

PORT OF NEWPORT
MINUTES
April 24, 2009
SPECIAL MEETING

I. CALL TO ORDER

Commission President Ginny Goblirsch called the special meeting of the Port of Newport Board of Commissioners to order on Friday, April 24, 2009, at 8:05 a.m., in the Port of Newport Conference Room, the same being within the boundaries of the Port District.

The purpose of the special meeting was to discuss the National Oceanic and Atmospheric Administration Marine Operations Center-Pacific (NOAA MOC-P) Homeport Project and the next steps.

II. INTRODUCTIONS

Commissioners Present: Ginny Goblirsch, President; JoAnn Barton, Secretary; Don Mathews, Treasurer; and David Jincks, Assistant Secretary-Treasurer. Commission Vice-President Dean Fleck arrived at 8:20 a.m.

Port of Newport Management and Staff: Don Mann, General Manager; Patti Britton, Director of Finance; Pete Dale, Project Manager; Maureen Keeler, Special Projects Manager; Gina Nielsen; Marina Office Supervisor; and Patty Benjamin, Administrative Assistant.

By Conference Call: Paul Cederwall and Bill Vermie, Pacific Northwest Consultants, LLC; Jennifer Holcomb and Craig Totten, KPFF Consulting Engineers.

III. NOAA MARINE OPERATIONS CENTER-PACIFIC (MOC-P)

By way of background, General Manager Don Mann said that the Port had received a letter from James Barrows, Contracting Officer for NOAA, announcing that his office had completed a review of the Port's initial proposal for the NOAA MOC-P Project (SFO No. 09WSA0200C) and the offer was within the competitive range and would be considered further for possible award. A negotiation meeting was scheduled on April 29, 2009 at NOAA's Western Regional Center in Seattle, Washington. The letter included an attachment listing 21 bullets that would be discussed during the negotiation meeting. The list of topics had been made into a matrix and a brief telephone discussion with team members had been held the night before.

Paul Cederwall, Pacific Northwest Consultants, said that some of the bullets overlapped and most were easily accomplished; however the last three bullets having to do with financing were the most problematic. He cited GSA's annual prospectus lease threshold and debt service in particular. The Port would need about \$16 million from the State of Oregon in order to finance the project.

Cederwall's comments led to a discussion about the urgency of the State of Oregon "stepping up to the plate" on the project and Commissioner Jincks said he couldn't understand why, with a project of such high importance to the state, the Port wasn't "sitting down with the governor right now". He added that the rest of NOAA's list was doable but without financing it was all moot. Commissioner Barton said she had been in touch with her stepson, State Representative Brent Barton, about the new development in the Port's NOAA proposal and he had emphasized the "tangibly bleak" economic climate that prevails in the halls of the Capitol. However, after further discussion the commissioners agreed that they would make calls to Oregon legislators requesting a meeting with the governor, especially since General Manager Mann and Commission President Goblirsch had already met with them, and not just the Coastal Caucus, and the legislators were familiar with the project and had a positive response to it.

Commissioner Jincks moved that the Port Commission or General Manager should contact the State of Oregon to request a conference with the Governor of Oregon and

staff to discuss financing for the NOAA Home Port Project. Commissioner Fleck seconded the motion. By way of discussion, Commissioners Mathews and Barton added that the timing of the conference with the governor was critical. The motion was amended to include that the discussion of the financing for the project should take place prior to the Port's second meeting with NOAA, which was scheduled for Wednesday, April 29, 2009. Motion passed 5-0.

The commissioners also discussed making calls to Representative Cowan, Senator Verger, the county commissioners, the City of Newport, and Dr. Boehlert from the Hatfield Marine Science Center to encourage them to call the governor's office as well, requesting that a meeting with Port representatives take place immediately. Commissioner Barton said a letter of intent from the governor's office stating a commitment to the project would be critical to the outcome of the meeting in Seattle, and the General Manager said he had been clear on that in his e-mail the day before to the governor's Chief of Staff, Chip Terhune. The commissioners said they would begin making calls immediately after the special meeting adjourned. Commissioner Barton said she would be "passing through Salem" after the special meeting and offered to go to the Capitol, distribute packets of information on the NOAA homeport project, and meet with what representatives she could to express the urgency of the issue. The other commissioners accepted her offer to "camp on the governor's doorstep" and expressed their appreciation for her efforts. Commissioners Jincks and Goblirsch said they would stay after the special meeting adjourned, to address a format and outline for requesting the meeting so that everyone was "on the same page".

Returning to the conference call, Bill Vermie, Pacific Northwest Consultants, said he expected a "quick turnaround" after the upcoming meeting in Seattle and he thought it would be just a couple of weeks until a "best and final" offer would be due at NOAA.

A discussion followed about other bullet points on the NOAA attachment, such as dredging and reconfiguring the buildings, docks, and piers. Craig Totten, KPFF, addressed the cost savings or increases associated with that as it related to staying in the competitive range.

In summary it was agreed that the Port would work to do the best it could on the project, while avoiding over-engineering it or turning it into something unaffordable or impractical.

General Manager Don Mann, along with Commissioners Goblirsch and Jincks, would attend the meeting with NOAA in Seattle on April 29, 2009.

V. OTHER

There was no other business.

VI. ADJOURNMENT

There being no further business to come before the Special Meeting of the Port Commission, the meeting was adjourned on a motion by Commissioner Jincks, seconded by Commissioner Fleck, at 9:00 a.m.

ATTEST

Ginny Goblirsch, President

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JoAnn Barton, Secretary