

PORT OF NEWPORT MINUTES

July 26, 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 OSU Extension Office, 1211 SE Bay Boulevard, Newport, Oregon.

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

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: Mark Miranda, Newport Police Dept.; Yale Fogarty, ILWU; Wayde Dudley, Port Volunteer Mates; Barb Dudley, Port Volunteer Mates; Lee Fries, Port Volunteer Mates; Ralph Busby, Newport City Council; Pat Ruddiman, ILWU; Jim Shaw, South Beach resident; Derrick Tokos, City of Newport; Dick Anderson, Lincoln City resident; Kiera Morgan, KYTE; Dennis Anstine, Newport News-Times.

II. CHANGES TO THE AGENDA

There were no changes to the agenda.

III. PUBLIC COMMENT

Mark Miranda, Newport Police Department, advised the Commission that the ODOT pm closures on Route 20 were postponed again until August 14, 2016, with reevaluation. The Police Department staff levels, due to vacations and injuries, is short but maintaining. There are currently 3 officers in training, one of whom is a transfer from another agency expected to train on a fast track. The Police Department is down 3 people: one from last June plus two new positions approved by City Council. The Department is now recruiting but has received very few applicants. There will be two additional openings due to retirements in the new year. Miranda distributed recruiting materials to the Commission to distribute to people they thought would be a good candidate.

IV. CONSENT CALENDAR

- A. Minutes
 - 1. Commission Special Meeting June 21, 2016
 - 2. Regular Commission Meeting June 21, 2016
- B. Financial Report
- C. Pacific Northwest Waterways Association Membership Dues
- D. Good Sam Membership Fee
- E. Special Use Permit – Newport Bay to Brews ½ Marathon & 10K 10/15/16
- F. Special Use Permit – U-DA-MAN Fishing Tournament 10/7 – 10/8/2016

Patrick-Joling asked that item D. Good Sam Membership Fee be removed from the Consent Calendar. Beck notes that a correction needed to be made to the minutes for the Commission Special Meeting 6/21/16, page 4 of 103 in the Meeting Packet, line 9, "Beck" should be changed to "Lackey."

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

V. CORRESPONDENCE/PRESENTATIONS

There were not correspondence or presentations.

VI. OLD BUSINESS

A. Items Removed from Consent Calendar

1. Good Sam Membership Fee

Patrick-Joling said she was concerned about the \$6,100 expense and that there was some digital, web information, but a significant portion was for print advertising. Larrabee said that the Port had been with Good Sam for over 10 years. He added that Good Sam recognizes the digital trend and is moving over time from print to adding digital media. Larrabee said that a lot of the RVers are older and are used to the print material. The membership is a package deal and we have been given a discount on the fee. Good Sam is the #1 publication for the RV world, and includes park ratings. Patrick-Joling asked if the Port is tracking how RVers have heard about our park. Larrabee said we can track the discounts, which are approximately 75% of those staying in the RV Park. Good Sam also tracks direct jumps to our website from their website, which were approximately 2500 in the past year. Larrabee agreed with Patrick-Joling that the fee was large, but there are 1000's of Good Sam members. Patrick-Joling said she wanted to explore and see what else is out there. Larrabee said he could ask staff to call around and see what else is being used, and request lower rates from Good Sam. Patrick-Joling suggested FMCA would be another option. Lamerdin noted that the occupancy numbers in the park are not decreasing, and Larrabee added that revenue numbers are up. Beck said that tourism in the area has increased over the last four years, helped by City committee work. The room taxes collected go in part to Destination Newport. Patrick-Joling said that a lot of businesses have eliminated print advertising and suggested the RV Park could forego this for a year and see what we had. Greenwood recommended that for this year the Port continue with Good Sam. Lamerdin said he is reluctant to mess with a working system without more research. Chuck added the Port could ask Good Sam customers if they would come back if the discount were discontinued and where they heard about the RV Park.

A motion was made by Brown and seconded by Beck to approve the Good Sam Membership and Fee. The motion passed 5 – 0.

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.**

C. International Terminal Shipping Facility Update

Greenwood introduced the agenda item and staff report. Greenwood said that Hampton Affiliates had successfully lobbied against the ITSF, wrongly classifying this project as job exporting. The Port is

looking at other funding sources for the ITSF. Kevin advised that EDA is cautious about any funding from them going toward TIGER and would like to see those funds going to separate parts of the project. Greenwood hopes to resubmit to EDA within 30 days. The EDA grant would be a 50% match so additional funds would be required. The TIGER financing plan needs to be finalized by the end of October to keep the grant. The Commission and staff will need to discuss funding from the \$2MM loan, NOAA fund and the General Fund to keep the project moving forward. There will be tough decisions to make. Beck and Patrick-Joling both asked if an alternative use for the ITSF could be found in the meantime to generate income. Greenwood said there had been some discussion about down-sizing the project, but 9 acres is about as small an area that would be practical. He added that the Port would not want to show other uses while pursuing current grant funds. Greenwood said the soil sampling had been done and other activity completed to keep the permits active. He added that completion of the ITSF project was a 50-50 proposition at this point, which would have long term ramifications for Port projects. The ITSF project was intended to generate income to finance fishing docks maintenance. The upcoming Coastal Economic Summit would be an opportunity to discuss the project as a job creator with the potential for other products to counter Hampton Affiliates arguments. Brown agreed to act as a liaison with Teevin on the project.

VII. New Business

A. Election of Commission Officers

Greenwood introduced the agenda item and staff report. He said the option of nominating a plank was used in the past and was an easier process.

A motion was made by Beck and seconded by Lamerdin to nominate Chuck for President, Brown for Vice-President, and Patrick-Joling as Secretary/Treasurer as a plank. The motion passed 5 – 0.

B. Resolution 2016-06 Creating a Commercial Fishing Users Group Committee

Greenwood introduced the agenda item and staff report. Greenwood said he had also discussed the Committee idea with Kaety Jacobsen of the OSU Marine Fisheries Extension. Beck asked who had raised the idea of a Fishing Committee. Greenwood said he had spoken with Commissioners one-on-one and some interest was expressed. He said his original draft had nine members, and adding a long-liner and direct market seller were Jacobsen's suggestions. Greenwood said he had reviewed the proposal with Jacobsen and she shared with the FINE county-wide group. Chuck said that he had dealt with FINE and received good feedback. Since the Port Docks support the bulk of the fishing fleet, it would be good for them to have a venue. Patrick-Joling asked if the Committee were formed, how its actions be delivered to the Commission. Greenwood said that most of the Committee's activity would be driven by requests from the Commission for the Committee's input. Information would be delivered to the Commission through Minutes and Staff Reports. For example, the Committee could vet capital improvement priorities and find opportunities for funding those improvements.

Beck asked about the two Commission members suggested, and whether this would be in lieu of an ex officio representation. Greenwood acknowledged there were different options for Commission involvement. After discussion, the Commissioners agreed to have one Commissioner as an ex officio, non-voting member of the Committee rather than two voting members. Lamerdin commented that the recommendation included a lot of specific people and it may be better to have a larger pool; Greenwood said there could be alternates. Some of the members may be out fishing when the meetings are scheduled, but there should still be a quorum. Greenwood said this Committee would be subject to public meeting and records rules, including what constitutes a quorum. By-laws would be required. The budget implications for the Committee would be related to staff time, with the North Commercial Harbormaster,

the NIT Supervisor, and the Administrative Assistant supporting the Committee. Greenwood recommended adopting the Resolution as amended.

A motion was made by Patrick-Joling and seconded by Beck to adopt Resolution 2016-06 Creating a Commercial Fishing Users Group Committee as amended. The motion passed 5 – 0.

C. IGA w/ City of Newport for Bay Front Parking District Extension

Greenwood introduced the Agenda Item and Staff Report. Brown asked how the Port has benefitted from the Parking District. Derrick Tokos said there was concern about the fairness of the payments. The Port has had representatives from the Port actively participating, and the District has opened lines of communication between the tourism and fishing industries. The Parking District extension was looking to conduct a parking study before taking more significant steps. Brown said the parking permits at the Port which were introduced to recoup payments to the District were an inconvenience to fishermen, and he does not see the Port getting value from the District. Greenwood clarified that there is concern about the proportionality of the payments among participants. Tokos said the Port contribution was a figure negotiated with David Jincks and Don Mann. \$20,000 of the Parking District funds comes from members, and the rest from a trust. Lamerdin asked what other businesses were paying. Tokos said Trident was paying \$600, based on employer program. Depending on the results of the study, funds may be used to pave additional parking areas on Port property. Lamerdin when a decision about the Port's participation would be needed. Greenwood said the District loosely matches the fiscal year, which ended June 30th, and suggested tabling for one month with a work session scheduled on August 23rd. Lamerdin asked for a more detailed breakdown of contributions. Brown said he rejected the IGA. No action was taken.

D. Resolution 2016-07 Amending Hiring Policy

Larrabee introduced proposed Resolution. He said that Port management discussed policies that would attract, train, motivate and keep employees. This Resolution was drafted to tighten up the hiring policy to meet these goals. The three tier structure allows for growth opportunities within the Port. Management would share the policy with staff.

A motion was made by Patrick-Joling and seconded by Brown to adopt Resolution 2016-07 Amending the Personnel Policy Manual to Adopt a Revised Hiring Policy. The motion passed 5 – 0.

VIII. DEPARTMENTAL REPORTS

A. Director of Finance

Larrabee introduced the Director of Finance Report and June Occupancy Report.

B. Director of Operations

Fuller introduced the Director of Operations Report. He said he had met with 6 engineers, and RFP proposals were due Friday, July 29th. He wants to have a selection committee of 5 members, and offered that one of those members be a Commissioner. Lamerdin agreed to participate on the selection committee. Fuller said that the Port Volunteer Mates had done an excellent job on their projects, and they were working well with the Department Heads. They will be working at the International Terminal. Lamerdin added that he agreed the Mates had done excellent work and felt fortunate they were a part of the Port. Chuck also thanked the Mates.

C. General Manager

Greenwood introduced the General Manager Report.

1. Rogue Brewery Mural

The mural was discussed at the noon Work Session. A Work Session will be scheduled for August 23rd for further discussions.

2. Highway 20 Construction

There was no discussion on this item.

3. DulsEnergy Lease/MOU

Greenwood said the DulsEnergy project had taken a step back as they look for investors.

4. Coastal Economic Summit, North Bend, Oregon, August 8 – 9

Greenwood said he would be attending the Summit and asked if any Commissioners were interested in attending they should contact Port staff.

5. Re-zoning Consideration for August 23rd

Greenwood said the rezoning opportunity looked good, and could be fine-tuned when actual projects emerged. The City recommended that commercial opportunities would be best on the side of the lot toward Englund Marine, and marine support on the Port Dock side. Greenwood added that he appreciated the rezoning opportunity presented to him by Derrick Tokos. Tokos said the City of Newport would incur the costs of rezoning but would appreciate feedback from the Commission about location. The Commission consensus was for the option 2 rezoning.

6. New Flood Preliminary Maps are rolling out this summer

Greenwood commented that a significant amount of Port development happens in the flood zone. Greenwood thanked Tokos for bringing the upcoming changes in regulations to his attention. The changes could include increased setback and mitigation. The OPPA meeting in Salem on Thursday July 28th and conference in Astoria in September may address this issue.

7. Personal Notes are Public Records

Lamerdin asked if highlighting only would be considered notes. Hewitt responded that since that did not create an additional record, highlighted agendas or packets would not need to be included.

8. Recreational Immunity

There was no discussion on this item.

IX. COMMISSIONER REPORTS

Patrick-Joling said she had attended Association of Pacific Ports' 103rd Annual Conference in Port Hueneme, CA. She found it fascinating, with good networking opportunities and good speakers. Paul N.

Jaenichen, Sr. - Maritime Administrator, MARAD, spoke about cargo shipping. Germany has 66%, while the U.S. has 2%, the lowest in 100 years. He called for beefing up port infrastructure and would be happy to speak at conferences held in Newport in future years. Patrick-Joling will share more at the next Commission meeting.

X. CALENDAR/FUTURE CONSIDERATIONS

- A. 7/15 – 8/26 Shop at the Dock, Fridays
- B. 8/12 – NOAA Anniversary Salute
- C. 8/13 – 8/15 Great Albacore Tuna BBQ Challenge
- D. 8/19 – 8/21 Lincoln County Fair
- E. 8/27 – 8/29 Salmon Enchanted Evening
- F. 9/5 – Labor Day, Port Office Closed
- G. 9/10 – MDR Charity Car Show

Chuck said in past years, the Commission Meetings in November and December were held on the third Tuesday instead of the fourth because of the holidays, and suggested the same be done this year; the Commission agreed. Chuck will not be here for the Commission Meetings on August 23rd. Patrick-Joling will not be able the Commission Meetings on September 27th and October 25th, and asked if they could be moved. Chuck said the September meeting will not be moved, but the October meeting will be moved to October 18th.

XI. PUBLIC COMMENT

Wayde Dudley said getting workers away from parking on the bay front was the biggest parking issue.


Jim Shaw commented that at the Salmon Enchanted Evening last year, 6 aircraft from Seattle arrived and were disappointed because they expected a salmon dinner and only got hors d'oeuvres. These 6 are not returning. Chuck advised that the Port does not run the event, just provides the space. As to the Fishermen's Committee, their main issue is moorage, not product.

Barb Dudley said as to Good Sam membership, she knows a lot of elderly RVers don't use the internet and won't stay anywhere but a Good Sam park. There are caravans of RVers who rely on the Good Sam book.

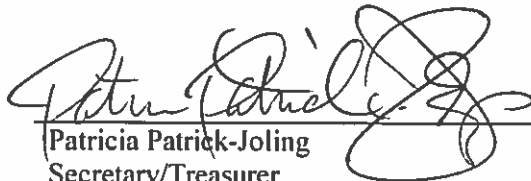
XII. ADJOURNMENT

Having no further business, the meeting adjourned at 7:45 pm.

ATTESTED:



← Walter Chuck
President



Patricia Patrick-Joling
Secretary/Treasurer

Ken Brown presiding

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