

**PORT OF NEWPORT
MINUTES
November 22, 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, November 22, 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; 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, Accounting Department; Pete Dale, Project Manager; Kent Gibson, Operations; Maureen Keeler, Special Projects Manager; Patty Benjamin, Administrative Assistant.

Others Present: Walter Chuck, Commission appointee; Jim Cline, Rogue Ales; Wayde and Barb Dudley, Newport residents; Yale Fogarty and Pat Ruddiman, ILWU Local 53; Rick Fuller, Day CPM Services; Wayne Hoffman and Lisa Mulcahy, MidCoast Watersheds Council; Ken Lundie, Newport resident; Mark Miranda, Newport Police Chief; Charlie Plybon, Surfrider Foundation.

Commission President JoAnn Barton moved Item C from Old Business, Commission Vacancy, forward on the agenda. She described the interview and selection process involved in filling the vacancy left when Commissioner Goblirsch resigned from the board. She said it had been a fair process and the committee was pleased with the level of interest that they received in that position from some highly qualified candidates. Walter Chuck, a resident of the Port District, had been selected to fill the vacancy.

Commissioner Fleck moved that Walter Chuck be appointed to the Port of Newport Board of Commissioners, to fill the vacancy in Position 1 and complete the term that expires on June 30, 2013. Commissioner Jincks seconded the motion and it passed 3-0.

Commission President Barton administered the oath of office for the new Port Commissioner.

II. MINUTES

A. Supplemental Budget Hearing & Regular Meeting—October 25, 2011

Commissioner Jincks moved, Fleck seconded, to approve the minutes of the Supplemental Budget Hearing and Regular Meeting of October 25, 2011 as submitted. The motion passed 4-0.

III. FINANCIAL STATEMENTS

- A. Financial Reports.**
- B. Accounts Paid.**

In answer to a question from Commissioner Barton, Finance Director Patti Britton said \$2,500 was budgeted for promotions and marketing for NOAA MOC-P, and that would cover expenses incurred for the open house. In answer to another question from Commissioner Barton, Britton said the marketing and promotion budget for the General Operation Fund, which was at 53.76% of budget and includes advertising and conference expenses, generally does not fall into 1/12 expended each month.

Commissioner Jincks moved, Fleck seconded, to approve the Financial Statements and Accounts Paid, Check Nos. 11564-11573/Construction Fund; Check Nos. 11559-11586/NOAA Checking-OCB; and Check Nos. 32041-32143/Operating Account. The motion passed 4-0.

IV. PUBLIC COMMENT

There was no public comment.

V. 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—The General Manager provided Commissioner Barton with an update on G-Dock. He said the dock was cleared of vessels and the crew was getting ready to install the equipment that had been stockpiled for the project, along with new whalers. Weather permitting, the project should be completed by May of 2012.

B. General Manager.

General Manager Don Mann said that most of the items he was working on were on the priority work list that had been discussed at the noon work session; however, he called attention to the deteriorating condition of the administrative office and said he hoped that building could become a priority after some of the other items were eliminated from the project list.

The sea lion dock at Port Dock 1 had been a topic of discussion at the regular meeting in September. General Manager Don Mann reported that another dock had broken loose and had been retrieved by the Port operations crew. He said some bayfront businesses continue to be concerned about the dwindling sea lion docks; however, he stated that his issue was putting money, labor, and time towards maintaining docks for sea lions when the Port had a responsibility to keep its own docks afloat for its moorage holders. He said he understood that the sea lions were a huge draw for the bayfront businesses, so he suggested that those businesses might be willing to contribute towards docks for the sea lions, as they have done towards piling for the sea lion docks in the past. Mann said the Port might be able to provide work areas to build the docks but the bayfront businesses or Bayfront Association would have to pay for keeping them maintained. Mann also mentioned that the sea lions are widely considered a nuisance by the fishing fleet. Commissioner Barton brought up the problem of conflicting use of the dock, between a working dock and tourism dock. She added that, considering the expenses that the Port will face in the near future, speaking for herself she would not be willing to spend money on something that was not a necessity. On the other hand, she recognized that it was important to be good neighbors to businesses that are struggling to get people through the door. Commissioner Jincks said he had mentioned before that the Abbey Street Pier would be an ideal location for sea lion docks, since it was a tourism pier, whereas Port Dock 1 was not. Special Project Manager Maureen Keeler noted that if Port Dock 1 were changed to commercial use only, it would require a DSL lease. Mann's recommendation was to schedule an open work session with interested parties, including agencies and the City of Newport, for more discussion. Commission President Barton agreed, stating that more dialogue would be better than a unilateral decision.

Mann reported that he had sent the first draft of the Rogue lease amendment to the Port's legal counsel for review.

C. Commissioners' Reports.

Commission President Barton gave a brief review of the joint meeting between the Port of Newport and the Newport City Council that had been held the night before.

VI. OLD BUSINESS

A. Terminal Renovation

At the noon work session, Frank Berg, Day CPM Project Manager, gave the commission an update on the International Terminal Renovation Project. Due to the depth of his report, the bad weather, and the upcoming holiday, Berg had been excused from the evening meeting. Commissioner Barton encouraged anyone in the audience who had questions about the project to contact the General Manager.

1. GMP Amendment No. 14—In-Water Work 2012

The Scope of Work for Amendment No. 14 included the partial removal of a wood dock, and in-water excavation and disposal of materials. The amendment carried a GMP of \$15,549,069.68.

Commissioner Fleck moved to approve NMC Amendment No. 14 and authorize General Manager Don Mann to sign the documentation. Commissioner Jincks seconded the motion and it passed 4-0.

B. NOAA MOC-P Facility

Facilities Manager Rick Fuller, Day CPM, reported that the NOAA MOC-P facility was running as expected and as designed. He said all homeport vessels are now at the dock and the pier is performing well, although pile caps are being reinstalled as a warranty issue. Fuller added that the cathodic system was performing at 110% per design expectations, as it actually “reached out” and protected the ships. Building occupancy was approximately 57% and steadily increasing. Fuller reported that the last NOAA research ships to cross the bar carried a total of 44 crew members. The board complimented Fuller on his first written report.

C. Commission Vacancy

The commission vacancy had been moved forward on the agenda as an action item.

D. Port Planning & Marketing Grant Application—Terminal Economic Benefit Study

The Port Planning & Marketing Grant Application had been discussed at the regular meeting on October 25, 2011 and the Port of Newport Board of Commissioners was aware that Port staff and the General Manager would be pursuing grant funding from the Oregon Business Development Department Infrastructure Finance Authority (OBDD/IFA) for an economic benefit study on the Port of Newport International Terminal. A copy of the completed application was included in the commissioners’ packets for the regular meeting on November 22, 2011, reflecting the Port’s request for funding for IFA funding in the amount of \$15,000 with a non-IFA match of \$10,000 for a total of \$25,000. President Barton asked that the record reflect that the Port of Newport Board of Commissioners had been apprised of and consented to the submittal of the application for \$15,000 in IFA funding for the terminal economic benefit study, with a \$10,000 match.

VII. NEW BUSINESS

A. MidCoast Watersheds Council

Wayne Hoffman, Coordinator of the MidCoast Watersheds Council (MCWC), and Lisa Mulcahy, MCWC Yaquina Basin Planning Team and Outreach, presented a PowerPoint program about MCWC’s mission, projects, and programs. Mulcahy said that MCWC was a local nonprofit organization dedicated to improving the health of streams and watersheds in the mid-coast area. Their projects include bio-assessments of Coho distribution, riparian fencing and planting, culvert replacements, tidelands restoration, and outreach programs for local schools. Mulcahy pointed out that restoration comes with an economic benefit, and MCWC had brought \$8.14 million into the community in the last 14 years, with \$7 million of that in local labor and contracts. Mulcahy spoke about the SOLVE cleanup last fall, when a significant amount of marine debris had been found on the north side of Yaquina Bay. Working with General Manager Don Mann and the commissioners, she said a solution had been found and there was substantially less debris in that same area during the last cleanup. A discussion followed about collaboration between the Port and MCWC on an education program to heighten awareness about marine debris, and Commission President Barton said it was incumbent on the Port as a landlord to keep the communication lines open and be aware of what was going on. Mulcahy encouraged the Port Commission and staff to attend MCWC’s monthly meetings, which are held at 6:30 p.m. on the first Thursday of the month at the Central Lincoln PUD office.

B. Single Use Plastic Bags

Commissioner Barton introduced Charlie Plybon, the Oregon Field Manager for the Surfrider Foundation, to discuss the work that is being done to ban single-use plastic bags within the City of Newport. Plybon provided some background on the Surfrider Foundation, explaining that there is a 600-volunteer network in Oregon and they are dedicated to the protection and enjoyment of oceans, waves, and beaches. He said much of their work involves beach cleanup, outreach and education, youth projects, and distributing reusable bags. He said the Oregon chapter had been contacting businesses to find out whether they would support a ban on single use plastic bags or at least entertain different alternatives. He said some of the feedback suggested that the ban would be a good “branding and marketing” opportunity for Newport but that was not the direction of the chapter. Instead, they were approaching the issue from an environmental perspective. Commissioner Barton emphasized that the Port has an unwritten policy that it does not issue proclamations on topics that are not directly related to the Port and Port business; each person should decide individually how they feel about supporting an effort. She said Commissioner Don Mathews, who was not able to attend the regular meeting, asked her to bring a comment forward that he and his wife, Fran Mathews, had researched the subject and as a business, Marine Discovery Tours, they support the ban on single use plastic bags. Commissioner Barton went on to say that she supports it personally

herself. By way of clarification, Plybon said that the target of the ban on single use plastic bags was the checkout counter, where the largest volume of bags were used, and not other plastic packaging, such as meat and produce, or products that are purchased, such as sandwich bags. He reviewed three different options or approaches: a ban on plastic bags at the checkout counter; a ban at the checkout counter with a fee on paper bags; or no ban but a flat fee on paper and plastic. Plybon said the future of the single use plastic bag ban will probably be decided at the state level so there was still work to do. Plybon said he would leave printed information to be distributed at the South Beach Marina & RV Park, and Mann said the Surfrider Foundation would be added to the links on the Port of Newport's website.

C. Yaquina Bay Fruit Processors Business Update

Harry Noah, Yaquina Bay Fruit Processors, was not able to attend the regular meeting and present a business update.

D. Petition to Vacate a Portion of SW 12th Street

General Manager Don Mann explained that the City of Newport required approval by the Port Commission of any street vacation within 5,000 feet of the harbor or pierhead line of the Port.

Commissioner Jincks moved, Fleck seconded, to support the vacation of a 10-foot wide portion of SW 12th Street in Newport. The motion passed 4-0.

E. Port Dock 5 Construction Contract

Project Manager Pete Dale had given an update on the Port Dock 5 Header & Gangway Project at the noon work session, and Commissioner Barton suggested that anyone requiring more information on the project should contact the Port. General Manager Don Mann added that the proposed contract had been reviewed by the Port's legal counsel.

Commissioner Jincks moved to approve the agreement between the Port of Newport and Billeter Marine LLC to complete work as specified on the Port Dock 5 Maintenance and Repair Project. Commissioner Fleck seconded the motion and it passed 4-0.

VIII. MEETING RECESS at discretion of the chair.

There was no meeting recess.

IX. OTHER

There was no other business.

X. PUBLIC COMMENT

Newport Police Chief Mark Miranda reported that the Coast Guard and DEQ had conducted a conference and town hall meeting on pollution response in Newport, and also that the reverse 911 system was no longer being used by the county but had been replaced by a different, more robust, system.

XI. UPCOMING MEETINGS

- A. Port Holiday Party, Local Ocean—Upstairs, December 9, 6:00 p.m.
- B. Fishermen's Forum, Port Office, December 14, 8:30-9:30 a.m.
- C. Marina Users Meeting, December 21, South Beach Marina, 8:30-9:30 a.m.
- D. Christmas Holiday (observed) December 26, Port Office Closed
- E. Work Session, Port Conference Room, December 27, 12:00 p.m.
- F. Regular Meeting, Port Conference Room, December 27, 6:00 p.m.
- G. New Year's Holiday (observed), January 2, Port Office Closed

XII. ADJOURNMENT

There being nothing more to come before the Board of Commissioners, the meeting was adjourned at 7:20 p.m.

ATTEST:

David Jincks, Secretary
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Dean Fleck, Asst. Secretary-Treasurer