

PORT OF NEWPORT MINUTES

December 15, 2020

Supplemental Budget Hearing & Regular Commission Meeting

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 Commission Meeting 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, December 14th, to be read into the meeting at the appropriate time.

Agenda Item

**Audio
Time**
0:00

I. CALL TO ORDER.....

Commission President Jim Burke called the Regular Commission Meeting of the Port of Newport Board of Commissioners to order at 6:02 pm virtually through Zoom.

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: No members of the public or media were present.

II. SUPPLEMENTAL BUDGET HEARING PUBLIC COMMENT

There was no public comment submitted for the Supplemental Budget Hearing. 0:11

III. FISCAL YEAR 2020-21 SUPPLEMENTAL BUDGET HEARING (ORS 294.471)..... 0:15

A. Resolution 2020-13 Adopting a Supplemental Budget for Fiscal Year 2020-21

B. Resolution 2020-14 Authorizing an Interfund Loan

Miranda Reminded the Commission about the discussion about replacing all 9 load centers at the South Beach Marina and possibly borrowing from NOAA restricted funds to be paid back with interest over 3 – 4 years. Miranda said there were enough funds in the budget, but the Resolutions were necessary to borrow from the fund. Brown clarified requirements by law for the Resolutions and added that staff did not anticipate needing all \$1,000,000.

A motion was made by Chuck and seconded by Sylvia to adopt Resolution 2020-13 Adopting a Supplemental Budget for Fiscal Year 2020-2021 and Authorizing the Transfer of Funds. The motion passed 5 – 0.

A motion was made by Lackey and seconded by Retherford to adopt Resolution 2020-14 Authorizing an Interfund Loan. The motion passed 5 – 0.

IV. CHANGES TO THE AGENDA

5:38

Lackey asked that the Financial Reports be removed from the Consent Calendar.

V. PUBLIC COMMENT

6:03

There was no public comment submitted.

VI. CONSENT CALENDAR

6:17

- A. Minutes 2020
 - 1. Regular Commission MeetingNov 17
- B. Resolutions
 - 1. Resolution 2020-15 Adopting an External Computer Use Policy
- C. Financial Reports

A motion was made by Chuck and seconded by Lackey to approve the Consent Calendar with the removal of subject C. The motion passed 5 – 0.

VII. OLD BUSINESS

- A. Items Removed from Consent Calendar 6:43
 - 1. Financial Reports

Lackey pointed out page 21, line 100, which reflected the Port’s liquid checking and savings, and the Facilities Maintenance Reserve Fund on page 37, which were areas he recommended the Commission and staff keep an eye on. He said he had received helpful information from Miranda and Brown and thought it would be valuable for the other Commissioners to hear. Miranda said the Financial Reports are a point in time and not the entire year budget. She added that management go through the referenced numbers on a regular basis. Brown commented that last year there was \$4MM in the General Funds checking and savings as opposed to \$3.8MM as of November 30, 2020. Brown and Miranda spoke about unexpected expenditures as well as the financial impact of COVID-19, but said the Port was still in a good position. Brown said the Port would have to spend \$1.2MM for the Port Dock 5 Pier project if it can be completed in this fiscal year. Brown also referred to the money set aside for electrical work at the Commercial Marina and said this would be differentiated in future reports. Miranda said this year the engineering for Port Docks 3 and 5 would be completed with the plan to go out for bids next year. Lackey said he did not have concerns but thought

the other Commissioners would benefit from the clarity provided by Miranda and Brown. Miranda added that Bretz and Brown were always available at meetings for questions that Miranda couldn't answer directly.

19:44

B. Accounts Paid.....

Burke asked how many staff were trained to use the new AED (Automated External Defibrillator.) Bretz said that Gibson was the only current Commercial Marina employee that was here for last year's training, but training was planned.

A motion was made by Lackey and seconded by Retherford to approve the Accounts Paid. The motion passed 5 – 0.

C. Resolution 2020-16 Approving an Application for a Loan from Business Oregon for the Administration Building

21:00

Miranda introduced the Staff Report and Resolution included in the Meeting Packet. She added that significantly more detail and documentation would be needed for the application, which would take 2- 3 months and the eventual bid to gather. The loan application could be withdrawn if the project did not move forward. Sylvia asked about loan options. Miranda said she and Brown had done research into state and federal agency loans as well as commercial loans and found the Business Oregon loan to be the best option.

A motion was made by Retherford and seconded by Sylvia to adopt Resolution 2020-16 Authorizing an Application for a Business Oregon Loan for the New Administrative Building. The motion passed 5 – 0.

VIII. NEW BUSINESS

A. Resolution 2020-17 Adopting an Educational Assistance Program

26:40

Brown said the Port had given out educational assistance to some employees in the past but did not have a policy in place. IRS guidelines require a policy to be in place for those funds to be tax free to the employees, and this policy would comply with the requirements. There was some discussion about how often this type a benefit was used, and Miranda said it would depend on how it was promoted. Brown commented on the limits to Port contributions.

A motion was made by Lackey and seconded by Retherford to approve Resolution 2020-17 Adopting an Educational Assistance Policy as written in the Meeting Packet. The motion passed 5 – 0.

B. Lease Amendment- Rondys Gear Storage Lease

31:23

Miranda introduced the Staff Report and Resolution included in the Meeting Packet. Miranda said this Amendment would add a holdover provision that was not included in the original lease. She added that Don Moon is currently looking for additional bids for paving the area next to the Terminal to be used for gear storage. When the paving is complete, the Port can

terminate this lease with Rondys most likely in the next 2 – 3 months. Miranda said the amendment would both allow the Port to go forward with the lease, as well as pay back payments to Rondys.

A motion was made by Sylvia and seconded by Lackey to adopt Resolution 2020-18 Authorizing a Lease Amendment with Rondys, Inc. The motion passed 5 – 0.

C. Proposals for the South Beach Electric Load Centers

33:56

Bretz introduced the Staff Report included in the Meeting Packet. He said the one firm that declined to bid did so partially because of schedule, availability and the GFI (Ground Fault Interrupt) requirements. Bretz commented on the challenges posed by the new GFI requirements applying to marinas, which would also affect the Port Dock 3 and 5 electrical project. Bretz said that Western States’ proposal was the most thorough and included strong statements about meeting the timeline. He talked about potential future options for putting the GFI devices in the panels on the docks so that an outage would affect a zone rather than an entire dock, or perhaps in the pedestals. Bretz said he envisioned these options as a future project and will be looking into having a recommendation by the time the current project was complete. The Port would have to comply with code. He said that he suspected a lot of boats were not tested strongly for GFI and could trip the breaker, causing an outage. The Port would have to develop a plan for responding and isolating the problem, particularly after hours when maintenance crew were not on duty. Chuck brought up the need to send information to the South Beach users and perhaps create a committee to provide input and mentioned some past controversy about changes. Miranda said she thought that was a good idea; it helps when people are involved in projects. She suggested now would be a good time to create a committee. The users would need to understand this would be for everyone’s safety.

Retherford asked about liability should a user lose power. There was discussion about a few scenarios, but Bretz said the Port must comply with code, and the Port’s MLA (Moorage License Agreement) and Facilities Code clearly state that the Port does not guarantee power and is not liable for loss due power outages. Bretz said the difficulty in the South Beach Marina was the wires that feed the pedestals are affixed to the floats, so the Port would have to replace the floats to replace the lines to replace the pedestals. Miranda said communication with users about what’s to come will be important. She added there has been a recent change in policy so that every time someone gets an MLA, they will sign an acknowledgement.

A motion was made by Chuck and seconded by Retherford to Authorize the General Manager to enter into a Contract with Western States Electrical Construction in an amount not to exceed \$667,583. The motion passed 5 – 0.

IX. STAFF REPORTS

- A. General Manager
- 1. Director of Finance & Business Services
- a) November Occupancy Report

57:00

2. Director of Operations

Miranda introduced the Staff Reports included in the Meeting Packet. She commented that the Port was doing quite well despite COVID. One of the things she has been working on, along with other ports and Business Oregon, is to get ports included in federal programs for COVID relief. She said the Port has received some relief funds from SDAO, but this program is running out at the end of December.

Miranda commented that an extension on the in-water work period for the Port Dock 5 Pier project has been discussed with ODFW (Oregon Department of Fish and Wildlife) and USACE (US Army Corps of Engineers), but a decision won't be made until they have the contractor plans. The contractor will be chosen after the December 17th deadline for bids, with HDR Engineering and the project engineer helping with the evaluation. Miranda requested the Commission schedule a Special Meeting on December 28th to approve a contractor. She commented that there was a good selection of people who came to the pre-bid site visit. Miranda added that it was made clear that the project was not to exceed \$2.4MM, which was also a requirement of the EDA (Economic Development Administration). Chuck, Burke, Retherford, and Sylvia were okay with a noon Special Meeting on December 28th, but that date may not work for Lackey. Miranda commented on Bretz's good work on the project with positive comments coming from EDA. Miranda said that staff should be bringing the audit to the Commission for approval in January. She commented that Brown is organized and ahead of the game for the Fiscal Year 2021-2022 Budget.

Miranda said she has been involved with the Maritime Innovation Center (MIC), which is focused on the Blue Economy, and invited Commissioners to attend MIC meetings. Miranda said they are working to get grant funds and are considering constructing a building. She has reached out to Rondys on the possibility of building on their property, which could potentially support the Port's Terminal users. Sylvia said he would like to attend MIC meetings. Miranda said this is starting at the Lincoln County level but eventually benefit the entire coast. Sylvia said MIC has discussed including upriver Ports on the Columbia as well. Miranda suggested a work session where MIC could provide the Commission with a presentation to discuss the Port's potential involvement. Rachael Maddock and Mark Farley are contacts for this group.

Miranda said OSU has put out an RFP for interested contractors for their PacWave project. The project would require use of the Terminal. Interested bidders have also involved the longshoremen on their evaluation. Mid-Water Trawlers cooperative was involved in discussions and have attended online meetings scheduled by OSU. The project itself won't start until sometime in the summer of 2022 and there may be a more permanent need for the Terminal. More information will be available once the contract is rewarded; Miranda will keep the Commission posted. Miranda also spoke about her meetings with elected officials and other ports to give background information on coastal ports. She said the Chamber of Commerce Seafood & Wine Festival is a lot smaller this year, and she has waived the usage fee. She added the Chamber is doing the event to bring people into Newport but is not really making any money.

Miranda gave a thank you to Fred Hauert who retired from the Port this week after 15 years.

1:17:35

X. COMMISSIONER REPORTS/COMMENTS.....

Lackey thanked Miranda and staff; he is seeing a lot of things going on at the Port. Burke echoed the thanks.

1:18:08

XI. CALENDAR/FUTURE CONSIDERATIONS.....

Item	2020
Christmas Holiday, Port Office Closed	Dec 25
	2021
New Year’s Holiday, Port Office Closed	Jan 1
Martin Luther King Day, Port Office Closed	Jan 18
Regular Commission Meeting	Jan 26
SDAO Annual Conference (Virtual)	Feb 3 & 4
Presidents’ Day, Port Office Closed.....	Feb 15
Regular Commission Meeting	Feb 23
Newport Seafood & Wine Festival “To Go”	Feb 26 – 28
PNWA Mission to Washington	Mar 14 – 18

A Special Meeting will be scheduled for December 28th or 29th.

XII. PUBLIC COMMENT

No public comment was submitted.

1:18:29

XIII. ADJOURNMENT.....

Having no further business, the meeting adjourned at 7:21 pm.

ATTESTED:

james m burke Digitally signed by james m burke
Date: 2021.02.02 09:49:32 -08'00'

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: 2021.02.08 11:18:51 -08'00'

Walter Chuck, Secretary/Treasurer