

PORT OF NEWPORT MINUTES
February 24, 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 PM 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); and David Jincks (Pos. #2).

Port of Newport Management and Staff: Kevin Greenwood, General Manager; Stephen Larrabee, Director of Finance; Roxie Cuellar, Administrative Assistant; Kent Gibson, Acting Commercial Harbormaster; and Mike Goff, TCB Security

Members of the Public: Jim Shaw; Wayde Dudley; Barb Dudley; Hal Pritchett; Ralph Busby; Lee Fries; Yale Fogarty; Bob Ward; Pat Ruddiman; Stan Pickens

II. CALL TO ORDER

III. CHANGES TO THE AGENDA

No Changes were made to the agenda.

IV. PUBLIC COMMENT

Lorna Davis, Executive Director of the Newport Chamber of Commerce, spoke to the Chamber's support for the Rogue expansion at its preferred location. The partial destruction of the tents over the last two years has made the Seafood and Wine Festival untenable at its outdoor location. She expressed the need for "bricks and mortar" to keep the festival viable.

V. 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 of January 27, 2015.
- B. Financial Reports
- C. Declaration of Surplus Property

A motion was made by Brown and seconded by Barton to accept the consent calendar.

VI. CORRESPONDENCE / PRESENTATIONS

Stan Pickens and Bob Ward of the Newport Sea Lion Docks Foundation spoke to

the success of the new docks installed at Dock 1 for the sea lions. They thanked the number of individuals and groups involved that had made it possible. The third phase will be the construction of a 75-foot viewing deck. They are confident that they will get the funding. Barton agreed that such a project is a learning experience. Brown noted that the agreement provided by the Foundation did not reference maintenance of the viewing dock. The General Manager indicated that that would be included when the agreement was discussed next month. Fleck asked what plans the Foundation had for long-term maintenance. Stan _____ said they intended to keep the foundation intact and would expect to get continued support and donations from bay front businesses. Bob Ward reminded people that the principal objective in building the sea lion docks was to increase local tourism, which benefits local businesses. Barton suggested a yellow painted demarcation area separating the viewing area from the commercial docks as a safety measure.

VII. OLD BUSINESS

A. Accounts Paid

Jincks asked if the IT Petroleum Compliance Service cost of \$1400 was an annual fee. The General Manager said that it was. Fleck and Brown recused themselves because of payments to Les Schwab and Englund Marine.

Barton made a motion to accept the Accounts Paid; Jincks seconded the motion; it passed 3-0.

B. General Manager Annual Performance Evaluation (ORS 192.660(2)(i))

The General Manager thanked the commissioners for the direction they provided during his performance evaluation and looked forward to his new one-year contract. Chuck expressed his pleasure at working with the General Manager over the last year.

Barton made a motion to renew the General Manager's annual contract and award a merit adjustment of 2.0% for FY 15-16 upon approval of the budget. Ken Brown seconded the motion; it passed 5-0.

C. Resolution Setting Rates, Fees, and Charges (ORS294.160)

The General Manager explained that department heads and staff review the rates charged by the Port on a monthly basis. Fleck questioned the cost of line replacement on a per foot basis, saying that the cost would depend upon the size of the line and the length of the boat. Gibson said this would principally apply to recreational boats, when the owners are absent during storms. Larrabee said the staff replaced the damaged line with line the staff had on hand; it was viewed as a temporary fix. The General Manager said the change that could cause the most concern was the 10% increase in equipment cost. Jincks suggested we receive more feedback from Port users by encouraging them to view the proposed rate changes on the Port website. The new rate schedule would be adopted by the end of the fiscal year. The General Manager pointed out the new rates would go into effect on November 1, 2015, so they could be implemented during a slower period for employees, rather than mid-summer when staff is busier. Barton agreed. Jincks said that he appreciated the direction being taken. He feels that small adjustments each year are preferable to large increases after years with no changes in the rates.

VIII. NEW BUSINESS

A. Vessel Impoundment Fee

The General Manager explained that there is currently no fee in the rate structure for the impoundment of vessels. Barton asked how the proposed \$550.00 fee was arrived at. The General Manager said that staff had kept track of how much time and costs were incurred for the recent vessel seizures. Barton questioned whether \$550 was enough but then concluded that the actual collection of more money was problematic. Jincks agreed.

Jincks made a motion to implement the impoundment fee in the rate schedule. Brown seconded the motion and it passed 5-0.

IX. STAFF REPORTS

A. Department 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 RV Park
6. Chris Urbach, South Beach Marina Harbormaster
7. Mike Goff, TCB Security

The General Manager told the commission that the Port has been aggressively enforcing the Facilities Code. He noted there will be a court hearing on Thursday morning on a Forcible Eviction. Mike Goff, TCB Security, spoke to some of the problems and the efforts to respond to the activities of some live-aboard moorage holders, especially at the South Beach Marina. Fleck

expressed his appreciation for the efforts and Chuck said that he has received several positive comments.

8. Safety Committee Report
B. General Manager's Report

1. Rogue Brewery Expansion

The General Manager met with Brett Joyce from Rogue Brewery today; they have been meeting on a weekly basis as they go through negotiations on the proposed Rogue expansion. Rogue would like to have the new lease terms determined by the end of the calendar year. The General Manager felt that gave the Port enough time to work through the issues. He thanked Jincks and Dean for the work they have put into the negotiations.

2. International Terminal Update

The General Manager told the commissioners that the project is all but completed. The pilings and riprap have been installed, and the berm removed. The project should be completely done by the end of March. He has a list of about six people who have made inquiries about shipping opportunities at the IT. Barton asked if there is a marketing plan and suggested that perhaps the Port membership in the Special Districts' association could provide the Port with marketing advice. The GM responded that we have specs and tariffs posted on the Port website. Currently, he is primarily making phone calls. It is principally a matter of businesses determining whether the Port is able to meet their shipping needs. Chuck said he has received questions about why local contractors were not used for the mitigation work. The GM explained that the Port has a small window of time to do in-water work. Using local contractors would have required putting out a request for bids, causing the Port to probably postpone the completion for another year. As it was, the Port had to get a two-week extension to finish this month. The GM felt that simply extending the contract with Natt McDougal would allow him to market the International Terminal this year. Barton agreed that the Port always wanted to use local contractors when feasible, but she agreed that this was an extension or amendment to the McDougal contract and not a new contract that needed to be put out for bid. Jincks agreed it was an amendment to the McDougal contract and said that the process had been transparent; the General Manager had presented the proposal to the commissioners and followed proper process.

3. Pacific NW Waterways (PNWA), Mission to DC, Mar 1-5

The General Manager is leaving for Washington D. C. on February 28. PNWA will bring up the topic of the Newport USCG air facility. The GM will meet with the Coast Guard Chief and the Army Corps of Engineers personnel. He will also meet with Oregon congressmen and others on relevant congressional committees. Commissioner Brown will also be in Washington D. C. on unrelated matters, but will try to coordinate meetings with the GM. The Newport Fishermen's

Wives Association will be sending Ginny Gablirsch and Jennifer Stevenson, who will also be advocating for the air facility.

4. NOAA Recreational Mitigation Projects

Chuck and Fleck met with Department of State Lands and Oregon Department of Fish and Wildlife employees about the project. The General Manager said that Rick Fuller will be the project manager. Brown asked if this was the last of the three recreational mitigation projects. The GM said there are interpretive signs that will need to be installed as well as two remaining pathways, for a total of four projects.

5. South Beach Vision Plan

The General Manager met with the county Economic Development Commission. It will help prepare two grant applications to help pay for the planning project. The GM estimated the total cost to be approximately \$50,000.

6. Capital Facilities Plan Update – Project List

The General Manager referred to the Plan Update that includes all projects with projected costs exceeding \$5,000. The GM pointed out that the CFP is a good procedure for prioritizing projects during the budget process.

X. COMMISSIONER REPORTS

Barton reported that she attended Senator Merkley and Representative Schrader's Town Hall Meeting, accompanying the General Manager.

Chuck and the General Manager attended the Yaquina Bay Emergency Management meeting. The focus was on procedures to follow in the event of a distant tsunami event.

XI. CALENDAR / FUTURE CONSIDERATIONS

Chuck read the following calendar items:

- A. 2/28 -3/1 Saltwater Boatmen's Show, Salem
- B. 03/11 Fishermen's Forum
- C. 03/19 Commission Candidate Forms Due
- D. 03/21 Blessing of the Fleet
- E. 03/24 Regular Commission Meeting
- F. 04/07 Commission Budget Priorities Work Session, Noon
- G. 04/14 Second Commission Budget Work Session, if needed

XII. PUBLIC COMMENT

Jim Shaw announced that the manager of the Idaho Point Marina and RV Park, had passed away three days ago. He also introduced the new Newport City Council member Ralph Busby.

XIII. ADJOURNMENT

Having no further business, the meeting adjourned at 7:00 PM.

ATTESTING TO THESE MINUTES:

Walter Chuck, President

Ken Brown, Secretary / Treasurer