

## PORT OF NEWPORT MINUTES

May 24, 2016

Regular Commission Meeting

### I. CALL TO ORDER

Commission President Walter Chuck called the Regular Commission Meeting of the Port of Newport Board of Commissioners to order at 6:00 pm at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, Oregon.

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

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

**Members of the Public and Media:** Barb Dudley; Wayde Dudley; Jim Shaw; Lee Fries; Mark Miranda, Newport Police; Chris Olson, Newport Marina Store & Charter; Kiera Morgan, KYTE; Dennis Anstine, Newport News-Times.

### II. CHANGES TO THE AGENDA

There were no changes to the Agenda.

### III. PUBLIC COMMENT

Police Chief Mark Miranda handed out an annual report to the Commissioners. He said the Police have been busy, there has not been much out at the docks, but parking is always an issue. Miranda announced he will be retiring in October. It will be up to the City Manager to name a replacement, but Jason Malloy is currently assuming some tasks.

### IV. CONSENT CALENDAR

- A. Minutes:
  - 1. Commission Work Session – April 26, 2016
  - 2. Regular Commission Meeting – April 26, 2016
  - 3. Commission Special Meeting & Work Session – May 10, 2016
  - 4. Budget Committee Meeting – May 10, 2016
- B. Financial Reports
- C. Approve City of Newport Easement for Water Outfall
- D. Resolution Setting Rates, Fees and Charges (ORS 294.160)(2016-02)
- E. Resolution Adopting Compensation Plan (Bylaws §6(E))(2016-03)
- F. Resolution Adopting FY 16-17 Capital Improvement List (Bylaws §6(H))(2016-04)
- G. Award Contract to Advanced Remediation Technologies, Inc. for NOAA Dredging JPA Requirement, Sediment Sampling & Characterization
- H. Award Contract to Lincoln Glass Company for NOAA Glass Wall Installation
- I. Special Use Permit for Newport Food Bank – Great Albacore Tuna BBQ Challenge 8/13/2016 and Salmon Enchanted Evening 8/27/2016

**A motion was made by Patrick-Joling and seconded by Jincks to approve the Consent Calendar. The motion passed 5 – 0.**

## V. CORRESPONDENCE/PRESENTATIONS

Chuck commented that there were nice letters received from the Tochtrops and the Carnival. Greenwood said that Chris Olson was in attendance in case there were any questions about the lease renewal; there were no questions from the Commissioners.

## VI. OLD BUSINESS

### A. Items Removed from Consent Calendar

There were no items removed from the Consent Calendar.

### B. Accounts Paid

Ken Brown declared a conflict of interest because of payments made to Les Schwab. **A motion was made by Patrick-Joling and seconded by Jincks to accept the accounts paid. The motion passed 4 – 0.**

## VII. New Business

### A. Declaration of Vacancy for Commission Position #2 (Res. No. 2014-08)

Greenwood announced that Jincks had submitted a letter of resignation, effective June 1, 2016. Jincks would be moving out of the Port District, and would no longer be eligible to serve as a Port Commissioner. Greenwood commented that Jincks had served two terms, and had put his time in. According to the Commission By-laws, the Commission would need to formally declare the vacancy. Greenwood referred to Resolution 2014-08, which addressed how a Commission vacancy was to be filled. Greenwood had also discussed with Chuck some options that could be considered for adoption as modifications to the voting process. The newly selected Commissioner would need to run in the May, 2017 election. Greenwood recommended the following process: 1. Declare the position vacant, 2. Solicit letters of interest and the survey 3. Receive letters by June 14<sup>th</sup>, one week before the Regular Commission Meeting on June 21<sup>st</sup>, 4. Meet for a Work Session at noon on June 21<sup>st</sup> for interviews, and 5. Select a candidate to fill the Commission vacancy at the Regular Meeting on June 21<sup>st</sup>. At the interview, the Commissioners would have the survey answers in advance and could ask the candidates to elaborate. Greenwood asked the Commission at what point they may ask for public comment. There were three options for voting presented in the meeting packet to address the possibility that an initial vote might result in a three way tie with one vote each. After some discussion, the Commission requested that the questionnaire not be used, but that those items be requested in the letter of interest. The Commissioners also agreed not to amend Resolution 2014-08, and proceed with voting as outlined (option 1), with the President voting only in case of a tie, and thereby completing the selection if that were needed. Jincks also commented that, as a general rule, he did not think it appropriate to modify a resolution without notice, especially for big changes.

**A motion was made by Brown and seconded by Patrick-Joling to declare Port of Newport commission position number two vacant and to direct staff to publicize the vacancy and process for replacement. The motion passed 5 – 0.**

**B. Election of Commission Secretary/Treasurer Pro-Tem**

Greenwood said that a Secretary/Treasurer Pro-Tem would attest the President's signature while a new Commissioner was selected to fill the vacated position and until a permanent appointment was made in July.

**A motion was made by Lamerdin and seconded by Brown to appoint Patrick-Joling as Port of Newport Commission Secretary/Treasurer Pro-Tem. The motion passed 5 – 0.**

**VIII. DEPARTMENTAL REPORTS**

**A. Director of Finance**

Ken Brown asked if there was a report of how many boats came through the South Beach Marina for the Halibut Opener. Larrabee said he will get that information for the three days of opening weekend.

**B. Director of Operations**

Jincks asked if there had been a discussion with the Seafood & Wine committee about the boat ramp location. Greenwood said he had a discussion with them, and the concern was storm drainage, but they were otherwise fine with the site. They will be looking at the location after the first rain in the fall to observe drainage. Lamerdin asked if there was more information about the soil stability issues with the Rogue expansion. Fuller said there was not yet enough information for permits to be issued; Rogue is still working with soil engineers. Mike Isaacson has indicated this is moving along, and "soft sand" could potentially be bridged with foundation rather than piling. Fuller estimates that permits will be able to be issued in a week or two, but it is in Clair's hands.

**C. General Manager**

**1. Tenant Opportunities**

Greenwood said that he, Patrick-Joling and Brown had a positive meeting with the DulsEnergy team; DulsEnergy and the Port are working in the same direction. Attorney Pete Gittner was working on a Memo of Understanding, staff is looking into the intake and outfall permitting, and an agreement between the Port and HMSC is still needed. There will also be a commercial real estate appraiser requested to help determine the value of the property. Greenwood said that DulsEnergy was not interested in pursuing grants for the piping substructure as they felt it would prolong the process. Chuck Toombs is also looking into flood insurance requirements. Patrick-Joling added that DulsEnergy would take care of the capital costs. Greenwood said the DulsEnergy team is serious and interested in moving in quickly.

**2. Infrastructure Repair Options**

Greenwood said he met with Kaety Jacobson of Oregon State University, Sea Grant Extension, about meeting with the fishermen and buyers about funding, and looking at options for a landing tax in addition to other possible funding sources. The meeting could address the needs of the fishermen and buyers, and show the need for the new revenue. Jacobson would facilitate the meeting, which would help to show the dock users the need for the tax. Jincks suggested that since the Rates & Fees Resolution was passed without showing the public the need for the fee increases, this meeting should not be needed to pass a landing

tax resolution. Greenwood said he was recommending that the Port reach out to the users, but if the Commission did not want this to happen, a resolution could be drafted without it. Patrick-Joling said that, after being on the City Council, she knows there will always be throwback about any decision made. Brown suggested that the meeting could be held with the fishermen and buyers to present the landing tax resolution draft. Greenwood said the Port would also need to work with Fish & Wildlife about poundage and how staff would keep records. Information could come from the buyers and Fish & Wildlife could be used to audit, or information could come directly from F & W. Jincks proposed every delivery would be a ticket, like fuel tax, and the buyers would make the payments. Greenwood said the Port would need to determine how to track and collect the tax. He asked the Commission if the funds collected would go into the maintenance reserve fund, or specifically designated for the hoist dock. Patrick-Joling said the need was evident at the hoist dock. Lamerdin asked the Commission to consider the long term and whether directing the funds for use at the North Commercial Dock only would limit options for funding other needed projects when the repairs there were complete, and if the Commission could be trusted to spend wisely. Patrick-Joling said it was important that those funds be bound until the facility was pristine and a reserve fund was in place. At that point, additional allocation options could be added by resolution. Jincks added that \$790K was already needed to repair the hoist dock – the reserve fund is important. He sees the need at the hoist dock as perpetual. Lamerdin asked if there were other areas of the Port where fees were collected and specifically allocated. Jincks responded that the use of the North Commercial dock area has changed in the way other areas have not, which has led to a lot of additional costs. Greenwood said that except for NOAA, all other fees go into the general fund, income is tracked, but is then used where needed. Greenwood suggested a 3% tax would generate approximately \$20K-\$30K per year.

### **3. US20 Closures**

Greenwood provided an update on the closures from ODOT, which included 10-hour night closures from 6pm until 4am. Greenwood said the City, the County and others have pushed for the road to be open on Fridays instead of Saturdays. Patrick-Joling asked if the Port had been involved, and if was too late to send support to change the hours. Greenwood said he had attended meetings, and the evening times were dictated by environmental issues, such as nesting birds. He also said that closure information was posted on the Port's website.

### **4. McLean Point Update**

Greenwood noted that John van Staveren is producing a NEPA update. The preliminary engineering report is being developed, and a feasibility study will be done by the end of the month. Greenwood thanked Larrabee and Fuller for their help in getting the IFA loan application submitted last week. Staff is currently working on easements. There is a ConnectOregon Super Act meeting tomorrow, but there will be no public comment. The Port is looking at other opportunities. Staff is working closely with Evan Hall and John vanStaveren.

Annual Port personnel performance evaluations are underway.

## IX. COMMISSIONER REPORTS

Patrick-Joling noted a bill that has passed the House and is going to the Senate regarding residential flood insurance. Currently, flood insurance must be purchase through FEMA, but the bill would also allow private carriers to offer flood insurance. This has not yet been proposed for commercial flood insurance, but she is hoping/expecting this to follow. This could be a significant cost savings at NOAA.

Lamerdin complimented the Port volunteers on the work on the South Beach entrance, and expressed thanks.

Brown said, from himself and his Dad, he wanted to let Jincks know it had been a pleasure serving with him on the Port Commission.

Greenwood thanked Jincks for his 18 years of service, both his commitment in time and how much he has contributed. Greenwood said Jincks was always strong in advocating his position, and served on liaison committees to help deliver a superior product. Jincks was tough on the Port staff at times, but he has left a positive mark on the Port.

Jincks said he appreciated the comments and came to this meeting with the same dedication. He said it was a pleasure to have been part of this process, and he feels he is leaving with the Commission in good hands. Jincks presented Greenwood with a Commander's Coin that he had received from the Army Corps of Engineers.

Chuck also thanked Jincks, and commented that he had been involved in two of the Port's largest projects, the International Terminal and NOAA MOC-P facilities. Chuck added that Jincks had contributed his knowledge to the Port both as a Commissioner and user, and in steadfastly keeping an eye on the budget. Jincks will be missed. Chuck presented Jincks with an engraved clock in thanks from the Port.

## X. CALENDAR/FUTURE CONSIDERATIONS

- A. 5/18-5/31....Tall Ships Visit, Port Dock 3
- B. 5/30 .....Memorial Day, Port Office Closed
- C. 6/3-6/4 .....Newport Marathon, North Commercial Lot
- D. 6/5-6/8 .....NOAA Eel Grass Planting
- E. 6/21 .....Public Hearing & Adopt Budget Resolution
- F. 6/21 .....Regular Commission Meeting

Chuck added that on May 25<sup>th</sup> at 4:30 pm the Newport High School ladies softball team would be playing in the first round of play-offs.

## XI. PUBLIC COMMENT


Wayde Dudley, Newport resident and Port Volunteer, shared he had observed that during the Thursday, Friday and Saturday of the Halibut Opening the 205 spaces in the parking lot were filled, and parked vehicles lined up down to the Aquarium. Not all of this would be tracked, including annual launch pass holders.

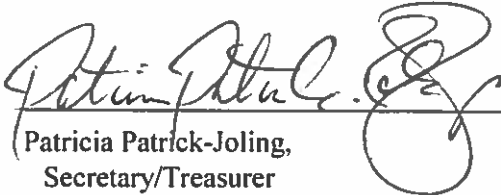
Lee Fries, Newport resident and Port Volunteer, congratulated Jincks on his retirement and wished him the best. Fries added he hated to see Jincks go; he always had his point of view.

Barb Dudley, Newport resident and Port Volunteer, said she had appreciated Jincks' intelligence and wit. She also thanked Chris Olson for making the wonderful sign at the Marina Store.

**XII. ADJOURNMENT**

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

  
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Walter Chuck, President

ATTESTED:  
  
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Patricia Patrick-Joling,  
Secretary/Treasurer

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