



# GHHS Moorage Contract Breach Appeal

Prepared for: Newport, Oregon City Council

Prepared by: Grays Harbor Historical Seaport

June 3, 2018

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## GRAYS HARBOR HISTORICAL SEAPORT

### Executive Summary

Educational non-profit, Grays Harbor Historical Seaport, received notice on May 30, 2018, that their contractual moorage agreement was being revoked, without notice, for the ships' upcoming visit to Newport, Oregon in July. The vessels have been bringing educational programming, public sailing opportunities and maritime workforce development to Newport, Oregon for the last 12 years. The impact of this decision will have extreme financial consequences and a negative public response. At the time of the decision, 2,108 individuals - including 413 children and 1,695 adults, had purchased tickets for upcoming programming onboard the GHHS ships. The financial impact of this decision will cost GHHS \$122,831, an amount that could permanently destroy the organization's ability to continue running. Grays Harbor Historical Seaport requests an immediate reconsideration of this decision by the Port Commissioners, and until negotiations about future visits can be made, a reprieve of the moorage ban for this summer's visit to minimize catastrophic financial damages



### Background

Grays Harbor Historical Seaport has a longstanding relationship with the port of Newport, Oregon, and has grown each year in its commitments to the community. **Since 2014 alone, the ships have welcomed over 1300 students and given away over \$9000 in scholarships.** Our most recent visit in April brought 560 guests sailing and 4,500 visitors onboard for tours. The scheduled visit in July has over 2100 confirmed tickets sold, a family reunion charter and a wedding charter scheduled, all of which would need to be cancelled last minute if this decision stands. GHHS has been a member of the Newport community for many years, and actively partners with Rogue Brewery and Oregon Coast Aquarium in programming. **GHHS is a member of the Newport Chamber of Commerce and planned on Newport being a premier location of maritime workforce development outreach with the launch of the organization's newest offering, Sea School Northwest.**

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### Points of Concern

- As a collaborative entity with longstanding ties to the Newport, Oregon community, GHHS is incredibly concerned that they were not allowed participation in the April conversations that lead to the eventual breach of a signed moorage contract. **If given the opportunity, GHHS would have worked with the port, local business owners and residents to provide workable solutions to all documented concerns.**
- The lead opposition to GHHS's presence in Newport is the for-profit business, Marine Discovery Tours. In their recorded statements, Marine Discovery Tours, mischaracterizes GHHS in their complaint to imply GHHS is in Newport in July to prey on of their customers. GHHS programs are fundamentally different from whale watching excursions. The only science-related program GHHS has ever done in Newport was a single 2-hour sail with Oregon Coast Aquarium, **where GHHS invited Marine Discovery to co-lead the program as a paid presenter.**
- Marine Discovery Tours views GHHS as its competitor and clearly states their aim is to prevent GHHS from reaching the same audiences they aim to reach. **This is a deliberate anti-competitive effort to monopolize waterfront boat tours.** There is also legal concern when a for-profit company has been granted power to void a signed contract between GHHS and Port of Newport.
- Over 10,000 people have visited GHHS in the past year, and the documented positive experiences of our visitors are in stark contrast to the complaints of a single private business. If the decision to revoke GHHS's moorage holds, the financial consequences could lead to a complete organizational breakdown. **The Port of Newport would be responsible for the destruction of Grays Harbor Historical Seaport Authority.**

### Proposal

After several attempts to come to an alternative agreement with the Port of Newport, GHHS has been unable to secure a solution. As a result, GHHS would like to formally request an immediate reprieve to the moorage ban for the upcoming scheduled stay in July. After the upcoming scheduled visit in July, GHHS would like to revisit the topics of concern. While in Newport, Oregon GHHS will make every accommodation possible to address the needs of the community and support local businesses throughout their stay.

**If the previously agreed upon moorage is not permitted, it will result in an immediate and permanent cease of all GHHS vessel visits and programming in Newport, Oregon.**

GHHS thanks you for your consideration, and representatives will be present for comment at 6:00pm on June 4, 2018 at the Newport, Oregon City Council Meeting.

Additional questions may be directed to GHHS Executive Director, Brandi Bednarik, at [bbednarik@historicalseaport.org](mailto:bbednarik@historicalseaport.org)

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