

**PORT OF NEWPORT**  
**MINUTES**  
**January 27, 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 6:00 P.M. 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); David Jincks (Pos. #2).

**Port of Newport Management and Staff:** Kevin Greenwood, General Manager; and Stephen Larrabee, Director of Finance.

**II. CHANGES TO AGENDA**

No changes were made to the agenda.

**III. PUBLIC COMMENT**

Newport Police Chief Mark Miranda distributed 2015 emergency preparedness calendars. He noted that the Seafood and Wine Festival would occur (on Port property) in several weeks. Barton asked whether Miranda had earthquake/tsunami backpacks, and Miranda reported that he does have these supplies in an outbuilding on his property. He also mentioned that he has purchased landslide insurance for his property.

**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 - December 16, 2014; Minutes of Special Meeting - December 23, 2014; and Minutes of Work Session - January 13, 2015;
- B. Financial Reports;
- C. Award of Insurance;
- D. Captain's Charter Lease Renewal;
- E. Special Use Permit for Moxie Pictures;
- F. Information Technology Contract.

MOTION was made by Fleck, seconded by Barton, to approve the consent calendar as presented. The motion carried in a 5-0 vote.

## V. CORRESPONDENCE/PRESENTATIONS

- A. Jim Myers reported on the plans for the NOAA 4<sup>th</sup> Anniversary event, and the proposed Salmon Enchanted Evening event. The NOAA event is scheduled for August 7, 8, 9, 2015, and the Salmon Enchanted Evening event will occur on July 4, 2015. He thanked the Port for its support of both events.
- B. Bob Ward - Newport Sea Lion Docks Foundation. There was no discussion on this item.
- C. Spencer Nebel - City of Newport - Multi-Use Path in South Beach. The letter from Nebel was discussed, and the Commission agreed to accept the city's plans as presented.

## VI. OLD BUSINESS

- A. Accounts Paid - Fleck reported that he has a conflict and will abstain from voting on this issue. MOTION was made by Brown, seconded by Jincks, to approve the accounts paid as presented. The motion carried in a 4-0 vote with Fleck abstaining.
- B. Resolution Setting Rates, Fees, and Charges - Greenwood reported that this document, if adopted, would set rates, fees, and charges for the upcoming year. He noted that he had incorporated suggestions made at the last meeting, including the provision for call-out pay. A discussion ensued regarding call-out pay, and it was concluded that a uniform and clear policy on call-out pay would cover commercial and recreational uses. Greenwood agreed to meet with Jincks to clarify the wording related to call-out pay. A discussion ensued regarding the half-hour minimum charge, and Greenwood noted that this is down from an hour, and includes both personnel and equipment. Greenwood agreed to keep the Commission apprised.
- C. Budget Committee, Officer, and Calendar Review - Greenwood reported that the Brian Barth and Ron Benfield agreed to serve another term on the Budget Committee. He added that the budget calendar is the same as last year with the dates adjusted. MOTION was made by Barton, seconded by Brown, to approve the proposed budget calendar, Budget Committee, and officers for FY2015/2016. The motion carried in a 5-0 vote.
- D. Consideration of Resolution No. 2015-01 - A Resolution Authorizing Interfund Transfers, Interfund Loans, Adopting a Supplemental Budget to the 2014/2015 Fiscal Year Budget, and Making Appropriations - Greenwood

reviewed the resolution noting that it was a follow-up from the special meeting. He reported that work is moving smoothly, but that an extension might be needed on the culvert upgrade. He reported that the Port's auditor, Signe Grimstad, had reviewed this resolution. MOTION was made by Jincks, seconded by Barton, to adopt Resolution No. 2015-01. The motion carried in a 5-0 vote.

- E. **General Manager Annual Performance Evaluation** - Greenwood reported that he appreciates the completion of the evaluation forms. He noted that the packet contains a compilation of the submissions, and that he has reviewed them with Chuck. He added that the next step is to discuss this issue in an executive session that is scheduled immediately after this meeting. He stated that a summary report of the goals, rankings, and ratings that are to be used for his contract renewal discussions will be presented at the February meeting.

## VII. NEW BUSINESS

- A. **2014 Annual Report - ORS 777.140** - Greenwood reported that the packet contains the annual report to the Commission that is required pursuant to ORS 777.140(2). He noted that this document was compiled by reviewing minutes from the previous year's meetings, and that one of the most significant items is number 67 which was a two percent discount on insurance premiums due to board training. MOTION was made by Barton, seconded by Fleck, to adopt the first annual report. The motion carried in a 5-0 vote.

## VIII. STAFF REPORTS

### A. Departmental 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 Occupancy Report
6. Chris Urbach, South Beach Marina Harbormaster
7. Mike Goff, TCB Security

Chuck asked about the soil samples related to the fuel dock contamination. Greenwood reported that borings had been taken, and that there may be one sample of concern. He noted that he has yet to receive the report, but that he expects it to be available at the February meeting. He added that the fuel tank line that was leaking has been replaced. Barton asked about stormwater testing. Greenwood reported that he would keep the Commission apprised on both these issues.

B. General Manager's Report

1. International Terminal Update
2. Pacific NW Waterways (PNWA), Mission to DC, March 1 - 5

Greenwood reported that he plans to participate in the PNWA mission to Washington, D.C., and asked whether any Commissioner was interested in participating. It was noted that the chair had participated in the past. Chuck was not planning to participate this year, but suggested leaving the option open for future Commission chairs to participate. Greenwood reported that the issue of the retention of the U.S.C.G. Air Facility in Newport will be discussed at this forum.

3. NOAA Recreational Mitigation Projects

Greenwood reviewed two projects, including an access point under the bridge by the storm outlet, and access for kayaks, divers, etc., on the south jetty. He noted that Rick Fuller would be coordinating these projects as they are NOAA projects.

4. South Beach Vision Plan

Greenwood reported that the scope of work has been defined, and that he is sharing this information with other groups, including YBOOI, NOAA, Aquarium, and others for additional suggestions.

5. Rogue Brewery Expansion, December 9

Greenwood reported that this expansion has been narrowed down to two sites: one is the current location; and the other is the Sportsman Annex location. He noted that negotiations are ongoing, but committed that the Port has a place for the Rogue.

6. Commission Election Calendar/Forms

Greenwood reported that the packet contains important dates for the May election. He noted that all Commission seats, with the exception of Jincks position, are up for election this May.

7. Goebel Architecture Termination Letter

Greenwood reported that a termination letter had been sent to Dietmar Goebel terminating the architectural services for the planned administration building. He noted that this is a formality to bring the project to a close, but that the project can easily be resurrected when funding is available.

Greenwood reported that he had had a discussion with representatives from Teevin Brothers, and that the log exporting facility, planned in Newport, will not be constructed soon. He noted that Teevin Brothers plan to keep the permits active to

take advantage of improved markets in the future. He added that he has had a discussion with another potential log exporter to Korean markets and will keep the Commission apprised.

8. SDAO Commission Assessment

Greenwood reported that the results of the SDAO board practices assessment are included in the packet.

Greenwood reported on an update from Frank Berg that summarized the mitigation projects.

**IX. COMMISSIONER REPORTS**

Jincks asked whether there was an update on the piling inspections. He suggested looking for a better design and the development of a repair manual. Greenwood reported that he has no further information at this time.

Chuck reported that he attended a recent Council of Governments transportation meeting. He also attended a recent OCZMA meeting.

**X. CALENDAR/FUTURE CONSIDERATIONS**

Chuck read the following calendar items:

- A. 2/11 Fishermen's Forum
- B. 2/16 President's Day - Closed
- C. 2/19-22 Seafood and Wine Festival
- D. 2/24 Regular Commission Meeting

**XI. PUBLIC COMMENT**

Jim Shaw expressed dismay that the administrative building project was on hold.

Jim Shaw reported that Newport City Councilor Ralph Busby has replaced former Newport City Councilor Dick Beemer, as the city's liaison to the Port.

**XII. ADJOURNMENT**

Having no further business, the meeting adjourned to executive session at 7:00 P.M.

  
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Walter Chuck, President

ATTEST:  
  
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Ken Brown, Secretary/Treasurer

**2015 ANNUAL REPORT TO THE  
PORT OF NEWPORT BOARD OF COMMISSIONERS**

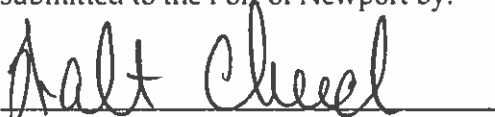
This Annual Report is filed with the Port of Newport Board of Commissioners by the President, Vice President and Secretary/Treasurer pursuant to ORS 777.140(2). This report focuses on the major events and accomplishments during the course of the previous calendar year. The report is available at the Port office and is formally submitted to be included into the public record.

1. Approved employment agreement with Kevin Greenwood as the Port of Newport's new General Manager.
2. Appointed Ken Brown to Position #4 for an unexpired term ending June 30, 2017.
3. Approved Resolution 2014-01, naming Kevin Greenwood as the Port's registered agent.
4. Authorized lease renewal extension with Carver Fuel Dock.
5. Awarded contract with HC ETC, Inc for Wi-Fi services for \$11k.
6. Contributed to the Oregon Sea Grant "Working Waterfronts Interpretive Program".
7. Authorized a contract with Advance Remediation Technology for \$12,090.00 for soil sampling related to the International Terminal dredging.
8. Authorized the lease amendment with Oregon Brewing Co. for distillery expansion.
9. Adopted Commission By-laws, a first for the Port of Newport.
10. Approved a resolution amending the boundary of the Lincoln County Enterprise Zone.
11. Approved Intergovernmental Agreement with Special Districts Insurance Trust. modifying the Port's relationship with SDAO.
12. Awarded auditing contract with Grimstad & Associates.
13. Updated Commission liaison positions.
14. Approved \$14-million budget for FY 2014-15.
15. Approved Resolution 2014-03, updating tariffs for commerce crossing the International Terminal
16. Approved the Seafarer Renewal Lease renewal.
17. Approved the J. Lamb Marine Electronics lease renewal.
18. Approved Resolution 2014-04, amending the facilities code to change rules pertaining to insurance and dock storage.
19. Authorized an agreement with Servco Pacific Insurance as broker of record.
20. Adopted Resolution 2014-05, adopting a compensation plan for employees.
21. RFQs sent out for South Beach diesel line repair contract.
22. Authorized a contract with Tough Construction to repair roof on building at terminal.
23. Commissioners Brown and Barton attended Rogue ground-breaking ceremonies for distillery expansion.
24. Commissioners Jincks and Barton attended Business Oregon Conference and accepted an award to the PON from the Oregon DEQ for the terminal project.
25. Awarded the South Beach diesel line repair contract to 4C's Environmental Inc.
26. Awarded the architectural contract for a new PON administration office building to DH Goebel, Architecture.
27. Jincks and Brown assigned to serve as Commission liaisons during the design process of the new administration building.
28. Approved IGA with the City of Newport regarding Yaquina Bay Fruit Processors Inc., allowing the tenant time to develop expansion plans.
29. Approved Resolution 2014-06, adopting rates, fees, and charges.

30. Awarded South Beach electric, water, and heating contract to Radar Plumbing for \$13,960.
31. Approved new lease agreements with the Chelsea Rose and the Patty Mae Barge.
32. Adopted Resolution 2014-08, for filling commission vacancies.
33. Adopted Resolution 2014-09, adopting the process for the annual performance evaluation of the General Manager.
34. Adopted Resolution 2014-10, requesting the Lincoln County Enterprise Zone be designated for electronic commerce.
35. Commissioner Barton met with Secretary of State Kate Brown for a tour of the NOAA MOC-P facilities.
36. Approved the election of officers: Chuck, President; Fleck, Vice President; Brown, Secretary/Treasurer as Commission officers for the FY 2015-16.
37. Conducted six-month performance evaluation of General Manager.
38. Approved the Special Use Permit for the Great Albacore Tuna Challenge. Approved the donation of proceeds from the Great Albacore Tuna Challenge (\$9,400 total collection) to the Newport Food Program.
39. Approved architectural design contract with Goebel/Capri.
40. Received permits for the International Terminal dredging.
41. Approved a contract with Macpherson, Gintner & Diaz for legal services.
42. Approved a ten-year loan agreement with LCHS for the Pasley Propeller.
43. Supported General Manager in his hiring of Stephen Larrabee as new Director of Finance.
44. Commissioner Barton attended the Oregon Coastal Economic Summit.
45. Approved a contract with HME Construction for the International Terminal unconsolidated dredging.
46. Approved a contract with Northwest Hydro Inc. for \$5,400 for the International Terminal Dredge Survey.
47. Approved a contract with Day CPM Services in the amount of \$10k for the International Terminal project management.
48. Donated launch fees for the Hospice Regatta.
49. Approved a contract with GRI in the amount of \$15,500 for geotechnical survey for the new PON administration building.
50. Adopted Resolution 2014-11, making parking violation adjustment from \$15 to \$40.
51. Adopted Resolution 2014-12, designating bank accounts and authorizing check signers as amended.
52. Approved Special Use Permit for the "U-DA-Man" Fishing Tournament.
53. Approved Special Use Permit for the Newport Rotary "Trick or Treat Monster Feet 5k Run".
54. Approved Special Use Permit for the "Bay to Brews" running event.
55. Adopted Resolution 2014-13, exempting contract from competitive bidding for the Port Administration Building.
56. Adopted Resolution 2014-14, requesting preservation of USCG Air Facility at Newport, Oregon.
57. Adopted Amendment No. 31B to the CMGC agreement between the PON and Natt McDougall Co for the International Terminal renovation in an amount not to exceed \$656,876.86.
58. Approved Special Use Permit to Coast Hills for the Turkey Trot runs.
59. Attended PON/POT Commissions Joint Goal Setting Work Session in Toledo.

60. Held a Special Meeting on November 20<sup>th</sup> advocating for the retention of the U.S Coast Guard Air Station.
61. Approved the Port join as co-plaintiff with the Newport Fishermen Wives Association, City of Newport, Lincoln County, and other parties in a federal lawsuit challenging the U.S. Coast Guard's planned decommissioning of its air rescue station in Newport.
62. Adopted the final draft of the FY 2014-15 financial statements.
63. Adopted Lease Renewal Amendment No .12 with GSA for the U.S. Customs lease.
64. Authorized Amendment No. 5 with Pacific Habitat Services Inc. for NOAA Marine Operations Facility Eelgrass Mitigation Project.
65. Authorized amendment with 4C'S for environmental fuel tank boring.
66. Commissioner Chuck attended U.S. Coast Guard personnel/architects tour of NOAA facility for possible Coast Guard cutter relocation.
67. Received 2% insurance premium discount for successfully obtaining board training. Chuck attended "How to Be a Commissioner" in Toledo on April 23, 2014; Fleck watched the DVD "Public Meetings" on September 23, 2014; Brown attended SDAO training in Seaside on February 9, 2014; Barton watched the DVD "Executive Director Performance Evaluation" on September 23, 2014; and Jincks watched the DVD "Duties, Responsibilities, and Liabilities on September 23, 2014.

The President, Vice President, Secretary/Treasurer are proud of the work accomplished by our Commission and staff. We look forward to an equally successful 2015. This Annual Report is submitted to the Port of Newport by:



Walter Chuck, President

Dean Fleck, Vice President



Ken Brown, Secretary/Treasurer

*At their January 27, 2015 Regular Board Meeting.*