

November 15, 2022

6:03 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 South Beach Activity Room, 2120 SE Marine Science Dr., and virtually via Microsoft Teams. In attendance were Commissioners Lackey, Sylvia, Retherford, Burke, and Chuck. Also in attendance were General Manager Paula Miranda, Director of Finance and Business Services Mark Brown, Operations Director Aaron Bretz, RV Park Supervisor Neva Rogers, Administrative Assistant Gloria Tucker, and PR Consultant Angela Nebel. Visitors from the public included Jim Shaw, Rex Capri, Diane Henkels, and Paul Zellman.

PUBLIC COMMENT

Shaw asked staff for clarification on the cost of disposing of nets. Burke replied that topic will be discussed later in the meeting.

CONSENT CALENDAR

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

OLD BUSINESS

Procurement Authority Increase. Burke introduced the agenda item. Brown reported costs are increasing, and he started looking at what does it cost to fund a project and what do other ports do. He stated most ports have quite a bit higher authority for the General Manager, and he recommends \$50,000 procurement authority. Miranda explained emergencies like the waterline leak had to be paid for because if staff waited until the Commission meeting, the leak would continue costing the Port a lot of money. She indicated for the leak, she had to pay for it and then ask for forgiveness, and she does not like to have to do that. She added she is asking for authority for projects already on the budget and for emergencies.

Miranda reported it is a level of trust. She stated she gets enough requests from staff for approvals where the timing would save money, so it just makes sense. Brown stated this is not to say the Commission will not be informed. He noted the information will still be included in reports. Sylvia noted he suggested this at his second meeting, but he got pushback from the staff at that time. He added it's interesting to see the change. Burke stated stabilization of Port staff has been key over the past years.

Retherford noted trust is important. She asked if there is any reason the Commission couldn't change it back if staff changed. She stated it is a big jump from \$10,000 to \$50,000. Sylvia confirmed with staff that Brown would be watching the spending closely. Miranda noted even on emergency items, Brown looks at how that impacts the budget. Lackey stated this seemed like a big number and he hopes Miranda will stay a long time. He confirmed with staff this can reset if the Port gets another manager. He noted the importance of communication for transparency. He

stated the Commission has responsibility for oversight, and staff have made that job of oversight easy because recommendations are very well thought out. He added he does not want to lose any of that background in reports. Chuck stated he winced at the number too. He clarified with staff this authority includes budgeted projects under \$50,000. Retherford agreed with Lackey on the background information. Miranda added next month she will bring the report on projects the Port has done, and what had to be postponed.

Burke suggested amending the motion to include for items have been budgeted or for emergencies.

MOTION was made by Chuck, seconded by Lackey, to give the General Manager a spending or procurement limit of \$50,000 prior to requesting authorization from the Commission for items that have been budgeted or for an emergency. The motion carried unanimously in a voice vote.

NEW BUSINESS

Approval of Contract with Astound. Burke introduced the agenda item. Brown reported the Port has a contract with Astound. He explained they have to move fiberoptics to the new building so staff have internet. He stated the other part of the project is wrapping up the Wi-Fi at South Beach. He noted the Port will need more bandwidth. He indicated Hyak wants to go to 1 Gig, but the Port will only go up a half of a Gig. He added the contract increases costs per month, but considering what the Port gets from it, it's not that much.

Chuck asked why he didn't go for 1 Gig. Brown replied the cost would have been substantial. He added another half Gig is basic.

MOTION was made by Lackey, seconded by Sylvia, to authorize the General Manager or designee enter into an agreement with Astound Fiber optics for \$1,775 per month for 36 months, with automatic renewals. The motion carried unanimously in a voice vote.

Hoist Dock Water Leak Repairs. Burke introduced the agenda item. Bretz reported staff were mostly concerned about it causing damage under the hoist dock. He noted there was the potential to develop a sink hole, and that is a very bad place for one. He explained the Port needed to get it opened up, the leak fixed, and filled back in, and that's done. He noted it's in the same spot that was opened five to six years ago. He indicated he is waiting on asphalt to finish the repair. He added the cost came in at \$10,600.

Retherford asked why it failed five to six years ago. Bretz replied the Port started to lose material underneath the dock, so they opened it up and put in a steel plate in. He added the waterline will be put on the project list since that entire line needs to be replaced. He explained it is all galvanized pipe, and the pipe failed just because corrosion. Burke asked if it was scoped before replumbing. Bretz replied it was too small a section to scope the pipe, so staff decided to leave it a little longer.

Chuck asked if staff looked at the steel plate fix. He noted it was supposed to last ten years. Bretz replied that is holding up OK, but staff did find remnants of a French drain. He stated eventually that will undermine the area. He explained the whole hoist dock needs to be rebuilt at some point. Retherford asked if that is part of the Port Dock 7 rebuild. Bretz replied it's an alternate in the plans.

MOTION was made by Sylvia, seconded by Lackey, to authorize the General Manager to make the payment for services rendered by Port's Construction in an amount not to exceed \$16,280. The motion carried unanimously in a voice vote.

Port Dock 5A Repair Floats Purchase. Burke introduced the agenda item. Bretz reported this is all pending adequate reimbursement from insurance. He stated he does not anticipate a problem with that. He explained the purchase will replace the last 80 to 90 feet of dock on 5A. He noted it's such an old dock, no one wants to replace it. He indicated these are modular floats that would not serve as a long-term replacement. He added they have a lot of utility and can be built to the same size as 5A. He stated someday when the Port replaces 5A, staff can move these somewhere else. He noted this is sole source because of the design, and they won't arrive until April.

Chuck asked if the Port could get an extension for the in-water work window. Bretz replied he talked to Army Corps, and they seem receptive. He added if not, then staff will have to push it to the next in-water work window.

MOTION was made by Lackey, seconded by Retherford, to authorize the General Manager or designee to purchase 180 feet of new 6-foot floats from Scottco Distributors not to exceed \$47,000, which includes a 10 percent contingency and shipping. The motion carried unanimously in a voice vote.

International Terminal Pavement. Burke introduced the agenda item. Bretz reported this is a small job staff are looking to get done. He explained after staff put a pad out there for gear last year, the heavy traffic driving across the gravel to the pad is wearing a path more and more. He stated they are not doing the whole thing because in the world of stormwater, the concern is what goes into the watershed. He indicated with an impervious surface, staff don't have to worry about that as much. He added staff would rather leave surface as it is now and just pave the access path.

Rutherford asked what changed. Bretz replied extra traffic is going in because the gear wasn't there before. Sylvia confirmed with staff this is an example of an item that wouldn't come to Commission because of the procurement authority increase.

MOTION was made by Sylvia, seconded by Retherford, to authorize the General Manager or designee to contract with Road and Driveway to pave 1,500 square feet adjacent to the terminal buildings in an amount not to exceed \$12,000, which includes an 8 percent contingency. The motion carried unanimously in a voice vote.

STAFF REPORTS

General Manager. Miranda reported the RV Park did the lottery and decided to stay status quo this year. She stated the process went smoothly, but not everyone gets spot they want. She noted the Administration Building will not be finished in December because of the electrical parts. She indicated it will be ready the second week of January, and she hopes to have everything in place for the January meeting. She added the project is on budget, and there have been some savings since the Commission increased the funding.

Miranda reported the plan for Port Dock 7 is moving along. She stated the contract is being finalized, and they should start reaching out to the public in December. She noted some repairs have started on Port Dock 5C. She indicated staff are working hard to install sea lion deterrents. She explained the deterrent is made out of resin and works but breaks a little. She added staff are

looking into getting something a little sturdier to use throughout the docks. Discussion ensued on sea lion dangers.

Miranda reported the Bayfront parking district meetings are going on, and Bretz has been attending. She stated most likely the city will be charging a steep fee for folks to park. She noted that means the Commission needs to think about parking at the Port. She explained the Port will be a little lower than the city but needs to tighten requirements. She indicated staff have been talking to the Commercial Fishing Users Group, suggesting a letter for identification.

Bretz reported the main two things the city discusses are the fee structure and potential changes to parking time limits. He noted there may be changes to Port Dock 5 parking. He stated the parking committee does not want week-long parking there. He noted there is a lot of parking behind the new building that provides a 500-yard walk to Port Dock 5. He added there is a loading zone at Port Dock 5 to drop off people and equipment.

Retherford stated there will be two parking permits, one for the city if fishermen park by Port Dock 5 and one for the Port if they want to be on Port property. Bretz stated what it's going to do is focus people's attention on the parking even more. He stated there will be complaints on anyone who uses the lots who isn't supposed to. He indicated when the rates change, more people will fraudulently want a fisherman's pass. He added the Port will need to step up enforcement and what it takes to get a pass.

Miranda reported some parking lots are not within Port property, and the Port leases them. She noted the Port may not be able to keep them, especially the one owned by the Maritime Museum. She added there will be a separation between parking and storage at Port Dock 7. Retherford stated it might not be a bad idea to offer boat owners the ability to buy so many passes, so it's up to them to make sure their crew has it. Bretz replied the city was interested in giving passes to the Port to give to fishermen, but it's better to deal with them directly.

Sylvia asked what the city fee is. Bretz replied he doesn't know yet, but it is looking like \$150 a year. Miranda noted that's quite a difference with the Port, and the Port will need to bump up its fee. Retherford stated the Port can't keep the mentality that it needs to offer the lowest price if it wants to maintain areas. Chuck asked if the city would do enforcement on Port parking. Miranda replied the Port security can go more often if prices increase. Bretz replied the city will not have the officers to give that kind of coverage.

Bretz reported during the budget, he will talk about this more. He stated there are several invisible but highly important things the Port pays for, cleaning, garbage removal, and security. He noted the problem with all of them is they are expensive and don't generate a lot of revenue. He recommended paying for 24-7 security coverage. Retherford stated fencing the long-term parking is a must for security, otherwise the vehicles will be vandalized. Miranda noted that was discussed that during the fishermen's group meeting. She stated staff are looking into the possibility of fencing some areas, and the fishermen were in favor.

Miranda reported the RORO Dock inspection has been mostly completed. She stated staff will share the reports next month. She noted there is some stuff that will need to be addressed. Bretz stated the reports are less bad than expected. He noted the pilings from the splash zone to the ground are in good shape, and the challenge is from the splash zone up.

Miranda reported the Port did not receive the MARAD grant for the equipment or grading nine acres at the Terminal. She stated the only port in Oregon that received that grant was Port of Portland. She noted it is common for the first-time application to be declined. She indicated the nine acres grading was in the budget, so staff are going to proceed with grading and keep trying

the grant for the equipment. She added she is still talking to firms who have interest in the Terminal, and not all of them need that equipment.

Miranda reported the commercial net recycling is provided as a service for the Terminal. She stated instead of just throwing net away, the Port is trying to create a way to recycle. She noted the Port wants to be good stewards of the environment. She added this always has some cost to it, but, overall, it is a good thing for the community. Chuck confirmed with staff NOAA's net recycling program went away.

Sylvia asked how much footage of net is discarded. Bretz replied in terms of forklift hours, it's going to be about a dozen forklift hours a month to move. He noted staff would have to move those nets anyway, and that gets billed to customer. He added the Port is not dealing with a huge amount of net.

Sylvia asked what the recycler firm will do with the nets. He noted there are programs for making other goods out of nets. Bretz replied he will find out what the final products are and put that in his next report.

Miranda reported she has been working with Business Oregon, who is interested in emerging businesses. She noted she applied for a grant for another forklift. She explained an emerging business is squid, and she opted to apply for a forklift. She indicated she should know in December if the Port got the grant. She added staff are still trying to get dredging for NIT and NOAA this year.

Miranda reported Brown is still working on the financial reports and will submit more details on each site at the next meeting. Brown noted the finances are done through August, and the bottom line is correct. He added the specific details need to be transposed.

COMMISSIONER REPORTS

Sylvia stated there will be an emerging industries market analysis in Oregon, and the blue economy is one of those. He explained there is a group working on a report that will go to the Legislature with five or six actionable items. Miranda stated Ports want something tangible to let the Legislature know where to put money. She added she hopes the report translates into funding at the end of the day.

Sylvia stated Renewable Northwest is going to do an economic impact study on offshore wind energy to the Pacific Northwest and put together a technical advisory committee, which is more of a stakeholder group. He noted a few economists are on that group. He indicated it will be interesting to see how that plays out. He added they are looking at a 30-year simulation, including what would be lost. He stated they are doing one at the national level too. He noted he and Heather Mann are on the advisory group. He indicated fishing is well represented, but so is wind energy. He added the group doing the study is a lobbying group and pro-wind and renewable energy, but they want to do this in a professional way with good input from stakeholders.

Burke reported he and Retherford attended the fishermen group meeting. Lackey stated he didn't attend but watched the video. He stated he believes that group serves everyone well. He noted the Port can learn from fishermen, and fishermen can learn from the Port. He suggested they meet at least twice a year. He commended the Port in facilitating that communication.

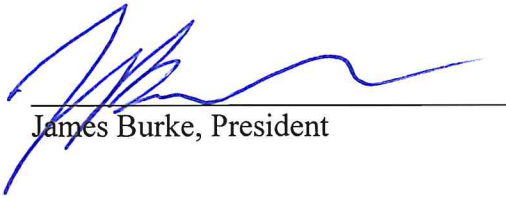
Miranda stated any time staff get a couple items that are important to share, they reach out to Heather Mann. She noted it works out well, and this year there have been three meetings. Burke stated it's a great proactive approach. Lackey clarified with staff the notification process.

PUBLIC COMMENT

Zellman stated the Port should keep looking forward. He noted Central Lincoln PUD is pretty set in their ways. He suggested incorporating EV charging stations as the Port builds infrastructure. He added there will be electric boats and cars someday. Miranda noted staff have talked about putting a station in front of the new building.

ADJOURNMENT

Having no further business, the meeting adjourned at 7:13 p.m.



James Burke, President



Walter Chuck, Secretary/Treasurer