

PORT OF NEWPORT MINUTES
May 15, 2015
Special Commission Meeting

I. CALL TO ORDER

Commissioner Ken Brown called the special meeting of the Board of Commissioners to order at 1:07 PM at the South Beach Activities Room.

Commissioners Present: Ken Brown (Pos. #4), Secretary / Treasurer; JoAnn Barton (Pos. #3); and David Jincks (Pos. #2). Walter Chuck, President (Pos. #1) and Dean Fleck, Vice-President (Pos. #5) were absent.

Port of Newport Management and Staff: Kevin Greenwood, General Manager; Chris Urbach, South Beach Harbormaster; Rick Fuller, NOAA Facilities Manager; Kent Gibson, Operations Staff; and Roxie Cuellar, Administrative Assistant.

Members of the Public: Patricia Patrick-Joling, in-coming commissioner.

II. CHANGES TO THE AGENDA

The General Manager recommended that the Rogue Engineering item be removed from the agenda. There was no opposition from the commissioners.

III. PUBLIC COMMENT

There was no public comment.

IV. NEW BUSINESS

A. Resolution Increasing Small Procurement Limit

The General Manager explained the issues involved in raising the limit of the small procurement amount from \$5,000 to \$10,000. The State of Oregon had made the change in the state statute effective January 1, 2014. It eliminates the need to get three bids on purchases and contracts under \$10,000, which is often difficult to do in a smaller community, such as Newport. It would also reduce the need for special meetings for the commissioners. Jincks said he is in favor of raising the limit to \$10,000 with safeguards. He felt there should either be commission approval or a limit on the number of times per year the General Manager could use it. Barton agreed. Brown asked if the Board could change the bylaws to put some limits on it. The General Manager said that the resolution could be rewritten and brought back to the commissioners. He

said that there are various ways it could be done. For example, the General Manager could be required to have two commissioners initial any purchase or contract between the amounts of \$5,000 and \$10,000. Barton suggested a limit of two or three per year; after that, the General Manager would need to come to the commission for approval. Jincks said he did not have a problem with special meetings and, given the Port's financial problems, having commission approval is probably a good thing.

Fuller noted that even if the limit was raised to \$10,000, best practices would require that staff attempt to get three bids when practicable. Urbach gave as an example that he attempted to get three bids on the paving project that is on the agenda; he was able to get two, but not three, although he did request bids of the three different companies in the area. The General Manager noted that the problem did not seem to be raising the small procurement limit to \$10,000, but rather how much authorization to give to the General Manager in making the procurements within the limits without getting Board approval. Barton assured the General Manager that the issue had nothing to do with him but rather whoever was sitting in his chair. The General Manager said that he understood. It was decided that the resolution would be submitted to the Board after further work was done.

B. South Beach Pay Station

Urbach told the commissioners that he found two more vendors who provided bids on the same pay station. The vendor used in the past was the low bidder. The new machine takes debit or credit cards or exact change. The machine will take ones or fives, but does not give change. The old machine gave change with Susan B. Anthony silver dollars. Having a coin dispenser in the new machine adds \$3,000 to the cost, so that feature is not included. Brown asked if there is a user fee charged to the Port when people use their cards. The General Manager said that Steve Larrabee, Director of Finance, said the total cost to the Port per month would be about \$170. The General Manager said that it was anticipated that more people would use a debit or credit card. Urbach reminded the commissioners that in the summer, the pay station needs to be emptied twice a week, which takes about 45 minutes each time. Jincks said it is important that we know the full cost. Brown said it appears from the bids that they would be using our merchant account to charge the credit card fee. The General Manger suggested that the commissioner approve the purchase of the pay station and that the staff would provide more details on the monthly costs at the next commission meeting. A motion was made by Barton and seconded by Jincks to award the Ventex contract to Northwest Parking Equipment Company for an amount not to exceed \$14,748.00. The motion passed 3-0.

C. Bids on Hoist Crane Repair

Three bids were requested for work on the hoist crane; only two were received. Staff recommended that the commissioners accept the higher of the two bids. Gibson was concerned that Dan Lais bid may not be inclusive of all of the costs. He said that Yaquina Boat Equipment

(YBE) had spent four hours speaking with the manufacturer and had done a thorough job of investigating all of the specifications. YBE was able to reduce its bid by \$100 because they had done previous work on the hoist crane that did not need to be replaced. Gibson's discussion with Lais led him to believe that Lais had not done as thorough a job in assessing costs as had YBE. Barton said that the Port has received incomplete bids in the past and knows the consequences. Jincks said that he has had cranes rebuilt in the past and knew what was involved. The fact that YBE's bid was contingent upon the structural integrity of the existing hoist demonstrated proper responsibility to Jincks. The General Manager said that if the commissioners want to accept the bid from YBE, the minutes needed to reflect that staff had requested a third bid from Halco but had not received one. Fuller said that the Port can accept a higher bid if it is the best bid, especially on the repairs to a crane because that involves safety issues. A motion was made by Jincks and seconded by Barton to award the repairs to the hoist dock crane to Yaquina Boat Equipment, in an amount not to exceed \$12,300, based upon the existing integrity of the hoist. The motion passes 3-0.

D. South Beach State Marine Board Paving Grant

Urbach explained that this is an Oregon Marine Board grant that would provide funds to repair the seams in the trailer parking lot at the boat launch. If the Port project costs less than \$10,000, no matching funds are required. He requested bids from Cedar Creeek, Knife River, and Lee's Paving. He had just received the Knife River bid that morning; it was \$15,394.00. There was no response from Lee's Paving. Jeanine, from the Marine Board, said it would have a response by the 15th. Jinx asked if there are other areas that we could have done at the same time – perhaps ask for more money even if the Port had to pay a matching fund. Urbach said the match was 1:1 above \$10,000 and that the project has to be completed by June 30, 2015, the end of the fiscal year, so there is a limited amount of time to get the job completed if the Port receives a grant. A motion was made by Barton and seconded by Jincks to award the contract to Cedar Creek, not to exceed \$9,977.40 upon the receipt of grant approval from the Oregon Marine Board. The motion passed 3-0.

E. NOAA / DSL Gaper Clam Study Contract

Fuller told the commissioners that the Port had to provide diving services for the seven-year study as part of the NOAA MOC-P permit. The Port is now in the fourth year of the study. Marine Taxonomic Services, Ltd. (MTS) has provided the divers for the study for the last two years. He explained that it makes sense to not get bids and to continue to use MTS's services when they are the sole source for that service. The study is actually done by Oregon Department of Fish and Wildlife (ODFW) and time is of the essence; the study needs to start soon. The General Manager explained that the previous contract fell between the cracks when Don Mann left as General Manager and Kevin Greenwood replaced him as General Manager. Brown asked if the Port will need to approve this contract again next year. The General Manager responded yes. A motion was made by Jincks and seconded by Barton to award the personal services

contract to MTS, not to exceed \$8,460, to provide divers for the Gaper Clam study. Motion passed 3-0.

V. ADJOURNMENT

Having no further business, the meeting adjourned at 1:50.

ATTEST:

Walter Chuck, President

Ken Brown, Secretary / Treasurer