

August 24, 2021
6:00 P.M.
Newport, OR

PORT OF NEWPORT COMMISSION MINUTES

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

The Port of Newport Commission met on the above date and time virtually via Microsoft Teams. In attendance were Commissioners Burke, Retherford, Chuck, Sylvia, and Lackey. Also in attendance were General Manager Paula Miranda, Operations Director Aaron Bretz, Finance Director Mark Brown, Administrative Assistant Gloria Tucker, and PR Consultant Angela Nebel.

CHANGES TO THE AGENDA

Burke noted Assignment and Amendment of Lease for Newport Marina Store and Charters was removed from the agenda and maybe be added to a later meeting.

CONSENT CALENDAR

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

OLD BUSINESS

Accounts Paid. MOTION was made by Chuck, seconded by Lackey, to approve accounts paid. The motion carried unanimously in a voice vote.

Approval of a Sublease for a Hatfield Café (operated by Ultralife) at OSU. Miranda reported Hatfield has built a brand-new building that is not 100 percent fully opened. She stated it will open in the next couple weeks and start getting students. She noted they are trying to bring in a café to serve students. She indicated she knows conversations in the past have brought up increasing charges for subleasing. She added this is not the agreement for that.

Miranda reported the space is very small, and OSU is not making money on the sublease. She stated the business will serve the students and staff. She noted OSU chose Ultralife because they are organic and in tune with OSU. She indicated the sublease will be for a year, with an option to renew for another year. She added if OSU changes this later and adds additional terms, they will come back to the Port. Chuck asked how OSU chose a subletter, if they had to go out for bids. Miranda replied she did not ask that question. She noted they must follow their own state requirements, and it's not the Port's responsibility to oversee their requirements. She added they are still working on finalizing the negotiation. Sylvia noted the University does not need to receive competitive bids if the cost is below a certain amount of expense.

MOTION was made by Sylvia, seconded by Lackey, to authorize the General Manager to provide an approval letter allowing OSU to enter a lease with Ultralife Café. The motion carried unanimously in a voice vote.

NEW BUSINESS

Approval of New Financial System. Brown stated his report summarized the process staff went through to select a vendor. He reported based on cost, the Port would see returns on investment after the second year for the first vendor, KOPIS. He noted the second vendor would provide return on investment in the fifth year. He added independent reviewers ranked both vendors similarly. Burke praised Brown's analysis of the vendors. Miranda stated Brown worked hard on this to analyze who would be the best vendor for the Port in the long run. She noted she watched their presentation, and this would be so much more efficient on the financial side and operations side. She explained the Port does not have a project management system, and everything is written by hand. She emphasized with the new system, the chance of making mistakes is much less. She indicated things that take three to four hours, may go down to one hour. She added this is going to be really good for the Port in the long run.

Brown reported order processing, which is done by hand, has four steps of review and four opportunities for mistakes. He stated that would go down to one step. He overviewed how the moorage license system would be improved as well. Sylvia confirmed Brown did the cost saving estimates. Brown noted this system will create savings by replacing Hercules, ADP, QuickBooks, and staff time. Lackey confirmed the Port will be able to achieve the cost savings. He stated he liked the quality control, efficiency, and modernization. Burke confirmed the staff reduction is an unfilled position at this time.

MOTION was made by Lackey, seconded by Retherford, to authorize the Port General Manager or delegate to enter negotiations and execute a contract with a KOPIS to begin implementing a new financial system, not-to-exceed \$346,706 over a 5-year period, which includes a 10% (\$31,519) contingency. The motion carried unanimously in a voice vote.

STAFF REPORTS

General Manager. Retherford noted there will be new streetlights at the Port Dock 5 Pier. Burke asked if security cameras will be installed there once the lights are placed. Miranda noted the Port purchases new cameras through a grant every year. Bretz reported the cameras will go back up in that area, but the Port has to wait for a new power box before installing them.

Chuck noted South Beach reaching near full capacity this month. He suggested assigning more security staff for June, July, and August. He also suggested talking to the city about enforcement of traffic near the bridge. Miranda noted the Police patrol the area on a regular basis, but they can certainly talk to the city more about it. She stated additional security is related to the budget. She explained it is not cheap to add temporary security, and it is complicated for TCB to add service. She indicated staff can try to get a budget for next year for additional security that makes sense in the long run. Bretz reported he has requested quotes from TCB for additional security Thursday through Sunday, April through October, to get a ballpark for the budget for next year.

Miranda requested the property subcommittee meet to discuss options for 343 Bay Blvd. Burke noted once they've met, they will bring back next steps to the whole Commission. Burke and Lackey agreed to hold the meeting Tuesday, August 31, at 9:30 a.m.

Miranda emphasized the need for the Port to move forward on developing plans for infrastructure projects. She reported there is all kinds of infrastructure funding coming down the road, but the Port can't apply for it without plans. She noted there may be some funding for recreational buildings. She indicated there is a Connect Oregon grant this year, that could help

with the plan for PD7, but funds would not be available until May of next year, slowing down the project. She added she spoke with ODOT on the plans for Port Dock 7.

Miranda reported if a plan is going to lead to construction, ODOT is willing to consider it. She stated if there is delay in applying for construction funds, the other alternative is Business Oregon. She noted they can provide a \$50,000 grant and 1 percent loan for the remainder of the project cost. She indicated she is leaning towards getting the project done so the Port can move forward. She added she thinks there will be more funds on the federal and state side.

Burke asked what the Commission can do to help. Miranda replied when staff are ready, they will request the Commission to help with support letters. She added staff receive information on 90 percent of the grant opportunities out there, but they still appreciate receiving leads from individuals.

COMMISSIONER REPORTS/COMMENTS

Lackey asked if there is a timeline on the Rogue seawall. Miranda replied the timeline has been delayed, but there should be a report from the consultant sometime this week or next. Retherford asked if there is any plan for Swede's Dock. Miranda replied part of the PD7 inspections may include Swede's Dock. She stated the Port will look at what it can do so it doesn't lose that. Bretz reported Swede's Dock is not very functional to begin with. He stated the plan is to combine its inspection by an engineer with Port Dock 7's inspection. He noted they may throw in some pilings to hold it together for a little while. He indicated there may need to be a limit of use on it. He added he would not be surprised if the bulk of it can no longer be used, but he hopes the engineer will allow some of it to remain open.

Burke asked if there are plans to dredge there. Bretz replied the next round of major dredging will be in Fiscal Year 2022-2023. He stated he believes the situation was created by the city's outfall pipe. He noted he does not know if the city will admit that. He added any funding the Port can get to address that will help. Retherford noted the demand for space in the commercial marina, and the need to keep places for boats to tie up.

Lackey confirmed there would not be infrastructure funding grant available for the Port's administration building. Miranda noted the building would have to have recreational uses or create jobs to qualify for infrastructure grants. However, she indicated there may be some savings on the budgeted cost since prices for materials have gone down.

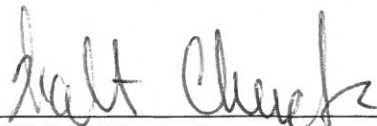
ADJOURNMENT

Having no further business, the meeting adjourned at 6:40 p.m.

ATTESTED

JAMES BURKE

James Burke, President



Walter Chuck, Secretary/Treasurer

Signature: JAMES BURKE
JAMES BURKE (Oct 7, 2021 11:17 PDT)

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