

PORT OF NEWPORT
MINUTES
July 26, 2011
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, July 26, 2011 at 6:00 p.m. in the Port of Newport Conference Room, 600 SE Bay Boulevard, Newport, OR, the same being within the boundaries of the Port District.

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

Commissioner Excused: Don Mathews, Treasurer.

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

Others Present: Frank Berg, Joshua Dodson, and Rick Fuller, Day CPM Services; John Crawford and Bridget Wolfe, Newport residents; Yale Fogarty and Pat Ruddiman, ILWU Local 53; Lee Fries, CM/GC Selection Committee; Mark Miranda, Newport Police Chief; Steve Myrick, South Beach Marina moorage holder; Dr. Hal Pritchett, Facility Use & Design and Terminal Steering Committees; Jim Shaw, South Beach resident.

II. OATH OF OFFICE

Commission President JoAnn Barton administered the Oath of Office for Commissioner Dean Fleck, Position No. 5, for a four year term expiring June 30, 2015. Fleck had won the seat on the Port of Newport Board of Commissioners in the May 17, 2011 Special Election.

III. MINUTES

A. Special Work Session—June 28, 2011

Commissioner Goblirsch moved, Jincks seconded, to approve the minutes of the Special Work Session of June 28, 2011 as submitted. The motion passed 4-0.

B. Budget Hearing & Regular Meeting—June 28, 2011

Commissioner Goblirsch moved, Jincks seconded, to approve the minutes of the Budget Hearing and Regular Meeting of June 28, 2011 as submitted. The motion passed 4-0.

IV. FINANCIAL STATEMENTS

A. Financial Reports.

B. Accounts Paid.

Commissioner Jincks moved, Goblirsch seconded, to approve the Financial Statements and Accounts Paid, Check Nos. 11533-11541/Construction Fund; Check Nos. 11445-11473/NOAA Checking-OCB; and Check Nos. 31561-31690/Operating Account. There was no discussion and the motion passed 4-0.

C. Resolution 4-2011 Establishing Short-Term Investment Policy.

Finance Director Patti Britton explained that a short-term investment policy was effective for a period of twelve months, and that this resolution was a renewal of Resolution 8-2010 that had been approved at the meeting on July 27, 2010.

Commissioner Fleck moved to approve Resolution 4-2011 establishing short-term investment policy. Commissioner Goblirsch seconded the motion and it passed 4-0.

V. PUBLIC COMMENT

There was no public comment.

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

A. Department Reports.

- Kevin Bryant, Commercial Marina Harbormaster*
- Pete Dale, Project Manager*
- Maureen Keeler, Special Projects Manager*
- Gina Nielsen, RV-Marina Office Supervisor*
- Ron Smith, Terminal Manager*
- Chris Urbach—In answer to a question from Commissioner Jincks, Project Manager Pete Dale reported that South Beach Harbormaster Chris Urbach had been helping to administer the completion of a number of “pick up items” and warranty issues at the South Beach Fuel Dock.

B. General Manager.

The General Manager provided an update on the proposed Rogue Brewery expansion project. He said additional information had been requested relating to parking and truck circulation, and that information had been received. Another meeting would be scheduled with Brett Joyce, Rogue Ales, as soon as possible.

General Manager Don Mann said he would continue to work with Jim Myers on the “Where the Roast Meets the Coast” barbecue event that had been proposed at the June meeting to benefit the Newport Food Pantry. The event had been proposed for July of 2012, and Mann said the Pacific Northwest Barbecue Association needs an advance notice of one year. The commission directed Mann to work with Myers, and Commissioner Fleck suggested that the barbecue weekend would be a good fit to hold in conjunction with the Oregon Tuna Classic, which is also held in July. No firm date had been set for either event and Mann said he would recommend the partnership to Myers.

Commissioner Barton said she was looking forward to the matrix/calendar referenced in Mann’s report that staff is developing for tracking the Port’s priority projects.

Commissioner Fleck said he would attend the Fishermen’s Forum meeting with the fish buyers on August 10, and would also like to sit in on the next meeting with the South Beach Marina fish filleters.

C. Commissioners’ Reports.

Commissioner Fleck provided an update on the Oregon Tuna Classic that was held on July 23 at the South Beach Marina.

Commissioner Goblirsch said she continued to be involved in planning for the NOAA facility dedication in August 20-21.

Commissioner Jincks had been working with the General Manager and Commissioner Fleck on Rogue Ales’ proposed expansion, and had taken photographs of the Terminal Renovation Project with him on a business trip to Washington, DC.

Commissioner Barton reported on a meeting that she and General Manager Don Mann had with Al Benkendorf, of Benkendorf & Associates, relating to the Port’s Strategic Business Plan.

VII. OLD BUSINESS

A. Terminal Renovation—Day CPM Services. Frank Berg, Project Manager, Day CPM, provided an update on the Terminal Renovation Project. He showed a series of photographs of work being done on the SS Pasley and SS Hennebique, including excavation in the engine room of the Hennebique. Of particular interest were pictures of the holes for the tie back anchors that are being drilled through the deck and port hull of the Pasley. A bridge was built from bow to bow on the two ships, to bring the drill rigs aboard and mount them on the Pasley’s deck. The screw anchors will go through the deck and bulkhead wall and back into the soil. Concrete will be poured into the sleeves that the cables, tensioned to 150,000 pounds per square inch, will run through. Berg noted that this methodology had never been done before. There has been some pull from the Pasley’s stern tie off, and she has pulled away slightly from the bank. As of Thursday, July 21, 2011, all remediation work on the SS Pasley was 100% complete. Remediation continues on the Hennebique. Berg said just under 4,000 tons of contaminated material from the ships has been hauled to the Coffin Butte landfill facility. Of that number, 3,000 tons came from the Pasley. He noted that the demolition plan for the Pasley had been revised. NMC will remove the forward compartment of the ship and install a bridge in that area of the cofferdam. They will then float the ship and break it apart hold by hold. The debris will be used to create a ramp inside the cofferdam, so the large section of the ship can be pulled up and demolished. Again, Berg said this methodology had not been used before. The work will start August 15 and is scheduled for completion on or before October 8. Commissioners Jincks and Barton remarked on the ingenuity of the project crew and thanked Berg for his professionalism and dedication to a terribly difficult project. Commissioner Jincks asked Berg if he could use some of the pictures shown in the presentation on his next trip to Washington, DC.

1. **NMC Amendment 10, SS Pasley Demolition and Bulkhead Wall.** Berg submitted Amendment 10 to the CM/GC contract between the Port of Newport and Natt McDougall Company (NMC) in the amount of \$1,889,737.77. Savings recognized from previous amendments will go back into the construction budget to help bridge the shortfall in Phase 1 of the project.

2. **Carlson Testing, Inc., Personal Services Agreement.** Berg submitted a personal services agreement between the Port of Newport and Carlson Testing, Inc. for the commission's consideration. Carlson Testing, Inc. had responded to a solicitation for proposals and was awarded a contract for special inspection and testing services on the Terminal Renovation Project.

Commissioner Jincks moved to approve NMC Amendment No. 10 and authorize General Manager Don Mann to sign the documentation. Commissioner Goblirsch seconded the motion and it passed 4-0.

Commissioner Goblirsch moved to approve the personal services agreement between the Port of Newport and Carlson Testing, Inc., not to exceed \$36,925.40, and authorize General Manager Don Mann to sign and execute the contract on behalf of the Port. Commissioner Fleck seconded the motion and it passed 4-0.

B. NOAA MOC-P—Day CPM Services. Joshua Dodson, Day CPM Services, provided an update on the NOAA Marine Operations Center-Pacific facility. The project had been completed seven days ahead of schedule and the final supplemental lease agreement was signed on June 30, 2011. Dodson reported that there had been no issues with the task requirements in the Solicitation for Offer and those were being completed. Because an alternative method of contracting, CM/GC, had been used on the project, the project management team is required to prepare an analysis and evaluation report on the process. He said he would have a copy of that report for the commission's review at the August meeting and it would be available as a public record. He said two contingency items had come up. The project had contracted for 60,000 cubic yards of dredging and an additional 15,000-20,000 cubic yards had been necessary to reach the required depth; and additional dry wall was required to meet minimum acoustical requirements in certain areas of the office. Dodson said those added costs caused the project to go over the contingency within the GMP; however, in closing out its books, Andersen Construction showed a savings within the GMP of \$35,000, so Dodson recommended that the Port allow the General Manager to issue one small change order totaling \$26,000. Dodson went on to say that he was projecting a savings in the overall project budget of \$1.5-\$1.9 million. Of that, he recommends setting aside \$400,000 to remove the pile of sand at the NOAA site. A discussion followed about earlier estimates on the cost of removing the sand, and Dodson said he would check his records to see what the earlier figures had been. In the meantime, a survey would be done to determine how much sand was there. Project Manager Pete Dale said a quick study had been done that day with a contractor and he would provide those numbers. Dodson said he felt the Port made a good decision in piling the sand up and giving it away, and added that "someone could come and take all of it tomorrow" and it wouldn't cost the Port anything; however the sand will have to be cleared for the Port to be in compliance with the strategic plan for dredged material disposal.

Rick Fuller, NOAA Facilities Manager, Day CPM Services, reported that the NOAA research vessel Bell M. Shimada and the ACOE Dredge Yaquina had successfully taken on fuel at the new NOAA pier. Andersen Construction/WCC had de-mobilized and their former staging area was being cleaned up and prepared for the NOAA dedication on August 20. Fuller demonstrated the web-based computerized maintenance management software that he uses to track work orders, assets, and inventory on a daily basis. The program is being used solely for the NOAA site at this time but has the capability of expanding to other Port sites and facilities. Commissioner Jincks asked if would be possible to track the NOAA and Oregon State University vessels as they come and go and record how many personnel are on board. He said it would be extremely important to the Port of Newport in the coming years, as the Port's dredging is based on transportation, and it would also show the economic value of the port. Fuller said he would work with the General Manager to see if there was a feature of the software that could be used to track that information, and he would also check with John Vickers, NOAA, about the ships' manifests. He would have more information at the August meeting.

C. Port Dock 5 Project. Pete Dale presented an update on the Port Dock 5 repair project. He said three engineering firms had submitted estimates ranging from \$3,500-\$11,125. Staff will develop a matrix on the three companies and their proposals for the commission to review before they take action on which firm to use. Commissioner Jincks said he would like to see job histories and past work performance references on the companies as well. John van Staveren, Pacific Habitat Services, was helping with the permit application, which was expected to be submitted the following week. Dale said it would probably be about 60 days after that before the Port got word on its application. Representatives from Oregon Department of Fish & Wildlife (ODFW) had looked at the site and did not anticipate any problems with the project, and General Manager Mann said he would ask representatives from the Department of State Lands to look at the site as well. The work scope included replacing the header and pulling six creosote pilings and putting two steel pilings back. Commissioner Barton suggested that there might be funding available

for removing the creosote pilings and the General Manager said he would look into that. Dale said that the engineering companies all had a different approach to doing the work but were in agreement that they did not like the condition of the gangway. He had contacted two manufacturers and gotten prices on gangways, in case the decision was made to replace it. In referring to the project, Dale said he was looking for a design that would be cost effective and bring longevity to the pier until it can be replaced. He added that the most complex part of the job would be the amount of utilities that would have to be worked around or disconnected. A discussion followed about whether it would be possible to do the work outside of the next in-water work window, which starts in November, and avoid shutting down the Port Dock 5 ramp during crab season. Using a PowerPoint presentation, Dale showed photographs of current conditions at the Port Dock 5 project site.

VIII. NEW BUSINESS

A. Joint Port of Newport/City of Newport Meeting.

The General Manager said a joint meeting had been scheduled between the Port of Newport and the City of Newport on Wednesday, October 12, 2011. This would be a yearly meeting to share information.

IX. MEETING RECESS at discretion of the chair.

There was no meeting recess.

X. OTHER

There was no other business.

XI. PUBLIC COMMENT

Newport Police Chief Mark Miranda reported that an ABC film company had been in the area the week before working on a re-enactment of the Longo homicides. He also said that Tuesday, August 2, was "Neighborhoods National Night Out" night, an informal event for neighbors to get acquainted. He noted that some of the "Fish for Sale" signs were encroaching on the sidewalks and roadways.

XII. UPCOMING MEETINGS

- A. Public Open House, South Beach Transportation Plan, July 27, Newport City Hall, 5:00-7:30 p.m.
- B. Fishermen's Forum, Port Office, August 10 8, 8:30-9:30 a.m.
- C. NOAA MOC-P Dedication Ceremony, August 20-21, 11:00 a.m.
- D. Work Session, Port Conference Room, August 23, 12:00 p.m.
- E. Regular Meeting, Port Conference Room, August 23, 6:00 p.m.

XIII. ADJOURNMENT

There being nothing more to come before the Board of Commissioners, the meeting was adjourned at 8:00 p.m.

ATTEST:

JoAnn Barton, President
L:\Minutes\RM 07 26 2011

David Jincks, Secretary