

PORT OF NEWPORT
MINUTES
April 14, 2010
SPECIAL MEETING

I. CALL TO ORDER

Commission President Ginny Goblirsch called the special meeting of the Port of Newport Board of Commissioners to order on Wednesday, April 14, 2010, at 12:05 p.m., in the Port of Newport Conference Room, 600 SE Bay Blvd., Newport, OR, the same being within the boundaries of the Port District.

The purpose of the meeting was to consider an Oregon Business Development Department Financing Contract as it relates to the Terminal Renovation Project.

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

Commissioner Excused: David Jincks, Assistant Secretary-Treasurer.

Port of Newport Management and Staff: Don Mann, General Manager; Maureen Keeler, Special Projects Manager; and Patty Benjamin, Administrative Assistant.

Others: Pete Gintner, Port Legal Counsel.

II. TERMINAL RENOVATION

A. State of Oregon Business Development Department Financing Agreement, Project No. Q10001. General Manager Don Mann explained that the agreement under consideration was a grant/loan for the remediation and environmental work for the Pasley and Hennebique associated with the Terminal Renovation Project. The capital outlay would be \$1 million. Of that \$1 million, \$200,000 was a grant and would be forgiven. The remaining \$800,000 was already in the project budget and would be repaid within two years. Mann recommended approval of the agreement.

Pete Gintner, Port legal counsel, had reviewed the loan for legal sufficiency. He said it was a fairly standard agreement for a State of Oregon. He said the indemnification and endangerment of repayment clauses would bother him if the money wasn't already in the budget; however, since it was, he said it was a "pretty low risk borrowing situation".

Commissioner Mathews noted that the Port had been looking for more money for the project so would be "picking up" \$200,000 and the interest rate would be only 4.22% if the Port fell short.

A brief discussion followed about construction and repayment schedules.

Commission President Goblirsch said she would like to see the same kind of information on the construction budgets at the commission meeting as the finance department produces on the regular operating budget.

The chair called for a motion.

Commissioner Barton moved that the Port of Newport Board of Commissioners approve the State of Oregon Business Development Financing Agreement, Project No. Q10001, and authorize General Manager Don Mann to be the signatory on future documents associated with the agreement. Commissioner Fleck seconded the motion and it passed 4-0.

III. PUBLIC COMMENT

There was no public comment.

IV. OTHER

There was no other business.

V. ADJOURNMENT

There being no further business to come before the Special Meeting of the Port Commission, the meeting was adjourned at 12:18 p.m.

ATTEST

Ginny Goblirsch, President

JoAnn Barton, Secretary