

PORT OF NEWPORT
COMMERCIAL FISHING USERS GROUP COMMITTEE AGENDA

Monday, July 10, 9:00 am
OSU Extension Office
1211 SE Bay Boulevard, Newport, OR 97365

- I. Call to Order
- II. Changes to the Agenda
- III. Public Comment
- IV. Approve Minutes
 - A. Regular Meeting May 8, 2017
- V. Chairman Report
- VI. Harbormaster Report
- VII. Parking at Lincoln County Historical Society Reminder for Tuna Fishermen
- VIII. Port Dock 5 and 7 Mooring Rules – Time to change?
- IX. Terminal Project
- X. Future Agenda Items
- XI. Public Comment
- XII. Adjournment

Regular meetings are scheduled for the 2nd Monday of odd numbered months at 9:00 am.

Currently, limited parking is available, so please plan accordingly. Guests may park in the spaces directly near the Curry Building (Extension Office) and may NOT park near the Airgas/Servco building (we share a parking lot). Evening meetings occurring after 5:30pm and on weekends may use the entire parking lot if available. If overflow parking is required, please let the office know when you reserve space. Overflow parking is available directly across the street in the dirt lot near the mailboxes and shed. You may park in the grass and gravel. Parking is NOT permitted on Bay Blvd or on Vista Drive (the street on the west side of the building).

The OSU Extension Office 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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PORT OF NEWPORT
COMMERCIAL FISHING USERS GROUP COMMITTEE MINUTES

May 8, 2017
Regular Committee Meeting

I. CALL TO ORDER

Committee Chair Sara Skamser called the Regular Meeting of the Port of Newport Commercial Fishing Users Board of Commissioners to order at (TIME) at the OSU Extension Office, 1211 SE Bay Blvd., Newport, Oregon.

Committee Members Present: Mark Newell (Pos. #3); Ted Gibson (Pos. #6); Gene Law (Pos. #7); Bob Eder (Pos. #9), Vice-Chair, Sara Skamser (Pos. #10), Chair; and Jeff Lackey (Pos. #11).

Alternates Present: Heather Mann (Pos. #5).

Committee Members Absent: Clint Funderburg (Pos. #1); Mike Pettis (Pos. #2); Ernie Phillips (Pos. #4); Mark Cooper (Pos. #5); Bob Aue (Pos. #8);

Port Commission Liaison: Walter Chuck.

Management and Staff: Kevin Greenwood, General Manager; Jim Durkee, Interim Director of Operations; Kent Gibson, Commercial Marina Harbormaster; and Karen Hewitt, Administrative Assistant.

Members of the Public and Media: Steve Beck; Dietmar Goebel, Newport City Council; Stewart Lamerdin; Tony Dal Ponte, Pacific Seafood; and Dennis Anstine, Newport News-Times.

II. CHANGES TO THE AGENDA

An International Terminal Update from Greenwood was added to the agenda as item V(A).

III. PUBLIC COMMENT

No Public Comment at this time.

IV. COMMITTEE/ CHAIRMAN REPORTS

Skamser thanked the Committee Members for their participation, and invited members of the public to ask to participate at any point during the meeting.

V. STAFF REPORTS

A. Kevin Greenwood - International Terminal Update

Greenwood provided an excerpt from the Budget Message, pages 6 and 7 of the Budget Meeting Packet, which is appended to the Committee meeting packet, and is available online. Greenwood said that the shipping operation is a budget decision. When the original bond was passed, it was intended to fund a project for environmental clean-up, commercial fishing, and deep-draft shipping. The shipping is the last piece. There was \$1MM in mitigation costs, and \$5MM in debt. The International Terminal is losing money each year, and has been subsidized by the South Beach Marina and RV Park, who also have capital needs. Kent Gibson said North Commercial is looking

toward a Port Dock 7 remodel and \$30MM in capital projects. Greenwood said that the Port needs income to fund necessary capital projects. Greenwood said he understands the impact of the mid-water and distant-water fleets to the Newport economy, including Mann's reference to \$127MM from the Alaska fisheries being brought into Newport. The Port is looking at the eastern berth for the fishing fleet, and the west for handy-size vessels. No agreements have been signed yet. Greenwood said staff is working on ironing out operational questions with funders before presenting an Operations Plan for review. There are six agreements, two of which are all but finalized: the TIGER grant and IFA loan. The IFA loan will add \$117K in additional debt service. Greenwood referred to the Financial Analysis available on page 67 of the Budget Meeting Packet. He said this is a long term plan to show positive net income to be used to buy down debt and invest in infrastructure. The Port is committed to following through on the project the voters supported. Port staff is working on the details of the agreement with Silvan (log exporter), Teevin, and Rondys. Rondys is a major player in the project, who will develop a marine industrial park. Until the Port understands the operational needs, Greenwood won't recommend Commission approval. The final date for signing agreements is not firm.

Skamser said the NIT Users Group has not yet met, but the CFUG Committee can also address the issue. She asked if 7 years is a best case projection to realize positive net income. Greenwood said that this time will also be developing the business relationships and will be an investment in the future. Skamser said that 7 years would be a long period of lost revenue, to the Port and the community. In April/May and December/January, the terminal is filled up, with the east hoist open. She said she had met with Silvan, who were straightforward. It was not clear how long a shipping boat would be tied up – it would take a week just to load the ship. Skamser said it was not proper for the Port to sign off on the project before addressing issues with the fishermen and related industry. She asked that time be set aside when the fleet can come to their home dock to do maintenance.

Ted Gibson asked if there would be two vessels at some time at the Terminal for shipping. Greenwood said he does not anticipate a barge using the Terminal since there is no fender piling. Mann asked what Greenwood understood the fleet's needs to be. Greenwood responded that they would like priority use of the entire terminal during April/May and December/January. Mann said she wanted to correct Greenwood's interpretation of \$127MM into the Newport economy from her report; this figure is for all Alaska vessels, not all but a large portion coming into Newport. Eder commented that the use of the terminal was not only challenging for the distant water fleet, but for the whole commercial fleet. Other commercial fishing vessels load equipment and the terminal, and Port Dock 5 and Port Dock 7 are already crowded without displacing larger vessels. Mann added that commercial docks can't handle all of the vessels. Shrimpers also use the terminal as a staging area. Lackey said that recently the Miss Sue could not use the terminal because of the shrimpers. Skamser said the area is also used as staging for NOAA. Mann said the Pegasus did not go to the Blessing of the Fleet so that it wouldn't lose its spot. Lackey said there has been growth and there is growth potential in ground fish. He suggested the Port include this in their analysis; sustainability is important.

Skamser asked if the Committee members had been on the Port website. The Port can't guarantee to keep the east fuel dock open. She was disconcerted that Pete Zerr had made a comment about how heavy weather could affect tie up at the terminal. She would like to see the Operations Plan. Ted Gibson asked if it would be possible to work with NOAA for use of their dock. Eder said that NOAA had a high level of security, so that was improbable. Mann said there would also be some level of security a NIT around shipping which would also affect available work space. Greenwood said there is a red line at the Terminal indicating they area that will be secured when a handysize vessel is in the Terminal. Durkee added that the fence would be temporarily in place when needed. Skamser said she had not yet heard from the longshoremen about what equipment would be involved, or the estimated time of activity in the parking lot.

Lackey said the fishermen weren't saying not to do shipping, but they were concerned with how it was going to work. There is limited space at the Terminal, and the fishing fleet is growing. The Port's Strategic Plan includes supporting the fishing fleet. The Mission Statement includes creating and retaining jobs, so he asked the Port keep fishing jobs in mind. Mann asked if the terminal were used for shipping today, where would the other eight boats

go? Greenwood said that staff is looking to see where boats were moored. Ted Gibson said two were on PD1 and another at PD3. Kent Gibson said the infrastructure is not in place to expand. The fleet has grown, but the capacity is not able to grow. The Commercial dock also needs expensive dredging. It will take years to complete the work needed at Port Dock 7. The larger boats are taking up more spots but it doesn't pay for infrastructure. Lackey said he understood the finances; it comes down to planning. Skamser said the use of the Terminal has to be a give and take with shipping and fishing. Greenwood said that, like commercial fishing, shipping will have variations. For the most part, they will look to avoid high seas. It would take six weeks to get logs ready for shipment. Greenwood referred to the analysis in the budget packet, which shows the Terminal is pulling \$100K per year for maintenance from other centers. Newell says that barges and crabbing don't mix; Mann said she would make a commitment to gather questions from the crabbers for the Port. Eder said he would like a commitment from the Port Commission to work with fishing at NIT, not squeeze them out. The rhythms of the seasons will continue to change. Markets for wood products come and go. Greenwood said that a meeting of the NIT Users Group will be scheduled once staff finds out more about the needs of shipping to complete a draft of the Operations Plan for review. Port management will make a recommendation to the Commission regarding the Operations Plan when drafted, which will become a policy documents requiring Commission approval. Lackey asked what the impact would be on the Terminal before a shipment went out. Greenwood said there are six weeks of preparation before a shipment. Eder asked if Greenwood had discussed sharing Terminal access with Silvan and Teevin. Greenwood said that they would need priority access every six weeks with some variation. There will still be some specific issues and some flexibility. Skamser said Silvan had indicated a willingness to discuss working out the months.

B. Kent Gibson – Commercial Docks Update

Kent Gibson said that a fisherman had hit the end of a piling on Port Dock 5, and the piling fell over. Breaking 5 – 6 feet above midline. Divers cut off the piling, and found an additional piling was broken. Gibson said that four large ship tie up areas were lost. Pilings at the Commercial Marina generally will need replacing in 1-2 years or 4 -5 years. The Port has replaced 26 pilings, 25 on Dock 5 and one on Dock 7. Almost all of the pilings on the fingers were replaced.

Gibson reviewed the Port Dock 7 plan drawing with the Committee, who made some suggestions. Gibson said the project would help with large boats. The project could be completed in stages, starting from the east side. He also shared the City's project to grade, fill, and cover a portion of the grassy area at Port dock 7 with ground asphalt. This project, which started the day of the meeting, will save the Port about \$10 -18K. Skamser referred to the west end parking area on the drawing, and requested parking at the museum for Port Dock 5 be made available soon. Greenwood said as soon as the hillside is stabilized the Port can reopen parking, anticipated to happen this summer. Skamser said she had spoken with Derrick Tokos, Newport City Planner, about parking. Skamser reported the Tokos said there would be some kind of card for long term parking for fishermen when meters were installed. Law asked how parking was at other Ports that Gibson had visited. Gibson said that Crescent City had the only newer facility with better parking.

Greenwood announced that Gibson had been name to the Board of the Pacific Coast Congress of Harbormasters and Port Managers.

VI. Pacific Seafoods – Anthony J. Dal Ponte, Deputy General Counsel

Dal Ponte thanked the Committee for inviting him to the meeting, and said he thought this was a fantastic forum for discussing concerns. He said he had two things to present: one opportunity, one challenge. Dal Ponte said the opportunity was the waterfront development on Bay Blvd. Newport has a unique blend of a working waterfront with tourism. He presented a Plan from Pacific Seafoods (see meeting packet) intending to maximize the benefit of both. They hope to generate new business activity in the remodeling of the current Trident warehouse, ice house, and derelict structure.. In the long term, there would be new fish processing space. Their idea is to blend in

tourism, modeled after the Tillamook Creamery. Pacific Seafoods is partnering with the City of Newport for grant applications for an economic study. Dal Ponte said he expects a decision on the grants in June, and they are also looking into other grant opportunities. He would welcome input on the project from the commercial fishing committee.

Law commented that ice is important. There are only three places in Newport to get ice, so closing the ice house at the Trident location would have a huge impact. Dal Ponte said the plan included replacing the ice house immediately with a better facility with better ice. Time details have not yet been worked out. Brandberg asked if space would be rented to other retailers; Eder said it would be important that the businesses be water related in that valuable space. Dal Ponte they are talking to Marine Science, and agrees that the businesses should be marine related. OSU also has some ideas. Ted Gibson suggested continuing the dock and removing the turn to get a straight face in the renovation. Dal Ponte said that Trident had approached Pacific Seafood because they will no longer operate in Newport, both the meal plant and surimi plant. Pacific Seafood wants to keep both open. For the surimi plant, he wants to make sure he has community and regulatory support. He appreciated Mid-Water Trawlers support. Dal Ponte is now working with the State Department of Justice, the Governor, and the Coastal Caucus. He asked the Department of Justice if they had any concerns, but has not yet received a response. If there are no concerns, Pacific Seafood will proceed with the purchase. The plant has not been profitable for the last six years, but they are confident it can be done. It would require an investment. The concern is the impact if the sale of the surimi plant does not go through. There are no other interested buyers. He encouraged members of the Committee to reach out to the Coastal Caucus and provided information for contacting State representatives. Mann said the plant can handle more than currently being processed. This is the last surimi plant on the Oregon coast, and so is important to continue to have here. There are a lot of jobs at stake.

Eder said every fishery had been able to do business with Trident. He said Pacific Seafood is a wonderful company, but there needs to be more competition. Ted Gibson asked if another ice house would be closed once the new ice house was built. Dal Ponte said he knew ice was important to the fishing industry and there were no plans to eliminate an ice house. Mann and Eder asked if fishermen other than Pacific Seafoods would be able to deliver to the processing plant. Eder said Trident had also handled crab, albacore, black cod, salmon and shrimp. Brandberg added that Trident had been open to small fishermen, who were uncertain about what would happen when Pacific Seafood took over. Dal Ponte said he appreciated the concern, and suggested local fishermen contact the current operators at the plant, who will remain. Law asked if Pacific Seafood would provide a guarantee. Dal Ponte said not in writing, but there are no plans to change operations. Chuck said that charter boats also rely on ice and suggested Pacific Seafood ensure ice was available to them. Mann said the Mid-Water Trawlers did not realize other fisheries use the plant and ice, and asked Dal Ponte to talk to Bill at the plant to do what he can to guarantee they will receive the same support as they did from Trident. Skamser said it would be helpful if there were a Pacific Seafood liaison to the CFUG Committee. Newell said it would be good to have a meeting with Dave at the plant; some fishermen had been blackballed by Pacific and he wants to make sure those fishermen will be able to buy ice in the future. Dal Ponte said Don Moody will take over for Dave in September.

VII. OLD BUSINESS

Greenwood gave an update on the PD5 pier project. The budget includes \$115K for 1/3 of the engineering. The Budget Committee will be meeting on Tuesday, May 9th. The pier project total cost is approximately \$1.8MM. The completion will be broken up into smaller chunks. Eder asked for some additional wheelbarrows available at PD 5. Gibson will follow up.

VIII. FUTURE MEETING SCHEDULE

Mann noted that the correct date for the next meeting is July 10th, not June 10th.

IX. FUTURE AGENDA ITEMS

No future agenda items were discussed.

X. PUBLIC COMMENT

Beck said this would be the last meeting he would attend while a member of the Port Commission. He heard Eder's request for the Port to maintain its commitment to the commercial fleet, but the Port also needs a commitment from the fishermen. He suggested there should be some contracts to set aside areas at the terminal; it boils down to the bottom line. The Port wants NIT to be a primary source of income. Shipping will be competitive, but competition is good. He understands the fishermen's concerns but is looking for solutions.

Newell suggested a field trip to the terminal. Committee members were invited to tour the facility following the meeting; no action will be taken.

XI. ADJOURNMENT

Having no further business, the meeting adjourned at 10:55 am.

ATTESTED:

Sara Skamser, Committee Chair

Bob Eder, Committee Vice-Chair



MAINTENANCE REPORT

DATE: 07/06/2017
PERIOD: MAY - JULY 2017
TO: COMMERCIAL FISHING USERS GROUP
ISSUED BY: KENT GIBSON, COMMERCIAL HARBOR MASTER

OVERVIEW

Summary:

Over the past two months, the North Commercial crew has been heavily engaged in crane operations both offloading catch and helping to make changes in deck gear. Several pilings failed, and we responded then removed the pilings we were able to. We repaired pedestal lights, and continue to see them get broken off regularly.

Detail:

- Cut brush on hillside for Dock 3 and Dock 5 parking areas
- Asphalt sealing in PD7 lot
- Pile removal and repair of dock 7B after pile failed
- Removed 2 pilings from Dock 5C after they failed and divers cut them off (done around May 5th)
- Tugboat repair
- Flag pole repair and painting
- Replacing failed rub boards on South side of Dock 3
- Grass cutting
- Installed 2 new Water heaters in restrooms
- Repaired 4 dock lights and 10 receptacles

DRAFT Port of Newport International Terminal Operations Plan



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STAFF CONTACTS

Kevin Greenwood, General Manager
Jim Durkee, (Int.) Director of Operations
Pete Zerr, Terminal Manager
Karen Hewitt, Administrative Assistant

INTRODUCTION

The Port of Newport is located on the central Oregon coast and encompasses the Yaquina Bay estuary and is one of only three deep draft ports on the Oregon Coast. The Port boundaries extend north to Otter Rock, east six miles inland, south to just past Seal Rock, and west to the Pacific Ocean. The Port of Toledo is adjacent to the Port of Newport's eastern boundary and the Port of Alsea adjoins the Seal Rock boundary.

The Port of Newport and its waterfront facilities support international commerce, commercial fishing fleets, recreational fishing, tourism, and marine research, all of which are vital to the economic health of the City, County, and State. The Port's overall mission is to build and maintain waterfront facilities, and promote projects and programs in cooperation with other community organizations and businesses.

The Port's International Terminal is an industrial property located on the north side of Yaquina Bay within the city limits of Newport, Lincoln County, Oregon. The property is owned and operated by the Port. The Terminal serves as the homeport for Newport's distant-water fishing fleet, as well as the primary staging area for non-U.S. Army Corps of Engineering dredging operations and other maritime operations. The Terminal dock facility was renovated in 2013.

TERMINAL HISTORY

The Port District was formed in 1910 to promote water-related commerce in Lincoln County and throughout its history has evolved and refined the provision of services to the commercial and recreational fishing fleets, to tourists, and for ocean observation and marine research support. Oregon sits astride a great international trade route that links our state to the world's economy.

Oregon Revised Statutes (ORS 777.065) calls for the "the development of deep water port facilities at ... Newport .. (is) declared to be a state economic goal of high priority."

"The Legislative Assembly recognizes that assistance and encouragement of enhanced world trade opportunities are an important function of the state, and that development of new and expanded overseas markets for commodities exported from the ports of this state has great potential for diversifying and improving the economic base of the state. Therefore, development and improvement of port facilities suitable for use in world maritime trade at the Ports of Umatilla, Morrow, Arlington, The Dalles, Hood River and Cascade Locks and the development of deepwater port facilities at Astoria, Coos Bay, Newport, Portland and St. Helens is declared to be a state economic goal of high priority. All agencies of the State of Oregon are directed to assist in promptly achieving the creation of such facilities by

processing applications for necessary permits in an expeditious manner and by assisting the ports involved with available financial assistance or services when necessary.” [1981 c.879 §6; 1993 c.106 §1]

In 1948, a private company sank two 1940's-era, self-propelled, flat-bottom concrete ships at McLean Point to serve as wharves for cargo handling. The ships were floated into place and sunk by blasting holes in their sides and bottoms. The area between the hull and the shore was backfilled with hydraulically placed dredged sand from Yaquina Bay in order to create more flat dock area. A warehouse and Terminal office was built over top of one of the vessels to provide storage space for Terminal users.

The terminal was run by private operators from the 1950s through the late 1970s among them Yaquina Dock & Dredge and Sunset Terminals. In 1982, the Port issued general obligation bonds to purchase the terminal from Rondys Inc. and in 1987 contracted Jones Oregon Stevedoring/Newport Terminal Co. to manage the facility. The contract was terminated in 1995 when the Port took over management. Up until the early to mid-1990s when log exports trickled to a halt, the Newport Terminal was a busy dock, handling shipments of logs, lumber, and other goods. The last log ship called at the Newport Terminal dock in May of 1999.

At about the same time, bunker crude oil began seeping from the hull of one of the concrete ships. In addition, the structural integrity of the wharf also came into question.

In the 2006 Lincoln County General Election, voters approved ballot measure 21-114. The language from the ballot measure is as follows:

“The measure would fund reconstruction and environmental clean-up of the Port of Newport’s marine terminal, with an estimated rate of 58¢ per \$1,000 of assessed value. The owner of a property assessed at \$100,000 is estimated to pay \$58.00 per year. One of two deep draft harbors on the Oregon Coast, it is the statutory mission of the Port of Newport to provide infrastructure, facilities and economic development that support business, industry, and economic vitality of the community. Both the environmental remediation and the dock rebuild included in this project are consistent with this mission. Protecting the environment and enhancing the economic value of Yaquina Bay and the harbor is a major public policy goal of the Port of Newport. For that reason, the Board of Commissioners placed the measure on the ballot to seek voter approval to fund a Marine Terminal Rebuilding Project that is intended to protect the environment, enhance the economy, create jobs, and to assist in securing ongoing federal funding for channel maintenance. The measure would fully fund the rebuilding of the Port’s International Terminal, including a deep draft ship berth, a barge and heavy work dock used by the commercial fishing fleet, removal of hazardous substances

existing within the structure, and restore the publicly-owned Marine Terminal to diversified economic productivity. The deep-draft cargo dock has been closed for five years due to safety risk. The nearly 60-year-old deep draft cargo dock has deteriorated to the extent that a 60-foot wide gap has developed between the dock area and the shoreline. The unsafe condition and the lack of usability would be addressed by the reconstruction project. Newport also is home to other substantial commercial marine industries like the fishing industry. Newport's distant water fleet and other local commercial fishing vessels currently are the primary users of the terminal's heavy work dock. The project would rebuild the dock, creating a barge berth and a vessel maintenance and gear-loading facility for the fleet. The Port is responsible for removing liabilities to the community and the environment at its facilities in addition to providing economic development and jobs. The project would remove contaminated material and fluids that exist within the hull that forms the marine terminal cargo dock structure. Components included in the reconstruction project are: Final design and engineering; Replacement of two Marine Terminal Docks; Site and facility remediation; fixed hoist installation; Utilities and infrastructure to service vessels; Mooring dolphins and fender system.

A market analysis and plan to increase activity and revenue from restored facilities will be conducted concurrent but separate from the bond issue proceeds. The Port of Newport believes that removing the environmental and safety hazards, updating and rebuilding valuable marine facilities, and actively recruiting or marketing desirable new business opportunities for the new facilities fulfills its statutory mission and is in the best interest of the citizens of the Port District. The total amount of the bonds is not to exceed \$15,452,000 and will be paid over a period of thirty years or less."

In 2009 with funding in place, planning began on the remediation and redevelopment of the docks and warehouse facilities. Construction began in 2010 and was completed in a phased approach such that the Terminal continued to be accessible for service to Newport's distant and local commercial fishing fleet as well as to those tenants that serviced the fishing fleet. The terminal was also built to be consistent with federal initiatives for marine navigation included in the Maritime Administration (MARAD) Marine Highway System Plan and the Safe Port Act. Over \$19 million from federal, state, and local funds went into the terminal's redevelopment, including the general obligation bond and \$1.5 million from EPA through brownfields grants and loans. The total project cost was over \$27-million.

These investments helped protect the Yaquina Bay estuary, open the Port to international trade, and catalyze a new wave of subsequent economic investment in the area. In 2009, NOAA selected the Port as the new home for its Marine Operation Center Pacific Fleet. NOAA cited the Port's Terminal Redevelopment project and its design elements as one of the key factors influencing its decision.

In October 2015, the Port applied for and received a U.S. Dept. of Transportation, Transportation Investment Generating Economic Recovery (TIGER) grant for the development of a 9-acre shipping facility, located about 1500-ft. from the terminal. The shipping facility would be leased whereas the terminal could not and provide a tenant a place to primarily receive and handle forest products for shipment. Below is the outline to the Phased approach for the Terminal renovations and development of McLean Point:

Phase I – 2013 Terminal Remediation - *completed*

Phase II – 2015 Terminal Berth Deepening
and Mitigation Construction -*completed*

Phase III – US-20 Hwy. Improvements:

5.5 mile main re-alignment portion was completed in Oct 2016

West end curve tie-in work expected to be completed by Aug 2017.

Phase IV– 2017 Shipping Facility

Phase V – McLean Pt. Industrial Park I*

Phase VI– McLean Pt. Industrial Park II*

Phase VII– McLean Pt. Industrial Park III*

* McLean Pt. Industrial Park is a private venture owned by Rondys Inc. that would phase in additional warehousing and laydown area on their 30-acre site.

PROJECT GOAL

The Terminal is designated as a multi-use facility and is not available for permanent tenancy. The goal of the Port is to accommodate a wide variety of users that will fulfill our mission of promoting and supporting projects and programs that will retain and create new jobs and increase community economic development. This includes supporting the commercial fishing fleet and cargo ship operations, as well as a variety of other users. Due to the limited dock space available, particularly during certain months of the year, it will not be possible to accommodate every request for dock space. The Port will have the final decision on which vessels to accommodate based on meeting the Port's goals and objectives, and will work to host as many vessels as practical and accommodate the needs of various users.

This Operations Plan is a living document and can be amended as needed based on feedback from users, Port staff, and the approval of the Port Commission.

PHYSICAL FACILITIES

Water Access to the Terminal

The main shipping channel into the harbor is maintained annually by the U.S. Army Corps of Engineers. "The existing project provides for a channel 40 feet deep (at MLLW) and 400 feet wide across the outer bar to station 0-10; thence, with dimensions reducing gradually, a channel 30 feet deep and 300 feet wide beginning at mile 0.0 to a turning basin 30 feet deep, 900 to 1200 feet wide and 1400 feet long at mile 2.0 at McLean Point."³

The air draft (vertical clearance) under the highway bridge is 135 feet at low water or 129 feet at mean high water. The horizontal clearance at the bridge is 395 feet.

The Terminal is about 2-1/2 miles from the ocean entrance (bar) with transit time from pilot boarding to vessel tie up at less than 60 minutes. There is a turning basin located adjacent to the cargo berths, which is 900 by 1,200 feet wide.

The shipping terminal & dock system consists of 860 linear feet of dock space, a two-ton fixed rotating hoist, acres of paved asphalt surface storage, gravel surface storage, garbage & recycling collection, landscaping, a storage & maintenance shop, tenant leased buildings, and a nine acre lot being developed for shipping operations.

Berths

The west berth is 525 feet long with a mooring dolphin to the west of it and therefore can accommodate vessels in the 600-foot plus range. This berth has four high performance rubber fenders evenly spaced along its length. The majority of the dock along this berth has a load rating of 750 psf, except for the far-east end, which has a load rating of 400 psf.

The hoist berth is in the middle of and adjoins the west and east berth and is oriented basically north & south. This berth is 75 feet in length.

The east berth is 260 feet in length and accommodates shallower draft vessels than the west berth. Depths here range from 15 to 20 feet along the face of the dock.

Utilities at the berths include potable water and electricity. Electrical power available is single-phase 120 volts at 30 amps and three-phase 208 volts at 50 amps.

There are 3 fixed ladders on the west berth and 3 on the east berth, all evenly spaced across the wharf. There are also a number of semi-portable ladders used to accommodate the smaller vessels. The semi-portable ladders can be easily moved with our forklift to be positioned exactly where needed. When a cargo ship is docked at the Terminal, all of the semi-portable ladders will be removed from the west berth and placed on the east berth.

Outdoor Staging Area (Restricted Area)

The Terminal facility is located on a 17-acre site. The staging area is a 3-acre space that runs parallel to both the fish meal plant access road and the cargo dock, and is directly adjacent to the road. This space is designated as the “Restricted Area” on the site map. (See *Security Section, page 13*) The fishing community has used the upland space for net repair, equipment storage and parking. When a Handysize vessel is in Port, approximately two-thirds of this area will be restricted to shipping activities.

TRANSPORTATION PLAN

Parking

The current parking arrangement at the Terminal is very open. When no Maritime Transportation Security Act (MTSA) regulated vessels are moored at the dock, then all vehicles with pertinent business are free to park in designated parking areas. The use of the Terminal is very fluid and dynamic, and it is essential that vehicles are not parked where they will interfere with forklift or mobile crane operations. Currently no permit is required for parking at the Terminal, as long as the vehicles are associated with applicable Terminal activity.

When an MTSA regulated vessel is docked, then a *Restricted Area* is cordoned off around the vessel and only MTSA authorized vehicles and personnel holding TWIC cards are granted access inside this area.

Parking in Restricted Area

Unless it is essential to provide a specific service to the vessel, vehicles should not park on wharves or piers in the Restricted Area. To provide an unimpeded view for security personnel, designated parking should be away from wharves and piers, and other areas designated as essential to the security of the facility. Where possible, designated parking should be outside of fenced operational, cargo handling, and storage areas. Security personnel shall control or monitor access to designated parking areas.²

Traffic flow/volume/trucks/equipment

Road Access to the Terminal

Transportation access to McLean Point and the International Terminal is provided from Yaquina Bay Boulevard via highways (US 101 and US 20), SE Moore Drive, and SE Bay Blvd (arterials). Highway access between I-5 and Newport is via US 20, with realignment slated for completion by 2017.

The Terminal currently has two entrances providing access. The west gate is generally open during the day, but is closed and locked in the evenings and on weekends. No truck traffic is allowed through the west entrance due to the tight turn radius, limited visibility, and weight restrictions. During ship loading, public vehicle access will be restricted for safety and congestion reasons. Public access may further be restricted during special circumstances such as the Fourth of July holiday. A third entrance to the east end of the nine-acre log lay down area is being planned and provides primary access to the Liquid Natural Gas tank. This third entrance will be to solely accommodate log-handling equipment.

Under present Terminal operations, public access into the Terminal is allowed for any persons with applicable business. The exception to this is when MTSA regulated vessels call at the Terminal, then a "Restricted Area" perimeter is established and the Restricted Area is not open to the public.

Due to the expected high truck volume along the Terminal access road, it may be necessary to place concrete barriers, such as Jersey barriers, at the edge of the fishing gear storage lot in order to segregate the lot from the access road.

There will be no parking on the Terminal access road or shoulder during cargo ship operations for both safety and for fire truck/emergency vehicle access.

Future plans for local access improvements (turning lanes) to and from McLean Point may be implemented in the coming years with the Rondys Inc. site development. Designation of internal circulation roadways also may be amended in the future to better accommodate overall efficiencies as McLean Point is further developed.

The site plan shown in *Appendix A.9, "Teevin Log Yard"* illustrates the proposed layout with the proposed site driveway locations. One driveway will be located along the east frontage and one along the west.¹

The current trucking volume (semi-tractor/trailers) in and out of the Terminal during the height of the busy season for the fish meal plant is 25 trips in, 25 trips out per day.

The posted speed limit within the Terminal is 15 mph.

USE OF SPACE

Cargo and cruise ships will have priority over other vessels for the west berth and designated Restricted Area. Commercial fishing vessels will have priority over other vessels for the east berth. When MTSA regulated vessels are docked at the west berth, the hoist will not be available for use by the fishing fleet as per Coast Guard mandated Facility Security Plan, but the Port does have a 30-ton crane available for servicing vessels at the east berth.

Normal services will be allowed to continue outside of the Restricted Area.

Commercial Fishing Fleet

The local and deep water fishing fleets have been using the Terminal extensively since the wharf renovations were completed in 2013. When no shipping vessels are tied up at the dock, or scheduled to be tied up at the dock, then the fishing fleet is allowed to tie up on a first come, first serve basis after consulting the Terminal Supervisor. During the winter months (November through middle of January) the dock can get quite congested. It is not uncommon to have fishing boats rafted up two or three deep at times along the east and west berths. In recent years, the months November through January have been the highest use time at the Terminal by the fishing community, but April and May are also high use times.

There is no stated limit as to how many boats can raft up outboard of one another, only practical limits in regards to being able to safely secure the mooring lines. The fishing boat captains are responsible for working out the timing and logistics for departures, arrivals, and shifting inboard/outboard.

When a cargo or cruise ship is scheduled to dock at the Terminal, notices will be posted designating when, where, and for what duration the ships will be docked. The Port will provide as much advance notice as possible, with every attempt at providing at least two weeks' notice. Maritime conditions may require users to be flexible due to weather or seasonal conditions.

The Port currently provides and maintains a two-acre area for outside storage of fishing gear. Stored items include everything from fishing nets to outriggers, trawl doors, and winches. With the resumption of cargo operations, it may be necessary to relocate portions of the current storage lot.

It is common practice for the fleet to stretch out their nets across the paved staging lot in order to effect repairs. A large part of this area will be designated as a Restricted Area when Cargo Ships are in, thus precluding net repairs in this area.

There is also an asphalted area to the east of Foul Weather Trawl that can accommodate net repairs at times.

The fleet is responsible for cleaning the docks and net lay down areas prior to departure to as good of condition as before they arrived. The Port will inspect the area to ensure it was cleaned properly and take corrective action if necessary.

Cargo Vessels

During the peak of the Cargo Shipping era in the 1990s, The Terminal moored 36 ships and barges per year, averaging three per month. The Port is poised to resume cargo exports and imports, starting with the planned development of a log yard.

Cargo vessel operations will require a series of support service providers. These include, but are not limited to: Stevedoring services, support tug operators, dock labor (ILWU), heavy equipment to stage materials, customs processing, and vessel crew support. For those services that require Port coordination (e.g. customs, security) the Terminal Supervisor will schedule these services to meet the needed components to support on-dock terminal operations.

Forest Product(s) Handling

For the forest products operations, the flow of product into and out of the Terminal is anticipated to be as follows:

- Logger/Trucker delivers product to log yard
- Teevin Bros. receives forest products at their facility
- Logs will go through the de-barker
- The logs will be decked awaiting delivery to the wharf
- Exporter contracts with Stevedoring company to arrange ILWU (longshoremen) labor for ship loading
- Teevin Bros loads logs onto hostlers or trucks for delivery to the dock
- ILWU (longshoremen) receive the logs at shipside and load onto ship
- Ship departs for Pacific Rim

Currently Teevin Bros anticipates hot loading, but may use the surge area (3-acre area within the Restricted Area) as well. However, using the surge area is more expensive to the log exporters, so is not as advantageous as hot loading. Hot

loading is the process of trucking logs directly to the ship from the log yard and then unloading the logs right from the truck. In other words, the logs would never touch the ground again once they leave the log yard.

The only time Teevin Bros anticipates needing storage space in the main Terminal staging area is if they ever receive inbound barges or recycled paper barges. In both cases they may need to use this space for about 1-2 days during barge discharge. The Log Exporter would know before arrival if hot loading or not.

Anticipated traffic flow for this scenario is that the logs will be loaded onto trucks at the log yard, driven down the port access road, enter the fenced restricted area, park in front of the ship, and the ship's crane will remove logs directly from the truck. The empty truck will return to yard and repeat. They are anticipating 200-250 loads per day during ship loading.

The estimated turning radius for log ship equipment is as follows:

- Hostler and trailer can turn inside of 75 feet
- A log truck with hay rack would be 90 feet
- A long-logger may take up to 110 feet

On an average loading day the Port anticipates up to 45 personal vehicles, for ILWU and management, will be onsite and parked in the vicinity. "Personnel safety zones" will be marked to delineate walkways between the parking areas and the vessel.

An "under deck only" loading will generally require 4-5 business days. A "full load" will require 7-8 business days. Generally the vessels do not work the weekends, and therefore the dwell time on berth would be extended by 2-4 days or more. So a ship may be dockside at the Terminal for up to 12 days, with the security fencing needing to be up between 8 and 14 days.

The average log vessel is about 590 feet (180 meters) in length. It may be necessary to spot the vessel (line haul/warp) in order to be able to use any/all of the 4 vessel cranes for loading. This may require additional length east beyond the actual dock for stern lines or stern of the vessel assuming a starboard side to landing. There is a bollard about 92 feet down from the inside corner of the 260-ft. east dock, one at the inside junction of the east and hoist docks and also one just south of the fixed hoist. The east berth and inside junction bollards are currently used by the fishing fleet and others, but will not be available for use by cargo ships berthed at the west dock as this would preclude other vessels from berthing at the east dock at the same time, and could possibly damage the hoist due to the lead of the mooring lines.

Cargo vessels may use the bollard south of the fixed hoist. The Port reserves the right to remove or change the location of tie-up points.

Support Service Providers

The log ships are expected to take up the entire west berth, extending past the western edge of the dock and attaching their mooring lines to the mooring dolphin.

The cargo ships will be supported by not only a series of tugs (number and size yet to be identified) but also will be supported by a pilot boat from the Coos Bay Pilot's Association. When there is space available at the Terminal's east dock, these vessels will be tied up there. Two support vessels may raft up on the hoist face since it can't be used by the fishing fleet while the restricted area is being enforced. The next option is for these support vessels to tie up at the North Commercial docks, South Beach end ties/service dock, or the meal plant floating dock, if available. The other alternative is for the support vessels to anchor in the approved anchorage in the Bay.

The stevedoring company will need to stage a variety of equipment at the facility including but not limited to; large capacity forklift, 4 sets of log bunks used at vessel side when loading, 4 dock shelters (weather protection for workers), a 40 foot long gangway, numerous job boxes, and other gear. Some of these items will need to be kept undercover. The Port will provide two portable toilets.

A water truck may be necessary for dust control on the roads and Terminal during loading days and that the dock will have to be cleaned of bark on a daily basis. The log handler will manage the water truck. Also portable lights may be required for loading, yet to be determined.

The stevedoring company is responsible for cleaning the dock and lay down area inside the fenced security area once loading operations are complete, to as good of condition as before export operations started. The Port will inspect the area to ensure it was cleaned properly and take corrective action if necessary.

Proposed Development Plan for Teevin Bros. Log Yard

The current development plan includes redevelopment of approximately 9 acres of vacant I-3 zoned property into a log yard. The proposed log yard is expected to have 17 employees and generate approximately 30 truck trips per day at inception. Upon full development of the log yard operations, the site is estimated to generate up to 50 log trucks per day.

At full operating capacity, the proposed development is estimated to generate approximately 142 net new one-way daily trips (71 in / 71 out), 16 weekday a.m. (10 in / 6 out), and 10 weekday p.m. (2 in / 8 out) peak hour trips.

Trip Generation

An independent trip generation profile was developed based on the projected maximum operating capacity. To develop the profile, projected employee and truck delivery information was obtained from Teevin Bros. as outlined in the Traffic Impact Analysis. Using this information, Table 4 summarizes the estimated site trip generation of the proposed development plan during a typical weekday, as well as typical weekday a.m. and p.m. peak hours.

Table 4 Estimated Trip Generation

Mode	Daily Trips	Weekday AM Peak Hour			Weekday PM Peak Hour		
		Total	In	Out	Total	In	Out
Passenger cars	42	4	4	0	6	0	6
Trucks	100	12	6	6	4	2	2
Total	142	16	10	6	10	2	8

Traffic Volume & Flow

Based on the trip generation summary in Table 4, there will be an expected 42 passenger car trips and 100 truck trips generated by the site on a typical weekday. Teevin Bros. expects to operate this log yard in a similar manner to the three yards it currently operates. Teevin Bros. currently operates log yards in three Oregon locations – Eugene, Crabtree (between Albany and Lebanon) and Rainier. Based on statistics from those yards, 44% of the trucks using the sites have a gross vehicle weight (GVW) of 80,000 lbs.; 54% of the trucks using the sites have a GVW of 88,000 lbs., and 4% of trucks accessing the sites have GVW greater than 88,000 and less than 105,000 lbs. No truck in the regular timber haul runs weighs in at more than 96,000 lbs. Of the expected 100 weekday truck trips, half will be entering the site loaded, weighing an average of approximately 88,000 lbs., and half will be departing the site unloaded at approximately 29,000 lbs.

Planning considerations

The following list summarizes the mitigation measures recommended as part of this proposed redevelopment.

- Site-development related landscaping as well as above-ground utilities or signing near the site access points should be located and maintained to ensure adequate stopping sight distance is provided.
- Foliage and shrubbery along the south side of Bay Boulevard between the two driveway locations should be trimmed and maintained to improve existing sight distance for trucks and heavy vehicles.

Cruise Ships

Cruise ship operations fall under an entirely different category, but the Terminal will likely see only smaller or mid-sized cruise ships coming here. As with cargo ships, these vessels may also be accompanied by tug and pilot vessels. There will likely be additional pedestrian traffic, and possibly exponentially so, depending on the size and capacity of the ship. Additional safety and pedestrian zones will likely need to be considered.

The Port hired consulting firm, Cook & Associates LLC, to study the feasibility of the Port of Newport becoming a “Port of Call” for cruise lines on the west coast. Their conclusion was that Newport and the greater Lincoln County area are rich in attractions that could entice a desirable cruise line. The limiting factors for larger cruise ships coming into the Port of Newport are both the channel depth and the height of the bridge. The larger cruise liners exceed these constraints. However there are a number of mid-size and smaller cruise ships that can feasibly call on the Port. In the past, cargo vessels 650 feet in length, 100 feet wide, and 33 feet in draft have docked at the Terminal. As recently as October of 2016, a 145 foot long exploration vessel, the, called at the Terminal for a brief port call. There is a fleet of smaller cruise ships that serves the Alaska and Pacific Northwest market that are well suited for our market. There may be opportunities to attract cruise ships of this type.

Cruise ships will likely use the dock only during a limited season (May through September) and for a limited number of days during that season. To entice cruise ships to call at the Terminal, the Port may consider investing in small infrastructure assets such as a weather-protected staging area for passengers to wait for ground transportation while embarking and disembarking.

Other Vessels

A variety of other types of vessels will likely continue to stop at the Terminal including U.S. military ships, research vessels, dredge equipment, and others.

Personnel

Current staff for the Terminal is one FTE; with an additional FTE planned for when shipping operations recommence paid for by shipping tariff proceeds.

SECURITY & SAFETY

The Terminal has a number of video cameras that view and record activity both along the wharf and along the frontage road to aid in the security of the facility.

TCB Security, the contracted security company for the Port of Newport, conducts routine security rounds of the Terminal. The Port will also engage with TCB Security for the additional security requirements to meet the needs of a cargo export/import facility. This will include round the clock security (24/7) for the below detailed Restricted Area, with a guard shack stationed at the vehicle entrance to the Restricted Area.

Certain vessels are subject to the Maritime Transportation Security Act (MTSA) requirements. This activity occurs at defined locations described in the Port's Facility Security Plan and is approved by the United States Coast Guard. The Port's Facility Security Plan is not a public document. Compliance with the MTSA and TWIC security requirements in the Restricted Area is mandatory per federal statute. Contracted security services will be utilized to provide the necessary personnel to support the various 24/7 operations related to terminal access control, MTSA and TWIC program compliance, and roving security personnel to maintain compliance with federal security requirements.

When an MTSA/ISPS regulated ship is docked at the Terminal, the "Restricted Area" will be in effect and cordoned off. When there is no MTSA/ISPS regulated ship at the Terminal, the "Restricted Area" will NOT be in effect.

An MTSA regulated vessel is defined by 33 CFR 104, and in part includes the following:

- Any cargo or passenger vessel subject to the International Convention for Safety of Life at Sea, 1974, (SOLAS), Chapter XI-1 or Chapter XI-2;
- Foreign cargo vessel greater than 100 gross register tons;
- Self-propelled U.S. cargo vessel greater than 100 gross register tons subject to 46 CFR subchapter I, except commercial fishing vessels inspected under 46 CFR part 105;

- Offshore Supply Vessels subject to 46 CFR chapter I, subchapter L (of at least 6,000 GT ITC (500 GRT if GT ITC is not assigned)
- Passenger vessel subject to 46 CFR chapter I, subchapter H;
- Passenger vessel certificated to carry more than 150 passengers;
- Other passenger vessel carrying more than 12 passengers, including at least one passenger-for-hire, that is engaged on an international voyage;
- Barge subject to 46 CFR chapter I, subchapters D or O;
- Barge that is subject to 46 CFR Chapter I, subchapter I, that is engaged on an international voyage;
- Towing vessel greater than eight meters in registered length that is engaged in towing a barge or barges subject to this part, except a towing vessel that –
 - Temporarily assists another vessel engaged in towing a barge or barges subject to this part;
 - Shifts a barge or barges subject to this part at a facility or within a fleeting facility;
 - Assists sections of a tow through a lock; or
 - Provides emergency assistance.

Exemptions to MTSA Requirements:

- Does not apply to warships, naval auxiliaries, or other vessels owned or operated by a government and used only on government non-commercial service.
- A vessel is not subject to this part while the vessel is laid up, dismantled, or otherwise out of commission.

Transportation Worker Identification Credential (TWIC) – A TWIC is required by the Maritime Transportation Security Act (TSA) for workers who need access to secure areas of the nation’s maritime facilities and vessels. TSA conducts a security threat assessment (background check) to determine a person’s eligibility and issues the credential. U.S. citizens and immigrants in certain immigration categories may apply for the credential. Most mariners licensed by the U.S. Coast Guard also require a credential.

At the time of writing of this plan, there is no security fencing installed along the border of the Restricted Area. In past years, security fencing was leased and installed along the perimeter of the Restricted Area. The Port has purchased fencing for the long term use of cargo operations at the Terminal. This fencing is in portable panels, so that when the Restricted Area is not in effect, other users will be able to benefit from this space. These other uses include net-work for the larger, longer fishing nets being repaired, as well as staging area for fishing and other non MTSA regulated vessels. The Terminal Supervisor will endeavor to remove the fencing panels that may impede other users in a timely manner once the cargo ship departs. For a matter of efficiency, some fencing panels may remain in place.

Depending on the specific cargo operations, the security fencing for the Restricted Area may be reduced to accommodate other users when possible, when the full 3 acres is not required. The ability to increase or decrease the size of the Restricted Area may be dictated by the USCG and how they interpret the MTSA regulations.

If a safe zone between logging operations and other activities is required, the Port may use fishing gear storage or barriers along the Restricted Area fence line as a safe zone buffer. The safe zone may need to be relocated based upon the expansion or contraction of the fencing footprint. The size of any safe zone will be determined by Terminal Supervisor based on the type of operation.

The Port has an Emergency Operations Plan (EOP), which was adopted in 2012. The Safety Committee is currently reviewing an update to the EOP. The Port's Safety and Health Policy was adopted via Res 2016-09. The Port will follow Occupational Safety and Health Administration (OSHA) CFR 1917 and 1918. Port management and users may further develop additional safety plans as needed.

All commercial vessels calling on the International Terminal are required to have the applicable local, state, federal, and international shipboard oil pollution emergency plans and insurance coverage, as well as comply with all applicable ballast water regulations.

STORAGE

The Port of Newport currently leases the two-acre net storage area from Rondys Inc., and subleases (rents) the space to the commercial fishing community for gear storage. At some point of time in the future, the lease may be terminated and an alternative location(s) will need to be identified. Rondys Inc. has plans to develop a maritime industrial park that may provide additional storage and laydown area.

The nine acre export facility proposed for development at the time of writing of this document, will be leased to Teevin Bros. for their sole use during the duration of their lease.

BERTH SCHEDULING

All vessels calling at the Terminal are required to submit a Moorage License Agreement form on an annual basis, also known in the industry as a "Berth Application.". By signing the MLA, the facility user acknowledges having read the [Port Facilities Code](#). The Moorage License Agreement form is available from the Port office. This Terminal Operations Plan can be found in Chapter 3 of the Port Facilities Code.

The Commercial Fishing Fleet will continue to operate on a first come/first serve basis for berth access when a shipping vessel is not scheduled in port. During times of heavy commercial fishing vessel use, it is not uncommon for fishing vessels to be rafted up two or three vessels deep, next to the wharf. The skippers of each respective vessel are responsible for communicating with each other for scheduling of shifting to accommodate dock side access for loading and unloading of gear. If vessel needs are not being met, then the skipper is encouraged to discuss the situation with the International Terminal Supervisor, who will try to correct the situation.

When a cargo vessel is scheduled to come to the West Berth for loading/unloading, the Port will update their online calendar and post notices on folding barricades on the wharf stating which date the cargo vessel is scheduled to arrive and anticipated to depart, thus reserving space for the cargo vessel for those times. The Port will make every effort to provide as much notice as possible, with a minimum of two weeks' notice. The potential remains however, that a cargo vessel could come in for a partial load with shorter notice. Every effort will also be made for cargo ships to avoid mid-November through early January.

FUTURE CONSIDERATIONS:

- Add online berthing application, to replace the Moorage License Agreement
- Staff will research conceptual operations, engineering, and cost considerations for:
 - Modifying current MTSA Restricted Area fence line and relevant sections of FSP
 - Consider angling fence to 45°
 - Removing bollard(s)
 - Removing / relocating hoist
 - Identify, mark and sign designated parking spaces

CHANGES TO THE OPERATIONS PLAN

The International Terminal Operations Plan was adopted by the Port of Newport Commission via Resolution 2017-___ on _____, 2017. Subsequent changes to the Plan shall be made by the Port Commission via resolution, though the Terminal Manager has administrative discretion to ensure the efficient operations of the Terminal. The Terminal Manager shall note any operational changes that would be counter to the Plan to the General Manager and Port Commission in the Manager's monthly staff report and recommend any amendments to the plan as needed. The Commission shall refer to leases, agreements, and other Port policies to ensure that changes to this plan don't contradict with other Port obligations.

APPENDICES

- A.1 Terminal Layout with Stern Line
- A.2 NIT Traffic 5-26-17 Version
- A.3 NIT Dimensions
- A.4 NIT Dock Cap-Fence Alternatives
- A.5 Ship Loading Schematics
- A.6 Ship Tie Ups
- A.7 Alternate Moorage Options
- A.8 Conceptual Design
- A.9 Teevin Log Yard
- A.10 Parking Schematic

REFERENCES

- 1) Kittelson & Assoc. Traffic Study
- 2) USCG NVIC 11-02 <https://www.uscg.mil/hq/cg5/nvic/pdf/2002/11-02.pdf>
- 3) USACOE chart YB_02_YB2_20160927_CS

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PORT OF NEWPORT MINUTES

June 27, 2017

Special 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 6:07 pm at the Yaquina Bay Yacht Club, 750 SE Bay Boulevard, Newport, OR 97365.

Commissioners Present: Walter Chuck (Pos. #1), President; Ken Brown (Pos. #4), Vice-President; and Steve Beck (Pos. #2).

Commissioners Patricia Patrick-Joling (Pos. #5), Secretary/Treasurer, and Stewart Lamerdin (Pos. #3), were excused.

Management and Staff: Kevin Greenwood, General Manager; Stephen Larrabee, Director of Finance; Aaron Bretz, Director of Operations; Karen Hewitt, Administrative Assistant; Mark Harris, Staff Accountant; and Pete Zerr, International Terminal Supervisor.

Members of the Public and Media: Jonathan Stevenson, F/V Tauny Ann; David Jincks, Newport Resident; Tracy Burchett, ILWU; Pat Ruddiman, ILWU; Mike Kasper, ILWU; Eddie Corder, ILWU; Chad Johnson, ILWU; Barrett Tower, ILWU; Yale Fogarty, ILWU; Bruce Elin, ILWU; Ben Forsman, ILWU; Judy Pelletier, OSWA; Doug Cooper, Hampton Lumber; Keith Kaminski, ILWU; Kimberlee Cochran, F/Vs Marathon, New Life, Bay Islander; Nanci Cooper, F/V Perseverance Pacific; Mark Cooper, F/V Pacific; Jeff Lackey and Lisa Lackey, F/V Miss Sue; Jim Seavers, Fisherman; Leven Joling; Bud Shoemake, Port of Toledo; Mark Wells, F/A Alete; Marcia Thompson, F/V Olympic; Terry N. Thompson, Lincoln County Commissioner; Jeff Hollen, Midwater Trawlers Cooperative; Dennis Bartoldus, Rondys Inc.; Rob Halverson; Jon Malloy, Servco Pacific; Dean Fleck, Englund Marine; Keith Cochran, F/V Bay Islander; Reino Randolph; Dave Kunert, Hampton Lumber; Megan Murdock; Kyle Mitchell, Fisherman; Ellen Hearne and Brett Hearne, Fishermen; Kevin, Kalli & Taunette Dixon, Fishermen's Wives; Connie Kennedy, fisherman's wife, distant water; Tracy Lynn Bohne, Fishermen's Wives; Paul Langner, Teevin Bros.; Chris Nelson; Mike Storey, F/V Pegasus; John Holt, Pacific Fishing; Sara Skamser, Foulweather Trawl; John Skamser, Foulweather Trawl; Wayde Dudley; Barb Dudley; Fred Yeck, F/V Sea Dawn; Dennis McManus, F/V Golden Pisces; Heather Mann, Midwater Trawlers Cooperative; Jennifer Stevenson, Newport Fishermen's Wives; Tim Miller, small woodlands; Bob Kemp, Fisherman; Fred Postlewait, Banker; Evan Hall, Rondys Inc.; Tim Mulcahy, F/V Calogera; Pierce Miller, F/V Cologera; Russ Glasscock, small woodland owner; Jack Webster, F/V Millie G; and Bill Olivera, Pacific Surimi.

II. CHANGES TO THE AGENDA

Greenwood asked to have the Budget Hearing re-called, included in the 12:00 noon Regular Meeting Packet. He pointed out the changes to the Budget since the Budget Hearing, which were noted on the included staff budget presentation. Beck recommended including the International Terminal (NIT) leases in the NIT budget, and assumed the Teevin lease would be included here. He also asked if all leases could be separated into the budgets for their locations. Larrabee said that leases had historically been included in administration so that would not match for comparison. Greenwood added that the expenses for leases were predominantly administrative since they were handled by the Finance Department. If the lease were separated by area, the Port would also have to account for administrative overhead. Greenwood added that this is something that could be discussed further as a policy discussion, but the budget hearing did not address individual departments. Larrabee suggested adopting

the budget as is, and further analysis could be done if requested. Chuck said he would prefer to adopt the budget as is then consider changing next year.

There was no public comment on the Budget Hearing.

A motion was made by Beck and seconded by Brown to adopt the 2017-2018 Budget as presented. The motion passed 3 – 0.

III. **ITSF RELATED CORRESPONDENCE**

Greenwood requested Hewitt list the correspondence that had been received and added to the Meeting Packet. Hewitt listed: ILWU Public Records Request, Midwater Trawlers Cooperative (MTC) letter, Annabelle Morgan (small woodland owner) letter, MTC Attorneys Ouderkirk & Hollen letter, and a letter from Rondys Inc. Chuck added there was also an email received from Judy & Jerry Pelletier, small woodlands owners, which will be added to the record. (An email from Patrick-Joling to Beck will also be added to the record.)

IV. **PUBLIC COMMENT**

Fred Yeck, trawler owner and Terminal user, said he had read the Teevin, Silvan and 3-Party Agreements. He said he was concerned about the financial welfare of the Port and viewed the agreements as a financial disaster. Yeck said he is in support of shared use at the Terminal by fishing and shipping. The agreements were written by Teevin and Silvan without making assurances to the Port about minimum shipments, with 7 -10 shipments needed for the Port to break even. He considered the agreements to be conceptually and legally defective, including the provision that the Port pay Silvan \$60K per year at signing, shipping priority at the west berth for 365 days per year for 20 years, and ambiguous terms for terminating the agreements for non-use. Yeck said the \$5000/year Teevin lease was a give-away and suggested the value of the property be evaluated. He said the agreements were a bad deal for the Port which represented a greater risk than the risk of losing the TIGER grant.

Dennis McManus, F/V Golden Pisces owner and CPA certified by the fishing industry, said he was concerned about staging access at the Terminal. He said his and other boats that spend \$400-500K when staging would have to stay elsewhere if the Terminal weren't available.

Russ Glasscock said he was a 3rd generation timber owner. Timber shipping 15 years ago allowed his family to pay the inheritance tax assessed 30 years ago. Glascak said he was excited when the voters created a bond to build the shipping terminal. He said Teevin will allow open berths. Glascak said the Terminal should work if everyone is efficient. He said that voters did not envision a facility where boats from Alaska and California would move here for lower rates, but a facility for local boats and shipping interests.

Jeff Hollen, attorney representing MTC, referred to the lease analysis he submitted. (Included in the meeting record.) He said that MTC does not want the agreements approved. There is no provision that they all be signed, and they all tied in together to be valid. Hollen said the agreements need clarification, completion, coordination, and consents were needed. Hollen encouraged the Port Commission to read his analysis and consult with Port's counsel. The agreements appear to be written by Teevin and Silvan, and disadvantage the Port.

Mike Storey, midwater Trawler on the F/V Pegasus, said he was not opposed to shipping but wanted it done right. He said he agreed with the comments made by McManus. Torey said he was looking at a \$2MM+ project, considering YB and Port of Toledo. Without access to the Terminal, he will go elsewhere. Torey said the fishermen had been cooperative, and perhaps they were used to being pushed around by government agencies.

Tim Miller, a small woodlands owner from Siletz, said the issue was starting to divide the natural resources community, fishing and woodland owners, who need to stick together. He asked the Commission to help them stay together as a community. Miller said he is sending spruce, fir and hemlock logs to ship from Coos Bay that are not wanted by the domestic mills. There is a \$400 per load difference in hauling costs to ship from Newport, as well as using less diesel fuel. He said he hoped the Port of Newport Commission can get the shipping terminal in Newport.

Terry Thompson, Lincoln County Commissioner and smaller F/V owner, said that some of the smaller boats use the terminal to change their larger gear. The voters meant to make the Terminal a collaborative situation, which has not been done to the extent it should. Shipping can't be in the Terminal when it's at maximum use by fishing. The hoist could not be used by the fleet when shipping was in. He encouraged talking about a collaborative situation. I would not be beneficial to lose either the big boats or the potential for timber.

Bud Shoemake, Port of Toledo manager, had also worked at the Port of Newport for 15 years when lumber was being shipped to Australia. He had to ask boats to move then, and some moved to Seattle and did not come back. The Port of Toledo has invested \$10MM since 2011 to provide a shipyard for vessels. Shoemake said keeping the boats home-ported in Lincoln County was important to the fishing families, the Port of Toledo and to the region. He asked the Commission to not act hastily to find a way to accommodate both shipping and fishing at the Terminal.

Evan Hall, Rondys Inc. Vice President, said they were in a unique position because they had deep roots in fishing and were the last leaseholders for the last shipping company. He referred to Rondys letter included in the meeting packet, calling attention to the risk of delay, the benefits to the Port's users and the opportunities provided to Rondys Inc. by the Terminal project and their future plans for an industrial complex on their adjacent land. He requested the Commission act before the opportunity to bring shipping to Newport is lost.

Kimberlee Cochran, F/Vs Marathon, New Life, and Bay Islander, was born in Newport and remembers logs. She said she is concerned that fishing vessels desiring to use the Port of Toledo shipyard won't be able to if the Terminal is not available. The boats would have to go elsewhere. She said she is also concerned that the project has created a divisionary situation between hard working people because the plan is ambiguous. She asked the Commission to vet the project out more and provide a business plan.

Heather Mann, MTC, said MTC represented 26 commercial trawlers, 17 of which are home-ported in Newport. Almost all of these vessels use the International Terminal to some degree. She said MTC is not against shipping or longshoremen, but is against being displaced and against shipping taking a priority. Mann read from the letter from MTC to the Commission, included in the meeting packet. She hoped the Commission could come up with a win/win plan; shipping is an important part of the future, but not at the expense of fishing.

Ken Jones, a Newport resident since 1979 whose vessel Miss Birdie fishes crab and whiting, said that fishing interests played a big part in passing the Terminal bond measure. The Terminal enough space to tie 12 – 15 boats two to three wide, who all need to work with each other to manage the space. The fishing vessels represent \$15-20MM in assets and 200-400 people at each fish plant. If the fishing vessels were forced to leave, it would mean more than the loss of moorage. Each vessel spends about \$3MM per year in Newport on crew shares, fuel and maintenance, which goes into the community. He cautioned the Commission not to throw fishing under the bus. The larger vessels pose a danger to the docks and smaller vessels if they are berthed at the Port Docks, especially in winter weather.

Doug Cooper, Vice President of Resources at Hampton Lumber, with four sawmills in Oregon and 700+ employees, expressed concern that the Port supports the use of public funds for the export of logs. He said Greenwood once referred to logs as the Terminal shipping's "bread and butter." Hampton approves of timber owners finding markets for their lumber. There is an economic benefit to keep logs in the domestic market.

There is a shortage of logs with Hampton and others needing to look as far as Washington. The price for logs is high. Sawmills are not operating at full capacity. The Port plan is based on a precarious financial and business model, and Cooper urged the Commission not to vote tonight.

Rob Halverson, former Port of Newport Commissioner, said the community came together to provide berths for fishing and reintroduce cargo in passing the bond measure. The deep draft vessels draw more than ever. The depth of dredging could be reduced if shipping wasn't in the harbor. He said the community stood together and needs to stand together now. Exclusive use by fishing for 120 days is a hard nut for shipping to swallow. He hoped something could be worked out for both shipping and fishing. He was disappointed to hear Teevin called a "pie in the sky" group. Halverson that Teevin had completed three projects with Connect Oregon grant funds, put those projects into practice, and received high marks from the grant authorities. The Port of Newport has received Connect Oregon funds for the purpose of moving cargo, no reference to fishing. The TIGER grant refers to deep draft shipping. He hoped the elements could be worked out. He added that adding the dolphin from the original plan could relieve the crane issue.

David Jincks, involved in commercial fishing for 50 years, agreed Miller's comment that natural resource groups should not be fighting each other. Jincks said the issue is how we dock here and how the Port could have done this differently. Fishing asked to have a place at the table. The needs of fishing were fairly obvious with two times a year the Terminal was fully used. He was a long time Port Commissioner, and heard he had the opportunity to nip this in the bud, but was not sure what was meant. The RV Park was a large, successful project that involved a financial analysis before beginning. The Terminal Users Group Committee (TUG) needs to continue to work to solve issues so that the project can move ahead to develop fishing and shipping at the Terminal.

Yale Fogarty, ILWU #53, said that fishing and the longshoremen worked equally to get the bond measure passed. It is unfortunate the Terminal failed and shipping has gone. He asked that fishing and the longshoremen reach out to work together. The Port could also use business practices to appraise property values. The local fleet is facing failing facilities and the Port needs revenue. Fogarty said the Port can't afford to lose the local boats either; those families live here. The state of the docks is a catastrophe waiting to happen. The Port needs to do due diligence to move forward quickly. He recommended the Commission hire an outside consultant who can work full time on the project to get the project done so it works for all parties.

Judy Pelletier, small wood owner, agreed with Miller that the interests need to cooperate. She said she was speaking for older folks who are small woodland owners who depend on the Terminal shipping facility, since there is nowhere to send hemlock locally. She would like to work together to make that happen.

Jennifer Stevenson, President of the Newport Fishermen's Wives, said the people at the meeting gathered as a community because of concern that the deal in front of the Commission is hasty and one-sided. She said in any smart business decision there needs to be analysis from all sides. The distant fleet families also live here. She considered that the distant water fleet was being told thank you for all your years, but the Port will be moving in a different direction, which was disappointing. Fishing helped to pass the bond and it would be great if logs came back. Find a way for it to work, not tell current users to go elsewhere. She asked the Commission to consider what the decision will mean in 20 years. She would like the Port to move forward with a deal that is better for everyone with successful shipping out of Newport.

V. GENERAL MANAGER'S REPORT AND RECOMMENDATION

Greenwood introduced the General Manager's Report, included in the Meeting Packet, and reviewed pros and cons of the Terminal agreements and possible Commission actions. He said since he joined the Port, the Newport International Terminal was losing \$180 – 220K per year. There is a lot of debt, with \$440K in debt service paid per year, and a need for tens of millions of dollars for deferred maintenance. It has been difficult to

identify an income source that can meet the Port's needs. Greenwood said he understands the fishing contributions, and has hosted TUG meetings to develop an operations plan along with other meetings in the last four months. He said this discussion should have happened before. Since 2015 this project has been the Port's #1 goal, and Greenwood has received direction from the Commissioners to pursue these agreements. He suggested more negotiations and give from both sides were needed to move forward. A high-use charge could be added for Terminal users during those periods, similar to how the RV Park is charging a surcharge for high-traffic dates. Greenwood included four possible motion recommendations: 1. Reject the contracts and process, 2. Approve the contracts, 3. Postpone a vote until consensus with MTC and financial partners can be reached and more coordinated terms can be negotiated, or 4. Postpone the vote until the new Commissioners take office. Greenwood recommended option 3.

Beck said that Greenwood had produced a great report. There is a need for financial participation from entities using the value of the Port. Silvan has been relentless is getting and better and better deal. Teevin has too good a deal. He is confident the Port can move forward, and is comfortable not making decisions today.

Brown commented that Greenwood had said there was a lack of consensus on the Board, but there would be a lack of consensus on the next Board as well; it will be contentious. Brown said he would like to look at items that can be voted on at this meeting, like the Rondys easements, which would help them and the Port. It would be rude to Patrick-Joling and Lamerdin to approve all tonight. He would also like to look at the engineer's contract, who has been working without getting paid, so that bids can go out. Greenwood said that the engineer understands he is working out of budget. If the Commission wanted to see the price, the next Commission could still reject the bids. By authorizing the engineer's contract, this would allow bids to get out and submitted to get actual costs.

Chuck asked if dredging would still be needed if shipping weren't at the Terminal, and if the costs for maintenance dredging would be available. Greenwood said that staff continues the permitting for a dredge permit, but it would be early fall before getting a bid. The dredging to 35' would be needed for shipping not the current users. The reserved maintenance funds could be used for dredging as well as other budgeted funds; Greenwood said he does not have a firm cost estimate.

Beck said that picking and choosing agreements to approve was not a good idea; he suggested voting for all or letting the next Commission decide. He added that they had been looking at numbers based on 10 shipments per year. If there were 7 ½ or fewer shipments it would mean for eight or more years there would be no money to put in deferred maintenance. The performance bond is also an issue. Two percent of \$6.5MM is \$130K. There are big costs to move forward. Beck questioned whether it would be appropriate to use NOAA funds and remarked and ancillary costs are expensive.

Brown said he asked to consider approving Rondys also because of the dredge spoil issues, which the Port would need to deal with whether or not the Shipping Facility project goes through. Greenwood said they have been working on the easements. With the dredge spoils agreement, there are significant costs. They were planned to be paid with proceeds from the project financing. Greenwood recommended not approving the dredge spoils agreement until financing is obtained. Rondys would need to give the Port 120 days' notice if they wanted the Port to move the dredge spoils. He added the Port could also sell the sand.

Chuck commented on the \$60K per year payable to Silvan. He asked if the value of the Teevin package was in the \$300K range, which could be a reason for working with them. Chuck said regarding Greenwood comment about lack of consensus, that he had forwarded information in 2014 when Greenwood first started about an NIT committee to meet with to help avoid conflict. This did not go anywhere at that time. In 2016, Chuck again asked Greenwood to reconvene a meeting and get the issues out in the open. All users needed to know about the plans being discussed. Chuck submitted this with a white paper on an ad hoc committees that had been used when the Terminal was being designed. He asked Greenwood why a committee wasn't met with then.

Greenwood said that there was not financing for the project. Chuck said that the International Terminal has been a concern of the Port for the last 5 years. They should have had consensus on the Commission to provide direction, but Greenwood should have reached out to a lot of people earlier. Greenwood agreed that TUG was an attempt that should have been made years ago. Chuck added that there were other issues. There was the loss of political capital that could result if the project did not go through, citing Representative Gomberg's advocacy for the Port. Greenwood said that would be a reason to move forward, and not proceeding with the project could affect the Port's ability to get grants. Chuck said that with the current lack of funding, GO bonds had been discussed to pay for deferred maintenance. He asked how the Port district would feel if shipping did not move forward. Greenwood said that was difficult to answer. Chuck asked if there were other options if the revenue stream from shipping was not realized. Greenwood said the Port could take out loans to be paid for with positive net income, could sell property which would not be a sustainable option, and could continue to recruit tenants. There are approximately 13 acres that could be leased and developed.

Beck said that when he came onto the Commission 12 months ago, the first meeting saw the Connect Oregon grant going down the tubes. The EDA grant was lost by December. Losing these grants put the Port in this position. He had been trying to talk to the Commission and staff about the bottom line. He asked if there was a plan B, but Chuck told him to shut up because he had not been on the Board long enough. Chuck called a point of order.

VI. INTERNATIONAL TERMINAL SHIPPING FACILITY

Greenwood introduced the resolutions regarding the use of the Terminal proposed by Lamerdin, included in the Meeting Packet. Lamerdin, Chuck and Greenwood had worked on these. Greenwood suggested these were excellent step in the right direction. He suggested working with the shipping partners to work these resolutions into the agreements. Brown asked if these resolutions would render the present tie-up policy moot. Greenwood said the Commission would want to repeal conflicting polices. The Port would also want to make sure the resolutions did not conflict with agreements. Beck asked how many fishing vessels were over 125 feet; Greenwood said 125' was the highest he had heard. Chuck said he had spoken with Lamerdin about the resolutions. Lamerdin had reviewed the TUG meeting notes and had used some of the wording from their discussion. Safety and priority time were the issues. Shipping could work with the first part of November. Lamerdin thought splitting the difference for notice requirements at 21 days was adequate. Zerr said there are actually 3 faces at the Terminal: the west berth, the east berth, and the hoist berth. He asked if anyone using the hoist berth would also be required to give 21 days' notice. Greenwood said this was intended more for the east and west berths and could be clarified. Beck asked why the wording was the first part of November rather than the first week. Chuck said that was to give time for a vessel that may be there to move out of the way. Greenwood suggested making edits and then sharing the draft with Teevin, Silvan and MTC. Beck asked if Silvan had asked for set-aside time. They wanted full access to the west berth throughout the year, so why would they change? Greenwood said they could if it was required by the Commission. Beck said once Silvan said no, the Port could lose the TIGER grant and lose shipping forever. Chuck said the Port would want to make sure these terms were in the agreement. Greenwood said he would ask for feedback from the parties. Chuck asked what would be the loss of moorage and services if both sides agreed. Greenwood said the loss would be less than in the proposal. Chuck said these resolutions represented a compromise between the fishing and shipping interests.

Greenwood introduced his report on contract review, included in the meeting packet along with the contracts and agreements: the Silvan Financing Agreement, the Teevin Bros. Lease Agreement, the Three Party Agreement, the Rondys Agreements, The Stuntzner Engineering Contract, and the IFA Loan. In reference to the Silvan Financing Agreement (SFA), section 2.1, Greenwood said that the funds not in escrow was some risk for the Port. Staff has discussed the pass-through of the performance bond referenced in 2.2, but this still needs Silvan's agreement. For 2.23, Greenwood added that if the resolutions were passed they must not conflict with the agreement so as to avoid a potential law suit. In reference to section 2.8, he noted that the Commission

could continue to revise tariffs during the contract term. When the abatement is paid off, Silvan would pay the rates then in effect. In section 2.10, Beck suggested striking “due to their fault” because it adds too much risk for the Port. He also asked if the Port would be obligated to pay \$60K per year if it takes 12 years. Greenwood said the payments would be made from tariffs until the abatement was complete. Chuck asked if the terminal operator brought barges if they would be subject to the abatement. Greenwood responded only Silvan’s shipments would apply.

In reference to the Teevin Lease Agreement, Greenwood explained that the Teevin lease would coincide with the payment to Silvan of \$60K so this would be a net zero to the Port, which is identified in the 3-party Agreement. Beck asked for clarification as to whether the CPI would be added every year or every 5 years. Greenwood will confirm with Teevin that this is an annual increase. The payments to Silvan will remain \$60K so any increase in Teevin’s payment would go to the Port. As for the use, the Port would want to make sure that a use resolution would not be considered an “unnecessary restriction.” In reference to the 3-party agreement, Greenwood said permits have been kept open by excavating and moving material every six months, and will be open through the end of the calendar year. Greenwood said that the Rondys Easements had similar language throughout. Chuck said it was not necessary to review each easement.

For the Stuntzner Engineering Contract, Greenwood noted article 3.1 saying the engineer would only be paid if the contract were approved. They were aware that they have been working out of contract. He referred the Commission to page 168 for the breakout of services. Beck asked if payments to the engineer would come out of grant or loan financing. The engineer’s bills are net 30, but the reimbursement could take 30 days. Greenwood said this would be handled through the bridge loan. Greenwood noted that the Port’s attorney had reviewed all documents, and had produced the engineering contract along with Stuntzner.

Chuck reviewed the options for the Commission in Greenwood’s staff report. Brown said he would prefer to move forward, but felt this would not be fair to Patrick-Joling and Lamerdin since they were not present to vote. Chuck said that any motion would require a 3 – 0 vote to pass. Beck made a motion to postpone the vote until the new Commissioners take office. There was no second. Brown suggested tabling the discussion until a later time. Beck said that he wanted to wait until the next Commission, not just a later time. Chuck commented that the Commission was at an impasse. He suggested a motion to table the discussion in fairness to the sitting Commission. Beck said he would not approve that motion. He expects to move to postpone until the next Commission is in place as he does not trust anyone. Chuck called a point of order, confine comments to topic under debate and avoid personalities. Greenwood made a suggestion to table until July, but the staff needs direction whether or not to continue working on the project. Chuck asked when Patrick-Joling and Lamerdin would return. Patrick-Joling’s daughter Laura said she did not know when she would return. Greenwood had not heard from Lamerdin. Chuck recommended to motions in order to direct staff to move forward: 1. Move forward to continue to work on the current project, and 2. Postpone a vote until full Commission can be seated with 72 hours’ notice. Beck said the Commission needs to make a deal that’s good for the Port with all interests addressed. The Port does not need to direct staff if they choose the second motion.

A motion was made by Beck and seconded by Brown to instruct Port staff to move forward with the current project. The motion passed 3 – 0.

A motion was made by Brown and seconded by Beck to postpone a vote until a full Commission can be seated with 72 hours’ notice. The motion passed 3 – 0.

Chuck said he wanted the Commission to be aware that the issue of conflicts has been raised. Beck said a conflict would not exist if an individual were part of a larger group. The remarks were withdrawn.

Beck referred to the ILWU public records request included in the meeting packet, which included a request for his personal emails. He said he got the ILWU recommendation when he was initially approved, which he

submitted for the record. The ILWU changed their mind on some things over time. He suggested if that is how they work, the Port should think about working with them.

VII. PUBLIC COMMENT

Hollen asked the Commission to look at his analysis of the contracts which conflicted with Greenwood's analysis. The contracts are conflicting, vague and need more work. They are not ready to sign. He advised conferring with Port's counsel.

Yeck questioned the process and asked where the Port's lawyer was. He asked why Greenwood did the contract analysis. The Port needs legal advice. The contracts were written for Teevin and Silvan with the Port on the outside. The payment flow through is not in the agreement. The contract required payments to Silvan as soon as the lease is signed. The documents are not ready to sign and disadvantage the Port.

Fogarty said that a lot was learned tonight. The project incited investments, and he was excited about the opportunity for new jobs, and the business that would grow around the shipping terminal like the Rondys development. Teevin has a large investment in the project, and they would not move forward on the deal to ship if it wasn't advantageous. Shipping would benefit timber owners and area employment. There are homeless children in school whose families need jobs. He asked if dredge spoils could be dumped at sea to save costs. The Terminal was meant for shipping to pay the bill. He agreed with Jincks that the project must be continued and be successful. The set-aside periods can be workable and achieved. He said it takes ten days to load a ship, for a possible 8 shipments, for 80 days a year.

Cooper said thank you for the transparency and detail presented, and the Commission looking at what's needed to move forward and be successful. He encouraged the Port to work toward a solution that benefits all parties, doesn't displace users and adds benefit to the community.

Mann said if people were interested in jobs they could see Bill Olivera who was looking to hire at the surimi plant. She said the draft operations plan said up to 14 days tied up at the dock. When the ships are tied up, the number of days doesn't matter if they have no place else to go. She said she respects Fogarty, but it was obnoxious to mention homeless children as a reason to move forward. The fishermen sponsor baseball teams and feed homeless people.

VI. ADJOURNMENT

Having no further business, the meeting adjourned at 8:50 pm.

ATTESTED:

Walter Chuck, President

Patricia Patrick-Joling, Secretary/Treasurer

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