

PORT OF NEWPORT MINUTES

January 24, 2017

Regular Commission Meeting

I. CALL TO ORDER

Commission Vice-President Ken Brown called the Regular Commission Meeting of the Port of Newport Board of Commissioners to order at 6:02 pm at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, Oregon.

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

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

Members of the Public and Media: Wayde Dudley, Port of Newport Mates; Barb Dudley, Port of Newport Mates; Heather Mann, Midwater Trawlers Cooperative; Jim Shaw; Pat Ruddiman, ILWU; Yale Fogarty, ILWU; David Jincks; Dietmar A. Goebel, Newport City Council; Kiera Morgan, KYTE radio; Dennis Anstine, Newport News Times; and Sara Skamser, Foulweather Trawl.

II. CHANGES TO THE AGENDA

Greenwood apologized to Mann that the projector was not set up, and asked that her presentation be on hold until the equipment was in place.

III. PUBLIC COMMENT

Barb Dudley said that U-Da-Man will participate in the river clean up with SOLVE, from Newport to Toledo, on Earth Day April 22nd.

IV. CONSENT CALENDAR

- A. Minutes
 - 1. Regular Commission Meeting 12/20/2016
 - 2. Special Commission Meeting 12/20/2016
- B. Financial Reports
- C. Renew Trident Seafood Fish Meal Leases
- D. Renew Leslie Lee Lease
- E. Leisure Interactive LLC – 2017 Subscription Service Fee
- F. Award of Contract to Side Swede's Building and Replace Roof
- G. South Beach Sidewalk Improvement
- H. Approve Budget Committee, Officer and Calendar
- I. Resolution Restoring Recreational Immunity Rights

A motion was made by Patrick-Joling and seconded by Beck to accept the consent calendar. The motion passed 4 – 0.

V. CORRESPONDENCE/PRESENTATIONS

A. Heather Mann, Midwater Trawlers Cooperative (MTC)

Mann said she appreciated the time to discuss MTC. She said she had been working with MTC since 2012, and in the fishing industry for more than 20 years, including as a member of several related organizations. She said she was presenting to the Commissions to show who MTC is. MTC is not in contention with the proposed shipping facility. In 2006, she was a co-chair with Fogarty of ILWU to get the financing passed. She presented a slide show, which is attached to the Meeting Packet. Mann said the MTC represents 24 trawling vessels, of which 17 are home-ported in Newport. Twelve are part of the distant water fleet, fishing in both Alaska and Oregon. Although the trawlers fish for other species, MTC is focused on ground fish issues. The vessels go to Alaska around the first or second week in January, and return to Newport in March or April to start fishing for whiting. The average revenue for ground fish is \$14-30MM which comes back into the community. There is a lot of work done at the Terminal in January as they are getting ready to go. A lot of money is spent locally, approximately \$8-10K per ship on groceries, and \$200-300K on fuel. Newport ranks nationally in fish landings, and the distant fishery is a big part of that. Lots of boats also use the Terminal to complete repairs. In January, they are doubled up for moorage. The facility also supports business upriver, like the boatyard at the Port of Toledo. When these vessels are not in port, Mann said that there were opportunities for the Terminal to be a multi-use facility. The distant water fleet, the longshoremen and the Port can have a win/win/win relationship. Better communication is needed. There are a lot of revenue opportunities at the Terminal, but Mann asked the Port to make sure existing industry is not displaced. Mann has been working with Greenwood; MTC wants to be a partner with the Port. MTC is strong, active and diversified, but still a subset of the users at the Terminal. She said she will follow up, and is available at her office upstairs at Englund Marine.

Beck said he knows the importance of the distant water fleet industry to the Port, Newport and Lincoln County. Although a full board may not make every meeting, it will be important that the Commercial Fishing Users Group Committee (CFUG) meet, and recommended including an ex-officio member from MTC. The Port does need to generate revenue at the Terminal. Mann acknowledged that moorage for the fleet does not cover the expenses of the facility. She suggested boat sheds could be included on the property for rent. The CFUG could give additional feedback. She added that Newport is an authentic working waterfront, which also benefits tourism. Lamerdin said that communication is important, and he was glad to see that MTC was aware of the importance of diverse uses at the Terminal. Greenwood said he is planning for CFUG to meet in the second or third week of February.

VI. OLD BUSINESS

A. **Items Removed from Consent Calendar**

There were no items removed from the consent calendar.

B. **Accounts Paid**

A motion was made by Beck and seconded by Patrick-Joling to accept the accounts paid. The motion passed 4 – 0.

C. **2017 Goal Setting Adoption (Refer to Work Session)**

Greenwood said that the goals were reviewed and 5 subcategories were identified at the noon work session based upon state rules governing port strategic business plans. Staff will prepare a more detailed report, possibly for adoption at the February meeting. The Commissioners requested the report be provided as soon as possible. Greenwood suggested that discussing the mission, vision and values at a future will give clarity for the goals. Once goals are set, a one page summary can be included in the Meeting Packet every month, and staff reports

and budget can refer back to the goals. Greenwood invited the Commissioners to offer feedback to making next year's goal setting a smoother process.

D. International Terminal Shipping Facility Update

Greenwood introduced the staff report included in the Meeting Packet. The updated agenda includes contract negotiations that will be discussed in the Executive Session following the Regular Meeting; no decisions will be made. Greenwood said that TIGER was not concerned that EDA was not involved in the funding, since the Port has other funds. It will take approximately 45-60 days for an Environmental Assessment to be presented to TIGER. Staff had looked into a USDA loan, but the process would take 6-8 months, so Greenwood recommended continuing with the State loan. Six hundred yards of material was moved to the airport to keep the permit open. The Halls are awaiting permits and are redesigning easements previously discussed by the Port.

E. General Manager Annual Performance Evaluation

Greenwood introduced the agenda item and evaluation summary. This will be discussed in the Executive Session following the Regular Meeting. A summary of the Executive Session will be discussed at an Executive Session prior to the February Regular Meeting. A review and contract action will take place at the February Regular Meeting.

F. Director of Operations Recruitment Process

Greenwood introduced the staff report included in the Meeting Packet. Advertisements have been placed, and the deadline date for applications has been pushed to March 3rd to catch up with the advertising. Greenwood said he did not expect a huge number of qualified candidate's resumes until about one week prior to the deadline. To date, one resume has been received. Brown commented that resumes for the Director of Finance position came in the week before that deadline.

VII. New Business

A. Replacement of Port Directional Signs in South Beach, Lance Beck, OCA

Greenwood introduced the staff report and photos included in the Meeting Packet. He introduced Lance Beck of the Oregon Coast Aquarium. Lance Beck said he was working on the Aquarium's internal and external signs. Currently, the primary large external signs are the Port's. The Aquarium signs are on lease Port property in the City's right of way. He has met with Spencer Nebel, Greenwood and HMC. Lance Beck suggested removing the dated signs and replacing them with roster style signs in accordance with Oregon Signage Code. In an effort to streamline the process, the Aquarium is willing to pay for the new signs. The code includes provisions for listing only those businesses that meet a minimum visit requirement. This project would include removing the "blue wave" signs, the current ODOT sign, and the current fishing pier sign. Greenwood said that this would clean up the visual look of the corner, and referred to the photos. Commissioner Beck commented that the mural will provide good branding, with removal of the "wave" branding. Lance Beck said that by keeping this as a Port sign, the City can be more flexible. The "Welcome to South Beach" sign would also be removed, but this is on another sign. The roster sign would list the locations in the order one would need to turn. Lamerdin asked if staff had reviewed what would be on the sign. Lance Beck said that after the Aquarium received approval from the Port to replace the signs, the sign would then be designed. Greenwood said that the City Manager wants direction from the Port in the review. Lamerdin asked if NOAA would be on the sign. Lance Beck said that since NOAA did not have visitors, they would not be on the sign, nor would the Marina Store. Patrick-Joling suggested that moving forward, signs could be placed on Port property. Lamerdin said if the signs were removed he was concerned about getting a new one in place. Both NOAA and OSU get deliveries, and truck drivers often get lost. Lance Beck said that signs could be considered in the round-about.

A motion was made by Patrick-Joling and seconded by Beck to combine and reduce signage on OSU Drive and to approve the elimination of two blue wave themed directional signs. The motion passed 4 – 0.

B. Resolution Setting Rates, Fees and Charges (ORS 294.160)

Greenwood said the current draft included comments that reflected input from staff meetings. The current draft was included in the Meeting Packet to show progress. A Rate Resolution is usually adopted in May or June, and the draft is open for comment.

C. 2017 Annual Report (ORS 777.140)

Greenwood introduced the report, which includes a list of business items voted on by the Commissioners.

A motion was made by Patrick-Joling and seconded by Beck to approve the 2017 Annual Report. The motion passed 4 – 0.

VIII. DEPARTMENTAL REPORTS

A. Director of Finance

Larrabee introduced the staff report, and pointed out page 9 from the audit report and the debt carried by the Port. Staff will continue to include in monthly Meeting Packets information from each center, which can be discussed. The suggested increase to labor rates was included in the report. Staff is researching equipment costs and contract services, as well as RV rates and amenities. Supplemental budgets will be prepared: a GO bond payment was not made at the end of 2016; \$210K in SB capital outlay will be treated as a loan from Rogue; \$35K to move from Materials and Services to Capital Outlay for NOAA.

B. Director of Operations

Durkee introduced the staff report. He said the NOAA dredging was delayed by an equipment breakdown, but is now operating. Greenwood said some of the fee survey information from Portland was sent by email to the Commissioners. Fogarty suggested another source for fee research would be the machinery suppliers. Brown asked about replacing the furnace at the YBFP building, and when the Port would stop putting money into this structure. Greenwood said the Port also needs to find a place for the MOC-P facilities manager, whose office is currently in that building. There is potentially office space at the end of the Marina that is now leased by Rogue. Durkee said he considered the YBF building still usable and rentable with some repairs.

C. General Manager

Greenwood introduced the staff report.

1. Rogue Mural Update. Greenwood is waiting to hear back from Brett Joyce.
2. NOAA Centennial Anniversary. The NOAA anchor may not be available.
3. TCB Security Contract/Permit Maps. Greenwood said it was critical that TCB attend team meetings and provide a summary report to the Commission. He estimates that would amount to approximately 4 hours per month, for which the Port would be charged.
4. Joint Work Session with City of Newport Council. Greenwood asked for the Commissioners to submit and topics they may want added to the agenda.
5. Chelsea Rose Update. No additional discussion on this item.

6. Conference Schedule. Greenwood said the PNWA Mission to Washington will also provide an opportunity to visit NOAA headquarters. Some additional talking points could be the NOAA Centennial, and replacing the NOAA fleet over the next 5 – 20 years.
7. SDAO Conference. No additional discussion on this item.
8. Other. No additional discussion on this item.

IX. COMMISSIONER REPORTS

Patrick-Joling had attended the City Council meeting, and the joint meeting is scheduled for February 17th. Gil Silvia gave a presentation on COMES. Patrick-Joling thinks it would go the have him present at a Commission meeting regarding the research on marine issues. Greenwood will check if Silvia is available for February or March. Since research and implementation will happen in the Newport area, this is good news for the community and jobs. Patrick-Joling said she had also attended the Change in Command at NOAA. Greenwood will make sure that MOC-P has all of the Commissioners emails for future events.

X. CALENDAR/FUTURE CONSIDERATIONS

There were no changes to the Calendar/Future Considerations.

XI. PUBLIC COMMENT

Jincks suggested Durkee keep track of man hours in case the Port needs to show crossing the bar. He said he is concerned about private investors in the International Terminal Shipping Facility making demands the Port could not keep. A Terminal Users Group would be useful in determining how the facility would be used. Jincks supports raising forklift fees and replacing equipment, but suggested looking into leasing equipment. Jincks mentioned that one part of the Mission Statement was to support economic development.

Fogarty said he appreciated Mann mentioning the joint effort to get the NIT built. He asked the Commission to consider that the Terminal was built by and for cargo moving, while also producing jobs for the fishing industry. Shipping at the Terminal has potential benefits to local jobs and the fishing fleet. Fogarty said that shipping is usually on a schedule with 14 days advance notice. ILWU will look to work with the Port and fleet, and should be represented in the Terminal Users Group. He agrees with looking to private investor's for funds, but "don't give the Port away." Teevin has worked to be a partner, so Fogarty would expect they would bring in another partner. The International Terminal is a multi-use facility.

XII. ADJOURNMENT

Having no further business, the meeting adjourned at 8:05.

XIII. EXECUTIVE SESSION

Commission Vice-President Brown stated for the record that the Commission would be entering into Executive Session pursuant to ORS 192.660(2)(e) to deliberate negotiations real property transactions regarding the Teevin Bros. lease option and ORS 192.660(2)(i) for the performance evaluations of public officers and employees to evaluate the General Manager's annual job performance. Brown noted that no decisions would be made in Executive Session. The session was called to order at 8:10 pm.

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

Management and Staff: Kevin Greenwood, General Manager.

A Summary Report of the evaluation will be produced for Commission review and adoption at the February meeting.

Having no further business, the meeting adjourned at 9:27 pm.

ATTESTED:



Walter Chuck, President



Patricia Patrick-Joling, Secretary/Treasurer