

PORT OF NEWPORT MINUTES

September 27, 2016

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; Stewart Lamerdin (Pos. #3); and Steve Beck (Pos. #2). Patricia Patrick-Joling (Pos. #5), Secretary/Treasurer, was excused.

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:

Barb Dudley, U-Da-Man; Mike Goff, TCB; Jeff Hilbert, TCB; Aaron Ferguson, TCB; Yale Fogarty, ILWU; Simeon Elbrader, TCB; Paula Ferguson, TCB; Noah Ferguson, TCB; Grace Ferguson; Kiera Morgan, KYTE radio; Ralph Busby, City of Newport; Jim Myers, Great Albacore Tuna; Jim Shaw; Tyson Haynes, Newport Police; Pat Ruddiman, ILWU; Rex Capri.

II. CHANGES TO THE AGENDA

Parking Ticket Appeal from Gerald Ledingham was added to the agenda as New Business item D.

III. PUBLIC COMMENT

Barb Dudley said the 13th annual U-Da-Man Fishing Derby will be held on October 8th. She extended thanks on behalf of U-Da-Man for the Port's sponsorship and support.

Yale Fogarty commented that the new person and some of the others listed as part of the new Commercial Fishing Committee were not members of the Port District. He recommended that the Commission consider members being tax paying members of Port District.

IV. CONSENT CALENDAR

- A. Minutes:
 - 1. Regular Commission Meeting August 23, 2016
- B. Financial Reports
- C. Special Use Permits
 - 1. Veterans for Peace, Golden Rule Peace Boat – Cancelled
 - 2. Rotary Club of Newport, Trick or Treat Monster Feet 5K and Kids Fun Run
- D. Letter of Support for the Pacific Marine Energy Center
- E. Approve Contract for US Customs Trailer Installation
- F. Approve Purchase of NIT Storm Water Catch Basin Strainers

A motion was made by Steve Beck and seconded by Lamerdin to approve the Consent Calendar. The motion passed 4-0.

V. CORRESPONDENCE/PRESENTATIONS

- A. **Mike Goff, TCB, Recognition of Aaron Ferguson**

Greenwood introduced Goff of TCB. Greenwood presented the staff report including a report by Elbrader of TCB describing Ferguson's commendable actions on August 23, 2106, in response to a fire on the F/V Sea Dog. Greenwood added that Ferguson was a great member of the management communications team as well, serving with high quality and clear communication. Goff added that last week saw the conclusion of Security Officers Appreciation Week, and that this group often goes unthanked. He said that the TCB officers do a great job every night. It is nice for the Commission to recognize Ferguson's performance. Goff said Ferguson will also receive a meritorious service award from TCB. Chuck extended thanks to TCB on behalf of the Port Commission.

B. Jim Myers, Tuna BBQ Challenge

Jim Myers on behalf of the Newport Food Pantry extended a deep thank you for the Port's support over the past 5 years. This was the 5th year of the Chamber's NOAA MOC-P celebration, which was an exceptional event. The 5th Annual Great American Tuna BBQ Challenge sold out faster than last year, and judges Chuck and Greenwood were part of this great event. This was the 2nd year of the Salmon Enchanted Evening. Myers said he has received comments from visitors from outside of Newport on its vibrancy and the mingling of commercial and tourist attractions. He said the events provided good PR for the Port. He expressed particular thanks for the help of Chris Urbach and Jim Durkee, especially dealing with Dry Camp this year. As agreed, the Newport Food Pantry would split the proceeds 50/50 with the Port, this year in the amount of \$3,325.00. Chuck said in the past, the Port share of the proceeds was returned as a contribution to the food pantry.

A motion was made by Brown and seconded by Lamerdin to donate the Port's proceeds to the Newport Food Pantry in the amount of \$3,325.00. The motion passed 4 – 0.

Chuck presented the check to Jim Myers.

VI. OLD BUSINESS

A. Items Removed from Consent Calendar

There were no items removed from the Consent Calendar.

B. Accounts Paid

Lamerdin asked about the temporary services and NOAA storefront wall payments. Larrabee said the temporary services through Cardinal were for summer help at the RV Park. Fuller said the Port is responsible for replacing the carpet at NOAA every 5 years. NOAA did not want to disrupt operations and negotiated to install a security wall instead of carpet.

Ken Brown declared a conflict of interest because of payments made to Les Schwab. **A motion was made by Beck and seconded by Lamerdin to accept the accounts paid. The motion passed 3 – 0.** Brown abstained.

C. International Terminal Shipping Facility Update

Greenwood introduced the agenda item and staff report. He reminded the Commission about the good meeting last month with TIGER and EDA that ended with them choosing line items to pay for, since they cannot pay for the same item. It has been agreed that TIGER will pay for asphalt, and EDA for other elements. The new fiscal year for EDA begins October 1st and the Port will be submitting a new grant application at that time. Greenwood said based on his and Chuck's visit to Salem, there will not be a state grant. There is still a \$2MM loan commitment from the state. Assuming the EDA grant comes through, there is still \$2MM needed to fund the project. The Port Commission has options:

1. Shut down the project. There would be a loss of labor and cash already invested.
2. Tap into cash reserves in the NOAA fund or the General Fund. There could be issues if major repairs were required or a disaster occurs.
3. Pursue the \$2MM state loan, with a 25 year/3.3% terms. This would be approximately an annual payment of \$125K. There is already an annual debt service payment of \$400K for the Terminal.

4. Some combination of cash reserves and loan.

Greenwood said there will need to be a decision made by the Commission by November or December. Beck asked if there was a possibility for the state to issue a line of credit rather than a loan. Greenwood said a line of credit had been discussed but there is no state program for that available. The state through the legislature could offset the loan, but that is a long shot. Greenwood said the Port could seek better financing options. A USDA Rural Development Loan may be an option but there would be a concern that EDA would consider that a federal match. There is also an option that Teevin may pay more of their \$60K per year/5 year term lease option up front. Greenwood asked for feedback and direction from the Commission. Brown asked when the Port could expect to hear from EDA; Greenwood responded that staff should hear by the end of November. Brown also asked if work would need to be shown on the project by the end of December. Fuller said yes in order to keep the permit active, but this activity could be moving material from the site to the airport, since the samples had come back good. Greenwood added that the samples tested by GRI showed only some rebar and plastic, no chemical contaminant, so moving material to the airport would not be problem. Chuck suggested that staff first apply for the grant before evaluating whether other options need to be pursued. A work session with the full Commission will be scheduled a week before the November Regular Meeting to discuss the matter.

VII. New Business

A. Resolution Adding Distant Water Fishery Representative to Commercial Fishing Committee.

Greenwood introduced the agenda item, staff report, and draft resolution. He said it was an oversight that the original resolution had not included the distant water fishery. Jeff Lackey had been suggested by representatives of the Distant Water Fishery group as the committee member; Lackey had previously applied for a position on the Commission. Greenwood also said that the resolution establishing the committee did not include a residency requirement. Beck asked to confirm that the committee was a non-voting group. Greenwood said they would serve in an advisory capacity only, submitting recommendations based on Commission requests or committee interests. Lamerdin asked how a modification to the by-laws would be done. Greenwood said the Commercial Fishing Committee would develop their by-laws, but the Commission establishes membership terms.

A motion was made by Beck and seconded by Brown to adopt Resolution 2016-10 Amending the Commercial Fishing Users Group Committee Membership to Include a Distant Water Fishery Representative. The motion passed 4 – 0.

B. Resolution Amending Newport Facilities Code to Add Provisions for Fire Safety, Public Art and Special Use Provisions.

Greenwood introduced the agenda item, staff report, and draft resolution. Beck asked if the Port attorney had looked at these provisions. Greenwood said not specifically, but once a year the process for making amendments is reviewed by Pete Gintner. The facilities code allows for details to be added by policy resolution without amending the facility code. Beck said he was okay with the Resolution, but would like to review further.

A motion was made by Brown and seconded by Lamerdin to adopt Resolution 2016-11 Amending the Port of Newport Facilities Code to Add Provisions for Fire Safety, Special Events and Public Art. The motion passed 4 – 0.

C. Approval of Special Districts Association of Oregon Government Ethics Best Practices Checklist

Greenwood introduced the agenda item and staff report. He reminded the Commissioners that he had submitted the staff report earlier summarizing the ethics guidelines. The only item on the list which he recommended marking “no” was all members trained yearly. The Port currently requires training for new board members and staff. Beck asked if there was a reduction in the discount for a “no” answer. Greenwood said no; he had spoken with SDAO and this document was intended to encourage the discussion not act as a scorecard. Beck suggested that online ethics training through SDAO online could be recommended once a year.

A motion was made by Beck and seconded by Lamerdin to Authorize the Commission President to Complete and sign the Oregon Ethics Law Best Practices Checklist as presented. The motion passed 4 – 0.

D. Parking Ticket Appeal from Gerald Ledingham

Greenwood introduced the agenda item and the related correspondence/emails included in the Meeting Packet Addendum. He summarized that Ledingham was staying in dry-camping, and parked in the long-term moorage lot. TCB cited Ledingham and provided good pictures showing the area marked as permit parking only. Ledingham admitted that he knew this was an area for permit parking which did not allow him to park there. Greenwood had met with Ledingham and had offered to reduce the fine from \$40 to \$30, sent Ledingham a summary letter and advised him of the appeal process. The letter instructed Ledingham to advise the Administrative Assistant if he wanted to appeal the General Manager's decision, which Ledingham did not do. Beck advised Greenwood that Ledingham had communicated with the Commissioners directly, and forwarded the email he had received to Greenwood. Beck said that due process had been given. He suggested supporting the findings of the General Manager to fine Ledingham \$30.

A motion was made by Beck and seconded by Brown to uphold the decision of the General Manager to proceed with a \$30 reduced fine to Gerald Ledingham for Parking Violation No. 1114 issued August 10, 2016. The motion passed 4 – 0.

VIII. DEPARTMENTAL REPORTS

A. Director of Finance

Larrabee introduced the Director of Finance Report and August Occupancy Report. He said he would be moving the Bank authorization signing until next meeting since Patrick-Joling was not present. Lamerdin asked if several monthly moorage holders checking out was unusual. Larrabee said this was a usual ebb and flow. One of the moorage holders who checked out was Barb Martin, who had moved to the Embarcadero because of the pool access for therapy.

B. Director of Operations

There was no discussion of the Director of Operations Report.

C. General Manager

1. Rogue Mural

Greenwood said that Ardis DeFreece, artist, will come back in two months with a final draft design.

2. Highway 20 Construction

There was no discussion on this item.

3. Fishermen's Appreciation Day

Greenwood said that the Port had a new grill, and thanked Operations and the Newport Fishermen's Wives, and thought the grill looked fantastic. The Port's portion of the payment was coming out of marketing expenses. He commented that the Fishermen's Appreciation date was changed to November 11th. Chuck asked about the conflict with Veteran' Day, which Greenwood acknowledged, but felt this would not offset the event.

4. Goal Setting

Greenwood said he was looking forward to the Commissioners responses to the surveys that would be part of the goal setting session regarding their views on improvements or problems.

5. NFIP FEMA Process

There was no discussion on this item.

6. DEQ Fish Cleaning Station Approval

There was no discussion on this item.

7. South Jetty Access

There was no discussion on this item.

IX. COMMISSIONER REPORTS

Chuck reported that he went with Greenwood to Salem, which Greenwood had summarized earlier.

X. CALENDAR/FUTURE CONSIDERATIONS

- 10/7 – 10/8.....U-Da-Man Fishing Derby
- 10/8 Columbus Day Regatta
- 10/15 Newport Bay to Brews ½ Marathon/10K
- 10/18 Regular Commission Meeting (rescheduled)
- 10/29 Dia De Los Muertos Race
- 11/5 Commission Goal Setting Workshop (proposed)
- 11/9 Election Day
- 11/11 Veterans’ Day, Port Office Closed
- 11/15 Regular Commission Meeting (rescheduled)
- 11/18 Fishermen’s Appreciation Day
- 11/24 5th Annual Turkey Trot
- 11/24 – 11/25..... Thanksgiving Holiday, Port Office Closed
- 12/20 Regular Commission Meeting (rescheduled)
- 12/16 Christmas Holiday, Port Office Closed

Chuck asked to add Play on the Grade, October 1st, to the calendar. Interested persons can go to US20PME.com to register.

XI. PUBLIC COMMENT

Fogarty said that the fire code for recreational fires may be different based on what happens at South Beach State Park, and questioned how to distinguish application to wood, gas and crab pots.

XII. ADJOURNMENT

Having no further business, the meeting adjourned at 7:02 pm.

ATTESTED:



Walter Chuck, President



Patricia Patrick-Joling, Secretary/Treasurer

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