

PORT OF NEWPORT REGULAR COMMISSION MEETING AGENDA

January 26, 2016, 6:00 pm
South Beach Activities Room
2120 SE Marine Science Drive, Newport, OR 97365

Walter Chuck (Pos. #1), President; Ken Brown (Pos. #4), Vice President; David Jincks (Pos. #2), Secretary/Treasurer; Stewart Lamerdin (Pos. #3); Patricia Patrick-Joling (Pos. #5)

- I. Call to Order6:00
- II. Changes to the Agenda6:01
- III. Public Comment6:02
- IV. Consent Calendar.....6:05
 - A. Minutes: Regular Commission Meeting 12/15/2015
 - B. Financial Reports
 - C. Award of Personal Services Contracts for Annual General Liability, Earthquake and Vessel Insurance
 - D. Scope of Service and Proposal provided by Pacific Habitat for NOAA berth deepening (\$9,936)
 - E. Budget Committee, Officer and Calendar
 - F. Special Use Permit – Visual Thinking
- V. Correspondence/Presentations.....6:08
- VI. Old Business
 - A. Items Removed from Consent Calendar
 - B. Special Use Permit – Ardor Adventures Resolution Run & Polar Bear Plunge6:09
 - C. Accounts Paid6:14
 - D. Letter of Understanding w/ Rogue for Brewery Expansion6:15
 - E. International Terminal Shipping Facility Update.....6:25
 - F. General Manager Annual Performance Evaluation.....6:28
- VII. New Business
 - A. Contract Amendment w/ TCB for Additional Collection Services6:30
 - B. Issuance of Credit Cards to Directors of Operation and Finance6:40
 - C. Resolution Setting Rates, Fees and Charges (ORS 294.160)6:50
 - D. 2016 Annual Report (ORS 777.14)6:55
- VIII. Departmental Reports
 - A. Director of Finance.....6:57
 - B. Director of Operations6:59
 - C. General Manager7:04
 - 1. Portland Boat Show
 - 2. USCG Air Facility
 - 3. SDAO Conference and Training
 - 4. PNWA Mission to Washington, March 13-17
 - 5. Yaquina Bay Fruit Processing Lease
 - 6. HSMC Sublease with American Genetic Association
 - 7. Regional Airport Committee
- IX. Commissioner Reports7:09
- X. Calendar/Future Considerations7:14
 - A. 02/04/16 – 02/07/16 SDAO 2016 Annual Conference
 - B. 02/15/16 Presidents’ Day, Port Office Closed
 - C. 02/23/16 Regular Commission Meeting
 - D. 02/25/16 – 02/28/16 Newport Seafood & Wine Festival
 - E. 06/21/16 Regular Commission Meeting (rescheduled)

- XI. Public Comment7:15
- XII. Adjournment7:18
- XIII. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(i) – PERFORMANCE EVALUATIONS OF PUBLIC OFFICERS AND EMPLOYEES. No decisions will be made in Executive Session.

Regular meetings are scheduled for the fourth Tuesday of every month at 6:00 p.m.

The Port 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.

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PORT OF NEWPORT MINUTES

12/15/2015

Regular Commission Meeting

I. CALL TO ORDER

Commission President Walter Chuck called the Regular Commission Meeting 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), President; Ken Brown (Pos. #4), Vice-President; and David Jincks (Pos. #2), Secretary/Treasurer. Stewart Lamerdin (Pos. #3); and Patricia Patrick-Joling (Pos. #5) were absent.

Management and Staff: Kevin Greenwood, General Manager; Stephen Larrabee, Director of Finance; Rick Fuller, Director of Operations; and Karen Hewitt, Administrative Assistant.

Members of the Public and Media: Ralph Busby, Newport City Council; Yale Fogarty, ILWU; Pat Ruddiman, ILWU; Jim Shaw; Kiera Morgan, News KYTE/KNPT; Barb Dudley; K.J. Konink; Nick Johnson; and Dennis Anstine, Newport News-Times.

II. CHANGES TO THE AGENDA

There were no changes to the Agenda.

III. PUBLIC COMMENT

There was no public comment at this time.

IV. CONSENT CALENDAR

- A. Minutes: Regular Commission Meeting 11/17/2015.
- B. Financial Reports
- C. Contract for Design Space Modular Buildings (\$5803.00)

Jincks said he had some questions; there was no contract for modular buildings in the packet. Item C was removed from the Consent Calendar.

A motion was made by Jincks and seconded by Brown to approve the revised Consent Calendar. The motion passed 3 – 0.

V. CORRESPONDENCE/PRESENTATIONS

A. **Signe Grimstad, FY 2014-15 Audit.** Greenwood advised that there is a copy of the Financial Statements and Independent Auditor's Report posted online and filed with the Department of Revenue. Greenwood thanked Larrabee and staff for their hard work, and the Commission for their support, in the successful audit process.

B. **U.S. Coast Guard – FRC.** Greenwood referred to the letter saying it was not surprising. There are no findings or indications of when there will be more information. Greenwood said he had followed up with Representative Schrader who had no additional information.

VI. OLD BUSINESS

A. Items Removed from Consent Calendar

In reference to item C, Contract for Design Space Modular Buildings (\$5803.00), Greenwood noted that the staff report was not included in the meeting packet. Greenwood said the temporary permits expire at the end of December, 2015, for the Administrative and Customs temporary structures. The Customs building is in the flood plain and will require approximately \$5800 to convert to a permanent structure. The Administrative building is not in the flood plain. Greenwood added it would take 3 – 4 weeks to reach an agreement with the City. Jincks was fine with approving the contract. Brown had spoken with Fuller. Fuller said that engineers were required for the design and Design Space Modular Buildings was consulted for this. For the Customs building, new tie downs will be needed, the electric and plumbing will need to be sealed, the skirting will need to be flood resistant with baffles. For the administrative building less work will be required; more stands and cinder blocks along with removal and reinstallation of the skirting will be required. Jincks asked if \$5803 represented the total cost. Greenwood advised there are two contracts, one for the customs building for \$5803 which exceeds his purchase authority, and another for the administrative building for approximately \$3600. Jincks asked where the money was coming from to which Greenwood responded the general fund materials and service would be used. Jincks said he was okay with approving the renovations.

A motion was made by Brown and seconded by Jincks to authorize contracting for the renovations to the modular buildings to comply with code. The motion passed 3 – 0.

B. Accounts Paid

Ken Brown declared a conflict of interest because of payments made to Les Schwab. In order to have the quorum needed to pass, Brown voted on the motion. A motion was made by Jincks and seconded by Brown to accept the accounts paid. The motion passed 3 – 0.

C. Authorize Application to Finance Systems Development Charges

Greenwood referred to the packet document provided a summary of the status of the International Terminal Shipping Facility (ITSF) project. Greenwood also presented design boards to be used in presentations. Greenwood sought authority from the Commission to finance the Systems Development Charges of approximately \$118K, most of which was for required site improvements. Greenwood expressed thanks to the City of Newport for offering this financing option. The TIGER grant funds are not available at this time. The financing would allow for payment in full by December, 2016. Derrick Tokos with the City of Newport has been supportive in this process. Brown asked what if the ConnectOregon grant was not received. Greenwood responded then there would be no project; other funding may be applied for if that happened.

A motion was made by Brown and seconded by Jincks to authorize the General Manager to submit the Application to Finance Systems Development Charges. The motion passed 3 – 0.

Jincks questioned the name of International Terminal Shipping Facility and the lack of specifics of the log yard on the design boards. Greenwood replied the grant application was designed to show a multi-product facility. Jincks said that the grant specified the log yard, and this design did not show that; the images did not show the “facility”, but rather an overall picture of the terminal. Greenwood added that the presentation

would include details of the project; these design boards would be placed at an entrance to the presentation area. The grant application is for the “International Terminal Shipping Facility.” The design boards showed the Port’s 9 acres as well as the Hall property of 33 acres, the relationship of the properties to the terminal, the surge area, and the opportunities for other investors and businesses. Jincks said he had hoped the boards would show more specifically the Port’s facility and the log yard.

D. Rogue Lease Second Amendment

Greenwood said there was a lot of interest from Rogue in the last 24 hours, including application for a conditional land use permit. Greenwood suggested this would be a good time to schedule a meeting for the ad hoc committee. Greenwood will follow up and provide details, and will meet with Fuller, Brown and Jincks. Greenwood advised the conversation with Rogue is active.

VII. NEW BUSINESS

There was no new business.

VIII. DEPARTMENTAL REPORTS

A. Director of Finance

Larrabee referred to the next scheduled budget session.

B. Director of Operations

Chuck asked if there was a time line for permits for pile replacement. Fuller responded that the Port has received U.S. Army Corps of Engineers approval but is waiting for the Department of State Lands, which has up to January 24th to respond. Fuller is in contact with engineers and two contractors are interested. Fuller added an updated to the NOAA MOC-P hydrology modelling. He received a proposal for Pacific Habitat Services (PHS), so the Port will seek permitting for dredging next year. Fuller asked the Commission if they wanted to open up the discussion of advanced maintenance portion of the dredging at a cost of approximately \$2K. Fuller suggested considering whether to proceed with the permitting process at this time or whether further analysis of the negative impacts of deep dredging should be undertaken. Perhaps the Port could seek permitting that would extend for 10 yrs. PHS has proposed \$9,968 for consultation. Fuller will present this to Greenwood. Fuller asked the Commission to advise the direction they wished to take. Jincks asked how many yards it would entail. Fuller said he guessed 20K – 30K yds. KPPF advised that if proceeding with the lower dredge levels, more piling and structural issues would be considered. Jincks said any steps forward would be in the right direction but fact finding was needed.

C. General Manager

Greenwood advised that a blank General Manager Evaluation Form was included in the packet along with last year’s tabulated results. He asked that the Commissioners turn in their completed evaluations to Chuck by January 18th. Chuck said he would be out of town the week of January 19th and asked if Brown would accept the evaluations; Brown agreed to do so. Greenwood will provide forms to the Commissioners, and added the goals and projects suggested for next year would be helpful. The Resolution for Rates, Fees and Charges along with the Budget Calendar for next year was submitted in the packet for approval in January 2016. Greenwood asked for feedback on replacing the budget committee members for the expired positions. Jincks and Brown agreed that Fred Postelwait and Mark Collson, whose terms were expired, be approached first. Greenwood commented that the effort to save the

Coast Guard Air Facility, announcement from Oregon's Congressional Delegation included in the meeting packet, has been over a year in the making. He also introduced the Annual Report draft for edits. Greenwood said he had worked with Lamerdin and Patrick-Joling to make sure they were available for the SDAO training on the Calendar.

IX. COMMISSIONER REPORTS

Chuck said he and Greenwood had met with Hampton Lumber, who were not supportive of the ITSF. They were not favorable to the competitive Terminal, and did not value how the project would support commercial fishing.

X. CALENDAR/FUTURE CONSIDERATIONS

There were no changes to the Calendar/Future Considerations.

XI. PUBLIC COMMENT

Fogarty commented that Hampton Lumber at one time shipped a lot of product through the Port of Newport and made a lot of money. Hampton left Newport and withdrew jobs from area families. Unless Hampton intends to bring jobs back to the area, he would encourage them to look at the use of the facility and its mutual benefit. Local timber industry would have more options for their product.

XII. ADJOURNMENT

Having no further business, the meeting adjourned at 6:35 pm.

ATTESTED:

Walter Chuck, President

David Jincks, Secretary / Treasurer

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**Port of Newport Operating Fund
 Balance Sheet
 As of December 31, 2015**

	Dec 31, 15	Dec 31, 14	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
Available Cash & Equivalents	1,411,666.46	1,102,389.35	309,277.11
Restricted Cash & Equivalents	476,544.39	539,313.22	-62,768.83
Total Checking/Savings	1,888,210.85	1,641,702.57	246,508.28
Accounts Receivable			
Accounts Receivable	120,470.12	144,895.17	-24,425.05
Total Accounts Receivable	120,470.12	144,895.17	-24,425.05
Other Current Assets			
Allow for Bad Debt - CM	-10,000.00	-10,000.00	0.00
Allow for Bad Debt - SB	-4,000.00	-4,000.00	0.00
AR Property Tax	10,334.60	10,334.60	0.00
Assets Held For Sale	0.00	4,332.10	-4,332.10
Cash Clearing	0.00	2,466.80	-2,466.80
Due from other Port Funds	59,418.12	92,899.44	-33,481.32
Prepaid Expenses	44,283.94	74,655.31	-30,371.37
Undeposited Funds	1,545.05	0.00	1,545.05
Total Other Current Assets	101,581.71	170,688.25	-69,106.54
Total Current Assets	2,110,262.68	1,957,285.99	152,976.69
Fixed Assets			
Capital Assets			
Total Fixed Assets	88,077,059.77	88,077,059.77	0.00
TOTAL ASSETS	90,187,322.45	90,034,345.76	152,976.69
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	25,443.38	55,731.87	-30,288.49
Total Accounts Payable	25,443.38	55,731.87	-30,288.49
Credit Cards			
Total Credit Cards	2,444.07	0.00	2,444.07
Other Current Liabilities			
Accrued Interest Payable	12,369.00	12,369.00	0.00
Deferred Revenue	190.95	1,389.00	-1,198.05
Due to other Port Funds	14,195.44	45,658.68	-31,463.24
Payroll Liability	32,133.89	25,273.70	6,860.19
Total Other Current Liabilities	58,889.28	84,690.38	-25,801.10
Total Current Liabilities	86,776.73	140,422.25	-53,645.52
Long Term Liabilities			
2013 FF&C Bond Premium	118,665.75	118,665.75	0.00
Long Term Debt	8,763,781.74	8,763,781.74	0.00
Total Long Term Liabilities	8,882,447.49	8,882,447.49	0.00
Total Liabilities	8,969,224.22	9,022,869.74	-53,645.52
Equity			
Contributed Capital	7,130,788.00	7,130,788.00	0.00
Fund Balance	-5,661,326.12	-6,166,639.67	505,313.55
Opening Balance Equity	79,446,413.75	79,446,413.75	0.00
Net Income	302,222.60	600,913.94	-298,691.34
Total Equity	81,218,098.23	81,011,476.02	206,622.21
TOTAL LIABILITIES & EQUITY	90,187,322.45	90,034,345.76	152,976.69

**Port of Newport Operating Fund
Profit & Loss Budget vs. Actual
July through December 2015**

	<u>Jul - Dec 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Hoist Dock & Services	207,373.26	410,200.00	-202,826.74	50.6%
Launch Ramp & Trailer Storage	40,389.80	62,000.00	-21,610.20	65.1%
Lease Revenues	306,071.43	608,051.00	-301,979.57	50.3%
Miscellaneous Revenue	40,109.54	37,200.00	2,909.54	107.8%
Moorage	580,512.39	1,081,000.00	-500,487.61	53.7%
RV Parks	514,115.05	655,000.00	-140,884.95	78.5%
Shipping Terminal Revenues	10,124.80	15,900.00	-5,775.20	63.7%
Total Income	<u>1,698,696.27</u>	<u>2,869,351.00</u>	<u>-1,170,654.73</u>	<u>59.2%</u>
Gross Profit	1,698,696.27	2,869,351.00	-1,170,654.73	59.2%
Expense				
Debt Services	284,167.39	637,033.00	-352,865.61	44.6%
Materials & Services	600,684.99	1,524,407.00	-923,722.01	39.4%
Personal Services	502,236.32	1,147,035.00	-644,798.68	43.8%
Total Expense	<u>1,387,088.70</u>	<u>3,308,475.00</u>	<u>-1,921,386.30</u>	<u>41.9%</u>
Net Ordinary Income	311,607.57	-439,124.00	750,731.57	-71.0%
Other Income/Expense				
Other Income				
Gain/(Loss) on Sale of Assets	20.00			
Grant & Loan Proceeds	1,800.00	183,000.00	-181,200.00	1.0%
Interest Income	2,824.68	2,500.00	324.68	113.0%
Miscellaneous	480.35			
Property & Dredge Sales	498.00			
Property Tax Revenue	91,667.02	92,350.00	-682.98	99.3%
Total Other Income	<u>97,290.05</u>	<u>277,850.00</u>	<u>-180,559.95</u>	<u>35.0%</u>
Other Expense				
Capital Outlay	6,675.02	215,000.00	-208,324.98	3.1%
Contingency	0.00	200,000.00	-200,000.00	0.0%
Transfers Out	100,000.00	100,000.00	0.00	100.0%
Total Other Expense	<u>106,675.02</u>	<u>515,000.00</u>	<u>-408,324.98</u>	<u>20.7%</u>
Net Other Income	<u>-9,384.97</u>	<u>-237,150.00</u>	<u>227,765.03</u>	<u>4.0%</u>
Net Income	<u><u>302,222.60</u></u>	<u><u>-676,274.00</u></u>	<u><u>978,496.60</u></u>	<u><u>-44.7%</u></u>

10:15 AM
 01/21/16
 Accrual Basis

**Port of Newport Operating Fund
 Profit & Loss Budget vs. Actual - Admin
 July through December 2015**

	Jul - Dec 15	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Hoist Dock & Services	1,500.00			
Lease Revenues	306,071.43	608,051.00	-301,979.57	50.3%
Miscellaneous Revenue	1,868.85	0.00	1,868.85	100.0%
Moorage	1,212.00			
Total Income	<u>310,652.28</u>	<u>608,051.00</u>	<u>-297,398.72</u>	<u>51.1%</u>
Gross Profit	310,652.28	608,051.00	-297,398.72	51.1%
Expense				
Debt Services	8,926.00	17,851.00	-8,925.00	50.0%
Materials & Services	172,419.52	532,650.00	-360,230.48	32.4%
Personal Services	211,974.72	474,879.00	-262,904.28	44.6%
Total Expense	<u>393,320.24</u>	<u>1,025,380.00</u>	<u>-632,059.76</u>	<u>38.4%</u>
Net Ordinary Income	-82,667.96	-417,329.00	334,661.04	19.8%
Other Income/Expense				
Other Income				
Gain/(Loss) on Sale of Assets	20.00			
Grant & Loan Proceeds	0.00	183,000.00	-183,000.00	0.0%
Interest Income	2,824.68	2,500.00	324.68	113.0%
Property Tax Revenue	91,667.02	92,350.00	-682.98	99.3%
Total Other Income	<u>94,511.70</u>	<u>277,850.00</u>	<u>-183,338.30</u>	<u>34.0%</u>
Other Expense				
Capital Outlay	0.00	15,000.00	-15,000.00	0.0%
Contingency	0.00	200,000.00	-200,000.00	0.0%
Transfers Out	100,000.00	100,000.00	0.00	100.0%
Total Other Expense	<u>100,000.00</u>	<u>315,000.00</u>	<u>-215,000.00</u>	<u>31.7%</u>
Net Other Income	-5,488.30	-37,150.00	31,661.70	14.8%
Net Income	<u><u>-88,156.26</u></u>	<u><u>-454,479.00</u></u>	<u><u>366,322.74</u></u>	<u><u>19.4%</u></u>

10:20 AM
 01/21/16
 Accrual Basis

**Port of Newport Operating Fund
 Profit & Loss Budget vs. Actual - NIT
 July through December 2015**

	<u>Jul - Dec 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Hoist Dock & Services	94,631.70	147,000.00	-52,368.30	64.4%
Miscellaneous Revenue	2,068.00			
Moorage	45,531.60	70,000.00	-24,468.40	65.0%
Shipping Terminal Revenues	9,991.60	14,500.00	-4,508.40	68.9%
Total Income	<u>152,222.90</u>	<u>231,500.00</u>	<u>-79,277.10</u>	<u>65.8%</u>
Gross Profit	152,222.90	231,500.00	-79,277.10	65.8%
Expense				
Debt Services	141,509.22	441,403.00	-299,893.78	32.1%
Materials & Services	43,931.92	104,650.00	-60,718.08	42.0%
Personal Services	27,005.50	63,101.00	-36,095.50	42.8%
Total Expense	<u>212,446.64</u>	<u>609,154.00</u>	<u>-396,707.36</u>	<u>34.9%</u>
Net Ordinary Income	<u>-60,223.74</u>	<u>-377,654.00</u>	<u>317,430.26</u>	<u>15.9%</u>
Net Income	<u><u>-60,223.74</u></u>	<u><u>-377,654.00</u></u>	<u><u>317,430.26</u></u>	<u><u>15.9%</u></u>

10:23 AM
 01/21/16
 Accrual Basis

Port of Newport Operating Fund Profit & Loss Budget vs. Actual - SB July through December 2015

	Jul - Dec 15	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Hoist Dock & Services	12,576.60	6,000.00	6,576.60	209.6%
Launch Ramp & Trailer Storage	40,304.80	62,000.00	-21,695.20	65.0%
Miscellaneous Revenue	32,054.16	33,200.00	-1,145.84	96.5%
Moorage	309,454.60	611,000.00	-301,545.40	50.6%
RV Parks	514,115.05	655,000.00	-140,884.95	78.5%
Total Income	<u>908,505.21</u>	<u>1,367,200.00</u>	<u>-458,694.79</u>	<u>66.5%</u>
Gross Profit	908,505.21	1,367,200.00	-458,694.79	66.5%
Expense				
Debt Services	130,254.27	170,823.00	-40,568.73	76.3%
Materials & Services	278,028.55	587,507.00	-309,478.45	47.3%
Personal Services	146,502.65	330,689.00	-184,186.35	44.3%
Total Expense	<u>554,785.47</u>	<u>1,089,019.00</u>	<u>-534,233.53</u>	<u>50.9%</u>
Net Ordinary Income	353,719.74	278,181.00	75,538.74	127.2%
Other Income/Expense				
Other Income				
Grant & Loan Proceeds	1,800.00			
Miscellaneous	300.00			
Property & Dredge Sales	498.00			
Total Other Income	<u>2,598.00</u>			
Net Other Income	2,598.00			
Net Income	<u><u>356,317.74</u></u>	<u><u>278,181.00</u></u>	<u><u>78,136.74</u></u>	<u><u>128.1%</u></u>

10:27 AM
 01/21/16
 Accrual Basis

**Port of Newport Operating Fund
 Profit & Loss Budget vs. Actual - CM
 July through December 2015**

	<u>Jul - Dec 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Hoist Dock & Services	98,664.96	257,200.00	-158,535.04	38.4%
Launch Ramp & Trailer Storage	85.00			
Miscellaneous Revenue	3,494.86	4,000.00	-505.14	87.4%
Moorage	224,314.19	400,000.00	-175,685.81	56.1%
Shipping Terminal Revenues	133.20	1,400.00	-1,266.80	9.5%
Total Income	<u>326,692.21</u>	<u>662,600.00</u>	<u>-335,907.79</u>	<u>49.3%</u>
Gross Profit	326,692.21	662,600.00	-335,907.79	49.3%
Expense				
Debt Services	3,477.90	6,956.00	-3,478.10	50.0%
Materials & Services	106,242.21	299,600.00	-193,357.79	35.5%
Personal Services	116,753.45	278,366.00	-161,612.55	41.9%
Total Expense	<u>226,473.56</u>	<u>584,922.00</u>	<u>-358,448.44</u>	<u>38.7%</u>
Net Ordinary Income	100,218.65	77,678.00	22,540.65	129.0%
Other Income/Expense				
Other Income				
Miscellaneous	150.00			
Total Other Income	150.00			
Other Expense				
Capital Outlay	6,675.02	200,000.00	-193,324.98	3.3%
Total Other Expense	<u>6,675.02</u>	<u>200,000.00</u>	<u>-193,324.98</u>	<u>3.3%</u>
Net Other Income	<u>-6,525.02</u>	<u>-200,000.00</u>	<u>193,474.98</u>	<u>3.3%</u>
Net Income	<u><u>93,693.63</u></u>	<u><u>-122,322.00</u></u>	<u><u>216,015.63</u></u>	<u><u>-76.6%</u></u>

Port of Newport - NOAA Fund
Balance Sheet
As of December 31, 2015

	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Cash & Equivalents	5,242,560.99	5,179,438.08	63,122.91
Total Checking/Savings	5,242,560.99	5,179,438.08	63,122.91
Other Current Assets			
Prepaid Expenses	63,995.31	81,160.19	-17,164.88
Total Other Current Assets	63,995.31	81,160.19	-17,164.88
Total Current Assets	5,306,556.30	5,260,598.27	45,958.03
TOTAL ASSETS	<u>5,306,556.30</u>	<u>5,260,598.27</u>	<u>45,958.03</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	83,704.19	1,304.32	82,399.87
Total Accounts Payable	83,704.19	1,304.32	82,399.87
Other Current Liabilities			
Accrued Interest Payable	499,410.00	499,410.00	0.00
Due to Operations or Const Fund	5,372.95	8,503.47	-3,130.52
Vacation Payable	4,926.00	146.00	4,780.00
Total Other Current Liabilities	509,708.95	508,059.47	1,649.48
Total Current Liabilities	593,413.14	509,363.79	84,049.35
Long Term Liabilities			
Long-Term Debt	22,357,424.00	22,357,424.00	0.00
Total Long Term Liabilities	22,357,424.00	22,357,424.00	0.00
Total Liabilities	22,950,837.14	22,866,787.79	84,049.35
Equity			
Opening Balance Equity	-17,758,143.71	-17,758,143.71	0.00
Unrestricted Net Assets	517,841.12	503,621.26	14,219.86
Net Income	-403,978.25	-351,667.07	-52,311.18
Total Equity	-17,644,280.84	-17,606,189.52	-38,091.32
TOTAL LIABILITIES & EQUITY	<u>5,306,556.30</u>	<u>5,260,598.27</u>	<u>45,958.03</u>

**Port of Newport - NOAA Fund
 Profit & Loss Budget vs. Actual
 July through December 2015**

	<u>Jul - Dec 15</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Interest Income	5,177.77	10,500.00	-5,322.23	49.3%
Lease Income	1,270,569.06	2,542,000.00	-1,271,430.94	50.0%
Misc Income	12,963.34			
Total Income	<u>1,288,710.17</u>	<u>2,552,500.00</u>	<u>-1,263,789.83</u>	<u>50.5%</u>
Expense				
Debt Service	1,427,066.88	1,999,434.00	-572,367.12	71.4%
Materials & Service	196,731.03	605,120.00	-408,388.97	32.5%
Personal Services	61,034.51	109,660.00	-48,625.49	55.7%
Total Expense	<u>1,684,832.42</u>	<u>2,714,214.00</u>	<u>-1,029,381.58</u>	<u>62.1%</u>
Net Ordinary Income	<u>-396,122.25</u>	<u>-161,714.00</u>	<u>-234,408.25</u>	<u>245.0%</u>
Other Income/Expense				
Other Expense				
Capital Outlay	7,856.00	56,000.00	-48,144.00	14.0%
Contingency	0.00	100,000.00	-100,000.00	0.0%
Fund Transfers Out	0.00	500,000.00	-500,000.00	0.0%
Total Other Expense	<u>7,856.00</u>	<u>656,000.00</u>	<u>-648,144.00</u>	<u>1.2%</u>
Net Other Income	<u>-7,856.00</u>	<u>-656,000.00</u>	<u>648,144.00</u>	<u>1.2%</u>
Net Income	<u><u>-403,978.25</u></u>	<u><u>-817,714.00</u></u>	<u><u>413,735.75</u></u>	<u><u>49.4%</u></u>

11:03 AM
 01/21/16
 Accrual Basis

Facility Maintenance Reserve Fund
Balance Sheet
 As of December 31, 2015

	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Umpqua Bank - Money Market	148,455.23	166,654.76	-18,199.53
Total Checking/Savings	<u>148,455.23</u>	<u>166,654.76</u>	<u>-18,199.53</u>
Total Current Assets	<u>148,455.23</u>	<u>166,654.76</u>	<u>-18,199.53</u>
TOTAL ASSETS	<u>148,455.23</u>	<u>166,654.76</u>	<u>-18,199.53</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	50,727.39	86,530.60	-35,803.21
Total Accounts Payable	<u>50,727.39</u>	<u>86,530.60</u>	<u>-35,803.21</u>
Total Current Liabilities	<u>50,727.39</u>	<u>86,530.60</u>	<u>-35,803.21</u>
Total Liabilities	50,727.39	86,530.60	-35,803.21
Equity			
Fund Balance	48,378.36	166,595.95	-118,217.59
Net Income	<u>49,349.48</u>	<u>-86,471.79</u>	<u>135,821.27</u>
Total Equity	<u>97,727.84</u>	<u>80,124.16</u>	<u>17,603.68</u>
TOTAL LIABILITIES & EQUITY	<u>148,455.23</u>	<u>166,654.76</u>	<u>-18,199.53</u>

11:10 AM
 01/21/16
 Accrual Basis

**Construction Fund - Port of Newport
 Balance Sheet
 As of December 31, 2015**

	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Construction Fund Bank Accts	140,838.63	726,862.23	-586,023.60
Total Checking/Savings	<u>140,838.63</u>	<u>726,862.23</u>	<u>-586,023.60</u>
Total Current Assets	<u>140,838.63</u>	<u>726,862.23</u>	<u>-586,023.60</u>
TOTAL ASSETS	<u><u>140,838.63</u></u>	<u><u>726,862.23</u></u>	<u><u>-586,023.60</u></u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
A/P - Construction	3,238.33	258,049.35	-254,811.02
Total Accounts Payable	<u>3,238.33</u>	<u>258,049.35</u>	<u>-254,811.02</u>
Total Current Liabilities	<u>3,238.33</u>	<u>258,049.35</u>	<u>-254,811.02</u>
Total Liabilities	3,238.33	258,049.35	-254,811.02
Equity			
Fund Balance	183,266.66	750,803.54	-567,536.88
Net Income	<u>-45,666.36</u>	<u>-281,990.66</u>	<u>236,324.30</u>
Total Equity	<u>137,600.30</u>	<u>468,812.88</u>	<u>-331,212.58</u>
TOTAL LIABILITIES & EQUITY	<u><u>140,838.63</u></u>	<u><u>726,862.23</u></u>	<u><u>-586,023.60</u></u>

**Bonded Debt Fund - Port of Newport
 Balance Sheet
 As of December 31, 2015**

	<u>Dec 31, 15</u>	<u>Dec 31, 14</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Gen Obligation Bond MM-OCB	352,128.63	269,519.80	82,608.83
Total Checking/Savings	352,128.63	269,519.80	82,608.83
Accounts Receivable			
Due from General Operating Fund	14,195.44	45,658.68	-31,463.24
Total Accounts Receivable	14,195.44	45,658.68	-31,463.24
Other Current Assets			
Property Tax Receivable	76,845.12	76,845.12	0.00
Total Other Current Assets	76,845.12	76,845.12	0.00
Total Current Assets	443,169.19	392,023.60	51,145.59
Other Assets			
Bond issue costs, net of amort.	91,334.00	91,334.00	0.00
Total Other Assets	91,334.00	91,334.00	0.00
TOTAL ASSETS	<u>534,503.19</u>	<u>483,357.60</u>	<u>51,145.59</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Bonds Payable - Current	10,000.00	285,000.00	-275,000.00
Total Other Current Liabilities	10,000.00	285,000.00	-275,000.00
Total Current Liabilities	10,000.00	285,000.00	-275,000.00
Long Term Liabilities			
2007 Series Bonds	4,312,682.00	4,312,682.00	0.00
2008 Series Bonds	4,414,908.00	4,414,908.00	0.00
2011 Series Bonds	5,269,811.00	5,269,811.00	0.00
Less Current Portion LTD	-285,000.00	-285,000.00	0.00
Total Long Term Liabilities	13,712,401.00	13,712,401.00	0.00
Total Liabilities	13,722,401.00	13,997,401.00	-275,000.00
Equity			
Bonded Debt Fund Balance	1,464,547.00	1,189,547.00	275,000.00
Opening Balance Equity	-15,156,375.83	-15,156,375.83	0.00
Retained Earnings	226,913.11	181,354.05	45,559.06
Net Income	277,017.91	271,431.38	5,586.53
Total Equity	-13,187,897.81	-13,514,043.40	326,145.59
TOTAL LIABILITIES & EQUITY	<u>534,503.19</u>	<u>483,357.60</u>	<u>51,145.59</u>

Insurance Summary

Included in this motion are three insurance policies for the Port of Newport.

- 1) **General Liability and Property Liability** provided by Special District Insurance services at a total cost of \$148,797. The policy period is from 01/01/2016 through 12/31/2016.

- 2) **Marine Liability Insurance** for our Tug, Skiff and Floating Docks provided by Servco Pacific insurance at a total cost of \$38,506.64. The policy period is from 01/01/2016 through 12/31/2016.

- 3) **Flood and Earthquake Insurance** for NOAA Docks provided by Landmark American Insurance Company at a total cost of \$77,251.50. The policy period is from 01/06/2016 through 01/06/2017.

My recommendation is to approve all three policies.



SPECIAL DISTRICTS
INSURANCE SERVICES

INVOICE

Date: 24-Nov-15

Named Participant: Port of Newport
600 SE Bay Blvd
Newport, OR 97365

Agent: PayneWest Insurance-Newport
P.O. Box 830
Newport, OR 97365

Invoice #	Entity ID	Effective Date	Expiration Date	Invoice Date
31P16278-191	16278	01-Jan-16	31-Dec-16	24-Nov-15

2016 Longevity
Credit Amount**

\$10,474.00

Coverage	Contribution
General Liability	
General Liability Contribution	\$60,587
Less Best Practices Credit	(\$6,059)
Less Multi-Line Discount Credit	(\$2,423)
Adjusted Contribution	\$52,105
Auto Liability	
Auto Liability Contribution	\$1,718
Less Best Practices Credit	(\$179)
Adjusted Contribution	\$1,539
Non-owned and Hired Auto Liability	\$150
Auto Physical Damage	\$561
Hired Auto Physical Damage	\$0
Excess Liability	\$2,544
Property	
Property Contribution	\$76,138
Less Best Practices Credit	(\$7,931)
Adjusted Contribution	\$68,207
Earthquake	\$4,948
Flood	\$2,449
Equipment Breakdown / Boiler and Machinery	\$15,476
Crime	\$818

**Eligible districts must sign and return the attached Longevity Credit and Rate Lock Guarantee Agreement to receive the indicated Longevity Credit Amount

Total: \$148,797

Coverage is provided for only those coverages indicated above for which a contribution is shown or that are indicated as "included." Your payment evidences "acceptance" of this renewal. Please use the payment coupon on the following page to help us apply your payment correctly.



P.O. Box 1730
 Newport, OR 97385
 Phone: (541) 285-5555
 Fax: (866) 228-4006

PORT OF NEWPORT
600 SE Bay Blvd
Newport, OR 97365

Invoice # 3708		Page 1 of 1
Account Number	Date	
PORTOFN-01	1/6/2016	
PRODUCER	CLIENT SERVICE	
Jon McKnight	Mona Holmes	
BALANCE DUE ON	AMOUNT DUE	
1/6/2016	\$38,506.64	
PAYMENT AMOUNT		
PAYMENT FOR		

PLEASE DETACH AND RETURN WITH PAYMENT

Please make checks payable to Servco Pacific Insurance

PORT OF NEWPORT	Pollution	PolicyNumber: OP15 3302	Effective: 1/1/2016	to 1/1/2017
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Item #	Trans Eff Date	Due Date	Description	Amount
24464	1/1/2016	1/6/2016	Renewal of POLL Effective 1/1/2016	\$1,355.64

PORT OF NEWPORT	Marine General Liability	PolicyNumber: SE16CFT00697601	Effective: 1/1/2016	to 1/1/2017
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Item #	Trans Eff Date	Due Date	Description	Amount
24458	1/1/2016	1/6/2016	Renewal of MGL Effective 1/1/2016	\$30,000.00

PORT OF NEWPORT	Hull and Machinery	PolicyNumber: SE16CFT00697701	Effective: 1/1/2016	to 1/1/2017
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Item #	Trans Eff Date	Due Date	Description	Amount
24459	1/1/2016	1/6/2016	Renewal of H&MA Effective 1/1/2016	\$1,651.00
24461	1/1/2016	1/6/2016	Renewal of P&IN Effective 1/1/2016	\$3,500.00

PORT OF NEWPORT	Excess P & I	PolicyNumber: SE16LIA00697701	Effective: 1/1/2016	to 1/1/2017
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Item #	Trans Eff Date	Due Date	Description	Amount
24462	1/1/2016	1/6/2016	Renewal of XPI Effective 1/1/2016	\$2,000.00

Total Invoice Balance: \$38,506.64

2016 Renewal
 Floating Docks and Piers, H&M, P&I, XP&I, POLL

SUMMARY OF INSURANCE
PORT OF NEWPORT

MARINE LIABILITIES, COMMERCIAL PACKAGE INCLUDES:

Tug, Skiffs, Floating Docks and Piers
Policy Term: 01/01/2016 to 01/01/2017

<u>HULL & MACHINERY</u>	34' TUG MILDRED C/SERVICE SKIFF/1986 FIBERGLASS SKIFF
INSURED VALUE	\$15,000.00 Mildred C Tug /\$13,000.00 Service Skiff/\$5,000.00 1986 FRG Skiff
DEDUCTIBLE	\$ 1,000.00 per occurrence
ANNUAL PREMIUM	\$ 1,651.00

PROTECTION AND INDEMNITY SCHEDULED VESSELS

note, no coverage for Port of Newport Employees or Crew

LIMIT OF LIABILITY	\$2,000,000.00
CREW	NO CREW COVERAGE
DEDUCTIBLE	\$ 1,000.00 per occurrence
ANNUAL PREMIUM	\$ 5,500.00

<u>POLLUTION LIABILITY</u>	SCHEDULED VESSELS
LIMIT OF LIABILITY	\$2,000,000.00/\$1,000,000.00 1986 FRG Skiff
DEDUCTIBLE	\$-0- Clean Up/\$1,000 Fed, State, Local Fines
ANNUAL PREMIUM	\$ 1,355.64

FLOATING DOCKS

Locations:	South Beach Marine/South Beach & Commercial Docks/Newport
LIMIT OF LIABILITY	\$3,000,000.00 any one occurrence/accident
DEDUCTIBLE	\$ 10,000.00 per occurrence
ANNUAL PREMIUM	\$ 30,000.00

TOWER'S LIABILITY

LIMIT OF LIABILITY	\$1,000,000.00
DEDUCTIBLE	\$ 2,500.00 per occurrence
ANNUAL PREMIUM	NO ADDITIONAL PREMIUM

TRADING WARRANTY

INLAND WATERS OF YAQUINA BAY

LAY UP

NOT STATED

CREW RESTRICTIONS

NO CREW COVERAGE

It is EXTREMELY IMPORTANT to REPORT to us INJURIES or ILLNESSES which occur aboard the vessel, VESSEL GROUNDINGS and FUEL SPILLS should also be reported to our office as soon as possible following the occurrences. Contact: Jon McKnight,

541-961-1572 (cell) or 541-265-5555 (office) to advise of new occurrences.

Please notify our office of any needed changes or corrections to your coverage.

SUMMARY OF INSURANCE IS FOR CONVENIENCE ONLY. COVERAGE IS SUBJECT TO WORDING, EXCLUSIONS, TERMS AND CONDITIONS OF YOUR POLICY.

Servco Pacific Insurance/Yaquina Ins., PO Box 1730, Newport, OR 97365

Jon McKnight: jonm@servcopacific.com; Mona Holmes: monah@servcopacific.com;

Deb Smith: debs@servcopacific.com; Heather LaMonte: heatherl@servcopacific.com;

Ashley Bisson: ashleyb@servcopacific.com;

Invoice # 87750	Page 1 of 1
Account Number	Date
PORTOFN-02	12/31/2015
AMOUNT PAID	Amount Due
	\$77,251.50

**Port of Newport
Don Mann, General Manager
600 SE Bay Blvd
Newport, OR 97365**

Please return this portion with your payment.

Please Make checks payable to: PayneWest Insurance

Difference in Conditions	PolicyNumber: LHO421651	Effective: 1/6/2016	to 1/6/2017
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Item #	Trans Eff Date	Due Date	Trans	Description	Amount
3054148	1/6/2016	1/6/2016	RENB	Renewal Business CDIC	\$75,000.00
3054149	1/6/2016	1/6/2016	SPLT	Surplus Lines Tax	\$1,736.50
3054150	1/6/2016	1/6/2016	CFEE	Surplus Lines Service Charge	\$15.00
3054151	1/6/2016	1/6/2016	CFEE	Broker Fee	\$500.00

Total Invoice Balance: \$77,251.50



RSUI Group, Inc.
 15303 Ventura Boulevard
 Suite 500
 Sherman Oaks, CA 91403
 (818) 922-6700

December 07, 2015

CRC Insurance Services
 1909 214th Street, SE
 Suite 100
 Bothell, WA 98021

ATTENTION: NATALIE SIENKIEWICZ

RE: Property Quote

Submission Number: 845639
Renewal of: LHQ420697
Company: Landmark American Insurance Company - (Best rating: A+ XIII)
Coverage: Property

Insured: Port of Newport
 Newport, OR

Policy Dates: January 06, 2016 - January 06, 2017

Property Limits: \$5,000,000 per occurrence & annual aggregate applying separately to Flood and Earthquake, subject to conditions of the Scheduled Limit of Liability form

Sublimits: \$1,000,000 per occurrence Docks including structures/buildings on the dock
 Sublimits are part of, not in addition to, the Property Limit(s) shown above.

Valuation: Replacement Cost

Total Insured Value: \$17,720,000 per Statement of Values on file with Company submitted 11/06/2015

Coverages:

- Ordinance or Law - Coverage A (Included in Building Limit)
- Ordinance or Law - Coverage B & C (Combined)
- Docks including structures/buildings on the dock

Perils: Difference in Conditions Including Flood & Earthquake

- Excluding Earth Movement Sprinkler Leakage

Form: RSUI Forms

Deductible: All Covered Perils - \$25,000 Per Occurrence (Property Damage),
except

Flood - \$500,000 Per Occurrence (Property Damage)

Earthquake - 5.00% *, subject to a minimum of \$50,000 per occurrence (Property Damage)

* If the Deductible is expressed as a percentage (unless otherwise stated), the

Deductible is calculated separately for and applies separately to each building that sustains loss or damage, the personal property at each building at which there is loss or damage to personal property, Personal property in the open, Business Income and Extra Expense. If there is damage to both a building and personal property in that building, separate deductibles apply to the building and to the personal property.

Remarks: THE PREMIUM AMOUNT DOES NOT INCLUDE SURPLUS LINES TAX. YOUR OFFICE IS RESPONSIBLE FOR THE COLLECTION AND FILINGS.

Policy Attachments

- Exclusion And Limited Additional Coverage - Electronic Data RSG 94030 1003
- Exclusion And Limited Additional Coverage For Fungus RSG 96004 0210
- Exclusion of Pathogenic or Poisonous Biological or Chemical Material RSG 96014 0504
- Scheduled Limit Of Liability RSG 94060 0515

Premium Amount

Premium:	\$75,000.00
Terrorism Premium:	\$75,000.00
Gross Premium:	\$150,000.00
Minimum Earned Premium:	25.00%

Please read all terms and conditions shown above carefully as they may not conform to specifications shown on your submission.

This Quote is valid until 01/06/2016.

We greatly appreciate your business.

Bill Duncan





December 14, 2015

Rick Fuller
Port of Newport
600 SE Bay Boulevard
Newport, OR 97365

**In Re: Proposal to provide environmental consulting services for the proposed maintenance dredging of the NOAA MOC-P site in Newport, Oregon
PHS project number: 5851**

Dear Rick:

The following Scope of Work describes the environmental permitting tasks to be conducted by Pacific Habitat Services (PHS) in association with the proposed maintenance dredging of the NOAA Marine Operations Center - Pacific (MOC-P) facility. Tasks include Agency coordination and preparation of a state and federal Joint Permit Application (JPA). A detailed breakdown of labor and disbursement costs associated with each task is included in the attached spreadsheet.

Task 1 Agency Coordination

PHS will facilitate coordination with state and federal Agencies to determine the appropriate environmental permitting strategy for proposed maintenance dredging. Coordination will include an all-Agency conference call and/or meeting to discuss existing site conditions, project purpose and need, proposed permitting strategies, and potential mitigation. If it is determined that yearly or bi-yearly maintenance dredging will be required to maintain the desired dredge depth, then coordination efforts will focus on obtaining a 10-year Individual Permit that would allow for incremental removal of a specified quantity of material over the duration of the permit.

Task 2 Joint Permit Application

PHS will prepare a JPA for submittal to the U.S. Army Corps of Engineers (Corps) and the Oregon Department of State Lands (DSL) to authorize maintenance dredging within the NOAA MOC-P facility. The JPA shall be prepared in accordance with Corps and DSL guidelines and shall include all necessary supporting documentation addressing impacts to Section 10 waters, endangered species, and proposed mitigations (if required). PHS will coordinate with representatives of the Corps and DSL to confirm permitting requirements and application procedures. This coordination will include pre-application correspondence in the form of telephone calls and e-mails to document permit needs.

Proposal to provide environmental permitting services for the proposed maintenance dredging of the NOAA MOC-3 site in Newport, Oregon

Pacific Habitat Services, Inc.

Page -2-

The project's need for a Section 10 Permit from the Corps to authorize dredging within Yaquina Bay provides a federal nexus requiring the project to comply with Section 7 of the federal Endangered Species Act (ESA). As such, it is anticipated that Section 7 consultation will be accomplished through compliance with the terms and conditions of the 2012 Formal Programmatic Opinion, Letter of Concurrence, and Essential Fish Habitat Consultation for *Revisions to Standard Local Operating Procedures for Endangered Species to Administer Actions Authorized or Carried Out by the U.S. Corps of Engineers in Oregon* (SLOPES IV In-water/Over-water structures).

Following submission of the JPA, PHS will respond to questions or comments raised by the Agencies during their review of the permit application. PHS will assist the Client in developing appropriate responses to questions regarding the information submitted to the Agencies on this project. This task may include correspondence in the form of telephone calls, letters, or e-mails, and related tasks as necessary to clarify regulatory Agency concerns and to facilitate the issuance of the Corps and DSL permits.

Assumptions:

- Client will provide all site plan details and project description information, as necessary to quantify and document dredging impacts.
- This Task does not include preparation of a Biological Assessment.
- PHS will submit the JPA to the DSL and Corps. Submittal of the JPA will require a fee paid to the DSL for review. The fee will be provided by the Client.

PROJECT TEAM

The PHS project team consists of John van Staveren, Principal (\$120/hr); Eric Campbell, Project Manager (\$110/hr); Dale Groff, Natural Resource Specialist (\$92/hr); Lisa Bosca, Graphics Specialist (\$75/hr); and Jane Le Blanc, Technical Editor (\$65/hr).

PROPOSED FEE ESTIMATE

The estimated total cost for conducting the work, including labor charges and disbursements, is an amount not to exceed \$9,936. The work will be conducted on a time and materials basis and you will only be charged for the time actually spent on the project. Any additional project tasks not addressed in this Scope of Work will be scoped accordingly in a separate proposal. We can start work on the project as soon as the contract is signed.

We look forward to working with you on this project.

Sincerely,



Eric Campbell
Senior Project Manager

Proposal to provide environmental permitting services for the proposed maintenance dredging of the NOAA MOC-P site in Newport, Oregon

Pacific Habitat Services, Inc.

PHS project Number: 5851

Task	Description	JVS	EC	DG	LB	JDL	Mileage	Supplies/ Equip	Sub Total
1	Agency Coordination	2	12	2	1	0	\$135	\$15	\$1,969
2	Prepare Joint Permit Application	4	40	16	16	6	\$0	\$25	\$7,967

Total Labor Hours	6	52	18	17	6				
Labor Rates	\$120	\$110	\$92	\$75	\$65				
Totals (required and contingency tasks)	\$720	\$5,720	\$1,656	\$1,275	\$390	\$135	\$40	Total	\$9,936

JVS = John van Staveren, Principal

EC = Eric Campbell, Project Manager

DG = Dale Groff, Natural Resource Specialist

LB = Lisa Bosca, Graphics Specialist

JDL = Jane LeBlanc, Technical Editor



Pacific Habitat Services, Inc.
9450 SW Commerce Circle, Suite 180
Wilsonville, Oregon 97070
(800) 871-9333 • (503) 570-0800 • Fax (503) 570-0855

CONSULTING AGREEMENT

With Port of Newport

Pacific Habitat Services, Inc. (PHS) will provide environmental consulting services for the **Port of Newport** (Client) as outlined in our attached letter. The estimated total cost including labor charges and disbursements is an amount not to exceed \$9,936.

This bid assumes our normal and customary liability insurance. Additional insurance requirements may affect the bid price.

GENERAL CONDITIONS:

Authorization to Proceed: Signing this consulting agreement shall be construed as authorization by Client for PHS to proceed with the work, unless otherwise provided for in the authorization.

Termination: Either Client or PHS may terminate this Authorization by giving 30 days written notice to the other party. In such event, Client shall forthwith pay PHS in full for all work previously authorized and performed prior to effective date termination is given. Relationships and obligations created by the Authorization shall be terminated upon completion of all applicable requirements of this Authorization.

Legal Expenses: In the event legal action is brought by Client or PHS against the other to enforce any of the obligations hereunder or arising out of any dispute concerning the terms and conditions hereby created, the losing party shall pay the prevailing party such reasonable amounts for fees, costs, and expenses as may be set by the court.

Invoices: will be issued monthly by PHS and are due and payable within 30 days. Interest is charged at a periodic rate of 1 ½% per month (18% APR) on all invoice not paid within 90 days.

If Client requests a change in the scope of work, PHS will invoice Client at its standard hourly rates in effect at the time the request is made.

12/14/15

John van Staveren, Principal
Pacific Habitat Services, Inc.

Date

Rick Fuller
Port of Newport

Date



PROPOSED CALENDAR, BUDGET COMMITTEE AND OFFICER FOR FY 2016-17

BUDGET CALENDAR

MONDAY, FEBRUARY 29

Dept. Heads receive direction on identifying priorities/operational changes

TUESDAY, MARCH 8

Approve proposed calendar, committee roster, and budget officers.

TUESDAY, MARCH 15

Management Team convenes to discuss budget.

TUESDAY, MARCH 29

Finance Officer presents working budget for Management Team review. Commission Work Session packet distributed.

TUESDAY, APRIL 5

Commission Budget Priorities Work Session, Noon.
(Second Work Session, 4/12 if needed)

WEDNESDAY, APRIL 27

Publish first notice of budget committee meeting.
(Notice to *News Times* by Thurs., 4/21)
(Add Notice to Port's web site or public second notice)

TUESDAY, MAY 3

Deliver agenda, budget message, and proposed budget to committee members (1 week prior to meeting).

TUESDAY, MAY 10

Budget committee meets, 6:00 p.m.
(Second Committee Meeting, 5/17 if needed)

WEDNESDAY, JUNE 8

Publish hearing notice and summary.
(Notice to *News Times* by Thurs., 6/2)

TUESDAY, JUNE 21

Public hearing and adopt budget resolution, 6:00 p.m.

TUESDAY, JULY 12

Submit budget documents to County Assessor
- LB-50 x 2
- Budget Resolution x 2

TUESDAY, SEPTEMBER 27

Submit budget documents to County Clerk.
- Budget Message (from budget committee)
- Budget Detail (LB forms from June meeting)
- Meeting affidavit (from paper)

BUDGET COMMITTEE MEMBERS

(Freeholder positions are three-year terms)

FREEHOLDERS

- 1. Fred Postelwait (1994) June 30, 2018
- 2. Brian Barth (1996) June 30, 2017
- 3. Alan Brown (2003) June 30, 2016
- 4. Ron Benfield (1990) June 30, 2017
- 5. Mark Collson (2012) June 30, 2018

COMMISSIONERS

- 1. Walter Chuck June 30, 2019
- 2. David Jincks June 30, 2017
- 3. Stewart Lamerdin June 30, 2019
- 4. Ken Brown June 30, 2017
- 5. Patricia Patrick-Joling June 30, 2019

BUDGET OFFICER

Kevin Greenwood, General Manager

All budget meetings will be held at the South Beach Marina & RV Park Activities Room.

From: [Fred Postlewait](#)
To: [Kevin Greenwood](#)
Subject: RE: Port of Newport Budget Committee Position
Date: Wednesday, December 16, 2015 8:19:59 PM

I would be honored.

Fred Postlewait

Sent with Good (www.good.com)

From: Kevin Greenwood
Sent: Wednesday, December 16, 2015 2:31:59 PM
To: Fred Postlewait
Subject: Port of Newport Budget Committee Position

Fred,

The Port Commission asked me to contact you about serving another three year term on the Budget Committee. If you're agreeable, please reply back to this email and I'll include it in next month's board packet for approval. Thank you for your past service to the Port of Newport and have a Merry Christmas!

Kevin M. Greenwood, General Manager

Port of Newport

600 SE Bay Blvd.

Newport, OR 97365

(541) 265-7758

(541) 961-8517 cell

www.portofnewport.com

From: [Mark Collson](#)
To: [Kevin Greenwood](#)
Subject: Re: Port of Newport Budget Committee Position
Date: Wednesday, December 16, 2015 4:58:20 PM

Please forward my willingness to serve to the port commission for their next meeting. Thank you Kevin.

Mark

Sent from my iPhone

On Dec 16, 2015, at 2:33 PM, Kevin Greenwood <kgreenwood@portofnewport.com> wrote:

Mark,

The Port Commission asked me to contact you about serving another three year term on the Budget Committee. If you're agreeable, please reply back to this email and I'll include it in next month's board packet for approval. Thank you for your past service to the Port of Newport and have a Merry Christmas!

Kevin M. Greenwood, General Manager
Port of Newport
600 SE Bay Blvd.
Newport, OR 97365
(541) 265-7758
(541) 961-8517 cell
www.portofnewport.com

PORT OF NEWPORT SPECIAL USE PERMIT

This permit, effective December 31, 2015, from the Port of Newport, organized and existing under the laws of the State of Oregon, hereinafter referred to as "Port" to Visual Thinking Northwest, Inc., hereinafter referred to as "Permittee",

The Port hereby grants permission to Permittee to film in and around the commercial fishing docks on the waterfront and Port of Newport docks.

Permit is subject to the rules, regulations, and ordinances of the Port of Newport and subject to the following terms and conditions:

1. Deposit. A nonrefundable deposit in the amount of \$100.00.
2. Fees. WAIVED
3. Reservation of Rights. Port reserves the right to alter or amend the terms and conditions of this permit.
4. Liability, indemnity of Port. Permittee agrees to exercise due care in the activities described above and to abide by all Port rules, regulations, and ordinances. Permittee shall indemnify and hold Port harmless from and against all claims, actions, proceedings, damages, and liabilities, including attorney fees, arising from or connected with Permittee's use of Port facilities. Permittee will carry a comprehensive general liability insurance policy with limits of \$1,000,000.00 per occurrence and \$2,000,000.00 in aggregate, and will provide the Port with a Certificate of Insurance naming the Port as an additional insured.
5. Limitation of Port's Liability. Permittee acknowledges that Permittee has inspected the grounds and related facilities and is satisfied that these facilities are adequate for safe use for the above-described purpose. This permit is not a contract. Port's liability is limited to its sole negligence. Port's employees will make reasonable efforts to contact Permittee and notify Permittee of conditions requiring Permittee's attention, but Port assumes no responsibility of Permittee's use of the Port's facilities. Permittee confirms and assures that there are not alcoholic beverages used or provided during this event and that certified and trained emergency response providers are on site.
6. Nontransferability / Term. This permit is nontransferable. This permit expires January 31, 2016.

IN WITNESS WHEREOF, the Port has caused this permit to be issued on the date indicate above.

Port of Newport:

Accepted By:

Kevin Greenwood, General Manager
Port of Newport

Kevin Raichl, Executive
Visual Thinking Northwest, Inc.

SPECIAL USE PERMIT APPLICATION

Submit to: Administrative Assistant
Port of Newport
600 SE Bay Blvd.
Newport, Oregon 97365

This application must be completed, signed, and submitted with a nonrefundable \$100.00 application fee. Any usage fees required of the applicant must be submitted prior to the special use permit being issued by the Port. Any request for a full or partial waiver of the usage fees must be submitted with this application. The criteria used to evaluate a waiver request are listed below. Applications should be submitted far enough in advance of the event to allow the Port to determine the impact of the event on Port property and other Port guests and / or moorage holders. At least 45 days notice is recommended.

Event Name: 4th Newport Resolution Run & Polar Bear Plunge

Event Date: January 2, 2016 Time(s) 8:30 am

Location: Rogue Brewery – Old Boat Launch Ramp

Facilities to Be Used: Old Boat Launch Ramp

Set-up Dates and Start Times: January 2, 2016, starting 6:30 am

Take-down Dates and End Times: January 2, 2016, 12:00 pm

Estimated Number of Participants: Contestants: 150

Vendors / Volunteers: 10 Volunteers

Attendees: Approx. 20

Applicant / Signer: Ed Cortes

Mailing Address: 2002 NW Oceanview Dr, Newport, OR 97365

Telephone: (541) 351-8265 E-mail ed@ardoradventures.com

Contact Person (if different than applicant): _____

Contact Person's address, phone number and e-mail: _____

Please provide a detailed description of the event:

4th Annual Newport Resolution Run & Polar Bear Plunge (Resolution Run) is an event that happens the first Saturday of the year and is sponsored by Rogue Brewery. The races will start and finish at Rogue Brewery. As every Ardor Adventure event, the Resolution Run will support local charities and/or local non-profits. The first 3 years it supported the local Coast Hills Running Club. We have not picked a group as of this writing but most likely our local HS Swimming Team will be the beneficiary.

There'll be not material or services cost to Port of Newport. This is a great community event that greatly benefits the city and local business. Over 80% of currently registered participants are from out of town.

Please indicate if you are requesting a full or partial waiver of the usage fee, and explain the reasons for the request based upon the criteria described below:

This is a small event and only expect about 150 participants. Once again, we ask for your support by waiving any fees. In return we'll give Port of Newport Sponsorship Rights.

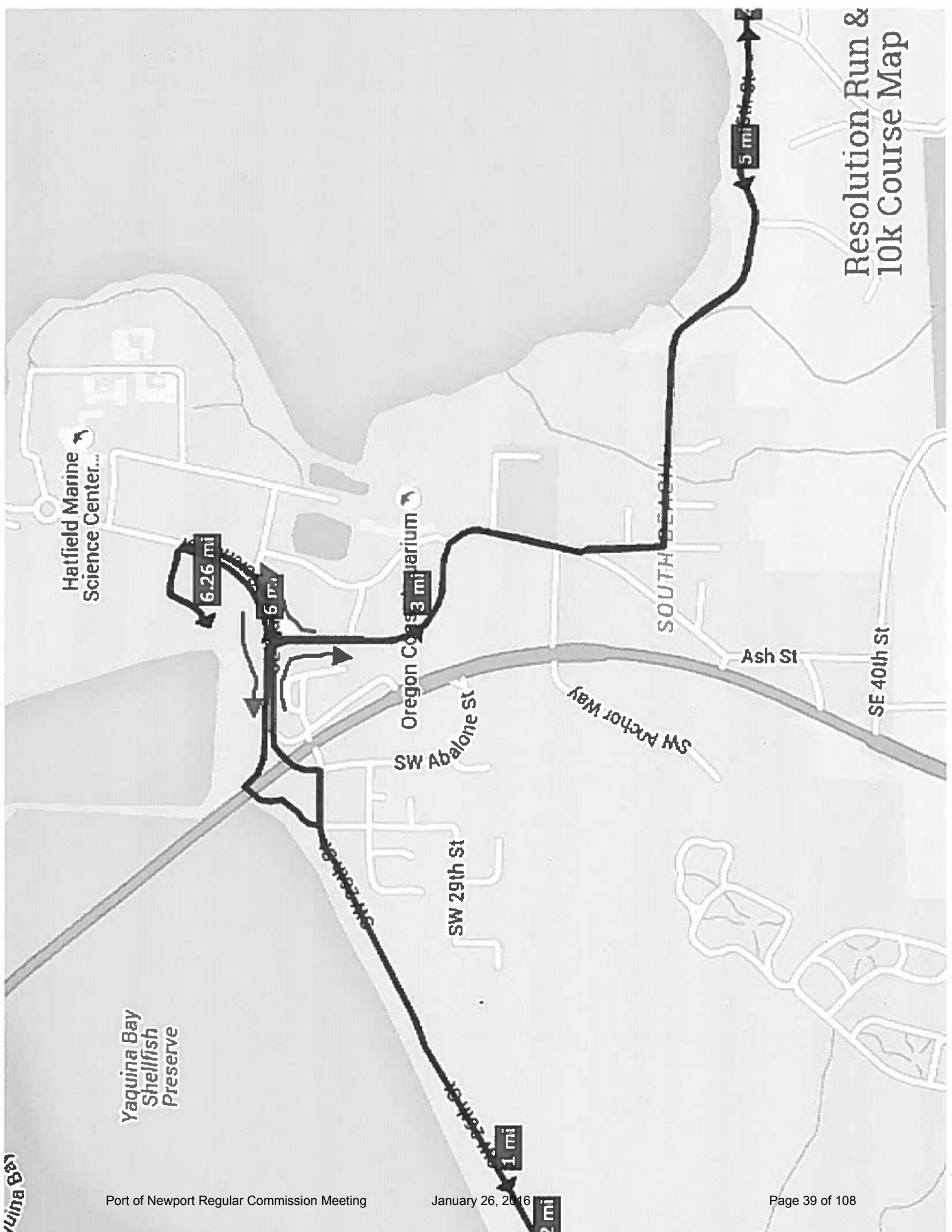
The following criteria may be used by the Port management to fully or partially waive the usage fee:

1. Is the applicant a non-profit or a for-profit entity?
2. Will proceeds from the event be donated to charitable causes? If so, what percentage of the proceeds will be donated and to which charitable causes?
3. What is the Port's cost to provide services for the event?
4. Does the event provide any direct benefit to the Port?

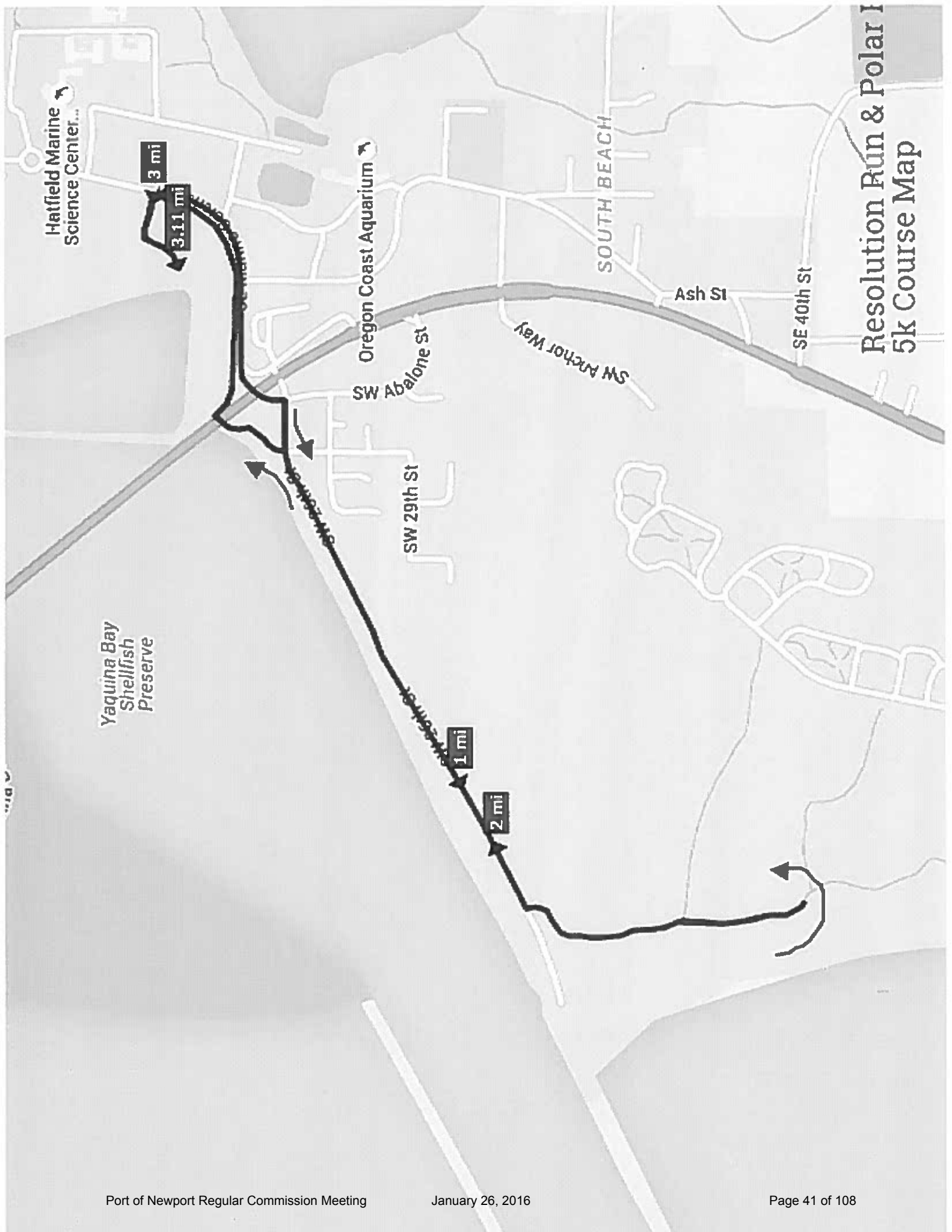
USAGE FEE SCHEDULE

PARTICIPANTS	NUMBER	FEE
Attendees, Contestants, Volunteers at Event	1-200	\$400.00
	201-500	\$650.00
	501-1000	\$900.00
	1,001- 5000	\$1400.00
	5,001-10,000	\$1,900.00
	More than 10,000	\$2,400.00
Vendors	N/A	\$40/ per vendor

Resolution Run & 10k Course Map







Resolution Run & Polar I 5k Course Map

From: [Ed Cortes](#)
To: [Karen Hewitt](#)
Subject: Re: Newport Shamrock Run SUP Application
Date: Thursday, January 21, 2016 11:18:45 AM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[twitter.png](#)
[facebook.png](#)

Karen,

The 2016 Newport Resolution Run & Polar Bear Plunge benefited our local Newport HS Swim Team. I donated \$750.00 to the team.

Every event a portion of the proceeds is donated to a local organization/group. Often times this group is nominated by our runners.

Ed

On January 20, 2016 at 11:56 AM Karen Hewitt <khewitt@portofnewport.com> wrote:

Ed, just a friendly reminder to submit 45 days in advance, which would be January 27th. I have attached a form for you.

Regards,

Karen Hewitt

Administrative Assistant



541-265-7758

From: Ed Cortes [<mailto:ed@ardoradventures.com>]
Sent: Thursday, January 07, 2016 2:54 PM

To: Karen Hewitt <khewitt@portofnewport.com>
Subject: Newport Resolution Run & Polar Bear Plunge

Hi Karen,

The 2016 Newport Resolution Run & Polar Bear Plunge was a huge success in many fronts. We've seen an increase in attendance every year. This year we had a 33% increase! We had 139 runners with over 75% of them outside of Lincoln County.

It was very cold and windy (especially if you stand around for 3 plus hours) but these brave souls didn't seem to mind at all. The event got great reviews and many are looking forward to next year. Thanks to Rogue, Port of Newport, Wilder Newport and many others it was a huge success!

Ed

P.S. Our next event is the Newport Shamrock Run and that's scheduled for Saturday, March 12.

On January 5, 2016 at 4:52 PM Karen Hewitt
<khewitt@portofnewport.com> wrote:

Hi Ed,

Would you provide me something similar about the Resolution Run and Plunge? It will be helpful for the newsletter. Bill Posner also gave me permission to use his photos ☺

Karen Hewitt

Administrative Assistant



541-265-7758

From: Ed Cortes [<mailto:ed@ardoradventures.com>]
Sent: Friday, December 18, 2015 3:11 PM
To: Karen Hewitt <khewitt@portofnewport.com>
Subject: Re: November's Turkey Trot

Hi Karen,

The 4th Annual Newport Turkey Trot was a huge success thanks to the support of Arctic Circle, Wilder Newport, Port of Newport and DJ Ghost. We had record attendance for the 4th consecutive year (I'm sure the weather helped tremendously). I'm proud to announce Ardor Adventures donated \$1,400.00 to Yaquina View/Sam Case Boosters.

Thanks,

Ed
541-351-8265

P.S. What's the Special Use Permit status for our Resolution Run? Or I don't need one since it's being sponsored by Rogue?

On December 18, 2015 at 10:31 AM Karen Hewitt
<khewitt@portofnewport.com> wrote:

Hi Ed,

Could you please send me a race summary and a photo or two? I'd love to include this in our next newsletter.

Thank you!

Karen Hewitt
Administrative Assistant



541-265-7758



Operating Fund

December 11, 2015 through January 18, 2016

Date	Num	Name	Memo	Amount
12/14/15	37461	Employee	Mid Month Draw	450.00
12/14/15	37462	Employee	Mid Month Draw	500.00
12/14/15	37463	Employee	Mid Month Draw	500.00
12/14/15	37464	Employee	Mid Month Draw	300.00
12/14/15	37465	Employee	Mid Month Draw	475.00
12/14/15	37466	Employee	Mid Month Draw	500.00
12/14/15	37467	Employee	Mid month Draw	300.00
12/14/15	37468	Employee	Mid Month Draw	1,500.00
12/14/15	37469	Business Oregon-OBDD	Loan # 520161	4,463.00
12/14/15	37470	Cardinal Services, Inc.	Wages for Temp Services	93.10
12/14/15	37471	Central Lincoln PUD	Electric	12,296.48
12/14/15	37472	Dahl & Dahl, Inc	Garbage Disposal	117.60
12/14/15	37473	Department of State Lands	Sand Tax	9.84
12/14/15	37474	EDGE Analytical Laboratories	Stormwater Testing IT	336.00
12/14/15	37475	Grainger	Drain Cleaner Cable	52.76
12/14/15	37476	HC Etc., Inc	IT Hours	600.00
12/14/15	37477	News-Times	Lien Sale Boats	285.86
12/14/15	37478	Sherwin Williams	Paint and Supplies for Shop	102.44
12/14/15	37479	Special Districts Insurance Service	Health Insurance	11,471.38
12/17/15	37480	Central Lincoln PUD	Electric	2,850.99
12/17/15	37481	Century Link	Telephone	385.39
12/17/15	37482	City of Newport	Room Tax November 2015	1,413.38
12/17/15	37483	CoastCom Inc	Internet and E-mail	832.00
12/17/15	37484	Fred Meyer Customer Charges	Lunch for Department Head Meeting	47.96
12/17/15	37485	O'Laughlin Trade Shows	Boat Show Booth	375.00
12/17/15	37486	Pacific Coast Congress of	Membership Dues; Directory	245.00
12/17/15	37487	Petty Cash	Small Hardware Purchases	146.44
12/17/15	37488	Special Districts Insurance Service	Terminal Dock Coverage	2,231.00
12/17/15	37489	Toyota Financial Services	Forklift Lease	1,044.20
12/17/15	37490	Central Lincoln PUD	Electric	4,762.14
12/21/15	37491	Chase - Visa	Hippo Software Program \$2,149.00	3,010.28
			Amazon Parts Orders	
12/22/15	37492	Business Oregon-OBDD	Loan 655-36-02 OCT 2015	7,800.00
12/22/15	37493	Coastal Refrigeration	HVAC Maintenance and Repair SB	209.56
12/22/15	37494	G & K Floors	Cleaning Service	2,280.00
12/22/15	37495	Henry French	10' Helm for Skiff	196.95
12/22/15	37496	LazerQuick	Architectural Prints	234.75
12/22/15	37497	Neopost USA Inc	Postage Machine Rental	149.85
12/22/15	37498	Sears Commercial One	Toolbox and Sockets	40.15
12/22/15	37499	Suburban Propane	Annual Propane Tank Rental CM	81.00



Operating Fund

December 11, 2015 through January 18, 2016

12/22/15	37500	Verizon Wireless	Port cell phones	507.98
12/30/15	37501	Cardinal Services, Inc.	Wages for Temp Services	637.00
12/30/15	37502	CenturyLink - Business Service	Audio Conferencing	29.69
12/30/15	37503	Design Space	Customs Office	217.00
12/30/15	37504	Doug's Electric, Inc.	GFI Outlet and gasket	22.80
12/30/15	37505	Harvey's Lock & Key	Restroom Keys	562.50
12/30/15	37506	Idea Print Works, Inc.	Safety Gear and Volunteer Clothing	1,093.25
12/30/15	37507	NW Natural	Gas	463.27
12/30/15	37508	Pacific Habitat Services, Inc	Piling Permit PD5	131.25
12/30/15	37509	T & L Chemical Toilet Service	Chemical Toilets Bayfront	486.00
12/30/15	37510	TCB Security Services, Inc	Monthly Security contract	6,551.00
01/05/16	37511	AboveBoard Electric Inc	Breakers, Repair Receptacles Light Poles	1,238.00
01/05/16	37512	Alesa Bay Power Products	Shield Deflector for Mower	35.10
01/05/16	37513	Coastal Paper & Supply, Inc.	Cleaning and Paper Supplies	1,456.37
01/05/16	37514	Copeland Lumber Yards, Inc..	Treated Lumber	73.99
01/05/16	37515	Direct TV	Cable RV Parks	899.29
01/05/16	37516	HC Etc , Inc	IT Hours	40.00
01/05/16	37517	Industrial Welding Supply, Inc	Tank Refill	62.12
01/05/16	37518	Leisure Interactive	Annual Software Subscription SB	6,300.00
01/05/16	37519	Lincoln Plumbing Inc	Circulation Pump for Men's Marina Shower	520.00
01/05/16	37520	Newport Auto Parts Inc	Repair Parts for Trucks	229.78
01/05/16	37521	PayneWest Insurance	Renewal CPOL 1/1/2016 Southbeach	5,600.58
01/05/16	37522	Pioneer Printing, Inc.	Tide Books	373.20
01/05/16	37523	Pioneer Telephone Cooperative	Telephone	226.79
01/05/16	37524	Platt	Repair parts for Lighting	980.42
01/05/16	37525	Portland Expo Center	Parking passes for Boat Show	70.00
01/05/16	37526	Siuslaw Broadband	Network Assessment	250.00
01/05/16	37527	T&L Septic Tank Service	Pump Septic Tank Terminal	450.00
01/05/16	37528	Robert Hall	RV leaving	467.00
01/07/16	37529	State of Oregon Corporation Div.-Notary	Notary Public Application Fee	40.00
01/11/16	37530	Alan Brown Tire Center	Hauler Tires and Oil Change	336.37
01/11/16	37531	ALSCO	Mats and Rags	264.14
01/11/16	37532	Barrelhead	Stripe Paint, Goggles, Gloves	306.73
01/11/16	37533	Creative Landscape & Maintenance	Landscape Maintenance	1,200.00
01/11/16	37534	Englund Marine Supply Co, Inc	VHF Radio, Bib Overalls, Boots	769.70
01/11/16	37535	Keller Supply Company	Shower Couplers, Plumbing Supplies	189.89
01/11/16	37536	MACPHERSON, GINTNER & DIAZ	Professional Services	787.50
01/11/16	37537	Neopost USA Inc	Postage	412.08
01/11/16	37538	Newport Marine & RV Service, Inc	Outboard Motor for Skiff	2,984.63
01/11/16	37539	Newport Signs	Parking Signs	397.00
01/11/16	37540	Staples	Office Supplies	177.13
01/11/16	37541	Thompson's Sanitary Service, Inc	Trash Disposal	4,217.00
01/11/16	37542	Xerox Corporation	Copier Lease	377.17
01/11/16	37543	Employee	Mid Month Draw	450.00



Operating Fund

December 11, 2015 through January 18, 2016

01/11/16	37544	Employee	Mid Month Draw	500.00
01/11/16	37545	Employee	Mid Month Draw	500.00
01/11/16	37546	Employee	Mid Month Draw	300.00
01/11/16	37547	Employee	Mid Month Draw	475.00
01/11/16	37548	Employee	Mid Month Draw	500.00
01/11/16	37549	Employee	Mid month Draw	300.00
01/11/16	37550	Employee	Mid Month Draw	1,500.00
01/12/16	37551	Carquest Auto Parts	Snap Ring Pliers, Barrel Pump	242.33
01/12/16	37552	CenturyLink - Business Service	Telephone	37.68
01/12/16	37553	Design Space	Temporary Office Rental	877.00
01/12/16	37554	Fred Meyer Customer Charges	Water, Clip Board, Ink Cartridges, Cleaner	209.36
01/12/16	37555	Greater Newport Chamber of Commerce	Membership Renewal	297.00
01/12/16	37556	Lincoln County Public Works	Fuel for Trucks	196.17
01/12/16	37557	News-Times	Fisherman Ad	66.00
01/12/16	37558	Special Districts Insurance Service	January 2016 Health-Life-Dental	13,295.29
01/12/16	37559	U.G. Cash & Carry	Coffee Supplies, Batteries, Towels	268.39
01/12/16	37560	Voya (State of Oregon Plan)	Monthly Employee Contribution to Deferred Comp	100.00
TOTAL				125,237.44



NOAA Fund

December 11, 2015 through January 18, 2016

Date	Num	Name	Memo	Amount
12/14/15	12817	S.D.A.O Special District Association	NOAA Health Insurance	614.36
12/16/15	12818	Jim Durkee	Reimbursement Portland BAS Cl:	400.39
12/16/15	12819	All-Ways Painting	VOID: Interior Wall Painting	0.00
12/16/15	12820	Central Lincoln PUD	Electric	110.05
12/17/15	12821	Coat & Harbor Engineering	Review and Analysis of Sediment	11,274.00
12/17/15	12822	All-Ways Painting	Interior Wall Painting	22,663.25
12/22/15	12823	G & K Floors	Janitorial Services	450.00
12/22/15	12824	Ultimate Pest Control, LLC	Pest Control	250.00
12/22/15	12825	Verizon Wireless	Phone Charges	41.63
12/22/15	12826	Williams Scotsman Inc	Rent Mobile Office	349.25
12/30/15	12827	Pacific Habitat Services, Inc.	Eelgrass Monitoring	732.50
12/30/15	12828	T & L Chemical Toilet Service	Disposal	135.00
12/30/15	12829	TCB Security Services Inc	Elevator Phone Monitoring NOAA	20.00
01/05/16	12830	Aboveboard Electric	Panel Heater for Shore Power En	1,142.00
01/05/16	12831	Newport Auto Parts, Inc.	V Belt for HVAC	101.18
01/05/16	12832	PayneWest Insurance	Insurance Renewal Business CD	77,251.50
01/05/16	12833	Pioneer Telephone Cooperative	Telephone	243.34
01/05/16	12834	Platt Electrical Supply, Inc.	Dimmer Switches	126.06
01/13/16	12835	S.D.A.O Special District Association	NOAA Health Insurance	614.36
01/13/16	12836	Thompsons Sanitary Service	Disposal & 20YD Dumpster	337.70
TOTAL				116,856.57



Construction Fund

December 11, 2015 through January 18, 2016

Date	Num	Name	Memo	Amount
12/17/15	11809	DH Goebel, Architect	Build 3D Model and Rendering	500.00
12/17/15	11810	GRI	VOID: Hatfield Culvert Replacement	0.00
12/17/15	11811	Pacific Habitat Services, Inc	Environmental Permit Application	3,806.00
12/17/15	11812	Western Title & Escrow	Lot Book Report	200.00
12/29/15	11813	City of Newport	Building Permits	4,685.08
TOTAL				9,191.08

OLD BUSINESS AGENDA ITEM

DATE: 1/26/2016
RE: Letter of Understanding w/ Rogue for Brewery Expansion
TO: Port of Newport Board of Commissioners
ISSUED BY: Kevin Greenwood, General Manager

BACKGROUND

Commissioners Jincks, Brown and I made significant progress on Rogue's Brewery expansion since last month even if there wasn't full agreement on 100% of the terms. I appreciate their knowledge (and I include Dean Fleck in that praise as well) of Rogue's history in South Beach, wisdom and desire to protect the Port's interests moving forward. As the Port's largest private sector tenant, Rogue is an important part of Newport's cultural landscape and I appreciate their contributions to economic development in Lincoln County as well as the numerous donations that they make to hundreds of groups in the region. The past 18 months was certainly a learning opportunity for me and I always tried to find opportunities for compromise while ensuring that the recreational marina area would continue to serve a wide array of users. I am confident that the attached agreement does just that.

The attached Letter of Understanding (LOU) addresses most of the issues associated with a new lease expansion. A separate lease amendment will need to be approved by the Commission and that will be presented in February. We did not come to complete agreement on language prohibiting future expansion on the site, but I feel that the compromised language included in the LOU is enough to show the Port's intent. Any additional comments can certainly be added to the record by individual commissioners and the public.

With approval, staff will submit a letter to the City Planning Commission stating the Port's approval of Rogue's land use application. The letter will include language stating that the option for the Phase 2 expires after five years. Rogue continues to aim for construction starting in 2Q 2016.

SUMMARY OF THE LETTER OF UNDERSTANDING

- Footprint is for 40,250 s.f. built in two phases. The new lease, however, will be ONLY for Phase I. This agreement states that the Port will work with Rogue toward a Phase II lease within five years.
- New facility will be used for production, storage, cold storage, packing equipment and increased brewing capacity and will include a truck loading ramp and forklift dock.
- Phase I includes 26,400 sf of warehouse space (app. 66% of total building) and full development of the decommissioned boat launch area (referred to as the "multi-use area" or MUA).
- Phase II includes approximately 13,850 sf and would begin within five years. Rogue loses the option after five years
- A traffic/landscaping/parking plan will be provided for city/port review.

- Rogue agreed to pay for the expenses related to filling in the old boat launch (offsite improvements/multi-use area) and bringing the House of Spirits parking lot to grade with the dry camping lot and to apply an asphalt cap equal to 35,000 s.f. (MUA). Port to review these plans.
- Port agrees to abate 49% of the offsite improvement costs through a decreased annual lease amount over three to five years, though the Port would still receive \$40,000 annually during the abatement period.
- Expansion would include a mural, developed by Port and produced by Rogue, on the south side.
- Phase II would be the last expansion at the current South Beach location.
- Provisions of original lease and first amendment are intact.
- Parties agree to work together on the siting of special event activities.
- Term ends June 30, 2037.
- All construction as-builts will be provided to Port.
- Lease rate is 20-cents per square ft. per month with semi-annual CCI adjustments and begins with occupancy. Though the CPI increases would not be applied during the abatement period. In essence, this makes up for, in the port's favor, the fact that Rogue is not charging interest for the development of the MUA.

WORK PLAN / SITE PLAN

Rick Fuller developed the Work Plan with Rogue's operational staff and, though conceptual, will provide a solid base for cost sharing on the multi-use area (MUA). The Site Plan is also conceptual but adequately shows the affected area. The shared cost for developing the MUA was estimated at \$450,000 and the Port's share would be \$225,000.

The work plan separates the upcoming work into three categories starting with the Rogue expansion consisting of costs born 100% by Rogue for building design, permit, construction, infrastructure, utilities, storm water system, landscape, irrigation, asphalt, traffic & parking stripping pertaining to both phases of the new building. The old boat ramp infill category details 49%-51% shared cost for engineering, permit costs, demolition of the existing ramp area including both landscape berms at the north & south sides, utility relocation, rip rap bulkhead matching the existing marina armored slope, structural fill using onsite and NOAA dredge spoils material, storm water catch basins and pipe, limited curbing, and the asphalt overlay. The final category are items associated with the newly configured Multi-Use Area which connects the combined old dry camp lot, the newly filled boat ramp area and the south RV Marina parking lot. Costs to be carried 100% by the Port in the new MUA consist of yet unplanned parking/event stripping, pedestrian sidewalks, landscape, picnic benches, lot lighting, future utility conduits, and relocation of the existing RV dump station currently in front of Rogue. Costs for the design of the planned mural(s) will be allocated to the Port while the installation will be the responsibility of Rogue.

The parking shown on the site plan in the Multi-Use Area is the remaining pre-existing parking from the now defunct boat launch. Since that use no longer exists, it is critical that those parking stripe remnants are not misconstrued as parking related to either the brewery expansion or the increased MUA (shown on the site plan as "proposed site infill".) The City did require Rogue to show how the new development would interact with the pre-existing parking. As the project progresses, the Port may simply modify the remaining striping to more clearly show the traffic flow or remove the old striping by painting or seal coating.

BUDGET IMPLICATIONS

The timing of the expansion from an operational cashflow perspective couldn't happen at a better time. With Yaquina Bay Fruit Processing (YBFP) leaving Newport at the end of March 2016, the Port was looking for a tenant to make up the loss of \$30,636 annually. As long as Rogue occupies the building by January (nine months of no rent), the Port would break even. Clearly moving forward the Port will continue to see positive cash flow on the new lease.

There are components of this project that the Port will be 100% responsible. For example, the Port will want to lay electrical conduit for lighting. Other elements could be put off for future fiscal years or if grants are obtained. Though this project was not specifically included in this year's budget, the Port does have \$300,000 set aside for the Port Dock 5 project which will be put off until next November. The Commission could review any capital project related to the Rogue expansion and utilize a portion of that set aside. Alternately, the Commission did budget up to \$500,000 from the NOAA fund cash reserves for capital projects though that action would require a repayment to the NOAA fund.

As we enter the FY 2016-17 budget process, the budget committee will want to entertain capital projects in South Beach that could provide a finishing touch to the recreational marina multi use area.

Below is a sample matrix of the lease income and the abatement schedule for the new phase and multi-use area development. The known elements include the phase 1 annual lease payment, phase 2 annual lease payment and the start date for phase 1 annual lease payment. It is unclear as to when the second phase lease amount would start, though it would need to be within five years.

SAMPLE OF LEASE PAYMENT SCENARIO

- \$63,360 = first phase annual lease amount
- \$96,600 = first plus second phase annual lease amount
- \$225,000 = port's portion of offsite improvements

	Annual Lease Payment	Actual Payment to Port	Lease Abatement	Offsite Imp. Balance
2016	\$63,360	\$40,000	\$23,360	\$201,640
2017	\$63,360	\$40,000	\$23,360	\$178,280
2018	\$63,360	\$40,000	\$23,360	\$154,920
2019	\$63,360	\$40,000	\$23,360	\$131,560
2020	\$96,600	\$40,000	\$56,600	\$74,960
2021	\$96,600	\$40,000	\$56,600	\$18,360
2022	\$96,600	\$78,240	\$18,360	\$0

RECOMMENDATION

Brett Joyce has signed the agreement in your packet. I would recommend that a Commissioner make a MOTION TO AUTHORIZE THE GENERAL MANAGER TO SIGN THE LETTER OF UNDERSTANDING REGARDING A PROPOSED BREWERY EXPANSION WITH OREGON BREWING COMPANY AS PRESENTED [or AMENDED].

-###-

Oregon Brewing Co.
Brett Joyce
2320 OSU Dr.
Newport, OR 97365

Port of Newport
Kevin Greenwood
600 SE Bay Boulevard
Newport, OR 97365

RE: Letter of Understanding

January 12, 2016

The Port of Newport ("Port") leases to Oregon Brewing Company ("Rogue") land located on the south waterfront in Newport, Oregon. Rogue wishes to lease from the Port, and the Port wishes to lease to Rogue additional land to further their collective business operations.

IT IS UNDERSTOOD THAT:

1. The Port and Rogue agree to be bound by the terms contained in this Letter of Understanding and agree to make Lease modifications as needed.
2. The Port will lease approximately 40,250 additional square feet to Rogue for Rogue's production operations, product storage, additional cold storage, packaging equipment and increased brewing capacity. The new building will include a truck loading ramp and forklift dock as shown in the attached Site Plan.
3. The parties agree that Rogue's construction work will proceed in two (2) phases:
 - a.) Phase I: Consists of Rogue constructing an approximately 26,400 square foot building. The costs associated with the construction of Rogue's building will be borne 100% by Rogue. Simultaneous with the construction of Rogue's building is the creation of a Multi-Use Area ("MUA") as set out in the attached Site Plan and #6 below. The cost sharing to create the MUA is set out in more detail below.
 - b.) Phase II: Consists of the Port leasing to Rogue an additional 13,850 square feet (approximately) of land so that Rogue may add to its Phase I structure following roughly the same description set out in #2 above. The Phase II addition is shown

in the attached Site Plan. The timing for the construction of Phase II to begin is at Rogue's discretion, but shall begin within five years of the date of this agreement. All costs associated with Phase II shall be borne by Rogue. Should Rogue not start construction within the five years set out in this agreement, Rogue shall lose the option granted it within the context of this agreement.

4. Rogue will retain licensed professionals for the creation and submission to the City of all required traffic, landscape and parking plans as well as utility, storm water, civil and structural plans for both Phase I and Phase II. The Port agrees to give concise and timely input to Rogue concerning these plans prior to the plans being submitted to the City for approval and permitting as it is Rogue's intention is to begin construction in the spring of 2016.
5. As part of Phase I Rogue agrees to create a MUA for the Port by bringing up to grade and topping the decommissioned boat launch ramp area south of Rogue's House of Spirits per the attached Site and Work Plans.
6. Rogue agrees to pay all upfront costs associated with the design, engineering and filling of the MUA, as well as the upfront costs associated with the below ground work of disconnecting/reconnecting electrical and plumbing. Rogue also agrees to pay all upfront costs associated with the design, engineering and construction of the MUA, and its curbs and any islands as required by the City. See attached Work Plan.
7. Concerning the installation of above ground fixtures for the ultimate use of MUA such as painting, striping, signage, electrical poles, picnic tables, RV hookups and the like, the Port agrees to contract for the work and pay 100% of these costs.
8. While Rogue agrees to pay all upfront costs associated with the MUA as set out in #6, it is agreed that Rogue and the Port will ultimately share those costs on a 51%-49% split, respectively, via a lease rent abatement schedule described below in section 9. Once the MUA is completed Rogue will provide the Port with an itemization of all MUA costs. From those itemized MUA cost the Port and Rogue will agree to a lease rent abatement schedule.
9. Rogue will pay to the Port \$40,000 annually (\$3,333.33 per month) as the lease rent abatement payment for Phase I. Monthly payments will start when the City issues the Occupancy Permit for Phase I and will end when the lease rent abatement schedule is satisfied. Once the abatement schedule is satisfied Rogue will start making full lease rent payments for the entire brewery facility.
10. During the abatement period the entire brewery's annual Lease CPI increases will also be abated. There will be no accumulation and billing back of the abated CPI increases. However, when the abatement schedule is satisfied a CPI increase will be calculated and applied to Rogue's lease rent per the current Lease.

11. Rogue and the Port agree to develop and install a mutually agreeable mural(s) or decorative feature(s) on the south facing wall of the newly constructed warehouse building.
12. The Port and Rogue will work together and clarify Section 1 of the Lease, if necessary, concerning the siting of special events.
13. Rogue to provide a complete set of construction as-builts in hard copy and electronic format for the Phase I and Phase II upon completion.
14. Rogue agrees to forego the right to build further structures in the MUA.
15. The Port agrees to sign any land use or building permit applications in conjunction with the Phase I and II expansions within five years of this agreement being signed.

Kevin Greenwood
Port of Newport

Date:



Brett Joyce
Oregon Brewing Co.

1-12-16


Date:



Rogue Expansion Cost of Work Allocation List ("Work Plan")

	Description	OBC-Rogue	Port of Newport	Shared
1	Building design, permit, construction, infrastructure, utilities, storm water system, landscape, irrigation, asphalt, traffic & parking stripping pertaining to building	X		
2	Boat ramp infill			X
3	Engineer design and specifications			X
4	City plan review fees, permit costs, and City system development charges			X
5	Structural bulkhead using riprap rock to match existing. Elevation length TBD			X
6	Demolition and removal/reuse of two landscape islands including concrete curbs at north & south sides of existing ramp			X
7	Demolition, crushing, reuse (as specified) of existing asphalt at ramp area			X
8	Excavation, fill, grading & compaction using onsite materials (as specified) and offsite sand material from PON south beach dredge disposal site as specified. The intent of the fill is to connect the north marina lot to the south dry camping lot at their perspective grades			X
9	Raise existing water, fire, electrical utilities including fire hydrant within ramp area			X
10	Installation of storm water catch basins, curbs and piping as specified. Pipe to tie into new manhole at northeast side of existing Rogue building. A catch curb will be needed at the west end of the infill along the entire length of the bulkhead wall			X
11	Demolition of three picnic bunkers located at the north landscape island			X
12	4" base & 3" asphalt at the entire infill area			X
13	Parking/traffic stripping at dry camping & new infill		X	
14	Sidewalks at infill area		X	
15	Landscape, irrigation, accessories at top of bulkhead wall (west end of ramp)		X	
16	Lot lighting, bollards, extra utility conduits		X	
17	Relocation of waste dump station		X	
18	90'x15'+/- Newport Image Mural - Design		X	
19	90'x15'+/- Newport Image Mural - Install	X		
20				

Parties initial

 _____

Serving the Maritime & Recreational Communities

Newport International Terminal (541) 265-9651 Newport Marina at South Beach (541) 867-3321

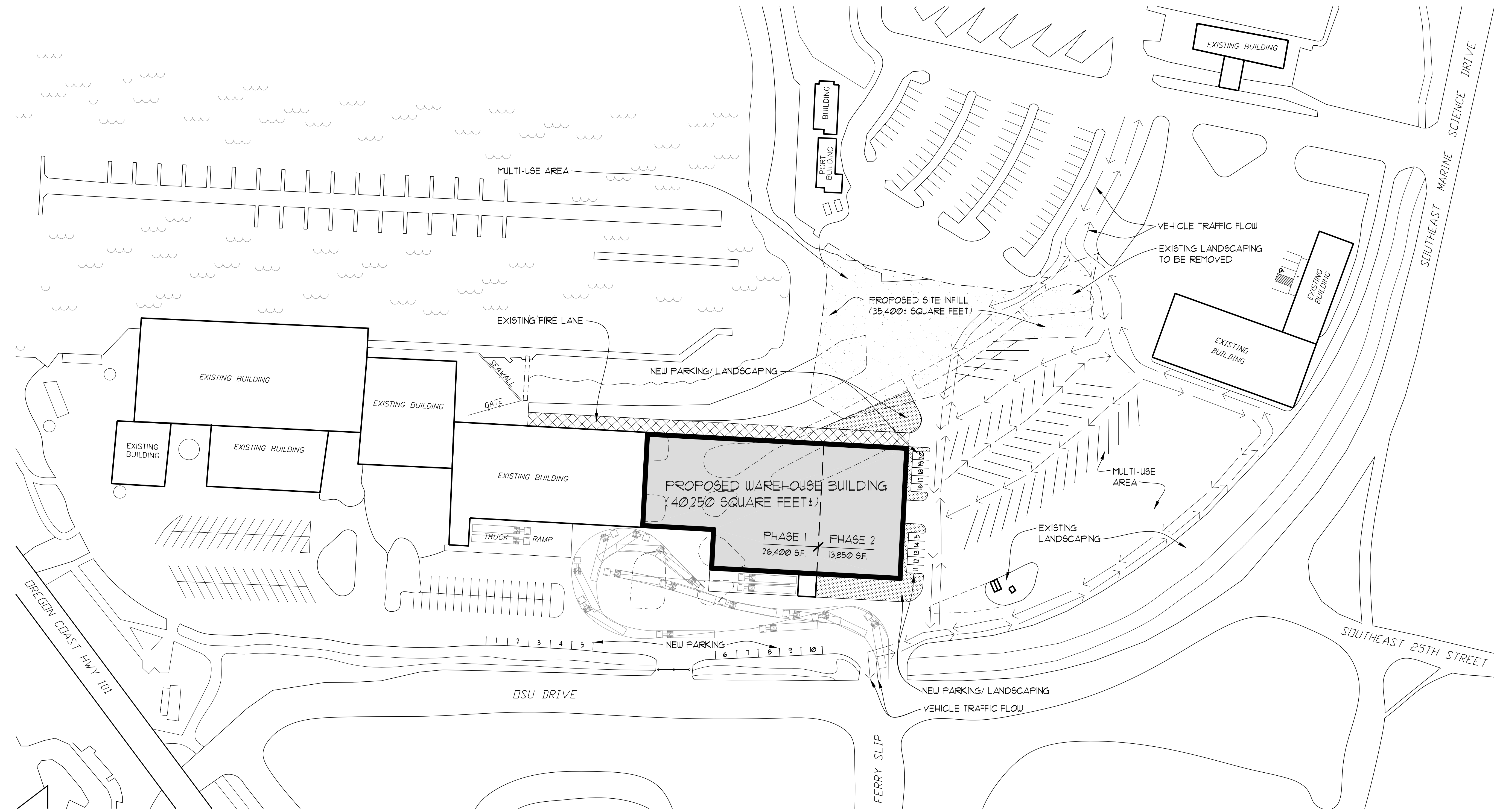
DRAWN BY :
 CHG
 CHECKED :
 R86
 APPROVED :
 R86

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PROPOSED STORAGE/ SHIPPING WAREHOUSE BUILDING
 FOR
 ROGUE BREWERY

NEWPORT, OR 97365

2320 OSU DRIVE



SITE DEVELOPMENT NOTES:

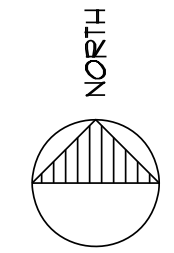
PROPOSED WAREHOUSE BUILDING: 40,250 SQUARE FEET±

REQUIRED PARKING: 20 SPACES

PARKING LANDSCAPING SHOWN: 4,116 SQUARE FEET± 30% OF ALL LANDSCAPING AREA NEEDED FOR NEW PARKING (5% MINIMUM REQUIRED)

LANDSCAPING: REMOVED: 11,340± SQUARE FEET
 ADDED: 1,121± SQUARE FEET

9 SITE PLAN
 AI 1"=60'-0"



LOT DATE/TIME: DATE: 12/18/2015 TIME: 03:50 PM FILE: SITE PLAN 12.18.15

REVISIONS

A PROFESSIONAL CORPORATION

2225 COUNTRY CLUB ROAD
 WOODBURN, OREGON 97071
 (503) 982-1211

PROJECT NO.: 1419
 DATE: DEC. 2015
 DRAWING NO.: AI
 Page 58 of 108

OLD BUSINESS AGENDA ITEM

DATE: 1/26/2016
RE: Terminal Shipping Facility Update
TO: Port of Newport Board of Commissioners
ISSUED BY: Kevin Greenwood, General Manager

TERMINAL SHIPPING FACILITY UPDATE

Summary:

- Newport Public Works has agreed in concept to allow the Port to dump the Port and Hall's unbuildable material at the airport. In exchange, the City would like the Port to pay for any DSL fees associated with the continued use of the NOAA sand pile. The details have not been worked out, but an IGA or other agreement will need to be approved by the Commission. Once finalized, the agreement will be a part of the bid documents. This will provide some certainty on removal costs.
- Commissioner Chuck and I met with Eric Oien, Teevin Bros. General Manager, on January 8th to discuss progress on the project. Weyerhaeuser acquired PlumCreek forestlands and may have an increased interest in the facility. I have also joined a working group of ED professionals from Benton, Linn and Lane County which will help me make new contacts in the ag industry and begin marketing the facility to specific businesses.
- Building Permits were received on December 31 keeping the Traffic Impact Analysis intact.
- Submitted the USACE NWP application this week and it should be issued within 45-60 days. NWP-39. Expedited since this has been reviewed for a third time. Permit is good for one year and extended for up to 5 more.
- Halls are planning to submit their own permit to piggy back on the wetland mitigation site which is located on their property. That will take a six month review, but won't affect our project. Rondys has indicated that they have submitted building permit application for construction of a warehouse on site which will aid in their application process.
- Once we have the agreement with the City to dispose of Rondys top soil, we'll be able to include the cost of removing that 20,000 cy to the project budget. This would be eligible for grant reimbursement.
- Awaiting response back from NW Natural on the access agreement. They have begun pile driving on their property to prepare for construction of multi-million dollar facility.
- Updated website to reflect new permit updates.

Grants:

- IFA Port Planning & Marketing Grant. Phone conference with IFA staff. Geotech, engineering report, archaeological survey, environmental site assessment, marking reports are eligible. Pre-construction design and project management are not allowed. (\$60k grant + \$20k port = \$80k project). I'm hoping to get this in front of Commission at February meeting for approval.
- EDA Public Works. Todd Chase is finalizing updated jobs/GDO numbers to reflect 2016 assumptions. Will apply for \$500k-\$2.5MM. Submission in late spring.
- ConnectOregonVI – submitted \$4MM grant application on Nov. 20. Currently going through state staff review. First round of sub-committee reviews in spring.

- Presented project to Newport Chamber (1/4), BOSS Radio (1/22), Lincoln City City Council Meeting (1/25), Scheduled to present at Lincoln County BOC (1/27), Cascades West City Managers Group (3/18). Sen. Wyden's staff is also looking forward to receive a presentation. Past presentations included Newport Rotary (11/12), Port of Newport Board of Commissioners (11/17), Cascades West COG (12/3),

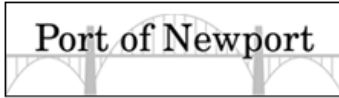
Anticipated Future Board Actions:

- IFA Grant Application Feb. 23, 2016
- City Dredge Material Removal IGA..... Feb. 23, 2016
- NW Natural Gas (for easements) March 2016
- Rondys MOU (for easements, lease removal) March 2016
- EDA Grant Application April 2016
- Grant Administration Contract Oct. 2016
- Project Management Contract..... Oct. 2016
- General Contractor Contract Jan. 2017

RECOMMENDATION

Informational only. None this month.

-###-



Port of Newport, Oregon

SAVE OUR AIR STATION!

INTERNATIONAL TERMINAL SHIPPING FACILITY

Home

General Information

Port Facilities Code

Strategic Business Plan

Capital Facilities Plan

RV Parks

RV Park Reservations Online

Recreational Marina

NOAA MOC-P

Commercial Marina

Newport International Terminal

Bids and RFPs

Photos & Videos

Newsletters

Job Announcements

Contact Info



An Authentic Working Waterfront That Invites You To Come And Play

International Terminal Shipping Facility

The Port of Newport is currently obtaining financing to construct a 9-acre shipping facility on the northeast corner of McLean Point. This would provide the Port the opportunity to lease the facility to a terminal operator to facilitate agricultural exports and near-shore barging of agricultural products from the mid-Willamette Valley and waste paper material from southern California.

The \$6.5-million project would include removal of 40,000 cubic yards of clean organic material, development of wetlands mitigation site, wastewater utility extensions, water redundancy lines, asphaltting, stormwater collection and treatment, fencing and a small work shack. The site is currently zoned industrial.

The Port received notice on October 27, 2015 that it received a U.S. Dept. of Transportation **TIGER** grant in an amount of \$2-million toward the project.

This web page will contain information related to the project including documents that would be utilized in financing efforts. For further questions about the facility, please contact Kevin Greenwood, General Manager, (541) 265-7758.



CONNECT OREGON VI [.pdf], Nov. 20, 2015.

TIGER VII GRANT APPLICATION [.pdf], Todd Chase, June 3, 2015. Notice of award, October 27, 2015 [.pdf]

LETTERS OF SUPPORT [.pdf]

PROPOSED VISION [site plan][east view][west view], conceptual images of McLean Point, Capri Architecture, December 2015.

BENEFIT COST ANALYSIS [.pdf], Todd Chase, June 3, 2015

PLANNING LEVEL CONSTRUCTION BUDGET [.pdf], June 3, 2015

SIGNED LEASE-OPTION AGREEMENT [.pdf], April 28, 2015.

STRATEGIC BUSINESS PLAN [link], January 2013.

CAPITAL FACILITIES PLAN [link], January 2013.

OREGON DEQ SOILS CHARACTERIZATION [link], December 2012.

PERMITS

- City of Newport Land Use Permit, **No. 1-TIA-13**, City of Newport, June 8, 2015.
- US Army Corps of Engineers, NWP-2012-361, May 22, 2013; **re-issued** August 12, 2014. Included approvals from Oregon DEQ, DLCD, local Tribes, SHPO, and NMFS.
- Oregon Dept. of State Lands, wetland restoration, **56824-RF**, August 26, 2014.
- Oregon Dept. of Environmental Quality, 1200-C Permit, File No. 122669, **Permit No. 29014**, December 29, 2015; re-issued December 15, 2015. Expires Dec. 14, 2020.
- Oregon Dept. of Environmental Quality, **1200-Z Permit**, File No. 122669, January 7, 2013, expires June 30, 2017.
- Lincoln County Public Works, Road Approach Permit, **Permit No. 2012-A-008**, November 21, 2012.
- City of Newport Electrical Permit, **No. E15-9007** issued December 30, 2015
- City of Newport Plumbing Permit, **No. P15-2635** issued December 30, 2015
- City of Newport Building Permit, **No. 13743** issued December 31, 2015

NEPA CATEGORICAL EXCLUSION [.pdf], Pacific Habitat Services, June 19, 2015

**PORT OF NEWPORT
RESOLUTION NO. 2014-15**

**RESOLUTION ADOPTING A PROCESS FOR THE ANNUAL PERFORMANCE EVALUATION OF THE
GENERAL MANAGER**

WHEREAS, the General Manager's employment agreement, the Commission By-laws, and the Port of Newport's Personnel Manual require that the General Manager receive an annual performance evaluation; and

WHEREAS, the General Manager and Port Commission conducted a six-month performance evaluation at the July 22nd regular commission meeting; and

WHEREAS, the Port Commission shall conduct subsequent evaluations for the General Manager annually, the process of which is substantially more public than with other Port employees;

WHEREAS, the Commission wishes to codify the process related to evaluating the General Manager through Resolution; NOW THEREFORE,

THE PORT OF NEWPORT BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:

Section 1. The Board of Commissioners shall conduct an annual review and evaluation of the General Manager's work performance by the end of February. The results of such evaluation shall commend areas of good performance, point out areas for improvement, review and establish work-related goals and objectives. Any adjustment to the General Manager's salary and/or benefits will be determined by the Board at the end this evaluation. This process will allow for open discussion and clear direction for reviewing and establishing a work plan. The Manager will determine whether the evaluation process will be done in open or executive session and must be present during any discussion by a quorum of the Commission. (ORS 192.660(2)(i))

Section 2. Timeline.

A. No later than three weeks before the regular January board meeting, staff will distribute a blank evaluation form to each of the commissioners and a copy of the General Manager's self-evaluation.

B. Commissioners will review the evaluation factors. Tentative rankings and comments should be made on the provided forms and submitted to the Commission President or designee one week in advance of the regular January commission meeting. Copies of the individual forms will be compiled for the full Commission's review. Commissioners are also encouraged to develop thoughts, concerns, issues and potential goals for consideration with the General Manager.

C. At the regular January board meeting, the Commissioners will have an open discussion with the Manager on the factors being evaluated, achievements, goals, and any other pertinent issues. It is the Manager's decision to determine whether this discussion is conducted during the regular board meeting or in executive session.

D. After the discussion, the Manager will keep copies of the individual evaluation sheets and personal notes and develop a work plan including goals and a summary of the Board's evaluation. This Summary Report will be distributed to the Commissioners in their regular February board meeting packet. Commissioners are encouraged to contact the General Manager prior to the meeting to suggest any adjustments in advance.

E. Commissioners will review the Summary Report with the General Manager to give further direction and clarification on the rankings, goals and objectives. Any discussion regarding adjustments to the Manager's salary and/or benefits shall take place at this time. The

Manager will determine whether this discussion is conducted during the regular board meeting or in executive session.

F. Once the Commission reaches a consensus on the amended Summary Report, the Board President – during New Business – shall read (a) the summarized ratings, (b) list of goals and objectives for the following year and (c) any salary/benefit adjustment. The President will solicit a motion to accept the findings in the Manager’s Evaluation Summary Report to be approved by the Board. The Summary Report will be signed by the President and Manager upon approval of the Board. The original evaluation forms and signed Summary Report will be placed in the Manager’s personnel file.

Section 3. Process. The purpose of the employee performance evaluation and summary report is to increase communication between the Board of Commissioners and the General Manager concerning his/her performance in the accomplishment of the assigned duties and responsibilities, and the establishment of specific work-related goals and objectives.

Section 4. Instructions.

A. Commissioners are instructed to review the General Manager’s work performance for the entire period; to refrain from basing judgment on recent events or isolated incidents only; to disregard general impressions of the General Manager and concentrate on one factor at a time.

B. Commissioners shall evaluate the General Manager on the basis of standards expected to be met for the job to which assigned considering the length of time in the job. Commissioners shall check the number, which most accurately reflects the level of performance for the factor appraised using the rating scale described below. If a Commissioner did not have an opportunity to observe a factor during this evaluation period, indicate so in the “N/O” column next to the factor.

C. Written comments tend to be more valuable than rankings. Commissioners are encouraged to write additional comments and concerns as a separate attachment.

Section 5. Evaluation Form.

**Port of Newport General Manager
2016 Performance Evaluation - Tabulation of Evaluations**

Rating Scale Definitions (1-5)

- Unsatisfactory (1) The employee’s work performance is inadequate and definitely inferior to the standards of performance required for the job. Performance at this level cannot be allowed to continue.
- Improvement Needed..... (2) The employee’s work performance does not consistently meet the needed standards of the position. Serious effort is needed to improve performance.
- Meets Job Standards (3) The employee’s work performance consistently meets the standards of the Standard position.
- Exceeds Job Standards .. (4) The employee’s work performance is frequently or consistently above the level of Standard a satisfactory employee, but has not achieved an overall level of outstanding performance.
- Outstanding (5) The employee’s work performance is consistently excellent when compared to the standards of the job.
- No Observation (N/O) The employee’s work performance was not observed.

Notations used: ⁴Only 4 observations recorded
³Only 3 observations recorded
²Only 2 observations recorded

Performance evaluation score calculated as average of responses received.

I. PERFORMANCE EVALUATION AND ACHIEVEMENTS	Score
A. Board of Commissioners Relationships	
1. Effectively implements policies and programs approved by the board of commissioners. 4	4 4 4 3 3.80
2. Reporting to the board of commissioners is timely, clear, concise and thorough..... 3	4 3 4 4 3.60
3. Accepts direction/instructions in a positive manner 3	3 4 4 4 3.60
4. Effectively aids the board of commissioners in establishing long range goals. 3	3 2 3 N/O 42.75
5. Keeps the board of commissioners informed of current plans, and activities of administration and new developments in technology, legislation, governmental practices and regulations, etc. 3	4 3 3 3 3.20
6. Provide the board of commissioners with clear report of anticipated issues, opportunities and risks that could come before the board. 4	3 3 3 3 3.20

Comments: Establishing long-range goals for the Port is important. The over complex visioning process that was brought to the Commission and rejected, shouldn't be a message that this

process isn't needed. Completion of Port visioning for the future is important, but should be developed in a manner that fits our Port and limited development opportunities; this is part of developing and bringing long-range goals to the Commission. Commissioner found this category hard to evaluate as a new Commissioner.

B. Public Relations						Score	
1.	Projects a positive public image.....	4	4	4	4	3	3.80
2.	Courteous to the public at all times.....	4	4	N/O	4	3	43.75
3.	Maintains effective relations with media.	4	4	3	4	3	3.60

Comments: Commissioner has received positive comments on public image; rating should read "courteous to the public when observed or in your presence," which would be a rating of 3 or 4 instead of N/O. Greenwood effectively participates in public events, is a positive and progressive voice for the Port.

C. Effective Leadership of Staff						Score	
1.	Delegates appropriate responsibilities.	3	4	3	4	N/O	43.50
2.	Staff feels empowered.	4	3	N/O	N/O	N/O	23.50
3.	Training and education provided.....	4	3	3	3	3	3.20
4.	Public relations. How does public view staff?	4	3	N/O	N/O	3	33.33

Comments: Commissioner has no idea how empowered staff is or who is being called staff, so no response to items 2 and 4. Commissioner doesn't have a good feeling as to how the public views the staff; gets the feeling that the staff works well together and feels that is due in a large part to Greenwood.

D. Fiscal Management						Score	
1.	Prepares realistic annual budget.	4	3	3	4	N/O	43.50
2.	Controls expenditures in accordance with approved budget.	4	3	3	3	3	3.20
3.	Keeps board of commissioners informed about revenues and expenditures, actual and projected.	3	3	3	4	3	3.20
4.	Ensures that the budget addresses the Port Commission's goals and objectives, including readability.	4	3	3	3	N/O	43.25

Comments: Commissioner rates all items in this category all solid 3's and very close to 3.5; good job. Going forward, it will be important to have a review of the Mission, Vision and Goals for the Port. Greenwood will need to help guide the Commissioners through this process and embrace the direction and goals. Commissioner has not participated in a goal setting session yet.

E. Communication _____ Score

1.	Oral communication is clear, concise and articulate.....	4	3	4	4	3	3.60
2.	Written communications are clear, concise and accurate.	4	3	3	3	3	3.20

Comments: Oral communication is an extremely important asset for a Port GM; communication rated above average. PowerPoint presentations with pictures are especially helpful to the new Commissioners.

F. Personal Traits _____ Score

1.	Initiative.	3	4	3	4	3	3.40
2.	Judgment.	3	3	3	4	3	3.20
3.	Fairness and Impartiality.	4	3	3	N/O	3	3.25
4.	Creativity.	4	4	3	3	3	3.40
5.	Time Management.	3	3	3	3	3	3.00

Comments: Greenwood consistently meets Communication goals. Commissioner is still getting to know Greenwood but categories in this section are all strengths for him; enjoy working with Greenwood.

G. Intergovernmental Affairs _____ Score

1.	Maintains effective communication with local, regional, state and federal government agencies.	4	3	3	3	3	3.20
2.	Financial resources (grants) from other agencies are pursued.	4	4	4	4	3	3.80
3.	Contributions to good government through regular participation in local, regional and state committees and organizations.	4	3	3	4	N/O	3.50
4.	Lobbies effectively with county, legislators and state agencies regarding Port programs and projects.	4	3	3	3	3	3.20

Comments: Solidly consistent on items 1, 3 and 4; definitely stepped up on item 2, good job. The success of the TIGER grant was fantastic and continues to provide the Port of Newport with great PR.

II. ACHIEVEMENTS RELATIVE TO OBJECTIVES FOR THIS EVALUATION PERIOD: _____ Score

This section will measure the effectiveness of the Future Goals and Objectives (Sec. IV) from last year. These goals were based upon discussions from the previous year.

1.	Facilitate Rogue Expansion	3	3	2	4	3	3.00
2.	Develop Markets for Terminal / Shipping Facility	3	3	3	3	3	3.00
3.	Complete Terminal Mitigation Projects	4	3	4	4	3	3.60
4.	Commercial Docks Repairs/Maintenance Plan	2	2	1	2	3	2.00
5.	Fill Management Positions	4	3	3	5	3	3.60
6.	Complete NOAA Recreational Projects	2	2	3	2	3	2.40

7.	Facilitate South Beach Vision Plan	3	2	1	N/O	3	⁴ 2.25
8.	Staff Development Training	3	3	3	3	3	3.00
9.	Complete Personnel Manual Update	3	N/O	1	3	3	⁴ 2.50
10.	Develop Charter Boat Policy	4	3	4	4	3	3.60
11.	Develop Policy for Donations	2	2	1	N/O	3	⁴ 2.00
12.	Implement CFP priorities.....	3	3	3	3	3	3.00
13.	Develop Special Use Permit	3	3	4	4	3	3.40
14.	Develop Evals for Contract Services	3	N/O	2	N/O	3	³ 2.67

Comments: PD-5 repairs not ready to go might not be done this window. Terminal mitigation plan seems to be on time and will benefit grant scoring. Rogue has always been difficult leading to continuous back and forth. The Port needs to take stronger positions on what's best for the South Beach Recreational Facility. For item 4, still waiting for the maintenance plan not only on commercial docks but all Port facilities; Desperately in need of willing and able manpower to plan and carry out daily repairs. For item 7, SB vision plan should require limited effort and produce large gains. For item 9, the Port continues to operate outside of its outdated Personnel Policy Manual; this can eventually create employee problems. Items 11 and 14 are low priority.

III. SUMMARY RATING _____ Score

1.	Overall Performance Rating - considering the results obtained against established performance standards as well as overall job performance, the following rating is provided:	3	3	3	4	3	3.20
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Comments: Greenwood has been consistent in his efforts to stabilize inherited Port status. With the new hires and successful grants, Commissioner thinks 2016 will see even greater success.

IV. FUTURE GOALS AND OBJECTIVES

Prioritize numerically specific goals and objectives to be achieved in the next evaluation period.

Rank _____ Weighted Avg.

<u>1</u>	Develop maintenance plan of commercial docks and show implementation	7	1	1	1	2	9.8
<u>2</u>	Develop Markets for use of International Terminal / Financing Shipping Facility	1	3	1	2	*	8.9
<u>3</u>	Identify and Complete Third Recreational Mitigation Project	3	4	1	5	*	7.7
<u>4</u>	Implement CFP priorities.....	2	5	1	6	*	7.5
<u>5</u>	Facilitate Commission Goal Setting	4	9	2	4	1	7.3
<u>6</u>	Facilitate Rogue Expansion / Offsite Improvements.....*	*	2	1	3	*	6.7
<u>7</u>	Complete Personnel Manual update.....	5	8	1	8	*	5.9
<u>8</u>	Develop SB Master Plan	10	6	1	12	4	5.6
<u>9</u>	Staff Development and Training	6	7	2	7	*	5.0
<u>10</u>	Develop Annual Performance Evaluation for Professional Contracted Services such as attorney.	8	10	4	9	3	4.6
<u>11</u>	Develop policy for donations as part of budget process.	9	11	4	11	*	3.9

<u>12</u>	Financing for new Administration Building.....	11	12	3	10	*	
<u>13</u>	Develop North Side Master Plan (Including all north side Port properties.).....			1			1.6
<u>14</u>	Prepare facility and equipment report including condition and life span so these items can be addressed and budgeted.					5	1.6

COMMENTS: Didn't rank Rogue expansion since project is pretty much completed and was a top priority; also responsibility of lessee. Port might need to consider outside help to achieve a maintenance program; without it deferred maintenance continues to be the #1 largest cost to the Port. With the additional staff the Port has hired in the last year Commissioner sees no reason to use a rating other than 1 – 4. Developing SB Master Plan should follow goal setting.

Amendment & Addendum to Services Agreement

Between the Port of Newport & TCB Security Services Inc.

Whereas the parties entered into a services agreement dated October 1, 2010, and;

Whereas the parties wish to amend and supplement their services agreement to provide for the billing and collection of certain Port of Newport facility code violations,

Therefore, the parties agree to amend their services agreement as follows:

A. Description of additional services provided.

1. TCB Security Services Inc., (“Contractor”) agrees to provide billing services for the Port of Newport (“Port”) for all port facility code violations.
2. The Port agrees to provide reliable data from which contractor may provide accurate billings for the compensation set forth herein, and will promptly forward to Contractor any correspondence or funds it receives in response to Contractor’s billing efforts.
3. Contractor will use its best efforts to bill and collect fines using the Port’s data, and shall have discretion in setting any fine in an amount less than that is owed on any citations in excess of 30 days past due.
4. Contractor will provide reliable data to the Port for it to determine the status of its accounts related to the fines.
5. The form of data to be exchanged between the parties shall be determined by the parties jointly.

B. Compensation for services provided.

1. For citations over thirty days, the Port shall compensate contractor a sum equal to all fines collected by Contractor's efforts, less the sum of the base fine amount during the parties accounting period. The Port shall be entitled to the base fine.
2. For current citations not over thirty days, the Port shall compensate contractor a sum equal to 22% of the amount collected.

3. "Base fine" is defined as the fine originally assessed on the original issuance date of the citation.
4. "Accounting period" is defined as the time in which a reconciliation and proposed allocation by Contractor to Port.
5. Contractor and Port shall reconcile the fines collected for purposes of allocation under this agreement. The Contractor shall provide a reconciliation and proposed allocation to the Port at least monthly on a date mutually set by the parties. The Port shall have five business days from the date of receipt of the Contractor's proposed allocation to present written objections. If the Port does not make objections, the Contractor's allocation shall be presumed to be correct for determining and paying compensation between the parties. Any adjustments to any approved or presumptively approved month's allocation may be proposed by either party within 60 days of compensation payment, but after such time neither party is required to adjust their accounting or compensation absent fraud or mutual mistake.

C. Dispute Resolution.

The parties agree to participate in mediation in the event they do not agree to the allocation of the fines actually collected under this addendum or to the interpretation or other performance under this addendum. If the parties do not successfully resolve their dispute by mediation, the parties agree to arbitration. Unless the parties agree otherwise, they shall use the Arbitration Service of Portland for purposes of obtaining professional mediation and arbitration services.

D. Original Agreement Not Otherwise Amended.

Except as amended herein, the parties original Services Agreement pertaining to parking enforcement remains unchanged.

Dated this _____ day of _____, 20____.

 For Port of Newport
 By: _____

 TCB Security Services Inc.
 By: Michael Goff, President

NEW BUSINESS AGENDA ITEM

DATE: 01/26/2016
RE: Credit Cards
TO: Port of Newport Board of Commissioners
ISSUED BY: Stephen J. Larrabee

SUMMARY

Currently the Port has one credit card issued under the General Manager's name with a maximum limit of \$21,600. All credit cards issued by our merchant must include an individual's name on it, a generic card cannot be issued. The Port staff would like to issue 2 more credit cards under the same account, one for the Director of Operations and one for the Director of Finance. The Port staff would also like to lower the credit limit on our account.

PURPOSE

The two new cards would be used exclusively for travel expenses and help increase the efficiency of travel for these individuals, especially when one of more of the three card holders are travelling at the same time. The lower credit limit will allow the Port to continue to operate efficiently while minimizing any potential risk.

ALTERNATE CONSIDERATIONS

The credit cards can be issued with the following limits:

- All three cards can be included in a combined \$12,500 maximum limit
- The original credit card will carry a maximum limit of \$12,500 and the two additional cards will each have a maximum limit of \$2,500

BUDGET IMPLICATIONS

None.

RECOMMENDATION

I would recommend that a Commissioner make a MOTION TO APPROVE THE ISSUANCE OF TWO NEW CREDIT CARDS, ONE IN THE NAME OF THE DIRECTOR OF OPERATIONS AND ONE IN THE NAME OF THE DIRECTOR OF FINANCE WITH EACH NEW CARD HAVING A MAXIMUM LIMIT OF \$2,500 AND TO LOWER THE MAXIMUM LIMIT OF THE ORIGINAL CARD IN THE GENERAL MANAGERS NAME TO \$12,500.

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**PORT OF NEWPORT
RESOLUTION NO. 2016-xx**

A RESOLUTION SETTING RATES, FEES, AND CHARGES

WHEREAS, ORS 294.160 requires the governing body of a unit of local government to provide an opportunity for interested persons to comment on the enactment of any ordinance or resolution prescribing a new fee or a fee increase; and

WHEREAS, Port of Newport Facilities Code Sec. 1.2(f) and 2.10(c)(6) requires the Commission to set rates and charges for moorage and electrical usage by the adoption of a "fee schedule" by resolution; and

WHEREAS, the Port Commission last adjusted rates, fees and charges via Res. No. 2015-06 on May 26, 2015; and

WHEREAS, the Port Commission feels that user fees should help to offset those costs related to the depreciation and on-going maintenance of the port; NOW THEREFORE,

THE PORT OF NEWPORT BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:

Section 1. Service Rates. Rates apply to all Port of Newport locations unless otherwise noted. Rates become effective July 1, 2016. Port owned equipment to be operated by port personnel. No forklifts or boom trucks not belonging to the port shall be operated on port property.

	OLD	NEW	+/-
A. <u>Forklift</u> . In addition to labor rate.			
1. Small. Toyotas.			
a. per hour	\$11.00	11.33	3%
b. minimum charge	\$7.00	7.21	3%
2. Large. All at International Terminal (IT).			
a. per hour	\$27.50	28.33	3%
b. minimum charge	\$15.00	15.45	3%
B. <u>Hoist Dock</u> . Tie up fee, per hour. Includes use of hoist.			
1. one hour minimum, up to 3 hrs.	\$36.25	37.34	3%
2. after 3 hours.....	\$43.00	44.29	3%
C. <u>Hoist Dock Cranes</u> . In addition to hoist dock rate.			
1. Large Capacity. In addition to labor rate.			
a. per hour.....	\$38.50	39.66	3%
b. minimum charge.....	\$29.75	30.64	3%
2. Launch Sail Boats. Includes recovery, per launch.....	\$41.25	42.49	3%
D. <u>Service Docks</u> .			
1. Swede's. In addition to moorage. daily moorage rate		same	0%
E. <u>City Water</u> at city's rate		same	0%
F. <u>Fuel Surcharge</u> . International Terminal only. Per gallon	\$ 0.03	\$0.031	3%
G. <u>Electricity</u> . Swede's Dock, Dock 1, and IT. Per day charge.			
1. 208/220 v, single phase & 208 v three phase.	\$14.75	15.19	3%
2. 120v. IT	\$6.25	6.44	3%
3. 220 or 408/440v three phase.....	\$14.50	14.94	3%
4. PD 7 Service Dock, 110v pumps	\$ 6.25	6.44	3%
5. PD 7 Yard Charge, trucks	\$11.25	11.59	3%
H. <u>Hydraulic Crane</u> . In addition to labor rate. 30 ton capacity, per hour	\$128.75	132.61	3%

Commented [KG1]: This apparently is not happening at the IT. We are looking at either two options: (1) charging those when bringing their equipment on to the terminal, (2) asking for additional insurance coverage.

	OLD	NEW	+/-
I. <u>Pump/Line Service.</u> Includes one Port employee only. Additional staff required will be billed at the established hourly labor rate. Per hour.	\$56.75	58.45	3%
J. <u>Storage.</u>			
1. Outside Lot Storage			
a. per square foot, daily rate.....	\$0.01	\$0.010	0%
b. per square foot, monthly charge.....	\$0.21	\$0.216	3%
c. minimum monthly charge.....	\$21.00	\$21.63	3%
d. boat trailer only, per night.....	\$2.10	\$2.16	3%
e. boat on trailer, per night, 10 days limit.....	\$7.20	\$7.42	3%
2. Emergency Storage Fee. Per day billed as guest. For vehicles, boats or trailers prior to being considered unclaimed property in possession (ORS 98.245) Charge for improper use of parking lot (i.e. boat repair)		\$21.63	3%
K. <u>Gear Work.</u> Boat crew is responsible for clean-up. If Port Employees are required to clean up area, the boat account will be billed at the established hourly labor rate.			
1. Commercial Marina, per day	\$18.25	\$18.80	3%
2. Terminal Lot, per day. Short term use only. Deep-draft cargo has priority	\$18.25	\$18.80	3%
3. South Beach Marina, per day	\$18.25	\$18.80	3%
L. <u>Work Barge.</u> In addition to labor rate.			
1. Tug, per hour. Licensed captain extra.....	\$121.00	\$124.63	3%
2. Wood Barge, per day (tug extra)	\$23.00	\$23.69	3%
3. Skiff, per hour	\$13.00	\$13.39	3%
M. <u>Clean-up.</u> Fees will be charged for each man-hour at the established labor. Equipment charges are extra			
1. Oil Spills, per hour.....	\$90.00	\$92.70	3%
N. <u>Disposal Fees.</u>			
1. Just Oil, per gallon	\$0.29	\$ 0.300	3%
2. Oil-Water Mix, per gallon.....	\$0.74	\$ 0.760	3%
3. Net Disposal and/or Related Gear, per pound	\$0.16	\$ 0.165	3%
4. Garbage, per pound	\$0.11	\$ 0.113	3%
O. <u>Port Labor.</u> Includes administration staff.			
1. per hour; 3/4 hour minimum, in 15 min. increments	\$49.00	\$50.50	3%
2. Overtime. Any services required outside the established working hours, unless otherwise posted, will be charged at one and one-half times (1.5) the normal rate for labor. Per hour, 1 hour minimum	\$73.50	75.71	3%
3. Emergency Call-out. Any services requiring a port employee not currently on duty to report to duty after hours, will be charged at twice (2.0) the normal rate for labor. Per hour	\$98.00	\$100.94	3%
P. <u>Pallet Charge.</u> Any Port owned pallet leaving yard, each.....	\$ 5.30	\$5.46	3%
Q. <u>Dredge Spoils.</u> Includes state fees; may be waived for other public agencies. Per cubic yard.	\$ 2.00	\$2.00	0%
R. <u>Keys/Cards.</u>			
1. South Beach Facilities. Cards.			
a. original/first two.....	free	free	0%
b. replacement/additional.....	\$ 5.50	\$5.67	3%
2. Bay Front Facilities. Keys.			
a. original/first one	\$15.50	\$15.97	3%
b. replacement/additional.....	\$27.50	\$28.33	3%
S. <u>Impound Seizure Fee.</u> Vessel impoundment fee.	\$750		n/a

Commented [KG2]: See Section 6

boat. **Section 2. Bay Front Charges.** Per linear foot. All charges for greater length between dock and

	OLD	NEW	+/-
A. <u>Moorage.</u> Per linear foot.			
1. Daily	\$ 0.44	\$ 0.45	3%
2. Calendar Month	\$ 8.00	\$ 8.25	3%
3. Semi-Annual	\$30.40	\$31.31	3%
4. Annual	\$40.35	\$41.56	3%
5. Live aboard. Monthly rate by agreement only.			
a. First person	\$48.41	\$0	n/a
b. Each Additional	\$41.97	\$0	n/a
B. <u>Annual Parking Permit.</u> Rate effective for calendar year starting July 1 st . Commercial Fisherman only	\$21.00	\$21.00	0%

Commented [KG3]: Tough to track. Recommend eliminating

Commented [KG4]: Currently not charging at NIT. May need to start charging.

Section 3. International Terminal Charges. International Terminal Tariff No. 1 adopted via Res. No. 2014-03 on May 22, 2014. All fees authorized via Tariff No. 1. Effective July 1, 2014.

A. <u>Port Security Fee.</u> (\$.13). Per day	\$895.00	\$895.00	0%
B. <u>Materials & Supplies.</u> (\$.31). Cost plus	25%	25%	0%
C. <u>Dockage Charges.</u> (§III.13). Rate per day, by length.			
1. 000.00 – 351.05 ft	\$1,627.00	\$1,627.00	0%
2. 351.05 – 371.02 ft	\$1,792.00	\$1,792.00	0%
3. 371.02 – 400.26 ft	\$1,981.00	\$1,981.00	0%
4. 400.26 – 426.51 ft	\$2,203.00	\$2,203.00	0%
5. 426.51 – 449.48 ft	\$2,373.00	\$2,373.00	0%
6. 449.48 – 475.72 ft	\$2,607.00	\$2,607.00	0%
7. 475.72 – 498.69 ft	\$2,960.00	\$2,960.00	0%
8. 498.69 – 524.93 ft	\$3,527.00	\$3,527.00	0%
9. 524.93 – 551.18 ft	\$3,639.00	\$3,639.00	0%
10. 551.18 – 574.15 ft	\$3,822.00	\$3,822.00	0%
11. 574.15 – 600.39 ft	\$4,373.00	\$4,373.00	0%
12. 600.39 – 626.64 ft	\$5,092.00	\$5,092.00	0%
13. 626.64 – 649.99 ft	\$5,787.00	\$5,787.00	0%
14. Above 650 ft., added on top of above rate, per ft.	\$8.90	\$8.90	0%
15. Exceptions for certain vessels. (§II.14), per ft. per day..	\$0.80	\$0.80	0%
D. <u>Service and Facility Charges.</u> (§III.2). Per 1000 board feet, unless noted.			
1. Logs. Scribner scale, ex dock	\$7.75	\$7.75	0%
2. Cants	\$6.00	\$6.00	0%
3. Lumber. Packaged rough	\$5.22	\$5.22	0%
4. Lumber. Packaged surfaced	\$4.63	\$4.63	0%
5. Plywood, Veneer, corestock & hardboard, /1000 kilos ..	\$5.87	\$5.87	0%
6. Pulp, Linerboard, bales or rolls, 2000 kilos	\$3.49	\$3.49	0%
7. Other commodities, per metric ton or 1000 bf	\$6.83	\$6.83	0%
8. Other commodities, per cubic meter	\$5.69	\$5.69	0%
E. <u>Wharfage Assessment.</u> (§III.6). Minimum charge for any single bill of lading	\$10.00	\$10.00	0%
F. <u>Wharf Charges.</u> (§III.7). Per 1000 board feet, unless noted. In addition to Service and Facility Charges.			
1. Logs. Scribner scale, ex dock	\$9.50	\$9.50	0%
2. Cants	\$6.00	\$6.00	0%
3. Lumber. Packaged rough	\$4.55	\$4.55	0%
4. Lumber. Packaged surfaced	\$4.03	\$4.03	0%
5. Plywood, Veneer, corestock and hardboard, per 1000k	\$3.96	\$3.96	0%
6. Pulp, Linerboard, bales or rolls	\$2.72	\$2.72	0%

7.	Other commodities, per 1000 kilos	\$5.57	\$5.57	0%
8.	Other commodities, per cubic meter	\$4.57	\$4.57	0%
G. Cargo Staging Area. (\$IV.2). Base rent for surge area.				
1.	per week, seven days	\$2,000.00	\$2,000.00	0%
2.	per day, less than seven days	\$300.00	\$300.00	0%
H. Line Service. (\$V.3). Labor will be charged at the rates set out in the current ILWU/PMA West Coast Contract. Rate schedule per day.				
1.	2 men	\$520-\$656	\$520-\$656	0%
2.	4 men	\$1,061-\$1,317	\$1,061-\$1,317	0%
3.	6 men	\$1,575-\$1,973	\$1,575-\$1,973	0%
4.	8 men	\$2,153-\$2,631	\$2,153-\$2,631	0%

Section 4. South Beach Charges. Per linear foot. All charges for greater length between dock and boat except for F-Dock which is boat length only. Effective November 1, 2016.

A. Moorage. Per linear foot.				
1.	Daily	\$ 0.62	0.64	3%
2.	Weekly	\$ 3.71	3.82	3%
3.	Calendar Month	\$ 9.50	9.79	3%
4.	Semi-Annual	\$34.99	36.04	3%
5.	Annual	\$55.36	57.02	3%
6.	Live aboard. Monthly rate by agreement only.			
a.	First person	\$48.41	49.86	3%
b.	Each Additional	\$41.97	43.23	3%
c.	Electrical Surcharge, per extra plug on dock	\$30.00	30.90	3%
B. South Beach Charter Rates.				
1.	Annual Moorage, per linear foot (PONFC)	\$43.19	44.92	4%
2.	Charter License	\$300.00	300.00	0%
C. Dock Box.				
1.	Purchase (at cost)	\$300.00	309.00	3%
D. Electrical Upgrade. From 20 to 30 amp. One time				
		\$51.50	53.05	3%
E. Line Replacement. Per foot, per time				
		\$1.00	1.00	0%
F. Launch Fee.				
1.	Daily	\$ 6.00	6.00	0%
2.	Annual			
a.	Resident	\$55.00	55.00	0%
b.	Resident Senior	\$50.00	50.00	0%
c.	Non-resident	\$75.00	75.00	0%

Section 5. Recreational Vehicle Park Fees. Effective November 1, 2016. Rates include state and municipal lodging tax.

A. Peak Season (Summer). May 1 – October 31				
1.	All Marina Park Sites			
a.	Daily			
i.	Regular	\$43.00	44.00	3%
ii.	Good Sam	\$40.00	41.00	3%
b.	Weekly			
i.	Regular	\$269.00	277.00	3%
ii.	Good Sam	\$243.00	250.00	3%
c.	Monthly Rate	\$760.00	783.00	3%
2.	The Annex.			
a.	Daily	\$33.00	34.00	3%
			OLD NEW +/-	
b.	Weekly	\$201.00	207.00	3%
c.	Monthly	\$602.00	620.00	3%

3.	Dry Camping.....	\$19.00	20.00	5%
B. Off Season (Winter). November 1 – April 30. No discounts during Seafood and Wine Festival.				
1.	All Sites in the Marina Park			
a.	Daily			
i.	Regular	\$38.00	39.00	3%
ii.	Good Sam.....	\$35.00	36.00	3%
b.	Weekly			
i.	Regular	\$228.00	235.00	3%
ii.	Good Sam.....	\$206.00	212.00	3%
c.	Monthly Rate	\$652.00	672.00	3%
2.	The Annex.			
a.	Daily	\$33.00	34.00	3%
b.	Weekly	\$201.00	207.00	3%
c.	Monthly.....	\$602.00	620.00	3%
3.	Dry Camping.....	\$19.00	20.00	5%
C. Pet Fee. Charged additionally.				
1.	Daily. First pet free; each additional.....	\$ 2.00	\$ 2.00	0%
2.	Weekly. First pet free; each additional.....	\$10.00	\$10.00	0%
3.	Monthly. Charged per pet including first.....	\$10.00	\$10.00	0%
D. Individual Fee. First two people free; each additional person charged.				
1.	Daily.	\$ 2.00	\$ 2.00	0%
2.	Weekly.....	\$10.00	\$10.00	0%
3.	Monthly.....	\$30.00	\$30.00	0%
E. Vehicle Fee. Any combination of three axle pieces of equipment (i.e. trailer, fifth wheel, truck/car, storage trailer). Charged for fourth piece.				
1.	Daily.....	\$ 2.00	\$ 2.00	0%
2.	Weekly.....	\$10.00	\$10.00	0%
3.	Monthly.....	\$30.00	\$30.00	0%
F. Non-Refundable Reservation Fee.				
1.	Before 72 hours.....	\$10.00	\$10.00	0%
2.	72 hours and after.....		first night's rate	0%
G. Service Fee Reimbursement. For electric pedestal amperage overloads. First service call included in base rate. All other service reimbursements may be charged at actual cost to port.				
		\$77.00	79.00	3%
H. Laundry Machines. per load.....				
		\$ 2.00	\$ 2.00	0%
I. Process Fees. Any additional fees incurred by the Port as part of an eviction process.				
1.	Notice.....	\$50.00	\$50.00	0%
2.	FED Complaint.....	\$200.00	\$200.00	0%
3.	Court Hearing	\$165.00	\$165.00	0%
4.	Writ of Execution.....	\$140.00	\$140.00	0%

Section 6. Civil Penalties. Penalties found in PONFC (Sec. 7.4(a)). Paid in full. Effective July 1, 2016.

	OLD	NEW	+/-
A. Class A Violation			
1. 0-14 days, per day	\$300.00	\$300.00	0%
2. 15-29 days, per day	\$600.00	\$600.00	0%
3. 30+ days, per day	\$1,000.00	\$1,000.00	0%
B. Class B Violation			
1. 0-14 days, per day	\$150.00	\$150.00	0%
2. 15-29 days, per day	\$300.00	\$300.00	0%
3. 30+ days, per day	\$500.00	\$500.00	0%
C. Class C Violation			
1. 0-14 days, per day	\$30.00	\$30.00	0%
2. 15-29 days, per day	\$60.00	\$60.00	0%
3. 30+ days, per day	\$100.00	\$100.00	0%
D. Class D Violation			
1. 0-14 days, per day	\$15.00	\$15.00	0%
2. 15-29 days, per day	\$30.00	\$30.00	0%
3. 30+ days, per day	\$50.00	\$50.00	0%
E. Parking Violation. Per event, both vehicles and trailers.			
1. 0-10 days, paid within	\$40.00	\$40.00	0%
2. 11-20 days, paid within.....	\$85.00	\$85.00	0%
3. 21+ days, paid within.....	\$125.00	\$125.00	0%

Section 7. Administrative Fees. Staff may require payment or deposit in advance of service (ORS 192.440(4)(a)). Effective July 1, 2016.

A. Public Records Request Fee Schedule.			
1. Copies of Public Records	\$0.25	\$0.25	0%
2. Copies of Sound Recordings.....	\$10.00	\$10.00	n/a
3. Copies of Port By-laws, Codes, Plans, bound documents.....	\$20.00	\$20.00	n/a
4. Copies of Nonstandard documents.....	\$20.00	\$20.00	n/a
B. Research. Written request required. Hourly rate. ½-hr. min.	\$48.25	50.50	5%
C. Computer Time. Port operator. Hourly rate. ½-hr. min.	\$48.25	50.50	5%
D. Faxes/Emailing. Per Page			
1. Local.....	\$ 1.00	\$ 1.00	0%
2. Long Distance.....	\$ 1.50	\$ 1.50	0%
3. Incoming.....	\$ 1.00	\$ 1.00	0%
E. Long Distance Phone Calls.	\$ 2.00	\$ 2.00	0%
F. Lamination. Per Page, letter size.....	\$ 2.00	\$ 2.00	0%
G. Notice Posting. For non-payment of lease or moorage	\$60.00	\$62.00	3%
H. Failure to Register. For research related to unregistered boats.....	\$30.00	\$31.00	3%
I. South Beach Meeting Room. Must be pre-arranged and authorized. Keys must be obtained and returned. Certain waivers.....	\$75.00	\$75.00	0%
J. Returned Check Fee. Plus bank fees.	\$ 50.00	\$ 50.00	0%
K. Per Annum Interest Rate. Applied to past due accounts.....	18%	18%	0%
L. POV Mileage Reimbursement Rate (IRS)	current	current	0%

Commented [KG5]: Matches other labor time. See Sec. 1(O).

	OLD	NEW	+/-
M. <u>Travel Reimbursement Rates</u> follow current IRS per diem rates current (http://www.qsa.gov/portal/category/104711)	current	current	0%
N. Impound Seizure Fee. Vessel impounding.	\$550.00	\$750.00	36%
O. Special Use Permit Fee. GM has authority to adjust fee based upon non-profit status and other criteria	\$1,000.00	\$1,000.00	0%
P. Impound Seizure Fee. Car/Truck/Trailer.....	\$100.00	\$100.00	0%
Q. Vessel Moving. Does not include labor rate. Per event	\$250.00	\$250.00	0%
R. Background Check	\$25.00	\$25.00	0%
S. Credit Check.....	\$35.00	\$35.00	0%

Section 8. Insurance Certificate Limits. Effective July 1, 2016. Additional coverages may be required based upon business type.

A. Leases/Tenants.				
1.	Each Occurrence	\$1.7MM	\$1.7MM	0%
2.	Damaged to Rented Premises (each occurrence)...	\$300,000	\$300,000	0%
3.	Medical Expense (any one person)	\$5,000	\$5,000	0%
4.	Personal & Adverse Injury	\$1.7MM	\$1.7MM	0%
5.	General Aggregate.....	\$1.7MM	\$1.7MM	0%
6.	Products – Comp/Op Agg	\$1.7MM	\$1.7MM	0%
B. Moorage/Vessels.				
1.	Commercial Vessels			
	a. General Liability			
	i. Protection & Indemnity / Wreck Removal.....	\$250k	\$250k	0%
	ii. Pollution Coverage	\$300k	\$300k	0%
	iii. Combine Coverage / Wreck Removal	\$600k	\$500k	0%
2.	Recreational Vessels			
	a. General Liability			
	i. Ocean Marine Liability / Wreck Removal	\$300k	\$300k	0%
	ii. Pollution Coverage	\$300k	\$300k	0%
	iii. or Watercraft Liability, specifically includes wreck removal and pollution. Umbrella clauses must identify boats exceeding 25 ft.	\$500k	\$500k	0%
3.	Charter/Guide Vessels			
	a. General Liability	\$1.7MM	\$1.7MM	0%
4.	International Terminal Vessels (Tariff No. 1(\$17))			
	a. Workers' Compensation			
	b. Maritime Employer's Liability (Jones Act)	\$1.00MM	\$1.00MM	0%
	c. Commercial and/or Comprehensive Marine General Liability	\$5.0MM	\$5.0MM	0%

Section 9. Retail Sales, Gift Certificates, Promotions, Sponsorships and Sundries. The Commission delegates to Manager the ability to set prices for sundries, cards, magnets, cups, DVDs, gift certificates, coupons, promotions, advertising, sponsorships and other retail and marketing items.

Section 10. Delegation of Responsibility. The Commission delegates to General Manager the ability to adjust these rates on a temporary basis to better manage services at the Port of Newport. Any adjustments to these rates will be reported to the Commission at its next regular meeting.

Section 11. Annual Review. The Commission, through assistance by Port staff, shall annually review and adopt a new rate, fees and charges resolution prior to the subsequent budget's adoption.

Section 12. Repealer. All previous rates and/or rate resolutions are hereby repealed.

APPROVED AND ADOPTED BY THE BOARD OF COMMISSIONERS this ___ day of ___, 2016.
ATTEST:

Walter Chuck, President

Ken Brown, Secretary/Treasurer

**2016 ANNUAL REPORT TO THE
PORT OF NEWPORT BOARD OF COMMISSIONERS**

This Annual Report is filed with the Port of Newport Board of Commissioners by the President, Vice President and Secretary/Treasurer pursuant to ORS 777.140(2). This report focuses on the major events and accomplishments during the course of the previous calendar year. The report is available at the Port office and is formally submitted into the public record.

1. Adopted Resolution 2015-01, authorizing interfund transfers, interfund loans, adopting a supplemental budget to the 2014-15 fiscal year budget, and making appropriations to complete dredging and mitigation at the International Terminal, mitigate the loss of eel grass habitat at NOAA, and construct a storage facility.
2. Approved an Information Technology Contract with HC Networks.
3. Approved a Special Use Permit for Moxie Pictures.
4. Commissioner Chuck reported that he attended a recent Council of Governments transportation meeting. He also attended an OCZMA meeting.
5. Performed General Manager's annual performance evaluation and renewed a one-year employment agreement with Kevin Greenwood.
6. Amended rate schedule to include impoundment fees.
7. Commissioner Barton attended Senator Merkley and Representative Schrader's Town Hall Meeting, accompanying the General Manager.
8. Commissioner Chuck and the General Manager attended the Yaquina Bay Emergency Management meeting. The focus was on procedures to follow in the event of a distant tsunami event.
9. Approved a Special Use Permit for Davis Show Carnivals
10. Approved a Special Use Permit for Newport Marathon.
11. Approved a Special Use Permit for Barrel to Keg Race.
12. Approved a joint application with the city to DSL and ACE for mitigation for a city stormwater project.
13. Approved NOAA recreational mitigation sites.
14. Adopted Resolution 2015-04, a Public Records Policy.
15. Approved OBDD Grant Amendment \$40K for Vision Planning.
16. Approved the Port of Newport's McLean Point property for a state of Oregon Regionally Significant Industrial Area (RSIA) Designation.
17. Adopted Resolution 2015-02, a background check policy for Port services.
18. Approved a lease-option with Teevin Bros. for the McLean Point property.
19. Approved Resolution 2015-03 allowing employees to donate sick time to co-workers.
20. Awarded a contract to Northwest Parking Equipment Company for a new credit card automated launch ticket machine.
21. Awarded a contract for hoist dock crane repairs to Yaquina Bay Boat Equipment.
22. Awarded a South Beach trailer parking lot repair contract to Cedar Creek for paving.
23. Awarded a personal services contract to MTS to provide divers for a Gaper Clam Study.
24. Adopted Resolution 2015-06 setting rates, fees and charges.
25. Adopted Resolution 2015-07 approving a compensation plan for Port employees.
26. Adopted Resolution 2015-08 adopting rules for charter fees.
27. Adopted Resolution 2015-05 amending the general manager's authorization on small procurement limits.
28. Awarded a personal contract with Todd Chase for grant writing services.

29. Awarded a personal contract with Coast and Harbor Engineering for a NOAA dredging minimization study and analysis.
30. Adopted Resolution 2015-10, approving the 2015-2016 fiscal year budget.
31. Adopted Resolution 2015-09 updating the Port of Newport's Capital Improvement Project Prioritization List and identifying the International Terminal Shipping Facility as the Port's top capital priority.
32. Adopted the job description and compensation range for the Director of Operations and assisted in the hiring of Rick Fuller for the position.
33. Authorized a contract with the City of Newport to study an urban renewal district at McLean Point which resulted in a district being formed which will bring much-needed utilities to the area.
34. Commissioner Chuck presented Fleck and Barton with plaques in appreciation of their work on the commission.
35. Approved an Inter-Governmental Agreement with the State of Oregon for Bridge/Pier inspections.
36. Commissioners Stewart Lamerdin, Ken Brown, Walter Chuck and Patricia Patrick-Joling were sworn into office.
37. Elected Walter Chuck as President, Ken Brown as Vice-President, and David Jincks as Secretary/Treasurer of the Port of Newport Board of Commissioners.
38. Approved Resolution 2015-12 Adopting a Special Use Permit Policy.
39. Awarded a contract with GRI for terminal boring services.
40. Awarded a contract with Grimstad & Associates for accounting services.
41. Authorized replacement of an Uninterrupted Power Supply for NOAA MOC-P.
42. Approved a contract with Outdoor Fence Co. for an entry gate at MOC-P.
43. Approved Resolution 2015-13 Authorizing Signers.
44. Approved donation of the Port's portion of ticket sales for the Great Albacore Tuna BBQ Challenge in the amount of \$2,422 to the Newport Food Pantry.
45. Adopted Resolution 2015-14 Amending Classification and Compensation Plans for Port Employees.
46. Awarded a contract with SHN Consulting Engineers and Geologists, Inc. for consultation on capital facilities projects.
47. Approved a Special Use Permit for Bay to Brews Half Marathon & 10K.
48. Approved a Special use Permit for the U-DA-Man salmon fishing tournament
49. Approved a Special use Permit for the Trick or Treat Monster Feet run.
50. Authorized procurement of a Shelter Station at the entrance to NOAA.
51. Authorized an application for DLCDC Technical Assistance Grant for vision planning.
52. Adopted Resolution 2015-15 setting limits for charter/guide vessel insurance coverage.
53. Approved a letter to the Lincoln County Historical Society regarding the installation of the USS Pasley propeller.
54. Approved an Inter-Governmental Agreement with the State of Oregon establishing a business relationship to address project priorities and funding.
55. Awarded a contract to All-Ways Painting for demised area painting at the Newport International Terminal facility.
56. Approved a Partial Street Vacation from the City of Newport to assist in the facilitation of the new Samaritan Pacific Health Services hospital.
57. Adopted Resolution 2015-16, establishing Workers' Compensation Coverage for Volunteers.
58. Commissioner Chuck attended the OSU Board of Trustees retreat.
59. Awarded a contract to Rule Steel Container to acquire new dumpsters for south beach.
60. Approved a Special Use Permit for the 4th Annual Newport Turkey Trot.

61. Authorized and Letter of Support from the Commission and the application to the ConnectOregon VI grant program.
62. Adopted Resolution 2015-17 Amending the Classification and Compensation Plan for Port Employees to add a full-time accountant position.
63. Approved a lease renewal to Leslie Lee, Inc.
64. Approved a lease renewal for the Port administrative office with Design Space Modular Buildings.
65. Approved a Special Use Permit and Location Release for Original Productions, LLC.
66. Awarded a personal services contract to Stuntzner Engineering for Shipping Terminal design and engineering.
67. Commissioner Chuck attended a TIGER grant meeting, and a meeting regarding International Terminal development and Teevins Bros.
68. Approved Declarations of Surplus Property: vessels Rose, Grumpy Dragon, Fiesta, and Soper's Sailboat.
69. Received 2% insurance premium discount for successfully obtaining board training. Special Districts Association of Oregon (SDAO) received a Board of Commissioners Assessment on January 13th. Commissioners Chuck, Fleck, Brown, Barton and Jincks attended.
70. Received TIGER grant in the amount of \$2MM for the Port of Newport International Terminal Shipping Facility project.
71. Awarded a contract to Design Space Modular Buildings for renovations to the administrative office and customs office.
72. Authorized an application to finance Systems Development Charges for the International Terminal Shipping Facility project.

The President, Vice President, Secretary/Treasurer are proud of the work accomplished by our Commission and staff. We look forward to an equally successful 2016. This Annual Report is submitted to the Port of Newport by:

Walter Chuck, President

Ken Brown, Vice President

David Jincks, Secretary/Treasurer

At their January 26, 2016 Regular Board Meeting

DIRECTOR OF FINANCE MONTHLY REPORT

DATE: 01/26/2016
PERIOD: December Board Meeting
TO: Port of Newport Commissioners
ISSUED BY: Stephen J. Larrabee

OVERVIEW

Financials:

December year to date financials are attached.

Finance Operations:

The Finance team will be implementing a new electronic timesheet system in February to help streamline the payroll process and capture hourly data in a more efficient manner.

The budget process has begun and the Finance group will be working closely with the management team to put the budget together.

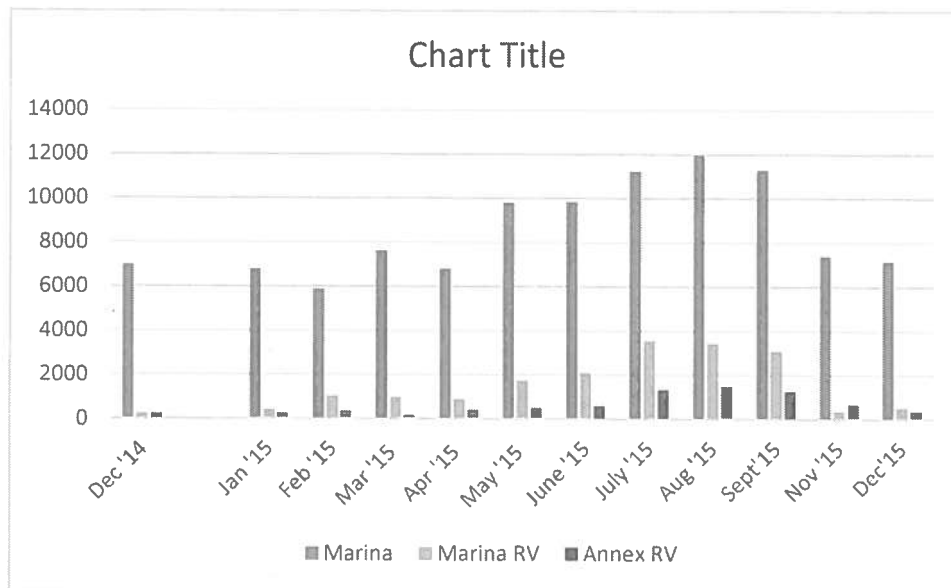
December 2015 Occupancy Report

TO: Port of Newport Board of Commissioners
From: Penny, South Beach Marina & RV Park
Date: 1/12/2016

December, 2015 was a good month for the RV parks. We had several families visit over the holidays and we have 10 contractors staying with us through the winter.

Earlier in December there was a good deal of activity in the marina and on the transient docks as reflected in the occupancy figures.

Dec	2014	2015	Change		YTD 2014	YTD 2015	Change
Marina	6,980	7,153	2.48%		100,116	104,395	4.41%
Marina RV	223	534	139.46%		16,741	19,931	19.06%
Annex RV	251	342	36.25%		6,483	7,208	11.18%





DIRECTOR OF OPERATIONS MONTHLY REPORT

DATE: 1/20/2016
PERIOD: December – January 2015
TO: Kevin Greenwood
ISSUED BY: Rick Fuller

OVERVIEW

Summary:

The Terminal Shipping Facility building permit was issued prior to its deadline of Jan 31, 2015. I have provided for your use, a work plan and cost allocation matrix for the Rogue Brewery while they continue to work on the site plans for their warehouse expansion. The deadline for Rogue's CUP application is January 27, 2016. The PD5/PD7 Pile replacement project will be postponed until the next in water work period due to more favorable costs through competitive bidding. A cost proposal has been submitted for your approval by Pacific Habitat Services for services needed for a dredging JPA at NOAA in 2016/2017. I am holding off on paying the final city fees for the PON/CBP permanent foundation permit for the modular structures until a lease agreement has been reached between the Port and CBP.

Detail:

- **Terminal Shipping Facility:** The revised construction drawings provided by Stuntzner Engineering have gone through the city process with building permit #13743 being issued by the deadline of 12/31/2015. Stuntzner Engineering will now start the process of project cost updating and finalization of plans/specifications in preparation for requesting proposals for CM & GC services in the spring/summer. The permit will require that work is performed at the site within 6 months of issuance. Site clearing, and unsuitable soils removal is the likely task to perform within the period. Pacific Habitat Services continues progress with the required wetlands fill permit.
- **Rogue Warehouse Expansion:** Rogue continues to work on the building site design which will require review, plan approval and final signoff of the Conditional Use Permit (CUP) application in order to ensure all utility, fill and grounds work are completed in the first phase. As it may be advantageous to have the same civil engineering company provide engineering services for adjacent Port controlled areas I am working with Civil West Engineering on a scope of work proposal needed for design considerations such as pedestrian space, electrical, lighting, traffic, and parking. Working with Rogue operations manager Mike Isaacson, we finalized the work plan matrix that describes and allocates individual and shared costs of work which is part of the overall lease agreement. The deadline for Rogues CUP application is January 27, 2016.
- **PD5/PD7 Pile replacement:** The JPA was finalized by the agencies and received 1/15/2016 as permit #58497-RF with an expiration term of one year. Due to major factors such as the short in-water work period remaining and unfavorable marine contractor availability and pricing, it has been decided to delay the project until the next in-water work period starting this November. Procurement of the steel piling will proceed forward in this fiscal year, however, and will be stockpiled at the International Terminal. Postponing the installation will also provide an

opportunity to competitively price additional work to simultaneously refurbish the dock system with materials that were previously purchased and that are on hand at the commercial shop. The scope of work will diminish as north commercial staff continues to install replacement through rods, whalers and rub boards at intervals in order to maintain efficiency while also performing service work.

- **NOAA MOC-P dredging:** Per the Coastal Engineering report indicating the need for a changed dredge prism that was previously reported, please see the service proposal from Pacific Habitat Services to coordinate and prepare a joint permit application (JPA) for dredging. PHS services are needed for the preparation of a dredge permit application that deepens the existing dredge berth area and turn basin which will require dredging per the lease contract during the 2016-2017 winter in-water work period. Advanced maintenance dredging (over dredge) is a typical measure used by the USACE in order to reduce dredging frequency and is recommended in this case due to the rate of sedimentation that the site is experiencing. Early discussions with agencies about the change to the original permit have been very positive.
- **Permits:** Due to the holiday season, little progress was made with the two remaining open permits as I finalize individual requirements and conditions. I am working with DSL and Pariani Land Surveying on the requirement for a conservation easement at the mitigation area behind the Aquarium. I have not yet made a decision on a manufactured kiosk that may be cost effective in the required McLean point location.
- **PON/CBP permanent foundation for modular structures:** Plans were submitted and are ready to be picked up with permits from the city. All cost estimates were completed with the acceptance and agreement from CBP pending. I am holding off on the final payment for the permit until the Port has an amended lease agreement with CBP. Although the admin modular building permit is also ready for pick up, I am holding so both projects can be performed at the same time reducing mobilization costs.
- **S. Beach OSP secure dock:** Chris Urbach is in the process of pricing the improvements required for the use of the floating dock island south of A dock. We anticipate using on site floating dock structures that will tie into dock A. An MOU will be drafted once the details are more thoroughly developed. The estimated time for use is fall of 2016.
- **General Departmental:**
 - I continue to work with accounting and department managers on the separation of services vs. maintenance and repairs. The upcoming change to time sheets which will account and report on a basic list of labor activity types will be essential for accurate cost and activity tracking.
 - South Beach staff has begun the process of creating an equipment and asset inventory that is a fundamental component as we expand the use of our current Computerized Maintenance Management Software (CMMS) system. Currently, the NOAA and NIT facility are successfully using HIPPO FM software for preventative maintenance tasks. With South Beach's efforts, operations is moving toward the overall goal of expanding the use of the HIPPO FM to all departments which will be used as a maintenance management tool for planning, scheduling, tracking and reporting preventative maintenance and repair work orders.
 - SB Harbor Master Chris Urbach received a proposal from Runions Construction LLC (see attached) regarding the removal of three derelict boats owned by the Port through recent seizure. Mr. Runion is proposing demolition and removal of the Jimco, Cougar Ann and the Grumpy Dragon in exchange for salvage rights of recyclable materials plus a payment to the Port in the amount of \$3,500 dollars. The proposal offers two sites for

- the removal; (1) International Terminal-East (2) South Beach boat ramp. The work schedule differs between the two sites with the NIT-East able to start immediately and the SB site not able to start for 30-60 days. Following discussion during the Tuesday Department managers meeting, it was decided that the proposal was a benefit to the Port and removal is Ok'd if work was performed under a conditional use agreement to be provided by the Port. I have contacted Pete Gintner in order to create a draft document for your approval.
- The Port volunteer group, "Mates", continues to meet regularly and is currently working on the development of a policies and guideline booklet which will be available for review next month. Although the group is very anxious to get their hands dirty on physical projects, they have been diligent with all required steps to make the group a lasting and sustainable resource that both administration and operations will use. We are anticipating presentation and full adoption of the program during the February Commission meeting.
 - I will be attending the 2nd meeting of the DSL General Maintenance Dredging Rules Advisory Committee (RAC) this month. The RAC group is well diversified with good representation from the Port operations community. The DSL goal is focused on streamlining a general permit for maintenance dredging and lengthening the expiration period while maintaining requirements for good management. Efforts from USACE to keep step with this program is promising.
 - I have finished the master training matrix with all employee information entered showing the differing levels of the entire Port staff. The compiled information is now being used in order to determine a prioritized training program. The first obvious priority is the training and required certification of all forklift operators. Two mandatory half day training sessions have been scheduled for January 28th which will bring all current operators up to date with their expired certificates. Medic first aide will be the next focus and will be similarly scheduled for required staff.
 - Received further communication from Steve Wyatt of the Pacific Maritime Heritage Center and Bud Shoemake resulting in the scheduling and use of the 30 ton crane to load the Paisley prop onto a flatbed truck for transport to Toledo for cleaning and corrosion protection. The lift was scheduled and the prop removed from the Terminal on Wednesday Jan 20th. The Port donated prop will be part of the proposed street level display and entrance to the Museum on Bay Blvd. Steve anticipates the prop to be completed and installed at the museum by summer 2016.

International Terminal – Pete Zerr, Superintendent

Billable services:

- Forklift - 73 hrs
- 30 Ton Hydraulic crane – 47 hrs
- Moorage – 240 days
- Dock Tie Up – 172 hrs
- Labor – 117 hrs

- Loaded the Paisley prop with the 30T crane for haul to Toledo
- Pete got the full induction into the crab season and the rush of activities required by the far distant fishing fleet as they departed for Alaska

N. Commercial docks – Kevin Bryant, Harbor Master

Billable services:

- Forklift - 166hrs
- Hoist crane – 10hrs
- Dock Tie Up – 250hrs
- Labor – 177hrs

Other

- Completed another successful crab push & opening with 75% of the storage lot now cleared of pots. Staff is nearing completion of lot cleaning and organization using the power sweeper borrowed from the NOAA facility operations. Six trucks of debris have been hauled from the site.
- The preciously surplused Ford F150 single cab assigned to north commercial has now become mechanically inoperable. Cost of repair exceeds blue book value. The truck has been towed and parked at the International Terminal for parts or scrap. An offer has been made by Busy Bee towing to purchase the vehicle for \$150.

NOAA MOC-P – Jim Durkee, Facility Manager

- 4th year painting of demised areas. Office & Warehouse interior work is complete. Still waiting for some clear weather to work on outside projects that are included in the total contract.
- Discussion started with NOAA command concerning 5th year carpet replacement requirement. Possible change in work scope.
- Issue identified with condensation inside wharf shore power units. Recent installation of 800W heater inside of the unit is being monitored for effectiveness. If successful, installation of five other units will be budgeted for next fiscal year along with concrete infill at base.

Bar crossings this period:

Bell M. Shimada – Departure

Oscar Dyson – at dock for season

Rainier – at dock for season

YTD bar crossing total for year 1412

S. Beach Marina & RV – Chris Urbach, Harbor Master

Billable services:

- Launch tickets – 152 tickets sold this period. 5696 tickets sold since new machine installed.

Other

- Received a proposal to remove 3 of our seized vessels from Tom Runions Construction and I'm working with Rick on the details.
- A sinkhole has developed in the roadway between J and H dock and we have Road and Driveway coming down to dig down and see if we can figure out what has failed.
- Working on equipment inventory which will be entered into the CMMS (HIPPO) system for use in scheduling future preventative maintenance activities.

Runions Construction LLC
 521 ne Newport Heights Drive
 Newport, OR 97365

Estimate

Date 1/15/2016
 Estimate # 11516

Name / Address

Port of Newport
 600 S.E. BAY BLVD
 Newport Oregon 97365

P.O. #

Terms

Due on receipt

Due Date

1/15/2016

Other

Description	Qty	Rate	Total
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Demolition and removal of debris From 3 Boats (1-Jimco, 2-Cougar Ann, 3-Grumpy Dragon) from Port of Newport property. In exchange for all Demo and Debris removal cost (estimated value for Equipment, Hauling and dump fee's is \$12,500.00), \$3,500.00 paid to Port of Newport, and all scrap (ie.wood, motors, gear, rails and misc.) in and on the 3 boats.	1	3,500.00	3,500.00
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Options:

Haul out at the North side Terminal in area discussed, can happen right away.

0.00

0.00

Haul out at the South beach boat ramp, can happen in 30 to 60 days.

Haul out is with my equipment and at my expense.

Transport of boats to haul out site to be provided by Port of Newport.

Submitted:

Subtotal

\$3,500.00

Acceptance:

Sales Tax (0.0%)

\$0.00

Total

\$3,500.00

Runions Construction LLC

541-270-6064

GENERAL MANAGER MONTHLY REPORT

DATE: 1/26/2016
RE: January Regular Meeting
TO: Port of Newport Board of Commissioners
ISSUED BY: Kevin Greenwood, General Manager

PORTLAND BOAT SHOW

The Port of Newport participated in the 56th annual Portland Boat Show from January 13 through January 17, 2016, at the Portland Expo Center. The Port was one of 66 exhibitors, including boat sales, equipment and related items of interest to boaters. The RV Park and Marina sparked a lot of attention from attendees, as did our free gifts and prize drawings. Tide tables, pens, coupons and maps for our RV Park and Marina were some of the marketing materials available to visitors.

Many thanks go to the following local businesses who contributed to our raffle drawings and we've written thank you letters to them all: Republic of Candy; Bohemian Candle; Lattas Fused Glass Factory; Beach the Moon Gallery; Saffron Salmon Restaurant; BayScapes Gallery & Coffee House; Ripley's Believe It or Not! Odditorium; Local Ocean Seafoods; Marine Discovery Tours; Wind Drift Gallery & Gifts; 3 Gypsy's Boutique; Yo Ho Ho Indoor Bounce; Loofah Soaps n Creations, LLC; Knotty n Nice woodcrafts; Newport Tradewinds ocean charters; Rogue Ales & Spirits; Oregon Coast Aquarium; Englund Marine Supply; and Forinash Gallery; Karen did a great job of getting the prizes. Big thanks as well to the Greater Newport Chamber of Commerce for providing our Grand Prize basket-in-a-crab-pot filled with goodies from the area.

On February 27 and 28, 2016, staff will be attending the Salt Water Sportsmen's Show at the Oregon State Fairgrounds in Salem, OR. We'll be at Booth 69! For more information on the SWS Show, visit <http://saltwatersportsmensshow.com/>.

USCG AIR FACILITY UPDATE

From Ray Buchegar, FBB Federal Relations in Washington, DC...

When this issue came to light in late 2014, the Congressional delegation came together to get language in that year's Coast Guard Authorization bill to place a moratorium on the Coast Guard closing the Newport AIRFAC through at least the end of 2015. This past year, the delegation worked to ensure the moratorium was extended beyond the end of 2015. Here is a summary of the action during 2015:

- **Coast Guard Authorization Bill:** When the next Coast Guard authorization bill was taken up by the House in early 2015, Rep DeFazio was able to insert language that extended the moratorium indefinitely (this served to fix the problem permanently). When the House and Senate came together to negotiate a final bill, however, DeFazio was forced to compromise with Senate Commerce Committee Chairman John Thune. Thune, who represents the land-locked state of South Dakota, was opposed to a moratorium of any length. DeFazio initially held firm on

a permanent moratorium, but eventually, he rightly saw that Thune would simply prevent the Coast Guard bill from moving forward if he held firm on wanting a permanent fix, with the effective result being that the Newport AIRFAC would not be protected (no bill would mean no moratorium). In the end, the Coast Guard bill contains a two year moratorium, with a long list of actions the Coast Guard would have to take if the agency sought to close the Newport AIRFAC in the future. DeFazio also committed to working to extend the moratorium in every subsequent Coast Guard bill that comes up, for as long as he is in Congress. Currently, the Coast Guard bill is awaiting final approval in the House (which we expect on January 26th). When that happens, it can be sent to the President for his signature.

- **Appropriations Bill:** The FY16 Homeland Security Appropriations Bill includes funding for the Newport AIRFAC through September 30, 2016. Should Congress need to pass a Continuing Resolution (CR) to keep the government funded beyond September 30th (there is a high probability of this), funding would be available for the AIRFAC for as long as the CR is in effect. Going forward (FY17 and beyond), we expect the Coast Guard to budget for the Newport AIRFAC. We will know if this is the case when the President submits his FY17 budget to Congress on February 9th.

SDAO CONFERENCE / TRAINING

I'll be attending the SDAO Conference in Sunriver, Feb. 4-7 for the annual conference. The conference schedule is included in the packet. Commission President, Walter Chuck, will be attending the Saturday evening banquet to support our Southbeach Camp Host, Clay Moore, who was named the SDAO Volunteer Year of the Award for the state. This is quite an accomplishment for Clay and the application was submitted by the Southbeach staff.

Patricia Patrick-Joling, Stewart Lamerdin and I attended the SDAO Board of Directors and Staff Training, held Monday, Jan. 25th at Oregon Coast Community College. This meets SDAO and the Port's By-laws for training requirements in 2016.

PNWA CONFERENCE / FEDERAL LOBBYING EFFORTS

This will be a busy travel month as I will be attending the PNWA Mission to Washington, DC, March 13-17th. The Pacific NW Waterways Association has been around for 80 years and is a collaboration of ports, businesses, public agencies and individuals who combine the economic and political strength in support of navigation, energy, trade and economic development throughout the NW.

They have been key in lobbying for opening up the entire Harbor Maintenance Trust Fund (HMTF) revenue that has been collected by large ("donor") ports in the U.S. Included in the packet is a letter from the Oregon delegation to Jo Ellen Darcy, Asst. Sec. of the Army about ensuring that small (or "low use") ports receive the ten-percent set aside that PNWA helped negotiate.

Even though Newport does not ship finished product across the bar, our commercial fishing fleet and significant federal assets (NOAA, USCG) have helped make the case for continued USACE dredging in Yaquina Bay. For the last three years, the Corps has spent \$3MM dredging the federal channel when most ports in Oregon have been "zeroed out."

Though the Port has supported and appreciated the significant dredging in recent years, it still falls short of the Portland District's "capability" for additional work in Yaquina Bay If funding were available.

For example, the Portland District has identified a total of \$4.113M for the following work in Yaquina Bay:

- \$3.002M for critical minimum maintenance dredging
- \$761K for maintenance dredging of South Beach Marina
- \$150K for structural surveys to support jetty and breakwater evaluation
- \$200K for structural evaluation report to determine the repair plan for breakwaters and groins

Yaquina Bay received \$3.002M in the President's budget for the critical dredging. PNWA and the Port of Newport will advocate for an additional \$1.111M in the FY2016 workplan for the remainder of the items based upon the release of the additional HMTF.

The trip to DC is the perfect opportunity to lobby individually for Port of Newport projects while showing collaborative support for all of the hugely important work that the US Army Corps of Engineers is responsible for in the Pacific Northwest.

CONFERENCE AGENDA

Sunday, March 13th (all events in the Sofitel Hotel)

6:00 – 8:00 pm Mission Strategy Session and Welcome Reception

Monday, March 14th (all events in the Sofitel Hotel)

8:15 – 9:15 am Breakfast and Kick-off speaker

9:15 – 12:15 pm General Session

12:15 – 1:30 pm Luncheon and Speaker

2:30 – 4:00 pm Optional activity: Museum Tour (complimentary; pre-registration required)

Tuesday, March 15th (daytime events in the Sofitel Hotel, evening reception on Capitol Hill)

8:15 – 9:15 am Breakfast and Speaker

9:15 – 12:15 pm General Session

12:15 – 1:30 pm Luncheon and Speaker

Afternoon Available for Individual Appointments

6:00 – 8:00 pm PNWA Taste the Northwest Reception (PNWA members arrive by 5:30 pm)

Wednesday, March 16th (breakfast in the Sofitel Hotel, meetings on Capitol Hill)

7:00 – 7:45 am Continental breakfast

7:00-7:45 am Oregon Port Caucus Breakfast

7:45 am Depart for House Meetings

8:15 am – 5:00 pm Meet with Northwest House Delegation (boxed lunch will be provided)

Thursday, March 17th (breakfast in the Sofitel Hotel, meetings on Capitol Hill)

7:00 – 8:00 am Continental breakfast

7:00 – 8:00 am Inland Ports & Navigation Group Meeting and Breakfast (IPNG members only)

8:00 am Depart for Senate Meetings

8:30 am – 12:00 pm Meet with Northwest Senate Delegation

12:00 – 1:30 pm Mission Review (boxed lunch will be provided)

1:30 pm PNWA Mission to Washington adjourns

YAQUINA BAY FRUIT PROCESSING LEASE

Harry Noah's lease ends at the end of March this year and he has been winding down operations since the new year. There has been some interest in the space by a small, start-up called "DulseEnergy". DulseEnergy commercially grows dulse seaweed and manufactures food products. There was quite a bit of attention about their products last year when they appeared on the TODAY show (and others) promoting the "bacon-flavored" seaweed.

One of the reasons that they're interested in the site is it's close proximity to the bay. That would be perfect from a land use perspective, however, all of original intake conduit was removed when the marine operations center was built. I did convene a meeting of state agencies to share the process necessary for permitting a new water intake from Yaquina Bay. It would be a year-long process, but since the company is very new it's going to take some real organization on their behalf.

One option might be for DulseEnergy to work off the HMSC intake until permitting could be completed, but they're a ways off before presenting anything to the Port.

HMSC SUBLEASE WITH AMERICAN GENETIC ASSOCIATION

Debra Crawford, HMSC Business Manager, sent an email earlier this month requesting that the Port of Newport approve a sublease with the American Genetic Association for office space. I could not find a record in the past minutes of previous sub-leases being approved, however Debra did send a copy of a letter from the previous GM authorizing the previous sublease with Wildlife Trading Company for the visitor center gift shop space.

The lease with HMSC does state that the Port "requires notification and written approval of the sublease" which Debra is requesting. Of course, they would like to finish this by the end of the month. The sublease is to the American Genetic Association for 95 sf of office space from Jan. 1, 2016 and ending June 30, 2016 with renewal by mutual agreement for an additional 12 months. The lease would be reviewed annually thereafter and may be renewed annually not to exceed a cumulative term of five years. Monthly rent would be \$1.50/sf or \$1,710 annually.

HMSC generates \$36,885.60 annually for sub-leases and another \$91,872 for operations reimbursement. Debra submitted a list of all of sub-leases:

Lessee	Primary Use	A) Today's Rentable Area	Lease Commence Date	Lease Expiration Date	Rent
United States Department of Agriculture	Marine Science Center; Bldg 900	1020 (220 sf office; 800 sf lab)	9/1/2002	8/31/2016	Monthly rent \$1.59/s.f Office, \$2.78/s.f. lab. \$30,885.60 ann.
Oregon Department of Fish and Wildlife	Marine Science Center, Bldg 920	15,000.00	9/26/1969	3/31/2022	No rent; Sublessee is billed and pays operating expenses, maintenance, and seawater system charges annually. \$57,532.
United States Department of Fish and Wildlife	Marine Science Center, Bldg 953	57,499.20	8/9/1994	3/31/2061	No rent; Sublessee pays annual operating expenses (landscape & security) which increase yearly by 5%. \$34,340.
Wildlife Trading Company, Inc.	Marine Science Center, Bldg 900	526	7/1/2013	6/30/2016	\$6000 annually

EPA does not have a sub-lease with HMSC. The Port has had a long partnership with HMSC and I'll authorize the sub-lease unless the Commission would prefer an alternate method.

CITY OF NEWPORT REGIONAL AIRPORT TASK FORCE

Included in your packet is a copy of a report that I produced for the City of Newport's Regional Airport Task Force. The Task Force is looking at how the airport promotes Lincoln County as a region and organizational and financial modifications that could make it more successful. My report focused on governance and a review of other similarly sized airports. The report is addressed to Ralph Busby, Chair of the Task Force.

OTHER

- Please note change for the June regular meeting. The meeting would normally be June 27th, but I'll be out of town that week. Just wanted to make sure that June 21st works for everyone.
- The Lady Washington and Hawaiian Chieftain will be in Port from May 18, 2016 to June 1, 2016. Lady Washington draws 11 feet, is 112 feet long overall, and requests a 250volt/50amp hookup. Hawaiian Chieftain draws 5 feet, 6 inches, is 103 feet, 9 inches long overall, and requests a 250volt/50amp hookup.
- Annual employee performance evaluations will begin in February.
- Facility Managers are working on prioritizing capital needs and reviewing rate structure in anticipation of budget cycle.
- Karen Hewitt has completed her notary training and should be able to notarize documents in mid-February. We plan on certifying a second employee as back up.
- Attended Depoe Bay meeting with Bud Shoemake, Port of Toledo GM, to discuss planning efforts.
- Extended "Deadliest Catch" special use permit due to the delay in the crab season opener.
- City is reorganizing the parking districts. Currently there are three: Central, Nye Beach and Bay Front. They'll be looking to combine the three groups into a single entity that will serve as a review committee for the Parking Master Plan effort.

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2016 SDAO Annual Conference
February 5-7 • Sunriver, Oregon

At-A-Glance

Pre-Conference

THURSDAY, FEBRUARY 4

7am	Breakfast
8am - 5pm	Board Duties, Responsibilities, and Liabilities Eileen Eakins, Law Offices of Eileen Eakins and George Dunkel, SDAO
8:30am - 4:30pm	SDAO Risk Management: Our Members' Successes Michael Wood, OR-OSHA, Niki Fisher, Bend Park & Recreation District, and Mike Jacobs, TVWD
10:15 - 10:30am	Morning Break
Noon - 1pm	Lunch
1 - 4pm	Public Procurement Kelly Stevens-Malnar, Department of Administrative Services
3 - 3:15pm	Afternoon Break
5pm	Pre-Conference Adjourns

THURSDAY, FEBRUARY 4

5 - 6:30pm **Welcoming Reception**

FRIDAY, FEBRUARY 5

7:30 - 8:30am	Breakfast			
7:30am - 6pm	Exhibitor Trade Show			
8:30 - 10am	Welcome and Keynote Address <i>Water the Bamboo - Greg Bell</i>			
10 - 10:30am	Morning Break			
10:30am - Noon	Oregon's Public Records Laws: Endlessly Fascinating Eileen Eakins, Law Offices of Eileen Eakins	Drones: What Public Entities Can and Cannot Do with Them Mitch Swecker, Department of Aviation	Supervising Within the Law (a.k.a., "The Top Ways to Avoid Getting Sued by Employees") Tamara Jones, CIS	Trending Healthcare Topics - Cadillac Tax & Other Fascinating Subjects Katie Peterson, The Partners Group
Noon - 1:30pm	Lunch and Roundtable Discussions			
1:30 - 3pm	Six Best Practices of Highly Effective Boards: How Does Your Board Measure Up? Rob Mills, Seal Rock Water District and Mark Knudson Tualatin Valley Water District	Budding Complications: Navigating Marijuana in the Workplace Kyle Abraham, Barran Liebman LLP	What Do Those Laws Really Mean to Us? Judy Clark, SPHR, IPMA-CP, CPC, HR Answers	Legislative Summary Hasina Squires and Mark Landauer, SDAO
3 - 3:15pm	Afternoon Break			
3:15 - 5pm	District Caucus Meetings At-Large Irrigation Ports Water Fire Park & Recreation Sanitary			
5 - 6pm	Exhibitor Reception			

SATURDAY, FEBRUARY 6

7:30 - 8:30am	Breakfast			
8:30 - 10am	Top Ten Ethics "Real-Life Role Plays" Christy Monson and Lauren Sommers, Local Government Law Group	Life-Cycle of a Claim Jens Jensen and Geoff Sinclair, SDAO	Wiring Your Hiring: Update on Veterans' Preference and Other Hiring Issues Chandra Hatfield and Dee Rubanoff, PRH Labor Law	Before, During, and After Borrowings David Ulbricht, SDAO and Ann Sherman, Hawkins Delafield & Wood LLP
10 - 10:30am	Morning Break			
10:30am - Noon	Public Meetings George Dunkel, SDAO	Qualities of a Great Leader Greg Jackson, SDAO	Generational Diversity Spencer Rockwell, SDAO	Planning for Retirement and Financial Security Jennifer Jorgensen, VALIC
Noon - 1:30pm	Lunch			
1:30 - 3pm	How to Maximize Volunteer Recruitment and Retention Captain Tad Buckingham, Forest Grove Fire & Rescue and Matt Aalto, Stayton Fire District	Same Destination, Different Route: Why Details Matter Chelsea Harrison, Jordan Snyder, and Gina Wescott, SDAO and Rebecca Taylor, RN	You're Not Alone: Real-Life Examples of Special District Lawsuits Ron Downs, SDAO	Social Media: Keeping it Social to Engage Customers Chantal Strobel and Tina Davis, Deschutes Public Library District
3 - 3:15pm	Afternoon Break			
3:15 - 4:30pm	Annual Business Meeting and SDAO Board Elections			
6 - 8pm	Awards Program Banquet			
8 - 10pm	Entertainment - Cash'd Out (Johnny Cash Tribute Band) <i>Door prize drawings at 10pm. Must be present to win!</i>			

SUNDAY, FEBRUARY 7

8 - 9am	Breakfast Buffet
9 - 10:30am	Closing Speaker Page 100 of 108 <i>Exploring Glacier Caves - Eddy Cartaya</i>

Congress of the United States

Washington, DC 20515

January 8, 2016

The Honorable Jo Ellen Darcy
Assistant Secretary of the Army for Civil Works
108 Army Pentagon
Washington, D.C. 20310-0108

Dear Secretary Darcy:

I request that, as you develop the fiscal year 2016 work plan for the Army Civil Works program, you include critical operation and maintenance funding for nine small port projects in the State of Oregon: the Siuslaw River project (Port of Siuslaw), the Umpqua River project (Port of Umpqua), the Coquille River project (Port of Bandon), the Rogue River project (Port of Gold Beach), the Chetco River project (Port of Brookings Harbor), Tillamook Bay and Harbor project (Port of Garibaldi), the Port Orford project, the Yaquina River project (Port of Toledo), and the Depoe Bay project.

On December 18, 2015, the President signed the Consolidated Appropriations Act, 2016 (Pub. L. 114-113) into law. This bill included approximately \$149 million for the Corps to carry out operation and maintenance dredging of small commercial harbors, nationwide. Division D of the Explanatory Statement to accompany this bill identified \$48 million in additional, but unallocated, funding reserved for work at small, remote, or subsistence navigation projects. I request that you allocate a portion of this \$48 million for these nine Oregon ports.

As you know, funding for the Ports of Siuslaw, Umpqua, Bandon, Gold Beach, Brookings Harbor, and Depoe Bay was included in the fiscal year 2015 workplan; however, despite a continuing need for maintenance work at these facilities, no funding was included in the fiscal year 2016 President's Budget for these projects. The Ports of Garibaldi, Port Orford, and Toledo received no funding in the fiscal year 2015 workplan, but significant needs for dredging and jetty repair have been identified for fiscal year 2016. Based on conversations with the Portland District, the Pacific Northwest Waterways Association, and local ports, I have been informed of additional Corps' capability for these projects in fiscal year 2016, in the following amounts:

Project Name	Additional FY 2016 Capability
Siuslaw River (Port of Siuslaw)	\$921,000
Umpqua River (Port of Umpqua)	\$942,000
Coquille River (Port of Bandon)	\$838,000
Rogue River (Port of Gold Beach)	\$1,054,000
Chetco River (Port of Brookings Harbor)	\$806,000
Tillamook Bay and Harbor (Port of Garibaldi)	\$1,492,000
Port of Port Orford	\$2,130,000
Yaquina River (Port of Toledo)	\$3,757,000
Depoe Bay	\$252,000

The Honorable Jo Ellen Darcy

January 8, 2016

Page 2

Small ports and harbors are some of our nation's most valuable assets and critical to maintaining and creating jobs. Commercial fishing and recreational boating at these small ports is critically important to the economic health of Oregon coastal communities and to our state, region and nation. That's why it is so important that funding to dredge these ports is included in the 2016 work plan.

Thank you for your consideration of this request.

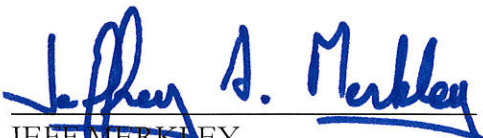
Sincerely,



PETER DeFAZIO
Member of Congress



RON WYDEN
United States Senator



JEFF MERKLEY
United States Senator



KURT SCHRADER
Member of Congress

June 28, 2013

Oregon State University,

Attn: Mark Farley

The Port of Newport gives permission to Oregon State University's Hatfield Marine Science Center Visitor Center to extend a lease to the Wildlife Trading Company to operate its gift store inside the Visitor Center.

The Port understands that this lease agreement is on a 3-year term and is renewable upon both parties agreement. The Port understands that revenue from the lease will take the form of a percentage of gross profit from the operation of the store.



Don Mann

REGIONAL AIRPORT REVIEW TASK FORCE

DATE: January 15, 2016
FROM: Kevin Greenwood, Task Force Member
TO: Ralph Busby, Task Force Chair
REGARDING: Governance and Ownership of Public Airports in Oregon

TASK

- A. **Governance and ownership of the airport.** Identify various ways airports of this size are owned and operated, and which ones run profitably.

GOVERNANCE

I compiled a spreadsheet of 55 public airports using resources found through the Oregon Aeronautics Division and Wikipedia. Spreadsheet includes the following statistics for all 55 airports: FAA Code and name of facility, the facility's role within the state inventory, and 2013 commercial boardings. Jobs, payroll and business output were pulled from a 2014 OAD report. Governance was obtained from the websites and/or phone interviews.

There are five distinct governance types operating airports in Oregon: cities, state, special districts, multi-governmental units utilizing intergovernmental agreements (IGAs) and counties.

PUBLIC AIRPORT BY GOVERNANCE TYPE		
City		22
State		12
Special District (ORS 198)		11
	Airport District (ORS 838)	1
	Port of Portland (ORS 778)	3
	Port District (ORS 777)	6
	Park & Rec District (ORS 266)	1
County		7
	County Department	7
	County Service District (451)	0
	Intergovernmental Agreement (ORS 190)	3
TOTAL NUMBER		55

The county airports are all departments of the county government. The Lake, Union, Grant, Jackson and Josephine airports are budgeted separately using enterprise funds. Grant and Morrow Counties track airport activity using special revenue funds. Oregon counties also have the ability to operate and fund airports using ORS 451.010(1)(h), public transportation service districts, similar to county bus agencies. The county commissions normally preside over special service district units, but variations do exist. There are no airports in Oregon operating through county service district statutes.

Three airports operate via ORS 190 intergovernmental arrangements. Brookings Airport is run by the Border Coast Airport Authority, a unique IGA that includes the City of Brookings, Ore., City of Crescent City, Calif., Del Norte (Calif.) County and the Elk Valley Native American Nation. The Columbia River Gorge Airport is operated through an IGA between the City of the Dalles, Ore. And Klickitat, County, Wash. Operations are centered in Dallesport, Wash. The Prineville Airport is operated jointly by the City of Prineville and Crook County.

It should be noted that there are numerous state facilities not included in this analysis. (ie. Wakonda, Nehalem Bay State Park, Toledo)

Based upon the 2014 Oregon Airport Aviation Plan Economic Contribution to the Oregon Economy by Airport, The City of Newport Airport supports 160 jobs through direct employment and surveys of airport tenants (2014 OAP, Pg. 5). Airports supporting a similar number of jobs include 107 at Hermiston (City), 159 at Columbia Gorge

(IGA), 159 at Tillamook Bay (Port), 172 at Ashland (City) and 215 at Grants Pass (County). Other airports that could be considered based upon payroll and business output would be Corvallis (City) and Independence (State).

FINANCES

Researching budget and financial data was limited to the following airports: Hermiston, Columbia Gorge, Tillamook Bay, Ashland, Grants Pass, Corvallis and Independence. I focused on the operational activities (personal service, materials and service, debt service and contingency) when assessing financial viability. Enterprise Funds are assumed to be self-supporting activities based upon operational income and generally do not rely on property taxes for operations. Special Revenue Funds have a specific revenue source earmarked for activities. The possible revenue sources for special revenue funds are wide ranging and could include specific fees or charges, revenue sharing from the state or operational levy income. General Fund activities are generally considered governmental services and may be reliant upon some subsidy from standing property tax.

Ashland Airport (City). The City of Ashland, which utilizes biennial budgeting, records airport financial reporting through a Special Revenue Fund. The 2015-17 budget shows service fees estimated at \$276,000 with "other financing sources" of \$270,000. Operating expenses (Materials & Service, Debt Service, and Contingency) total \$551,000. It doesn't appear that any transfers or property taxes are directed to this fund. This appears to be a break-even venture, though further inquiry should be made into the origination of the other financing sources.
<http://www.ashland.or.us/Files/FINAL%20WEB%20BUDGET%2012-18-15.pdf>

Hermiston Airport (City). The City of Hermiston operates the airport as a department within the General Fund. For 2015-16, operational income is budgeted at \$210,000 and operational expenses is budgeted at \$209,640. Pretty much break even. Historically, however, the airport has been able to place \$20,000-80,000 of positive net operating income into a future capital reserve fund. This appears to be a more than break even operation.
<http://www.hermiston.or.us/sites/hermiston.or.us/files/File/FinanceDepartment/1516-adopted-budget.pdf>

Columbia Gorge Airport (IGA). The airport is owned jointly by the City of The Dalles, Oregon, and Klickitat County, Washington. The City is the prime operator of the Airport via a management contract with Aeronautic Management and Gorge Aviation, two separate entities owned and operated by the same two partners. They also have an Airport Board made up of City and County members. The City Manager oversees the contract Airport Managers. All the Airport assets are owned 50% by the City and 50% by the County. They do consider the airport to be successful and future plans look very promising. <http://www.columbiagorgeairport.com/>

Tillamook Bay Airport (Port). The Port of Tillamook Bay (ORS 777) operates their airport as a department of the General Fund. For fiscal year 2014-15, POTB showed \$307,700 in operating revenue and \$422,593 in operating expense (personal services, materials and service, and debt service). This shows a negative net income of \$115,000. Other departmental activity, property tax and/or fund balances make up the operating deficit.
http://www.potb.org/documents/Draft_Budget_2014-2015.pdf

Grants Pass Airport (County). Josephine County operates two airports (Grants Pass and Illinois Valley) an enterprise fund to track activity. The 2015-16 budget shows program revenue of \$634,000 and operational expenses of \$699,000 for the Grants Pass Airport. The beginning fund balance is \$150,000 and a budgeted contingency of \$100,000 in the fund that could apply to either airport.
<http://www.co.josephine.or.us/SIB/files/Finance/I-Enterprise%20Funds%20Budget%202015-16.pdf>

Corvallis Airport (City). The City of Corvallis uses an Enterprise Fund to account for airport activities. For FY14-15, operational revenue is budgeted at \$500,000 and operational expense is set for \$459,000. Positive net income is transferred into a capital fund for future projects. This is a healthy fund and has cash reserves of over \$620,000.
<http://archive.corvallisoregon.gov/0/doc/660859/Electronic.aspx>

Independence Airport (State). 60-acre facility. Matt Maas, airport manager, says that they generate about \$100,000 off “through the fence arrangements” with abutting private homeowners who utilize an easement directly onto the airport. Maas says that arrangement helps make Independence a profitable airport for the state.

RESOURCES

2014 Oregon Aviation Economic Update

http://www.oregon.gov/aviation/docs/system_plan/2014_Oregon_Aviation_Economic_Update_Executive_Summary.pdf

2014 Aurora State Airport Report

http://www.oregon.gov/aviation/docs/system_plan/Airport_Reports_2014/Aurora_State_Airport.pdf

Committee Member Input

Mayor Sandy Roumagoux

Ideas for governance and ownership of the airport: Because I am floundering in waters (really floundering instead of metaphorically on this stormy day) where I know not what I speak, I will just write what I have thought about. I do see the Port of Newport involved in the ONP. The large amount of acreage available especially at the south end of the airport is where an industrial park could flourish which could help increase the Port's available space. Of course, the catch is that water and sewer infrastructure needs to be available. Also, there would be room to accept the Port's dredgings.

Chair Ralph Busby

1. What are the goals to be accomplished by redesigning the ownership/governance?
2. Perform a cost comparison study of a variety of governance options utilizing existing public entities and/or creating a new one.
3. Look at the effect of combining various existing Lincoln County entities.
4. What would be the benefit of also assuming responsibility for the three state owned airports?
5. What benefits would a combination/restructure of existing organizations provide to other entities beside ONP (Ports, cities, etc.)
6. Identify new revenue sources that could be available with a different governance model
7. What is optimum regional base (County wide or?).
8. What additional leverages could be brought to bear with a regional organization?
9. What governance model best reflects the public's needs in a local airport/port organization?
10. Prepare and execute a survey of 20 or so airports in the NW that are comparable, obtaining ownership, management, lease policies, profitability, unique characteristics, marketing strategies, etc.

Statewide Input. I contacted the six port managers in Oregon and asked for their qualitative input about the “profitability” of their airport and airports generally. Following are brief summaries of their comments. (No response from the Ports of Gold Beach and Astoria.)

Gary Neal, Port of Morrow: Our facility has never had much other than a paved runway and rules from FAA that tend to not promote aviation activity. The Port's Airport has never had an FBO or any type of support facilities. FAA funds have not been allowed to be used to further usage, they require us to deal with safety only and the things that might enhance activity are not allowed to be on the list for their funds. We have made a conscious decision over the years to not self-fund the type of activities that might increase aviation activity. Maybe someday we will, but so far we have made investment in other activities. There are general aviation options in the area, 30 minutes away, so we have deferred the general use to that facility which is the City of Hermiston's airport. If you are looking at some successful operations that I think from the outside seem successful, I would contact Port of Benton in Richland Washington. They have two very active Airports, one in Richland and one in Prosser. As you know Mike McElwee has the Hood River Airport, Baker City has a municipal airport that is relatively busy, Pendleton's airport struggles and has always been a challenge. Port of Walla Walla has an active airport that seems to be working OK.

Michele Bradley, Port of Tillamook Bay: Our operations have been mildly successful. We always end up in the black, but not by very much – about \$20,000/year at the most. Some years it is \$5,000. All airport income has to be kept in the airport, so it's a constant struggle not to use it in other areas. We only have an airport office, self-service fuel (both AV gas and 100 LL), and about 35 T-hangars that we lease out, which are almost always full. It pretty much manages itself. We do not have a manned tower, so we get to steer clear of additional oversight by the FAA.

Paula Miranda, Port of St. Helens. Although we try to keep some general tally on our personnel cost on each of our properties/industrial parks, we don't maintain a direct personnel cost inventory that I am aware of. Our HR costs just come out of our general funds, which we use to manage all of our properties. We don't keep any full time employee at the airport. Our maintenance personnel work in all of our properties as needed and our airport manager also wears the hat of property and operations manager.

Michael McElwee, Port of Hood River. We've intended to take a good look at the Airport from a more rigorous financial standpoint for over two years. Just haven't gotten to it. We need to better isolate R&E for the Airport and then drive back through maintenance/management expectations to address T-Hangar lease rates to achieve break-even on operations. Just haven't done that yet. Our Airport operates at a small loss, bigger depending on capital spending. We get \$150,000 /yr. from the FAA but it requires a 10% match.

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MEMBERSHIP LIAISONS

As of January 11, 2016

Cascade West Council of Governments* - must be elected (\$3178.37)
Walter Chuck
Ken Brown (alt)

Cascade West Economic Development District* -
Kevin Greenwood

Cascade West Area Commission on Transportation* - alternate may be staff
Walter Chuck
David Jincks (alt)

Oregon Coastal Zone Management Association (OCZMA)*# -- alternate may be staff (\$800.00)
Walter Chuck

Pacific Northwest Waterways Association (PNWA)* (\$7200.00)
Walter Chuck, Kevin Greenwood

Mid Coast Watershed Council (\$245.00)
Stewart Lamerdin

Oregon Public Ports Authority (OPPA)* (\$9,686.29)
Kevin Greenwood

Economic Development Alliance of Lincoln County (EDALC)*
Kevin Greenwood

Special Districts Association of Oregon (SDAO)* (\$4,000.00)
Kevin Greenwood

Yaquina Bay Economic Foundation (YBEF)* (\$300.00)
Kevin Greenwood
Ken Brown

Yaquina Bay Ocean Observing Initiative (YBOOI)*
Kevin Greenwood

North America Ocean Observing (NANOOS)*
Kevin Greenwood

Coastal Marine Experiment Station (COMBS)*
Stewart Lamerdin

Pacific Coast Congress of Harbormasters and Port Managers (PCCHPM)+
Kevin Greenwood
Steve Larrabee
Rick Fuller

(\$500.00) DAS OPS ORCPP – Rick Fuller, Steve Larrabee
(\$250.00) Oregon Economic Development Assoc.
(\$619.30) Oregon Ethics Annual

Fishermen Involved in Natural Energy for Lincoln County (FINE)~
Walter Chuck

Newport Chamber of Commerce (NCOCC)* (\$297)
Kevin Greenwood

Northwest National Marine Renewable Energy Center Advisory Committee (NNMREC)&
Walter Chuck

Department of Geology and Mineral Industries Marine Advisory Committee (DOGAMI)&
Walter Chuck

Oregon Department of Fish and Wildlife Sportfish Advisory Committee (ODFW)&
Walter Chuck

Ocean Policy Advisory Council (OPAC)&
Walter Chuck

Newport Urban Renewal (adhoc)
Patricia Patrick-Joling
Ken Brown (alt)

Newport Airport Committee (adhoc)
Ken Brown
Patricia Patrick-Joling (alt)

Newport Regional Airport Task Force (adhoc)
Kevin Greenwood

Newport Airport Planning Subcommittee (adhoc)
Kevin Greenwood

Newport Parks & Rec Committee~
Kevin Greenwood

Newport Bay Front Parking Dist. Committee*
Kevin Greenwood

Rogue Expansion Liaisons (adhoc)
Ken Brown, David Jincks

International Terminal Liaisons (adhoc)
Walter Chuck, David Jincks

Human Resource Liaisons (adhoc)
Walter Chuck, David Jincks

*paid/mandated membership
#must be elected commissioner
~community organization (no port vote or membership)
+paid professional organization
&personal or non-port related board membership
*=Paid via SDAO membership