

PORT OF NEWPORT MINUTES

May 12, 2021

Commission Work Session

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

This meeting was held virtually by invitation only. The public was invited to view the live stream of this meeting on our YouTube Channel, Port of Newport Meetings Audio. Live chat was not monitored. The public could submit comment through a form on our website no later than 10:00 am, Wednesday, May 12th, to be read into the meeting at the appropriate time.

Agenda Item

**Audio
Time**
0:00

I. CALL TO ORDER

Commission President Jim Burke called the Commission Work Session of the Port of Newport Board of Commissioners to order at 12:03 pm.

Commissioners Present: Walter Chuck, Secretary/Treasurer (Pos. #1); Kelley Retherford (Pos. #2); Jeff Lackey (Pos. #4); and Jim Burke, President (Pos. #5). Gil Sylvia, Vice President (Pos. #3), was absent

Management and Staff: Paula J. Miranda, General Manager; and Karen Hewitt, Administrative Supervisor.

Members of the Public and Media: None

II. PUBLIC COMMENT

0:10

There was no public comment.

III. GENERAL MANAGER CONTRACT NEGOTIATIONS.....

0:13

Burke said the goal of the Work Session was to discuss any type of merit salary increase and contract adjustments, with a possible recommendation to add to the upcoming Regular Meeting on May 25th. No specifics were to be discussed from the Executive Session, but rather the outcome of the appraisal and next steps. Chuck commented he thought the evaluation went well and all were basically in agreement around what needs to be done or addressed, and all were on the same page regarding priorities. Chuck added he looked forward to having the priorities as part of a goal setting session in the winter, to allow the Commission to discuss ideas to address the needs and issues of the Port. Burke suggested considering the proper increase compared to increases for the rest of the staff and how it would affect the budget, etc.

Lackey shared five reasons he thought the Commission should give Miranda more than a nominal increase: years of experience, excellent job performance and dedication, the salary range for North West port general managers is higher than many may realize, there are a lot of important decisions and projects coming up in the next several years, and most importantly, stability, good leadership

and good decision making are worth a lot to the Port. He added a 6th reason, that a more than nominal increase would show the Commission was committed to Miranda, show appreciation for her work, and wanted to continue the trajectory into the future. He asked to hear from others before sharing his suggested salary increase. Burke said he appreciated and agreed with those points. Retherford said she agreed with Lackey on all six reasons. Chuck asked about the increase given to the rest of the employees this year. Miranda said there is a target rate of 5%, based on performance. Chuck said he reiterated the need for the Port to bring in new revenue sources. He said he agreed with an increase and was willing to discuss something greater than the rest of staff. Chuck suggested the Commission does need to be aware of public perception; the Port needs to keep good management, but a new revenue source has not been generated in quite a while, and a new Administration Building is also under consideration along with other projects.

Miranda thanked the Commission for their comments and appraisal. She said she felt good about what has been accomplished at the Port. The COVID pandemic did make it harder to bring in new sources of revenue. Miranda commented that through her years here staff has found ways to save the Port money. She added a major project could potentially generate new revenue. She has discussed some possibilities with potential users, and she hoped to bring something new. Miranda commented that, particularly over the past year, the Port of Newport has out-performed most ports in Oregon. Many had to apply for assistance from funds available for losses due to COVID; the Port of Newport did not have many such losses. Miranda said she is looking forward to next year which promised a lot of opportunities and projects. Not all projects were revenue generating but were necessary for continuing proper operations of the Port. Communication has been good for the Port. Miranda said she has heard positive comments from many people that the Port is viewed differently by the community than it has been in the past. The work accomplished has been a team effort with management, and they are a good resource to make things even better.

Lackey said he understands Chuck's comment and the value of community perception. He suggested the community values a well-functioning Port. Lackey said Miranda brings experience dealing with entities at various levels, and she has increased the financial well-being of the Port along with staff. It is difficult to put a dollar value on that contribution. Lackey said that information is limited but the range of pay for Port General Managers is higher than one might think. Lackey said Miranda may have options in the future, and he wanted Miranda to say "no" to those options because she had a dedicated Port and Commission, and more here than somewhere else. Although an increase this year might not yet be in the ballpark of similar Ports, it was important to be both competitive and prudent. He added that the recent announcement of inflation reaching the highest rate in more than a decade also puts things in perspective. Lackey suggested a salary increase of about 9% this year to \$153,600, which would be a total of a 20% increase over the past two years. He suggested this would show the Commission was committed to moving toward a more competitive salary. Lackey added a salary survey could be considered in future years.

Burke said he agreed retention was paramount, and it was important to show progress and completion of projects to the Port's constituents. He added it was also important in the future to look at staff salaries across the board to make sure they are keeping up with inflation. Retherford said the public needs to know why the Commission supports an increase, which includes the reasons listed by Lackey, along with Miranda's professionalism and management's work to save the Port money and better the Port. Retherford added that Miranda is also heavily involved in the community locally and at the state level, beyond the scope of her job. Chuck said he supports an

increase, and suggested 7%. He commented Miranda was initially hired at the highest advertised amount for the position and received a 10% increase last year. He suggested a 3 year contract that would include moving incrementally toward a more competitive salary. Miranda said she is not opposed to setting up a longer term contract, but the current contract does already include an auto-renew clause, and makes an easier exit for herself or the Port. Miranda remarked that she accepted the initial salary after looking at the Port's budget, but figured she could change things at the Port that would allow for a better salary in subsequent years. She added that she came from a lower position at her prior port, but received about the same take-home pay as her initial salary with the Port of Newport. Miranda said the Port of Newport is comparable to the Port of Astoria, and she would like at one point to stay at least level with that and other coastal port's salary ranges. Lackey said he liked the current contract.

Lackey said he had found information online about port manager salaries, and commented the salaries were comparable to or higher than state level public officials in Washington. This was because ports are public entities but also competitive businesses – the person at the helm can make the difference in hundreds of thousands of dollars. A competitive salary pays for itself if the right person is in the leadership position. Lackey commented the Port of Newport can't compete with Coos Bay, and he was unable to verify current information about the General Manager's salary at the Port of Astoria, which is probably the most comparable with the Port of Newport. He said it would behoove the Commission, acting on behalf of the people of the Port District, to retain Miranda, who brought stability to the Port for the first time in a while. He asked for Miranda's patience in bringing the General Manager salary in line, and commented he wouldn't want to offer less than a 9% increase. Retherford said it was important to have a goal to get Miranda's salary competitive sooner rather than later, but in a reasonable way. She suggested a salary increase of \$10-12K. She commented that salary increases can change the performance by a leader. Lackey said he was open to a higher increase than he had proposed. Burke said a motion wasn't needed at this Work Session, and Sylvia could be included in the conversation at the Regular Meeting when a motion can be made. He added that keeping a General Manager was fiscally responsible. Retherford suggested there was enough of a range to make a recommendation for the Regular Meeting, and proposed a salary increase of \$15K. Lackey said that would be just under 12%, and he could agree to that. Miranda said she did not expect a jump to the salary level of the General Manager in Astoria right away, but she did not always want to be catching up. She said the Port had a hard time finding applicants during the previous General Manager search, probably in part because the salary was not competitive. Miranda recommended that the Port keep the salary at a competitive level and work to get there and stay there in the next two years. Burke said he supported that logic and expects great things in coming years.

Lackey said he would like to have a validated salary number for Port of Astoria. Miranda said she was able to get the revenue and asset information from their published budget from last year, but only has inside information as to the salary. She will share anything she may find with the Commission. Miranda said she would be willing to work on a longer term contract if the Commission wanted that, which would include work on the departure clause. Burke commented that a revised contract might take some time to draft and would need attorney input. Paula said she could make some suggestions and perhaps look at revising the contract next year. A vote on the current salary and contract will take place at the Regular Meeting. No action was taken.

IV. ADJOURNMENT

46:38

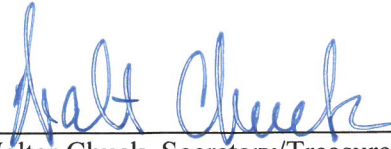
Having no further business, the meeting adjourned at 12:50 pm.

ATTESTED

james m burke

Digitally signed by james m burke
Date: 2021.05.28 16:11:36 -07'00'

James Burke, President



Walter Chuck, Secretary/Treasurer