

20 April 2018

Last month the Port of Newport prepared and released a DRAFT version of the annual resolution setting rates, fees and charges for the Port's Fiscal Year 2018-2019 beginning 1 July 2018. The document contains proposed new rates for each of the Port's service locations as part of its annual budgetary process. Based on feedback from the public, the Port determined that some of the initial recommendations on rate increases placed too much burden on users of the Port. In particular, the proposed rates for moorage and parking permits for commercial fishermen have since been significantly reduced.

It is generally recognized by Port Commissioners, Port staff, commercial fishermen, and other local citizens that increases in rates are necessary. Putting out another bond, which would increase property taxes, is not an option. Port staff have recently updated a list of approximately \$27.7 million in identified capital improvement projects. The Port's infrastructure is in serious need of both repair and maintenance. With \$42 million in deferred maintenance, the Port is faced with the reality of closing this maintenance gap for the benefit of the Port users. The following three photos of the support structure of Port Dock 5 were taken earlier this week at a low tide.



Figure 1. The top of a piling supporting the Port Dock 5 pier that has pulled away from its placement.



Figure 1: The Port's Director of Operations, Aaron Bretz places his hand inside a hole in a piling supporting the Port Dock 5 pier structure.



Figure 3. A piling on the Port Dock 5 pier with gaping holes above the mudline

The proposed rates for the Commercial Fishermen's parking permits are provided below. In addition to the

Annual \$120	(\$10/month)
Semi-Annual \$90	(\$15/month)
Quarterly \$60	(\$20/month)

previously available "Annual" permit, Port staff have recommended adding a new "Semi-Annual" permit and a new "Quarterly" permit for Commercial Fishermen who don't need to park near the Commercial Marina docks year-round.

The following table shows the Port's current and proposed commercial moorage rates, as well as the current published/calculated commercial moorage rates at three other regional commercial ports.

Competing Moorage Expense							
Published/Calculated 2018 Rates							
20 April 2018							
Port		2018 Rates (\$ per linear foot)			Cost (for 51' commercial vessel)		
		Daily	Monthly	Annual	Daily	Monthly	Annual
Ilwaco, WA		\$0.657	\$9.850	\$30.300	\$33.50	\$502.35	\$1,545.30
	% of Daily Rate	n/a	50.0%	12.6%			
	% Discount	n/a	50.0%	87.4%			
Astoria		\$0.784	\$11.000	\$37.000	\$40.00	\$330.00	\$1,887.00
	% of Daily Rate	n/a	46.8%	12.9%			
	% Discount	n/a	53.3%	87.1%			
Newport		\$0.500	\$9.000	\$44.000	\$25.50	\$459.00	\$2,244.00
	% of Daily Rate	n/a	60.0%	24.1%			
	% Discount	n/a	40.0%	75.9%			
Coos Bay		\$0.500	\$7.650	\$59.400	\$25.50	\$390.15	\$3,029.40
	% of Daily Rate	n/a	51.0%	32.5%			
	% Discount	n/a	49.0%	67.5%			
Average	% of Daily Rate	\$0.610	\$9.375	\$42.675	\$31.13	\$420.38	\$2,176.43
Average	% Discount	n/a	48.07%	79.44%			
Newport (Proposed Rates FY2018-2019)		\$0.80	\$12.00	\$52.00	\$40.80	\$612.00	\$2,652.00

At the next regular monthly Port Commission meeting the Commissioners will also be considering a resolution which would require that any additional revenue earned and received in FY2018-2019 which is beyond one-hundred-twenty percent (120.0%) of the revenue earned and recorded for FY2017-2018 shall be transferred out of the Port's General Operating Fund into the existing Facilities Maintenance Reserve Fund to be used only for facilities maintenance rather than for administration, operating, or other expenses.

The purpose for releasing rate recommendations is to get feedback from the public and make necessary adjustments to plans for the coming year. This is an iterative process involving the Port Commissioners, the appointed Budget Committee members, the Port staff, and the Port's customers. As the budgetary process continues, The Port will continue its outreach and work at developing a fair rate schedule that addresses some of the most immediate repair and maintenance needs. The most recent version of the rates resolution is available for review on the Port's website at the following URL:

<http://www.portofnewport.com/meetings.php>