

4-22-19

Senator Beyer  
Representative McKeown and members of the Transportation Committee...

My name is Rob Halverson.  
Thank you for the opportunity to testify before you in regard to HB2284.

HB2284 will move a long way in promoting the Oregon Legislative Mandates under ORS 777 designating the Port of Newport as a deep draft cargo mover and protecting the vested interests of both State and District by allowing Governor appointment of Commissioners who are objective and not buried in a one industry self focus.

I am a past Port of Newport Commissioner of 16 years and as president authored the 15.4 million dollar bond measure to rebuild the Newport International Terminal.

The Bond Measure language reads: "The measure would fully fund the rebuilding of the Port's International Terminal, including a deep draft ship berth, a barge and heavy work dock used by the commercial fishing fleet..."

This was the agreement between the fishing fleet and cargo movers. Two docks were to be built: The first a deep draft shipping berth for cargo; The second, a barge and heavy work dock for the commercial fishing fleet.

The agreement was clear and understood by all parties. But since the completion of the Terminals things have changed. The fishing community has demanded exclusive use the facility at the displacement of cargo. Through their efforts and resistance both on an off the Commission not one stick of cargo has moved over our ship dock in the last 6 years.

Toward the end of the negotiations with shipper, Teevins Brothers, the Midwater Trawlers demanded 2.5 months of black-out dates for shipping from Nov. 1st to Jan. 10th, stating they required the whole terminal facility, both docks for their needs. Surprisingly Teevins agreed to work around this demand only to be hit with another 1.5 months of blackout dates (no shipping) in the spring. Now 4 months "No Shipping". With goal posts moving negotiations failed.

One the current Commissioner supplies nets to the Trawl Fleet.  
Another Commissioner is the son-in-law of a Midwater Trawler boat owner.  
A third Commissioner's wife works at England Marine, a supplier of the Trawler fleet.  
The Chair of the Commercial Fisherman's User Group Committee is also the  
at large representative for Midwater Trawlers Cooperative.  
The Chair of the Budget Committee is the former President of the "Fisherman's Bank" where a large portion of the Fishing Fleet bank their millions and secure loans.

With the overwhelming lobbying capability of the Midwater Trawlers combined with the influence of the current Fishermans Wives Association and others closely associated with the fishing community, Commission seats can easily be bought in our small district of approximately 3000 voters. HB2284 is the best opportunity that has the best chance of securing objectivity and balance that will insure healthy progress for the Port District, the region and the State.....Thank You!

\* ATTACHMENTS





# Measure 21-114 Port of Newport

## Ballot Title

# 21-114

## Bonds To Fund Port Marine Terminal Reconstruction And Environmental Protection

**Question:** Shall the Port of Newport be authorized to issue bonds in an amount not to exceed \$15,452,000? If the bonds are approved, they will be payable from taxes on property and property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution.

**Summary:** Passage of this measure would provide funds for capital construction and improvements, environmental remediation, removal of contaminants necessary to rebuild the ship cargo dock, and rebuilding the cargo, barge and work docks to accommodate the fishing fleet, deep draft vessels and barges.

The Marine Terminal infrastructure is nearly 60 years old. Considered an environmental and safety hazard, the cargo dock was closed five years ago and the heavy barge and work docks operate under load restrictions. Project components necessary for the rebuilding of the cargo, barge and work docks include: Site and facility environmental remediation, final design and engineering, installation of required infrastructure, and installation of two fixed hoists and utilities to service all vessels making the Marine Terminal physically and economically viable.

The bonds would mature in thirty (30) years or less from date of issuance and may be issued in one or more series. The estimated average cost of this bond is \$58.14 per \$1,000 of assessed value. The owner of a home assessed at \$150,000 is estimated to pay \$87.21 a year.

## Explanatory Statement

This measure would fund reconstruction and environmental clean-up of the Port of Newport's marine terminal, with an estimated rate of 58¢ per \$1,000 of assessed value. The owner of a property assessed at \$100,000 is estimated to pay \$58.00 per year.

One of two deep draft harbors on the Oregon Coast, it is the statutory mission of the Port of Newport to provide infrastructure, facilities and economic development that support business, industry, and economic vitality of the community. Both the environmental remediation and the dock rebuild included in this project are consistent with this mission.

Protecting the environment and enhancing the economic value of Yaquina Bay and the harbor is a major public policy goal of the Port of Newport. For that reason, the Board of Commissioners placed the measure on the ballot to seek voter approval to fund a Marine Terminal Rebuilding Project that is intended to protect the environment, enhance the economy, create jobs, and to assist in securing ongoing federal funding for channel maintenance.

The measure would fully fund the rebuilding of the Port's International Terminal, including a deep draft ship berth, a barge and heavy work dock used by the commercial fishing fleet, removal of hazardous substances existing within the structure, and restore the publicly-owned Marine Terminal to diversified economic productivity. The deep-draft cargo dock has been closed for five years due to safety risk.

The nearly 60-year-old deep draft cargo dock has deteriorated to the extent that a 60-foot wide gap has developed between the dock area and the shoreline. The unsafe condition and the lack of usability would be addressed by the reconstruction project.

Newport also is home to other substantial commercial marine industries like the fishing industry. Newport's distant water fleet and other

local commercial fishing vessels currently are the primary users of the terminal's heavy work dock. The project would rebuild the dock, creating a barge berth and a vessel maintenance and gear-loading facility for the fleet.

The Port is responsible for removing liabilities to the community and the environment at its facilities in addition to providing economic development and jobs. The project would remove contaminated material and fluids that exist within the hull that forms the marine terminal cargo dock structure.

Components included in the reconstruction project are: Final design and engineering; Replacement of two Marine Terminal Docks; Site and facility remediation; fixed hoist installation; Utilities and infrastructure to service vessels; Mooring dolphins and fender system. A market analysis and plan to increase activity and revenue from restored facilities will be conducted concurrent but separate from the bond issue proceeds.

The Port of Newport believes that removing the environmental and safety hazards, updating and rebuilding valuable marine facilities, and actively recruiting or marketing desirable new business opportunities for the new facilities fulfills its statutory mission and is in the best interest of the citizens of the Port District.

The total amount of the bonds is not to exceed \$15,452,000 and will be paid over a period of thirty years or less.

*(This information submitted by Rob Halverson, Port of Newport.)*

## ARGUMENTS FOR AND ARGUMENTS IN OPPOSITION FOLLOW ON THE NEXT PAGE

*Note: Nowhere in the Bond Measure language is usage of the ship berth given to the fishing fleet. To the contrary, usage by the fishing fleet is designated to the barge, heavy work dock. This usage is verified in the "Argument in Favor" by all of the Port Commissioners...next page*

*For the Fishing Fleet to demand exclusive use of the ship dock for any time period and to enter into negotiations with shippers to that end, is in violation of the agreement struck by all parties in the Bond Measure.*



# Measure 21-114 Arguments

## Argument in Favor

Vote YES to Bring Shipping and A

Better Economy Back to Newport

As people who load and unload ships, it's been frustrating to watch the Port's cargo dock sit empty with a "Closed" sign for five years. It's not that there's nothing to ship, it's that the half-century old dock is falling into the bay and can't be used. Cargo goes where it can go most economically, and cargo from our own area has gone somewhere else for shipping. We currently travel to other ports to load cargos that could and should be loaded here.

But that doesn't do any good for our community. The economic benefit from ships in Newport includes jobs not just for loading, but supplies, equipment, groceries, fuel, banking, restaurants, motels — the list goes on. We all benefit from more economic activity — more money circulating in our community.

Rebuilding the Marine Terminal isn't just about a new cargo dock and bringing shipping back to Newport. It would also provide a re-built Heavy Work Dock for barges and especially the commercial fishing fleet. And everyone here should care that the project will also remove, clean up and eliminate the hazardous materials and liquids that could leak out of the old structure — again.

Cargo shipping means jobs, but it's also the reason our ocean bar and channel USED TO BE dredged to forty feet. With no recent ships, the channel has already started to shallow-up to 35 feet. With no more cargo shipping, the bar and channel will continue to be allowed to fill in until it's only the depth "necessary" to be a 'port of convenience'. That will make it far less safe for any boat — and impossible for shipping. We can't let jobs, money and the reputation as a safe place for any boat to go away — along with the cargo.

Vote YES to rebuild the Marine Terminal, to Protect People, Jobs and Yaquina Bay.

*(This information furnished by Rodney D. Worman, Pres., International Longshore & Warehouse Union Local #53.)*

## Argument in Favor

YES for Combined Project and Community Benefit

As your neighbors, who you elected to serve as your Port Commission, we urge your YES vote to **Rebuild the Marine Terminal**. This isn't a one-dimensional project. It has several important pieces that make it far **more beneficial** to the entire community, and far **more cost effective**.

First, the **essential**. We **MUST investigate, remove and clean up hazardous substances** found inside the cargo dock that is unusable and failing. This is a must to protect Yaquina Bay, people, boating, tourism, marine research, wildlife and the estuary. It has to be done!

Second, we must **rebuild** the heavy work dock cargo barges can use but is primarily used by the commercial fishing fleet for gear change and vessel service. We need to keep our fleets returning here for their contribution to our economy and to our historical way of life.

Third, we must **remove** the old broken cargo dock and **rebuild** it so shipping can return to Newport. History shows that ship calls bring significant economic benefit to our community.

All of these things will be accomplished for the total project cost of \$15.4 million. We are achieving efficiencies and cost reductions by doing them all together. That's just over \$50 per year on a \$100,000 property. We don't take peoples' hard-earned money for granted. We've organized this project so that for the same investment, you get complete clean-up and elimination of contaminated materials that threaten Yaquina Bay, a newly rebuilt cargo dock, a newly rebuilt barge and heavy work dock — plus retain jobs, marine services and economic benefit from shipping, including federal deep-draft harbor maintenance.

The ensuing project will allow complete facility use and market plan development, and will coincide with the completion of Highway 20 improvements that dramatically improve access to our community.

For the community, we urge your YES vote to Rebuild our Marine Terminal.

Rob Halverson  
Mark Fisher  
Ginny Goblirsch  
Don Mathews  
Dean Fleck

Port Commissioners

*(This information furnished by Mark W. Fisher.)*

*The printing of any arguments do not constitute an endorsement by the County of Lincoln, nor does the county warrant the accuracy or truth of any statement made in the arguments.*

*The printing of any arguments do not constitute an endorsement by the County of Lincoln, nor does the county warrant the accuracy or truth of any statement made in the arguments.*



# Measure 21-114 Arguments

## Argument in Favor

### Fishermen Recommend **YES** vote for Safety, Economy and the Environment

Here's why:

Fishing is more than recreation in Newport. It's a complete industry representing millions in our local economy. Because we have entire fleets of many different types of fishing boats here, a lot of businesses and service industries are located here **ONLY** because of the concentration of vessels.

These boats are also here because we've had the good fortune of a deep-draft bar and channel, thanks to cargo shipping. The shipping has stopped for a time because the ship dock can't be used. As a result, the forty-foot channel has begun to fill in already.

The Marine Terminal Project will restore cargo-shipping capability to Newport. Cargo shipping will help return the bar and channel to forty-feet, making things safer for all boats.

But the Marine Terminal Project will do far more than that. It will also rebuild the heavy work dock that larger fishing vessels use for repairs, gear changes and other services. It's a public facility providing public benefit and a service to the commercial fleet.

Fishermen take pride in being a large piece of the jobs and economy picture here. We also understand that all the eggs in one basket is too risky. All of our families, friends and neighbors will benefit from getting more jobs back into the community from shipping, better facilities for the fleet, and this — complete removal of the hazardous fluids that threaten to **again** leak out of the old cargo dock any day.

We're fishermen, we live with risk. Our community can eliminate huge risks and generate huge benefits by voting **YES to rebuild our Marine Terminal**. It's not just about fishing; not just about cargo ships; not just about protecting Yaquina Bay. It's about **ALL of those things, and it's about our future.**

Please join fishermen in voting **YES** to Rebuild our Marine Terminal.

*(This information furnished by Craig Cochran, Pres., Bay Islander, Inc.)*

## Argument in Favor

Vote YES on the Marine Terminal Project for Safety of People, Boats and Yaquina Bay

The safety of our vessels and our loved-ones is the most important thing to us. This is why we encourage you to vote yes on the marine terminal project. In Newport, boat safety and navigability for all types of boats has benefited for years from the fact that we have a federal deep-draft channel. That means the channel and the bar are dredged deep enough for cargo ships — 40 feet. A deeper bar channel is a safer bar channel. As a bar becomes shallower, wave height increases creating enormously large waves that can break over the bar. We haven't had cargo ships in our port for several years, meaning reduced dredging efforts. The Marine Terminal, where cargo ships tie up, is closed because it is falling apart. No cargo has meant less dredging and the channel is shallowing up. That will continue to happen and get worse without cargo movement.

The project to rebuild the Marine terminal isn't just about rebuilding the cargo dock — but that's a huge benefit for jobs and our economy. And it's not just about rebuilding the barge and heavy work dock that the commercial fleet uses for gear and repairs, but it's a huge benefit. And the project isn't just about eliminating the hazardous materials lurking within the dock structure, threatening Yaquina Bay, but that's a huge benefit. Accomplishing all these things also will allow us to bring cargo back to Newport. Cargo means ships. Ships mean the federal government can justify spending the money to dredge our channel and bar back to deep-draft depth. A deeper channel and bar is a safer channel and bar. The combination of all these benefits is a tremendous win for our community. Please join us in voting YES to rebuild our Marine Terminal to protect people, jobs and Yaquina Bay.

*(This information furnished by Kaety Hildenbrand, President, Newport Fishermen's Wives Association.)*

*The printing of any arguments do not constitute an endorsement by the County of Lincoln, nor does the county warrant the accuracy or truth of any statement made in the arguments.*

*The printing of any arguments do not constitute an endorsement by the County of Lincoln, nor does the county warrant the accuracy or truth of any statement made in the arguments.*

Official Lincoln County 2006 General Election Voters' Pamphlet

## 2015 ORS 777.065<sup>1</sup>

# Development of port facilities at certain ports as state economic goal

- state agencies to assist ports

The Legislative Assembly recognizes that assistance and encouragement of enhanced world trade opportunities are an important function of the state, and that development of new and expanded overseas markets for **commodities exported from the ports of this state** has great potential for diversifying and improving the economic base of the state. **Therefore, development and improvement of port facilities suitable for use in world maritime trade at the Ports of Umatilla, Morrow, Arlington, The Dalles, Hood River and Cascade Locks and the development of deepwater port facilities at Astoria, Coos Bay, Newport, Portland and St. Helens is declared to be a state economic goal of high priority.** All agencies of the State of Oregon are directed to assist in promptly achieving the creation of such facilities by processing applications for necessary permits in an expeditious manner and by assisting the ports involved with available financial assistance or services when necessary. [1981 c.879 §6; 1993 c.106 §1]