

PORT OF NEWPORT MINUTES

October 13, 2015

Special Commission Meeting

I. CALL TO ORDER

Commission President Walter Chuck called the Special Commission Meeting of the Board of Commissioners to order at 12:00 noon at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, OR 97365.

Commissioners Present: Walter Chuck (Pos. #1), President; Ken Brown (Pos. #4), Vice President; David Jincks (Pos. #2), Secretary/Treasurer; Patricia Patrick-Joling (Pos. #5). Stewart Lamerdin (Pos. #3) arrived at 12:10 pm.

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

Members of the Public and Media: Mike Isaacson, Chief Operations Officer, Rogue; Lee Fries; Sara Skamser.

II. VISION PLAN REVIEW

Greenwood referred to the request at the September Regular Meeting for a review of the Vision Plan. Greenwood then reviewed the background and analysis in the Vision Plan Staff Report in the meeting packet. The Commissioners said they had reviewed the Strategic Business Plan online. Greenwood then reviewed the list of focus items in the Vision Plan Staff Report. He added that the use for currently vacant parcels was an opportunity for public input, and he wanted some feedback from the Commission about public outreach. Patrick-Joling asked why the website would need to be redesigned. Greenwood explained that there are very few pages on which staff can change content, so updates can require payment to the outside webmaster, and that the web site was an important marketing tool. Lamerdin said the website was critical and was also a reference source for grant proposals. Jincks asked why updating the website was not just normal business. Greenwood said that that item into the vision plan would allow for grant money funding for the few thousand dollars it would cost.

Jincks asked if time and costs had been estimated for the items on the focus list. Greenwood said they had not. Jincks requested that the time and costs be presented. Greenwood said having Fuller on board and Larrabee up to speed would allow Greenwood time to work with a consultant. Greenwood said the public outreach element had been discussed with Walter Chuck but could be pulled back. It would be possible to ask for public input by "neighborhood", open town hall, or a combination. Chuck said the six focus items were a good start. He would also like to see the estimate of staff time. The Commission can give direction on a five year vision. Newport is the last working waterfront on the West Coast, so the waterfront should remain a priority. Members of the Public from the area of the International Terminal, Commercial Bay Front, and South Beach could meet with Greenwood and the Port Commission. Jincks stated that ports are unique. There is infrastructure on which the port functions depend: fishing, dredging, and shipping. The public is not aware of these dependencies. The Port needs to consider open space and effects on parking, for example. Dock 5 Pier will fail and a ramp system will be needed. The Public does not know this.

Jincks asked what property was staff looking at to develop. Greenwood said one area was the area between the Yaquina Bay Yacht Club and the Port. Jincks responded that that was support property for industry. Greenwood referred to the previous approval by Derrick Tokos

to build a hotel there. Jincks said that Tokos was wrong and that hotels are not supported by a commercial marina. Greenwood asked the Commission what kind of use they expect to see in that land. If used for parking, it could take pressure off of Port Dock 5. Jincks commented that someday the Port would lose parking and that we have to look ahead; this would need to be explained to the public. Greenwood said he could inform the public and work with the consultant on that. He asked the Commission to what degree would they like the discussion opened to public, in what groups, and how big or small the conversation would be regarding preferred uses. Jincks said he had hoped for a Power Point presentation for the new Commissioners showing what property we have, of which not much is available. Greenwood identified 3.5 acres at the commercial docks, 4.5 acres at Yaquina Bay Fruit processing, and the ongoing development at the International Terminal. These areas were not specifically identified in the business plan. Having areas for development identified in the Strategic Business Plan and a Vision Plan helps in applying for grants. Jincks said there is very little developable property because much of the land supports business at the Port. Federal funds were received for the dredge channel because it supports commercial fishing. Nine acres at McClean are suitable for a lay down area for shipping. Greenwood said the Port has a close relationship with the Hall family; they have 30 acres. In response to Jincks' question if this was just internal business, Greenwood responded that what will be going on at McClean Point is not in any business plan which makes it difficult to seek grants. Chuck said the Port needed to get going on the Connect Oregon application which needs something in writing. Jincks suggested McClean Point should be the Port's priority plan, and does not require public input and does not need a Vision Plan. Greenwood said that the Vision Plan started with South Beach, but he was hoping to get South Beach, the Commercial Marina and McClean Point all addressed. The Connect Oregon application is due November 20th, there will be other grant applications, and application and presentation materials will be needed for next spring. Greenwood suggested he work with Teevin and bring information to the Commission at a Special Meeting. Lamerdin asked what Greenwood estimated as a time line and would a consultant be needed. Greenwood responded that if the public component were scaled back, approximately four to five months starting in January 2016, and a consultant would be important, and would cost \$50K - \$80K, which could be paid with grants. This would include consultant fees, web design and ancillary costs. Patrick-Joling said the Port was not ready to go to the public. The Commissioners need to know what the Port has, its condition and then plan for use.

Lamerdin agreed there was a risk in asking the public's opinion; the Port Commission needs to first identify priorities for assets so that suggestions from the public could be responded to with whether they followed the Port's priorities. He suggested the Port's priorities could be included on the website. Greenwood stated that goals and objectives are important. In the future, suggested re-evaluating every November, but they need to be set now because they have not been reviewed in a few years. Lamerdin suggested the public needs to be aware of the Port's principles so that ideas will be evaluated in part on how they fit in with the Port's plan. Jincks said he has seen many types of plans over the years and still projects get out of whack. Patrick-Joling cautioned against giving the public the perception they can make suggestions. The Commission needs to establish goals that are financially healthy. Jincks said that the Commission needs to consider the Port's key functions. He has 20 years of Port experience, and not all of the Commissioners or staff do. Port Dock 5 will need repairs and parking will be a priority. The International Terminal is important to add to the plan including a lay down area. He would like the projects broken out and prioritized. Connect Oregon has already identified that the Port is important to the State of Oregon.

Chuck suggested the Commission meet for a goal setting session. There are state requirements for funding programs. He agreed with the notion of breaking the project goals into separate pieces. Setting priorities will also affect the Port's stakeholders so it would be valuable to get them involved in the process; they can help solve issues. This is not to suggest that the discussion is not open to the public for wide-ranging suggestions, but on the topics the Commission specifically brings up for discussion. Greenwood asked if the

Commission would give a yes or no to the priority list items in the Staff Report. Lamerdin said he would first like to see clear prioritization, including a consideration of what guides the Port. Jincks said that the Port does have a mission statement. It is important to prioritize what is needed for Connect Oregon. Greenwood stated that the Port could leverage grant money for all of the items in the Staff Report. If the public involvement is scaled down, this could be accomplished quickly. Jincks said he would prioritize the International Terminal and would like to discuss this at the Regular Commission Meeting. Greenwood informed the Commission that he would need professional presentation materials for spring. Jincks said a Vision Plan is not needed to apply for Connect Oregon. Greenwood added that there were other grants that could be applied for as well. Greenwood asked if the Vision Plan, which is a marketing plan, would be considered at this time. Patrick-Joling said the Commission would first need a goal setting session, including information about what the Port has, the condition of the assets, and maintenance costs. Greenwood stated that part of the Vision Plan is to bring from the ground up what we have and the conditions, along with what the goals are. Patrick-Joling said in her experience with the City of Newport, a goal session could take one day but they would need current status. Greenwood said the Port will need graphic design assistance to pull all of the requested information together for presentation. Patrick-Joling said photos and current documents could be used. Greenwood said this area is part of the Capital Facilities Plan, but there are other issues to address as well. He asked if the Commission was reluctant to hiring a consultant. Patrick-Joling said a consultant would not be needed for goal setting. Greenwood said the Vision Plan would be looking at the next 10 – 15 years, further ahead than goal setting for the next 5 years. The Capital Facilities plan is budget driven. Yearly goals are set through the General Manager's performance review. The Commission could start from scratch with setting goals. Patrick-Joling suggested looking at the City's template for a one day goal setting session. Lamerdin asked what was needed for the grant application, to which Greenwood responded the Port would need the project specifically identified in a Strategic Business Plan. Lamerdin suggested the Port could identify the project goals in-house and use a consultant for the presentation; the Commission responded favorably to this suggestion.

III. **ROGUE EXPANSION COST SHARING REVIEW**

Greenwood referred to the diagram provided for proposed changes on the Rogue lot, which would include the boat ramp, gangway, asphaltting old ramps, along with design and implementation for the transportation area and potentially dry camping. Greenwood asked the Commission if Rogue should be responsible for filling in the ramp. Brown said that Rogue would have to dig up for their construction already, so they could do the filling more cost effectively. Lamerdin asked if Rogue gave any pushback to being responsible for filling the ramp. Mike Isaacson of Rogue said that this was not a problem. Greenwood suggested that the asphaltting on top of the old boat ramp would be the Port's responsibility in consideration of the State Police vessel Guardian and the reconfiguration of the service dock. Brown asked that Greenwood try to get money for this project from the State, especially with the State Police vessel a factor. The project is bigger than just Rogue; the area could be better utilized. Chuck said right now, the Port would just be relocating the gangway and keeping it open for public use. Jincks said that the service dock will be unusable for a period of time. After the boat ramp is filled in, the dock could be reopened. The Port would need to notify the public. This also will create parking issues. Chuck asked if relocating the gangway was best. Jincks responded not now, but it would be relocated later. Greenwood addressed the asphalt that would be needed on top of the old boat ramp, which would merge with the dry camping area. Isaacson asked if the bulkhead could be discussed. Greenwood said for clarification, filling in the boat ramp includes buttressing as well. Brown said it could be concrete blocks. Greenwood said he will have to confirm.

Jincks said the Port should look at loss/gain in the area. Greenwood said the Port would be losing about an acre of asphalt. Jincks stated that the loss/gain to the recreational marina

needs to be documented. The Port has already lost 2/3 of its parking. This proposal is a loss, so how will the Port regain? Greenwood said the documents presented had just been received on Monday, 10/12/2016, and this is a preliminary drawing. There are 91 stalls existing; the new estimate is 83. Jincks asked about the loss to dry camping; Greenwood responded approximately 20%. Jincks said this encroachment also needs to be documented; it is also a loss for the Port, and its value needs to be calculated.

Jincks specifically asked about access to parking in areas 3 and 5 on the diagram. More Port property will be needed for an access road. Chuck also asked about access and if drivers would need to go all the way around. He asked whether this parking was required by the city. Isaacson said Derrick Tokos did not want people to be backing into traffic. Jincks requested the Commission be given a footprint of what will be used, ingress and egress, and loss to dry camping. Jincks further asked if the Port was just recovering its loss. Greenwood asked if the Commission was requesting that if there is a loss, Rogue would be responsible to regain. Brown said the requirement for 20 employee parking spots was from the rule books based on the size of the building. Chuck suggested putting the 20 parking spots either at the triangle on the RV lot, which is not currently used, in front of Rogue's building, or back where they were on a previous plan. Isaacson said the plan would need to be fine-tuned with the Port. Some of the unused space depends on road transition.

Isaacson agreed this was not the best plan for parking. The Seafood & Wine festival would also be a consideration. Greenwood confirmed with the Commission that Rogue would be responsible for asphaltting net loss. Fuller added that the Port should require asphaltting on top of the old boat ramp at a minimum, and as required. This needs to be capped. Jincks said it was inconvenient to have parking at the end of the building. Isaacson said they would push back on Tokos. The transportation plan would need some back and forth with the Port. Greenwood said this plan was a first draft, and that they were looking to get away from islands. Lamerdin asked why they were considering no islands, and Greenwood responded this was for the Seafood and Wine Festival. Brown said this would also serve RVs. Lamerdin expressed concern this would look like big giant warehouses and a big paved lot. Landscaping needs to be considered. Jincks added that islands are a part of landscaping. The Seafood and Wine festival's years are numbered. This area had previously been RV plan phase 2, but this area was lost. Fuller said the islands shown in the diagram were just conceptual. Lamerdin said a large diagram and a directed discussion would make for a less frustrating approach to reviewing the plan.

Greenwood said the purpose of this diagram was to look at cost sharing, not a full traffic plan. Jincks said there needs to be a traffic plan because costs feed into the plan. The Port also needs to know the areas for which it is responsible in the final plan. Greenwood asked if there was a consensus that in areas 5 or 6, striping and landscaping would be Rogue's responsibility. Jincks said asphalt would be needed on areas 1 and 3. The Port may be losing up to 40% of dry camping area, which would represent approximately \$25,000 per year. The Port has a responsibility to the Recreational Marina. Isaacson said Rogue will provide more information on square footage on loss/gain, but it is not resolved yet. Greenwood said the discussion was a helpful breakdown on cost sharing.

Fuller reviewed a memo to Greenwood reviewing the status of bids for the project. Fuller said the SFO required painting of public areas every 3 years and painting demised areas every 4 years. Fuller explained that public areas include hallways, conference rooms, etc. Demised areas would include offices and warehouses, etc. Fuller said the lack of bids was not surprising due to the nature of the job: authorization required, done during off hours, and a large job. Fuller said although the lack of response to the RFP was disappointing, the bid received was from the same company who had satisfactorily done the painting last year. Last year, their bid was the low bid by nearly 48%, and this year's bid saw a reduction of 5% in the unit price. Greenwood recommended awarding the contract to All-Ways Painting.

A motion was made by Patrick-Joling and seconded by Jincks to award the painting contract to All-Ways Painting. The motion passed 5 – 0.

Kb said he had received an email from the City of Newport Vision Committee asking for a Port representative. Patrick-Joling volunteered to serve as a liaison, and Greenwood would serve as an alternate if needed.

IV. **ADJOURNMENT**

Having no further business, the meeting adjourned at 1:35 pm.

Regular meetings are scheduled for the fourth Tuesday of every month at 6:00 p.m.

The Port Newport South Beach Marina and RV Park Activity Room is accessible to people with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours in advance of the meeting to Port of Newport Administration Office at 541-265-7758.

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