

May 28, 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, Retherford, Ruddiman, Lackey, and Chuck. Also in attendance were Executive Director Paula Miranda, Director of Business and Finance Services Mark Brown, Operations Director Aaron Bretz, PR Representative Angela Nebel, and Administrative Assistant Gloria Tucker. Visitors included Heather Mann and Doug Ison.

### **PUBLIC COMMENT**

Mann, Director of the Midwaters Trawler Cooperative, stated she wanted to speak to a letter she sent to Miranda and Commission regarding usage of the Terminal. She noted she had a follow up meeting with Miranda. She indicated she knows there will be some information forthcoming, a work session in June focusing on the Terminal. She added she wanted to bring attention to the letter and remind everyone certain times of the year, the Terminal is fully utilized.

Mann stated when shipping and cargo comes, and she hopes it does, she wanted to make sure there is a way to integrate that in time and space with existing users. She urged thinking about that ahead of time. She noted the letter recommends putting together a work group of longshoremen, active fishermen who moor at the Terminal, and others who are interested. She indicated it is important to how the Terminal is marketed as a mixed-use facility and how it is explained to folks the availability and opportunities. She added she thinks a work group could avoid some bad feelings.

Mann stated she realizes there isn't a ship now, and she is not clear on offshore PacWave usage. She noted there is a lot more vessels than just Midwaters Trawl that use the Terminal. She indicated in the letter, there is a request to Mark Brown about what that usage looks like. She explained with improvements to the billing system, it should be easier to get that information. She provided the example of whiting's impact on usage. She added a lot of the vessels at the Terminal don't fit anywhere else at the Port, but they are local.

Mann stated she is not here to complain, but to put out the recommendation to think about how this will work ahead of time. She noted she provided a platform in the past to the Port that talked about the different times of the year and spaces needed by fishermen. She indicated that needs to be updated. She provided a video of vessels moored at the Terminal.

Miranda recommended discussing the usage at the work session in June. Mann added she would bring membership recommendations for the Commercial Fishing User Group to the June Commission meeting.

### **CONSENT CALENDAR**

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

## OLD BUSINESS

**Approval of Rondy's Lease Renewal.** Sylvia introduced the agenda item. Miranda reported she wanted to make sure the lease extends for a year to give more time to budget for removal of the dredging material there.

MOTION was made by Chuck, seconded by Ruddiman, to approve the Rondy's lease. The motion carried unanimously in a voice vote.

**Approval of MARAD's PIDP Contract.** Sylvia introduced the agenda item. Miranda reported she didn't attach the contract because of the length. She stated the attorney reviewed the contract. She noted she believes it is important Commission is aware of the amounts. She explained staff can't start the work until or go out for bid on equipment until the contract is signed. Lackey asked if Miranda had any concerns. Miranda replied there are no concerns; the process just takes time. She added independent of the equipment, if the Port just does the grading and fencing, the cost will come up to \$500,000. Lackey asked when the expenditure would take place or is it difficult to tell. Miranda replied that depends on the company staff purchase the equipment from and how long it takes to improve the land. Lackey confirmed with staff the Port has budgeted for the purchase and will not have to borrow.

MOTION was made by Chuck, seconded by Ruddiman, to authorize the Executive Director or designee to complete all documentation necessary to finalize the grant with MARAD, as substantially reviewed by the attorney. The motion carried unanimously in a voice vote.

**Approval of Chelsea Rose Lease Renewal.** Sylvia introduced the agenda item. Bretz reported this was previously two leases, Chelsea Rose and Patty Mae. He noted they asked staff combine them into one lease. He explained he put the lease on the water meter, added a couple of parking spaces at Port Dock 7, shored up some of the terms of termination of the lease, and better defined the premise. He added the leases used to include feet of dock, but that is not accurate because they aren't leasing the dock itself; they are leasing the moorage space and the fittings.

MOTION was made by Retherford, seconded by Lackey, to approve the attached lease for Chelsea Rose Seafoods. The motion carried unanimously in a voice vote.

**Approval of DirectTV Contract.** Sylvia introduced the agenda item. Bretz reported this is just for the RV Annex and recommended Option 3. He stated the Port needs a new system for broadcasting the signal to the Annex, and this system can be moved to a new location. He indicated there may still be some complaints based on the hardware, but the Port is trying to get things to an acceptable degree. Sylvia stated he appreciated the options. He asked if the new system over the long term is cheaper. Brown replied the current system is over 13 years old so the technology doesn't support High Def and the cable has been severed and repaired in several spots so the signal is very weak. He explained the other option is to lease existing polls, but that is the same cost as a new system. Miranda added the system is movable.

Sylvia asked if the service for the RV Park is good. Brown replied it is not the best, but they do have service. He stated in another year, staff will have to look at that too. He explained the critical need of the Annex made it necessary to do something. Miranda replied it is too expensive to switch everything now, so staff are doing it gradually. Retherford asked if there are funds to cover this project. Brown replied the Port has enough money to do this. Lackey noted at night most TVs are on at the park. Retherford noted there is Starlink, but not everyone is there yet.



MOTION was made by Lackey, seconded by Retherford, to acquire a replacement TV system for the RV Annex at a cost of \$19,453, which includes a 10 percent contingency, plus monthly programming costs. The motion carried unanimously in a voice vote.

**Approval of Change Order to Rogue Seawall Contract.** Sylvia introduced the agenda item. Bretz reported he is looking for approval to a couple of change orders. He stated staff moved forward because it was time critical and ended in a net reduction in cost of the project. He explained the injection of the polymer was expected to form symmetrical blocks, but it didn't work out that way. He noted there is more of a slant, so when they installed the drains, they did not have to punch the drain through a block of polymer to reach sand, and in many sections they didn't hit polymer. He indicated as a result, they didn't have to put long pipes in, and that cut out an entire section of the work. He added rather than cut the project short, the Port asked them to continue.

Bretz reported most of the wall injection is done, but there is still a little more to do. He noted another problem has developed that has to get addressed separate from this. Miranda stated she decided to do this and ask for forgiveness since they were already there doing the work. She said she decided to bring this to Commission because the actual work has changed. She noted when the work continues in the fall, there is less left to do.

Sylvia asked if the schedule or type of work changed. Bretz replied the schedule changed because they cut out the instillation of those long drainpipes. He stated then staff added on the number of bays to get injections to take up the time that was saved. He noted the Port won't have to remobilize the barge later. Miranda noted the Port also used up the state funds. Sylvia suggested staff made rational decisions without getting approval first because of timing. Retherford asked if the contract covers their return in the fall. Bretz replied that will be achieved by a contract amendment. Miranda added there will be additional cost at that time.

MOTION was made by Ruddiman, seconded by Lackey, to approve change orders 01 and 02, which results in a net credit to the Port of \$4,127.46. The motion carried unanimously in a voice vote.

**Approval of USDA Application for RORO Dock at NIT.** Sylvia introduced the agenda item. Miranda reported Commission already approved the grant from Congress to work on the RORO Dock. She explained that approval then goes to an agency to administer, USDA. She noted the Port still has to go through their process and enter into a contract with USDA. Retherford stated there are so many steps to all these grants that it isn't like Commission hasn't seen this before. She explained there are not many questions because Commission walked through it already.

MOTION was made by Retherford, seconded by Chuck, to authorize the Executive Director or designee to complete all documentation necessary to apply and finalize the CDS grant with the USDA. The motion carried unanimously in a voice vote.

## **NEW BUSINESS**

**Public Hearing for Ordinance No. 2024-01 Regarding Changes to Bylaws Adding Deputy Director.** Sylvia introduced the agenda item. Miranda reported she has indicated interest in creating a Deputy Director position in the past. She noted most ports of this size have one. She explained she often attends conferences or takes PTO, and she is not physically here. She stated sometimes overseas she can't be reached. She indicated the Port needs someone here able to step in while she is away. She added she tries to still be in touch. She explained the bylaws still allow

the Commission to remove the deputy director's authority. She noted this is only first read and will come back in June.

Sylvia requested an example. He added he wouldn't want a rogue deputy director. Miranda explained the position would have the same authority as a director only when she is out. Discussion ensued on limits of communication outside the US. Sylvia confirmed with staff this would be a new duty added to one of the staff with extra salary attached, which has been budgeted. Retherford stated it is wise to have someone close to the issues that can step in. She added she also believes in growing your own.

## STAFF REPORTS

**Executive Director Report.** Miranda presented the report included in the packet. Retherford asked how much Business Oregon ended up paying for the fillet tables. Miranda replied Business Oregon's grant was \$175,000 for purchasing a forklift for NIT and two tables. She noted the Port contributed \$30,000.

Miranda reported for the South Beach Marina dredging, Congresswoman Val Hoyle notified the Port did not make the cut for Congress Directed Spending. She stated she is thankful for the work they have done. She explained the Port's next choice is the state legislature, and she has been talking with OPPA on bringing several dredging projects for their approval. She indicated dredging is maintenance that doesn't create revenue, but if ports don't have it done, there are negative economic impacts. She added she hopes to get funding this year, but this may be pushed to next year. She noted there will be some shallow spots.

Miranda reported the Army Corps may take on additional dredging beside the channel through the WRDA Bill, but they are still working on those regulations. Sylvia asked staff for clarification on the timeline. Miranda replied the Port doesn't guarantee the depth. Bretz replied every mariner is responsible to understand the characteristics of their vessel, the tide conditions, and local conditions. He explained as it gets shallower, parts may become unusable, but that depends on the vessel. Retherford confirmed with staff there is not a sign that says navigate at your own risk. Sylvia confirmed with staff there is no guaranteed minimum clearance or depth, and it is people's responsibility to make sure they don't run aground.

Miranda stated staff try to make sure a boat that doesn't fit isn't placed there. She noted independently, staff want to do as much as they can to make everyone as safe as possible. She emphasized that is the intent. She indicated staff are trying to solve the problem, unfortunately, that comes with a price tag. She added if the Port doesn't get the funds by next in-water work window, the Port should dedicate some funds to the project because it is important for safety. Lackey clarified with staff the marina was last dredged in 1998/99.

Miranda reported for the work session on the Terminal, Tucker can send out dates. Sylvia asked if the Port builds Port Dock 7 to its best optimal design, would that relieve all the vessel usage of the Terminal. Miranda replied there would be a transient dock able to support larger vessels so if a cargo vessel comes, some vessels not receiving service can use the transient area.

Miranda confirmed with Commission she has permission to move to President of PNWA next year if she is appointed. Sylvia asked Bretz to expand on the issue with Rogue Seawall. Bretz replied there is a place on the wall just east of dry moorage building where there are four pilings with deflection since this project took place. He noted it is in the same area where they drilled the observation well. He explained the workers reported a tremor when injecting polymer there. He



indicated he does not know what happened. He added something changed because pilings have moved out of position, and there has been four inches of settling on the asphalt.

Bretz reported there are tie backs on the wall attached to the pilings that go back about 70 feet. He stated he thinks one or two them have let go, but he doesn't know why. He stated there was another survey that confirmed the wall stabilized and is not moving more. He noted the Port will continue to survey at least every two weeks. He suggested the problem could have been made by corrosion or something during construction. Sylvia asked what the worst-case scenario is. Bretz replied the Port would have to install a whaler beam horizontally to try to stabilize wall as it is currently. He stated the cost of investigation work is in the realm of \$30,000, and the repair work around \$300,000 or so. Brown added who pays for this depends on the cause.

Lackey asked staff for clarification on the financial cash flow. Brown replied since he was out of the office, the report numbers are not accurate. He provided the right numbers and explained staff continue to monitor cash flow on a regular basis.

### COMMISSIONER REPORTS

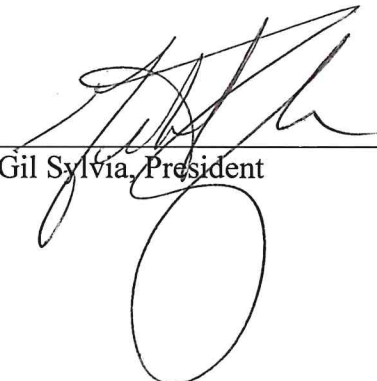
Chuck reported on the BOEM Task Force meeting. He stated the draft ecological study comment period is ending, and there will be a proposed sale notice comment period in July. He noted BOEM will publish sale notice in September with a lease auction in October 2024. He explained the state provided legislation to develop a roadmap for offshore wind. He indicated the group will form in the spring and summer and meet in fall of this year to fall of next year.

Chuck reported 3 gigawatts is the goal, looking at 150-200 windmills total, and development would take 7-10 years. He explained BOEM is only the lease agency, and developers would be responsible for standards. Sylvia suggested the ecological study would have some impact on the bid process. Retherford noted BOEM will be at Newport High School on June 7 for comments. Chuck added County Commissioner Jacobson asked if BOEM has ever taken away a lease, and they have not. Lackey added they are trying to get the leases done before a new presidential administration.

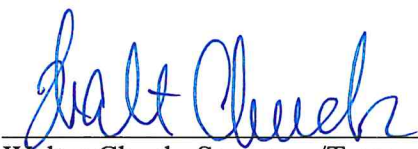
### ADJOURNMENT

Having no further business, the meeting adjourned at 7:34 p.m.

ATTESTED:



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Gil Sylvia, President



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Walter Chuck, Secretary/Treasurer

