

PORT OF NEWPORT MINUTES

August 18, 2015

Work Session

South Beach Activities Room, 2120 SE Marine Science Drive, Newport, OR 97365

I. **CALL TO ORDER**

Commission President Walter Chuck called the Commission Work Session to order at 12:03 pm.

Commissioners Present: Walter Chuck, President (Pos. #1); Ken Brown, Vice President (Pos. #4); David Jincks, Secretary/Treasurer (Pos. #2); Patricia Patrick-Joling (Pos. #5.) Stewart Lamerdin (Pos. #3) arrived during the discussion of the Rogue Expansion Progress.

Management and Staff: Kevin Greenwood, General Manager; Rick Fuller, Director of Operations; Karen Hewitt, Administrative Assistant.

Members of the Public and Media: Dennis Astine, Newport News-Times.

Changes to the Agenda: Kevin Greenwood advised the Commissioners that the Rogue Expansion Progress was added to the agenda per Commissioner Jincks. Jincks added that Brett Joyce, Rogue President, was not here, but Jincks wanted Patricia Patrick-Joling and Stewart Lamerdin to see this information. Greenwood advised that Cody Chase and Robin Murphy were notified about the agenda for this meeting, and Rogue was alerted as well.

II. **BUSINESS SIGNAGE ISSUES**

Greenwood recapped the discussion at the Regular Commission Meeting on July 18, 2015, at which Robin Murphy of Oregon Coast Glassworks made a request to place a sign for her business on Bay Blvd. Greenwood referred to the meeting packet, which included background from the City of Newport and the Port of Newport policies, as well as notes from a related City Council discussion that Karen Hewitt had found. Patricia Patrick-Joling asked what the custom was in the past. There is a mix of signage now, and Patrick-Joling wanted to know if there was a standard. Jincks added there was also a mix of types for the signs on the boardwalk. Jincks asked if the boardwalk railing was Port Property. Greenwood replied he would clarify that with the city. Jincks said he assumed it was the city because they are responsible for maintenance. Jincks would also like the agreement regarding the boardwalk and the memorial walk reviewed. Greenwood commented on the areas in question included

the fence, the boardwalk and the piers. The City Planning Commission left the decisions up to the Port but a policy has not yet been developed. Jincks said he would like the Port to designate the type of signs placed and how they are attached, as well as some controlled way for lessees to have signs on Port property. Jincks said the policy should be limited to Port Dock areas. Patrick-Joling asked if other Ports had policies in place. Greenwood said based on Hewitt's research not much policy is in place. Patrick-Joling suggested perhaps a committee involving other ports as well could work to establish a uniform policy. Greenwood said currently signs are placed by port Lessees within proximity to their properties, and this agreement was part of their lease. Greenwood also referred to the email from Derek Tokos regarding sign specifications. Per the City of Newport, there is a total limit of 25 sq. footage of signs. Jincks commented that some of the signs are falling or are not attractive. Right now, uptown businesses need to be addressed. Suggested at a future time further discussion of lessees signs would be in order. Because Port Docks in Newport have direct frontage on city property, this is an issue that affects signage guidelines for the Port. Greenwood suggested perhaps a two page resolution could be written.

III. **F/V CHELSEA ROSE**

Greenwood advised the Commission that they have a copy of the lease from Hewitt. The Chelsea Rose and the Patty Mae are the only two non-fishing boats that sell fish at the commercial harbor. Their leases were grandfathered in. Greenwood's assumption is that the Port did not want non-fishing vessels selling fish at the Port, taking away from moorage for active commercial vessels. Jincks added that the boat and the barge were previously owned by someone else. At that time the Commission was working on language to not allow this type of sales. Cody Chase purchased the vessels at that time and came to the Commission with a "hard luck story" to ask for permission to continue selling from these locations, so permission was granted. It is Jincks' understanding that the lease goes away when the current situation ends. Greenwood said the lease language named only Cody and the Chelsea Rose in its terms and cannot be assigned. Greenwood said he spoke with Chase about how the last regular meeting ended and the public comment against a barge replacing the Chelsea Rose, which was not supported because the aesthetics of the Chelsea Rose was important. They discussed that another old fishing vessel may be acceptable, and perhaps adding an additional 10 feet to his leased footage to accommodate a larger vessel. In this way Chase could perhaps get a little larger boat to get the additional room he seeks. Cody plans to speak with the Commission again in October. Jincks said that the current spot the Chelsea Rose occupies is unusable, but to the east there is commercially usable dock footage. The Port is heavily used commercially and so there is an issue of commercial vs. tourist use. He would specifically like to see addressed the fish totes that are on the dock. Greenwood confirmed that fish totes are not allowed. Patrick-Joling suggested that Chase should be fined. Greenwood said that a Class C citation could be issued for

storage on the dock. Patrick-Joling added that this restriction could also be included in the lease. Greenwood said the Port is working with OSU extension to bring tourists to the docks. He has enough information from the Commission to work with for now, and this will be discussed again when Chase comes to the October meeting.

IV. **ROGUE EXPANSION PROGRESS**

Greenwood referenced the documents in the meeting packet pages 13 through 27 which include correspondence with Brett Joyce of Rogue, Rogue's plans previously submitted for a 40,500 sq. ft. warehouse expansion at Rogue and a draft memo of understanding. Greenwood pointed out that parking and truck storage were not included which would need to be covered in the new lease. Greenwood said that the use of the land area that would be lost to the lease would be regained by a reconfiguration of some of the current use along with the filling of the launch. The Commissioners expressed the following:

- The agreement references that Rogue would pay "reasonable costs" to fill the launch and create parking areas but those costs are not defined; Greenwood advised that the costs were still being determined and "reasonable" would be negotiated at a later point.
- Parking is already full in the area around Rogue and the plans do not adequately address traffic issues. A traffic plan must be in place before proceeding with lease terms; Greenwood said he would ask Joyce to provide a traffic plan.
- A warehouse would negatively affect the appearance from the recreational area. A bank of windows or a mural could be a requirement of the agreement.
- Parking and housing for the Seafood and Wine festival should be arranged by the Chamber of Commerce and not by the port.
- The filet stations, which see a great deal of use, also need parking and access to the bathrooms.
- The impact on usable area is not clear from the diagrams as provided. An overlay of proposed use on current use would be helpful to visualize the change.
- The proposed development looks like "sprawl". The Commission needs to consider the long term impact, and keep the interests of the Port business (marina, recreational view, traffic for our customers, etc.) as a priority. The development will change the nature of the area.
- The Commission needs to receive a better conceptual presentation from Rogue and from engineers.

Greenwood will follow up with Rogue to get a traffic plan and address concerns.

The discussion of the Rogue expansion led to additional comments regarding the hiring of a contract engineer who would review Rogue plans as well as other services as needed.

Per Greenwood, an engineering consultant would be used like a general counsel would be used, that is, to look over plans from an engineering perspective but not to design larger project. For example, we are coordinating the McLean Point project but there is not an engineer involved representing the Port's interest. The contract engineer would review and separate the costs, which could help with grant writing. Jincks said he felt a project manager would lead a project without adding the cost of an engineer. He did not think the Commission should get tied into a contract and risk the costs escalating. Rick Greenwood stated that he would be a project manager, but is not an engineer who can oversee engineers. He recommended hiring the contract engineer. Jincks asked for the engineer to come in for a meeting.

V. **ADJOURNMENT**

Having no further business, the Work Session adjourned at 1:20 pm.

PORT OF NEWPORT MINUTES

August 18, 2015

Regular Commission Meeting

South Beach Activities Room, 2120 SE Marine Science Drive, Newport, OR 97365

I. **CALL TO ORDER**

Commission President Walter Chuck called the Regular Commission Meeting to order at 6:02 pm.

Commissioners Present: Walter Chuck, President (Pos. #1); Ken Brown, Vice President (Pos. #4); David Jincks, Secretary/Treasurer (Pos. #2); Patricia Patrick-Joling (Pos. #5.) Stewart Lamerdin (Pos. #3).

Management and Staff: Kevin Greenwood, General Manager; Stephen Larrabee, Director of Finance; Rick Fuller, Director of Operations; Karen Hewitt, Administrative Assistant.

Members of the Public and Media: Lee Fries; Don Mann; Jim Myers, Tuna BBQ; Ralph Busby, Newport City Council; Elaine Howard and Derrick Tokos, City of Newport Urban Renewal; Kiera Morgan, KNPT radio.

II. **CHANGES TO THE AGENDA**

Kevin Greenwood asked to add the contract with Grimstad & Associates to the consent calendar. Commission agreed to add this item.

III. **PUBLIC COMMENT**

There was no public comment at this time.

IV. **CONSENT CALENDAR**

- A. Minutes: Regular Commission Meeting – July 28, 2015
The minutes were approved subject to the correction of Walter Clark to Walter Chuck.
- B. Financial Reports
- C. Replacement for NOAA APC Uninterrupted Power Supply (UPS) system batteries required per the SFO.
- D. Best Value Analysis – Entry Gate
- E. Resolution 2015-13 Authorizing Signers
- F. Affirming Contract with Grimstad & Associates

A motion was made by Patrick-Joling and seconded by Jincks to approve the consent calendar. The motion passed 5-0.

V. **CORRESPONDENCE/PRESENTATIONS**

A. **Jim Myers, Great Albacore Tuna Challenge**

The 4th annual festival took place a week ago and included celebration of the Hatfield Marine Science Center's 50th anniversary. Tickets to the event sold out at 1:00 Saturday and the event was well attended. The festival agreed to split the ticket sales with the Food Pantry and the Commission 50/50, and Myers presented a check of \$2,422. Jincks moved to return the check to the Food Pantry, seconded by Patrick-Joling. The motion passed 5-0 and the check was handed back to Myers.

B. **Derrick Tokos & Elaine Howard, City of Newport Urban Renewal Presentation**

Tokos and Howard distributed and presented the following documents to the members of the Commission and Port Management:

1. *Map of Newport Urban Renewal Proposed Boundary Options.*
2. *Future Amendments to Plan – Newport Northside.*
3. *Newport Northside Draft Financial Projections.*
4. *Future Amendments to Plan – McLean Point*
5. *Proposed McLean Point Urban Renewal Area*

Howard emphasized that the City of Newport was looking to facilitate economic development and the Urban Renewal District (URD) would allow for improvement to underdeveloped commercial properties. The South Beach district was not closed yet (2027). There are a limited number of properties available for growth, and there are

some large properties not currently on the tax rolls, e.g. Hall and Teevin. As developments happen and are added to the tax rolls, there will be more money available for urban renewal purposes.

Greenwood added that McLean Point supported the terminal, has the correct zoning but needs infrastructure. Greenwood said he has attended several meetings of the advisory committee on this issue. Greenwood also asked if there would be any effect of an Enterprise Zone; Howard responded that the terms of contracts for businesses in the Urban Development area should specify that Enterprise Zone status cannot be applied for both during and for a period after the term. Jincks asked that an email update of the map be sent.

The Commission set a work session for 9/1/2015 to discuss this issue and Patrick-Joling will attend the Advisory Committee meeting on 9/1/2105.

Future meetings on this issue will be held:

8/31/2015 Town Hall Meeting, 5:30 pm Health Education Center

9/01/2015 Port Commissioners Special Meeting, 12 noon
South Beach Activities Room

9/01/2015 Urban Renewal Advisory Committee 10:00 am
Council Chambers, Newport City Hall

9/08/2015 Urban Renewal Agency Meeting, 5:15 pm Council Chambers, Newport
City Hall

9/14/2015 Planning Commission Hearing, 7:00 pm, Council Chambers,
Newport City Hall

9/21/2015 City Council Hearing, 6:00 pm, Council Chambers, Newport City
Hall

Further notes will be sent by mail to the Commissioners and Management.

VI. **OLD BUSINESS**

A. **Items Removed from Consent Calendar**

No items were removed from the Consent Calendar

B. **Accounts Paid**

Patrick-Joling made a motion to accept the accounts paid, seconded by Jincks. The motion passed 4 – 0, Brown abstained due to conflict of interest.

C. **Res. 2015-14 Amending Classification and Compensation Plans**

Greenwood presented the resolution and said the position details had been developed with input from Chuck and Jincks, and they would be involved in the final interview. Currently, Fuller and Jim Durkee are doing “double duty.”

The Commission had no questions. Jincks moved to adopt Resolution 2015-14, seconded by Lamerdin. The motion passed 5-0.

VII. **NEW BUSINESS**

A. Personal Services Contract for Engineering Services

Greenwood explained that SHN Consulting Engineers & Geologists, Inc., (SHN) had previously consulted on the capital facilities plan and the Rogue expansion plan. Greenwood said that there were other projects where an engineer would be beneficial. For large projects, the retention of an engineer would be approved separately. Fuller will be a great Project Manager but it would be valuable to have an engineer's review. Patrick-Joling wanted to verify there would be no conflict of interest; Greenwood said he would check with SHN about any other local clients. Jincks expressed concern that the costs could escalate, given the cost overruns experienced with the Terminal project. He wanted to know who would control costs, when they would be consulted, and how often this would happen. He asked that the Commission be kept informed. Greenwood would control the costs, Fuller would be requesting the consultants as needs arose, and referred to the fee schedule attached to the proposed contract in the meeting packet. Any large amount would be brought to the Commission for approval. The proposed contract is included in the meeting packet. Lamerdin agreed with the need to keep costs controlled but said it was important to have engineer input on projects. Patrick-Joling made a motion to approve the contract, seconded by Jincks. The motion passed 5 – 0.

VIII. **STAFF REPORTS**

A. **Departmental Reports**

1. *Steve Larrabee, Director of Finance*
 - a) Penny Gabrielson, South Beach Occupancy Report
Larrabee stated that the Port was currently in audit season and commented on the great job being done by the South Beach staff during a busy season. Lamerdin requested a line chart be prepared to visualize the use of the facilities. Larrabee stated that the Port was currently in audit season and commented on the great job being done by the South Beach staff during a busy season.

2. *Rick Fuller, Director of Operations*

a) Operations Update

- The Commission commented that the new report format was easy to read and looks good
- Fuller added details of the meeting with Lee Fries, Barb Dudley and Wade Dudley regarding a volunteer Port Support Group. Fuller would like to see a larger group, but could see the group helping with the kiosk and beautification. The Port could perhaps provide uniforms, which would make for good exposure for the Port.
- Lamerdin expressed concern about insurance, and Larrabee will look into this further.
- Fuller praised Kent Gibson's work in identifying the piles that need to be replaced. The report still needs to be finalized and the job priced. The Commission will be kept updated.
- Jincks asked about the timing of the moorage request for the E/V Nautilus and asked that the current commercial users be kept in mind; they move into the terminal toward the end of October and leave around January 10th.

b) Operations Scorecard

Fuller is looking forward to receiving the scorecard from the rest of the Commissioners. The link to the survey will be resent.

c) Safety Committee Minutes, June 2015

3. *General Manager's Report*

a) Rogue Brewery Expansion

b) OSP Guardian Homeport

Greenwood advised that the Oregon State Police has asked the Port to provide a home port for the Guardian since the port at NOAA is no longer available, and asked the Commission what information they would need. Fuller said the location would be A dock at South Beach, a small service dock that is not utilized, and a finger, gate and power would be added. The Commissioners asked: what would be the cost and income to the Port; would this be long term; and would upland space be required? Jincks added that the vessel was refurbished 3 years ago and is in good shape. Fuller said they wanted moorage only, and this would provide a State Police presence. The Commission was favorable toward the proposal.

c) TGM Vision Plan Grant

d) Terminal Shipping Facility Update

e) F/V Rebel LLC Settlement

f) Security Issues

Patrick-Joling had some additional questions for Greenwood about the weekly General Manager's report that was sent previously to the Commissioners by email. Were engineering services engaged recently in the design of the proposed new Administration? Greenwood replied that that design had been completed in the past, and the security grant sought to provide funding was denied. When contractors are hired, do we make sure they are bonded and insured? Greenwood said this was not traditionally done but we would like to see that process improved. Patrick-Joling requested more information about the Fishermen's security complaint. Greenwood reference last month's meeting, and was conferring with Jincks and Kaity Jacobsen. Are we looking for other services to replace Pete Getner? Greenwood advised that Larrabee was looking at the process and would address this after the audit is complete.

IX. **COMMISSIONER REPORTS**

There were no Commissioner Reports.

X. **CALENDAR/FUTURE CONSIDERATIONS**

- A. 08/18 Commissioners' Work Session
- B. 08/18 Regular Commission Meeting
- C. 08/25 Department Heads' Meeting
- D. 09/07 Labor Day – Port Office Closed
- E. 09/09 Fishermen's Forum
- F. 09/15 Department Heads' Meeting
- G. 09/22 Regular Commission Meeting

The Commission reviewed the dates. Patrick-Joling asked to change the September meeting date. No change was made to the meeting date, but Lamerdin will check his schedule to make sure there will be a quorum present. A Commission Special Meeting is added to the schedule for September 1, 2015 regarding Urban Renewal.

XI. **PUBLIC COMMENT**

Lee Fries elaborated on the request made to establish a volunteer Port Support Committee. He said that the individuals involved have significant experience in the Newport Police Department in leadership roles. They have a lot to offer the Port: promoting the Port, kiosk maintenance, Fair Booth arrangement, fix signs, etc., are some of the possibilities. They would enjoy the opportunity to work with the Port on a volunteer basis. As for the Guardian, Fries said that Sgt. Todd Thompson and Capt. Heather vanBenard who are associated with the Guardian live here. He added that the boat is in very good shape.

XII. **ADJOURNMENT**

Having no further business, the meeting adjourned at 7:34 pm.

ATTESTED:

Walter Chuck, President

David Jincks, Secretary / Treasurer

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