what road accesses would need to be maintained for Port tenants near the Dry Camp. Kuykendall replied the drive to one tenant would need to be maintained. Chuck asked how many more spaces can fit at the Dry Camp. Kuykendall replied it is not double, but roughly 10 more spaces.

Bretz reported there are a couple of swales in the Dry Camp that the Port maintains. He stated those would continue to be maintained through either rain gardens or culverts. Sylvia noted the recommendations included optimizing the utilities through wind or solar. He asked if there is any interest in that from RVers who are sensitive to environmental or green issues. Kuykendall replied certain people care about that, but most people care more about the experience of the place, a nice view of the bridge, vegetation, and room between spaces. Brown reported initial projections for a new Annex show a revenue increase of \$200,000 to \$300,000 per year. Bretz indicated the fee projections for the next level of planning include a site survey that will cost about \$20,000. He added the construction documents, permitting, architecture, engineering, and landscaping design fees for Dry Camp would cost \$175,000. He explained the current Annex design fees would be \$169,000, and if the current Annex was turned into parking and Dry Camp redeveloped at the same time, that total fees would be \$216,000.

Bretz reported there is money in the budget, but staff are concerned about cash flow. He stated he will work with Mark Brown to determine the best time to start the next phase. He noted it will be a couple of years before the Port identifies a funding source for construction. Miranda added funding in general is not readily available for tourism infrastructure. She noted she is working with legislators and Business Oregon. She indicated construction could be \$2-\$4 million. Sylvia added he mentioned green energy because the state may award funding for green projects. He clarified with staff that construction numbers would be refined in the next phase of planning.

Chuck asked if the consultants considered the noise generation with being located next to the boat launch lane. Kuykendall replied that is a concern, and creating a vegetative buffer and berm would mitigate that. Chuck noted that some of the users of the Annex will be using the lane too. He asked if this location would impact NOAA's expansion. Miranda replied it should not affect NOAA because the Port still has property adjacent available for them. Chuck asked if a kayak launch access could be placed between NOAA and the new Annex site. Bretz replied an access could be placed there, but there is eel grass planted in that area. He stated he would look into it to see if it is something the Port could do.

Lackey stated he understands the pros and cons of the different sites. He asked if staff considered what could go wrong, for example traffic flow or safety concerns. Bretz replied winds blow sand from the disposal pile when there is no vegetation. He noted there is sentimental value for the old Annex. He stated because of the location of the trash totes, RVers could smell the fish waste. Lackey confirmed with staff that arborvitae pines could be used for vegetation in the area. Kuykendall noted water line pressure will also need to be addressed, since the Dry Camp site is further down the line.

Miranda asked what permitting may be required by the city because of the zoning. Bretz replied all the areas are zoned water related, and there would need to be a conditional use permit through the city for parking or RVs. Brown suggested providing storage for kayaks as another potential revenue. Bretz noted using the Annex as a new parking lot, the Port has to take into account increased foot traffic. He suggested better pedestrian access across Marine Science Drive with a lighted crosswalk. Ruddiman asked if there is possibility of running a shuttle service. Bretz replied that would have to be outsourced, but it is an option.

OLD BUSINESS

Approval of Lease Renewal with Carver for Commercial Marina Fuel. Sylvia introduced the agenda item. Bretz reported Carver is trying to get a new float constructed and

replace the shack and is in the building permit process with the state. He explained the Port is holding him on an old lease as staff go over infrastructure concerns prior to renegotiating a whole new lease. He stated in the meantime, Carver needs to be on a current lease with the Port. He indicated his solution is to give a one-year lease and renegotiate the long-term lease. He added the Port would not change anything else or fees and would work on negotiation over the year. Sylvia pointed out the term in the lease provided needs to be corrected to one year without option to renew.

MOTION was made by Chuck, seconded by Ruddiman, to approve the attached lease with Carver's Inc. as amended. The motion carried unanimously in a voice vote.

Approval of Resolution 2023-04 Regarding Business Oregon Loan for NIT Crane.

Sylvia introduced the agenda item. Miranda reported the Port purchased a crane with general funds and needs this to move forward with the loan from Business Oregon. She overviewed the terms of the loan included in the packet.

MOTION was made by Lackey, seconded by Chuck, to adopt Resolution 2023-04 authorizing a loan from the Oregon Business Development Department in the amount of \$583,345 with interest rate of 3.57 percent. The motion carried unanimously in a voice vote.

Approval of OSU Sublease. Sylvia introduced the agenda item. Miranda reported this was added yesterday because, due to some unforeseen circumstances, Ultra Life Café couldn't continue its sublease. She explained OSU was immediately contacted by the folks that operate Clearwater Restaurant. She stated OSU is trying to work on the sublease, and it should be similar to the attached one. She noted she will review the sublease before signing, but doesn't want to slow them down. She indicated they want to move in on January 8. She added the Port's next meeting isn't until January 30. Chuck asked if they have to do competitive bids on this. Miranda replied her understanding is they do not need to do that.

MOTION was made by Lackey, seconded by Retherford, to authorize the Executive Director to provide an approval letter allowing OSU to enter into a lease with Hans & Janell Goplen and its affiliate, once she had reviewed the sublease and is satisfied with its content.

NEW BUSINESS

Approval of IGA with Oregon State Police for cameras. Sylvia introduced the agenda item. Bretz reported this intergovernmental agreement with Oregon State Police is very similar to the Newport Police Department one. He stated without this, staff require them to go through a public records request process for footage. He explained this process is a little more abbreviated and doesn't involve any fees.

MOTION was made by Ruddiman, seconded by Chuck, to approve the OSP IGA to facilitate the transfer of security camera footage when requested. The motion carried unanimously in a voice vote.

Approval of Port Dock 7 Temporary Improvements. Sylvia introduced the agenda item. Bretz reported this a project on the list to hold Port Dock 7 until we get the new docks in place. He stated Bergerson Construction still has the leg up because they are already mobilized in the bay and can immediately perform this work. He noted this is replacement of 15 pilings, and there are permits in hand. Chuck clarified with staff there will be floats installed along the pilings. Miranda

asked if the pilings can be reused for the Port Dock 7 project. Bretz replied sometimes when driving piles, the piles can bend at the bottom. He stated he hopes that doesn't occur much, and Bergerson will keep them long and not cut off the tops, so the Port can pull them and use them in the docks later.

MOTION was made by Lackey, seconded by Retherford, to authorize the Executive Director or her designee to contract with Bergerson Construction to drive 15 pilings at Port Dock 7 in an amount not to exceed \$185,000, which includes 3% contingency. The motion carried unanimously in a voice vote.

Approval of Admin Space Lease with TCB. Sylvia introduced the agenda item. Bretz reported this is a tenant for the extra space in the new Port Administration Building. He stated staff have been working on this for close to a year. He noted the rental rates are pretty low around here. He indicated this will be good for the Port because the Port will get some secondary benefits for having the security contractor onsite. He explained he can ask about tickets or appeals in person or inform them of problems immediately. Chuck clarified with staff TCB will have a vinyl sign, but no other changes to the building. Miranda added no one who has to pay the taxes will lease the space. Sylvia asked if staff were aware the commercial rates were low. Miranda replied staff were aware and would have liked to get a non-profit. She noted staff were considering Customs at first, but they have moved away completely. Lackey asked what the Port's monthly payment is on the Admin Building. Brown replied the Port has not received an invoice yet. He explained he is working with Business Oregon on the issue.

MOTION was made by Chuck, seconded by Ruddiman, to authorize the Executive Director or her designee to sign and approve the attached lease to TCB Management Group, Inc. The motion carried unanimously in a voice vote.

STAFF REPORTS

Executive Director. Miranda presented her report included in the packet. She noted Heather Mann sent an email regarding a potential legislative bill on offshore wind that had the Port of Newport's name added to it. She stated she would send it to the Commission to review.

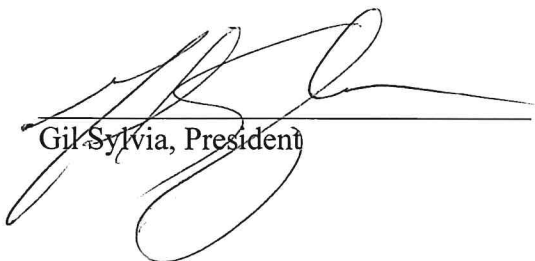
PUBLIC COMMENT

Tucker noted Kenneth Lindstrom signed up during the meeting but had no public comment.

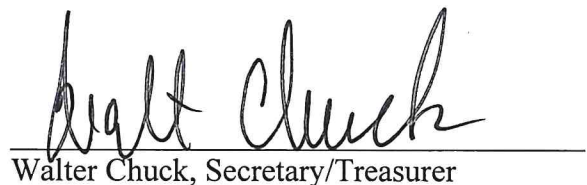
ADJOURNMENT

Having no further business, the meeting adjourned at 7:27 p.m.

ATTEST:



Gil Sylvia, President



Walter Chuck, Secretary/Treasurer