

November 19, 2024  
6:00 P.M.  
Newport, OR

**PORT OF NEWPORT COMMISSION MINUTES**

*This is not an exact transcript. The video of the session is available on the Port's website.*

The Port of Newport Commission met on the above date and time at the Administration Building, 600 SE Bay Blvd., and virtually via Microsoft Teams. In attendance were Commissioners Sylvia, Lackey, Ruddiman, Chuck, and Retherford. Also in attendance were Executive Director Paula Miranda, Director of Business and Finance Services Mark Brown, Operations Director/Deputy Executive Director Aaron Bretz, Administrative Assistant Gloria Tucker, PR Representative Angela Nebel, and NOAA Facility Manager Jim Durkee.

**CONSENT CALENDAR**

MOTION was made by Lackey, seconded by Chuck, to approve the consent calendar as presented. The motion carried unanimously in a voice vote.

**OLD BUSINESS**

**Lines Agreement Discussion.** Sylvia introduced the agenda item. Miranda presented the report included in the packet. Sylvia asked if there was an option to do new edits to the agreement. Miranda replied that is always an option. Chuck stated Miranda worked hard to negotiate a new agreement, and Commission spent a lot of time going over this before. He noted he trusts Miranda and the talks she had with the longshoremen. He added he is in favor of the negotiated agreement. Lackey stated everything he said last time still stands and he doesn't have anything to add. Retherford stated this a 30-year-old contract, and she is not going to fight. She noted she appreciated the effort to try to get language in there. She added she is OK with the current agreement.

Sylvia asked where the Commissioners are on the options. Lackey noted this is in effect basically for the next 8 months because the overall agreement with Pasha is two years. Miranda stated she will bring back the Pasha agreement when is due because it is separate. She explained the Lines agreement stays no matter what; it's just a matter of who provides their insurance.

Lackey stated any agreement where there's one fish covered or could be covered, anything that involves fishing or a processor, he will not vote for. He added he would rather have fishing explicitly not a part of this. Ruddiman stated he likes option 3. He explained the local worked it out, and Commissioners want to modify it at the end and expect them to accept it. He added he wouldn't be surprised if they reject that. Sylvia stated he said at the last meeting, he doesn't like this general agreement, the way it is framed, or the terms of it. He noted it seems 50-60 years old and needs to be brought up to modern times. He explained this needs a beginning and end date and needs to be based on set of principles and standards rather than an ad hoc package. He indicated knowing how hard it is to negotiate this, he is willing to support the third option for now.

Sylvia asked if there would be another review in four years. Miranda noted there is an annual review. Sylvia stated his sense is it's only reviewed once someone wants to make a change. Miranda stated from now on it will be reviewed each year. Sylvia asked which party came to the table wanting to change things. Miranda replied there were discussions about vessel sizes, and they

came to the Port and suggested clarifying and updating the agreement. Sylvia confirmed with staff that staff will bring this back every year for review and Commission can make requests to change it. He added three years from now, when Commission does a review, he is going to ask the Port redo the whole thing. Discussion ensued on potential changes to the agreement. Retherford clarified with staff the 8 months is related to Pasha agreement and separate from this agreement.

MOTION was made by Chuck, seconded by Ruddiman, approve the Lines Agreement based on the original negotiation and reflected in the attached agreement pending further approval by Pasha Stevedoring & Terminals L.P, as required under the Master Contract Services Agreement, and further to replace Exhibit A (Lines Agreement) from the Master Contract Services Agreement with Pasha Stevedoring & Terminals L.P pending their approval. The motion carried 3-2 in a voice vote, with Retherford and Lackey opposed.

**Approval of ConnectOregon Grant Agreement.** Sylvia introduced the agenda item. Bretz presented the report included in the packet. Miranda reported the Port did not receive the PIDP grant. She stated it is disappointing, but not discouraging because she had expected that. She explained when she made the application, the Port was far from being ready. She noted MARAD allows a chance for debrief, and she requested one. She indicated when she did the application for NIT the first time, the Port didn't get it, then she did the debrief, and the Port got the PIDP grant afterward. She added her hope is that will happen again.

Miranda reported she will have the chance to apply again at the end of December. She stated the RAISE grant is available for application and due on January 30. She noted the most important grant to get was the ConnectOregon grant because it is biannual. She explained she will have a discussion with Connect as far as what staff can do before getting federal grants. She indicated worst comes to worst, the Port can make this project smaller. She recommended approving the grant agreement.

Chuck congratulated staff. He stated this is a big step forward. Lackey stated he appreciated the information about the path forward. Retherford asked if the Port will be able to spend this within a year. Miranda stated in her conversation with them, she will ask how much spending they would allow. She noted the Port does have lots of costs related to permitting. She added she appreciates the efforts the state made to get this approved. Bretz explained in one year staff have to submit the first reimbursement request, so as long as the Port does something that is covered under accepted activities, the Port will be good. He added at the very least, the Port could start the utility work.

Miranda stated projects can be extended but hopes that's not what happens. Chuck noted the Legislature will take up a transportation package to the state, so there might be more funds available for state grants. Lackey stated he wonders if there is any nexus for the Port on upcoming wastewater grants. He clarified with staff those grants would not compete with transportation grants. Sylvia asked if anything in the agreement is difficult or tricky. Miranda replied it is typical. Bretz added the attorney looked at it.

Sylvia noted there is a percentage in the agreement, 27.68, based on the total size of the project, \$34,570,000. He asked if the Port could overspend if the project comes in lower. Miranda replied that is part of the conversation she is going to have. Sylvia added the Port needs to be careful not to spend too quickly.

Ruddiman asked if the Port will have to do any [sediment] testing on land. Bretz replied he doesn't believe so. Miranda noted there will be some NEPA requirements, but the Port is already ahead of that. Retherford asked with the project schedule, if there will be any help hitting these



milestones. Miranda replied she and Bretz have discussed once the Port gets the Section 107 and rebuild project going, it's a full-time job. She noted the Port may have to hire a consultant to manage the project. Sylvia confirmed with staff the dates on this are flexible. Bretz noted after the first year's reimbursement, the Port has three more years to finish the project.

Retherford asked once this is approved, will the Port go back to the community and start doing outreach on the project. Miranda replied Nebel is working on a newsletter talking about this grant, but outreach needs to wait until the Port gets the rest of the funding.

MOTION was made by Lackey, seconded by Chuck, to accept the attached ConnectOregon grant agreement for \$9,570,110 for the Port Dock 7 Rebuild Project under the terms and conditions in the grant agreement and to authorize the Executive Director or assignee to execute the agreement as presented. The motion carried unanimously in a voice vote.

### **STAFF REPORTS**

**Executive Director Report.** Miranda presented her report included in the packet. Sylvia noted the [DEQ water quality issue] is tricky stuff. He explained processors don't know how to get rid of heavy metals, and [trace] heavy metals were added by DEQ recently. He stated this is not just about helping the processors to meet the needs that they know of, but also they don't know everything they have to do. He added the Port is walking into this dealing with a lot of risk and uncertainty and needs to go into it with eyes wide open.

Miranda noted the processors have to come up with a solution. She stated the Port is not deciding the solution. She explained they have to work out with DEQ what the solution is and what they need to build. She indicated the Port can do feasibility studies, but those don't prove to DEQ what solution to use. Sylvia added he is less optimistic about this. Miranda added if they can't come up with a solution, the Port cannot build it. She stated the Port is offering its ability to apply for Business Oregon grants to help the process, but the Port should have zero liability.

Miranda reported the FEMA national flood insurance program can create all kinds of problems for coastal ports. She stated the Governor sent a request to FEMA for a delay because of Oregon's rules about regulation changes. She explained FEMA said no but will continue working with state. She added the Port will have to see how it affects ports and projects.

Retherford asked if there are specific people who will do maintenance on the RV Park Annex. Miranda replied the Port will use the South Beach crew. She added the Port enjoyed hosting Fishermen's Appreciation Day on Nov. 7.

### **COMMISSIONER REPORTS**

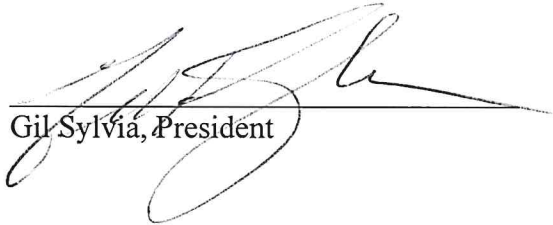
Chuck reported OCZMA will have new management. He explained the AOC will no longer manage organization, they are hiring a firm, Blue Ridge Strategies from Coos Bay. He noted they will have a grant writer on board as well.

Sylvia thanked Bretz for attending the Central Coast Flyfisher's Association and answering questions about the Port. He noted for Miranda's review, the Commission needs to consider how to talk to staff members. Miranda recommended Commissioners talk to her direct reports. Sylvia asked how they could come up with a standard set of questions. Miranda replied she will put Sylvia in contact with SDAO, who can give a set of questions to choose from. Sylvia and Chuck volunteered to interview the staff.

**ADJOURNMENT**

Having no further business, the meeting adjourned at 7:12 p.m.

ATTESTED:



Gil Sylvia, President



Walter Chuck, Secretary/Treasurer