

**PORT OF NEWPORT  
MINUTES  
April 23, 2013  
Regular Meeting**

**I. CALL TO ORDER**

Commission President JoAnn Barton called the regular meeting of the Port of Newport Board of Commissioners to order at 6:00 p.m. in the South Beach Marina Activities Room, 2120 SE Marine Science Drive, Newport, OR, the same being within the boundaries of the Port District.

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

**Port of Newport Management and Staff:** Don Mann, General Manager; Pat Albaugh, Finance Director; Pete Dale, Project Manager; Jim Durkee, Terminal Operations Supervisor; Rick Fuller, NOAA Facilities Manager; Maureen Keeler, Special Projects Manager; Barb Martin, Accounting Clerk; Patty Benjamin, Administrative Assistant.

**Others Present:** Steve Beck, Newport resident; Dr. Richard Beemer, Newport City Council; Frank Berg, Day CPM Services; Yale Fogarty and Pat Ruddiman, ILWU Local 53; Dave Morgan, News Lincoln County; Kiera Morgan, KYTE/KNPT; Jim Shaw, South Beach resident.

**II. MINUTES**

- A. Port of Newport/City of Newport Joint Public Forum—March 19, 2013**
- B. Combined Work Session & Regular Meeting—March 26, 2013**
- C. Supplemental Budget Hearing—April 5, 2013**

Commissioner Barton called for a motion to approve the minutes of the Port of Newport/City of Newport Joint Public Forum of March 19, 2013; the Combined Work Session & Regular Meeting of March 26, 2013; and the Supplemental Budget Hearing of April 5, 2013. Commissioner Jincks asked if it was necessary to approve the minutes of the Public Forum, since some of the commissioners were out of the room at times during the meeting so it was difficult to accurately review the minutes. The General Manager suggested holding the minutes over until the next regular meeting and said he would check with legal counsel in the meantime. Commissioner Barton revised her request for a motion to include approval of only the Combined Work Session & Regular Meeting and Supplemental Budget Hearing.

Commissioner Jincks moved to approve the Minutes of the Combined Work Session and Regular Meeting of March 26, 2013 and the Supplemental Budget Hearing of April 5, 2013. Commissioner Chuck seconded the motion and it passed 5-0 with no further discussion.

**III. FINANCIAL STATEMENTS**

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

Commissioner Fleck moved, Jincks seconded, to approve the Financial Statements and Accounts Paid, Check Nos. 11693-11696/Construction Fund; Check Nos. 11945-11973/NOAA Checking-OCB; and Check Nos. 34007-34145/Operating Account. The motion passed 5-0.

**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\*
- Jim Durkee, Terminal Operations Supervisor—Commissioner Chuck thanked Durkee for his report on ports he had visited in Southern Oregon and Northern California while on vacation; Commissioner Mathews thanked Durkee for saving the Port well

over \$1,000 by greasing the 30-ton crane at the terminal himself. Commissioner Jincks commented on the cleanup effort at the terminal, which will coincide with the completion of the work on the dock.

- Rick Fuller, NOAA Facilities Manager\*
- Maureen Keeler, Special Projects Manager\*
- Gina Nielsen, Marina Office Supervisor\*
- Chris Urbach\*

**B. General Manager.**

- General Manager Don Mann reported that negotiations were ongoing on the Teevin log yard project. In conjunction with those negotiations, he is also working on Port tariffs and a security plan for the International Terminal.
- The Port of Newport's dredging days could be reduced this year. The Dredge Yaquina is expected in May and again in June or July. The focus will be on the NOAA facility pier area, and the bar and lower channel. Mann pointed out that Newport and Coos Bay were the only large ports on the Oregon Coast that got dredging appropriations this budget year.
- Mann had attended the National Working Waterfront Symposium; the Pacific Coast Congress of Harbormasters and Port Managers Conference, and the South Beach Marina Users Meeting.
- Mann had been asked to serve on the OBD/Request for Proposal Review Committee for the "Report on Economic Benefits of Oregon Public Ports". That information will be used by the Oregon legislature, and to support advocacy efforts for federal navigational improvement projects and maintenance dredging, and by individual ports as related to their economic impact on their respective communities.
- Mann had contacted all department managers to work on an overall Port facilities cleanup.
- Assistant Secretary of Commerce Kathryn Sullivan will visit Newport and the NOAA MOC-P facility on May 13.

**C. Commissioners' Reports.**

Commissioner Fleck reported that he had met with Jim Wright, and the Salmon for Oregon program looks like it will happen. A follow-up meeting will be arranged between Wright and ODFW, and Fleck said Wright would likely request time on the Port's regular meeting agenda to update the commission on Salmon for Oregon.

**VI. OLD BUSINESS**

**A. Terminal Renovation Project, Amendment No. 27—Frank Berg, Day CPM Services.**

Frank Berg, Day CPM Services presented an update on the Terminal Renovation Project. He said the remainder of the scrap steel had been shipped to the salvage yard so the standing credit of \$825,669, which was \$505,669 over the estimated credit, would increase even more. Sorting and grading of the concrete from the ships and the ro-ro dock had been completed and compacted in place for use as a paving base on the site. The debris from the wood dock was being hauled off site. The fire water had been installed and the storm sewer system was underway. The domestic water lines had been installed on the east dock and would be installed at the gap area the following day.

Berg presented Amendment No. 27 for consideration by the Port Commission. Amendment No. 27 covered removal of the existing wood dock under the new east dock; furnishing and installation of the remaining cone fender; furnishing and installation of the transition plates between the ro-ro dock and new east dock; coating of the steel pile caps under the new east dock; repair of ro-ro dock piling; and the general conditions to mid-June. Amendment No. 27 carries a GMP of \$455,825.10 and recognized savings from some previous amendments.

**B. Terminal Renovation Project, Amendment No. 28—Frank Berg, Day CPM Services.**

Amendment No. 28 covered the finish base course of rock and asphalt paving for the site. Amendment No. 28 carried a GMP of \$238,691.37 and recognized savings from some previous amendments.

The total construction budget, including Amendments No. 27 and 28 and recent grants and loans, stood at \$20,392,612. The construction balance and contingency remaining was \$228,095.31 after the execution of Amendments Nos. 27 and 28. Some components of the project, including the additional dredging for the next in-water work period, remained outstanding. Berg said Natt McDougall Company (NMC) would de-mobilize in mid-June. Commissioner Jincks expressed concern about the fine concrete dust that was blowing off the asphalt at the terminal, citing the damage it could do to the engines of the boats tied at the dock. Berg said he would talk to Natt McDougall about getting a water truck and sweeper in to take care of the dust. Berg showed a series of photographs of ongoing work at the terminal, including the temporary ramp at the fishing dock, fill material in the gap area, newly installed domestic water lines, and the new fire hydrant.

Commissioner Barton called for separate motions on Amendments No. 27 and No. 28 to the contract between the Port of Newport and NMC.

Commissioner Jincks moved to approve Amendment No. 27 and authorize the General Manager to execute that amendment. Commissioner Mathews seconded the motion and it passed 5-0.

Commissioner Chuck moved to approve Amendment No. 28 and authorize the General Manager to execute that amendment. Commissioner Jincks seconded the motion and it passed 5-0.

**C. Ordinance Number 1-2013, Port Facilities Code.**

The General Manager explained that a first reading of the Port Facilities Code by ordinance number only was required at this time. A second reading and adoption of the Port Facilities Code would occur at the next regular meeting. The chair read Ordinance Number 1-2013, Port Facilities Code into the record. The General Manager stated that the code is available on the Port's web site and hard copies are available at the Port administrative office during regular business hours.

**VII. NEW BUSINESS**

**A. Fish Waste Management Project—Pete Dale**

Using a Power Point program with a series of photographs, Project Manager Pete Dale described the development of a new waste management area at the South Beach Marina. He cited ongoing problems in the current location with odor from fish waste, difficulty in washing the dumpsters, and lack of an adequate source of disposal. Dale noted that between Memorial Day and Labor Day, over 300,000 pounds of fish waste is generated. The new waste management area will be away from the public and the dumpsters will sit on a six-inch deep concrete slab. A sanitary drain system will alleviate the odor problem and the dumpsters will be easily accessed and washed. Dale said power, water, and sewer can be hooked up at the new location without extensive excavation into the black top. Four contractors were invited to bid on the project and two quotes had been received. The cost is estimated at \$26,700. The General Manager asked for the commission's approval to use funds from the Maintenance Reserve Fund for the project.

Commissioner Jincks moved to authorize the use of approximately \$27,000 from the Maintenance Reserve Fund to pay for the Fish Waste Management Project. Commissioner Fleck seconded the motion and it passed 5-0.

**B. Professional Services Regarding Teevin Bros. Lease—Haglund Kelley Jones & Wilder, LLC**

General Manager Don Mann asked the commission to authorize him to enter into a professional services agreement with the law firm of Haglund, Kelley, Jones & Wilder, LLC to assist the Port on continued negotiations with Teevin Bros. to develop a log export operation at the Port of Newport's International Terminal. He said the firm is well versed in the forest and wood products industry, and the Port's local legal counsel felt it was important to have another firm engaged as critical project negotiations continue. The work scope would include negotiating a lease agreement with the proposed log yard operator, a sub-lease with the adjacent land owner,

and any vessel berthing agreements with proposed log exporters. The professional services agreement would be for a maximum of 100 hours and would not exceed \$25,000.

The chair called for a motion and a second, followed by discussion.

Commissioner Mathews moved to authorize the General Manager to enter into a professional services contract with the law firm of Haglund, Kelley, Jones & Wilder, LLC, not to exceed 100 hours or \$25,000. Commissioner Chuck seconded the motion.

By way of discussion, Commissioner Mathews asked if the professional services contract would be shared by the adjacent land owners. Commissioner Barton said they were represented by their own legal counsel, as was Teevin Bros. She commended the General Manager for moving forward through a complicated and time consuming process, and added that she hoped he felt the commission's support for the decisions he had made and the good work he had done so far in the lease negotiations.

The chair called for a vote and the motion carried 5-0.

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

There was no meeting recess.

**IX. OTHER**

The chair announced that the General Manager would be a presenter at the Newport Ocean Observing Conference on April 30, and would host a tour of the Port facilities for conference attendees on May 1.

**X. PUBLIC COMMENT**

In answer to a question from South Beach resident Jim Shaw, Commissioner Barton said there had not been enough money saved on the Terminal Renovation Project to build a new administration office.

The General Manager introduced local resident Steve Beck, who is a candidate for one of the open Port Commission seats.

**XI. UPCOMING MEETINGS**

- A. 57<sup>th</sup> Annual Newport Loyalty Day Celebration, May 2-5
- B. Fishermen's Forum, Port Dock 7 Operations Shop, May 8, 8:30-9:30 a.m.
- C. Marina Users Meeting, South Beach Marina, May 15, 8:30-9:30 a.m.
- D. First Meeting of the Budget Committee, Central Lincoln PUD Meeting Room, May 15, 6:00 p.m.
- E. Combined Work Session and Regular Meeting, South Beach Marina Activities Room, May 28, 6:00-8:00 p.m.

**XII. ADJOURNMENT**

There being nothing more to come before the Board of Commissioners, the meeting was adjourned at 7:12 p.m.

**ATTEST:**

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JoAnn Barton, President

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Walter Chuck, Secretary

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