

**PORT OF NEWPORT
MINUTES
September 28, 2010
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 Clubhouse, 750 SE Bay Blvd., Newport, OR, the same being within the boundaries of the Port District.

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

Commissioners Excused: David Jincks, Secretary; Don Mathews, Treasurer.

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

Others Present: Frank Berg and Glenn Schnaidt, Day CPM Services; Terry Dillman, News Times; Yale Fogarty and Pat Ruddiman, ILWU Local 53; Lee Fries, CM/GC Selection Committee; Mike Goff and Patrick Dougherty, TCB Security Services; Onno Husing, OCZMA; Dave Morgan, Lincoln County Today; Brad Nile, Andersen/WCC; Dr. Hal Pritchett, Facility Use & Design and Terminal Steering Committees; Jim Shaw, South Beach resident; John Stevenson, EcoTrust; David Ulbricht, Wedbush Securities; Michael Wilkinson, Newport Belle B&B.

II. MINUTES

A. Work Session and Regular Meeting—August 24, 2010

Commissioner Barton moved, Fleck seconded, to approve the minutes of the Work Session and Regular Meeting of August 24, 2010 as submitted. The motion passed 3-0.

III. FINANCIAL STATEMENTS

A. Financial Reports. There were no questions or comments on the Finance Director's written report or the financial statements.

B. Accounts Paid. There were no questions or comments on Accounts Paid.

Commissioner Barton moved to approve the Financial Statements and Accounts Paid, Check Nos. 11415-11440/Construction Fund; Check Nos. 11232-11283/NOAA Checking-OCB; and Check Nos. 30424-30650/Operating Account. Commissioner Fleck seconded the motion and it passed 3-0.

IV. PUBLIC COMMENT

There was no public comment.

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

A. Department Reports.

- Kevin Bryant, Commercial Marina Harbormaster—Commissioner Barton thanked the Port staff that had gone on the commissioners' dock walk and that had followed up on issues that were found. Commissioner Fleck added that, given the small amount of money the crew has to work with in doing maintenance and repairs, they are doing a great job.
- 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 announced that TCB Security Services, Inc. was awarded the contract to provide security services for the Port of Newport, and introduced Mike Goff and Patrick Dougherty, who were at the meeting representing TCB. The Port had received two proposals and

TCB's bid was the lowest while still meeting all the criteria in the RFP. The General Manager had sent a letter of intent to award and was working on a draft contract between the Port and TCB. The contract would take effect on October 1, 2010. Mann added that the contract with TCB will save over \$20,000 for the rest of this fiscal year and over \$30,000 in years to follow.

The General Manager said there was continued interest on the part of certain businesses in locating on Port property.

Referring to the General Manager's written report, Commissioner Barton said she was relieved that the eelgrass that was harvested from an area that will be dredged for the NOAA project was apparently doing well, and she thanked Mann and Project Manager Pete Dale for looking into salvaging and donating the timber trusses from the old warehouse at the terminal.

A Power Point presentation was used to show photos of the new office building and warehouse at the terminal, the new test piles behind the Pasley, and progress on the NOAA MOC-P warehouse and administration buildings.

C. Commissioners' Reports.

Commissioner Fleck said he had been working on the U-DA-Man fishing tournament, which is scheduled for October 10, 2010.

Commissioner Barton said she had been attending the regular project meetings and participated in the dock walk on both the north and south sides.

VI. OLD BUSINESS

A. Terminal Renovation—Day CPM Services. Frank Berg, Day CPM, provided an update on the Terminal Renovation Project. He reported that the Natt McDougall Company (NMC) had mobilized on site, had completed the test pile work, and started driving the sheet pile. Demolition would start on the old Port office and warehouse the following week. Berg noted that remediation of the Hennebique would be done before remediation of the Pasley, which was a change in plan, because of the Hennebique's stability. In answer to a question from Commissioner Barton, Berg said the Pasley was being monitored carefully and an emergency response plan was in place in case the ship moved during remediation. A special meeting will be held at noon on October 12, 2010 at the Port Conference Room, to provide the commission an opportunity to consider the next three contract amendments. Those amendments will cover vibroflotation, remediation of the Hennebique, and the containment cell for the cofferdam installation.

Glenn Schnaidt, Day CPM, added that notices, which had been designed to hang on door knobs, had been distributed to the residences above the Terminal Renovation Project site to let home owners know that work was starting on the project and they could expect noise from pile driving and increased truck traffic on Bay Boulevard. The notices were an Oregon Business Development Department contract requirement that the Port had now completed. Permanent informational signs about the project had also been placed at the work site and along Bay Boulevard.

B. NOAA MOC-P—Day CPM Services. Glenn Schnaidt, Day CPM, presented an update on the NOAA MOC-P Project. He said the budget and schedule were on track, and bid package no. 6 relating to tenant improvements would be completed by the following week. All upland and pier building permits had been received and the only outstanding permit was for the in-water work. A meeting had been held that afternoon with various agency directors, and they were briefed on both the Terminal Renovation Project and NOAA MOC-P. Schnaidt said the meeting went well and the directors got a walking tour of the NOAA site. Schnaidt had met with NOAA's senior contracting officer, and Day CPM is tracking the items that the Port is under obligation to deliver to NOAA. He added that he would continue to do that tracking through the end of the project and after its completion. A brief discussion followed about the South Beach Peninsula Transportation Refinement Plan, and future plans to inspect barges delivering equipment and material to be used on the Port's project for non-native species.

Brad Nile, Andersen Construction, presented a slide show of a full color, 3-D model of the 1,300 foot NOAA pier. The slide show had been developed by Andersen-WCC's mechanical contractor to show where the piping and electrical systems would be embedded in the pre-cast concrete, in order to identify the complexities of the utility installations.

VII. NEW BUSINESS

A. Oregon Territorial Sea Plan. Onno Husing, OCZMA director, provided an update on the Oregon Territorial Sea Plan. By way of background, he talked about the wave energy development that came about in 2006-2007, when there was no planning process in place to accommodate the siting issues of where the wave energy farms would go. He noted that the Port of Newport was one of the first bodies on the coast to write the governor and ask for a planning

process to be put in place. Husing said there is a process now for a zoning plan to dedicate certain areas of the ocean for specific uses, and Oregon, along with the state of Massachusetts, is leading the nation in Coastal Marine Spacial Planning. Husing displayed a map of the south coast showing one of ten overlays for ocean use that had been developed by Coos Bay fishermen during the first pilot project. As the project grows, socio-economic data will be collected onshore to develop economic information that would match with the data collected offshore to track what the ocean value translates to in the community. Husing said communities are leading the process in gathering information, and businesses will be interviewed to access the same kind of value proposition. Commission President Goblirsch expressed concern about planning goals being set aside in favor of "a big wallet" and economic growth; but Husing said that had already been tested when a wave energy farm had been proposed off the coast of Reedsport, and Goal 19, pertaining to ocean resources, prevailed. Husing said the Territorial Sea Plan process is going very well and has attracted funding because it is so imaginative and important. The goal is to have the Oregon Territorial Waters Plan in place by the end of the year, although Husing said it will always be a "work in progress" as more information is collected.

VIII. MEETING RECESS at discretion of the chair.

There was no meeting recess.

IX. OTHER

General Manager Don Mann recommended approval of a lease extension for Foulweather Trawl. He said there were some changes from the existing lease, such as a rent increase, a term of five years instead of ten with an option to renew, and a 120-day opt out. He added that Foulweather Trawl now occupies the new warehouse and had already made leasehold improvements of a loft and office. Those improvements would stay with the building. The lease had been reviewed by the Port's legal counsel.

Commissioner Fleck moved to approve the extension of the lease dated October 1, 2010 between the Port of Newport and Foulweather Trawl. Commissioner Barton seconded the motion and it passed 3-0.

The Chair introduced David Ulbricht, Wedbush Securities, who had served as the Port's bond counsel for the NOAA MOC-P Project.

X. PUBLIC COMMENT

South Beach resident Jim Shaw followed up on his suggestion for distributing the "Welcome NOAA" posters that Lazerquick had been producing. The General Manager said it might be possible to include an 8 1/2 X 11 sized copy of the poster in the Chamber's monthly newsletter.

XI. UPCOMING MEETINGS

- A. U-DA-MAN Fishing Tournament, October 10
- B. Special Meeting, Port Conference Room, October 12, 12:00 p.m.
- C. Fishermen's Forum, Port Conference Room, October 13, 8:30-9:30 a.m.
- D. PNWA 2010 Annual Meeting, October 13-15, Spokane, WA
- E. OMFOA 2010 Northwest Government Financial Institute Conference, October 25-27, Portland, OR
- F. Port Commission Work Session and Regular Meeting, October 26, 6:00 p.m., YBYC Club House

XII. ADJOURNMENT

There being nothing more to come before the Board of Commissioners, the meeting adjourned at 7:35 p.m.

ATTEST:

Ginny Goblirsch, President

David Jincks, Secretary