

PORT OF NEWPORT
MINUTES
April 24, 2012
Regular Meeting

I. CALL TO ORDER

Commission President JoAnn Barton called the regular meeting of the Port of Newport Board of Commissioners to order on Tuesday, April 24, 2012 at 6:00 PM in the Port Conference Room, 600 SE Bay Boulevard, Newport, OR, the same being within the boundaries of the Port District.

Commissioners Present: JoAnn Barton, President; David Jincks, Vice-President; Walter Chuck, Secretary; Don Mathews, Treasurer; Dean Fleck, Assistant Secretary-Treasurer.

Port of Newport Management and Staff: Don Mann, General Manager; Patti Britton, Finance Director; Pete Dale, Project Manager; Jim Durkee, Terminal Operations Supervisor; Maureen Keeler, Special Projects Manager; Barb Martin, Accounting Assistant; Patty Benjamin, Administrative Assistant.

Others Present: Jerry Ashby, TPT US Limited; Ralph Breitenstein, HMSC/OSU; Lon Brusselback, Newport City Council; Larry Coonrod, News Times; Wayde and Barb Dudley, and Olie Olson, Newport residents; Lee Fries, CM/GC Selection Committee; Mike Goff, TCB Security Services; Rob Halverson, Pat Ruddiman, and Rod Worman, ILWU Local 53; Dave Morgan, News Lincoln County; Paul Oien and Eric and Shawn Teevin, Teevin Brothers; Hal Pritchett, Facility Use & Design and Terminal Steering Committees; Jim Shaw, South Beach resident; Sara Skamser, Foulweather Trawl.

Commissioner President JoAnn Barton announced that this would be the last meeting of the Port of Newport Board of Commissioners to be held in the Port Conference Room. The building will be demolished and Port staff will move into a temporary office until a new office can be built. Port meetings will be held at the South Beach Marina Activities Room, 2120 SE Marine Science Drive, Newport, until further notice.

II. MINUTES

- A. **Work Session—March 27, 2012.**
- B. **Regular Meeting—March 27, 2012**

Commissioner Jincks moved to approve the minutes of the Work Session of March 27, 2012 and the Regular Meeting of March 27, 2012. Commissioner Mathews seconded the motion and it passed 5-0.

III. FINANCIAL STATEMENTS

- B. **Financial Reports.**
- C. **Accounts Paid.**

There were no questions or discussion on the financial reports and accounts paid.

Commissioner Fleck moved, Commissioner Chuck seconded, to approve the Financial Statements and Accounts Paid, Check Nos. 11606-11613/Construction Fund; Check Nos. 11666-11684/NOAA Checking-OCB; and Check Nos. 32594-32692/Operating Account. The motion passed 5-0.

IV. PUBLIC COMMENT

There was no public comment.

V. STAFF REPORTS (* Indicates no questions or comments.)

A. Department Reports.

- Kevin Bryant, Commercial Marina Harbormaster*
- Pete Dale, Project Manager—In answer to a question from Commissioner Fleck, Dale said emergency repairs had been made to the marina docks and they were ready for the season.
- Jim Durkee, Terminal Operations Supervisor*
- Rick Fuller—NOAA Facilities Manager*
- Maureen Keeler, Special Projects Manager*
- Gina Nielsen, RV-Marina Office Supervisor*
- Chris Urbach*

B. General Manager.

Referring to the presentations and discussions the Port had been having about an opportunity for log exports, the General Manager asked the board to direct him, in the interests of not losing valuable time, to request a formal proposal from Teevin Brothers and begin lease negotiations to locate a log storage, debarking, and sorting yard on Port property. Commission President Barton said she had discussed this with the General Manager during the week and there was a consensus among the commissioners to continue to pursue a formal proposal from Teevin Brothers. She added that she and Commissioner Chuck had been involved in the preliminary discussions with Teevin Brothers and offered assistance if needed. Commissioner Jincks asked for regular updates on the timeline and schedule going forward. In answer to a question from Commissioner Chuck, Mann said he had not heard back from Westerlund Log Handlers. Chuck added that it had been mentioned at the public forum that recreational access would still be required to the dog park and for clamming, particularly during the summer. The commissioners were in agreement that the General Manager should request a formal proposal from Teevin Brothers and begin preliminary lease negotiations.

The General Manager announced that he would attend an economic summit sponsored by Co-Speaker Arnie Roblan in Coos Bay on May 24-25, 2012. He said he would provide information on the meeting to the commissioners and arrangements would be made if they wanted to attend.

C. Commissioners' Reports.

Commissioner Chuck had attended an Oregon Coastal Zone Management Association (OCZMA) meeting. He said the primary focus was on the Territorial Sea Plan. He reported the US Coast Guard had requested an extra mile on either side for towing and shipping.

Commissioner Fleck had attended a meeting of the charter industry in Newport, with representation from Oregon Department of Fish & Wildlife (ODFW), Oregon State Police (OSP), the US Coast Guard, and Oregon State Marine Board (OSMB). The discussion had centered "Six-Pack" charters, which are uninspected charter vessels that carry six or less paid crew. Fleck reported that OSMB, the Coast Guard, and OSP are working together to develop one document to regulate the "Six Pack" charters and added that the Port could help enforce the regulations through its ordinance process. Fleck had learned that, of the 181 registered charter vessels in Oregon, 85% are "Six Pack". He said it was a productive meeting and he would keep the other commissioners apprised on what was happening.

VI. OLD BUSINESS

A. Terminal Renovation.

1. Day CPM Services, Amendment No 4 to Professional Services Agreement..

The General Manager explained that the amendment would extend the services agreement between the Port of Newport and Day CPM, continuing the services of Frank Berg through the end of December, 2012.

Commissioner Jincks moved to approve Amendment No. 4 to the Professional Services Agreement between the Port of Newport and Day CPM. Commissioner Mathews seconded the motion and it passed 5-0.

VII. NEW BUSINESS

A. Ballast Water—Rian vanden Hooff, Oregon Department of Environmental Quality.

The chair introduced Rian vanden Hooff, Oregon Department of Environmental Quality (DEQ), who provided information on ballast water as it relates to shipping and log exports. This was a follow up to Ralph Breitenstein's presentation on the same topic at the Special Meeting / Public Forum held on April 16, 2012. Using slides projected onto a screen, vanden Hooff provided background and context on how state and federal regulations came into being, and on specific programs and objectives. He said west coast states had come together and established their own regulations, including mandatory mid-ocean ballast water exchanges for ocean vessels. He talked about invasive species "hot spots", with San Francisco being one, as a source of secondary invasions to nearby ports, and added that coast-wise vessels and barges are regulated by the states as well. He said there were civil and criminal penalties for violation. He said the Port of Coos Bay represents 9% of ballast discharge because of vessel activity, but the Columbia River receives more discharge than any port on the west coast. One of the requirements is 24-hour pre-arrival reporting, which he said Newport could use as a screening tool when log activity begins. He added that there is now up to a 98% compliance rate in reporting. He said new Coast Guard rules go into effect next month that will require vessels to treat their ballast water in order to meet discharge standards and be compliant with the law. vanden Hooff said federal efforts for inspection, boarding and compliance are lacking, partly due to lack of funding for the program, so regional coordination is an important aspect of protecting Oregon's waterways.

- Rod Worman, ILWU Local 53, asked what treatment would be used on ballast water, and vanden Hooff said there are commercial treatments already on the market.

- Rob Halverson, ILWU Local 53, asked about treating ballast water in addition to exchange, and was told there was a proposal on the federal level to replace ocean exchange with treatment.
- In answer to a series of questions from Newport resident Olie Olson, vanden Hooff said he received about 15-20 arrival notices per day but given his limited resources he did physical inspections on about 4% of them; no violators had been prosecuted in the states of Oregon or Washington to date; he would board a vessel that had not reported in or had a previous offence ahead of other vessels; the Coast Guard has the authority to board vessels but they have priorities higher than ballast water and invasive species; and the Port of Coos Bay has five or six vessel arrivals per month but due to budget constraints he has yet to do an inspection there.
- Ralph Brientein, HMSC/OSU, asked if the Port could do compliance verification and vanden Hooff said there might be a possibility for local training through a Memorandum of Understanding between the Port and DEQ.
- Commissioner Chuck asked about the likelihood of the state taking over enforcement responsibilities from the federal level, and vanden Hooff said he did not expect dramatic changes any time soon.

In conclusion, vanden Hooff emphasized outreach and education about the importance of protecting west coast waterways, and distributed fact sheets on ballast water management and the invasive species task force.

B. Port of Newport and Newport Urban Renewal Agency, Warranty Deed.

The General Manager explained that the warranty deed was related to property that the Port had donated for the transportation improvement program at South Beach, including the roundabout and gravel pull off areas along OSU Drive. The project had been completed. The signed document would deed the property to the City of Newport and they would be responsible for maintaining the right of way.

Commissioner Chuck moved to accept the warranty deed between Port of Newport and Newport Urban Renewal Agency and authorized the General Manager to sign the documentation. Commissioner Jincks seconded the motion and it passed 5-0.

C. Newport Wild Seafood Weekend, Sara Skamser, Newport Fishermen's Wives.

Sara Skamser, Newport Fishermen's Wives (NFW), expressed her appreciation for the Port's support of the Wild Seafood Weekend. The event is scheduled for September 9-10, 2012. This is its third year and Skamser said it had become NFW's biggest fundraiser. The proceeds go towards the Family Relief Fund to help fishing families in need. She said the event had grown every year and is a great opportunity to educate people about fresh seafood and Newport's working waterfront. The Wild Seafood Weekend is held at Port Dock 7 and Skamser said she understood that the footprint might have to be changed this year to accommodate the Port's temporary administration office, but Harbormaster Kevin Bryant had said they would "make it work".

VII. MEETING RECESS at discretion of the chair.

There was no meeting recess.

IX. OTHER

There was no other business.

X. PUBLIC COMMENT

Rob Halverson, ILWU Local 53, asked Teevin Brothers to respond to the discussion on ballast water and invasive species. Paul Oien, Teevin Brothers, said the ship's husbandry agent would be responsible for compliance with the state's ballast water exchange program, and the most important thing would be to get the information out to them before the ship sailed. He said they would be meeting the following week with the Pilotage Association, which also works in concert with the husbandry agent. In answer to a question from Commissioner Fleck, Oien said the shipping agent would contact the vessel at least two weeks out. In answer to a question from Commission President Barton, Oien said the vessels making ports of call in Newport would likely be the same two or three ships, because only a small cross section of vessels can come into this port due to draft and bridge height. Jerry Ashby, TPT US Limited, introduced himself and said his company does the chartering for the shipping agent and advises them about ballast exchange and other requirements and protocols.

The General Manager reminded the commission about the ground breaking for the Rogue Ales construction project on May 1, and said the governor would be there.

Commissioner Jincks reminded the board about a meeting at HMSC with OSU President Edward Ray on May 2, 2012, at 2:00 PM.

The Commission President reiterated that this was the last board meeting that would take place in that space, and noted that the Budget Committee Meeting, scheduled for 5:30 PM on May 16, 2012, had also been moved to the South Beach Marina Activities Building.

XI. UPCOMING MEETINGS/EVENTS

- A.** Newport Loyalty Day and Sea Fair Festival, May 3-6
- B.** Fishermen's Forum, Port Office, May 9, 8:30-9:30 AM
- C.** City of Newport Planning Commission, May 14, 7:00 PM. Public Hearings
 - 1. Port of Newport Zone Map Amendment
 - 2. Oregon Brewing Co., Inc., Conditional Use Permit.
- D.** Marina Users Meeting, May 16, South Beach Marina, 8:30-9:30 AM
- E.** Port of Newport Budget Committee Meeting, May 16, South Beach Marina Activities Room, 5:30 PM
- F.** Work Session, South Beach Marina Activities Room, May 22, 12:00 PM
- G.** Regular Meeting, South Beach Marina Activities Room, May 22, 6:00 PPM

XIII. ADJOURNMENT

There being nothing more to come before the Board of Commissioners, the meeting was adjourned at 7:00 PM.

ATTEST:

JoAnn Barton, President

Walter Chuck, Secretary

L:\Minutes\RM 04 24 2012