

MINUTES
WORKSHOP SESSION
JANUARY 13, 2004
PORT COMMISSION CHAMBERS

Chairman Dan Hess called the Workshop Session to order and took roll call.

Commissioners present: Dan Hess, Glenn Taggart, Don McDaniel, Jim Bergeron and Larry Pfund.

Staff present: Peter Gearin, Bill Cook, Ron Larsen, Rita Fahrney, Ken Smith and Port Attorney, Heather Reynolds.

Others present: Jeff Nelson

REPORTS FROM STAFF

Bill Cook reported he just returned from Salem where he attended the Oregon Public Ports Association (OPPA) meeting. Only eight ports attended and there was discussion whether there is continuing need for the organization. Smaller ports cannot afford membership dues in OPPA. Some ports are more involved with Oregon Ports Group (OPG) that has emphasis on lobbying. There is concern the two groups may be duplicating efforts. OPPA members will vote in May to decide whether to continue the OPPA organization.

Ken Smith provided an update on the East and West Basin projects. The contractor for the East Basin breakwater, Bergerson Construction, is sheet piling a 300-foot leg. They are one fourth finished and half way to the knuckle. Dredging at the East Basin should be completed by Friday. Bucket dredging is being done inside the slips at the West Basin while the Port dredge crew is dredging between the slips and the entrance.

Discussion followed on the renovation of the western side of the breakwater at the West Basin. In response to Commissioner Hess's inquiry about putting in a float for small vessel berths, Ken Smith explained the area being referred to has no water depth at low tide. The flushing action has increased which should help gain depth, and the surge has lessened due to the changes in the structure.

Ron Larsen reported the following:

- Information on the Port's surplus 6250-TC crane for sale has been sent to all ports on the West Coast. In addition it is being advertised in the Boat & Harbors magazine and being sent to others who may have interest in it.

- The FAA funded safety area improvements at the airport were completed today. The projects were bid under the total grant funds allocated. He will be requesting to use the remaining funds for installing a serpentine gate on the main gate and to remove trees on the tree line at the east side of runway 8-26.
- An appraisal is being done on property Lektro is interested in building on. Negotiations are continuing, awaiting the property value and resolving sewer line issues.
- The Port has applied through the Department of State Lands for a different ratio of land for the mitigation bank to pull land out of the bank. It is at a 3-1 ratio now. Commissioner Bergeron suggested contacting O.C.Z.M.A. for assistance on changing the ratio with D.S.L. as this organization works with state agencies on these types of issues.
- An update on the valuation of wetlands on the Skipanon is forthcoming. There is now interest from a group of local investors who have built other golf courses in Oregon to develop the Skipanon golf course site. Staff will be meeting with Steve Purchase, Department of State Lands, to discuss a lease of State property. The State owns 96 acres of the land. The Port owns 205 acres. Peter Gearin added this current interest by investors doesn't discount the Koreans. It is hoped this will help spur them into a final decision on investing in the project.
- Commissioner Hess inquired about the status of discussions regarding water inter-tie between Astoria and Warrenton. Larsen responded all parties (city of Astoria, city of Warrenton, Port of Astoria) favor pursuing this and a consultant firm will be retained to look into the options.

Peter Gearin reported the following:

- A meeting was held today with clients interested in locating a cold storage facility at the Port. A lot of groundwork is needed to meet schedule deadlines including studies, permits and financing issues and details. He explained a tax credit plan is available for the investment and effectively a grant of 39% could be part of the package. There is also a need for support from Pacific Power. If there are too many hurdles, the client may choose another location.
- All funds available to date from the Urban Renewal room tax have been used to pay for architectural services for the Conference Center planning. At this time there is not adequate funding to pay for the next phase and the funding package from the State is not completed. To proceed, it needs to be confirmed there will be enough development to meet the debt service. The City of Astoria is also looking at the Urban Renewal project

priorities and some believe road access issues need to be resolved first, which will push back the schedule for development of the center. Discussion followed about possibly having a joint meeting with the City of Astoria to pitch the priority for the conference center first and the ability of the Port to service the annual debt for the project. Peter Gearin also emphasized the need to let Port tenants know plans as soon as possible for their future planning.

- A draft Strategic Plan for Columbia River Dredge Material Management has been placed in the commissioner boxes for review. The Oregon Solutions Team has proposed solutions and is addressing the long-term strategy for dredge spoils management. They will have a meeting January 26, 2004.

Discussion was held on the status of the Columbia River Deepening project.

There being no further business, the workshop session was adjourned.