

MINUTES  
PORT OF ASTORIA  
REGULAR COMMISSION MEETING  
DECEMBER 18, 2007  
PORT COMMISSION CHAMBERS

Chairman Dan Hess called the regular meeting to order and took roll call.

Commissioners present: Dan Hess, Larry Pfund, Kathy Sanders, Bernie Bjork and Bill Hunsinger.

Staff present: Ron Larsen, Esther Jones, Colleen Browne, and John Hord.

CHANGES TO AGENDA. Changes to the agenda: put the presentation at the beginning the meeting to give Ron Larsen time to arrive from Salem.

PRESENTATION: SALMON RECOVERY, JOHN VEENENDAAL

The presentation at tonight's meeting by Mr. Veenendaal explained the role of the Oregon Watershed Enhancement Board in improving salmon habitat.

RESOLUTION 2007-41 ASSIGNMENT OF LEASE, ENGLUND MARINE SUPPLY, CO. Jon Englund of Englund Marine Supply Co. is requesting in a letter to the Port of Astoria to reassign the former business name to Englund-Astoria, LLC as the new business name. Englund explained the reason for the reassignment of the lease, such as estate planning. Commissioner Hunsinger made a motion to approve the resolution, Commissioner Pfund seconded. The ayes carried unanimously.

MINUTES: Workshop Meeting, November 7, 2007; Workshop Meeting, November 13, 2007 and Regular Meeting, November 20, 2007. Commissioner Bjork moved to approve the minutes of the aforementioned meetings. Commissioner Pfund seconded the motion. The ayes carried. \*\*\*

VOUCHERS FOR THE MONTH OF NOVEMBER 2007. Commissioner Hunsinger had questions on the vouchers on various expenses:

- 4C's Environmental, which is the company who did the work hooking up the entire power requirement for the West Basin's fuel project.

Commissioner Sanders questioned:

- Expense on page 7 for cruise ship coordinator, At Sea Consulting. Finance manager, Colleen Browne explained it is the payment to Mr. Mitch Mitchum for his services during a cruise ship visit.

Hunsinger continued:

- Page 1 and 2, rent paid for marina office. Browne explained the items the purchase journal report indicates items only entered for payment, not actual payments. For payments, the check register report lists items paid.
- Page 4, land application fee for \$500 for sale of land. Larsen added he believed it was for the purchase of land on pier 3.
- Ocean Crest Seafoods, aka the Woodbine
- Page 15, legal, Peter Gearin. Item in question is port attorney, Andrew Jordan from the firm Jordan Schrader, breaking down categories which was for issues dealing with Mr. Gearin.
- Cement patching. Browne asked for a vendor name.
- Also questioned for the month of November, \$33,000 paid for dredge.

Discussion followed on expenses related to the dredge. Larsen added that the dredge has been operating better than usual after all the work that has been done. Chairman Hess asked other questions and none were mentioned. Commissioner Sanders made the motion to approve the vouchers; Commissioner Bjork seconded the motion, which carried unanimously.

RESOLUTION 2007-40 OREGON DEPARTMENT OF TRANSPORTATION: Acting Director Ron Larsen explained it is a resolution Commissioner Bjork had asked the port to draw together. The resolution is vital to economic impact; asking ODOT to reconsider where the Warrenton Parkway and Astoria bypass are being placed. The two together are part of one plan. Commissioner Sanders moved to approve the resolution, Commissioner Bjork seconded the motion, which carried unanimously.

DISCUSSION, BORNSTEINS LETTER: Commissioner Sanders questioned, if changes to the building, adding to the design required port approval. There has been nothing "official" submitted (in writing) requesting areas of parking for the facility and their fish factory project. In the feasibility study, looked into by all on the board, Commissioner Hunsinger noticed it lacked parking details. He also noted the numbers of tourists that may come to the facility could interfere with cruise ship visits. An entire workshop was suggested to address the subject.

Hunsinger asked Larsen to explain a letter from port attorney Andy Jordan in regards to Bornsteins' lease. There is a letter from the Department of Justice, noticing an irregularity in the lease itself that called for a "buyout" at the end of the period when payments are concluded where the port can sell the building for a dollar. He added that the state, who the money was borrowed from, stated the section could not be included in the lease and it was removed in February. The following month, in review of the documents, there was another amendment that put it back in. Again, the state did not approve this portion of the lease. All attorneys are reviewing the details. Larsen feels the best action would be to cancel the amendment, and possibly get a "non-binding" agreement between the two entities.

An issue with schedules and January meeting schedules: proposed the port meeting be moved ahead one week, since Commissioner Pfund will be recuperating from surgery at the beginning of the month. It was then agreed the workshop will be January 15<sup>th</sup>, and the regular board meeting January 22<sup>nd</sup>.

DISCUSSION, DAYANG SEAFOODS: Representatives from DaYang Seafoods at meeting. A contract has been signed between Lorentz Brunn and DaYang to do work at the facility to repair the fire damage to the building. Corporate structure within the company is in reorganization. Fire damage repairs have not begun, as of yet, since it will go along with storm damage.

#### CALENDAR

- Workshop and regular meeting dates noted.
- Board going back to having just one workshop per month. Extra workshops will be on an "as needed" basis. Bornsteins' issue penciled in for the 15<sup>th</sup> of January, will look at schedules of everyone involved.
- Holidays in future, noted.

#### REPORTS

Finance. Colleen Browne reported:

- Invoicing for dockage, equipment rentals, and vessel visits being caught up on. Utilities also being picked up by her department while Rita Fahrney on medical leave.
- Tax revenues coming in at half a million dollars. Forty-six percent to go to restricted fund and balance into savings.

Larsen added the Global Sentinal agreed to pay additional money in order to have dredge crew move our dredge out of the way. A \$5,000 charge was added to their visit. Also, the Woodbine has been sold. Although still here, it is still unclear exactly when it will leave, possibly around Christmas time.

Commission.

Commissioner Pfund:

- Attended a Lower Columbia Solutions meeting. Dredge disposal issues are of some concern. A "solution" to the issue there, just needs to be financed and on the table.

Commissioner Sanders:

- Attended Clatsop County manufactures meeting.
- Attended briefing with the assistant secretary of commerce in recovery phase after the hurricane. Insurance issues were discussed.

Other meetings cancelled due to the storm.

Commissioner Hunsinger:

- Spoke to American Seafoods on their visit at the port recently. Will continue discussion with the company and try to come up with a follow-up visit.
- Would like to visit Newport to discuss the amounts of catcher processor products being brought in. He believes the port needs to look at other things to help with revenue coming in.

Commissioner Bjork:

- The Oregon Ocean Policy Advisory Council (OPAC) coming to Astoria January 7-8<sup>th</sup>. Elected officials should talk to processors. Talking about marine reserves. Important for fishermen locally. Should be at the Holiday Inn Express, though the place where the meeting will be held is still not final.
- City of Seaside meeting November 26<sup>th</sup>.
- City of Warrenton meeting November 27<sup>th</sup>.
- Port Supplemental Budget meeting on November 28<sup>th</sup>.
- Camp Rilea meeting he and Commissioner Sanders attended. Senator Wyden there to access storm damage.

Chairman Hess reported:

- Pleased with local radio station during the storm

Chairman Hess called for added information. Larsen added the meeting he attended today with the governor regarding the issue in Tillamook and their railroad damaged in the storm and options available. Twenty million dollars to fix; currently trucks are helping with deliveries of the lumber from Hampton, Stinson, and Weyerhauser lumber mills in the area. Looking at options. No other meeting scheduled.

PUBLIC COMMENT. Chairman Hess called for public comment.

- Don McDaniel explained the need for a central place to dispense storm recovery funds and receive contributions.
- Lori Durham: hoping the port gets businesses that are "port" related.
- Clatsop County Commission president Richard Lee: thanked the port commission's resolution on the bypass.

OTHER BUSINESS:

- Commissioner Sanders: Completion of documents related to the end of the Bornsteins building project needed to be shared with entire board, not just board president. Needed to be done differently, in a workshop session, before signing off.
- Commissioner Hunsinger: Reviewed legal expenses and fines for Peter Gearin. He questioned Colleen Browne as to whether we owed the legal firm more money. According to her, the balance owed is interest only of approximately \$5,000 and has written a letter asking them to forgive the interest. She has not heard back from them. Commissioner Hunsinger remembered the outcome of meetings on the subject, and asked why we had paid the bill. According the port's attorney the port needed to pay all the bills that are part of the past. Ron Larsen added the attorney's recommendations were to pay the account off instead of paying a monthly payment. He recollected the board's decision to wait a while to see if a letter was to be sent (to the legal firm) at some other time in the future. Commissioner Sanders remembered the details differently.

A **motion** was made by Sanders for finance department to complete a breakdown of dredging violation (Clean Water Act) related expenses that is in an easily readable format to be presented at the January regular meeting. Commissioner Hunsinger seconded the **motion**. Voting on the motion Chairman Hess and Commissioner Bjork voted no. Commissioners Sanders, Hunsinger, and Pfund voted yes.

Commissioner Sanders made a second **motion** for a one-to-two page written report done on Supplemental Environmental Project (SEP) with recommendations. Commissioner Pfund seconded the second motion, regarding the SEP. After some discussion, Commissioner Sanders offered to withdraw her second motion. It was decided to keep it on the table and vote on it. The board members voted: four members voted yes, and one member, Commissioner Bjork voted no.

Some additional discussion followed on the retirement issue relating to Laurie A. Jones and Anthony Stoffelsen.

With no further business to discuss, the meeting was adjourned.