

**PORT OF NEWPORT**  
**MINUTES**  
**May 22, 2012**  
**WORK SESSION**

**I. CALL TO ORDER**

Commission President JoAnn Barton brought the Work Session of the Port of Newport Board of Commissioners to order on Tuesday, May 22, 2012 at 12:00 PM 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; Walter Chuck, Secretary; David Jincks, Vice-President; Don Mathews, Treasurer.

**Commissioners Excused:** Dean Fleck, Assistant Secretary-Treasurer.

**Port of Newport Management and Staff:** Don Mann, General Manager; Patti Britton, Finance Director; Rick Fuller, NOAA Facilities Manager; Maureen Keeler, Special Projects Manager; Patty Benjamin, Administrative Assistant.

**Others:** Frank Berg, Day CPM; Yale Fogarty and Pat Ruddiman, ILWU Local 53; Lee Fries, CM/GC Selection Committee; attorneys Pete Gintner and Lonn Johnston, Macpherson, Gintner & Diaz; Bob Kemp, commercial fisherman.

**II. WORK SESSION ITEMS**

**A. Terminal Renovation Project.**

**1. Day CPM Services Project Update**

Frank Berg, project manager for Day CPM, provided an update on the Terminal Renovation Project. Steel continues to be salvaged from the project for a total credit of \$385,170, which is \$65,170 over the initial estimate of \$320,000. He said that figure did not include the sale of AZ50 sheet pile, which has now been shipped off site to the supplier and will be credited back to the project. Berg reported that the concrete had been poured for the west dock. Dock accessories and connection plates were being installed and painted. Berg showed a series of photographs that showed additional demolition of the Hennebique, part of the sheet pile bulkhead around the Pasley, and cone fenders and bollards. Berg presented Amendment No. 19 to the contract between the Port and Natt McDougall Company. Amendment No. 19 covered work on the fishing dock, including cutting off pipe pile to grade, furnishing and installing steel deck support plates, and furnishing pre-cast slabs. The work was to be done in June. Amendment No. 19 recognized a GMP of \$236,467.89 and realized cost savings from previous amendments of \$3,364,998.14. A construction balance plus contingency of \$1,549,883.11 would remain after the execution of Amendment No 19. Berg recommended approval of Amendment No. 19 at the regular meeting that evening. He added that Natt McDougall was working on the project schedule and there would probably be another budget review in the fall to see what other savings could be realized on the project.

**B. Ordinance**

Attorneys Pete Gintner and Lonn Johnston, from Macpherson, Gintner and Diaz, led the discussion about proposed changes to the Port's Ordinance No. 1 – 1991. Attorney Gintner pointed out that there had been no interim meeting to discuss the ordinance since the last work session when the update was discussed. Projecting suggested changes related to Chapter 8—Enforcement onto a screen, Attorney Johnston explained the Schedule of Civil Penalties and the appeal process. He said the primary issues for moorage holders and lease holders would probably be denial of access, liveaboard agreements, and termination of moorage. Commissioners Barton and Chuck expressed concern about the complications and time involved if appeals were brought before the Board of Commissioners at either a regular or special meeting, but the General Manager said the proposed revisions on enforcement simply formalized the process that the Port had followed in the past. He said he did not anticipate a “flood of issues” and appeals would be handled at the staff level unless there was an extraordinary circumstance. Attorney Johnston noted that as long as the constitutional requirement was satisfied, the section could be modified going forward if the Commission so desired. Commissioner Jincks said he felt the direction the Port was going in working with lease holders and moorage holders would alleviate most problems. He added that he thought the schedule of penalties was reasonable. The next ordinance work session would focus on General Provisions and Definitions.

**C. Yaquina Bay Fruit Processors**

Commission President JoAnn Barton said she asked to have Yaquina Bay Fruit Processors (YBFP) included on the agenda so the board could be on record with a decision and there would be no question as to where the subject was headed. General Manager Don Mann said he had a couple of discussions with lessee Harry Noah regarding his desire to stay on site and his expansion plans. Mann said two things were pending: YBFP's application for to the City Planning Commission for a conditional use permit, and a draft expansion plan showing what the leaseholder had in mind for site development. The Port had filed for a zone amendment asking to change the site where YBFP conducted business from water dependent to water related, and to change the dredge disposal land's water related status to water dependent. By way of explanation, Mann said YBFP no longer required the use of sea water in their process but Noah planned to file for a conditional use permit based on the water related zoning for manufacturing chocolate cherry candies. That operation would require a new building. He added that Noah said he would remove about 80% of the totes that are now in place to a location outside of Port property, and would use that space for vehicle circulation. Commissioner Jincks said he would like to know if the conditional use permit was going to be granted, and before opening discussions to amend or re-write the lease to allow the new use, and it would be important to determine what the lease amount is going to be before Noah invested in drawings and building plans. Commissioner Barton said another issue was additional parking, since Noah had said the expansion of his business would increase the number of employees from 27 to 40. She said she would also like to see the lease address outside storage. A discussion followed about accelerating the process by imposing a timeline for Mr. Noah to let the board know what he intends to do. After another brief discussion, Mann said he would contact Mr. Noah and ask him to fill out the paperwork for the conditional use permit and turn it in to the planning commission within the next two weeks. Commissioner Jincks added that looks, noise, aroma, sounds, and aesthetic value on the South Beach Peninsula are also of serious concern to him. The chair added that when Mr. Noah found out what the scope of work he is talking about would cost, it might eliminate his desire to move forward with the expansion.

**D. Parking Permits**

General Manager Don Mann explained that in 2004 or 2005 the Port began issuing permits allowing fishing boat owners and their crews to park in Port-provided parking areas. The Port charged a one-time fee of \$1 and there was no expiration date on the permits. Mann was now proposing a \$5 annual fee for the parking permits, to help offset the \$6,000 parking district fee the Port pays to the City of Newport each year. The permits would be a different color each year and require annual renewal. The Commission was in agreement with the proposed changes to the parking permit procedure.

**III. PUBLIC COMMENT**

Commercial fisherman and moorage holder Bob Kemp addressed a parking issue related to a loading zone near his permanent moorage spot inside Port Dock 3. Kemp said the City recently issued new parking permits that allow vendors, such as electrical and refrigeration contractors, to use the loading zone beyond the 20-minute restriction. Kemp had one of the new permits but pointed out that if vendors are working on a major overhaul, they occupy the spot for a long period of time. Kemp sometimes parks on a gravel section at Port Dock 3 but often gets blocked in because the City has yet to repaint the yellow line for the one parking spot. General Manager Don Mann had spoken with Kemp earlier and said he would address the re-striping issue at a meeting he had scheduled with the City that afternoon.

**IV. OTHER**

There was no other business.

**V. ADJOURNMENT**

The Work Session was adjourned at 1:20 PM.

**ATTEST**

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JoAnn Barton, President

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Walter Chuck, Secretary