

**PORT OF NEWPORT
MINUTES
December 21, 2010
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 Port of Newport Conference Room, 600 SE Bay Blvd., Newport, OR, the same being within the boundaries of the Port District.

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

Port of Newport Management and Staff: Don Mann, General Manager; Patti Britton, Director of Finance; Pete Dale, Project Manager.

Others Present: Frank Berg, Joshua Dodson, Ray Glur, and Glenn Schnaidt, Day CPM; Ron and Donita Cole, Yaquina Bay Yacht Club; Lee Fries, CM/GC Selection Committee; Julian Koerner, Andersen-WCC; Mark Miranda, Newport Police Chief; Dr. Hal Pritchett, Facility Use & Design and Terminal Steering Committees; Pat Ruddiman, ILWU Local 53.

II. MINUTES

A. Special Work Session—November 22, 2010

B. Work Session and Regular Meeting—November 23, 2010

Commissioner Fleck moved, Barton seconded, to approve the minutes of the Special Work Session of November 22, 2010, and the Work Session and Regular Meeting of November 23, 2010 as submitted. The motion passed 5-0.

III. FINANCIAL STATEMENTS

A. Financial Reports

B. Accounts Paid

There were no questions on the Finance Director's written report, the Financial Reports, or Accounts Paid.

Commissioner Jincks moved to approve the Financial Statements and Accounts Paid, Check Nos. 11466-11477/Construction Fund; Check Nos. 11319-11341/NOAA Checking-OCB; Check Nos. 30846-30962/Operating Account. Commissioner Mathews seconded the motion and it passed 5-0.

General Manager Don Mann called the commissioners' attention to Accounting Assistant Barb Martin's report on a survey regarding insurance coverage on boats moored at the Port and a comparison study of other ports' procedures relating to insurance requirements. He said the survey would be an ongoing effort and the information would be useful in updating the Port's ordinance. In answer to a question from Commissioner Barton, Mann said he hoped to have the updated ordinance completed in about sixty days.

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*
- Pete Dale, Project Manager—Commission President Goblirsch and Commissioner Barton commented on Dale's report about the deck slabs for the NOAA pier approach that had been pre-coated with a reflective surface to provide light. A brief discussion followed about a kayak launch area that would be adjacent to the NOAA site.
- Maureen Keeler, Special Projects Manager*
- Gina Nielsen, RV-Marina Office Supervisor*
- Ron Smith, Terminal Manager*
- Chris Urbach, South Beach Marina Harbormaster*

B. General Manager

The General Manager reported on his conversations with ODOT and Coffin Butte Landfill about their interest in the sand at the NOAA MOC-P site.

C. Commissioners' Reports

Commission President Goblirsch said she had a call from Cameron LaFollette, Oregon Shores Conservation Coalition, regarding funding options for the Terminal Renovation Project. Ms. LaFollette suggested writing a letter directly to Jane Lubchenco, Administrator of NOAA, asking her assistance with funding to continue the clean up of Yaquina Bay, making it "the best it can be" for NOAA's Pacific fleet. The General Manager said he didn't think Lubchenco could personally guarantee any funding, but Commissioner Goblirsch said the suggestion was something to think about.

VI. OLD BUSINESS

A. Terminal Renovation Project—Day CPM Services Frank Berg, Day CPM, reported that the permit had been received for the Terminal Renovation Project, but due to the five-week delay in receiving the permit, Natt McDougall Company (NMC) was concentrating on the critical containment wall that would allow work to proceed on the Pasley outside the in-water work period. Berg showed a series of photographs of work on the terminal project, including the inside of the warehouse and deck of the Hennebique, the bulkhead wall and high dock, and the sheet pile, which was arriving three pieces per load. Berg said the Pasley was still being monitored for movement.

A discussion followed about a contract that the Port had entered into with Lance Downs of Advanced Remediation Technologies to provide independent environmental consultation and oversight over the course of Phase 1 of the Terminal Renovation Project. The General Manager said the contract had been reviewed by legal counsel and he was authorized to sign it, if the Commission approved. The commissioners said they felt the third-party oversight was a good idea in making sure all requirements of the work permit were met.

Commissioner Jincks moved to approve the contract for third-party oversight between the Port of Newport and Lance Downs with Advanced Remediation Technologies. Commissioner Barton seconded the motion and it passed 5-0.

B. NOAA MOC-P—Day CPM Services Glenn Schnaidt, Day CPM, and Julian Koerner, Andersen-WCC, provided an update on the NOAA MOC-P Homeport Project. Schnaidt said that John Van Staveren, Pacific Habitat Services, would provide third-party oversight for the NOAA MOC-P Project, to see that conditions and due dates required by the permits were met, and progress would be tracked at the weekly meetings. He reported that the project's schedule and budget were doing well, and a graph showing the contractor's cash flow was projected onto a screen. He said electrical and plumbing work was being done in the buildings. Julian Koerner reported on the in-water work at the site, while Schnaidt projected pictures of the project. Koerner described the shoreline remediation work, much of which is being done at low tide, and said approximately 65-70% of the pilings had been driven, with only 47 remaining. The under-bay utility issue had been solved and Koerner said the project "looked good" to finish within the in-water work window. He said the eight-day delay on receiving the permit had already been made up. Commissioner Barton said she had spoken with Mike Day, Day CPM, and Day said he had never seen another project progress as well and as rapidly as the NOAA project has done. Barton described the pace of the project as "breathtaking".

VII. NEW BUSINESS

A. Resolution 11-2010 Authorizing Issuance, Negotiated Sale and Delivery of General Obligation Bonds; Designating an Authorized Representative, Bond Counsel and Underwriter; Delegating the Approval and Distribution of the Preliminary and Final Official Statements; Authorizing Execution of a Bond Purchase Agreement; and Related Matters General Manager Don Mann explained that Resolution 11-2010 had come from the Port's bond counsel David Ulbricht, Wedbush Morgan Securities, and represented the final sale of the general obligation bonds for the Terminal Renovation Project in the amount of \$5.4 million. He said the process was the same process as the first two sales and, depending on market conditions, the bonds would probably be sold in January to provide the additional funding needed for the project in March or April, according to cash flow projections. Mann recommended approval.

Commissioner Jincks moved to approve Resolution 11-2010 Authorizing Issuance, Negotiated Sale and Delivery of General Obligation Bonds; Designating an Authorized Representative, Bond Counsel and Underwriter; Delegating the Approval and Distribution of the Preliminary and Final Official Statements; Authorizing Execution of a Bond Purchase Agreement; and Related Matters. Commissioner Barton seconded the motion and it passed 5-0.

B. Declaration of Surplus Equipment—Commercial washers and Dryers

General Manager Mann explained that the washers and dryers at the South Beach RV Park had been replaced and recommended that the old units be declared surplus so the Port could proceed with their sale or disposal.

Commissioner Barton moved to declare three commercial washers, serial numbers CS4233325, CK3605722, and CK3906239, and three commercial dryers, serial numbers MK2701704, MK2701700, and MK3302084 surplus to the Port's needs. Commissioner Fleck seconded the motion. It passed 5-0.

VIII. MEETING RECESS (at discretion of the chair)

There was no meeting recess.

IX. OTHER

The General Manager said he had received an e-mail complaint regarding noise from one of the Port's projects, although the complaint was not specific as to whether the noise was coming from the NOAA MOC-P site or the terminal. He said it was important to educate local residents so they would understand that the projects are being conducted in a short work window and are continuously under scrutiny by the regulatory agencies, and that the noise levels are monitored daily to meet the criteria of the permits. He said a press release would be issued and more information put on the Port's website regarding the project time lines.

Commissioner Fleck said he would like to see the issue of charter fishing operations included in the Port Ordinance update. He said that, while the Port certainly does not want to dissuade people from coming to Newport, "bootleg" charters were becoming a bigger issue all the time. In answer to a question from Commissioner Barton, General Manager Mann said he had talked with other ports about charter operations and they all seem to handle it differently. Commission President Goblirsch suggested scheduling a public work session to discuss the issue.

X. PUBLIC COMMENT

Chief Mark Miranda, Newport Police, announced a fundraiser sponsored by the Salty Dogs to benefit various local organizations, including the Animal Shelter and Food Share. He said the event would take place on the bayfront from noon to 4:30 p.m. on December 23, 2010. He also announced that parking on the waterfront, which is now at a 45-degree angle, would be changed to a 60-degree angle, but the change would have to wait for a "dry spell". Miranda encouraged the commission to attend the upcoming city council meeting, where the new city councilors would be sworn in and a reception would follow, and he also announced some personnel changes in the Police Department.

XI. UPCOMING MEETINGS

- A. Port office closed for Christmas holiday, December 24
- B. Port office closed for New Year's holiday, December 31
- C. Fishermen's Forum, Port Conference Room, January 12, 8:30-9:30 a.m.
- D. Work Session and Regular Meeting, Port Conference Room, January 25, 6:00 p.m.

XII. ADJOURNMENT

The meeting adjourned at 7:05 p.m.

ATTEST:

Ginny Goblirsch, President

David Jincks, Secretary