

## PORT OF NEWPORT MINUTES

February 28, 2017  
Regular Commission Meeting

### I. EXECUTIVE SESSION

Commission President Walter Chuck called an Executive Session of the Port of Newport Board of Commissioners to order at 5:30 pm at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, Oregon, pursuant to ORS 192.660(2)(i) for the performance evaluation of the General Manager. No decisions were made in Executive Session.

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

**Management and Staff:** Kevin Greenwood, General Manager.

Executive Session was adjourned at 5:55 pm.

### II. 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; Patricia Patrick-Joling (Pos. #5), Secretary/Treasurer; and Steve Beck (Pos. #2). Stewart Lamerdin (Pos. #3) 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 and Barbara Dudley, PON Volunteer Mates; Lee Fries, PON Volunteer Mates; Yale Fogarty, ILWU; Doug Cooper, Hampton Lumber; David Jincks, Midwater Trawlers Cooperative; Bob Spelbrink, fishing; Joe Steere, Farm & Forest; Mark Wilson, YBC; Garrick Lindsted; Pat Ruddiman, ILWU; Jim Shaw; John Russell; PWI/PON; T. Burkett, ILWU; Gary Lahman; and Mark Wilson, YBC Radio.

### III. CHANGES TO THE AGENDA

There were no changes to the agenda.

### IV. PUBLIC COMMENT

Joe Steere introduced himself as a Lincoln County local farmer and small timber owner, and asked the Commission to support opposing Measure 21-177. He said the measure was put forward as anti-pesticide, but it includes a vague definition of aerial spraying. The section on direct action leaves protections unclear. As a forester and resident, Steere believes aerial herbicide use is safe and cost effective. Timber land is a large and productive county business. Printed materials presented to the Commission are appended to the minutes.

David Jincks spoke to agenda item 8B forming a Terminal Users Committee. Jincks supports the committee, but suggests that one fishing fleet representative would not address all of the needs. Jincks suggested one crab fisher and another distant water representative. For lessee representation, Jincks said Trident and Foulweather Trawl should both be included.

Bob Spelbrink said he has been in commercial fishing for more than 40 years and has lived in Newport since 1978. He asked the Port Commission to oppose Measure 21-177 on behalf of the fishing industry, the Native American impact, and their economies. The section 2 definition of spraying would include tanks that are used on all ocean vessels, which would then also be restricted. Spelbrink said it was important for the Port to take a stand. He suggested the Commission look at section 5, part D, enforcement and direct action.

Barb Dudley said the National Ocean Science Bowl Competition will be held at OSU this year on 4/22 and 4/23 with the theme "powering our planet with our ocean." Kaety Jacobsen asked for the Mates help, and may be looking for someone from the Port to speak. There will be 25 students participating.

#### V. CONSENT CALENDAR

- A. Minutes:
  - 1. Regular Commission Meeting 1/24/2017
  - 2. Special Commission Meeting 1/24/2017
- B. Financial Reports
- C. Special Use Permits
  - 1. Newport Booster Club – Newport Marathon
  - 2. OMSI Camp Gray Open House
  - 3. Ducks Unlimited Halibut Derby
- D. Additional Security Cameras

**A motion was made by Beck and seconded by Patrick-Joling to approve the Consent Calendar. The motion passed 4 – 0.**

#### VI. CORRESPONDENCE/PRESENTATIONS

There were no presentations or correspondence.

#### VII. 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 Patrick-Joling and seconded by Brown to accept the accounts paid. The motion passed 4 – 0.**

##### C. 2017 Goal Setting Adoption

**A motion was made by Patrick-Joling and seconded by Beck to adopt the 2017 Port of Newport Commission Goal Setting. The motion passed 4 – 0.**

**D. General Manager Annual Performance Evaluation (ORS 192.660(2)(i)).**

Greenwood said this evaluation was a three month process, and introduced the 2017 Summary Report. Individual Commissioner tabulated last month gave an overall rating of 3.1 on a scale of 1 – 5, which was in last month’s Meeting Packet. The Executive Session prior to this Regular Meeting reviewed the report. Chuck said the Commission offered Greenwood a renewed contract for one year with a 2.5% salary increase, in line with the percentage increase for other port employees.

**A motion was made by Patrick-Joling and seconded by Beck to approve and adopt the Port of Newport General Manager Annual Performance Evaluation Summary Report as presented. The motion passed 4 – 0.**

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

Greenwood presented the draft of the Resolution, which is a work in progress. This month there were changes made to proposed oil disposal fees. Durkee said that the Port was now paying to have the oil hauled away since it was no longer being purchased. Greenwood said that the facility manager recommended \$.20 increase per gallon. Beck asked if the Port was facilitating oil disposal. Durkee said there is a small dump cubicle and staff assists with 55 gal. drums. Chuck asked about the proposed change to a minimum labor rate of ½ hour rather than ¾ hour. Greenwood said that Kent Gibson will be making a case for the ¾ hour minimum. Patrick-Joling asked if the Port’s rates covered costs. Greenwood said sometimes; staff is looking at things like the oil for that purpose. Patrick-Joling requested a meeting with Greenwood to review this in more detail.

**F. International Terminal Shipping Facility Update**

Greenwood said that he had met with representative from TIGER today. The Port is getting the financing completed, negotiations are ongoing but are not public at this time. MARAD sent five representatives to the meeting, and Greenwood, Durkee, Chuck, Brown, Pete Zerr, Engineer Ralph Dunham, and Environmental Consultant Jack Akin attended for the Port with Hewitt taking notes. Greenwood made a presentation to the representatives. An environmental assessment draft has been completed and will be reviewed by the TIGER representative. This should be ready to submit early next week. The schedule, presented by Dunham, is aggressive. This project will set the table for Rondys development of an industrial park and lay down area. The Port will prepare a statement of work. Plans are 98% complete; the Port and TIGER engineers will work together to develop specs. Staff is working on a draft agreement, and may wait on performance measures. The Port needs to show the availability of funds, including TIGER grant, IFA loan and Port cash reserves. Teevin’s private contribution of \$300K is not yet in a formal agreement, so cannot be shown as available on report. Once the contracts are all completed, this will change the dynamics moving forward. Greenwood said this was a positive meeting.

**A motion was made by Beck and seconded by Brown to approve the International Terminal Shipping Facility Financing Summary as presented. The motion passed 4 – 0.**

**VIII. New Business**

**A. Fishermen’s Parking Lease with Lincoln County Historical Society**

Greenwood presented the staff report, and introduced John Russell, the local insurance agent for both the Port and the Museum. Beck asked if it was the waiver or “act of God” that lead to the denials of vehicle damage claims. Russell said the waiver was a part, but primarily the vehicles were not considered covered property. Greenwood said not all of the vehicle owners were satisfied, but the Port was covered on this matter. He added that the City did not have to clean the lot but did so as an exchange of services. The attorney felt that the Lease

with the Historical Society covered the Port as written. Greenwood said the lease was fine as written based on underwriter review. This was through SDAO, Jens Jensen Underwriter, and Spencer Rockwell, SDIS attorney. Russell added that the hillside material was not part of the regular maintenance required by lease. Beck asked that the underwriter and attorney write a letter to the Commission with their conclusions for the Port to have on file. He also said that vehicle damage is usually not part of liability, but property coverage which would be filed as a comprehensive claim on the vehicle owner's insurance.

Greenwood said the parking lot will be closed until the area is secure. The Museum is reviewing options to stabilize the hillside both short-term and long-term. Staff will be in discussion with the Museum before opening the lot. Gibson is also getting quotes for graveling or paving the grassy area at Port Dock 7 for parking. Brown suggested seeking City parking funds.

#### **B. Resolution Forming Terminal Users Committee**

Patrick-Joling asked if this was premature to propose a Resolution. Greenwood said that staff was asked to develop the resolution and asked Pete Zerr, NIT facilities manager, to develop a draft operations plan that could be reviewed by the committee. Zerr could receive input on the plan. One alternative could be for the Commission to hold Work Sessions so everybody could come who was interested. Chuck said it was important to get the users' input. He proposed adding two members to the committee: another fleet representative and another lessee representative. Beck proposed adding a representative of the community as a member, and making the Commission representative a non-voting, ex-officio member. Patrick-Joling confirmed that this would be an advisory Committee only, but any actions would be taken by the Commission.

**A motion was made by Beck and seconded by Patrick-Joling to adopt the Resolution Creating an International Terminal Users Committee, as amended. The motion passed 4 – 0.**

#### **C. Commercial Fishing Users Group Committee Meeting**

1. Minutes – Initial Meeting 2/13/2017.
2. Resolution Creating a Commercial Fishing Users Group Committee

Greenwood said the initial meeting was well attended and was mostly administrative. Based on the discussion about ways to ensure a quorum, the Committee suggested adding an alternate representative for each member. The Committee had also discussed call-in attendance, but that was problematic from a public meeting point of view. Sara Skamser was elected Chair, and Bob Eder was elected Vice-Chair. Chuck said good information was given in the meeting.

**A motion was made by Beck and seconded by Patrick-Joling to adopt the Resolution Creating a Commercial Fishing Users Group Committee. The motion passed 4 – 0.**

#### **D. Consideration of Boat Trailer Parking Lot for Future Seafood & Wine Festivals.**

Greenwood said this item was brought to the agenda by Beck. Beck said his wife was President of the Chamber of Commerce, but he did not consider this a conflict of interest. Commissioner Beck and Susan Beck drove through the lot and looked at the use of the boat users' parking lot. They observed there were about 25 vehicles and trailers. The location of the Seafood & Wine Festival this year was not level and had some drainage issues. Beck would like to see the Commission give the Chamber an opportunity to look at the boat lot option. Greenwood said that concerns expressed in a previous meeting addressed the steep angle of the proposed lot, storm drainage and parking for recreational fishermen. Chuck said that that the marina is a leading money maker for the Port and the Commission should not disenfranchise the users. Access to the launch ramp should not be closed during the festival. Safety of the boats and trailers was also a concern if partially intoxicated

people were moving around. Chuck suggested forwarding the minutes from the previous discussion to the Commissioners.

## IX. DEPARTMENTAL REPORTS

### A. Director of Finance

Patrick-Joling commented that the projected additional revenue of \$70K going back to the RV Park looked good.

### B. Director of Operations

There was no discussion of the report.

### C. General Manager

Greenwood introduced the staff report. He apologized to the Board that they had been included in the emails from Ledingham.

1. OPPA Bill Summary. Greenwood said the bill clarified Ports owning vs operating boat yards. Reedsport's response was framed as public vs. private. The Port of Umpqua in Reedsport and the Port of Bandon do not support the bill. The Port of Newport need not do anything unless they have an objection to the proposal.
2. Project Summary. No discussion on this item.
3. Calendar Review. No discussion on this item.
4. Commission Liaisons. Greenwood said the liaisons list was included with updated dues from Cascades West Council of Governments.

## X. COMMISSIONER REPORTS

Beck said he had attended the Seafood & Wine Festival 3 out of the 4 days, the new tents worked well, there were 1000s of people in attendance, and the event benefits non-profit organizations. He hopes the Commission will look at providing additional location in future with growth of both festival and Rogue.

## XI. CALENDAR/FUTURE CONSIDERATIONS

Patrick-Joling said she will be out of town for the March 28<sup>th</sup> meeting.

## XII. PUBLIC COMMENT

Doug Cooper, Hampton Lumber, presented to the Commissioners a letter with comments on the International Terminal Shipping Facility, which is appended to the minutes. Cooper said he had previously spoken to the Commission in 2015 about opposition to the lay-down yard and exporting logs to China. He said the company who the Port plans to give exclusive use of the facility is only interested in brokering logs. Cooper said the application for the TIGER grant was misleading in the benefits that would be received, and Rep. Schrader had specifically cited agricultural products in his letter of support. Cooper said that USDOT should be notified of the change in scope. He asked if the Port had considered what would happen if Chinese demand for logs decreases. He would rather see the Port pursue other interests.

Yale Fogarty said the Port is doing the right thing in building the shipping facility. The shipping facility will benefit the local community, the fishing fleet, and provide jobs for families. Hampton used to be in Lincoln County, but they left leaving families unemployed. Fogarty said Hampton wants to monopolize the market. Shipping, and Teevin, create family wage jobs. Local companies need a way to ship not truck to ship elsewhere. This project will provide good jobs, great revenue, and support all Port users.

XIII. **ADJOURNMENT**

Having no further business, the meeting adjourned at 7:12 pm.

XIV. **EXECUTIVE SESSION**

Commission President Chuck stated for the record that the Commission would be entering into Executive Session pursuant to ORS 192.660(2)(e) to deliberate negotiations of real property transactions regarding the Teevin Bros. lease. Chuck noted that no decisions would be made in Executive Session. The session was called to order at 7:30 pm.

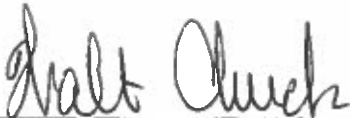
**Commissioners Present:** Walter Chuck (Pos. #1), President; Ken Brown (Pos. #4), Vice-President; Patricia Patrick-Joling (Pos. #5), Secretary/Treasurer; and Steve Beck (Pos. #2). Stewart Lamerdin (Pos. #3) called in.

**Management and Staff:** Kevin Greenwood, General Manager.


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

Executive Session was adjourned at 8:15pm and no decisions were made.

ATTESTED:



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Walter Chuck, President



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Patricia Patrick-Joling, Secretary/Treasurer

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