

August 27, 2024
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, Lackey, Ruddiman, Retherford, and Chuck. Also in attendance were Executive Director Paula Miranda, Director of Business and Finance Services Mark Brown, Operations Director/Deputy Executive Director Aaron Bretz, Administrative Assistant Gloria Tucker, OSU Intern Kari Hoy, OSU Intern Erin Shogren, and PR Representative Angela Nebel. Visitors included Mark Kuykendall, Tracy Burchett, and Susan Shogren.

CONSENT CALENDAR

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

PRESENTATIONS

Regional Economic Development in a Global Market. Sylvia introduced the agenda item. Hoy presented her report included in the packet. Chuck asked how long Hoy worked on her presentation. Hoy replied she worked on the project for 10 weeks starting in June. Lackey praised the report. He asked if she looked at any other ports or places that have a similar footprint or conditions as the Terminal. Hoy replied she looked at the Port of Portland and Port of Coos Bay. Miranda noted she received an article showing mass timber looking to move into Philomath, and that could be a good for the area. Hoy noted Timberlab is opening a facility outside of Corvallis as well.

Chuck asked if there is growth in mass timber use. Hoy replied because it is so new, it does not have that kind of data; it is a little uncertain. She said she has noticed more companies are moving in that direction, and there are a lot of proposed projects. Chuck asked what is the cost comparison between mass timber and other building materials. Hoy replied she would have to do more research to find that out. Sylvia asked which of these industries did Hoy think had the highest chance of success. Hoy replied metal fabrication because the welding center at the Port of Toledo is a perfect fit, as well as higher wages. She noted food manufacturing, particularly fruits and vegetables, would also work.

Miranda asked when Hoy talks about the metals is she talking about shipping metals or metal manufacturing. Hoy replied she is talking about both. She stated she does not think it makes sense to have primary manufacturing here, but more on the later end of the process. Sylvia asked why Hoy mentioned timber is not always thought of as sustainable. Hoy replied there are arguments for and against. She said she has heard people drawn away from cutting down trees.

Retherford asked if Hoy found anything that could work for the cargo/shipping side without a facility. Hoy replied metals [could be shipped] since they are not necessarily mined in the US but other countries in the Pacific. She stated mass timber could come from California or

Washington. She noted food manufacturing could bring in products from Canada or Mexico. Sylvia asked what Hoy will do next. Hoy replied she will return to school for her senior year.

OLD BUSINESS

RV Annex Redesign Proposal. Sylvia introduced the agenda item. Kuykendall, Good Work Architects Representative, presented his report included in the packet. Retherford asked if any of the dredge material could be used for the project. Kuykendall replied the idea is to create mounds using the dredge material. He noted most of South Beach is built up, and the Port could use that material to sculpt the RV Park Annex. Lackey stated he likes the green. He asked are there standards for RV maneuverability. He noted the site looks a little tight. He asked how does it compare to the existing park. Kuykendall replied the site is better than the existing. He explained Good Work hired RV Park consultants who are the foremost RV Park designers in the US. He noted all of these sites fit pop-outs and provide everything in Class A RV Park. He added they also used the standards provided by the City of Newport. He indicated all of it will meet fire apparatus turning, backing in, and pulling through.

Lackey stated a lot of parks have something for kids. He asked if that was something they looked at. Kuykendall replied they did not look into that a lot since this project was designed to maximize stalls. He stated removing one or two stalls or swapping out the sauna would be a great area for something for kids. Miranda noted a playground would be easier to maintain than a sauna. Lackey added he likes the berms and greenery.

Retherford stated she likes the sidewalk. She noted it's nice to have an area to move and gives access to other parts of the area. Miranda asked if Kuykendall looked at the range of cost. Kuykendall replied there is a cost section of the report. He noted Good Work has architects and engineers, not cost consultants. He explained he does believe there is a way to do this within the budget in the strategic plan. He stated costs will come down to material choice. Miranda explained RV Parks are not easily funded by grants and may have to be funded by a loan or general funds. Kuykendall stated his estimation is \$1.9 million for hard costs, soft costs of \$660,000, and engineering fees of \$240,000. Miranda summarized the project would be in the \$2.5 million range.

Sylvia asked if the Port would need to irrigate the green. Kuykendall replied it depends on when you plant and the species of plants. He stated if the Port plants in the fall, most of the greenery would be established before summer. He indicated the idea is not to have irrigation. Retherford asked if any of it is going to be normal grass. She suggested artificial turf. Bretz replied real grass is a problem. Sylvia asked if staff would irrigate the dog park. Bretz replied they would irrigate or let it dry out in the summer. Sylvia confirmed with staff this would create 47 spaces. He asked Brown if he had looked at the numbers. Brown replied he had not looked into that yet. Miranda noted there wouldn't be as much of a discount as with the old Annex.

Retherford suggested keeping the Annex running while this is being built. Chuck asked if there would still be a view of the bridge. Kuykendall replied the bridge can be seen from above the planting, and several spots have a nice view, but all the cars are blocked out. Bretz noted on the other side of the hill is the Port's collections for fish waste, and smell can be an issue there. He added the Port will have to figure out a way to address that somehow.

Approval of Changes to Lines Agreement. Sylvia introduced the agenda item. Miranda reported Lines Agreement requires Commission review on an annual basis. She explained the agreement does not provide for modification, but recently staff had discussions with ILWU as to

some vessels that may or may not need lines. She stated after those conversations, both parties agreed on a certain size [for line handling]. She overviewed her negotiations with the union. She stated the changes are to tie the number of linesmen to the size of vessels and modernize the agreement. She indicated covered vessels and exempted vessels have had the most focus, and she understands there are concerns about fishing vessels that process fish. She added the fish processors are ready-for-market processors.

Miranda reported there was also concern about fishing vessels that do research. She suggested adding language to make it clear those will not be included. She noted Pasha will have to approve the changes to the Lines Agreement as well. Lackey stated for the catcher processor, Newport does not have cold storage, so this is probably a non-issue. He suggested removing that language, so the fishing interests know there is never a question about fishing vessels. Miranda noted she did request to move that, and ILWU does not want to remove that.

Ruddiman stated in the 90s, linesmen tied up a catcher processor and loaded product. He noted at the Port of Astoria, they will tie up with longshoremen. He stated having that language is a protection on their behalf, whether it happens or not, doesn't matter. He indicated they have as many vessels listed as possible, because if not, they won't get called.

Sylvia stated he is confused by this agreement. He asked Bretz if the size of vessels is more important than the categories of vessel. Bretz replied from a safety standpoint, it's about size. He stated the Port needs people who are trained to provide the service. Sylvia confirmed with Bretz it does not matter if it is cargo or processor type vessel for safety. Sylvia suggested not listing types of vessels. Miranda explained the list of required and exempted vessels.

Retherford explained how fishing vessels are considered research vessels at times. Miranda suggested adding language to exempt fishing vessels engaged in research. Lackey suggested that language be added to the covered section as well as exemptions. Sylvia emphasized he does not like breaking these out by the class of vessel rather than the size. Discussion ensued on creating a traditional contract with terms and termination language. Miranda noted none of the ILWU contracts with ports are traditional contracts, and it is not likely that they would approve any of that language. Lackey noted the agreement with the stevedore does have terms.

Chuck suggested leaving the contract to staff. He stated his concern is once you create loopholes or exceptions, then you've opened up yourself to being taken advantage of. Lackey stated his concern is the language about processors could be leveraged into something else, such as requiring loading or unloading. Ruddiman noted if the industry did not fight for these kinds of agreements, there wouldn't be anything. Discussion ensued on the importance of contract language.

MOTION was made by Chuck to approve and authorize the Executive Director to execute a final copy of the amended Lines Agreement as presented pending further approval by Pasha Stevedoring & Terminals L.P, as required under our Master Contract Services Agreement; and further to replace Exhibit A (Lines Agreement) from the Master Contract Services Agreement with Pasha Stevedoring & Terminals L.P pending their approval.

Lackey clarified with Chuck this motion approves it as written. Miranda suggested adding fishing vessels engaged in research are exempted. Chuck withdrew his motion.

MOTION was made by Chuck, seconded by Retherford, to approve and authorize the Executive Director to execute a final copy of the amended Lines Agreement with the following changes under covered vessels, all vessels operating in research except for fishing vessels, and under exempt vessels, under fishing vessels, all fishing vessels exempt including those processing fish or engaged in research pending further approval by Pasha Stevedoring & Terminals L.P, as

required under our Master Contract Services Agreement; and further to replace Exhibit A (Lines Agreement) from the Master Contract Services Agreement with Pasha Stevedoring & Terminals L.P pending their approval. The motion carried 3-2, with Lackey and Ruddiman against.

Approval of Upgrade to RV Park TV System. Sylvia introduced the agenda item. Brown reported when the provider went to install the new TV system for the Annex, they found out they needed to install this in the main park, and they needed additional equipment. He noted for an additional \$14,000, the Port can improve both RV parks with a reasonable payback period. He indicated, realistically, with the age of the system, it may fail tomorrow because it is that old. Chuck asked if the park's internet capacity is adequate. Brown replied they talked with Hyak, and the capacity can handle this.

Chuck asked if the password has changed. Brown replied not in five years. He suggested changing the password every quarter. Retherford noted the Port also has the Rogue Seawall project. She asked if funding this little project, when the Port has a large amount going out, will affect that. Brown replied there are funds. He noted he completed a cash flow for next year, and no matter what, the Port will have to borrow money from reserve funds. Miranda added staff have had that conversation as well.

MOTION was made by Lackey, seconded by Chuck, to authorize the Executive Director or Designee to sign the addendum to the It's All About Satellites! agreement for an additional \$14,357.00. The motion carried unanimously in a voice vote.

Approval of Change Order for Final Rogue Seawall Injection Areas. Sylvia introduced the agenda item. Bretz reported the Port just finished repair on the tiebacks, but still have to finish paving over that. He stated this section of the project was pulled out for the next fiscal year, this fiscal year. He added this would finish the work and finish stabilization.

MOTION was made by Retherford, seconded by Lackey, to authorize the Executive Director or her representative to amend the Construction and Engineering contracts for the Rogue Seawall Project in an amount not to exceed \$71,000, which includes a 10 percent contingency. The motion carried unanimously in a voice vote.

NEW BUSINESS

Employee Anniversary Recognition – Mark Brown – 5 Years. Sylvia introduced the agenda item. Miranda recognized and thanked Brown for his service.

Public Hearing for Ordinance 2024-02 Regarding Facilities Code Changes. Sylvia introduced the agenda item. Bretz reported there's two changes he is recommending. He stated on the portion dealing with launch fees, he failed to add long-term moorage. He explained the process for long-term moorage holders to request a one-time launch and retrieval pass. He stated regarding the issue of people not paying tickets, staff have generated a list of people who refuse to pay, and that needs to be enforced. Tucker explained need for a motion for the first reading.

Sylvia asked how many people are on the list. Bretz replied about 20 people, and there is a handful more staff have to do work to track down. Retherford asked is there a way to have the violation paid in 45 days, as 30 days may not give enough time. Bretz replied that change can be made. Tucker clarified the motion with staff.

MOTION was made by Retherford, seconded by Ruddiman, to change the ordinance language under launch fees, to add assigned long-term moorage and to change under 2.24 denial of service, to 45 days for the first reading. The motion carried unanimously in a voice vote.

STAFF REPORTS

Executive Director's Report. Miranda presented her report included in the packet. She noted she attended the public hearing on the city's adoption of the Yaquina Bay Estuary Plan. She stated there are still some concerns with some of the language, especially Management Unit 10, which is mostly in the Sally's Bend area. She indicated the environmentalists want that area to be pristine, and the Port would like to do mitigation there or aquaculture. She explained the Planning Commission will make their decision, and then the city council will take more public comment before making the final decision.

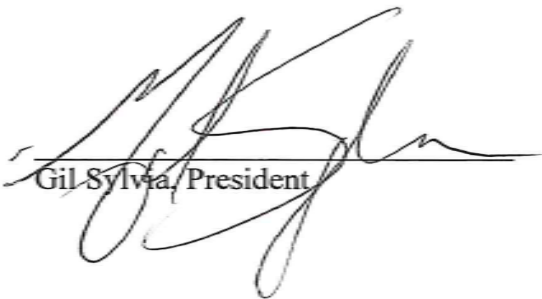
Miranda gave an update on the Port Dock 7 sediment sampling report. She noted on the funding side, ConnectOregon will make project selection on Oct. 10. She stated Port Dock 7 is ranked 6 out of 35 projects, so the chances of getting funding are high. She indicated she should know about PIDP and Connect Oregon grants around the same time. She added the good part is if for whatever bad reason, the Port does not get federal funding, staff can apply again next year.

Miranda explained the strategic plan will need to wait until Business Oregon has funding. She stated she will bring the capital improvement list to the next meeting so Commission can see where the Port is on projects.

Retherford asked if the Commission could set meeting dates for November and December meetings. Miranda pointed out the Infrastructure Summit falls during the Commission meeting and asked if the Commission would move the meeting date to Sept. 23. The Commission agreed to have the September meeting on Sept. 23. The Commission also agreed to move the November meeting to Nov. 19 and the December meeting to Dec. 17.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:28 p.m.



Gil Sylvania, President

ATTESTED:



Walter Chuck, Secretary/Treasurer