

PORT OF NEWPORT REGULAR MONTHLY COMMISSION MEETING AGENDA

Tuesday, July 23, 2019, 6:00 p.m.
South Beach Activities Room
2120 SE Marine Science Drive, Newport, OR 97365

If you want to comment on a particular agenda item during the meeting, please complete a comment form and submit before the meeting is called to order.

	Page
I. Call to Order	
II. Changes to the Agenda	
III. Public Comment (3 minute limit per person)	
IV. Election of Commission Officers.....	3
A. Update Organizations’ Liaisons	5
V. Consent Calendar	
A. Minutes	
1. Regular Commission Meeting June 24, 2019	7
B. Resolutions	
1. Resolution 2019-10 Naming a Registered Agent	13
C. Financial Reports	15
D. 10 Speed Queen Washers Purchase (\$16,240)	31
E. House of Spirits Painting Contract (\$14,375).....	33
F. S&P Financial Services – NOAA Lease Revenue Bonds Annual Surveillance Fee (\$10,000)	35
G. 2019-20 Workers’ Compensation Insurance Renewal (\$36,780.50).....	37
VI. Old Business	
A. Items Removed from Consent Calendar	
B. Accounts Paid	See Addendum
C. Approval of Strategic Business Plan update.....	39
VII. New Business	
A. Water Easement to the City of Newport, HMSC Building.....	93
VIII. Staff Reports	
A. Accounting Supervisor.....	See Addendum
1. Preliminary Profit & Loss Report for FY 2018-19 Actual Revenues & Expenses to Budget	See Addendum
2. Preliminary Report Comparing Actual Revenues & Expenses of FY 2018-19 to FY 2017-18	See Addendum
B. Director of Operations	99
1. June Occupancy Report	105
2. Fish Cleaner License Discussion	107
C. General Manager.....	109
IX. Commissioner Reports/Comments	
X. Calendar/Future Considerations	2019
Fridays Shop at the Dock, Oregon Sea Grant	Aug 2 – 30
C.A.S.T for Kids Yaquina Bay	July 27
Oregon Coastal Caucus Economic Summit.....	Aug 21 – 22
Regular Commission Meeting	Aug 27

Labor Day, Port Office ClosedSep 2

- XI. Public Comment (3 minutes limit per person)
- XII. Adjournment

Regular Monthly Meetings are scheduled for the fourth Tuesday of every month at 6:00 pm.

The Port of Newport South Beach Marina and RV Park Activity Room is accessible to people with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours in advance of the meeting to Port of Newport Administration Office at 541-265-7758.

Link for directions to the RV Park Activity Room:
<https://www.portofnewport.com/recreational-marina-rv-parks-maps>

-###-

Excerpt from *By-laws for the Port of Newport Board of Commissioners (Ord. 100, adopt. May 22, 2014)*

PART III. DUTIES OF COMMISSION OFFICERS

Section 14. Duties of the President.

- A. The President of the Commission shall preside at meetings of the Board of Commissioners.
- B. Shall consult with the Clerk of the Commission regarding the preparation of each Commission meeting agenda.
- C. Shall have the same right as other members of the Commission to discuss and to vote on questions before the Commission.
- D. May call Special Meetings of the Commission as described here forth.
- E. Serve as Commission's media contact.
- F. Shall sign official Port documents on behalf of the Commission when authorized to do so by a majority of the Commission.
- G. Shall submit an annual report to the Commission. (ORS 777.140(2))

Section 15. Duties of the Vice President.

- A. The Vice President of the Commission shall, in the President's absence, or during any disability of the President, have the powers and duties of the President of the Commission as prescribed in this Part.
- B. Shall submit an annual report to the Commission. (ORS 777.140(2))
- C. Shall have such other powers and duties as a majority of the Commission may from time to time determine.

Section 16. Duties of the Secretary/Treasurer.

- A. The Secretary/Treasurer shall attest the signature of the President on all officially approved documents.
- B. Ensure that minutes, documents and records created through public meetings are properly recorded and codified. These responsibilities shall be delegated to staff.
- C. Ensure that the Commission maintains accounting and financial statements. These responsibilities shall be delegated to staff.
- D. Shall meet annually with the Port's auditor.
- E. Shall submit an annual report to the Commission. (ORS 777.140(2))

Section 17. Duties of Commissioners Generally.

- A. All Commissioners are eligible to sign checks upon approval. Public officials, however, are prohibited from signing checks paid to themselves, their relatives or businesses with which the official or their relatives are associated.
- B. Shall have such other powers and duties as a majority of the Commission may from time to time determine.
- C. If any office becomes vacant, the vacancy will be filled at the next regular meeting of the Commission following the process set forth in the Election of Commission Officers.

Excerpt from *By-laws for the Port of Newport Board of Commissioners (Ord. 100, adopt. May 22, 2014)*

Section 19. Election of Officers. At the first regular meeting of July, the Commission shall elect a President, Vice President and Secretary-Treasurer. Unless otherwise determined by the Port Commission, the Clerk of the Commission shall be the General Manager.

A. The order of nominations shall be President, Vice President and Secretary/Treasurer.

B. Process:

1. Four of five Commissioners must be in attendance before an officer may be elected.
2. A Commissioner may be elected as an officer upon receiving a nomination, a second and a vote of the majority in attendance. A Commissioner may not nominate or second their nomination, but may vote on the nomination.
3. If the nominated Commissioner does not receive a majority, the sitting Commission President shall continue asking for nominations until the office is filled. If an office is unable to be filled, the sitting office holder shall remain in the position (the office may become vacant if the most recent office holder is not available) until the next scheduled meeting. The business item will then be placed on the next agenda.
4. An alternative process is to elect a plank of officers. Commissioners not on the proposed plank shall nominate and second their nomination. All commissioners are eligible to vote for the plank.
5. In case of emergency, other processes may be used to appoint officers.

C. The one-year term of office is from July 1 until June 30 of the following year.

Port of Newport		600 S. E. BAY BOULEVARD, NEWPORT, OREGON 97365 PHONE (541) 265-7758 FAX (541) 265-4235 www.portofnewport.com		
<u>MEMBERSHIP LIAISONS – CONTACT LIST</u>				
	<i>Organization</i>	<i>Fee</i>	<i>Liaison(s)</i>	<i>Contact Information</i>
1	AMERICAN ALBACORE FISHING ASSOCIATION	\$200.00	Aaron Bretz	Americanalbacore.com, 619-941-2307, 4364 Bonita Rd Box 311, Bonita CA 91902
2	ASSOCIATION OF PACIFIC PORTS (APP)	\$1,375.00	Aaron Bretz	Brian Wright, Deputy Director, Association of Pacific Ports, brian@pacificports.org, app@pacificports.org, www.pacificports.org, 503-653-5868, PO Box 903, Clackamas OR 97015-0903
3	CASCADES WEST AREA COMMISSION ON TRANSPORTATION ¹	\$0.00	Sara Skamser; Jeff Lackey (alt); alternate may be Staff	Phil Warnock, Transportation Program Manager, pwarnock@ocwcog.org (541) 924-8474 1400 Queen Ave. SE, Suite 205 Albany, OR 97322
4	CASCADES WEST COUNCIL OF GOVERNMENTS ¹	\$3,464.66	must be elected: Stewart Lamerdin; Walter Chuck (alt)	Charlie Mitchell, Community & Economic Development Director, cmitchell@ocwcog.org, www.ocwcog.org, (541) 924-84581400 Queen Ave. SE, Suite 205 Albany, OR 97322
5	CASCADES WEST ECONOMIC DEVELOPMENT DISTRICT ¹	\$0.00	Aaron Bretz	Phil Warnock, Transportation Program Manager, pwarnock@ocwcog.org (541) 924-8474, 1400 Queen Ave. SE, Suite 205 Albany, OR 97322
6	COMMERCIAL FISHING USERS GROUP COMMITTEE	\$0.00	Sara Skamser; Jim Burke (alt.)	Heather Mann, Chair, 541-272-4544, heathermunromann@gmail.com
7	DAS OPS ORCPP, Procurement Services	\$500.00	Aaron Bretz; Mark Harris (alt.)	Phone: 503-378-4642, egs.pscustomer@oregon.gov.state, 1225 Ferry St SE, Salem, OR 97301
8	ECONOMIC DEVELOPMENT ALLIANCE OF LINCOLN COUNTY (EDALC) ¹	\$100.00	Teri Dresler; Aaron Bretz (alt.)	Caroline Bauman, Executive Director, ecdev@orcoast.com, http://www.coastbusiness.info/, 541-961-3837, 541-265-4544, (M) 541-961-3837
9	GREATER NEWPORT CHAMBER OF COMMERCE (NCOC) ¹	\$305.00	Teri Dresler	Patti Ferry, Interim Director, Greater Newport Chamber of Commerce, patti@newportchamber.com, 541-265-8801
10	MIDCOAST WATERSHEDS COUNCIL	\$245.00	Jim Burke	23 Oregon Coast Hwy, Newport, OR 97365 Phone: (541) 265-9195, http://www.midcoastwatersheds.org/
11	NEWPORT CITY COUNCIL	\$0.00	Stewart Lamerdin; Sara Skamser (alt.)	169 SW Coast Hwy, Newport, OR, 97365, Spencer Nebel, City Manager, 541-574-0601, s.nebel@newportoregon.gov, Peggy Hawker, City Recorder, 541-574-0613, p.hawker@newportoregon.gov., http://www.newportoregon.gov/citygov/mayorcouncil.asp

¹ paid/mandated membership

⁴ paid professional organization

² must be elected Commissioner

⁵ paid via SDAO membership

	Organization	Fee	Liaison(s)	Contact Information
12	OCEAN POLICY ADVISORY COUNCIL (OPAC)	\$0.00	Walter Chuck	Andy Lanier, andy.lanier@state.or.us, 503-934-0072, 635 Capitol St. NE, Suite 150 Salem 97301-2540, https://www.oregon.gov/LCD/OCMP/Pages/OPAC.aspx
13	OREGON COASTAL ZONE MANAGEMENT ASSOCIATION (OCZMA) ^{1 & 2}	\$800.00	Walter Chuck; Aaron Bretz (alt.) alternate may be Staff	Onno Husing, ohusing@co.lincoln.or.us, (541) 265-4779 OCZMA P.O. Box 1033; 313 SW 2nd, Suite C, Newport, Oregon 97365, www.oczma.org/ Oregon Coastal Zone Management Association (OCZMA) 1201 Court Street NE, Suite 300 Salem, OR 97301 503.265.8918 info@oczma.org Telephone: 541-265-8918; 541-265-6651 Fax: 541-265-5241
14	OREGON ECONOMIC DEVELOPMENT ASSOCIATION (OEDA)	\$250.00	Teri Dresler	Avery Pickard, Executive Director, director@oeda.biz , www.oeda.biz , 867 Liberty Street NE, Salem, OR 97301, info@oeda.biz , 503-597-0094
15	OREGON PUBLIC PORTS ASSOCIATION (OPPA) ^{1 & 5}	\$0.00	Teri Dresler; Aaron Bretz (alt.)	Mark Landauer, Executive Director, mlandauer@sdao.com , mark@oregonports.com , (800) 285-5461, (M) (503) 896-2338, www.oregonports.com
16	PACIFIC COAST CONGRESS OF HARBORMASTERS AND PORT MANAGERS (PCCHPM) ⁴	\$285.00	Kent Gibson	Cheryl and Cliff Maynard, info@pccharbormasters.org , 800-236-0748, Cliff mailto:clmaynard2@msn.com , (M) (360) 239-7580, Cheryl 360.239.3805, 120 State Avenue PMB 231 Olympia, WA 98501, http://pccharbormasters.org/http://pccharbormasters.org/
17	PACIFIC NORTHWEST WATERWAYS ASSOCIATION (PNWA) ¹	\$7,610.00	Teri Dresler; Aaron Bretz (alt.)	Heather Stebbings, heather.stebbing@pnwa.net , (W) (503) 234-8553 (M) (503) 307-3776, www.pnwa.net
18	SPECIAL DISTRICTS ASSOCIATION OF OREGON (SDAO) ¹	\$10,791.52	Teri Dresler	Bill Anderson, Senior Consultant, anderswl@centurytel.net , (M) (503) 349-6406; Mark Landauer, Government Affairs Department, mlandauer@sdao.com , mark@oregonports.com , (800) 285-5461, (M) (503) 896-2338, memberservices@sdao.com
19	WESTERN FISHBOAT OWNERS ASSOCIATION	\$100.00	Aaron Bretz	Wayne Heikkila, wfoa@charter.net , Pacificalbacore.com , 530-229-1097, PO Box 992723, Redding, CA 96099; 3779 Sunglow Dr, Redding CA 96001.
20	YAQUINA BAY ECONOMIC FOUNDATION (YBEF) ¹	\$300.00	Teri Dresler; Aaron Bretz (alt.)	Kaety Jacobson, Oregon Sea Grant Extension Office, 541-574-6534 Ext 57457, kaety.jacobson@oregonstate.edu

¹ paid/mandated membership² must be elected Commissioner⁴ paid professional organization⁵ paid via SDAO membership

PORT OF NEWPORT MINUTES

June 24, 2019

Budget Hearing & Regular Commission Meeting

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

Agenda Item

Audio Time

Fiscal Year 2019-20 Budget Hearing (ORS 294.430)

I. CALL TO ORDER

0:00

Commission President Stewart Lamerdin called the Budget Hearing of the Port of Newport Board of Commissioners to order at 6:00 pm at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, Oregon.

Commissioners Present: Walter Chuck (Pos. #1), Secretary/Treasurer; Sara Skamser (Pos. #2), Vice President; Stewart Lamerdin (Pos. #3), President; Jeff Lackey (Pos. #4); and Jim Burke (Pos. #5).

Management and Staff: Paula J. Miranda, General Manager; Aaron Bretz, Director of Operations; Mark Harris, Accounting Supervisor; and Karen Hewitt, Administrative Supervisor.

Members of the Public and Media: Jim Cline, Rogue; Doug Cooper, Hampton Lumber; Jim Shaw, South Beach resident; Angela Nebel, Summit Communications.

II. PUBLIC COMMENT

0:29

There was no public comment at this time.

III. RESOLUTION 2019-09 ADOPTING THE 2019-2020 FISCAL YEAR BUDGET, MAKING APPROPRIATIONS, AND LEVYING AND CATEGORIZING THE TAX. (2019-09)

0:41

A motion was made by Chuck and seconded by Lackey to adopt Resolution 2019-09 Adopting the 2019-2020 Fiscal Year Budget, Making Appropriations, and Levying and Categorizing the Tax. The motion passed 5 – 0.

IV. ADJOURNMENT

1:50

Having no further business, the Budget Hearing adjourned at 6:03 pm.

Regular Monthly Commission Meeting

I. CALL TO ORDER

2:12

Commission President Stewart Lamerdin called the Regular Commission Meeting of the Port of Newport Board of Commissioners to order at 6:03 pm at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, Oregon.

Commissioners Present: Walter Chuck (Pos. #1), Secretary/Treasurer; Sara Skamser (Pos. #2), Vice President; Stewart Lamerdin (Pos. #3), President; Jeff Lackey (Pos. #4); and Jim Burke (Pos. #5).

Management and Staff: Paula J. Miranda, General Manager; Aaron Bretz, Director of Operations; Mark Harris, Accounting Supervisor; and Karen Hewitt, Administrative Supervisor.

Members of the Public and Media: Jim Cline, Rogue; Doug Cooper, Hampton Lumber; Jim Shaw, South Beach resident; Angela Nebel, Summit Communications.

II. CHANGES TO THE AGENDA 2:23

There were no changes to the Agenda.

III. PUBLIC COMMENT 2:30

There was no public comment at this time.

IV. CONSENT CALENDAR 2:40

- A. Minutes
 - 1. Regular Commission MeetingMay 28, 2019
- B. Financial Reports
- C. PNWA Membership Renewal (\$8,010.00)

Lackey requested that next month’s profit & loss statements for the end of the fiscal year, for example page 15 of the meeting packet, compare actuals for this fiscal year to the previous fiscal year. Miranda said she had spoken with Harris about that request.

A motion was made by Lackey and seconded by Burke to approve the Consent Calendar as written. The motion passed 5 – 0.

V. CORRESPONDENCE/PRESENTATIONS 4:43

- A. Certification of Election Results

Miranda referred to the materials provided in the Meeting packet. She reviewed the results and the certification sent the Lincoln County Clerk. There was some discussion about when to complete the swearing in of Commissioners, and it was decided to move this from Item IX to now.

Jim Burke, Walter Chuck, and Stewart Lamerdin each took the oath of office:

I, [NAME], do solemnly swear that I will honestly and faithfully discharge the duties of the Office to which I have been elected, and that I will support the Laws and Constitution of the State of Oregon, and of the United States of America to the best of my ability.

VI. OLD BUSINESS 10:45

- A. Items Removed from Consent Calendar

There were no items removed from the Consent Calendar.

B. Accounts Paid

10:55

Skamser asked about the shipping container for Safe Haven Hill from Coast Equipment LLC on page 53. Bretz said the city had asked for the contribution of the container, and Miranda said it made sense for the Port to contribute since Port staff and tenants would make a good part of an evacuation.

A motion was made by Chuck and seconded by Skamser to approve the Accounts Paid. The motion passed 5 – 0.

- C. Summit Communications LLC
- 1. Communication Strategy
- 2. Summit Communications LLC Contract

13:08

Miranda introduced the staff report and the Strategy and Contract submitted by Angela Nebel, Summit Communications LLC, included in the Meeting Packet. She commented that the current contract was at an end. Miranda reviewed the plan and scope of work. She referred to the two options presented: Option 1, which was more comprehensive, and Option 2, a narrower approach. Miranda suggested the need for continued work on outreach and getting the Port message out there, especially considering the Port’s recent history. She recommended Option 1, and suggested this could be reviewed again for next year. Lackey said he fully supported contracting with Summit, but had some hesitation on direct mailing because of the cost. Miranda said she understood that concern, but suggested direct mail may be the only way to reach certain people and encourage them to engage electronically. Nebel added this would be a valuable part of a multi-layer approach, and was included in part because of responses she had received from the public. Burke said he fully supported Miranda’s recommendation for Option 2 for year one, and then could reevaluate. Chuck suggested taking Option 2, and selecting some specific additional options, including looking at the Port & Starboard that used to be issued by the Port. He also expressed concerns about cost and the carbon footprint of printed communication, and suggested perhaps one newsletter. Skamser commented that a lot of people like to have a paper newsletter to see and hold, and billing inserts and other material directed to specific groups would be valuable. Lamerdin commented that all communication should flow through the General Manager, and nothing should go out without approval. Miranda said all information would go through staff first to both verify accuracy and whether an item was a desired message before any publication or distribution. Skamser commented that monthly press releases would be valuable and there would be plenty of content generated by the Port. Miranda added that staff updates the website and Facebook, but may miss opportunities that Nebel would be good at recognizing. There was additional conversation on specific communication options. Miranda added that the Port has budgeted \$30K for a communications consultant and an additional \$20,200 for marketing and promotion for FY 2019-20. She said this effort goes a long way in informing the community, stakeholders and elected officials. Commissioners commented that the budgeted funds would still need to be spent critically with General Manager and Director of Finance review, and perhaps some of the outreach could be handled in the future by staff directly – in general, the Commission was supportive of the importance of communication, and appreciated the work that had been done by Summit to date. Miranda suggested moving forward with Option 1 which would give room to make those choices.

A motion was made by Burke and seconded by Skamser to contract with Summit Public Relations Strategies, LLC, and move forward with Option #1, not to exceed \$28,100.

Stewart asked that Burke amend his motion to clarify this was for a 12 month period. Burke and Skamser accepted the amendment.

An amended motion was made by Burke and seconded by Skamser to contract with Summit Public Relations Strategies, LLC, and move forward with Option #1, not to exceed \$28,100, for a period of twelve months. The motion passed 5 – 0.

VII. STAFF REPORTS

A. Accounting Supervisor..... 32:35

Harris referred to the staff report included in the Meeting Packet. He commented that Revenue for the current FY was coming in above budget and above last FY, and expenses were within budget. He said the RFP period for audit services was closed, and management will review the submissions and make a recommendation at next month’s Commission Meeting. There was additional discussion about the audit firms that submitted proposals and particular areas of revenue. Harris said he was beginning work on year-end numbers.

B. Director of Operations..... 36:21
1. May Occupancy Report

Bretz introduced the staff report included in the Meeting Packet. He commented that squid was about done for the year, and overall was a good venture with a light draw on the facility. Chuck asked about the dates squid were at the Port; Bretz said he had more details in the office, but in general March and April. Bretz said the committee who would review the EDA Grant Application should be meeting on Wednesday, but he did not expect to hear from them until mid-July. Chuck said it would be important to stay on top of the committee because of the change in personnel; Bretz added that Cascades West was helping out, and they were trying to keep a good working relationship. Lamerdin raised some concerns with the reports of the decommissioning of the R/V Hi’ialakai, moored at NOAA. Bretz said he would speak with Jim Durkee and mentioned some potential concerns; Lamerdin said the Port needs to exercise due diligence in monitoring the situation.

C. General Manager..... 42:05
1. Special Use Permits

Miranda referred to the staff report included in the Meeting Packet. She commented that the letter to NOAA regarding pier usage did include an option to consider the use of the NOAA Pier for visiting vessels if there was no availability at the International Terminal. Miranda said there is ongoing research and discussion regarding the Rondys lease, including the need for an easement to access the Port’s 9-acre property, and the resolution of the electrical shed issue with a possible easement or purchase for the area where it was built. Regarding Community Ice, Miranda said that Rondys was not inclined to change the footprint but would work with Port users when area for stretching nets was needed. Miranda said an offer had been extended for a Director of Finance position to one of the candidate finalists, with a possible start date of July 22nd.

Chuck asked for more details about what comes back to the community from Ardor Adventures events. Miranda said she met with Ed Cortes about getting more details. She added that Cortes also contributed his own work and funds toward the events. Skamser said this could be part of Summit Communications work in showing what is supported by the Port. Lamerdin asked about the easement for Hatfield Marine Science Center; Miranda said this would be a water easement to the City related to the construction at HMSC. Miranda said she was looking into the HMSC lease and what might be mutually beneficial to HMSC and the Port. She added she will bring the easement to next month’s Commission meeting. Lamerdin said the Port should look more closely at how it

manages storage, which would require a bigger discussion. Miranda said that if the Commission felt storage should have limitations, it would be important for the Commission to establish a policy that staff could then follow and enforce.

VIII. COMMISSIONER REPORTS/COMMENTS 56:34

Lamerdin said he attended the City of Newport Vision 2040 Meeting the prior Wednesday, and added this was a good group for the Port to be a part of. Chuck said he attended the past Monday’s Newport City Council Meeting, where parking was discussed. He suggested the Port should stay involved in this issue. Miranda said she would look more closely at the Parking District IGA and follow up on where the money contributed was or will be used. Skamser commented that it was important to the Port’s public relations that Lamerdin and Chuck took the time to represent the Port.

IX. ELECTED COMMISSIONERS OATHS OF OFFICE

This was moved to item V(A).

X. CALENDAR/FUTURE CONSIDERATIONS 59:17

There were no changes to the Calendar/Future Considerations.

XI. PUBLIC COMMENT 59:30

There was no public comment at this time. Miranda said that she followed up with the State on the status of the review of the Port’s Strategic Business Plan; she hopes to get more details from Dave Harlan at the PNWA Conference later this week.

XII. ADJOURNMENT 1:00:34

Having no further business, the meeting adjourned at 7:01 pm.

ATTESTED:

Stewart Lamerdin, President

Walter Chuck, Secretary/Treasurer

**PORT OF NEWPORT
RESOLUTION NO. 2019-10**

A RESOLUTION NAMING A REGISTERED AGENT

WHEREAS, ORS 198.340(1) requires special districts to designate a registered agent upon whom any process, notice or demand required or permitted by law to be served upon the district may be served; and

WHEREAS, ORS 198.340(2) requires a special district to change its registered agent upon filing in the office of the Secretary of State and county clerk a resolution stating: (a) the name of the district; (b) if the address of its registered office is changed, the address to which the registered office is to be changed; (c) if its registered agent is changed, the name of its successor registered agent; (d) that the address of its registered office and the address of the business office of its registered agent, as changed, will be identical; (e) that such change was authorized by resolution duly adopted by the district board; and

WHEREAS, Paula J. Miranda was hired as General Manager for the Port of Newport effective May 6, 2019; NOW THEREFORE,

THE PORT OF NEWPORT BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:

Section 1. The registered agent for the Port of Newport is Paula J. Miranda, General Manager.

Section 2. The registered office for the Port of Newport continues to be located at 600 S.E. Bay Blvd., Newport, Oregon 97365. The registered office is the business office of the Port's registered agent.

Section 3. Regularly scheduled business meetings are held at the Port of Newport Marina and RV Park Activities Room, 2120 SE Marine Science Dr., Newport, OR 97365.

Section 4. All previous resolutions naming a registered agent for the Port of Newport are hereby repealed.

APPROVED AND ADOPTED BY THE BOARD OF COMMISSIONERS this 23rd day of July, 2019.

ATTEST:

, President

, Secretary/Treasurer

Port of Newport - General Operating Fund

Balance Sheet

As of June 30, 2019

	Jun 30, 19	Jun 30, 18	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
11000 · Cash & Equivalents	3,022,488	2,479,292	543,195
Total Checking/Savings	3,022,488	2,479,292	543,195
Accounts Receivable			
11200 · Accounts Receivable	338,817	372,673	(33,856)
Total Accounts Receivable	338,817	372,673	(33,856)
Other Current Assets			
11250 · AR Property Tax	10,335	10,335	0
11255 · Allow for Bad Debt - CM	(20,000)	(20,000)	0
11260 · Allow for Bad Debt - SB	(10,000)	(10,000)	0
11270 · Undeposited Funds	31,070	11,678	19,393
11300 · Prepaid Expenses	127,017	103,810	23,207
11400 · Due from Other Funds	0	25,805	(25,805)
11480 · PERS - NPA(L)	(1,070,645)	(1,070,645)	0
11485 · PERS - Deferred OF	705,254	705,254	0
Total Other Current Assets	(226,970)	(243,764)	16,794
Total Current Assets	3,134,336	2,608,202	526,134
Fixed Assets			
11500 · Capital Assets	77,538,301	77,538,301	0
Total Fixed Assets	77,538,301	77,538,301	0
TOTAL ASSETS	80,672,636	80,146,503	526,134
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
12000 · Accounts Payable	100,871	86,637	14,234
Total Accounts Payable	100,871	86,637	14,234
Other Current Liabilities			
12020 · Lodging/Room Tax Payable	6,174	10,013	(3,839)
12100 · Payroll Liabilities	102,525	116,682	(14,157)
12250 · Deferred Revenue	241,146	225,074	16,072
12300 · Accrued Interest Payable	18,037	18,037	0
12350 · Current Portion-Long Term Debt	528,337	528,337	0
Total Other Current Liabilities	896,219	898,143	(1,924)
Total Current Liabilities	997,090	984,780	12,310
Long Term Liabilities			
12380 · 2013 FF&C Bond Premium	107,808	107,808	0
12400 · Long Term Debt	7,130,463	7,130,463	0
12900 · PERS - Deferred IF	119,917	119,917	0
Total Long Term Liabilities	7,358,187	7,358,187	0
Total Liabilities	8,355,277	8,342,967	12,310

Port of Newport - General Operating Fund
Balance Sheet
As of June 30, 2019

	<u>Jun 30, 19</u>	<u>Jun 30, 18</u>	<u>\$ Change</u>
Equity			
13000 · Fund Balance	64,672,748	67,012,142	(2,339,395)
13050 · FB - Contributed Capital	7,130,788	7,130,788	0
13075 · FB - Prior Period Adj	0	2	(2)
13110 · FB - Capital Asset Additions	0	118,295	(118,295)
13150 · FB - Depreciation	0	(3,234,980)	3,234,980
13200 · FB - Debt Principal	0	466,998	(466,998)
13210 · FB - Loan Proceeds	0	(89,396)	89,396
13275 · FB - Accrued Interest	0	(8,204)	8,204
13300 · FB - Equity Transfers	0	129,680	(129,680)
13400 · FB - Interfund Loans	0	10,515	(10,515)
13600 · FB - Discount/Premium	0	7,338	(7,338)
13720 · FB - PERS-Pension Inc/Exp	0	(109,494)	109,494
Net Income	513,823	369,851	143,972
Total Equity	<u>72,317,359</u>	<u>71,803,536</u>	<u>513,823</u>
TOTAL LIABILITIES & EQUITY	<u>80,672,636</u>	<u>80,146,503</u>	<u>526,134</u>

Port of Newport - General Operating Fund

Profit & Loss Budget vs. Actual

July 2018 through June 2019

	Jul '18 - Jun 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
14000 · Lease Revenues	707,138	687,000	20,138	103%
14100 · Moorage	1,421,631	1,323,310	98,321	107%
14200 · Hoist Dock & Services	874,634	661,370	213,264	132%
14300 · Shipping Terminal Revenues	1,572	0	1,572	100%
14400 · RV Parks	1,083,609	960,000	123,609	113%
14500 · Launch Ramp & Trailer Storage	82,560	112,200	(29,640)	74%
14600 · Miscellaneous Revenue	113,330	132,020	(18,690)	86%
Total Income	4,284,474	3,875,900	408,574	111%
Gross Profit	4,284,474	3,875,900	408,574	111%
Expense				
15000 · Personnel Services	1,400,155	1,530,000	(129,845)	92%
16000 · Materials & Services	1,659,000	1,702,200	(43,200)	97%
17000 · Debt Service	744,143	883,714	(139,571)	84%
Total Expense	3,803,298	4,115,914	(312,616)	92%
Net Ordinary Income	481,176	(240,014)	721,190	(200)%
Other Income/Expense				
Other Income				
18100 · Property Tax Revenue	111,416	102,000	9,416	109%
18200 · Interest Income	35,045	8,000	27,045	438%
18300 · Grants	1,800	88,050	(86,250)	2%
18500 · Capital Contributions	0	34,500	(34,500)	0%
18600 · Gain/(Loss) on Sale of Assets	(8,374)	0	(8,374)	100%
18700 · Property & Dredge Sales	54,679	5,000	49,679	1,094%
Total Other Income	194,566	237,550	(42,984)	82%
Other Expense				
19000 · Capital Outlay	25,099	30,000	(4,901)	84%
19600 · Contingency	0	150,000	(150,000)	0%
19700 · Transfers Out to Other Funds	136,820	274,792	(137,972)	50%
19902 · UEFB	0	1,271,962	(1,271,962)	0%
Total Other Expense	161,919	1,726,754	(1,564,835)	9%
Net Other Income	32,647	(1,489,204)	1,521,851	(2)%
Net Income	513,823	(1,729,218)	2,243,041	(30)%

Port of Newport - General Operating Fund
Profit & Loss Budget vs. Actual - Administration
 July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14600 · Miscellaneous Revenue	25,880	34,800	(8,920)	74%
Total Income	25,880	34,800	(8,920)	74%
Gross Profit	25,880	34,800	(8,920)	74%
Expense				
15000 · Personnel Services	519,786	594,278	(74,492)	87%
16000 · Materials & Services	511,223	518,051	(6,828)	99%
17000 · Debt Service	17,862	121,350	(103,488)	15%
Total Expense	1,048,871	1,233,679	(184,808)	85%
Net Ordinary Income	(1,022,991)	(1,198,879)	175,888	85%
Other Income/Expense				
Other Income				
18100 · Property Tax Revenue	111,416	102,000	9,416	109%
18200 · Interest Income	35,045	8,000	27,045	438%
18500 · Capital Contributions	0	34,500	(34,500)	0%
Total Other Income	146,461	144,500	1,961	101%
Other Expense				
19600 · Contingency	0	150,000	(150,000)	0%
19700 · Transfers Out to Other Funds	136,820	274,792	(137,972)	50%
19902 · UEFB	0	1,271,962	(1,271,962)	0%
Total Other Expense	136,820	1,696,754	(1,559,934)	8%
Net Other Income	9,641	(1,552,254)	1,561,895	(1)%
Net Income	(1,013,350)	(2,751,133)	1,737,783	37%

Port of Newport - General Operating Fund
Profit & Loss Budget vs. Actual - International Terminal
 July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14100 · Moorage	97,296	100,000	(2,704)	97%
14200 · Hoist Dock & Services	409,927	314,600	95,327	130%
14300 · Shipping Terminal Revenues	1,572	0	1,572	100%
14600 · Miscellaneous Revenue	1,851	0	1,851	100%
Total Income	<u>510,646</u>	<u>414,600</u>	<u>96,046</u>	<u>123%</u>
Gross Profit	510,646	414,600	96,046	123%
Expense				
15000 · Personnel Services	81,033	74,623	6,410	109%
16000 · Materials & Services	148,562	143,702	4,860	103%
17000 · Debt Service	471,185	506,581	(35,396)	93%
Total Expense	<u>700,780</u>	<u>724,906</u>	<u>(24,126)</u>	<u>97%</u>
Net Ordinary Income	(190,134)	(310,306)	120,172	61%
Other Income/Expense				
Other Income				
18300 · Grants	0	86,250	(86,250)	0%
18700 · Property & Dredge Sales	50,623	0	50,623	100%
Total Other Income	50,623	86,250	(35,627)	59%
Other Expense				
19000 · Capital Outlay	1,200	0	1,200	100%
Total Other Expense	1,200	0	1,200	100%
Net Other Income	49,423	86,250	(36,827)	57%
Net Income	<u>(140,711)</u>	<u>(224,056)</u>	<u>83,345</u>	<u>63%</u>

Port of Newport - General Operating Fund
Profit & Loss Budget vs. Actual - Commercial Marina
 July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14100 · Moorage	461,461	454,800	6,661	101%
14200 · Hoist Dock & Services	453,144	339,150	113,994	134%
14600 · Miscellaneous Revenue	5,042	3,350	1,692	150%
Total Income	<u>919,647</u>	<u>797,300</u>	<u>122,347</u>	<u>115%</u>
Gross Profit	919,647	797,300	122,347	115%
Expense				
15000 · Personnel Services	302,206	282,245	19,961	107%
16000 · Materials & Services	307,693	326,200	(18,507)	94%
17000 · Debt Service	10,813	11,450	(637)	94%
Total Expense	<u>620,712</u>	<u>619,895</u>	<u>817</u>	<u>100%</u>
Net Ordinary Income	298,935	177,405	121,530	169%
Other Income/Expense				
Other Expense				
19000 · Capital Outlay	12,981	14,000	(1,019)	93%
Total Other Expense	<u>12,981</u>	<u>14,000</u>	<u>(1,019)</u>	<u>93%</u>
Net Other Income	<u>(12,981)</u>	<u>(14,000)</u>	<u>1,019</u>	<u>93%</u>
Net Income	<u>285,954</u>	<u>163,405</u>	<u>122,549</u>	<u>175%</u>

Port of Newport - General Operating Fund
Profit & Loss Budget vs. Actual - South Beach
 July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14100 · Moorage	857,708	768,510	89,198	112%
14200 · Hoist Dock & Services	7,299	7,620	(321)	96%
14400 · RV Parks	1,083,609	960,000	123,609	113%
14500 · Launch Ramp & Trailer Storage	82,560	112,200	(29,640)	74%
14600 · Miscellaneous Revenue	73,804	93,870	(20,066)	79%
Total Income	<u>2,104,979</u>	<u>1,942,200</u>	<u>162,779</u>	<u>108%</u>
Gross Profit	2,104,979	1,942,200	162,779	108%
Expense				
15000 · Personnel Services	423,313	423,826	(513)	100%
16000 · Materials & Services	679,388	714,247	(34,859)	95%
17000 · Debt Service	214,333	214,383	(50)	100%
Total Expense	<u>1,317,034</u>	<u>1,352,456</u>	<u>(35,422)</u>	<u>97%</u>
Net Ordinary Income	787,946	589,744	198,202	134%
Other Income/Expense				
Other Income				
18300 · Grants	1,800	1,800	0	100%
18600 · Gain/(Loss) on Sale of Assets	(8,374)	0	(8,374)	100%
18700 · Property & Dredge Sales	4,056	5,000	(944)	81%
Total Other Income	<u>(2,518)</u>	<u>6,800</u>	<u>(9,318)</u>	<u>(37)%</u>
Other Expense				
19000 · Capital Outlay	10,918	16,000	(5,082)	68%
Total Other Expense	<u>10,918</u>	<u>16,000</u>	<u>(5,082)</u>	<u>68%</u>
Net Other Income	<u>(13,436)</u>	<u>(9,200)</u>	<u>(4,236)</u>	<u>146%</u>
Net Income	<u>774,510</u>	<u>580,544</u>	<u>193,966</u>	<u>133%</u>

Port of Newport - General Operating Fund
Profit & Loss Budget vs. Actual - Leased Properties
 July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14000 · Lease Revenues	707,138	687,000	20,138	103%
14100 · Moorage	5,166	0	5,166	100%
14200 · Hoist Dock & Services	4,265	0	4,265	100%
14600 · Miscellaneous Revenue	6,753	0	6,753	100%
Total Income	<u>723,322</u>	<u>687,000</u>	<u>36,322</u>	<u>105%</u>
Gross Profit	723,322	687,000	36,322	105%
Expense				
16000 · Materials & Services	3,625	0	3,625	100%
17000 · Debt Service	29,950	29,950	0	100%
Total Expense	<u>33,575</u>	<u>29,950</u>	<u>3,625</u>	<u>112%</u>
Net Ordinary Income	<u>689,747</u>	<u>657,050</u>	<u>32,697</u>	<u>105%</u>
Net Income	<u><u>689,747</u></u>	<u><u>657,050</u></u>	<u><u>32,697</u></u>	<u><u>105%</u></u>

Port of Newport - NOAA Fund
Balance Sheet
As of June 30, 2019

	Jun 30, 19	Jun 30, 18	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
51000 · Cash & Equivalents	5,847,213	5,980,612	(133,399)
Total Checking/Savings	5,847,213	5,980,612	(133,399)
Other Current Assets			
51300 · Prepaid Expenses	76,586	62,363	14,223
51480 · PERS - NPA(L)	(37,869)	(37,869)	0
51485 · PERS - Derfered OF	18,144	18,144	0
Total Other Current Assets	56,861	42,638	14,223
Total Current Assets	5,904,074	6,023,250	(119,176)
TOTAL ASSETS	5,904,074	6,023,250	(119,176)
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
52000 · Accounts Payable	6,712	1,042	5,670
Total Accounts Payable	6,712	1,042	5,670
Other Current Liabilities			
52105 · Accrued Payroll	0	712	(712)
52110 · Accrued PTO	8,979	6,337	2,642
52115 · Payroll Taxes & Deducts Payable	0	301	(301)
52200 · Due to Other Funds	0	25,805	(25,805)
52300 · Accrued Interest Payable	447,306	447,306	0
52350 · Current Portion Long-Term Debt	945,000	945,000	0
Total Other Current Liabilities	1,401,285	1,425,461	(24,176)
Total Current Liabilities	1,407,996	1,426,503	(18,507)
Long Term Liabilities			
52400 · Long-Term Debt	18,942,865	18,942,865	0
52800 · Less Current Portion LT Debt	(945,000)	(945,000)	0
52900 · PERS - Deferred IF	6,474	6,474	0
Total Long Term Liabilities	18,004,339	18,004,339	0
Total Liabilities	19,412,335	19,430,842	(18,507)
Equity			
53000 · Fund Balance	(13407592)	(14524516)	1,116,924
53110 · FB - Capital Asset Additions	0	23,600	(23,600)
53200 · FB - Debt Principal	0	910,000	(910,000)
53275 · FB - Accrued Interest	0	15,171	(15,171)
53300 · FB - Equity Transfers	0	(23,600)	23,600
53400 · FB - Interfund Loans	0	(10,035)	10,035
53600 · FB - Discount/Premium	0	(11,581)	11,581
53720 · FB - PERS-Pension Inc/Exp	0	972	(972)
Net Income	(100,669)	212,396	(313,066)
Total Equity	(13508262)	(13407592)	(100,669)
TOTAL LIABILITIES & EQUITY	5,904,074	6,023,250	(119,176)

Port of Newport - NOAA Fund
Profit & Loss Budget vs. Actual
 July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
54000 · Lease Revenue	2,544,811	2,544,000	811	100%
Total Income	2,544,811	2,544,000	811	100%
Expense				
55000 · Personnel Services	77,749	78,306	(557)	99%
56000 · Materials & Services	608,136	750,500	(142,364)	81%
57000 · Debt Service	1,997,271	1,997,271	0	100%
Total Expense	2,683,156	2,826,077	(142,921)	95%
Net Ordinary Income	(138,346)	(282,077)	143,731	49%
Other Income/Expense				
Other Income				
58200 · Interest Income	62,349	12,000	50,349	520%
58800 · Miscellaneous Revenue	5,159	950	4,209	543%
Total Other Income	67,507	12,950	54,557	521%
Other Expense				
59000 · Capital Outlay	29,831	86,000	(56,169)	35%
59600 · Contingency	0	100,000	(100,000)	0%
59900 · Reserved for Future Expenditure	0	150,000	(150,000)	0%
59902 · UEFB	0	5,113,023	(5,113,023)	0%
Total Other Expense	29,831	5,449,023	(5,419,192)	1%
Net Other Income	37,676	(5,436,073)	5,473,749	(1)%
Net Income	(100,669)	(5,718,150)	5,617,481	2%

Port of Newport - Facility Maintenance Reserve Fund
Balance Sheet
As of June 30, 2019

	<u>Jun 30, 19</u>	<u>Jun 30, 18</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
31000 · Cash & Cash Equivalents	150,057	131,045	19,012
Total Checking/Savings	150,057	131,045	19,012
Total Current Assets	150,057	131,045	19,012
TOTAL ASSETS	<u>150,057</u>	<u>131,045</u>	<u>19,012</u>
LIABILITIES & EQUITY			
Equity			
33000 · Fund Balance	(18,955)	(27,677)	8,722
33020 · FB - Assigned for Future Expend	150,000	100,000	50,000
33110 · FB - Capital Asset Additions	0	100,727	(100,727)
33300 · FB - Equity Transfers	0	(100,727)	100,727
Net Income	19,012	58,722	(39,710)
Total Equity	150,057	131,045	19,012
TOTAL LIABILITIES & EQUITY	<u>150,057</u>	<u>131,045</u>	<u>19,012</u>

Port of Newport - Facility Maintenance Reserve Fund
Profit & Loss Budget vs. Actual
 July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Other Income/Expense				
Other Income				
38200 · Interest Income	1,406	100	1,306	1,406%
38900 · Transfers In				
38902 · Transfers In from General Fund	136,820	264,792	(127,972)	52%
Total 38900 · Transfers In	136,820	264,792	(127,972)	52%
Total Other Income	138,226	264,892	(126,666)	52%
Other Expense				
39000 · Capital Outlay				
39303 · PD5 Pier Engineering	111,538	111,625	(87)	100%
39306 · PD5 & 7 Pile Replacement	1,223	95,000	(93,777)	1%
39307 · Fuel Dock Solenoid Valve	6,453	15,000	(8,547)	43%
39308 · Electric Load Centers - RM	0	38,000	(38,000)	0%
Total 39000 · Capital Outlay	119,214	259,625	(140,411)	46%
39600 · Contingency	0	10,000	(10,000)	0%
39900 · Reserved for Future Expenditure	0	50,000	(50,000)	0%
Total Other Expense	119,214	319,625	(200,411)	37%
Net Other Income	19,012	(54,733)	73,745	(35)%
Net Income	19,012	(54,733)	73,745	(35)%

Port of Newport - Construction Fund
Balance Sheet
As of June 30, 2019

	Jun 30, 19	Jun 30, 18	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
41000 · Cash & Cash Equivalents	28,582	41,932	(13,350)
Total Checking/Savings	28,582	41,932	(13,350)
Total Current Assets	28,582	41,932	(13,350)
TOTAL ASSETS	28,582	41,932	(13,350)
LIABILITIES & EQUITY			
Equity			
43000 · Fund Balance	41,932	53,320	(11,388)
43110 · FB - Capital Asset Additions	0	5,353	(5,353)
43300 · FB - Equity Transfers	0	(5,353)	5,353
43400 · FB - Interfund Loans	0	(480)	480
Net Income	(13,350)	(10,908)	(2,443)
Total Equity	28,582	41,932	(13,350)
TOTAL LIABILITIES & EQUITY	28,582	41,932	(13,350)

Port of Newport - Construction Fund
Profit & Loss Budget vs. Actual
July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Other Income/Expense				
Other Income				
48200 · Interest Income	91	120	(29)	76%
48900 · Transfers In from Other Funds				
48902 · Transfers In from General Fund	0	10,000	(10,000)	0%
Total 48900 · Transfers In from Other Funds	<u>0</u>	<u>10,000</u>	<u>(10,000)</u>	<u>0%</u>
Total Other Income	91	10,120	(10,029)	1%
Other Expense				
49000 · Capital Outlay				
49400 · Construction & Management	879	0	879	100%
49450 · Contracted Services	2,563	0	2,563	100%
49500 · Rogue Brewery Seawall Eval	10,000	10,000	0	100%
49501 · RV Park Annex Upgarde	0	18,000	(18,000)	0%
Total 49000 · Capital Outlay	<u>13,441</u>	<u>28,000</u>	<u>(14,559)</u>	<u>48%</u>
49600 · Contingency	0	10,000	(10,000)	0%
49900 · Unappropriated Ending FB	0	16,175	(16,175)	0%
Total Other Expense	<u>13,441</u>	<u>54,175</u>	<u>(40,734)</u>	<u>25%</u>
Net Other Income	<u>(13,350)</u>	<u>(44,055)</u>	<u>30,705</u>	<u>30%</u>
Net Income	<u>(13,350)</u>	<u>(44,055)</u>	<u>30,705</u>	<u>30%</u>

Port of Newport - Bonded Debt Fund
Balance Sheet
As of June 30, 2019

	<u>Jun 30, 19</u>	<u>Jun 30, 18</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
21000 · Cash & Cash Equivalents	13,037	356,556	(343,519)
Total Checking/Savings	13,037	356,556	(343,519)
Other Current Assets			
21270 · Property Tax Receivable	86,925	86,925	0
Total Other Current Assets	86,925	86,925	0
Total Current Assets	99,962	443,482	(343,519)
Other Assets			
21800 · Bond Issue costs, net of amort.	2,916	2,916	0
21825 · Advance Refunding Valuation	416,150	416,150	0
Total Other Assets	419,066	419,066	0
TOTAL ASSETS	<u>519,028</u>	<u>862,548</u>	<u>(343,519)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
22350 · Bonds Payable - Current	340,000	340,000	0
Total Other Current Liabilities	340,000	340,000	0
Total Current Liabilities	340,000	340,000	0
Long Term Liabilities			
22515 · 2011 Series Bonds	4,948,669	5,018,669	(70,000)
22520 · 2016 Series Bonds	7,043,195	7,313,195	(270,000)
22590 · Bond Premiums	796,865	796,865	0
22800 · Less Current Portion LTD	(340,000)	(340,000)	0
22920 · Deferred IF - Refund Valuation	20,808	20,808	0
Total Long Term Liabilities	12,469,537	12,809,537	(340,000)
Total Liabilities	12,809,537	13,149,537	(340,000)
Equity			
23000 · Fund Balance	(12,286,989)	(12,749,003)	462,014
23500 · FB - Debt Principal	340,000	325,000	15,000
23600 · FB - Discount/Premium	0	48,746	(48,746)
23800 · Adv. Refunding - Amortization	0	(20,808)	20,808
Net Income	(343,519)	109,076	(452,595)
Total Equity	(12,290,509)	(12,286,989)	(3,519)
TOTAL LIABILITIES & EQUITY	<u>519,028</u>	<u>862,548</u>	<u>(343,519)</u>

Port of Newport - Bonded Debt Fund
Profit & Loss Budget vs. Actual
 July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
28100 · Bond Levy Proceeds	527,286	513,455	13,831	103%
Total Income	527,286	513,455	13,831	103%
Gross Profit	527,286	513,455	13,831	103%
Expense				
27000 · Debt Service	875,411	880,955	(5,544)	99%
Total Expense	875,411	880,955	(5,544)	99%
Net Ordinary Income	(348,125)	(367,500)	19,375	95%
Other Income/Expense				
Other Income				
28200 · Bank Interest Income	4,605	1,800	2,805	256%
Total Other Income	4,605	1,800	2,805	256%
Other Expense				
29902 · UEFB	0	30,000	(30,000)	0%
Total Other Expense	0	30,000	(30,000)	0%
Net Other Income	4,605	(28,200)	32,805	(16)%
Net Income	(343,519)	(395,700)	52,181	87%



Port of Newport

S T A F F R E P O R T

DATE: July 15, 2019
RE: New Washing Machine Purchase for South Beach
TO: Paula Miranda, General Manager
ISSUED BY: Aaron Bretz, Director of Operations

BACKGROUND

We are beginning to experience mechanical failures in the coin operated laundry machines in South Beach. We studied cash revenue last year for 6 months of typical operation of these machines and over a six month span that bridged part of the slow season as well as our peak season, we brought in over \$13,000 in revenue from coin operated laundry. Not only are the old machines beginning to fail, but it's time for us to raise rates and the old machines are not capable of charging a higher rate. This is a good purchase for us to make at this time.

BUDGET IMPLICATIONS

The Port has budgeted \$17,500 for new Speed Queen washing machines in South Beach this year. This purchase was approved as part of the budget and capital equipment acquisitions for the year.

ALTERNATIVES

We could delay the purchase of new machines; in doing so, we would have to accept the inefficiency of the old machines, additional down time due to machine repairs, and lost revenue because the cost of a load of laundry cannot be increased to a current rate. We got three bids on the new machines from local vendors, and Walch's Appliance in Waldport was the lowest bid.

RECOMMENDATIONS

I recommend a motion to authorize the General Manager to purchase 10 Speed Queen washing machines from Walch's Appliance in Waldport for \$16,240.

Best Value Analysis: Washers For South Beach Laundry

Company	Roby's Furniture & Appliance	Standard TV & Appliance	Walch's Appliance
Contact	Chris or Storm	Dave Gander	Larry & Robin Walch
Phone	541-265-9520	503-619-0500	542-563-2480
Email	www.robysfurniture.com	www.standerdtvandappliance.c	waap541@yahoo.com

Criteria			
Total Cost	16,479.70	16,890.00	16,240.00
Notes	10 New Coin Operated Speed Queen Washers.	10 New Coin Operated Speed Queen Washers.	10 New Coin Operated Speed Queen Washers.



Port of Newport

S T A F F R E P O R T

D A T E: July 15, 2019
RE: House of Spirits and Central Restroom Exterior Paint
TO: Paula Miranda, General Manager
ISSUED BY: Aaron Bretz, Director of Operations

BACKGROUND

Last fiscal year, we re-sided the House of Spirits building but we did not finish the paint on the building. It's now time to get the building painted to match the others in the South Beach area.

BUDGET IMPLICATIONS

The Port has budgeted \$50,000 for building maintenance in South Beach for the specific purpose of painting this facility and finishing siding on the marina showers.

ALTERNATIVES

We could leave the siding with its current color, but it doesn't conform to the color of any other building in South Beach. We conducted a financial analysis, and found that Frans Paul VanDenBogaard Painting offers the best value for the Port; he was the most responsive to the Port's bid criteria.

RECOMMENDATIONS

I recommend a motion to authorize the General Manager to contract with Frans Paul VanDenBogaard to paint the House of Spirits and central restroom complex in South Beach, not to exceed \$14,375.

Best Value Analysis: Paint House of Spirits and central restroom

Company	Richard Christensen Paintig Inc.	Frans Paul VanDenBogaard Painting	All-Ways Painting
Contact	Richard Christensen Paintig Inc.	Paul VanDenBogaard	James Phifer
Phone	541-270-2168	541-961-3193	541-264-0586
Email		bogaardpainting@charter.net	

Criteria			
Total Cost	18,500.00	14,375.00	12,900.00
Notes	Mask and tape all not to paint areas. Paint all Hardy Board with two coats of Miller Acrilic and two coats on all trim. Sand and paint doors and luffers in breezeway and paint old siding in breezeway, Colors to match existing colors in marina.Clean up all construction debris when finished	Mask and tape all not to paint areas. Paint all Hardy Board with two coats of Miller Acrilic and two coats on all trim. Sand and paint doors and luffers in breezeway and paint old siding in breezeway, Colors to match existing colors in marina.Clean up all construction debris when finished	Mask and tape all not to paint areas. Paint all Hardy Board with two coats of Miller Acrilic and two coats on all trim. Sand and paint doors and luffers in breezeway and paint old siding in breezeway, Colors to match existing colors in marina.Clean up all construction debris when finished

S&P Global
Ratings

Standard & Poor's Financial Services, LLC
Federal I.D.: 26-3740348

Invoice No.: 11368177
Customer No.: 1000085958
Invoice Date: 05/07/19
Tax Exempt No.:
Page No.: 1
Print Date: 05/07/19

0201

PATTI BRITTON
PORT OF NEWPORT OREGON
600 SE BAY BLVD.
NEWPORT OR 97365

Description of Services	Amount
12811A ANALYTICAL SERVICES RENDERED IN CONNECTION WITH: US\$25,000,000 Port of Newport, Oregon, Taxable Lease Revenue Bonds (United States Government National Oceanic and Atmospheric Administration), Series 2010, dated: Date of Delivery, due: July 1, 2031 ANNUAL SURVEILLANCE FEE: \$10,000 (05/01/2019 THRU 04/30/2020)	\$10,000.00

RECEIVED

MAY 13 2019

PORT OF NEWPORT

FOR INQUIRIES PLEASE CONTACT: REKHA REDDY
COLLECTIONSUSRATINGS@SPGLOBAL.COM
PHONE: 1-800-767-1896 EXT #6
FAX: 1-212-438-5178

For inquiries contact the client services representative listed on this invoice. Do not return it or direct any inquiries about the invoice to credit ratings analysts. S&P Global Ratings maintains a separation of commercial and analytical activities. Please note that our credit ratings analysts are not permitted to communicate, negotiate, arrange or collect credit rating fees.

Please reference invoice or statement number on all checks and wire transfers

This Invoice Due and Payable As Of: 05/07/19

INVOICE TOTAL \$10,000.00 USD

Make Checks Payable To:

To insure Proper Credit, DETACH HERE ▲ and RETURN THIS PORTION With Your Remittance

S&P Global
Ratings

Standard & Poor's Financial Services, LLC
Federal I.D.: 26-3740348

Invoice No.: 11368177
Customer No.: 1000085958
Invoice Date: 05/07/19

0201

Billed To:

PATTI BRITTON
PORT OF NEWPORT OREGON
600 SE BAY BLVD.
NEWPORT OR 97365

Wire Transfer To:

Please include invoice #
Bank of America
S&P Global Ratings
Account # 12334-02500
ABA # 0260-0959-3
Or E-mail: cashapps@spglobal.com

Remit To:

S&P GLOBAL RATINGS
2542 COLLECTION CENTER DRIVE
CHICAGO, IL 60693

10000859585 11368177 01000000 1 700 10 07 0519 4

TOTAL AMOUNT DUE:
\$10,000.00 USD
AMOUNT ENCLOSED:



Workers' Compensation Invoice

Policy Year 2019-2020

Policy/Invoice #: 34W16278-76

Revision #:

Date: 6/14/2019

Coverage Period: 7/1/2019 through 6/30/2020

Named Participant:

Port of Newport
600 SE Bay Blvd
Newport, OR 97365

Agent of Record:

PayneWest Insurance-Newport
811 North Coast Highway
Newport, OR 97365

Class	Description	2019-2020 Rate	2019-2020 Estimated Payroll	2019-2020 Contribution
5474V	Painting - Volunteers	7.64	\$5,840	\$446.18
6836	Marina	4.28	\$510,290	\$21,840.41
8742	Director/Sales/Collectors	0.23	\$125,223	\$288.01
8742B	Board Member Coverage	0.23	\$3,000	\$6.90
8810	Clerical Office Employee	0.14	\$374,499	\$524.30
8810V	Clerical Office Employee - Volunteer	0.14	\$27,686	\$38.76

Multi-Line Discount applied to SDIS Property/Casualty Contribution*:

\$6,619.24

Manual Contribution:	=	\$23,144.56
Experience Modification:	x	1.66
Modified Contribution:	=	\$38,419.97
Contribution Volume Credit:	-	\$4,914.30
Underwriting Adjustment:	x	1.00
Terrorism Exposure Contribution:	+	\$105.00
Standard or Minimum Contribution:	=	\$33,610.68
State Assessment - 8.0%:	+	\$2,688.85
Estimated Workers' Compensation:	=	\$36,299.53
Safety Net Coverages (See Next Page):	+	\$1,814.98
\$1,000,000 Employers Liability Coverage:	+	\$0.00
Net of Commission Discount:	-	\$0.00
Pro Rate Factor:	x	1.00000
Pro Rated Contribution:	=	\$38,114.51

**Payment Due
August 1, 2019**

Your payment evidences "acceptance" of this renewal. Please send a copy of this invoice to help us apply your payment correctly.

*This discount is applied to your SDIS Property Casualty Contribution and does not reduce the amount of your Workers Compensation Contribution. This discount will not be applied to your Property/Casualty Contribution if your district is not a member of the SDIS Workers Compensation Program.

Please Remit To: Special Districts Insurance Services
P.O. Box 12613
Salem, Oregon 97309

Phone: (800) 285-5461 - Fax: (503) 371-4781
Contact: underwriting@sdiao.com



Workers' Compensation Invoice

Policy Year 2019-2020

Policy/Invoice #: 34W16278-76

Revision #:

Date: 6/14/2019

Select one of the following payment plans:

Quarterly Discounted Payment Plan \$9,433.34 due by August 1, 2019 \$9,433.34 due by October 1, 2019 \$9,433.34 due by January 1, 2020 \$9,433.34 due by April 1, 2020	\$37,733.36
Annual Discounted Payment Plan - payment made prior to August 1, 2019	\$36,780.50
No Discount - payment made on due date of August 1, 2019	\$38,114.51

Please Remit To: Special Districts Insurance Services
 P.O. Box 12613
 Salem, Oregon 97309

Phone: (800) 285-5461 - Fax: (503) 371-4781
 Contact: underwriting@sdao.com



Port of Newport

STAFF REPORT

DATE: July 23, 2019
RE: Strategic Plan Update
TO: Port of Newport Board of Commissioners
ISSUED BY: Paula J. Miranda, General Manager

BACKGROUND

The Port has developed a Strategic Plan in 2013 to articulate the planning, facility, and capital improvement needs of the Port of Newport (Port) over a 5- to 20-year planning horizon and to also comply with the requirements of Business Oregon. The plan is also required to be updated every 5 years.

The Port has worked with BergerAbam now WSP in completing the updated plan, which has been submitted to Business Oregon for review. A few changes have been requested by Dave Harlan from Business Oregon, which are shown on the attached Strategic Plan Update. Dave mentioned that the plan will most likely be reviewed by a peer review panel, but he felt that at this point it can be approved by the Port Commission. Business Oregon is still trying to figure out the process, but most likely there will be an update to the Intergovernmental Agreement (IGA) between the Port and Business Oregon, but he wasn't completely sure. He didn't think a new IGA would be required unless requested by the legislators. Dave is heading towards retirement at the end of this month, but he will be working a couple days a week, mostly to complete his duties with the Pacific Northwest Waterways Association (PNWA), of which he will become the president this year.

RECOMMENDATIONS

I recommend a motion approving the Strategic Plan Update to include the latest changes as presented.



PORT OF NEWPORT 2019 STRATEGIC BUSINESS PLAN UPDATE

PORT OF NEWPORT

PROJECT NO.: A19.0100.00
DATE: ~~19 JULY~~~~10 MAY~~ 2019

WSP USA (FORMERLY BERGERABAM)
116 THIRD STREET, SUITE 305
HOOD RIVER, OREGON 97031

T: +1 541-386-1047
WSP.COM

ACKNOWLEDGEMENTS

This strategic business plan was developed by the Port of Newport with assistance from Business Oregon. For more information about the Port of Newport, visit www.portofnewport.com/.

COMMISSIONERS

Stewart Lamerdin, President
Sara Skamser, Vice President
Walter Chuck, Secretary/Treasurer
Jeff Lackey, Commissioner
James Burke, Commissioner

STAFF

Teri Dresler, Interim General Manager
Aaron Bretz, Director of Operations
Kent Gibson, Commercial Harbormaster
Karen Hewitt, Administrative Supervisor
Mark Harris, Accounting Supervisor
Rebecca Bishop, Accounting Clerk
Bill Hewitt, RV Park Supervisor
Chris Urbach, South Beach Marina Harbormaster

PREPARED FOR

Port of Newport
600 SE Bay Boulevard
Newport, Oregon 97365

PREPARED BY

WSP USA Inc. (formerly BergerABAM)
116 Third Street, Suite 305
Hood River, Oregon 97031

IN ASSOCIATION WITH

BST Associates
P.O. Box 2224
Anacortes, Washington 98221-8106

~~MAY~~ JULY 2019



TABLE OF CONTENTS

SECTION	PAGE
1. INTRODUCTION AND STRATEGIC PLANNING PROCESS 1	
1.1. Purpose	1
1.2. Plan Formation and Organization	1
1.3. Public Outreach	2
2. PORT HISTORY	2
3. PORT VALUES, VISION, AND MISSION	5
4. PORT OVERVIEW	6
4.1. Port Commission and Staff	6
4.2. Strategic Partners	6
4.3. Port Properties and Facilities	7
4.3.1. North Bay	8
4.3.2. South Beach	8
4.3.3. International Terminal and Surrounding Properties	10
4.4. Port Utilities and Transportation	10
4.4.1. Public Street Access	10
4.4.2. Water	11
4.4.3. Wastewater and Sanitary Sewer	11
4.4.4. Electrical Power	11
4.4.5. Communications	11
5. POLICY CONTEXT AND SITUATIONAL ANALYSIS 11	
5.1. Consistency with State, Regional, and Local Plans	12
5.1.1. Oregon Revised Statutes (ORS) Chapter 777	12
5.1.2. Ports 2010 – A New Strategic Business Plan for Oregon’s Statewide Port System	12
5.1.3. Statewide Planning Goals	12
5.1.4. Lincoln County Estuary Management Plan	14
5.1.5. Zoning	14
5.2. Economic Benefits Analysis	17
6. MARKET ANALYSIS AND OPPORTUNITIES	18
6.1. Regional Demographic Profile and Projections	18
6.2. Regional Economic Profile	18



6.3. Market Analysis 18

6.3.1. Commercial Fishing 18

6.3.2. Marine Research and Education..... 19

6.3.3. Tourism and Recreation21

6.3.4. Marine Cargo22

6.3.5. International Terminal Opportunities.....24

6.3.6. Other Markets and Industry Opportunities25

7. STRATEGIC BUSINESS PLAN ELEMENTS 26

7.1. Capital Improvement Plan 26

7.2. Management Plan 29

7.3. Financial Plan..... 30

7.4. Environmental Plan 31

7.5. Marketing Plan 32

8. IMPLEMENTATION AND ACTION PLAN 33

LIST OF TABLES

TABLE 1. NORTH BAY PROPERTIES..... 8

TABLE 2. SOUTH BEACH PROPERTIES..... 9

TABLE 3. INTERNATIONAL TERMINAL PROPERTIES 10

TABLE 4. EMP MANAGEMENT UNIT CLASSIFICATIONS..... 14

TABLE 5. ZONING AND MANAGEMENT UNITS 16

TABLE 6. 5-YEAR CAPITAL IMPROVEMENT PLAN ... 27

TABLE 7. ACTION PLAN..... 33

LIST OF FIGURES

FIGURE 1. PORT DISTRICT MAP	3
FIGURE 2. OVERVIEW OF PORT OF NEWPORT LAND HOLDINGS7	
FIGURE 3. PORT OF NEWPORT NORTH BAY PROPERTIES	8
FIGURE 4. PORT OF NEWPORT SOUTH BEACH PROPERTIES	9
FIGURE 5. PORT OF NEWPORT INTERNATIONAL TERMINAL PROPERTIES	10
FIGURE 6. OVERALL PROPERTY MAP AND CORRESPONDING MAP NUMBERS	15

LIST OF APPENDICES

APPENDIX A. OUTREACH SUMMARIES AND PUBLIC COMMENTS

APPENDIX B. SWOT ANALYSIS

APPENDIX C. FACILITIES CONDITION ASSESSMENT

APPENDIX D. SHORELINE UNIT AND MANAGEMENT CLASSIFICATIONS

APPENDIX E. MARKET ANALYSIS

APPENDIX F. FINANCIAL PLAN

APPENDIX G. PROJECT OPPORTUNITIES



LIST OF ACRONYMS AND ABBREVIATIONS

CIP	capital improvement plan
City	City of Newport
County EMP	Lincoln County Estuary Management Plan
County	Lincoln County
CWEDD	Cascades West Economic Development District
DLCD	Oregon Department of Land Conservation and Development
EMP	Estuary Management Plan
G-P	Georgia-Pacific
IFA	Infrastructure Finance Authority
MARAD	USDOT Maritime Administration
MLLW	mean lower low water
MOC-P	Marine Operations Center, Pacific
MU	management unit
NOAA	National Oceanic Atmospheric Administration
ODFW	Oregon Department of Fish and Wildlife
ODOT	Oregon Department of Transportation
OPRD	Oregon Parks and Recreation Department
ORS	Oregon Revised Statutes
OSMB	Oregon State Marine Board
OSU	Oregon State University
PMEC	Pacific Marine Energy Center
Port	Port of Newport
P3	public private partnership
SWOT	strengths, weaknesses, opportunities, and threats
TSP	transportation system plan
USACE	US Army Corps of Engineers
USDA	US Department of Agriculture
USEDA	US Economic Development Administration

PORT OF NEWPORT STRATEGIC BUSINESS PLAN

1. INTRODUCTION AND STRATEGIC PLANNING PROCESS

This strategic business plan was developed to articulate the planning, facility, and capital improvement needs of the Port of Newport (Port) over a 5- to 20-year planning horizon. This plan is an update to the Port's 2013 business and capital facility plans and complies with the strategic business plan requirements of Business Oregon.

1.1. PURPOSE

The Port of Newport 2019 Strategic Business Plan builds off past planning efforts and addresses the progress, as well as challenges the Port has faced since the 2013 Strategic Business Plan and Capital Facility Plan. The Port has reviewed and renewed its values, vision, and mission to define a new future for the Port. As such, this plan is intended to serve as the primary planning document to guide Port policies, projects, and practices over the 20-year planning horizon. The plan was designed to comply with the strategic business plan requirements of Business Oregon and also serves as a communication tool between the Port and the state. Once the plan has been accepted by the state, and agreements are in place, the Port will become eligible for state Planning and Marketing funds for implementation. Further, the plan acts as a blueprint for Port Commissioners, staff, stakeholders, tenants, and the public in understanding the Port's vision, priority projects, and key policies going forward. It can be used as a basis for grant funding, and to bring partners together to address common project goals. The plan is designed to be a flexible guide for the Port Commission as it sets priorities and policies. To that end, policies and capital improvement priorities should be reviewed annually in conjunction with the Port's budgeting process. A full update to the strategic business plan is recommended every five years.

1.2. PLAN FORMATION AND ORGANIZATION

This strategic business plan is the result of various planning, market, and facility assessments undertaken in 2018 and 2019 that included coordination with the Port Commission, staff, tenants, stakeholders, and the broader Newport community. These efforts helped define the current and future role of the Port and how new and long-standing goals would be achieved. To inform recommendations outlined in this plan, all Port facilities and operations were thoroughly evaluated. In addition, a market analysis was commissioned to evaluate economic and demographic realities and trends, highlighting potential opportunities for the Port to make sound investments and propel economic growth.

This document is organized into eight sections as follows.

- Introduction and Strategic Planning Process: provides a brief overview of the plan purpose, formation, and outreach conducted during plan development.
- Port History: describes the origins of the Port of Newport and significant milestones in its history.
- Port Values, Vision, and Mission: identifies the current value, vision, and mission statements for the Port.
- Port Overview: provides an overview of Port properties, facilities, and transportation and utility infrastructure, as well as the current Port Commission, staff, and strategic partners.
- Policy Context and Situational Analysis: identifies prior Port and strategic partner planning efforts and outlines applicable plans and policies that will affect future development at the Port.

- Market Analysis and Opportunities: provides a summary of current demographic, industry trends, and market opportunities for the Port.
- Strategic Business Plan Elements: provides capital improvement priorities, and goals and policies to inform Port management, financial, environmental, and marketing decisions.
- Implementation and Action Plan: provides an action plan that identifies a timeline, potential funding sources, planned actions, and roles for the implementation of priority projects.

1.3. PUBLIC OUTREACH

The plan, which includes the Port’s capital improvement plan, was developed with extensive public outreach, including Commission, stakeholder, and public meetings. Summaries of outreach efforts and public comments received are included as Appendix A.

Stakeholder interviews were conducted based on a series of question regarding the local market and growth opportunities to inform the strategic business plan update. Input was received by Port tenants and project partners, as well as business and community leaders. In total, 19 stakeholders were interviewed during the strategic planning process.

In addition, two Port Commission briefings and two public open houses were held during the planning process to collect input and feedback from the community and Commission as the plan progressed. The Commission briefings and open houses were held back-to-back on the same dates. The first meetings were held in November 2018 to engage the community early in the planning process and seek input on plan and project priorities. The first Port Commission briefing included a facilitated strengths, weaknesses, opportunities, and threats (SWOT) analysis (see Appendix B) to inform development of the strategic business plan. The second Port Commission briefing and open house were held in March 2019 to present key findings and seek input on the draft plan.

2. PORT HISTORY

In 1909, the State of Oregon passed a law allowing for the creation of port districts, prompting the people of Yaquina Bay to organize into two port districts—the Port of Newport (see Figure 1) and the Port of Toledo. With a mind to improving waterfront services and waterways for economic purposes, the state law allowed for taxes to be levied and bonds to be issued.

On 26 May 1910, the first meeting of Newport’s Port Commission was held, where four men appointed by Governor Frank Benson proceeded to elect officers and establish the foundation of what continues to operate today as the Port of Newport.

Prior to the establishment of the Port, two jetties were constructed at the entrance of Yaquina Bay from the Pacific Ocean in the 1890s. Historians say few fishermen crossed the bar in this era, choosing instead to stay in the safer waters of area bays and rivers. Two developments in the early twentieth century would change that mindset: the advent of the gasoline engine and improvements to the harbor entrance. A \$1.5 million investment in improved jetties and dredging was funded by a bond issue undertaken jointly by the ports of Newport and Toledo.

In 1923, the Port of Newport purchased dock frontage and a building, establishing its headquarters on the waterfront. The development of commercial fishing docks occurred over the years, helped considerably by the construction of the first breakwater on the north side of the bay in 1946 to protect commercial boats working halibut, salmon, and other fisheries.

Newport’s Bayfront became the area’s economic hub, particularly after electricity resulted in refrigeration capabilities, allowing for tremendous growth in the seafood industry. Shipping was also part of Yaquina Bay’s economic equation.

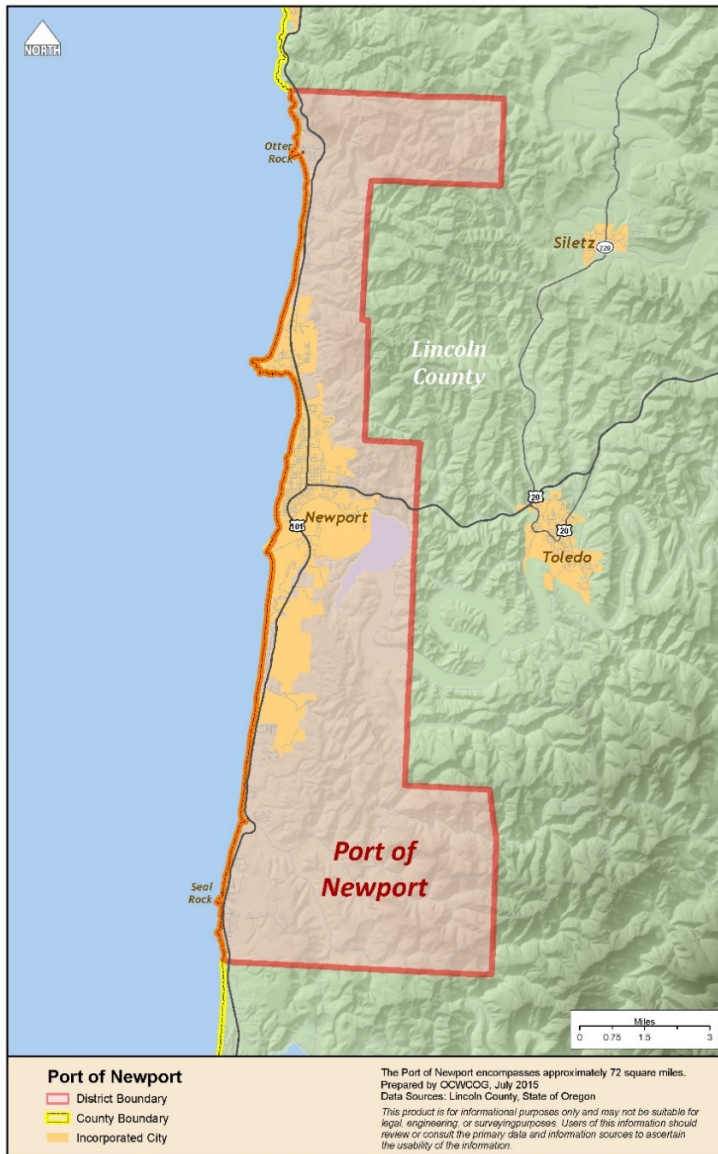


Figure 1. Port District Map

In 1948, a private company—Yaquina Bay Dock and Dredge—began constructing a new shipping dock using two sunken World War II ships as the foundation for the structure. The dock, known today at the International Terminal, opened for business in 1949 in the area known as McLean’s Point. Over the next several decades, the dock thrived with the shipping of lumber. In 1952, for instance, 164 million feet of lumber shipped from Newport via McLean’s Point.

In a region buzzing with the activity of the fishing and shipping industries, the 1960s marked the arrival of another important player in Newport’s waterfront economy: science. In 1965, Oregon State University’s Marine Science Center opened its doors. Although the institution’s Yaquina Fisheries Laboratory had dated back to 1939, the center represented a tremendous leap forward with the lease of 50 acres from the Port of Newport on which to construct the main building and visitor center. By 1969, the site had seen more than a half million visitors. In 1982, the Marine Science Center surpassed 5 million visitors. A year later, it was named for Senator Mark Hatfield and today Hatfield

Marine Science Center welcomes more than 150,000 visitors annually. In 2018, the University broke ground on a new \$61.7 million Marine Studies Building, with an anticipated completion date of January 2020.

The 1970s saw continued demand for boat moorage and launches, as both commercial and recreational fishing interests thrived around Yaquina Bay, leading to the construction of the South Beach Marina. The first phase was completed in 1979 and included a 600-berth recreational boat basin and a four-lane launch. The second phase, finished in 1981, included a boat storage building, launch hoist, fish cleaning facilities, restrooms, showers, a public fishing pier, picnic area, and more. Initially, private companies were contracted for marina management but fiscal difficulties led the Port of Newport to assume operations in 1986.

While fishing interests grew over the 1970s and 1980s, shipping from the International Terminal had declined. In 1967, 92 ships had visited the docks of Newport Terminals. By 1971, that number was down to 34. In 1982, the Port of Newport issued general obligation bonds in order to purchase the terminal, which was operated by private contractors until 1995, when the Port took over management. Throughout the 1980s and 1990s, the shipping of logs and lumber declined further until the last log shipped from the International Terminal dock in May 1999.

Port properties saw other unique developments in the 1990s. The Oregon Brewing Company occupied the west end of the South Beach Marina exhibition hall starting in 1991. Over time, that lease arrangement grew to include the 47,000-square-foot building headquarters of Rogue Ales and their restaurant, as well as a distillery and cooperage now located on Port property.

Recreation and tourism took another big leap forward in 1992, when the Oregon Coast Aquarium, constructed on Port of Newport property, opened its doors. As of early 2019, the Aquarium had welcomed more than 14 million visitors and is currently undertaking an \$18 million capital campaign to further enhance the facility.

Tourism was increasingly important to the Port in 2006, when it completed a \$3.2 million RV Park that included 92 spaces, store, operations building and registration/activity center on its South Beach campus. Around that same time, the boat ramp was moved and a multiuse area was created that allowed for a dry camping.

In 2006, the Port of Newport sought and received the financial support of Port District voters to help address a problem of significant environmental concern that also presented future opportunity. The two sunken World War II-era ships that served as the foundation of the International Terminal pier had become unstable and the release of contaminants became a real concern. The Port of Newport undertook removal of the vessels, as well as the necessary cleanup and remediation. The new design was intended to allow for increased access for commercial fishing boats and cargo ships. Work on the project commenced in 2010.

The reconstruction of the International Terminal wasn't the only project of importance occupying the Port Commission in the early part of the twenty-first century. In 2007, the National Oceanic and Atmospheric Administration (NOAA) began scouting for a new home for Pacific operations. In 2008, interest was narrowed to four sites and in April 2009, the Port of Newport was invited to submit a proposal.

Four months later, the Port of Newport was notified that it would become homeport for NOAA's Marine Operations Center, which includes state-of-the-art training and ship operations for six NOAA research and survey ships and provides administration, engineering, maintenance, and logistical support to NOAA's entire Pacific fleet. With a budget of \$38 million and a firm deadline for completion, Port officials worked with community stakeholders and others to not only deliver a spectacular new facility, but to do so earlier than anticipated. On 29 April 2011, officials from NOAA received the keys to their new Pacific home.

In August 2013, International Terminal construction was completed. The multiuse facility was developed to accommodate a wide variety of users in conjunction with the Port's mission of "retaining and creating business opportunities and increasing economic development for the Port and the community." The project was so successful at resolving the environmental issues surrounding the site, the Port of Newport was awarded the national Phoenix Award—a prestigious award that honors individuals and groups working to solve critical environmental or social challenges and turn them into productive new uses and sustainable development projects.

In 2015, the Port paved that multiuse area located on the South Beach campus, which is still used for dry camping but is also known as the location of Newport's Seafood and Wine Festival and the Loyalty Days carnival.

Today, the Port of Newport continues to be home to a thriving commercial fishing industry. In 2017, Newport ranked 12th in the nation for seafood landings, with 112 million pounds of seafood valued at \$53 million attributed to the vessels that work in and around the Port of Newport.

The Port is actively pursuing a partner for cargo business at the International Terminal with a commitment to maximizing the return on investment made by the community for this mixed-use facility.

On the recreational side of the Port's operations, the South Beach Marina and RV Park have seen steady increases in occupancy over the past three years and all projections indicate that trend should continue.

Port of Newport leaseholders continue to thrive as well. Rogue Ales continually develops and expands its offerings. The Oregon Coast Aquarium, as mentioned previously, is currently engaged in a capital campaign to fund extensive renovations and Hatfield Marine Science Center is currently in the construction phase of a new Marine Studies Building. NOAA Marine Operations Center—Pacific continues to be a source of great pride to the Newport community.

Since 1910, exciting things have been happening at the Port of Newport. Today, nearly 110 years later, the future continues to look promising.

3. PORT VALUES, VISION, AND MISSION

The Port's values, vision, and mission were updated as part of the process of developing the strategic business plan. The following articulate the Port's current values, vision, and mission statements.

Values Statement

Values are the Port's most deeply held beliefs and help us determine our highest priorities. They are the foundation on which we as Port Commissioners and as staff conduct ourselves and work. They serve as our guiding principles - the motivation for our goals, strategies, and actions to accomplish our mission. They clarify who we are as the Port of Newport, articulate what we stand for, and express what we deem to be acceptable standards for how the Port of Newport treats users, customers, partners, and our own team members.

The Port identifies the following governing values.

Leadership. The Port of Newport proudly accepts responsibility as the leader, on behalf of the citizens of the Port District, to actively pursue economic progress and make decisions that are in the best interests of current and future users of the Port. This means building and maintaining an economically diverse and thriving Port that is resourceful in how we weather changing conditions and circumstances.

Service. Our business is to serve the public – the commercial and recreational fishing fleets, the marine and tourist industries, our current lessees, potential new business partners, and the citizens of the Port District. We are professionals who provide the highest quality service.

Collaboration. We pursue and invest our time in building partnerships within our community, including the private sector while maintaining strong ties to local, state and federal government agencies. We believe successes in our community result when public agencies and citizens work together with determination toward a common goal in a spirit of mutual respect and cooperation. At the core of these successes will be a deep commitment to maintaining high levels of communications with all stakeholders.

Accountability. The Port ~~is~~ must be a careful steward of public resources. ~~We manage our~~ Managing our assets responsibly, investing wisely in new infrastructure, ~~manage our~~ administering budgets efficiently, and capitalizing on external sources of financial support are all integral to accomplishing our mission. The Port is committed to conducting our work with the highest degree of integrity, professionalism and transparency.

Sustainability. The Port is committed to managing our business operations as well as our human and physical assets in a manner that meets our current needs while ensuring we do not compromise the needs of future generations. We protect and enhance the natural environment wherever possible and seek to ~~we~~ invest the funds entrusted to us wisely, prudently and ethically. We are responsible neighbors and community members who treat our employees fairly and with respect. Our work is conducted with the goal of helping nurture a healthy estuary that is at the foundation of our working waterfront.

Optimism. We are deeply committed to the execution of our mission and in our ability to be resilient and seize opportunities. We pursue our vision through steadfastness of purpose, awareness of our core values, and a persistent focus on positive relationships.

Vision Statement

The idea behind a vision statement is to express, more or less in future tense, what we want the Port (and Newport) to be at some future point. Because a mission statement and the strategic business plan itself are typically 5-year efforts, the vision statement looks a little farther (10 or 20 years) into the future. Our vision expresses what we want to see, and what we believe we can accomplish if we stretch our capabilities and aim for the vision.

The Port's current vision statement emphasizes its leading roles in commerce, recreation, and research.

The Port of Newport will serve as the foremost Oregon coast port for the commercial fishing, recreational fishing and tourism, and marine research support. We will fully utilize the international terminal with fishing, waterborne commerce, and other uses. We will continue to protect and enhance the beauty and integrity of the natural environment, which is at the foundation of our working waterfront community.

Mission Statement

A mission statement defines the Port's purpose – what we do and why we do it. The intention of a mission statement is to give the Port's public, its customers (and ourselves) a succinct awareness of that purpose.

This is the Port's current mission statement:

Provide and professionally manage waterfront facilities and services in collaboration with our community with the express purpose of retaining and creating business opportunities and increasing economic development for the Port and the community.

4. PORT OVERVIEW

4.1. PORT COMMISSION AND STAFF

The five-member Port Commission is composed of residents of the district who are locally elected for four-year terms. As stated in the by-laws for the Board of Commissioners, their primary duties and functions are to represent and solicit public opinion from their constituents, establish and interpret policy, and adopt the Port's budget, amongst other duties. The Commission confers authority on the general manager to staff the day-to-day administration of the Port.

4.2. STRATEGIC PARTNERS

Ongoing coordination and collaboration with local, regional, state, and federal partners allows the Port to leverage its resources to fulfill its mission and manage its assets. Maintaining relationships with the following public and private entities is key to the Port's success.

- Federal regulatory agencies
- NOAA
- U.S. Army Corps of Engineers (USACE)
- State regulatory agencies
- Business Oregon and the Infrastructure Finance Authority
- Oregon Department of Fish and Wildlife (ODFW)
- ODOT
- Oregon Department of Land Conservation and Development (DLCD)
- Oregon State Marine Board (OSMB)
- City of Newport
- City of Toledo
- Lincoln County
- Port of Toledo
- ~~American Association of Port Authorities~~ Association of Pacific Ports (APP)
- Cascades West Economic Development District (CWEDD)
- Discover Newport
- Economic Development Alliance of Lincoln County
- Living Pacific Seafood, LLC
- Local school districts
- Midwater Trawlers Cooperative

- Oregon Board of Maritime Pilots
- Oregon Coast Aquarium
- Oregon Coast Community College
- Oregon Coastal Caucus
- Oregon Public Ports Association
- Oregon State University Hatfield Marine Science Center
- Pacific Coast Congress of Harbormasters
- Pacific Northwest Waterways Association
- Port Tenants
- Rogue
- Seawater Seafood Company

4.3. PORT PROPERTIES AND FACILITIES

The Port has made substantial investments in facilities and infrastructure to serve key industries and contribute to the economic development of the region. In conjunction with the development of this strategic business plan, WSP USA (formerly BergerABAM) performed a streamlined facilities condition assessment of Port-owned properties. The assessment’s results are discussed in the memorandum included as Appendix C. Summary descriptions of Port properties and facilities follow below. They are organized by their general locations (North Bay, South Beach, and International Terminal and surrounding properties). Figure 3 is an overview of the land holdings at all three, while Figures 3 through 5 show each location and Tables 1 through 3 list the properties in each area. The Port also owns in-water property in Sally’s Bend and a 5-acre wooded property located on Yaquina Bay Road, southeast of the Port’s other land holdings. These properties are undeveloped and are not discussed in the facilities assessment.

The property map below shows the Port’s land holdings based on Lincoln County GIS parcel data. The parcel boundaries do not encompass all Port-owned facilities that extend into the Bay, including the commercial docks and the recreational marina.



Port of Newport Properties

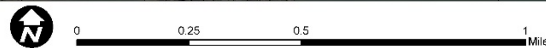


Figure 2. Overview of Port of Newport Land Holdings

4.3.1. NORTH BAY

The Port's North Bay properties include the commercial marina, with over 200 slips and related facilities that primarily serve the commercial fishing and distant water fleets. The marina includes Docks 1, 3, 5, and 7, as well as a hoist dock and storage yard and Swede's Dock. By water, the commercial marina is accessed from the Pacific Ocean via Yaquina Bay. Bay Boulevard provides roadway access to the marina. The conditions of the marina docks vary, with most needing some level of repair. The Port has a plan to reconfigure the marina and replace the existing facilities to better serve the needs of the commercial fleet, including larger boats. Eelgrass is present in the marina area and will require mitigation to offset any potential impacts that could result from marina improvements.



Figure 3. Port of Newport North Bay Properties

Table 1. North Bay Properties

	Map Number	Tax Lot Number	Current Use(s)
North Bay	1	11-11-08-00-00300-00	Breakwater facility, water
	2	11-11-08-DB-02403-00	Captain Reel Charters, boat dock
	3	11-11-08-DB-02400-00	Marine Discovery Tours, boat dock
	4	11-11-08-AD-10100-00	Port Administration Building, port of entry, outdoor storage, hoist dock, and access to Dock 7
	5	11-11-09-CB-00200-00	Yaquina Bay Yacht Club, boat dock

4.3.2. SOUTH BEACH

The Port's facilities and properties on the south side of Yaquina Bay are referred to as South Beach, which is mostly composed of facilities designed to service sport and recreation fishers, tourists traveling via RV, and educational/recreational facilities, such as the Oregon Coast Aquarium and Oregon State University (OSU) Hatfield Marine Science Center. The National Oceanic and Atmospheric Administration (NOAA) operates the Marine Operations Center, Pacific (MOC-P) on South Beach, and Rogue is the largest manufacturer. Highway 101 provides vehicle access to South Beach, and Yaquina Bay provides access for boats. Recreational facilities at South Beach

include a 527-slip recreational marina, a fishing pier, a boat ramp and related upland services, and approximately 250 RV spaces in the RV Park, RV Park Annex, and Dry Camp. The parking provided throughout South Beach includes over 600 parking spaces, exclusive of the spaces reserved for use by the MOC-P facility.



Figure 4. Port of Newport South Beach Properties

Table 2. South Beach Properties

	Map Number	Tax Lot Number	Current Use(s)
South Beach	11	11-11-17-A0-00300-00	NOAA Marine Operations Center
	12	11-11-17-A0-00400-00	South Beach RV Park and Marina, parking, Dry Camp, water
	13	11-11-17-A0-00200-00	OSU Hatfield Marine Science Center and other agency facilities and parking, shoreline, water
	14	11-11-17-A0-00100-00	
	15	11-11-17-00-00101-00	Oregon Coast Aquarium and parking, shoreline, water
	16	11-11-17-00-01600-00	
	17	11-11-17-A0-01200-00	Rogue
	18	11-11-17-00-01500-00	RV Park Annex
	19	11-11-17-AC-00100-00	
	20	11-11-17-AC-00200-00	
	21	11-11-17-AC-00300-00	

4.3.3. INTERNATIONAL TERMINAL AND SURROUNDING PROPERTIES

The International Terminal is located east of the commercial marina. The terminal is a 17-acre facility that includes a paved storage yard and adjacent storage buildings, and provides over 800 linear feet of berthing for deep-draft vessels at two berths. A hoist is located at the western berth. Potable water and electricity are available at the terminal. Construction of the terminal was completed in 2013, and it currently serves the distant water fleet that homeports at Newport. Surrounding land holdings include vacant in-water and upland property.



Figure 5. Port of Newport International Terminal Properties

Table 3. International Terminal Properties

	Map Number	Tax Lot Number	Current Use(s)
International Terminal	6	11-11-09-CA-03600-00	Water, shoreline
	7	11-11-09-CD-00300-00	International Shipping Terminal, ship berths and leased property
	8	11-11-09-D0-00103-00	Leased area
	9	11-11-09-D0-00199-00	Water, shoreline
	10	11-11-09-D0-00101-00	Undeveloped property

4.4. PORT UTILITIES AND TRANSPORTATION

4.4.1. PUBLIC STREET ACCESS

Port facilities are easily accessible from Highway 101 (U.S. 101; principal arterial). Heading north, Highway 101 runs through South Beach and across Yaquina Bay to the North Bay. Once across the bay, SW/SE Bay Boulevard (collector street) provides access to all commercial marina properties. SW/SE Bay Boulevard turns into Yaquina Bay Road (minor arterial), which is used to access the International Terminal. Average daily traffic volumes on this

stretch of Highway 101 ranged from 12,900 to 18,400 vehicles per day according to Oregon Department of Transportation's (ODOT) 2017 traffic volume tables.

4.4.2. WATER

The City of Newport (City) supplies potable water.

4.4.3. WASTEWATER AND SANITARY SEWER

The City manages the sanitary sewer collection system and treats wastewater at a treatment plant south of South Beach off Highway 101.

4.4.4. ELECTRICAL POWER

The Central Lincoln Public Utility District provides electrical power.

4.4.5. COMMUNICATIONS

Wave Broadband provides fiber optic-based telecommunication services on the Oregon coast.

5. POLICY CONTEXT AND SITUATIONAL ANALYSIS

The following sections describe local, regional, and state planning and policy documents that may affect the development of Port properties and the Port's ability to implement this strategic business plan. In addition to the documents described below, this strategic business plan aims to capture, and where applicable update or implement, key plans and projects, such as:

Port-led Planning Efforts

- Capital Facilities Plan (2013)
- Strategic Business Plan (2013)
- Facilities Maintenance and Operations Plan (2016)
- Shipping Facility Feasibility Study (2016)
- International Terminal Operations Plan (2017)

Strategic Partner Planning Efforts

- Economic Development Strategy for Marine Businesses, Economic Development Alliance of Lincoln County (2012)
- Comprehensive Economic Development Strategy 2015-2010, CWEDD (2015)
- McLean Point Urban Renewal Plan (2015)
- Marine Studies Initiative – 10-year Strategic Plan 2016-2025 (2016), Oregon State University (2016)
- Greater Newport Area Vision 2040, City of Newport (2017)
- Newport Parking Management Plan, City of Newport (2017)
- Destination Marketing Plan, Destination Newport (2017-2018)

5.1. CONSISTENCY WITH STATE, REGIONAL, AND LOCAL PLANS

The successful implementation of this strategic business plan is dependent upon coordination with state, regional, and local planning efforts. The sections below address policy and guidance documents that may affect development on Port property and should be considered in conjunction with future projects.

5.1.1. OREGON REVISED STATUTES (ORS) CHAPTER 777

ORS Chapter 777 enables the formation of port districts in Oregon and defines their expected purposes, activities, and financial abilities. ORS 777.065 declares that the development of port facilities at certain ports, including the Port of Newport, is a state economic goal of high priority and requires state agencies to assist ports in this endeavor. The strategic business plan helps meet economic development goals outlined by the state and helps the Port acquire state funding for implementing projects.

5.1.2. PORTS 2010 – A NEW STRATEGIC BUSINESS PLAN FOR OREGON'S STATEWIDE PORT SYSTEM

In 2010, the Oregon Business Development Department and the Infrastructure Finance Authority (IFA) prepared and adopted *Ports 2010: A New Strategic Business Plan for Oregon's Statewide Port System* (Ports 2010). The purpose of Ports 2010 is to, "Define the State of Oregon's future role, interest and investment in the statewide port system. It will identify infrastructure, equipment, administrative, regulatory and governance needs of the ports, and also identify ways that Oregon's port system can best serve the interest of the State of Oregon and its residents."

In addition, Ports 2010 includes a business plan template to serve as a guide for individual port strategic business plans. This Port of Newport Strategic Business Plan was developed to meet the state template, and once complete, is subject to final review by the IFA through its peer review process.

5.1.3. STATEWIDE PLANNING GOALS

The Port developed its strategic business plan to be consistent with the statewide planning goals as required by Ports 2010. The following statewide planning goals are most applicable to the Port's planning efforts.

Statewide Planning Goal 9 – Economic Development

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Oregon requires local jurisdictions to maintain a 20-year supply of employment lands suitable to meet the needs of existing businesses and industries likely to relocate to the area during the planning horizon. Cascade West Economic Development District (CWEDD) is the federally recognized and funded economic development district for Linn, Benton, Lane, and Lincoln counties. CWEDD prepared a comprehensive economic development strategy (2015-2020) in September 2015 that includes a five-year strategic plan for economic development in the four counties.

Key findings from the strategy that are applicable to Port development include:

- The Oregon Office of Economic Analysis projects that the region will grow roughly 33 percent by 2050. By comparison, the projection for the state overall for the same period is 46 percent. Notably, Lincoln County is expecting growth of only 22 percent. In-migration is expected to accelerate, with in-migration accounting for 83 percent of regional population growth through 2040. Predictions are that coastal populations will continue to age and that net population growth in coastal areas will come from in-migration.
- Multiuse ocean ports for research, fishing, and trade and research institutes were highlighted as economic strengths of the region. Certain lacks (rail connections to the coast, multi-modal transfer stations between the valley and coast, skilled labor force, and affordable housing) are seen as regional weaknesses. Highlighted opportunities include growing trade between the United States and Asia, growing national and international

economies, and new and expanding markets (e.g., value-added forest products, wine and beer, marijuana, tourism, etc.). Threats to the region include chronic and catastrophic natural disasters, jurisdictional competition within the region, housing costs relative to wages, and a shift from resource and manufacturing to a service-based economy.

The Port provides facilities and infrastructure that support the key industries identified in the comprehensive economic development strategy. Through this strategic planning process, the Port has further identified competitive advantages that distinguish it from other ports. These advantages include a strong commercial fishing fleet, a diverse and internationally recognized marine research and education sector, a growing tourism market, and growth potential with local product export opportunities at the International Terminal. Furthermore, through the implementation of this strategic business plan, the Port will continue to contribute to the economic success of the region. Specific projects that will increase economic development opportunities in compliance with Statewide Planning Goal 9 are included in the capital improvement plan (see section 7.1).

Statewide Planning Goal 12 - Transportation

To provide and encourage a safe, convenient and economic transportation system.

Oregon requires local jurisdictions to complete transportation system plans (TSPs). The City and Lincoln County have completed such plans and they include projects within the Port District. Each TSP requires coordination with the Port to meet TSP goals and implement improvement projects. Furthermore, the continued investments in marine infrastructure and other water-dependent and water-related uses by the Port will be instrumental in maintaining a safe, convenient, and economic transportation system. These investments will support a more efficient and cost-effective transportation system for the region and more diversified commodity movements through the Yaquina Bay harbor, which will sustain the long-term viability of maritime commerce, commercial fishing, tourism, and recreation. Additionally, the Port must be engaged with ODOT during the development of projects along Highway 101 under that agency's Statewide Transportation Improvement Program. Specific infrastructure projects are identified in the capital improvement plan (section 7.1).

Statewide Planning Goal 16 – Estuarine Resources

To recognize and protect the unique environmental, economic, and social values of each estuary and associated wetlands; and

To protect, maintain, where appropriate develop, and where appropriate restore the long-term environmental, economic, and social values, diversity and benefits of Oregon's estuaries.

Oregon requires local jurisdictions that include one of the 22 major estuaries along the Oregon coast to prepare an Estuary Management Plan (EMP) in compliance with Statewide Planning Goal 16. Prepared by Lincoln County and administered by the County and cities where applicable, the EMP identifies the boundaries of estuary management units (MUs) and establishes procedures to review the plan for development within the EMP area.

To assure diversity among the estuaries of the state, the state DLCD classifies estuaries to specify the most intensive level of development or alteration allowed within each one in compliance with Goal 16. The Yaquina Bay estuary is classified as a deep-draft development estuary. Most Port property and facilities are within the EMP area and, therefore, future projects and improvements must comply with the policies and procedures set forth in the plan. MUs that pertain to Port properties are addressed in section 5.1.5.

Statewide Planning Goal 17 – Coastal Shorelands

To conserve, protect, where appropriate, develop and where appropriate restore the resources and benefits of all coastal shorelands, recognizing their value for protection and maintenance of water quality, fish and wildlife habitat, water-dependent uses, economic resources and recreation and aesthetics. The management of these shoreland areas shall be compatible with the characteristics of the adjacent coastal waters; and

To reduce the hazard to human life and property, and the adverse effects upon water quality and fish and wildlife habitat, resulting from the use and enjoyment of Oregon's coastal shorelands.

The Port maintains water-dependent and water-related uses along the North Bay and South Beach of Yaquina Bay. This strategic business plan identifies facility and infrastructure improvements to support the continued use of the Port's water-dependent and water-related property. The capital improvement plan in section 7.1 includes planning-

level cost estimates and project details. All future development activities affecting coastal shorelands will need to show compliance with Goal 17 policies.

Statewide Planning Goal 19 – Ocean Resources

To conserve marine resources and ecological functions for the purpose of providing long-term ecological, economic, and social value and benefits to future generations.

The Port maintains operational policies to protect ocean resources. The Port follows all applicable local, state, and federal environmental policies, and future development activities on Port property must be evaluated for their compliance with Goal 19. Additional environmental policies and procedures are identified in the environmental plan in section 7.4.

5.1.4. LINCOLN COUNTY ESTUARY MANAGEMENT PLAN

Yaquina Bay is considered a major estuary by the state DLCD. Oregon requires local jurisdictions that include one of the 22 major estuaries along the Oregon coast to prepare estuary management plans in compliance with Statewide Planning Goal 16. The Lincoln County Estuary Management Plan (County EMP) is included as an element of the County comprehensive plan (Chapter 7) and it is intended to act as a complete use and management plan for the water and intertidal areas of Lincoln County. The County EMP identifies the boundaries of estuary MUs and establishes procedures for the review of development planned within the EMP area. The full authority to plan EMP areas within incorporated areas is granted to the cities. Newport has incorporated policies and use standards for EMP MUs into its zoning ordinance (Chapter 14.4).

MUs for the Yaquina Bay estuary within the city of Newport are classified as Natural, Conservation, and Development. Table 4 lists the 10 MUs in the EMP, and they are shown on a map in Appendix D.

Table 4. EMP Management Unit Classifications

Management Unit	Classification	Location
1	Conservation	Area between the navigation channel and the north jetty west of the Yaquina Bay Bridge
2	Conservation	Area between the south jetty and the navigation channel west of the third (westernmost) groin
3	Conservation	Area between the navigation channel and the south shore, from the third jetty groin to the South Beach Marina breakwater
4	Development	USACE deep water channel; includes the turning basin up to the urban growth boundary
5	Development	Area along the north shore of the bay from the bridge to McLean Point
6	Conservation	Area between the navigation channel and the port breakwater, from the Highway 101 bridge east to the turning basin
7	Development	Aquatic area between the navigation channel and the south shore and from the Highway 101 bridge east to the small boat pier at the OSU Marine Science Center
8	Conservation	Subtidal area between the navigation channel and the intertidal flats of the Idaho Point/King's Slough area
9-A	Natural	State-owned tidal flats between the OSU Marine Science Center and Idaho Point
10-A	Natural	Sally's Bend, between Coquille Point and Mclean Point

Development within the Yaquina Bay estuary area requires an Estuarine Use Permit. EMP designations for Port properties within estuary areas are identified in Table 5 in the next section.

5.1.5. ZONING

In addition to the policies and use standards of the EMP, upland portions of Port-owned property must comply with the zoning and development standards of the applicable zoning code. The property map below (Figure 6) shows the Port's land holdings. The table below the map identifies the zoning designation of each Port parcel and the

corresponding map number, as well as key considerations related to zoning. Applicable MUs in the City of Newport are included if the property partially or entirely includes area within the estuary.

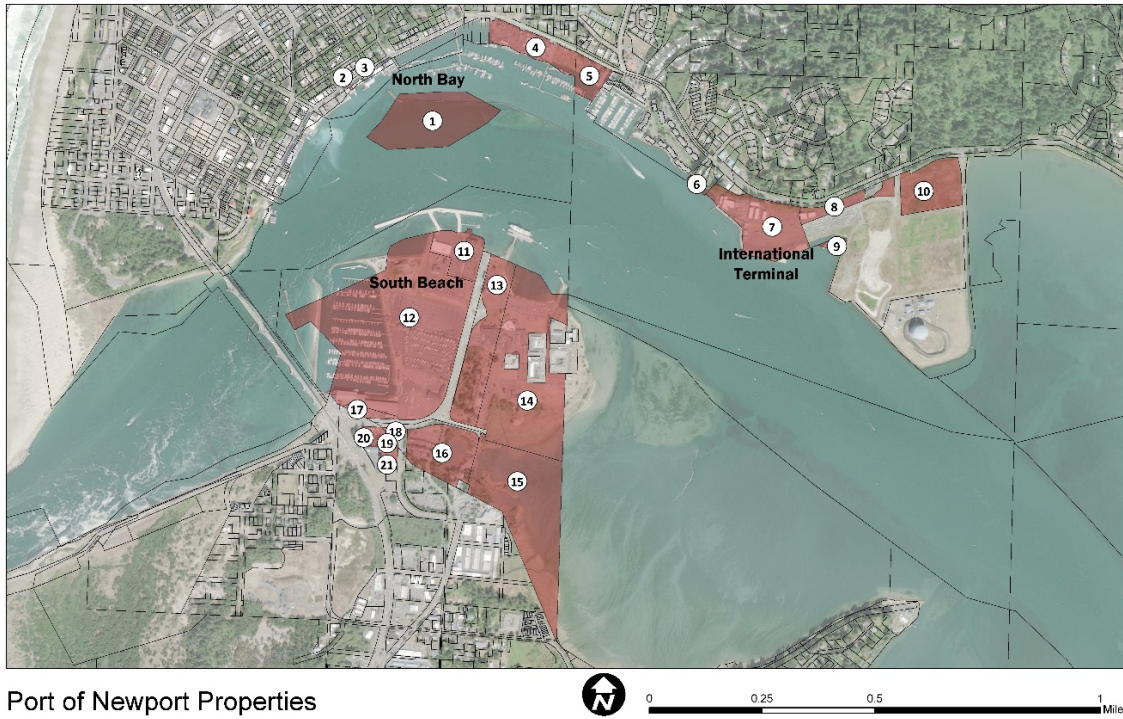


Figure 6. Overall Property Map and Corresponding Map Numbers

Table 5. Zoning and Management Units

	Map Number	Tax Lot Number	Zoning/MU	Current Use(s)	Key Considerations
North Bay	1	11-11-08-00-00300-00	Zoning: NA MU: 5, 6	Breakwater facility, in-water	<p>MU 5 objective:</p> <ul style="list-style-type: none"> This area is managed to provide for the development of port facilities and other water-dependent, water-related, and non-water related uses. <p>MU 6 objective:</p> <ul style="list-style-type: none"> This area is managed to conserve natural resources consistent with navigation, municipal, and recreation requirements. <p>W-1 – Water-Dependent:</p> <ul style="list-style-type: none"> Marinas and port facilities, marine research and education facilities, seafood processing and packaging plants, and boat rentals, sport fishing, and charter services are allowed outright. Boat building and marine equipment manufacturing, parking lots, and warehouses, are conditional uses. Bait, tackle and sporting goods stores, seafood markets, general retail, and offices or residencies not of the ground floor of an existing building are not allowed. <p>W-2 – Water-Related:</p> <ul style="list-style-type: none"> Marinas and port facilities, warehouses, seafood markets, parking lots, boat building and marine equipment manufacturing, marine research and education, and boat rentals, sport fishing, and charter services are allowed outright. General retail and offices or residencies not of the ground floor of an existing building are conditional uses. <p>I-3 – Heavy Industrial 3:</p> <ul style="list-style-type: none"> Industrial uses, parking facilities, utilities, and trade and vocational schools are allowed outright General and bulk retail and waste and recycling facilities are conditional uses. Office, personal services, vehicle repair, self-service storage, and residential uses are not allowed.
	2	11-11-08-DB-02403-00	Zoning: W-2 MU: 5	Captain Reel Charters, boat dock	
	3	11-11-08-DB-02400-00	Zoning: W-2 MU: 5	Marine Discovery Tours, boat dock	
	4	11-11-08-AD-10100-00	Zoning: W-1 MU: 5	Port Administration Building, port of entry, outdoor storage, Hoist Dock, and access to Port Dock 7	
	5	11-11-09-CB-00200-00	Zoning: W-1, W-2 MU: 5	Yaquina Bay Yacht Club, boat dock	
International Terminal	6	11-11-09-CA-03600-00	Zoning: W-2 MU: 5	In-water, shoreline	<p>W-2 – Water-Related:</p> <ul style="list-style-type: none"> Marinas and port facilities, warehouses, seafood markets, parking lots, boat building and marine equipment manufacturing, marine research and education, and boat rentals, sport fishing, and charter services are allowed outright. General retail and offices or residencies not of the ground floor of an existing building are conditional uses. <p>I-3 – Heavy Industrial 3:</p> <ul style="list-style-type: none"> Industrial uses, parking facilities, utilities, and trade and vocational schools are allowed outright General and bulk retail and waste and recycling facilities are conditional uses. Office, personal services, vehicle repair, self-service storage, and residential uses are not allowed.
	7	11-11-09-CD-00300-00	Zoning: W-1 MU: 5	International Shipping Terminal, ship berths	
	8	11-11-09-DO-00103-00	Zoning: I-3 MU: NA	Leased area	
	9	11-11-09-DO-00199-00	Zoning: W-1 MU: 5	In-water, shoreline	
	10	11-11-09-DO-00101-00	Zoning: I-3 MU: NA	Undeveloped property	
South Beach	11	11-11-17-A0-00300-00	Zoning: W-1 MU: 7	NOAA Marine Operations Center	<p>MU 7 objective:</p> <ul style="list-style-type: none"> This area is managed to provide for development compatible with existing uses and consistent with the resources capabilities of the area. <p>MU 8 objective:</p> <ul style="list-style-type: none"> This area is managed to conserve natural resources such as eelgrass and shellfish beds.
	12	11-11-17-A0-00400-00	Zoning: W-1, W-2 MU: 7	South Beach RV Park and Marina, parking, RV dry camping area, in-water	
	13	11-11-17-A0-00200-00	Zoning: W-2 MU: 7	OSU Hatfield Marine Science Center, other agency facilities,	
	14	11-11-17-A0-00100-00	Zoning: W-2 MU: 7, 8, 9-A	associated parking, shoreline, in-water	

Map Number	Tax Lot Number	Zoning/MU	Current Use(s)	Key Considerations
15	11-11-17-00-00101-00	Zoning: W-2 MU: 9-A	Oregon Coast Aquarium, associated parking, shoreline, in-water	Navigation improvements can be provided. MU 9-A objective: <ul style="list-style-type: none"> This area is managed to preserve and protect natural resources and values. C-2 – Commercial-Tourist: <ul style="list-style-type: none"> General retail, entertainment, parking facilities, and utilities are allowed outright Personal services and waste and recycling facilities are conditional uses. Office, bulk retail, vehicle repair, self-service storage, manufacturing, and college or vocational schools are not allowed.
16	11-11-17-00-01600-00	Zoning: W-2 MU: NA		
17	11-11-17-A0-01200-00	Zoning: W-2 MU: NA	Rogue	
18	11-11-17-00-01500-00	Zoning: W-2 MU: NA	RV Park Annex	
19	11-11-17-AC-00100-00	Zoning: C-2 MU: NA		
20	11-11-17-AC-00200-00	Zoning: C-2 MU: NA		
21	11-11-17-AC-00300-00	Zoning: C-2 MU: NA		

Notes: MU=management unit; NA=not applicable

5.2. ECONOMIC BENEFITS ANALYSIS

FCS GROUP and BergerABAM (now WSP USA) analyzed the regional economic benefits of the Port and of Port-related businesses as part of the statewide study “The Economic Benefits of Oregon Ports,” (May 2014, managed by Business Oregon IFA). The economic analysis concluded that the annual economic impact of the Port of Newport included the following benefits.

- Total port-related Oregon employment of 3,089 jobs (1,979 direct and 1,110 indirect/induced)
- Oregon output (gross sales) of \$389 million (\$231 M direct and \$158 M indirect/induced)
- Oregon GDP of \$207 million (\$119 M direct and \$88 M indirect/induced)
- Oregon labor income of \$124 million (\$71 M direct and \$53 M indirect/induced)
- Annual local and state of Oregon tax revenue/payments of over \$21 million (\$6.5 M local and \$15.2 M in state tax revenues)
- Annual federal tax revenue/payments by Oregon enterprises and employees of nearly \$28 million.

The Port receives property taxes from residents and businesses within the Port District. To understand tax payer return on investment, local property tax payments to the Port are compared with permanent economic benefits. The following employment and tax benefits from the Port include

- For every \$1,000 in property tax collected by the Port, the operations of the Port and its tenants support 4.8 jobs in Lincoln County and an additional 0.6 jobs elsewhere in Oregon.
- The average level of tax receipts per supported job is \$209.
- Port-related operations generate more local taxes than the Port collects, with \$11.29 in local taxes generated for each \$1.00 in Port property tax.
- For every \$1.00 in property tax collected by the Port, a total of \$26.34 taxes is generated statewide

In addition, during the strategic business planning process, the Port was provided with information from an economic analysis prepared for the Midwater Trawlers Cooperative. This data indicates the commercial fishing

industry equates to 17.4 percent of all earned income in Lincoln County. The data is sourced from the U.S. Department of Commerce, Bureau of Economic Analysis and earned income is described as the sum of wages and salaries, and proprietors' income.

6. MARKET ANALYSIS AND OPPORTUNITIES

The following sections summarize current demographics, industry trends, and market opportunities for the Port. The full market analysis is included as Appendix E.

6.1. REGIONAL DEMOGRAPHIC PROFILE AND PROJECTIONS

Between 2010 and 2018, the population of Lincoln County and the Port District grew at an average annual rate of 0.6 percent. In contrast, the City of Newport grew at an average annual rate of 0.2 percent while the state as a whole grew by 1.1 percent annually. The Port District's estimated population in 2018 was 15,152. Assuming that its growth rate matches that of the County, the District's population would grow to approximately 17,000 residents by 2038.

The age of the District's population is increasing, with an increasing share of residents 65 years and older and decreasing shares of working age (18 to 64 years) and children (under 18 years). These trends match what is occurring countywide.

6.2. REGIONAL ECONOMIC PROFILE

Lincoln County's economy is heavily based on tourism, health care, and retail trade. These three sectors accounted for more than 50 percent of jobs in the County in 2015. The employment distribution in the County is similar to the rest of the Oregon coast; manufacturing, natural resource industries, and transportation/warehousing industries accounted for only 10 percent of total employment.

Workers who live in Lincoln County are increasingly likely to commute to jobs outside the county, primarily to the Portland metro area, Marion County, and, to a lesser extent, Linn and Benton counties. Growth of the local economy could enable fewer residents to commute.

Wages in Lincoln County averaged \$36,700 in 2017, which is similar to the average wages in other coastal counties, including Clatsop and Tillamook, but lower than nearby counties in the Willamette Valley (Lane and Benton counties). However, the sectors that use Port facilities generally have higher wages; commercial fishing wages average \$50,000 and marine research and education jobs in the federal sector average \$70,000 per year.

6.3. MARKET ANALYSIS

The key employment sectors currently supported by the Port are commercial fishing, marine research and education, and tourism/recreation. Marine cargo also presents a limited opportunity for the Port as described in section 5.3.4. These industries are summarized below, including market trends, constraints, and opportunities for growth.

6.3.1. COMMERCIAL FISHING

Newport is one of the most important commercial fishing ports in Oregon, and commercial fishing is one of the most important industries in Lincoln County. According to one recent analysis, the industry supports 3,924 jobs in Lincoln County.

The availability of support services in the Yaquina Bay region is one of the main reasons for the strength of the industry locally. The Port of Newport and the neighboring Port of Toledo together provide the range of services needed by the commercial fleet. This includes moorage, fish processing, gear storage, vessel repair, fuel, and other

services. In recent years, millions of dollars have been invested to increase fish processing capacity and expand vessel repair capabilities.

Coastal counties (i.e., Clatsop, Lincoln, Coos, Curry, and Tillamook) accounted for approximately 96 percent of the total fishing employment in Oregon, based on where landings occur. Newport was the largest port for this activity, accounting for 332 commercial fishers, or approximately 25 percent of commercial fishers in Oregon.

The value and volume of the Oregon commercial seafood catch ranges widely from year to year. Factors, such as fish availability, price, and weather, among other factors, can cause large swings from year to year. Even with these swings, however, Oregon's commercial fishing industry has generally seen rising harvest values over the past 20 years. From 2007 through 2017, the harvest value averaged \$141 million, and varied from a low of \$116 million to a high of \$191 million. Through November, the value of landings in 2018 was more than \$171 million.

Generally, the fisheries that are targeted by the Newport fleet are well managed. Harvest volumes vary from year to year, depending on the species and the factors that affect them. The long-term impacts of climate change are not known, but could impact the species available for harvest and the size of the harvest.

Oregon and Newport Commercial Fleet Trends

The number of vessels licensed for commercial fishing in Oregon declined substantially between 2011 and 2018, falling from approximately 1,760 to 1,410 boats. One positive aspect of the decline in the number of boats is that the remaining fleet harvests more tonnage per vessel, and generates more revenue per vessel.

The Port provides moorage, storage space, and work areas for commercial vessels at the Commercial Marina and the International Terminal. The Commercial Marina accounts for approximately 82 percent of moorage revenue with the International Terminal encompassing 18 percent. This revenue averages more than \$500,000 annually. The largest share of moorage revenue from vessels at the Port of Newport Commercial Marina is generated by vessels that are 50 feet or less. However, over the past five years, there has been a gradual shift, with a declining share of revenue from vessels 50 feet or less and a growing share coming from vessels that are 51 feet or longer.

The increase in bigger boats presents several challenges to the Port, as well as to other older harbors in the region. First, the existing docks are at the end of their useful life, and will need to be replaced. Second, the larger vessels put additional physical strain on facilities that were not designed for them; this can cause structural damage, especially during storms. Third, replacement marina facilities will need to be designed to meet current and future vessel trends. According to staff, in the past few years, at least 20 boats that were looking for moorage had to be turned away.

For the International Terminal, vessels longer than 70 feet accounted for 85 percent of moorage revenue in 2018. The International Terminal is the only moorage facility in Newport that can handle the larger commercial fishing boats, and these boats are a critical part of the local fleet. In addition, much of the distant-water fleet for vessels that fish in Alaska is based in Newport and moor at the International Terminal. If Dock 5 and Dock 7 were rebuilt and reconfigured to accommodate large vessels, the demand from these vessels at the International Terminal might be reduced.

Commercial Fishing Opportunities

Consolidation in the commercial fishing industry is expected to continue in the next five years and beyond. Newport must seek to retain the existing fleet and processors, as well as attract additional entrants. This will require updating/improving the facilities that the sector requires, such as moorage space, offloading docks and equipment, gear storage, upland support services, processing facilities, and logistic facilities, among others.

Independent seafood buyers represent a growing industry in Newport, and one that increases the need for transient moorage space with vehicle access. Four companies are currently in operation, and more are interested. These buyers purchase fish off the boats, and use the Port's hoists to unload from boats and load onto trucks. There is currently a lack of temporary moorage space and land alongside to accommodate them, and there is also a need for additional lift capacity.

6.3.2. MARINE RESEARCH AND EDUCATION

The marine research and educational sectors are well established in Newport; an estimated 300 people work at the Hatfield Marine Science Center, including the OSU faculty, graduate students, researchers, and staff from other agencies. Other agencies include ODFW, NOAA, the U.S. Fish and Wildlife Service, U.S. Environmental Protection

Agency, and U.S. Department of Agriculture. The marine research and education sectors and growth opportunities are described below.

Ocean Research

The OSU Marine Studies Initiative is designed to address ocean health and coastal challenges by creating a global education and research program that blends the science of oceanography with business, engineering, education, the arts and humanities, agriculture sciences, forestry, and social sciences. The Initiative examines a range of issues, including rising sea levels, ocean acidification, low-oxygen waters, declining fisheries, offshore energy, and the threat of catastrophic tsunamis. The Initiative includes development of a large campus in Newport at the Hatfield Marine Science Center (100,000-square-foot building) in 2019. By 2025, the campus will be able to accommodate approximately 500 undergraduate and graduate students in Newport.

Ocean Research Opportunities

The OSU Marine Studies Initiative creates several opportunities in Newport. The Ocean Observatory Initiative Endurance Array consists of a network of science-driven sensor systems that will be used by researchers to measure the physical, chemical, geological, and biological variables in the ocean and seafloor to help detect and forecast environmental changes and their effects on biodiversity, coastal ecosystems, and climate. These devices will be developed, staged, stored, and maintained in Newport and will require upland facilities for storage and staging, as well as marine facilities for moving the devices in and out of the water.

An underlying goal of the program is to greatly expand access to water resources for students and faculty. OSU has been selected by the National Science Foundation to spearhead the construction of a new class of research vessels for the U.S. academic research fleet. The *Oceanus*, an aging 175-foot research vessel, will be replaced in 2021 by a new 193-foot vessel that will have extensive cutting-edge capabilities. In addition, OSU will expand its fleet of smaller vessels (18 feet to 50 feet long) and will require additional moorage facilities and supporting infrastructure.

Offshore Energy

OSU serves as a key research center for the offshore energy industry via the Pacific Marine Energy Center (PMEC) program. Offshore wind energy is widespread in Europe and is beginning to be developed in the United States. The global market for wind energy is strong, driven by the increasing competitiveness of wind power and opportunities to reduce emission of greenhouse gases by renewable energy sources. Analysts expect U.S. offshore wind energy to enjoy significant growth in the coming decade, due primarily to reduced capital and operating costs.

Offshore Energy Opportunities

In coordination with OSU's PMEC program, offshore energy devices, including offshore floating wind systems and wave energy systems, represent potential opportunities for Newport and the Oregon coast. Wave energy, which is still in developmental stages, is being tested near Newport. The market for wave or tidal energy is less developed but the future appears bright. In the United States, much of the research on wave energy is occurring at Newport via the PMEC. A new Oregon law specifies that 50 percent of the state's electricity must come from renewable resources by 2040. Development of offshore wind and wave/tidal systems could play an important role in this transition.

Aquaculture

Aquaculture is a rapidly growing sector of the international economy and represents an opportunity for development in Newport as well. Worldwide aquaculture production increased from 24.3 million tons in 1995 to 73.8 million tons in 2014, an average annual rate of 6 percent. Sales of aquaculture products in the United States totaled \$1.37 billion in 2013, up 26 percent since 2005. U.S. aquaculture products ranked by sales were: (1) food fish, including fish raised for consumption as well as fish eggs; (2) mollusk production; (3) crustacean sales; and (4) ornamental fish, baitfish, and sport fish.

Oregon is a relatively small aquaculture producer, with 37 farms and \$12.1 million in sales in 2013 (87 percent of which were mollusk sales). In contrast, Washington had sales of \$328.7 million on 304 farms in 2013. Oregon accounted for 12.2 percent of the farms and 3.7 percent of the sales on the West Coast. However, according to ODFW, a significantly larger program is "possible through expansion, intensification and diversification." A target value of \$22.8 million is proposed for a strengthened statewide program.

Aquaculture Opportunities

Opportunities for growing aquaculture in the Newport area include the expansion of existing operations, as well as the development of new ones.

- Oyster cultivation could be expanded in Yaquina Bay. There is demand for intertidal land for oyster cultivation with the appropriate characteristics (soil conditions and water quality, etc.). However, it is currently costly and time consuming for individual growers to pursue permits in Yaquina Bay. The Port could assist this effort by helping coordinate the permit process, including preparing an inventory of suitable sites, creating an aquaculture park, and acquiring permits that could be leased or sold to private sector entities. Typical intertidal operations are expected to encompass 5 acres or larger.
- Seaweed cultivation is also being evaluated in Newport. The Port is currently working with OSU and a private company to commence cultivation of dulse. This effort will likely be land-based and could have a footprint of 0.5 to 1 acre.
- Cultivation of other aquaculture and/or finfish species on tideland and upland may also occur within the time frame of the Port's strategic plan (next five years). This could require Port assistance with permitting and/or the use of Port property for hatcheries, cultivation, and processing facilities.

6.3.3. TOURISM AND RECREATION

The Port provides facilities for the moorage of recreational vessels and charter boats and for stays at RV parks, as well as leases to businesses that support and enhance the tourist experience, such as the Oregon Coast Aquarium and Rogue, among others. The leisure and hospitality sector in Lincoln County is projected to add 470 jobs between 2017 and 2027, an average annual growth rate of 1 percent.

Tourism Trends

Statewide visitor spending increased substantially between 2000 and 2017, in spite of a recession-caused drop in visitor spending from 2008 through 2010. Adjusting for inflation, spending grew from \$7.4 billion in 2000 to \$11.8 billion in 2017 (as measured in 2017 dollars). Visitor spending is tracked by the state for the Oregon Tourism Commission, and Lincoln County is included in the Central Coast region (defined as all of Lincoln County, along with the western portions of Douglas and Lane counties). Visitor spending in the Central Coast experienced a growth pattern similar to the statewide pattern, with steady growth for a number of years after 2000, no growth or a slight decline caused by the recession, and a resumption of growth in recent years.

In Lincoln County, earnings of workers in visitor industries grew from an inflation-adjusted \$111 million to \$162 million, or 2.3 percent average annual growth, from 2000 to 2017. Visitor industry employment in Lincoln County grew from 4,300 workers to 6,130 workers, or at an average annual rate of 2.1 percent. Also, visitor-generated taxes grew from \$17.4 million in 2000 to \$29.4 million in 2017, an annual increase of 3.1 percent.

Accommodations account for nearly 30 percent of visitor spending in Lincoln County and food and beverage services account for nearly 28 percent. Arts and entertainment is the next largest category, accounting for 13 percent of spending, followed by retail sales (12 percent), food stores (nearly 9 percent), and local transportation and gas (nearly 9 percent).

Recreation Vehicle Camping

RV camping has been on a long-term growth trend for nearly four decades. The value of RV retail sales peaked at nearly \$19.1 billion in 2004 and then declined slowly for several years before dropping to \$5.9 billion in 2009, a decline of 69 percent. The recovery from this drop took until 2017 – when inflation-adjusted sales passed the peak of 2004.

Occupancy at the Port of Newport RV parks is extremely seasonal, with highest occupancy in July, August, and September, and lowest occupancy in December and January. From January 2016 through October 2018, occupancy across all three parks ranged from a low of 9 percent to a high of 71 percent. The RV Park Annex has less than half as many sites as the overflow park, but it hosts substantially more site-nights. A key reason is that all of the sites at the Annex have full utility hookups, while none of the sites at the overflow park have hookups. Occupancy at the

main RV park and the Annex run close to 100 percent during the peak months. Peak occupancy at the overflow lot grew from approximately 60 percent in 2016 to 70 percent in 2018.

Overnight stays at Oregon state parks in the Newport area (South Beach State Park, Beverly Beach State Park, Devil's Lake State Recreation Area, and Beachside State Recreation Site) have seen strong growth since the end of the recession. Combined, these four parks saw the number of overnight guests grow from 364,000 in 2011 to 438,000 in 2017, an increase of more than 20 percent.

Recreational Boating

Based on the most recent triennial survey from OSMB, 84 percent of boat trips in the Lincoln County were fishing trips. Water skiing was the next most popular activity (6 percent), followed by cruising (5 percent), and sailing (1 percent). The South Beach Marina at the Port is the key facility that provides boaters with access to these bodies of water.

The number of boats registered in Oregon reversed a long-term decline in recent years. Between 2000 and 2014, the number of boats registered dropped from nearly 196,000 to fewer than 156,000, a decline of more than 20 percent. Between 2014 and 2017, however, the number of boats grew to nearly 166,000. The drop in the number of registered boats was due to declining numbers of boats less than 20 feet long. The number of registered boats longer than 20 feet actually increased between 2000 and 2017.

Oregon Coast Aquarium

The aquarium is a big draw for residents and tourists, attracting approximately 460,000 to 480,000 visitors per year. Approximately 65 percent to 70 percent are from the Portland metro area with the remainder spread across the region from Eugene to the Tri-Cities to Idaho and beyond. The aquarium is also a major employer with 70 full-time staff, but during peak season that number can reach 120 employees. According to its press kit, "The Aquarium is consistently rated among the nation's top aquariums, most recently by the Travel Channel, USA Today, Coastal Living, Parents Magazine, Forbes Traveler and 10Best.com." The aquarium also links marine research to the community and tourists.

Tourism and Recreation Opportunities

The Port is an important provider of tourism and recreation facilities and amenities. Recent improvements to the recreational marina and RV Park provide better access to regional recreation and tourism opportunities. In addition, future improvements included in the capital improvement plan in section 6.1 will continue to support tourism in the region

6.3.4. MARINE CARGO

The Port's International Terminal provides an updated facility for potential cargo users. The strongest prospect for this facility is cargo that is either produced or consumed locally, which is primarily forest products. Log shipments represent the greatest opportunity, while receipts of wood chips and/or waste paper and shipments of fish are also potential markets. The case for attracting other cargo types from farther inland is less compelling.

The following section describes the terminal and the markets that it has the potential to serve.

Transportation Links

Links to transportation infrastructure are a critical factor in determining the market for marine terminals. These links include highways, rail lines, and navigation channels.

Newport is served by two main highways: U.S. 20, running east-west between Newport and the Willamette Valley, and Highway 101, running north-south along the coast. U.S. 20 was recently improved and provides a safer and more efficient route between the Valley and the coast for both freight and passengers.

Newport is not served by rail. The nearest rail line is the Portland and Western Toledo branch line that runs from Corvallis to Toledo, and terminates at the Georgia-Pacific mill in Toledo. As late as 1919, there were plans to extend the line to Newport, but the line was never built. The 8 miles of rail line from Toledo to Yaquina City were abandoned in 1937, and the tracks were removed.

The main navigation channel in Yaquina Bay extends from the ocean end of the north and south jetties, upstream to the turning basin adjacent to McLean Point. The channel is authorized to a depth of 30 feet mean lower low water

(MLLW) (the average of the lower low water height of each tidal day) from the entrance to the turning basin, and 40 feet MLLW across the bar and at the outer end of the entrance channel.

The 30-foot channel impacts the operating depth of vessels calling at the International terminal; this limits either the size of ships that can call at the International Terminal or the amount of cargo that can be loaded/unloaded from larger vessels.

The distance from open ocean to the International Terminal is shorter than at other ports in the Pacific Northwest. This potentially reduces ship operating costs, pilotage fees, etc., and may partially offset the cost impact of the limited channel depth.

Cargo Types

Breakbulk

Since the 1970s, most breakbulk cargo has been converted to containers. As a result of this shift, the breakbulk trade has become far more specialized, targeting certain high-volume commodities, such as logs, lumber, wood pulp, paper, fruit, lumber, and some steel products.

West Coast foreign imports of breakbulk/neobulk cargo dropped by more than half between the peak year of 2004 and 2016. Metals, especially steel, accounted for more than two-thirds of these imports, with most destined for construction markets near the inbound ports. Non-containerized fruits and vegetables are the second-largest category of breakbulk imports, followed by machinery and wood products.

West Coast exports of breakbulks/neobulks are led by fruits and vegetables, pulp and paper, wood products, and rice. There is also a small amount of fish exported in breakbulk form. Exports of breakbulks/neobulks have grown substantially since 2000; however, volumes peaked from 2011 through 2013 and have dropped substantially since then.

Logs

The Port's International Terminal does not currently handle log shipments, but several companies have expressed interest in doing so. From 1990 through 2009, West Coast log exports fell 85 percent. In 2010, China emerged as a new market, and West Coast log exports began to increase for the first time in more than two decades. Log export volumes jumped from 0.44 billion board feet in 2009 to 0.80 billion board feet in 2010, and continued to climb to a high of 1.34 billion board feet in 2013. Volumes decreased slightly in 2014 and fell to 0.91 billion board feet in 2015, averaging 0.93 billion board feet from 2015 through 2017.

Currently, Coos Bay and Astoria are the only ports in Oregon that handle log exports. A recent forecast projected that Pacific Northwest log exports are likely to grow slowly through 2035, assuming that Chinese demand continues to grow.

A relatively small volume of logs is imported, with some Pacific Northwest mills sourcing logs from Canada, depending on availability and price.

The timber harvest in the Newport region is less than half of what it was during the mid-1960s, but has seen growth since bottoming out in 1998. Lincoln County's share of the regional harvest averaged 8.5 percent from 1962 to 2017.

Log shippers have demonstrated interest in using the International Terminal to ship logs, and the Port should consider accommodating log shipments.

Dry Bulk

Dry bulk cargoes are those that can be handled with a system of conveyor belts, hoppers, and other equipment between trucks, railcars, storage facilities, and ships. These are typically commodities with a low unit value moving in very high volume, such as coal, iron ore, various forms of semi-processed iron, minerals, cement, grains, and woodchips. For the most part, the dry bulk commodities that move in and out through West Coast ports are transported to or from inland point by rail or by barge, with smaller volumes moving directly into or out of plant or moving by truck. Because the Port is not served by rail or by river barge, the Port is unlikely to attract a substantial volume of most dry bulk cargo.

Woodchips are a major dry bulk cargo handled by ports in the Pacific Northwest. The Georgia-Pacific (G-P) mill in Toledo may represent a potential market for receiving woodchips through the International Terminal. The G-P mill

has been in operation for approximately 60 years, and at one time, it received woodchips by barge, but now receives woodchips only via truck and rail. The International Terminal may be able to attract some of the G-P woodchips if the economics of the combination barge/truck move are competitive. The Port should consider approaching G-P to determine if this is feasible.

Liquid Bulk

Liquid bulks are free-flowing liquid cargoes, such as crude oil and petroleum products that are poured into and sucked out of large tank spaces, known as the holds, of a tanker. Liquid bulk traffic on the West Coast is dominated by crude oil and refined petroleum products. Various other liquid commodities (e.g., animal fats, vegetable oils, chemicals, and fertilizers) are also handled, but in much smaller volumes. The vast majority of this cargo moves directly into or out of oil refineries on the Puget Sound. Because Newport does not have a large population base, and does not have industries that use or produce liquid bulks, the Port is unlikely to attract liquid bulk cargoes.

Containers

Containerized cargo uses intermodal containers (also called shipping containers and ISO containers) that have standardized dimensions. They can be loaded and unloaded, stacked, transported efficiently over long distances, and transferred from one mode of transport to another, including between container ships, rail transport flatcars, and semi-trailer trucks – without being opened.

Most container traffic is concentrated in the San Pedro Bay, San Francisco Bay, Puget Sound, and British Columbia; other ports on the West Coast handle limited volumes of containers, generally for small niche markets. Smaller ports face a number of issues attracting container trade due to trends toward larger ships in the trans-Pacific trade and the fact that port alliances control almost 90 percent of it. Because Newport lacks water depth, rail access, and a large population base, it is unlikely to play a significant role in West Coast container markets.

6.3.5. INTERNATIONAL TERMINAL OPPORTUNITIES

The shipping channel that reaches the International Terminal is 30 feet deep, which is shallow when compared to other ports in the region. For example, the Coos Bay channel is 36 feet deep, Grays Harbor is 38 feet, and ports on the Lower Columbia River are served by a channel 43 feet deep. The Yaquina Bay channel limits the operating draft of vessels using the terminal, which, in turn, impacts how much cargo can be loaded onto or unloaded from vessels.

Marine terminals are typically located near sources of demand, either major population centers (for imports for consumption) or production regions (for exports or imports), or they are located on major shipping corridors, such as rail lines or river barge routes. The lack of rail access and river barge to Newport means that most high-volume cargos, such as dry bulks (grain, fertilizers, and the like), liquid bulks, containers, and automobiles, are unlikely to move through the International Terminal. The population of the Newport region is probably too small to support imports of consumer goods for consumption.

Local production represents the best cargo opportunity for the International Terminal. The two main production industries in Lincoln County are forest products and commercial fishing. The output volume of the commercial fishing industry is probably too small to support shipping via water, but may be sufficient to attract service from small breakbulk freighters.

The forest products industry represents an opportunity for the Port. Newport may be able to attract logs to the International Terminal, either for loading onto ship for export, or loading onto oceangoing barges for transport to another port for export, such as Astoria, Coos Bay, or Longview. As noted above, log shippers have demonstrated interest in using the International Terminal to ship logs.

Any plan for shipping logs should assume that the 30-foot channel will not be deepened. This effectively limits the amount of cargo that can be loaded onto ships and likely means partial loads of logs (or other cargo); ships with partial loads would likely sail to other ports in the region (e.g., Astoria, Coos Bay, Longview), for additional cargo. Barges are not impacted by the channel depth.

As discussed above, the International Terminal may have an opportunity to handle inbound woodchips for the G-P mill in Toledo.

The ability of Newport to attract cargo from farther inland, such as the Willamette Valley, is limited by a number of factors, including:

- Competition from other ports whose hinterlands overlap those of Newport. For example, for points north of Albany, Portland is closer than Newport and offers multiple shipping terminals. Similarly, points south of Eugene are closer to Coos Bay than Newport
- Insufficient volumes of non-containerized cargo. The overwhelming majority of international cargo shipped from the Willamette Valley is containerized, and the remaining non-containerized volume is likely not sufficient to attract vessel service. In addition, the state of Oregon is also studying the potential to locate an intermodal terminal in the Willamette Valley to handle containerized international export and import cargo.
- Water depth in the Yaquina Bay shipping channel limits the size of ships that can use the International Terminal. Because smaller ships are less efficient than larger ones, this increases the ocean shipping costs.

Because of these limitations, inland cargoes do not represent as strong an opportunity for the Port as do forest products.

6.3.6. OTHER MARKETS AND INDUSTRY OPPORTUNITIES

Rogue

Operations at Rogue began in 1992 and have continued to grow ever since, and now include a production brewery and a brewpub, Rogue Spirits Distillery, Rogue Rolling Thunder Barrel Works, Rogue House of Spirits, Bayfront Public House, and Rogue Bed and Beer. Rogue currently distributes beer to all 50 states and internationally to 32 countries. The firm's market is mainly located in the Pacific Northwest and west of Rockies. Rogue has approximately 300 employees, and is the tenth largest employer in Lincoln County.

Key issues and opportunities identified for Rogue include

- The approximately 700-foot seawall under the brewery needs to be repaired. The Port is currently working to address this issue.
- There are approximately 500 feet of dock in front of the brewery that could be used for transient moorage.
- The lack of affordable workforce housing is a major issue that makes it hard to attract employees, especially the lower paid employees. The seasonality of pubs also makes it difficult to attract and retain employees.
- Health care is another issue affecting the workforce.
- Potential opportunities that Rogue is considering include producing dulce and/or salt – some is used to produce gose, a fermented beer.

Cruise Ships

Newport could attract cruise ships as a port of call during repositioning trips. The Alaska cruise market is based in Vancouver, BC, and in Seattle, Washington. At the beginning and the end of the Alaska cruise season, each vessel must be repositioned (moved) from or to its winter homeport, and these repositioning cruises present an opportunity for coastal ports such as Newport.

The Alaska cruise market grew from 315 vessel calls and less than 1 million passengers in 2009 to 457 vessel calls and 2 million passengers in 2018. Two key dimensions of the Yaquina Bay navigation channel that limit the size of cruise vessels that can operate in Newport are the channel depth and the vertical clearance beneath the Highway 101 bridge. The navigation channel in Yaquina Bay has an authorized depth of 30 feet. The cruise ships operating in Alaska typically draw less than 30 feet of water, and only two of the ships in the 2018 Alaska market draw more than 28 feet of water. This has not changed substantially over time, even as ships have gotten longer.

Air draft under the Highway 101 bridge is a more important limitation. Most of the large cruise ships that operate in the Alaska market cannot pass under the bridge. Several smaller ships operate in that market, however, and they may present an opportunity for Newport. In order to explore this opportunity, the Port and the community should make

contact with the industry group, Cruise the West, as well as with cruise directors from lines that operate small vessels.

7. STRATEGIC BUSINESS PLAN ELEMENTS

The state template identifies five elements that must be included in a local Oregon port strategic business plan. The following sections identify the Port's priorities, and goals and policies related to capital improvements, management, finance, environment, and marketing. These goals and policies will help guide the Port's economic development activities over the 5- to 20-year planning horizon. Each section provides an overview of the element, Port-wide goals and policies, and, where applicable, goals and policies specific to the locations of Port facilities (North Bay, South Beach, and the International Terminal).

7.1. CAPITAL IMPROVEMENT PLAN

The Port's capital improvement plan (CIP) identifies the highest priority capital improvement projects to facilitate economic development opportunities and the continued success of Port operations and facilities. The CIP guides capital improvement priorities, but does not obligate the Port to make improvements. Table 6 lists each project, a planning level cost estimate, and time line or status for project completion. Funding for capital improvements is often contingent on partnerships with local, state, or federal agencies and/or private entities. These capital improvement projects do not represent all projects being pursued by the Port, but instead, the highest priority projects across all Port business lines. Additional project opportunities are identified in Appendix G and in other plans completed by the Port and its strategic partners, as listed in section 5.0.

The 2019 capital improvement plan is based on projects and information included the 2013 Capital Facilities Plan, the Port's most recent capital improvement budget prepared for FY 2018-2019, and projects and priorities that were identified through this strategic planning process. As noted in the 2013 Capital Facilities Plan, planning for capital improvements provide an essential connection between the strategic business plan and the construction of improvements. The plan goes on to identify the following benefits and advantages of capital improvement planning.

- Maintains the Ports compliance with regulatory requirements
- Highlights facility deficiencies and promotes corrective actions
- Ensures project funds can be provided in a logical and sustainable manner
- Ensures facilities are not built before they are warranted, or delayed so that costs become prohibitive and hinder orderly growth
- Ensures review of new facilities to confirm whether policy decisions were adequately made on the facilities financing
- Guarantees required facilities projects created by the Port's CFP will be carried out in an efficient, uninterrupted manner
- Produces coordination and cooperation among different governmental entities along with various interest groups
- Helps protect the Port from groups demanding pet projects

Table 6. 5-Year Capital Improvement Plan

	Capital Improvements	2019 Cost Estimate	Timeline
International Terminal Plan	Planning project to identify a mix of uses/opportunities that will maximize use of the terminal and adjacent vacant port-owned properties, and increase net revenues to the Port. Project completion primarily by Port staff.	\$15,000 (to cover cost of part time Port project manager for research and report preparation)	2019
Mitigation Plan	Planning project to address mitigation needs of future capital projects and potential inventory of mitigation sites. Anticipated to be completed by Port staff in partnership with the Port of Toledo, Yaquina Bay users, NOAA, ODFW, and the USACE. Project completion primarily by Port staff.	\$25,000 (to cover cost of part time Port project manager)	2019-2021
RV Park Annex Plan	Planning and conceptual design project to redesign and reconfigure the RV Park Annex to maximize space and functionality.	\$120,000	2019-2021
Planning Projects Subtotal		\$160,000	
Port Dock 5 Interim Improvements	Interim improvements to replace pier and improve dock. <ul style="list-style-type: none"> Approach pier replacement Replace 6 pilings Replace rods, whalers, rub boards, bumpers and triangles (PD 5C) Replace rods, bumpers, rub boards and 6 whalers (PD 5B) Replace rods and rub boards (PD 5X) New power pedestals 	<ul style="list-style-type: none"> Approach pier: \$2.4 million Replace Pilings: \$60,000 PD 5C: \$270,000 PD 5B: \$350,000 PD 5X: \$25,000 Power Pedestals: \$350,000 <p>All PD 5 Interim Improvements: \$3.5 million</p>	2019-2022
Port Dock 7 Interim Improvements	Interim improvements prior to reconfiguration/replacement <ul style="list-style-type: none"> Miscellaneous float and pile improvements and electrical improvements Replace 6 pilings 	<ul style="list-style-type: none"> Misc. Activities: \$288,000 Replace Pilings: \$60,000 <p>All PD 7 Interim Improvements: \$348,000</p>	2019-2021
Reconfiguration and Reconstruction of Commercial Marina	Complete reconstruction and reconfiguration of commercial marina, including Port Docks 3 and 7, Upland Improvements, Swede's Dock and Commercial Marina channel. <p>Dock 3 Improvements:</p> <ul style="list-style-type: none"> Replace rods, UHMW rub boards <p>Dock 7 Improvements:</p> <ul style="list-style-type: none"> Furnish and drive new steel piles and pile caps (100 piles) Furnish and install new floats (38,093 SF) Furnish and install new gangways (3 @ 220 LF total) Furnish and install new electrical equipment (38,093 SF) Dredging PD 7 berths <p>Swede's Dock:</p> <ul style="list-style-type: none"> New piling <p>Mitigation Projects:</p> <ul style="list-style-type: none"> Miscellaneous mitigation projects including eelgrass mitigation <p>Channel:</p> <ul style="list-style-type: none"> Dredging Commercial Marina channel 	Reconfiguration and Replacement Total: \$14.75 million <ul style="list-style-type: none"> Dock 3: \$110,000 Dock 7: \$9.80 million Swede's Dock: \$335,000 Mitigation Projects: \$1.0 million Channel Dredging: \$3.0 million Upland Improvements: \$500,000 	2019-2024

	Capital Improvements	2019 Cost Estimate	Timeline
	Upland Improvements: <ul style="list-style-type: none"> New waste oil collection facility/oil-water separator, pump out station 		
Fishing Pier Improvement	Identify replacement strategy and design new fishing pier. <ul style="list-style-type: none"> Structural and design improvements to maximize public access for recreational fishing, including ADA improvements 	\$2.9 million	2022
Rogue Seawall Repair	<ul style="list-style-type: none"> Phase II study of Rogue seawall (geotech and repair alternatives) Rogue seawall repairs 	\$1.36 million	2019-2021
Safety and Security	<ul style="list-style-type: none"> South Beach Marina electric load centers South Beach fuel tank replacement Relocate/replace hoist dock electrical lines Consolidate and upgrade total security camera network, port-wide 	Safety and Security Total: \$2.56 million <ul style="list-style-type: none"> South Beach Marina: \$600,000 South Beach Fuel Tank: \$300,000 Hoist Dock Electrical Lines: \$102,000 Security Camera Network: \$200,000 	2019-2024
International Terminal Improvements	<ul style="list-style-type: none"> Grading of Port's 9-acre lot (cost does not include wetland mitigation) Asphalt lot west of shop, behind shop, and near the east entrance Asphalt northwest corner of laydown area Installation of waste oil collection tank Mutually beneficial project(s) as required by development agreement with McLean Point developer. 	International Terminal Total: \$482,000 <ul style="list-style-type: none"> Grading: \$153,000 Asphalt: \$234,000 Tank: \$45,000 Other: \$50,000 	2019-2023
RV Annex	<ul style="list-style-type: none"> Final plans, new RV Annex New RV Annex construction 	Total: \$2.62 million	2019-2022
Capital Projects Subtotal		\$27.16 million	
Total		\$27.32 million	

Notes:

- ¹ All cost estimates are planning-level and include a 20 percent construction contingency. Costs are provided in 2019 dollars.
- ² Mitigation Plan cost ranges vary based on level of effort and could include mitigation and regulatory requirements of proposed capital projects and/or an inventory and field work of Port property with mitigation potential.
- ³ Reconstruction and reconfiguration of commercial marina includes demolition of 7, and Swede's Dock, and construction mobilization; does not include demolition/reconstruction of the Dock 5 trestle. Port Dock 7 costs include 5 percent for engineering and permits and 3 percent for construction management.
- ⁴ Port Dock 5 and 7 interim improvements include 15 percent for engineering and permitting and 5 percent for construction management.
- ⁵ Fishing pier improvement costs include 20 percent for engineering and permitting and 8 percent for construction management.
- ⁶ Yard improvement costs include 15 percent for engineering and permitting and 5 percent for construction management.

7.2. MANAGEMENT PLAN

The Port's existing personnel and management policies govern the successful management of the Port's assets and facilities while strengthening the effectiveness of its personnel and Commission.

Goal 1: Develop a management plan that enables Port Commissioners and staff to achieve the Port's mission and prioritize economic development opportunities within the District.

Policy 1.1: Prioritize projects and identify target businesses and potential partnership opportunities with public and private entities that will leverage Port resources.

Strategy 1.1.1: Annually review and update the capital facilities plan and develop a list of priority projects in conjunction with the budget development process.

Strategy 1.1.2: Pursue partnership opportunities with private businesses to develop industrial/commercial facilities that meet market demand and provide greater economic development opportunities within the District.

Strategy 1.1.3: Integrate the strategic business plan as a planning tool and review its key projects and policies annually in conjunction with budget meetings.

Strategy 1.1.4: Expand the Port's portfolio by targeting and pursuing new industries identified in the market analysis, such as seaweed and oyster cultivation, log exports, and attracting small cruise ships as a port of call.

Strategy 1.1.5: Incorporate the strategic business plan into the Port Commission's decision making to ensure continued alignment with the Port's mission and the expectations of its funding partners and other agencies.

Policy 1.2: Maintain and optimize marine assets.

Strategy 1.2.1: Develop a set of metrics to evaluate projects and properties, including underutilized and vacant properties.

Strategy 1.2.2: Lease marine facilities, but do not sell marine assets.

Strategy 1.2.3: Develop a mitigation plan to address impacts of capital projects and streamline future permitting.

Strategy 1.2.4: Develop an International Terminal Plan to study a mix of uses and opportunities, required transportation improvements, and the maximization of terminal space at the International Terminal.

Strategy 1.2.5: Develop a North Commercial area plan to develop and evaluate solutions to address service, infrastructure, capacity, and long-term financial sustainability issues.

Strategy 1.2.6: Develop additional business unit plans for Newport International Terminal, NOAA, and South Beach

Strategy 1.2.7: Adhere to and periodically update the Ports strategic business plan to determine priorities and provide for long-term efficiency and financial sustainability.

Policy 1.3: Port Commission members and staff will participate in inter-governmental forums related to target industry development.

Strategy 1.3.1: Sustain and leverage current partnerships for inter-governmental coordination needed to develop projects, even if the Port is not the lead agency.

Strategy 1.3.2: Maintain focus on the Port's vision, mission, and target industries in the pursuit of partnership opportunities.

Policy 1.4: Maintain Port operations and pursuit of market opportunities through staff and management changes.

Strategy 1.4.1: Develop a staffing strategy and succession plan to account for employee turnover and future employment needs.

Goal 2. Enhance the existing ability of the Port Commission and professional staff.

Policy 2.1: The Port will provide appropriate training opportunities to enable ongoing professional development of Commissioners and staff.

Strategy 2.1.1: Plan and budget for periodic training opportunities to allow Port Commissioners and staff to gain knowledge relevant to their positions, as well as existing protocols and policies.

Strategy 2.1.2: Encourage Commissioner and staff participation in professional organizations (e.g., Pacific Northwest Waterways Association, Oregon Public Ports Association, [Association of Pacific Ports American Association of Port Authorities](#), Special Districts Association of Oregon, and other entities).

7.3. FINANCIAL PLAN

In conjunction with the development of this strategic plan, the consultant team prepared a financial plan. A summary of key recommended financial goals, policies, and strategies follows and the full financial plan is included as Appendix F. Overall financial recommendations are aimed at enhancing and maintaining sound fiscal processes.

Goal 1: Develop a financial plan that enhances the Port's long-term financial stability.

Policy 1.1: Develop a long-term cash flow model that projects the Port's anticipated financial performance in order to support and evaluate its strategic decisions.

Policy 1.2: Develop a finance manual that assists Port financial management.

Strategy 1.2.1: Establish a set of investment and borrowing guidelines that define the expected rate of return of capital projects with all costs and economic benefits considered. -Review the financial implications of capital improvement projects, prior to approval.

Strategy 1.2.2: Continue set-asides of cash reserves to fund the match portion of future grants. It is likely that the proposed capital improvement plan will require grant funding.

Strategy 1.2.3: Continually seek opportunities to refinance portions of the Port's long-term debt.

Strategy 1.2.4: Continue efforts to streamline accounting processes including elimination of duplicative processes in the accounting office (integrate computer hardware and accounting software).

Strategy 1.2.5: Review salaries and benefits for Port personnel.

Goal 2: Continue to improve and enhance the financial performance of each line of business.

Policy 2.1: Improve the financial performance of the Commercial Marina. The Port is considering \$18.7 million in capital improvements to the Commercial Marina. Efforts should be considered to improve its financial performance.

Strategy 2.1.1: Consider raising rates and/or reducing the rate discount for annual moorage at the Commercial Marina. Consider a moorage rate that increases progressively with boat length.

Strategy 2.1.2: Expenses have grown very rapidly at the Commercial Marina. Consider ways to increase reimbursement for expenses by assessing the cost for provision of services.

Strategy 2.1.32: Consider changing operations to improve net revenues, such as consolidating gear storage, in order to enable other lease activities.

Strategy 2.1.43: Consider establishing a modest parking charge for tenants.

Strategy 2.1.54: The accounting system at the Commercial Marina uses a different software system that is not fully integrated into the Port's accounting system. Consider integrating the systems in the near future.

Policy 2.2: Continue to enhance the financial performance of South Beach facilities. The Port is considering \$5.3 million in capital improvements at South Beach. Efforts should be considered to improve the financial performance to assure that net revenues are available to recapitalize the South Beach marina when required.

Strategy 2.2.1: Consider ways to improve the rate of return on leases (~~NOAA~~, OSU and Oregon Aquarium) that were very generous (\$1 per year).

Strategy 2.2.2: Consider reducing discounts or finding other ways to increase revenues from moorage at South Beach. Consider a moorage rate that increases progressively with boat length and/or reducing discounts for annual moorage.

Strategy 2.2.3: Consider increasing revenues by improving facilities at the R.V. Park Annex and Overflow lots; and consider providing higher end R.V. facilities as a part of development plans.

Strategy 2.2.2: Expenses have grown very rapidly at the Recreational Marina. Consider ways to increase reimbursement for expenses by assessing the cost for provision of services.

Policy 2.3: Seek ways to improve the financial performance of Newport International Terminal. The Port has invested \$26 million in capital improvements at the Terminal. The facility is in good condition and requires modest improvements (estimated at \$497,000) during the next five years.

Strategy 2.3.1: Consider ways to attract and retain cargo operations (logs, wood chips etc.) under a plan that produces sufficient net revenue for the Port.

Strategy 2.3.2: Consider ways to attract and retain uses for the 9-acre unimproved area toward the road (gear storage, other operations).

Strategy 2.3.3: Seek ways to supplement and enhance efforts underway at the Rondys property.

Strategy 2.3.4: Consider raising rates for moorage by commercial fishing boats.

Strategy 2.3.4: Consider ways to increase reimbursement for expenses by assessing the cost for provision of services.

Policy 2.4: Seek ways to assure the continued sound financial performance of the NOAA Facility. The lease for the facility is essentially a break-even enterprise.

Strategy 2.4.1: Review NOAA reserve calculations to ensure that operating revenues will cover long-term capital needs as well as short-term needs (dredging, repair, etc.).

7.4. ENVIRONMENTAL PLAN

The Port's goals include being environmentally responsible in the management of operations and facilities. Sustainability is another of the Port's governing values – maintaining and expanding facilities while not compromising local resources and the natural environment. The following goal, policies, and strategies are proposed to assist the Port in maintaining its commitment to sound environmental stewardship.

Goal 1: Operate Port facilities consistent with established best management practices.

Policy 1.1: Establish green policies and best management practices to ensure compliance with current environmental regulations and balance economic development opportunities with regional sustainability.

Strategy 1.1.1: Work with local representatives to address environmental concerns and engage community input as needed for special projects.

Strategy 1.1.2: Share resources, funds, and opportunities with local and regional partners as appropriate to achieve common environmental goals and projects.

Strategy 1.1.3: Achieve “Clean Marina” and “Clean Shipyard” certifications from the OSMB.

Strategy 1.1.4: Develop a mitigation plan to address impacts of capital projects and streamline future permitting.

Strategy 1.1.5: Complete a risk assessment that forecasts the potential cost of negative environmental impacts and recommends risk mitigation and avoidance measures.

Strategy 1.1.6: Complete a comprehensive wetland mitigation strategy that identifies all wetlands on developable port property, as well as mitigation strategies (i.e., wetland enhancement, replacement, wetland bank) where avoidance is determined infeasible given site development programs.

Policy 1.2: Consider the potential impacts of natural disasters and climate change on Port operations and facilities.

Strategy 1.2.1: Partner with local agencies, industries, and organizations to create a resiliency plan, studying impacts from potential earthquakes, tsunamis, and rising sea level to local facilities and businesses.

7.5. MARKETING PLAN

The following marketing goals and policies are intended to assist the Port in maintaining positive relationships with the community and its current users and tenants as the Port pursues economic development opportunities.

Goal 1: Market the Port District, its services, assets, opportunities, innovations, and communities in three focused areas: (1) promotion, protection, and expansion of existing Port tenants and users; (2) recruitment of international, national, and/or local industries to maximize use of Port facilities; and (3) exploration of tourism, recreation, research, and education opportunities.

Policy 1.1: Develop marketing materials that focus on the Port District and local community assets, resources, job opportunities, and land availability.

Strategy 1.1.1: Work with Discover Newport to capture the rise in tourism by marketing local facilities and amenities to trades groups.

Strategy 1.1.2: Partner with CWEDD and the Economic Development Alliance of Lincoln County to promote the distinct advantages of the region and its assets, opportunities, and synergies in marketing efforts.

Strategy 1.1.3: Market directly to target industries and businesses that could locate in the Newport area and where demand exists.

Strategy 1.1.4: Identify opportunities to market the Port nationally and internationally.

Goal 2: Build trust, transparency, and excitement within the local community.

Policy 2.1: Develop public relations strategies that highlight the history of the Port, build community excitement and pride around the future of the Port, and establish a reliable communication mechanism between Port staff and Commissioners and the community.

Strategy 2.1.1: Host community events, such as barbeques, where the community can come and learn about the history of the Port and the projects that are underway or on the drawing board, and meet Port staff and Commissioners.

Strategy 2.1.2: Partner with local businesses to give joint tours of research, education, and recreational facilities.

Strategy 2.1.3: Establish a responsive single-point of contact, such as the marketing manager, for community inquiries, suggestions, or concerns.

8. IMPLEMENTATION AND ACTION PLAN

Table 7 provides an action plan that identifies top Port priority projects, a timeline, potential funding sources, planned actions, and roles (lead, support and resource agencies) including the Port and its partners. The action plan will help to guide the Port as it implements the recommendations within this strategic business plan. Successful completion of the planned capital, marketing, and maintenance projects will require ongoing review and updating. This action plan should be reviewed annually in conjunction with the Port’s budget development process, and may be updated as needed.

Table 7. Action Plan

Project	Timeline	Potential Funding Sources	Action	Agency Roles
<p>International Terminal Plan Planning project to identify a mix of uses/opportunities that will maximize use of the Terminal and adjacent vacant port-owned properties. Potential Terminal uses include cargo shipping for forest products or fisheries, commercial fisheries support, and opportunities to support small cruise ships, and employment land development.</p>	2019	<ul style="list-style-type: none"> • IFA • Public private partnership (P3) • USEDA • MARAD 	<ul style="list-style-type: none"> • Identify funding sources and pursue loan/grant funding to support additional analysis and partnership opportunities at the International Terminal. • Complete an in-depth analysis of economic opportunities and facility needs to support potential uses of the Terminal and adjacent vacant properties. • Coordinate with adjacent property owners (McLean Point developer and others) 	<ul style="list-style-type: none"> • Port (lead) • Business Oregon/IFA/EDA (support) • USDOT MARAD (support) • ODFW/USACE (resource/regulatory)
<p>Mitigation Plan Planning project to address mitigation needs of future capital projects and potential inventory of mitigation sites. Partnerships and collaboration between the ports of Newport and Toledo, Yaquina Bay users NOAA, ODFW, and the USACE are envisioned to complete this plan.</p>	2019 to 2021	<ul style="list-style-type: none"> • Business Oregon • IFA • USDA • Various research and science grants 	<ul style="list-style-type: none"> • Identify funding sources and pursue loan/grant funding for ongoing site readiness through advanced mitigation planning. • Identify wetlands on a comprehensive basis for top priority Port development sites, including mitigation options. <ul style="list-style-type: none"> • Include sub-tidal eelgrass mitigation strategies. • Develop a leadership role for the Port in eelgrass propagation. • Become a regional leader in environmental mitigation, including habitat enhancement, in conjunction with OSU and other regional partners and resource agencies. 	<ul style="list-style-type: none"> • Port (lead) • Business Oregon/IFA (support) • Port of Toledo (support) • Yaquina Bay users (support) • NOAA (support) • Oregon State University (OSU) (partner) • ODFW (resource/regulatory) • Department of State Lands/USACE (resource/regulatory)
<p>RV Park Annex Plan Planning and conceptual design project to redesign and reconfigure the RV Park Annex to maximize space and functionality.</p>	2019 to 2021	<ul style="list-style-type: none"> • Port • OPRD Grants 	<ul style="list-style-type: none"> • Facilities and site layout for RV Park Annex site plan to increase the number of RV sites and improve utilities and services. 	<ul style="list-style-type: none"> • Port (lead) • OPRD (support) • Oregon RV Association/ Travel Oregon (resource)

Project	Timeline	Potential Funding Sources	Action	Agency Roles
<p>Port Dock 5 Interim Improvements Interim improvements to replace pier and improve dock.</p> <ul style="list-style-type: none"> • Approach pier replacement • Replace 6 Pilings • Replace Rods, Whalers, Rub Boards, Bumpers and Triangles (PD 5C) • Replace Rods, Bumpers, Rub Boards and 6 Whalers (PD 5B) • Replace Rods and Rub Boards (PD 5X) • New power pedestals 	2019-2021	<ul style="list-style-type: none"> • IFA • P3 • USEDA 	<ul style="list-style-type: none"> • Secure funding • Preliminary design • Permitting • Final engineering • Bid and Construction 	<ul style="list-style-type: none"> • Port (lead) • Business Oregon/IFA/USEDA (support) • ODFW/USACE (resource/regulatory)
<p>Port Dock 7 Interim Improvements Interim improvements prior to reconfiguration/replacement</p> <ul style="list-style-type: none"> • Miscellaneous float and pile improvements and electrical improvements • Replace 6 Pilings 	2019-2021	<ul style="list-style-type: none"> • IFA • P3 • USEDA 	<ul style="list-style-type: none"> • Secure funding • Preliminary design • Permitting • Final engineering • Bid and Construction 	<ul style="list-style-type: none"> • Port (lead) • Business Oregon/IFA/USEDA (support) • ODFW/USACE (resource/regulatory)
<p>Reconfiguration and Reconstruction of Commercial Marina Complete reconstruction and reconfiguration of commercial marina, including Port Docks 3 and 7, Upland Improvements, Swede's Dock and Commercial Marina Channel.</p> <p>Dock 3 Improvements:</p> <ul style="list-style-type: none"> • Replace Rods, UHMW Rub Boards <p>Dock 7 Improvements:</p> <ul style="list-style-type: none"> • Furnish and Drive New Steel Piles and Pile Caps (100 piles) • Furnish and Install New Floats (38,093 SF) • Furnish and Install New Gangways (3 @ 220 LF total) • Furnish and Install New Electrical Equipment (38,093 SF) • Dredging PD 7 Berths <p>Swede's Dock:</p> <ul style="list-style-type: none"> • New piling <p>Mitigation Projects:</p> <ul style="list-style-type: none"> • Miscellaneous Mitigation Projects including eelgrass mitigation <p>Channel:</p> <ul style="list-style-type: none"> • Dredging Commercial Marina Channel <p>Upland Improvements:</p>	2019 to 2024	<ul style="list-style-type: none"> • IFA • P3 • USEDA • Connect Oregon 	<ul style="list-style-type: none"> • Program Refinement • Secure funding • Preliminary design • Permitting • Final engineering • Bid and Construction 	<ul style="list-style-type: none"> • Port (lead) • Private Development/ Business Oregon/ ODOT/IFA/USEDA (support) • ODFW/USACE (resource/regulatory)

Project	Timeline	Potential Funding Sources	Action	Agency Roles
<ul style="list-style-type: none"> New waste oil collection facility/oil-water separator, pump out station 				
Fishing Pier Improvement Identify replacement strategy and design new fishing pier to improve ADA accessibility. <ul style="list-style-type: none"> Maximize public access for recreational fishing with a focus on diverse users, particularly those with disabilities Reduce environmental impact of the pier structure 	2022	<ul style="list-style-type: none"> Port OSMB City of Newport Lincoln County USCAE 	<ul style="list-style-type: none"> Conduct public outreach to identify replacement strategy Secure funding Preliminary design Permitting Final engineering Remove structures as required Bid and construction 	<ul style="list-style-type: none"> Port (lead) OMB (support) ODFW/USACE (resource/regulatory)
Rogue Seawall Repair <ul style="list-style-type: none"> Phase II Study of Rogue Seawall (Geotechnical and Repair alternatives) Rogue Seawall Repairs 	2019-2021	<ul style="list-style-type: none"> Port USEDA Business Oregon Private foundations 	<ul style="list-style-type: none"> Complete Phase II Study Secure funding Preliminary design Permitting Final engineering Bid and construction 	<ul style="list-style-type: none"> Port (lead)
Safety and Security <ul style="list-style-type: none"> South Beach Marina Electric Load Centers South Beach Fuel Tank Replacement Relocate / Replace Hoist Dock Electrical Lines Consolidate and Upgrade Total Security Camera Network, Port-wide 	2019 to 2024	<ul style="list-style-type: none"> Port P3 	<ul style="list-style-type: none"> Secure funding Preliminary design Permitting Final engineering Bid and construction 	<ul style="list-style-type: none"> Port (lead)
International Terminal Improvements <ul style="list-style-type: none"> Grading of Port's 9 Acre Lot Asphalt lot west of shop, behind shop, and near the east entrance Asphalt Northwest Corner of Laydown Area Installation of Waste Oil Collection Tank Mutually beneficial project(s) as required by development agreement with McLean Point developer. 	2019 to 2023	<ul style="list-style-type: none"> Port Private P3 	<ul style="list-style-type: none"> Secure funding Preliminary design Permitting Final engineering Bid and Construction 	<ul style="list-style-type: none"> Port (lead) Private Development (support)
RV Annex <ul style="list-style-type: none"> Final plans, new RV Annex New RV Annex Construction 	2019 to 2022	<ul style="list-style-type: none"> Port OPRD 	<ul style="list-style-type: none"> Secure funding Preliminary design Permitting Final engineering Bid and Construction 	<ul style="list-style-type: none"> Port (lead) OPRD (support) Oregon RV Association/ Travel Oregon (resource)

ATTACHMENTS AND EXHIBITS

PORT OF NEWPORT STRATEGIC BUSINESS PLAN

NEWPORT, OREGON

APPENDIX A

OUTREACH SUMMARIES AND PUBLIC COMMENTS

PORT OF NEWPORT STRATEGIC BUSINESS PLAN

NEWPORT, OREGON

APPENDIX B

SWOT ANALYSIS

PORT OF NEWPORT STRATEGIC BUSINESS PLAN

NEWPORT, OREGON

APPENDIX C

FACILITIES CONDITION ASSESSMENT

PORT OF NEWPORT STRATEGIC BUSINESS PLAN

NEWPORT, OREGON

APPENDIX D

SHORELINE UNIT AND MANAGEMENT CLASSIFICATIONS

PORT OF NEWPORT STRATEGIC BUSINESS PLAN

NEWPORT, OREGON

APPENDIX E

MARKET ANALYSIS

PORT OF NEWPORT STRATEGIC BUSINESS PLAN

NEWPORT, OREGON

APPENDIX F

FINANCIAL PLAN

PORT OF NEWPORT STRATEGIC BUSINESS PLAN

NEWPORT, OREGON

APPENDIX G

PROJECT OPPORTUNITIES



Port of Newport

STAFF REPORT

DATE: July 23, 2019
RE: City of Newport Water Easement
TO: Port of Newport Board of Commissioners
ISSUED BY: Paula J. Miranda, General Manager

BACKGROUND

In 1962 The Port entered into a lease with the Oregon State University (OSU). Under the lease OSU is allowed to build buildings to support its use. OSU is in the process of building a new building, which requires utilities. OSU requested a water easement be given to the City of Newport in order to get water hook up to its building. There is very little implication in providing this easement.

RECOMMENDATIONS

Since utilities are necessary to get the building built and the Port already agreed to allow buildings to be built at the leasehold, I recommend a motion authorizing the General Manager to provide the water easement to the City of Newport substantially in the form as provided.

After recording return to:
City of Newport
169 SW Coast Highway
Newport, OR 97365

**CITY OF NEWPORT, OREGON
PUBLIC UTILITY EASEMENT**

Port of Newport, hereinafter referred to as “GRANTOR”, owner of the real property described below does hereby give and grant unto the City of Newport, an Oregon Municipal Corporation located in Lincoln County, Oregon, hereinafter referred to as “GRANTEE”, an exclusive, perpetual easement for public utilities, including the right to lay, construct, and maintain water utilities, and all related appurtenances, hereinafter referred to as “Public Utility”, to be constructed and located on, across, under or over the surface of the following described real property:

Legal Description provided in Exhibit A and shown in Exhibit B

This is intended to exclude all other below-surface installations, except as may be specifically approved by the GRANTEE.

GRANTEE and its contractors, subcontractors, agents or employees shall have the right to enter and occupy the easement for the purpose of constructing the Public Utility, to permanently operate and maintain the Public Utility, and to inspect, repair, replace, remove or renovate the Public Utility. In the event any damage is caused to GRANTOR’s property by the GRANTEE or the GRANTEE’s agents or independent contractors, GRANTEE shall promptly, at its expense, repair and restore the property to the condition existing prior to the damage.

GRANTOR shall be responsible for landscape and surface maintenance within the easement. In carrying out this responsibility, GRANTOR agrees not to plant any tree, shrub or plant within the Public Utility easement, nor build any structure or place any fence in the easement without first obtaining written permission from GRANTEE. It is understood that GRANTEE may remove any physical obstructions including buildings, fences, trees, or shrubbery, and abate any use of the easement if GRANTEE finds that the physical obstruction or use will interfere with the Public Utility or GRANTEE’s easement rights granted above, without recompense to the GRANTOR.

GRANTOR and GRANTEE intend that this easement bind GRANTOR, his or her heirs, successors and assigns. This easement will not be considered abandoned until GRANTEE has declared the easement abandoned and no longer in use by GRANTEE, and releases this easement in a duly executed and recorded Release of Easement.

In addition to all other remedies allowed by law, GRANTOR and GRANTEE and their successors and assigns shall have the right to seek injunctive relief for the enforcement of the

terms and conditions of this easement. If either party is required to bring suit or action to enforce the terms of this easement, the prevailing party shall be entitled to recover its reasonable attorney fees and costs in such action or suit, including upon appeal.

The true and actual consideration for this easement is \$0.00.

DATED this _____ day of _____, 2019.

Port of Newport

STATE OF OREGON)
County of Lincoln) ss

Personally appeared before me this _____ day of _____, 2019 the above named Paula J. Miranda, General Manager for the Port of Newport.

Notary Public for Oregon

ACCEPTANCE OF EASEMENT

The City of Newport, Oregon, does hereby accept the above-described Public Utility Easement this _____ day of _____, 2019.

Spencer R. Nebel, City Manager

STATE OF OREGON)
County of Lincoln) ss:

This instrument was acknowledged before me on the _____ day of _____, 2019 by Spencer R. Nebel as City Manager of the City of Newport.

Notary Public for Oregon

Exhibit A

Commencing at the Northwest corner of Parcel 2 of Partition Plat 31-1991, a Partition Plat of record located in the Northeast One-Quarter of Section 17 of Township 11 South, Range 11 West of the Willamette Meridian, City of Newport, Lincoln County, Oregon; thence North $61^{\circ}37'03''$ East 593.13 feet to Southwest corner of that property deeded to Newport Urban Renewal Agency in Lincoln County Deed Record 2012-11353; thence along the south line of said property South $75^{\circ}27'03''$ East 5.85 feet to the east right of way line of SE OSU Drive; thence along said east right of way line North $14^{\circ}31'47''$ East 706.89 feet to the TRUE POINT OF BEGINNING; thence South $75^{\circ}28'13''$ East 28.62 feet; thence North $14^{\circ}31'47''$ East 27.19 feet; thence North $75^{\circ}28'13''$ West 28.62 feet; thence South $14^{\circ}31'47''$ West 27.19 feet to the point of beginning.

The basis of bearings for the above described easement is based on the Oregon Coordinate System of NAD83/98, North Zone 3601, as established in Lincoln County Survey No. 18732.

Exhibit B

EASEMENT EXHIBIT

LOCATED IN THE NORTHEAST $\frac{1}{4}$ OF SECTION 17 OF
TOWNSHIP 11 SOUTH, RANGE 11 WEST OF THE WILLAMETTE
MERIDIAN, LINCOLN COUNTY, CITY OF NEWPORT, OREGON

DATE: 4/2/2019

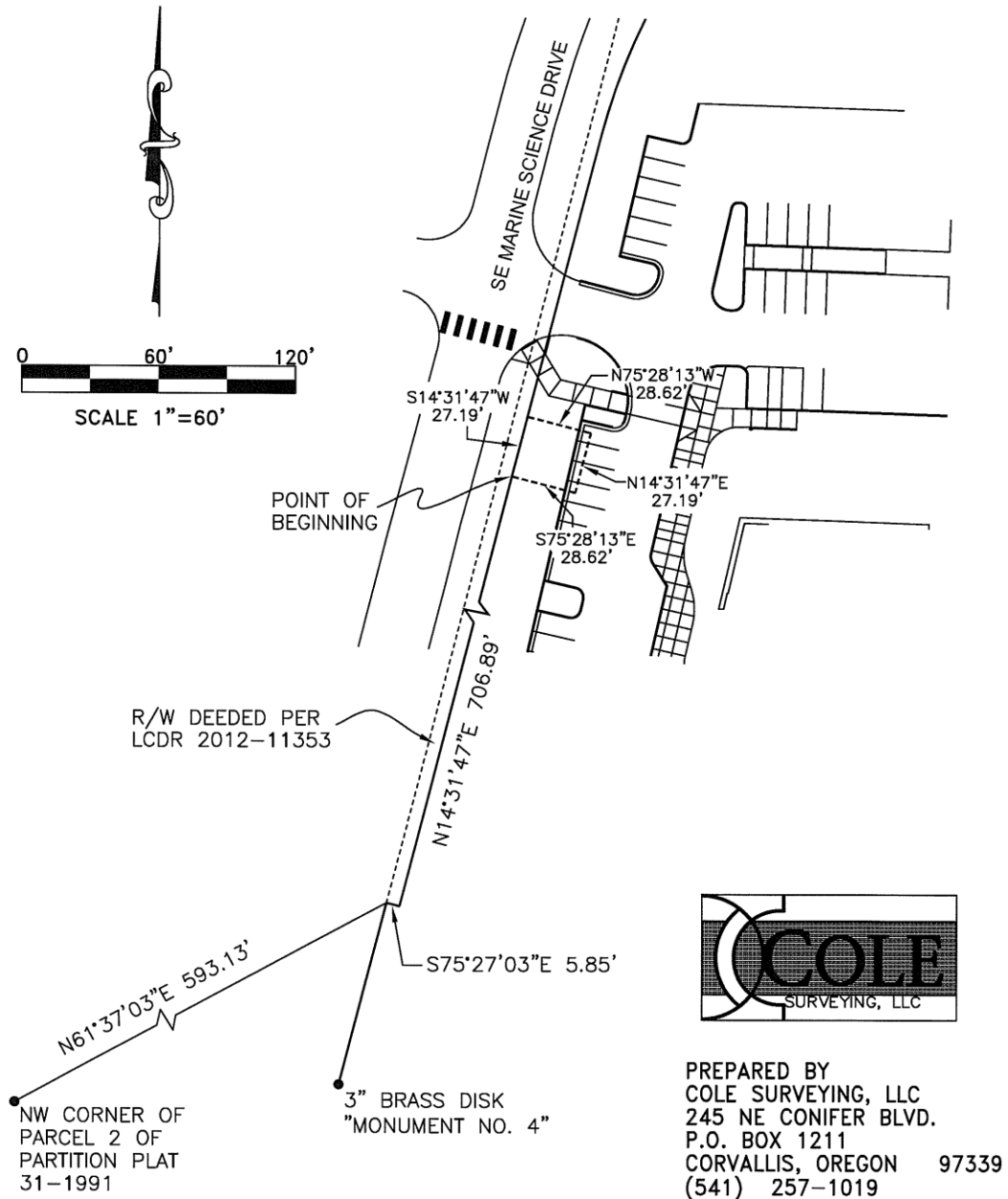


Exhibit B



DIRECTOR OF OPERATIONS REPORT

DATE: 07/16/2019
PERIOD: June 2019 – July 2019
TO: Paula J. Miranda, General Manager
ISSUED BY: Aaron Bretz

OVERVIEW DIROPS

Summary:

Summer is in full swing, so South Beach has been very busy; the halibut openers have created heavy use of the facility, and there are rumors of some tuna starting to move inshore a little. The fireworks went off at the Terminal smoothly, and we are yet unsure what if any involvement will be requested of the Port in the future. We performed our annual security exercise as required by the International Terminal Security Plan, and we have requested the annual peer audit of the plan from the Facility Security Officer at the Port of Astoria. Many of the Commercial Marina moorage holders are out fishing, so crowding is down at the docks for the moment. The Port Dock 5 Pier replacement project grant request went before the Investment Review Committee and did very well. I am awaiting a letter of continued interest from the EDA, which will ask us to fill them in on a few remaining questions the committee has and if I address their concerns adequately, we will likely get the funding we requested. The grant request has cleared the major hurdles for funding and we are in the end-game.

Detail:

- **Port Dock 5 Project**

I am working on the RFP currently so that I can issue it as soon as we get word that the funding has dropped. I once again talked with the City to ensure that our plan review and building permit can go as smoothly as possible and we've provided them with as much information at this point as they can take without conducting a formal review. We anticipate turn-around time on the construction permit to be 6-8 weeks.

I have no idea at this time what sorts of questions the EDA will want us to address prior to granting funding; they could be anything from structural or environmental issues to return on investment questions about job retention, etc. Once I receive the questions (I expect to have them prior to the Commission Meeting), I can make an assessment of how difficult they will be to address. If they are minor, my plan is to go ahead and submit for plan-review to the City to keep things on time. The fees we get charged for plan-review are non-refundable, so I want to be as certain as possible that we will receive funding before we ask the City to review the plans. We are still in position to start construction 01 NOV if we receive funding.

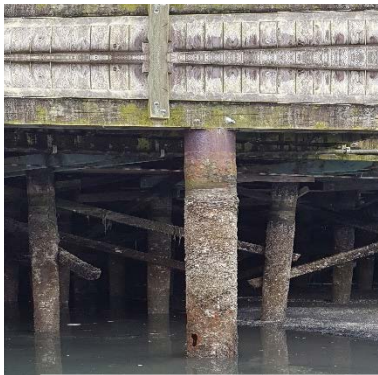
The EDA remarked that our grant package was well-prepared and we made a very strong case.

- **Additional Commercial Marina Projects**

The request for permit for the additional pilings in the Commercial Marina was submitted to the Army Corps weeks ago; I am following up to trace down progress. There have been some personnel shifts and software problems in regulatory at the Corps, so they have had some problems keeping track of some permits and our pilings were one of the ones that stopped for a while.

Two pilings under the platform for the Port Dock 3 approach have degraded significantly in the past two years and will need repaired this winter. One additional piling on Port Dock 3 has a hole and should be replaced as soon as possible. With the extremely low tides in July we were able to get a look at these pilings where they are usually submerged and not visible.

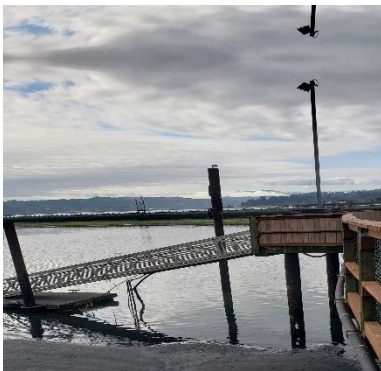
These images show one of the pilings under the platform two years apart:



2017



2019



Northern Piling From Shoreline



Northern Piling From Gangway

The platform pilings are prime candidates for casing and either epoxy or concrete repairs

because they are underneath a platform. If we use one of these processes, the contractor would burrow down several feet beneath the mud line and encase the existing piling and extend the service life so that we don't have to rebuild the platform now to drive new pilings. In this application, repair would save us enough money to be beneficial. We are in contact with a couple companies who do these repairs and are preparing to determine the best way to permit this work.

- **South Beach Boat Ramp Repair**

In order to perform the simple repairs to the boat ramp toe in South Beach (reported to Port Commission in winter of 2018-19), a pre-construction notification to the Army Corps is required (Joint Permit). I am in contact with them right now to see if there is any way to avoid pre-construction notification, but it looks like it will be required. This is a very small repair that will cost us about \$3,500-\$4,000 and only a couple hours of work, but because we are filling an area that meets the criteria for a permit, we will probably be required to submit. I've already completed the Joint Permit Application, and I am currently discussing this project with the permitting agencies.

- **Charter Boat Policy in South Beach**

We had legal review completed of the license, and implemented the Charter License and fee. The signs are up, and enforcement will be ongoing as we are able.

- **Parking Enforcement**

As previously reported, parking enforcement has been a challenge for us since the City no longer contracts with TCB for that same service. The cost for the Port to bring an additional officer on duty only for the Port's benefit is greater than any revenue we can generate from that activity. However, we want to avoid detrimental impacts to other services that result from illegal parking on our property.

This month has been particularly difficult where illegal parking is concerned because of the busy tourist season. I've requested that TCB call up one officer only for Port service for some random weekends upcoming so that we can attempt to influence public behavior to park properly.

The City continues to aggressively enforce their parking ordinance in the City's right of way in South Beach.

- **Community Ice**

Licensed to install a meter and access water from our water lines at NIT for one year, but they have expressed a desire to have access for up to three years. Will be charged for consumption of water according to meter readings.

- **Maintenance Crew**

- Replaced a set of backer pipes at NOAA
- Cut metal snag hazards on Port Dock 7
- Worked on dock rods, Port Dock 5

Newport International Terminal- Don Moon, Supervisor

Billable Services Performed this Period (November)

- Forklift – Hrs 48.5
- Moorage – 139Days
- 30 Ton Hydraulic Crane – Hrs 22
- Hoist Dock Tie Up – Hrs 91
- Labor – Hrs 54.5
- 120V power – 7.5
- Other (Net Work) – 37 Days
- 208V power – 50 Days

Special Projects: *(Not regular maintenance & repair tasks. Enter project name and notes)*

- Completed In Progress
- Completed In Progress
- Completed In Progress **Brush Cutting Around East Entrance**
- Completed In Progress
- Completed in Progress

Billable Services Performed this Period:

- Forklift – 135Hrs
- Hoist Dock Crane(s) – 12.5 Hrs
- 30 Ton Hydraulic Crane - Enter #.Hrs
- Dock Tie Up – 245.25Hrs
- Launch Tickets - Enter #. passes sold
- Other (Labor) – Hrs

Special Projects: *(Not regular maintenance & repair tasks. Enter project name and notes)*

- Completed In Progress
- Completed In Progress [Click here to enter text.](#)
- Completed In Progress [Click here to enter text.](#)
- Completed In Progress [Click here to enter text.](#)
- Completed In Progress [Click here to enter text.](#)
- Completed In Progress

Other: *(Enter issues, events, large purchases and other notable items)*

*Forklift usage is down 23% from last month, crane down 19% and tie-up time is down 15%.
June 2018 compared to June 2019, Forklift is down 17% crane down 41% and tie up is down 20%.
Year to date we are up 13% on forklift use, up 9% with crane use and less than 1% up with tie up time.*

Now that crab season is all but over, things have evened out between this year and last, with forklift time the only service that has seen a marked increase. Historically, usage should stay about the same for the next couple months unless the tuna fish catch is higher than last year.

Special Projects:

Completed In Progress **Backer pipes arrived. Shackles and some of the chain are in. We installed one of them after an old one broke.**

Other:

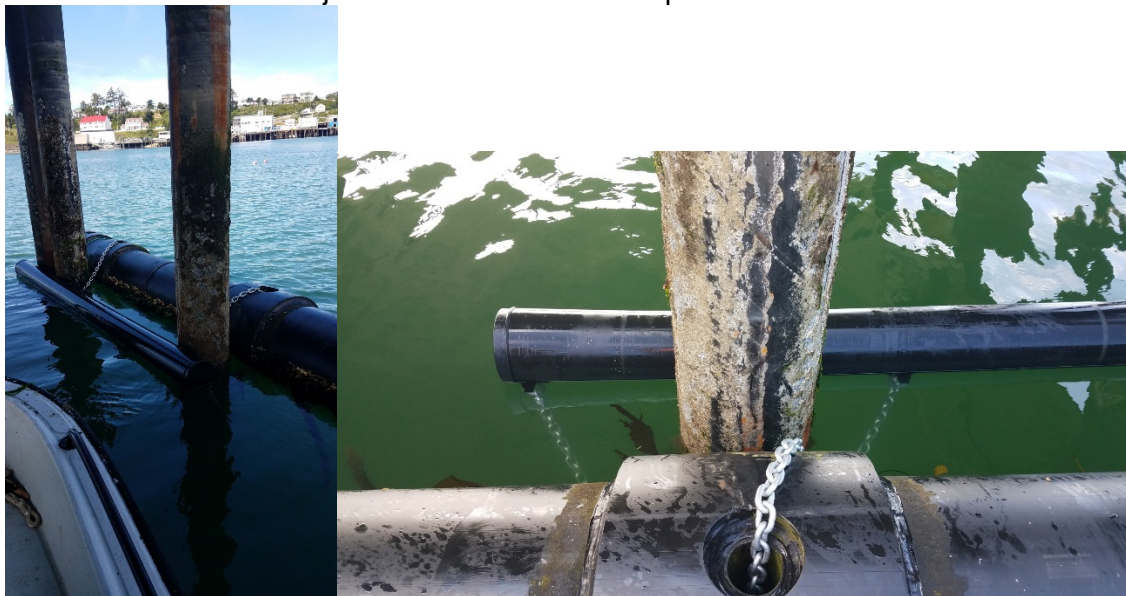
Vessels Using the Facility Since My Last Report – NOAA vessels Hi’ialikai, Bell M. Shimada, Reuben Lasker. WHOI vessel Atlantis.

Office Occupancy Admin Building – 65 Work Stations Total, 46 Occupied
Warehouse Bldg. – 23 Work Stations Total, 6 Occupied
Occupancy Rate – 59%

Annual inventory of the eelgrass beds mitigation area was performed by 2 biologists from Pacific Habitat Services, 2 port personnel from the accounting department and myself.

Continued to take a trip around the pier every other day to remove nesting material before the seagulls set up house. Set up sprinkler deterrents between ship visits.

Installed our first replacement backer-pipe on the camel system since I had one break away. We will make some small adjustments based on the experience.



Fourth of July fire watch was uneventful.

I had a fire alarm panel trouble message that kept cycling through so fast I couldn't see what it was. I had a couple thousand emails and texts to delete which was bad but the poor guard had to listen to it beep every time it went off. I finally found and isolated a ground fault last Saturday morning so I was able to put the panel back in service. Performance Systems Integration will be down here a week from Wednesday to work on the section I have DC'd.

South Beach – Chris Urbach, Harbormaster

We had 998 launches for the month of June.

We have been working with Thompsons Sanitary to develop a new dumpster that will work for them and us. They are doing away with the rear load trucks and going with side load, stay tuned.

The city took 512 yards of sand for one of their sewer lift station projects and we sold Emery @ Son 84 yards of sand for the OSU college project.

The parks have been full and the salmon have been thick halibut has been slow.

Has been a busy summer so far.

I hope to order the 12 new washers from Welches Appliance after the commission meeting this month.

I hope to hire the painter to paint the central restroom and spirts building after this month's commission meeting.

I'm waiting on getting quotes on residing the men's @ women's marina shower building.

Starting to enforce the charter boat license fee.

Starting to enforce the axle charge for trucks coming on port property.

Port Mates Volunteers

A huge thanks to the Mates and the Police Volunteers for helping with the 4th of July

We are exploring the possibility of a presence at National Night Out

The Ports are helping with the upcoming Shop at the Dock events



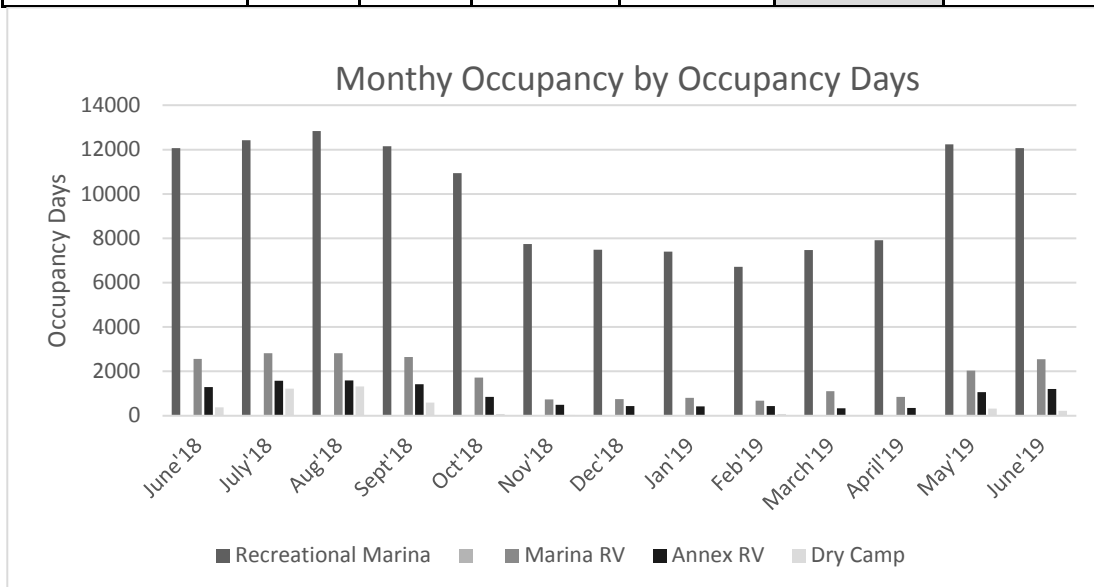
RV PARK & RECREATIONAL MARINA OCCUPANCY REPORT

DATE: 06 July 2019
RE: Month Ending 30 June 2019
TO: Aaron Bretz, Director of Operations
ISSUED BY: Bill Hewitt, RV Park Supervisor

The South Beach operation is in full swing as we are now in our prime season. The marina was ahead of June 2018 and year to date. The Marina RV Park was 13 days short of June 2018 and behind YTD. The Annex was behind in June vs 2018, but ahead YTD. Dry camping was behind last June and also behind in YTD numbers. I believe dry camping is off because of the price as we have been getting a fair amount of complaints about the \$30.05 fee with tax. Not increasing the dry camping next year should help. The main park is slightly behind last year mainly because of the winter months. I don't believe the price increase has been a deterrent in the main park where most RVs are in the 100 thousand plus price range. The Annex is ahead of last year most likely because the main park has been full and it is roughly 8-14 dollars cheaper a night in the Annex. The Annex does serve a niche for the price conscious customer on a budget with a less opulent RV. This should be addressed when the Port does the Annex feasibility study. Currently we are hopping as we begin July with good fishing and the holiday.

OCCUPANCY DAYS MONTH & YTD

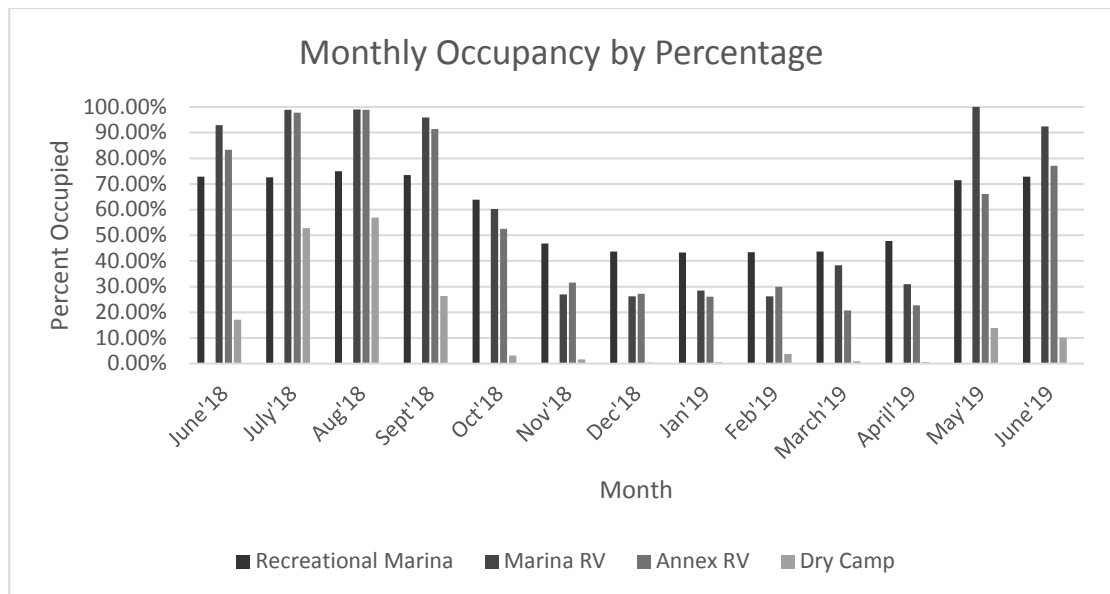
June'2019	2018	2019	Change	YTD 2018	YTD 2019	Change
Recreational Marina	12065	12071	0.05%	53730	53924	0.36%
Marina RV	2564	2551	-0.51%	8349	8022	-3.92%
Annex RV	1300	1202	-7.54%	3598	3811	5.92%
Dry Camp	385	229	-40.52%	841	679	-19.26%





OCCUPANCY PERCENT MONTH & YTD

June'2019	2018	2019	Change	YTD 2018	YTD 2019	Change
Recreational Marina	72.86%	72.89%	0.03%	53.78%	53.97%	0.19%
Marina RV	92.90%	92.43%	-0.47%	50.13%	48.17%	-1.96%
Annex RV	83.33%	77.05%	-6.28%	38.22%	40.09%	1.87%
Dry Camp	17.11%	10.18%	-6.93%	6.19%	5.00%	-1.19%





STAFF REPORT

D ATE: July 16, 2019
RE: Fish Cleaners in South Beach
TO: Paula Miranda, General Manager
ISSUED BY: Aaron Bretz, Director of Operations

BACKGROUND

The Port Facilities Code under Section 2.24 states that the commercial cleaning or processing of any Seafood Product for remuneration when not conducted solely upon a vessel moored under an MLA or other agreement with the Port may not be conducted without a permit or license obtained from the Port. It also states that the Port Commission may, by resolution, establish criteria for and restrictions upon the issuance of permits, and may grant exclusive licenses for the conduct of such activities.

In my search of Port documents and records, I have found no license process or document that specifically pertains to professional fish cleaners at the fish cleaning tables in South Beach, but fish cleaners have been present at the tables for years and they were a fixture at the Port when the Facilities Code was passed.

I understand there were discussions some time ago with the Port Commission about licensing this activity, but I am unsure how those discussions went.

The Port benefits from the presence of professional fish cleaners at the tables because they deliver a service that is very attractive to some patrons, and they maintain regular throughput at the tables because they fillet very quickly. The fish cleaners benefit from the Port allowing them to have a place to practice their trade.

Occasionally we field complaints from those who believe that the fish cleaners have an overbearing presence at the tables and prevent private individuals from making fair use of the tables. It may be a good time for us to establish licensing criteria and to then assign specific locations for licensed fish cleaners at the Port.

I've reached out to some of the regular fish cleaners to see if they would be interested in the Port formalizing their presence in some fashion or another. I intend to further the discussion with them prior to recommending specific criteria and methods (how many licenses to issue, which locations, fees, etc.) preferably at the next Port Commission Meeting.

RECOMMENDATIONS

I encourage any in the public with views on this matter to voice them. I would like to talk to a few users in South Beach about this issue more over the next month before bringing some recommendations before the Commission for a resolution making specific licensing criteria. I would also like to hear from the Port Commission at this meeting about your expectations and ideas for licensing criteria for professional fish cleaners in South Beach if the Commission is prepared to discuss the matter in a very general fashion.



GENERAL MANAGER MONTHLY REPORT

DATE: 07/23/19
PERIOD: 06/20/19- 07/18/2019
TO: Board of Commissioners
ISSUED BY: Paula J. Miranda, General Manager

OVERVIEW

Summary:

We had a busy month since last month. A couple conferences took a lot of my time but I still had time to review some leases and to start addressing some staff training. I have scheduled recurring monthly meetings with the general staff and weekly meetings with the managers in trying to stay on top of the issues at hand or problems that may arise on both the HR level as well as operational level. We finalized our process to hire a Director of Finance, but ran into a snag with the chosen candidate, as his priorities changed because of his health. Since the top two candidates were very close to the same level, we decided to move forward with the hire pending background check, etc. We are also trying to do better in improving our communications. Thanks to Angela, we have kept up with our presence in Facebook, Instagram and press releases. I have added the City meetings to my calendar and I intend to start attending some of those pending other schedule conflicts.

Work Actions:

- A new one year lease was executed by the Port and Rondys for the Gear Storage at NIT.
- Staff has continued to work with the chamber regarding the Seafood & Wine issue with the pavement.
- Staff has also continued to work with the Newport Police Parking Enforcement and TCB regarding parking issues.
- Director of Finance Update: We have made an offer and the candidate has accepted pending background check.
- Aaron and I met with Carolyn Bauman of the Economic Development Alliance and Graeme Taylor of Stantec who is managing an existing Brownfield Coalition Assessment Grants by EPA to support redevelopment of underutilized sites within the Yaquina Bay Community. They have invited us to submit sites that could benefit from this grant. We are currently evaluating the possibility of adding the former Yaquina Fruit property and the Rogue seawall. This grant will not pay for the repairs, but just the evaluation of the sites, which could still save the Port some money. We are also looking at other sites for additional consideration.
- We have received a response from NOAA regarding our letter about Non-NOAA vessels usage of the terminal. See attached.
- Port Infrastructure Development Program Grants/MARAD – There is an opportunity for a federal grant for Ports, which we are researching. The total grant available is \$292M of which \$92M is set aside for larger ports. The minimum ask is \$10M. We thought we could use this for Port Dock 5 and 7. There are two challenges: The deadline is 09/16/19, which doesn't give us much time, and we need a 20% match, which means with a \$10M minimum we would need to come up with \$2M match. I've have been working with partners trying to figure out the best approach.

- NOAA Bonds – I have been working with David Ulbricht from SDAO on opportunities to refinance the NOAA grants, which could save us close to a couple million dollars. I had several banks approaching us on the matter. We are currently evaluating the best options.

Licenses:

- Community Ice (Water Usage) – One year license issued starting 07/15/19.

Meetings:

The following is a list of meetings I attended and people I met:

- Met with County Commissioner Kaety Jacobson on 06/24/19
- Met with Alan Brown and toured the Les Schwab facility as a possible consideration for future Port administration on 07/03
- Met with HMSC and discussed possibilities on partnering up on grants - 7/18
- Met with Evan Hall to go over future use of his property and access easements for the Port. We need to run the easement by NW Natural - 07/10
- Conference call with Dave Harlan of Business Oregon to address remaining suggestions for the Strategic Plan and changes to the IGA

Attended:

- Pacific Northwest Waterways Association Conference in Hood River 06/25-27
- Tour of NOAA Facilities with David Ulbricht of SDAO and a banker in consideration of possible refinance of NOAA bonds.
- Big Creek Dam Community Outreach meeting 07/11
- Association of Pacific Ports Conference in Portland 07/15-17

Schedule Meetings/Conferences:

- Ray Bucheger, DC Lobbyist 07/29
- OPPA Meeting – Salem – 07/31
- Newport City Council Meeting – 8/05
- SDAO Training – Best Western – 08/07
- Newport City Council Meeting – 8/05
- Oregon Coastal Caucus – Florence 08/21-22
- YBEF Meeting – 08/28

Leases Review: I will continue to review all of our commercial leases in order to assure compliance as well as understand their future impact on the Port moving forward.

Ardor Adventure’s Contribution – Per request, we asked Ardor Adventure to provide us information on his contribution to the community regarding proceeds from the races. We were notified that they contributed \$400 to the Newport High School Swim Team from the Celebration Run, which doesn’t seem like much, but the races themselves are not very profitable.

International Terminal: I have reached out to Mary Botkin as she has offered to introduce me to some of the lobbyist for commodities that could use the terminal. We will schedule meetings in August. I also reached out to Cascade Hardwood. Alan Brunstad will be coming to the area soon and we will meet then. I will continue to meet interested parties in trying to bring new businesses and new sources of revenues.

Strategic Plan: Business Oregon had a few suggestions, which are reflected on the Strategic Plan out for approval.



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
 OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER
 Real Property Management Division - Western Region
 7600 Sand Point Way NE
 Seattle, Washington 98115-6349
 July 2, 2019

RECEIVED

JUL 05 2019

PORT OF NEWPORT

Paula J. Miranda, General Manager
 Port of Newport
 600 SE Bay Boulevard
 Newport, Oregon 97365

Dear Ms. Miranda:

This responds to your letter to Captain Michael L. Hopkins, dated June 14, 2019, regarding Lease 09WSA0200C, for the use of the premises at 2002 SE Marine Science Drive by the National Oceanic and Atmospheric Administration (NOAA) for the Marine Operations Center - Pacific (MOC-P) and other Government purposes (lease).

Your letter requests that NOAA immediately cease the use of the MOC-P pier by non-NOAA vessels. You state that while NOAA is set out to be the sole manager of the pier, per SFO No. 09WSA0200C, Section 1.2 C 6 (Pier Requirements), NOAA must also be the sole occupant of the pier to avoid conflicts with other vessels.

This requirement to be sole occupant ensures that NOAA will have exclusive use and control of the pier; that the pier will not be used by the Port of Newport for non-NOAA affiliated ships. The requirement avoids conflict with non-NOAA affiliated ships and relieves security concerns.

In order to fulfill its program needs, NOAA relies on its fleet as well as the use of vessels in the Federal Oceanographic Fleet and those of the University-National Oceanic Laboratories Systems (UNOLS), that are equipped or can be easily modified to meet a wide range of scientific research and operational requirements. Collectively, these vessels operate under a charter by universities, NOAA, the National Science Foundation, and/or combination of other Federal entities, to meet shared scientific mission requirements. These operations on NOAA-affiliated vessels are funded by NOAA.

NOAA and the Port of Newport envisioned the use of the pier by the NOAA-affiliated vessels during the negotiation and award of the lease. The first section of the lease references the use of the premises for the MOC-P "and other Government uses..." On page 8, paragraph 5 of the Lease, the Port of Newport resolution approving the lease, initialed by both parties, provides, "WHEREAS, the National Oceanic and Atmospheric Administration has selected the Port of Newport to provide office and warehouse space, berthing for four NOAA ships homeported at the NOAA Marine Operations Center - Pacific (MOC-P) and up to two visiting ships..." The term "visiting ships" refers to vessels other than NOAA ships homeported at the MOC-P.

NOAA will continue the use of the pier by NOAA and its affiliates. Such use is imperative to fulfill mission requirements and is authorized by the lease. If you have any questions, please contact me at (206) 526-6661 or Molly.M.Kunze@noaa.gov.

Sincerely,

Molly Kunze
 Real Property Contracting Officer

cc: MOCP – CAPT Michael L. Hopkins
 OMAO – Gregory Raymond
 RPMD – Francesca Ryan
 DOC OGC – Lynn Flanagan

