

PORT OF NEWPORT
MINUTES
August 25, 2009
Combined Work Session and Regular Meeting

I. CALL TO ORDER

Commission President Ginny Goblirsch called the combined work session and regular meeting of the Port of Newport Board of Commissioners to order at 6:00 p.m. in the Yaquina Bay Yacht Club Club House, 750 SE Bay Blvd., Newport, OR, the same being within the boundaries of the Port District.

Commissioners Present: Ginny Goblirsch, President; JoAnn Barton, Secretary; Don Mathews, Treasurer; David Jincks, Assistant Secretary-Treasurer.

Commissioner Excused: Dean Fleck, Vice-President.

Port of Newport Management and Staff: Don Mann, General Manager; Patti Britton, Director of Finance; Pete Dale, Project Manager; Kent Gibson, Port Operations; Maureen Keeler, Special Projects Manager; and Patty Benjamin, Administrative Assistant.

Others Present: Carol Cole, South Beach resident; Joshua Dodson, Day CPM Services; Pat Duggan, Newport resident; Yale Fogarty, ILWU Local 53; Lee Fries, Newport; Pete Gintner, Port legal counsel; Mike Goff, TCB Productions/Security; John Lansing, Sea Port Airlines; Todd Mobley, Lancaster Engineering; Patricia Patrick-Joling, Newport City Council; Dr. Hal Pritchett, Facility Use & Design and Terminal Steering Committees; Mike Schmid, KPFF Consulting Engineers; Grant Snyder, Wiggins Towboat; David Ulbricht, Wedbush Morgan.

II. MINUTES

A. Work Session and Regular Meeting—July 28, 2009

B. Special Meeting—August 5, 2009

C. Special Meeting—August 18, 2009

Commissioner Barton moved, Mathews seconded, to approve the minutes of the Work Session and Regular Meeting of July 28, 2009, the Special Meeting of August 5, 2009, and the Special meeting of August 18, 2009 as submitted. The motion passed 4-0.

III. FINANCIAL STATEMENTS

A. Financial Reports. Finance Director Patti Britton asked for questions or comments on her written report, the financial statements, and accounts paid. There were none.

B. Accounts Paid.

Commissioner Mathews moved to approve the Financial Statements and Accounts Paid, Check Nos. 11306-11312/Construction Fund and Check Nos. 29081-29202/Operating Account. Commissioner Jincks seconded the motion and it passed 4-0.

Britton reminded the commissioners that the auditor team would be occupying the Port Conference Room September 14-18, 2009 while they conduct an audit of Fiscal Year 2009.

IV. PUBLIC COMMENT

There was no public comment.

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

A. Department Reports.

- Kevin Bryant, Commercial Marina Harbormaster—Commissioner Jincks thanked Keith Thompson, north side operations, and Administrative Assistant Patty Benjamin for setting up the room for the NOAA “Kick Off” Meeting and said it was presented very well.
- Pete Dale, Project Manager—Commissioner Goblirsch commented on the report that there were no ACM (Asbestos Containing Materials) in the samples taken from the concrete hulls of the Pasley and Hennebique. In answer to a question from Commissioner Goblirsch, Dale said he had been attending the meetings relating to plans

for new and additional facilities at the Hatfield Marine Science Center (HMSC) and Oregon Department of Fish & Wildlife (ODFW) South Beach complex. He said he would take Project Manager Joshua Dodson with him to the next meeting, as the expansion could have some effect on the NOAA homeport project. Dale said he would present additional information on the HMSC and ODFW expansion plans at the next regular commission meeting.

- Maureen Keeler, Special Projects Manager*
- Gina Nielsen, RV-Marina Office Supervisor*
- Ron Smith, Terminal Manager*
- Chris Urbach, South Beach Marina Harbormaster—There was a brief discussion about congestion at the South Beach launch ramp. The General Manager said that the combination of good ocean conditions and Coho and halibut seasons doesn't happen very often, so the question was how much time and money needs to be spent on a solution. He said there had been talk about upgrading the old launch ramp but the problem of boat trailer parking versus the dry camping area was not an easy fix. He added that if congestion continues to be an issue, more options would be explored on how to relieve the pressure during those periods. Commissioner Jincks suggested having a plan in place by next spring.

B. General Manager.

The commissioners had no questions on General Manager Don Mann's written report.

Mann reported that final contracts were pending with gLAs Architects, KPFF Consulting Engineers, and Project Manager Joshua Dodson, Day CPM Services, on the NOAA project. He said he would get those contracts to the commissioners for review as soon as they were available.

The General Manager noted a community forum on wave energy at HMSC on Wednesday, August 26, 2009, at 6:00 p.m., and an all-agency meeting on the NOAA project in Salem on Thursday, August 27, 2009.

C. Commissioners' Reports.

Commissioner Barton detailed meetings she had attended on August 1, August 4, August 5, August 7, August 11, August 13, August 17, and August 25, 2009, and said she was scheduled for further meetings on August 26, and August 27. She had also been working on putting together an outreach committee for the incoming NOAA families and exploring how best to get local businesses up to speed on what they need to do to qualify to bid on vending or service opportunities, once NOAA's homeport is relocated.

Commissioner Mathews had been on vacation and thanked his fellow commissioners for being in town while he was gone.

Commissioner Jincks said he had attended a lot of meetings relating to several different issues. He described the NOAA "Kick Off" meeting as a "stellar performance by the Port" and said it went very well. He cited the decision to park a CAT on the building site and put Captain Bullock in the driver's seat as particularly inspired. He had also been involved in project manager and environmental consultant interviews, and had met with the new environmental consultant at 7:15 that morning, Sea Port Airlines later in the day, and with KPFF Consulting Engineers at 4:00 that afternoon.

Commission President Goblirsch related how the Port of Newport ranked in comparison to other ports in its best and final offer. Of six major factors, Newport came in first in four, second in one, and last in site location, which is distance from Seattle. Commissioner Jincks added that Newport had been the only port to act on the suggestions NOAA had made at the second meeting in Seattle on how to fine-tune the proposal.

Goblirsch recapped a meeting that she and Commissioner Barton had attended with other community members about creating an information and support network for NOAA families relocating to Newport. A community reception was scheduled for the weekend of October 10-12, 2009. A reception will be held at the Oregon Coast Aquarium and a "Getting to Know Lincoln County" event is planned, with representatives from all facets of community available to answer questions. She said the county had already donated funds for the family event and there would be a notice in the newspaper and on the radio stations asking for additional donations and volunteers. Barton said a local internet provider would be approached about launching a web site with informational links for the NOAA families. Goblirsch said the primary

questions from NOAA families so far pertain to schooling, medical care, and taxes. General Manager Don Mann had spoken with School Superintendent Tom Rinearson, who said he would make himself available to meet with the NOAA families in Newport and would also be willing to go to Seattle to meet with them. Mann had suggested that the hospital administrator be involved in those meetings. Goblirsch noted the need for doctors in the community and mentioned the possibility arranging for a referral service through the hospital that would advise which doctors were taking new patients. Goblirsch said they were told to expect 25 to 30 families at the first family welcoming event. She said NOAA's family relocation coordinator is already part of the team and would attend meetings by phone until he moves to Newport in February. Goblirsch said she had been told at the NOAA "Kick Off" Meeting that the NOAA families were already "feeling the love in Seattle".

VI. OLD BUSINESS

A. Terminal Renovation—KPF Consulting Engineers. Mike Schmid, KPF Consulting Engineers, reported that the project team was moving forward with the design as recommended by the Port Commission, and that involved the removal of both the Pasley and Hennebique. He said the ship removal might be staged based on construction estimates, and that was the process the team was involved in now. Schmid said he had met with the new environmental consultants that morning regarding preparation of the Joint Permit Application (JPA), to ensure that the consultants were on the same page with regard to the alternatives that the team was advancing and to the methodology that would be used. Schmid said the project was moving forward on an accelerated schedule, while recognizing that the JPA has to be extremely sound when it goes in. In answer to a question from Commission President Goblirsch, Schmid said the application was tentatively scheduled to be made in November if the environmental consultants were comfortable with that schedule. In answer to a further question from Goblirsch, Schmid said the five alternatives previously considered were no longer applicable to the project. Commissioner Jincks clarified that the Port was moving ahead diligently and in the right direction, focusing on a full project, which meant full docks and the removal of ships, and the project would not be jeopardized, one way or the other.

B. Capital Purchases not to exceed \$108,000.

1. Two Trash Compactors (north and south sides)
2. South Beach Complex Tenant Sign
3. Replacement of Small Dump Truck
4. Sanitation Lift Pump South Beach Marina
5. Piping and Anode Replacement South Beach Fuel Tanks.

General Manager Mann explained that during the budget process for F/Y 2009-2010, debt service had been included to service a loan up to \$112,000 for assistance with the H-Dock project at South Beach; however, that project was now being completed with cash available within the operations budget. Since the debt service was still in the budget, Mann proposed using the loan capacity to pay for some items that had been removed during the budget process. Commissioner Jincks suggested preparing an expensing chart prior to making a capital expenditure. Using trash compactors as an example, he said it would be good to know the life span of the compactor and the cost incurred by the compactor versus the cost that it saves. He said that method would alleviate surprises for future commissions down the road. The General Manager distributed a chart showing the cost of garbage collection using compactors versus dumpsters only. Jincks said that was good information but it would also be good information to have on other equipment that the Port owns, such as forklifts and cranes. Finance Director Patti Britton said that information was discussed during the budget process but didn't make it to the presentation. Commission President Goblirsch asked about the South Beach tenants' sign, and Mann explained that the city had not been enforcing its ordinance relating to ground signs but would like the Port to start planning for an overall sign that would include all of its tenants at South Beach. He said the larger sign would not preclude small ground signs for directional purposes, such as the entrance to the boat trailer parking lot or the entrance to the Newport Belle. He distributed an example of what the sign might look like, and said the Port would put up the main frame and each tenant would have their own sign on the reader board. Commissioner Jincks urged caution about placement of the sign, citing an example of a sign that the city took down after people caused traffic congestions when they stopped to read it.

Commissioner Barton moved to approve the capital purchases not to exceed \$108,000. Commissioner Jincks seconded the motion and it passed 4-0.

C. Central Oregon Coast, California Sea Lion Disentanglement Cooperation.

This item had been on the previous month's agenda but it was still a work in progress so the commission took no action on it. The General Manager provided an update after further meetings with Dr. Steven Brown regarding the project. He explained that this was a program sponsored by Dr. Brown and his colleagues, in conjunction with ODFW, and they had a grant to build a capture cage for sea lions that had entanglements, such as fish hooks or rope or plastic around their necks. He said the Port's commitment would be to provide docks to use as a floatation platform for the construction of the cage. Mann said it was an opportunity for the Port to participate in an interesting program that would be seen by the public, and he asked the commission to allow participation as far as providing the floats. A brief discussion followed about whether the capture cage would be there all the time, and about the advisability of having clear and defining signage to explain the program to the public.

Commissioner Jincks moved that the Port of Newport participate in the California Sea Lion Disentanglement Cooperation. Commissioner Barton seconded the motion and it passed 4-0.

VII. NEW BUSINESS

There was nothing under New Business.

VIII. MEETING RECESS at discretion of the chair.

There was no meeting recess.

IX. OTHER

There was nothing under Other Business.

X. PUBLIC COMMENT

Newport resident Lee Fries congratulated the commission and community on bringing NOAA to Newport. He said "the gate had been opened" to Newport and suggested that the Port start looking now at where they are going to put the other research centers that will want to come in after NOAA. President Goblirsch introduced Project Manager Joshua Dodson, Day CPM Services.

John Lansing, Sea Port Airlines, pledged support for the NOAA project. He said he and his colleagues would be available to provide information to consultants and engineers and offered to prepare a presentation for the family event in October. Commissioner Barton noted that the strategic timing of Sea Port's presence in Newport was providential in terms of the Port's offer to NOAA.

Newport resident Pat Duggan said she too had been impressed to read that the NOAA facility would come to Newport. Regarding the terminal project, she inquired about cost estimates for removing both ships. Mike Schmid, KPFF, said there had been conservative estimates made but there were better, more detailed estimates to come. Duggan said she hoped the estimates would be reviewed independently to be sure they were "realistic and reasonable", and said she hoped the Port was looking at organizations that would be able to do that efficiently and effectively because it had an obligation to spend public money wisely.

South Beach resident Carol Cole congratulated the commission on its teamwork in bringing NOAA to Newport, and also echoed Mrs. Duggan's comments about the terminal project. Commission President Goblirsch assured Cole, who works at HMSC, that celebrating NOAA in no way diminishes the Port's respect and high regard for HMSC, and Commissioner Jincks added that HMSC's presence at South Beach had been the backbone of the Port's proposal.

Commissioner Jincks thanked Patricia Patrick-Joling, Newport City Council, for producing the "Welcome to Newport" video that had been included with the Port's proposal to NOAA. He said the real estate people from Seattle who sat in on the pre-"Kick Off" meeting mentioned the video as something that had not been required or expected, but was a very important part of the proposal.

Commissioner Barton commented that she was proud of NOAA choosing Newport, but she was also proud on a daily basis of the improved landscaping along Bay Boulevard. General Manager Don Mann credited the Port Operations crew, and Ray Carel in particular, for doing an excellent job. Commissioner Jincks said he often saw the entire crew out there working on the landscaping, and it was impressive.

XI. UPCOMING MEETINGS

- A. Governor Kulongoski, YBYC Club House, 11:00 a.m., August 26, 2009
- B. SDAO Board training, Best Western Agate Beach Inn, August 28, 8:30 a.m.-5:00 p.m.
- C. Fishermen's Forum, September 9, Port Conference Room, 8:30 a.m.-9:30 a.m.
- D. Ribbon Cutting Ceremony, OCCC South Beach Campus, September 11, 2009, 2:00 p.m.
- E. Port Commission Work Session and Regular Meeting, September 22, 6:00 p.m.

XII. ADJOURNMENT

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

ATTEST:

Ginny Goblirsch, President

JoAnn Barton, Secretary

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