

PORT OF NEWPORT
MINUTES
May 26, 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; Dean Fleck, Vice-President; Don Mathews, Treasurer; David Jincks, Assistant Secretary-Treasurer.

Commissioner Excused: JoAnn Barton, Secretary.

Port of Newport Management and Staff: Don Mann, General Manager; Patti Britton, Director of Finance; Pete Dale, Project Manager; Maureen Keeler, Special Projects Manager; Gina Nielsen, Marina Office Supervisor; and Patty Benjamin, Administrative Assistant.

Others Present: Paul Cederwall, Pacific Northwest Consultants; Carol Cole, South Beach resident; Yale Fogarty, Pat Ruddiman, and Rod Worman, ILWU Local 53; Lee Fries, Newport; Dave Harlan, Port Program Manager, Oregon Economic & Community Development Department; Wayne Hoffman, Midcoast Watersheds Council; Dr. Hal Pritchett, Facility Use & Design and Terminal Steering Committees; Mike Schmid, KPFF Consulting Engineers; Sara Skamser, Foulweather Trawl; Grant Snyder, Wiggins Towboat.

II. MINUTES

A. Work Session and Regular Meeting—April 30, 2009

Commissioner Mathews moved, Fleck seconded, to approve the minutes of the Work Session and Regular Meeting of April 30, 2009. There was no discussion and the motion passed 4-0.

B. Budget Committee Meeting—May 12, 2009

Commissioner Fleck moved, Jincks seconded, to approve the minutes of the Budget Committee Meeting of May 12, 2009 as submitted. There was no discussion and 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 Jincks moved to approve the Financial Statements and Accounts Paid, Check Nos. 112785-11295/Construction Fund and Check Nos. 28754-28867/Operating Account. Commissioner Mathews seconded the motion and it passed 4-0.

Britton reminded the commissioners of a Budget Committee Meeting scheduled for 11:00 a.m., May 28, 2009, and said a conference call would be arranged if they could not attend in person.

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*
- Maureen Keeler, Special Projects Manager*
- Gina Nielsen, RV-Marina Office Supervisor*
- Ron Smith, Terminal Manager*

- Chris Urbach, South Beach Marina Harbormaster*

B. General Manager.

General Manager Don Mann had nothing to add to his written report and the commissioners had no questions.

C. Commissioners' Reports.

Commissioner Fleck said he had received several phone calls about congestion at the launch ramp during the recent halibut fishing days, with vehicles and boats backed up to the highway and creating traffic problems. He suggested using the old launch ramp, in addition to the new one, on those occasions when busy days could be foreseen, due to good weather and fishing conditions. He added that the old ramp could be staffed by volunteers, perhaps from a fishing group or the Coast Guard Auxiliary, if it were opened for use on those days. General Manager Mann said the old launch ramp had been used for special occasions, such as the U-DA-MAN fishing tournament, but noted that liability was an issue because of the ramp's condition. He said he was working with South Beach Harbormaster Chris Urbach and Project Manager Pete Dale to develop a couple of scenarios for solving the congestion problem and would report back to the commission.

Commissioner Fleck said he had arranged for a charter boat to take Senator Jeff Merkley and his group out to look at the Pasley when he visits Newport on Friday for a Town Hall Meeting.

Commission President Ginny Goblirsch said she had attended a couple of city council meetings and had thanked the council for maintaining Newport's infrastructure so that the city is in a good position for potential activity, such as the NOAA home port. She said she was also working on a second terminal update and would e-mail a draft of the paper to the other commissioners for their comments.

Commissioner Mathews had no report.

Commissioner Jincks said he and Commissioner Barton were to meet to discuss the proposed ad hoc environmental committee that would work with the Port when it undertakes projects that would involve the environmental concerns of the public; however, that meeting had not taken place because he had been focused on the task of creating a new matrix related to the NOAA home port application.

VI. OLD BUSINESS

A. Terminal Renovation—KPF Consulting Engineers. Mike Schmid, KPF Consulting Engineers, reported that KPF had been assisting the Port with the engineering associated with the NOAA home port project over the past month. They had also done engineering analysis and report writing for the EDA grant for the uplands construction phase of the terminal project. Commission President Goblirsch suggested that, once the NOAA final proposal is done, discussion should begin again in earnest on the next steps in the terminal renovation project, regardless of whether or not the Port wins the NOAA Restoration grant.

B. NOAA Marine Operations Center-Pacific. General Manager Mann said that lobbyist Steve Marks was visiting leadership in Salem this week and an e-mail with attachments had gone out to ninety legislators that afternoon stressing the importance of the project. Mann said he and staff and the Port's consultants would be working the rest of the week on the final and best offer for NOAA and he hoped to have it ready to go by Friday.

C. Foulweather Trawl Building Construction. There are two buildings slated for demolition and relocation in the Terminal Renovation Project. One is the Port's terminal office and workshop and the other is Foulweather Trawl's building. General Manager Don Mann said he had been in discussions with Sara Skamser, Foulweather Trawl, about the option of moving the cost of her building out of the project construction fund and paying construction costs from a new loan with the lease proceeds going towards debt service. The cost of construction would be amortized over a 20-year lease. He pointed out that doing this would reduce the Port's lease revenue by approximately \$18,000; however, he said it would not be a bad investment because it would be a universal building, big enough for use as additional warehouse space for the Port or as rentable space to lease to other businesses. The Port has applied for additional funding for part of the terminal project and, if awarded, it would reduce the cost of construction by about \$1.9 million. Mann emphasized that this option was for consideration only. He said there was still no final time line for the terminal project as far as permitting and other grant funds that have

been applied for. He emphasized that the important thing was not to miss another in-water work window.

VII. **NEW BUSINESS**

A. Newport Belle Bed & Breakfast—Lease. General Manager Don Mann said the lessees, Michael Wilkinson and Nancy Sims, had agreed on final version of the lease between the Port of Newport and Newport Belle Bed & Breakfast. Changes in the lease included an increase in rent, some different insurance options, and the requirement for an oil spill plan that is in compliance with the Yaquina Bay Oil Spill Plan. Mann noted that the Newport Belle's exposure to spills is slight because the vessel does not move away from the dock, and he had granted the lessees sixty days to complete their oil spill plan. He was confident it would be done in a timely manner and recommended approval of the lease.

Commissioner Jincks moved to approve the lease dated March 1, 2009 between the Port of Newport and Newport Belle Bed & Breakfast. Commissioner Mathews seconded the motion and it passed 4-0 with no further discussion.

B. Street Names for South Beach Marina. General Manager Mann distributed a memo from Jack Joyce, President of Rogue Ales, who proposed considering street names for the South Beach complex and had submitted seven name suggestions. Those names included local personalities and individuals, and one of Rogue's beers. After a brief discussion, the commission generally agreed that if street names were used at South Beach, they should reflect the marine environment rather than individuals, and the General Manager suggested consulting a site map of the complex to see how many streets there were and how they were laid out. He said he would follow up with Joyce and the South Beach Port staff.

C. Declaration of Surplus Property. There were four items proposed as surplus to the Port's needs. Those items included:

- 1990 Grove RT422 20-Ton Rough Terrain Hydro Crane, Equipment No. RT169, Serial No. 74152
- 2000 Chevrolet S14 Pickup, VIN 1GCCS1445YK193062
- 1950 52 Foot Recreational Power Boat, Hull No. 522410
- DaeWoo Forklift, Model No. G25E3, Serial No. CW01594

In answer to a question from Commissioner Jincks, the General Manager said there was no debt left owing on the 1990 Grove Hydro Crane.

Commissioner Jincks moved, Fleck seconded, to declare the items described as surplus to the Port's needs. The motion passed 4-0.

D. Oregon Port Strategic Plan. The General Manager introduced Dave Harlan, Port Program Manager, Oregon Economic & Community Development Department (OECD), who presented an overview of the process and time line of OECD's Oregon Statewide Port Strategic Plan. Using a Power Point display, Harlan showed a summary statement of the plan's purpose and objective, which is to define the state's interest in ports and focus on what ports can do for the State of Oregon. Comparison studies will be done as to what other states are doing related to ports and how they are organized. Harlan said the last substantive look at Oregon ports from a statewide point of view was in the mid-80's, and some ports have been forced out of their core missions by economic changes since then. The Oregon Port Strategic Plan will be conducted in three phases. Phase I will be data and information gathering through interviews with ports; Phase II will be the assessment and analysis of that information and workshops; and Phase III will be drafting and finalizing the plan, which Harlan hopes to have done by the end of the year. He said information would be needed from Oregon ports on their individual strategic master and capital plans; data on cargo, commercial fishing, and ship calls; and information on current infrastructure conditions and future development plans. In answer to a question from Commissioner Goblirsch, Harlan said a communication and outreach plan would be put together for the public, and he was open to suggestions on that part of the program. In conclusion, Harlan said that, as recently as two years ago, ports were facing a daunting legislative challenge, and ports that were well run were suffering because of the problems that other ports had. The goal of OECD's strategic plan is to make legislators aware that each port's circumstances are different but all are important to Oregon's economic welfare and the nation as a whole. Commissioner Goblirsch thanked Harlan for his support of the Port of Newport in the past and for his work on OECD's Oregon Port Strategic Plan.

VIII. **MEETING RECESS** at discretion of the chair.

There was no meeting recess.

IX. OTHER

Commission President Ginny Goblirsch congratulated Commissioners Jincks and Mathews on their recent re-election to the Port Commission.

General Manager Don Mann announced that the Port's new website would go live within the next couple of days.

X. PUBLIC COMMENT

South Beach resident Carol Cole asked if the Port of Newport would be interested in participating in the HMSC Sea Fest on June 27. General Manager Mann said the Port would like to partner with the Port of Toledo on a booth this year.

XI. UPCOMING MEETINGS

- A. Town hall with Senator Jeff Merkley, May 29, Yaquina Bay Yacht Club, 1:30 p.m.
- B. Town Hall with Senator Ron Wyden, May 30, Lincoln City, 12:00 p.m.
- C. Fishermen's Forum, June 10, Port Conference Room, 8:30 a.m. m.
- D. Port Commission Work Session and Regular Meeting, June 23, 6:00 p.m.

XII. ADJOURNMENT

There being nothing more to come before the Board of Commissioners, the meeting adjourned at 6:55 a.m.

ATTEST:

Ginny Goblirsch, President

JoAnn Barton, Secretary

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