

January 13, 2022
12:02 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.

SPECIAL MEETING

The Port of Newport Commission met on the above date and time virtually via Microsoft Teams. In attendance were Commissioners Burke, Lackey, Retherford, and Chuck. Commissioner Sylvia was excused. Also in attendance were General Manager Paula Miranda, Operations Director Aaron Bretz, Finance Director Mark Brown, NOAA Facilities Manager Jim Durkee, Administrative Assistant Gloria Tucker, and PR Consultant Angela Nebel.

CONSENT CALENDAR

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

OLD BUSINESS

Approval of Resolutions Regarding Business Oregon Loans. Miranda reported two resolutions are required by Business Oregon. She explained she has executed the contract with Baldwin, and they will bring a trailer to the site pretty soon. Retherford asked if the Port wants to have a ground-breaking ceremony. Miranda replied the Port usually focuses on community services for ground-breaking ceremonies, although this project will benefit the community because staff will be able to do a better job in a better building. She noted she thought once the Port finishes the building, to have an open house, but if the Commission wishes to do a ground-breaking, the Port can schedule one. Burke stated the indirect benefits are grand, but the optics would be more appropriate for a grand opening. Retherford agreed.

MOTION was made by Retherford, seconded by Lackey, to authorize the General Manager to approve Resolutions 2022-01 and 2022-02 as attached. The motion carried unanimously in a voice vote.

NEW BUSINESS

Approval of NOAA Glass Wall and Door Installation. Miranda reported NOAA wants to add another office and needs to put in a glass enclosure. She noted they already have the glass, and they would like to get started.

MOTION was made by Retherford, seconded by Chuck, to authorize the General Manager to sign the Supplemental Lease Agreement – SLA No. 30, authorizing NOAA to proceed with the glass wall and door installation per the attached statement of work. The motion carried unanimously in a voice vote.

ADJOURNMENT

Having no further business, the special meeting adjourned at 12:09 P.M.

WORK SESSION

The Port of Newport Commission met at 12:09 P.M. on January 13, 2022, virtually via Microsoft Teams. In attendance were Commissioners Burke, Lackey, Retherford, and Chuck. Commissioner Sylvia was excused. Also in attendance were General Manager Paula Miranda, Operations Director Aaron Bretz, Finance Director Mark Brown, Administrative Assistant Gloria Tucker, and PR Consultant Angela Nebel.

Goals and Objectives Discussion. Miranda reported the budget calendar has been attached to the end of the report. She noted next month staff will bring the rates and fees forward for the Commission. She stated staff are trying to set a meeting on January 24 with the Commercial Fishing Users Group to talk about rates and plans for the coming year. She added she wants to schedule one with South Beach soon.

Miranda explained goal setting is done on an annual basis to see where the Port is and where the Port is going. She noted the Port has a Strategic Business Plan from 2019, which typically last five years, but it is a living document. She stated in the next year or so, staff will start looking at hiring someone to help update that plan to stay on-time for the five-year schedule. She indicated even though it's a five-year plan, in reality, staff look a little beyond that. She added the Port must look 10-20 years ahead because some projects need more planning, and the Port does not want to put too much money into something that will change later.

Miranda reported the Port's values, vision, and mission are included in the packet. She noted those may be changed when the plan is updated. She explained the business plan's summary has been provided with her comments on those items. Burke clarified Miranda's comments are in blue italics. Miranda added she wants to discuss capital improvements, but it's not all about what the Port builds or fixes, but also what does the Commission want the Port to look like.

Miranda explained the capital improvement list, criteria for evaluating projects, and staff priorities. She stated the Port only has so many people and there's only so many projects staff can handle at a time, so that is something to consider. She noted some items staff would like to put into this fiscal year's budget. She indicated some items would be put into next fiscal year, or the following fiscal year.

Retherford asked if the Port will be able to get the federal permitting for Port Dock 5 quickly. Bretz replied those are fairly straightforward permits, so the Port should be able to get them in the coming year. Chuck stated there is talk about doing Port Dock 7 as a separate project from the Fishing Pier. He noted if that happens and the Port does not attach the Fishing Pier improvement to that opportunity, staff need to look at the Fishing Pier as a separate project. He indicated the Port has quite a bit of grant opportunity through the city, county, or state for that. He indicated staff were thinking about banking some of those pilings as mitigation for some of the work inside the marina, and there has been talk in the past of being able to bank some of those mitigation credits by pulling those pilings. He added if staff can pursue that, he thinks it will be beneficial.

Miranda replied staff are trying to tie Port Dock 7 mitigation to the Fishing Pier improvement. She stated the way staff are looking at redoing the pier would remove a lot of pilings. She noted, unfortunately, the Port can bank some mitigation credits on the state level, but that is not possible on the federal level. She explained the major mitigation on Port Dock 7 will be on the

federal level. She indicated staff would like to get through the planning phase for Port Dock 7 and figure out what kind of mitigation is needed, before going too far in improving the Fishing Pier. She added, quite frankly, she would like to tie the Fishing Pier to another project (if it doesn't work for Port Dock 7) because the moment those pilings are removed, the Port loses the opportunity for many, many credits.

Miranda reported there is a lot of work to get done in general in the commercial and recreational marinas that could use some mitigation. She stated there is not much available in Yaquina Bay in general for mitigation work. She noted she does not want to shoot the Port in the foot and take away the one, big opportunity to use the credits by creating a solo project. She indicated she understands the Fishing Pier improvement would be great for the community. She added if the federal government would bank those credits, she would jump into that right now.

Chuck asked what type of federal mitigation is needed for Port Dock 7. Miranda replied the Port lost a lot of Port Dock 7's dock, and when the Port tries to rebuild later, it has to figure out a way to mitigate for adding new piles. She noted that will be the biggest mitigation problem. Burke asked how far apart construction of two projects can be and still be considered one project. Bretz replied it would be addressed in the permit, and permits are about five years. He added it's not impossible to do them at the same time either. He noted NOAA stated the intertidal mitigation the Fishing Pier represents is very valuable and is not easy to find.

Lackey asked if there are any projects that the federal infrastructure funds could go toward. Miranda replied the Rogue seawall is one. She noted the other projects depend on how quickly the Port completes plans. She noted the RV Annex plans may be too late. She added she wished the Port had the plans for Port Dock 7 now, because the Port could get funds for that. She explained the Port is working with the Build Back Better grants. Retherford confirmed the 20-year loan from USDA is still available for the Rogue seawall. Miranda added the project is more about looking into the Port's loan portfolio and making sure the Port can't get grants first. She stated if the Port could not get grants, then staff would look into a loan from USDA or Business Oregon. She explained Business Oregon's loan process.

Burke recommended changing the title of the safety and security item in the capital improvement plan. He noted safety should always have a priority of one. Miranda replied the title came from the original capital improvements list. She explained the reason for priority three is not because it is not important, but because staff could not get those projects moving this year. She stated staff understand the importance of liability issues being addressed. She noted when it comes to security issues, staff have been working with SDAO every year to add cameras. Burke recommended further discussion with the administrative team on the title of that item.

Miranda overviewed projects that have been added to the original capital improvement plan. She stated NIT conditional assessment and repair of RORO dock pilings needs to be addressed. She noted staff don't want this to get worse and cost more down the line. She indicated staff may include this on the coming fiscal year or the following fiscal year. She explained South Beach Marina's outfall has a number one priority because the more staff let it go, the more it will cost. She added the Port just spent \$350,000 fixing the other stormwater outfall that was sinking.

Miranda reported the South Beach buildings (former fruit processing plant) have been neglected, and the buildings need a lot of work. She explained there are new tenants for two of the buildings, but the third building needs to be removed. She stated it's a liability, but, unfortunately, that building contains all the electrical for the other buildings, so the Port will need to build a shed for that. She indicated the Port needs to address the buildings' overall condition, if it expects to keep tenants. She added the lease revenues will help pay some of those costs.

Retherford asked if there is a plan in place for rebuilding any of the buildings. Miranda replied she had some discussion with South Beach maintenance whose shop is quite small for what they need. She explained it's much easier to get a loan to build a building for a tenant rather than the Port. She stated later on, the Port could add a new building for a tenant and have the current building shared between the NOAA Facilities Manager and South Beach maintenance. She added in the next couple fiscal years, staff will look into that.

Miranda reported the Commercial Marina needs new forklift and office space. She noted with the new administration office, they can share the breakroom. She explained in the short-term, they will try to add an office there. She indicated the hoist dock and Swede's dock need to be addressed. She added, hopefully, when the Commercial Marina gets new access, the Port will address dredging at the same time.

Chuck asked what needs to be done at the RORO dock at NIT. Bretz replied it's been 10 years since it has been inspected. He explained the corrosion team checks the condition of the pilings. He noted those pilings were not replaced when pier was rebuilt. He stated there are 55 pilings, and the Port needs to stay on top of them. He added from that inspection, staff will develop a repair plan.

Chuck asked if the forklift will be purchased or leased. Brown replied staff would like to buy it outright and avoid the lease interest rate. Chuck stated staff need to make sure the rates reflect the replacement value. He recommended starting to set up a separate account to put money away for replacement, so equipment pays for itself. Miranda stated, especially, for new assets staff try to set money aside for maintenance and replacement. Retherford noted a forklift is needed for commercial and South Beach. She asked if the Port can get a discount. Brown replied staff often buy off the state, which has a significant discount. Miranda noted the one in South Beach will not be replaced immediately, because staff try to stagger equipment purchases.

Miranda reported the hoist dock fenders can wait. She explained there is some concern that all of Port Dock 3's power and water is hooked up on a neighboring property. She stated the Port needs to eventually find a way to move that onto its own property. She noted the South Beach HVAC system needs to be changed in the next few years. She indicated she would like to include the end-ties at South Beach on this fiscal year. She added more pilings at Swede's Dock are planned in further fiscal years.

Miranda reported, eventually, the Port needs to extend the hoist dock and move the shop. She stated staff are hoping of combining Port Dock 7 with the hoist dock since it is needed for Port Dock 7 to function. She noted South Beach asphalt overlay would be for the following fiscal year. She added the Port would try to charge for parking in South Beach to have funds to help cover that cost.

Bretz reported for the hoist dock project, there is a section of the hoist dock that is old wooden dock and needs to be replaced. He noted that alone is not a good scale for a project, so staff are looking at reconfiguring the dock. Lackey noted the hoist dock item is repeated in the list. He suggested looking at north commercial wholistically. Miranda replied she will remove the duplicate item. She added staff are trying to look at project scales Port-wide, but there is no doubt the commercial marina needs a lot of work. Lackey added the moral of the story is there is no shortage of stuff that needs to be fixed. Miranda replied that's why it is so important as soon as the Port gets a new asset, to set money aside for maintenance.

Miranda added if any Commissioner would like to give a different priority to any of these items, to let staff know. The Commission thanked staff for their efforts. Miranda reported on her

recent Port presentations in the community. She reminded the Commissioners of the upcoming SDAO Conference.

ADJOURNMENT

Having no further business, the meeting adjourned at 1:23 P.M.

ATTESTED:

James Burke

James Burke (Feb 1, 2022 11:07 PST)

James Burke, President

Walter Chuck

Walter Chuck, Treasurer/Secretary