

MINUTES  
WORKSHOP SESSION  
FEBRUARY 8, 2005  
PORT COMMISSION CHAMBERS

President Larry Pfund called the workshop session to order and took roll call.

Commissioners present: Dan Hess, Jim Bergeron, and Glenn Taggart. Don McDaniel was absent.

Staff present: Peter Gearin, Ron Larsen, Esther Jones, and Port Attorney Heather Reynolds.

Others present, were Kate Ramsayer from the Daily Astorian, and Jeff Nelson, from KAST radio.

Ron Larsen, airport manager reported:

- The State Land Board met today and has approved the quit claim deed on the Skipanon Peninsula. "All a done deal" Larsen said, clearing up all title to lands.
- Final plans in hand, Lektro and the Warrenton Planning Division meeting tomorrow on their addition to the building. No problems anticipated and will have check as soon as they are approved. Plans on their desk first thing Thursday, to start review process and specifications. Once permits issued, we can go out for bids.
- Lektro attorneys have advised them, "better off" to purchase the WWII hangars leased by them since the 1940s. In the long run, purchasing them would be an asset to Lektro. As the port does not usually sell any of their land/buildings, the possibility that it could be discussed. The possibility of having to "start over" with the Oregon Economic Development Department (OECDD) loans, the 2.5 million Community Facilities Infrastructure Project would become null, if purchased. The process would have to be started all over, as Lektro is not a public agency and would not qualify.
- The city of Warrenton has approached the port with the possibility of constructing an 18-inch water waterline to the airport. If the city of Warrenton can provide enough water through its existing water line, the plan would work better than a tank that would need extra dollars spent on pumps, generators and buildings. With the plan needing to get going, the city of Warrenton has hired an engineer to see if it's possible. Monies from OECDD will be used for that purpose. More discussion followed on the other tenants at the airport and their water supply.

- Aviation fuel tanks pre-bid inspection complete and bids are due back on February 23<sup>rd</sup>. One of the first things to be done before Lektro can proceed is the fuel tanks. Could take 8-10 weeks to build.
- AgBag still finalizing orders to March and will be out after that; meeting with a realtor tomorrow, working with a customer expressing the desire to lease a portion of the building, and maybe some land associated with the location.

Discussion followed on the pros and cons on selling the building to Lektro versus continuing to lease the property. In the long term, to build a building for a specific tenant is better. The FAA has a say in selling land at the airport. Also, when funds are received from loans and grants through federal funds, monies have to be used for development at the facility.

Peter Gearin reported:

- West Basin Improvement Project: The port dedicated money from that project to build a new marina office and public restrooms. However, Glenn Taggart of C.A. Taggart Construction has proposed to build a 20,000-square-foot multi-use building at the northeast edge of Pier 1, bordering the West Mooring Basin.

Staff viewed blueprints and renderings for the facility. Plans include the new marina office (1,500 of that dedicated to Port of Astoria marina office), public restrooms, showers and a laundry area. He is also hoping to lease space to a restaurant and other businesses, maybe yacht brokers and charter boat operations.

Taggart is hoping to start construction in April 2005 and ready to occupy space by January 2006. Area is zoned S2, which allows leasing to temporary users. Architect, Tom Potter, has just started process of planning review with the city.

Gearin mentioned what a great development it will be, meeting all the port's expectations, adding another development for the urban renewal district. It will be a good balance to the conference center on the other side of the marina. Users at the marina seemed to be excited about the upgraded, new facilities in the plans as rate increases were not objected to. A lease should be to the commission in a month.

**PUBLIC CONTRACTING.** Port attorney, Heather Reynolds updated staff and the commission on public contracting rules. On March 1, 2005 all old laws and rules are "out the window", with new laws starting that date. If the port wants to

have any rules, they need be in effect that day. If no rules are in place, you would fall, by default, under state rules. State rules do not address things like contract approval and small purchases and need commission approval for small items as those. Heather has drafted new rules to be brought to the commission on the next commission meeting, February 15<sup>th</sup>.

Special Districts' conference March 12<sup>th</sup>, and releasing their rules at that time. Ordinances not needed; resolutions the only thing. Unless you are taking a "class exemption", you don't have to give a published notice. Rules will be easy to change as you go, therefore making it an on-going process.

Current rules were written for building construction. They are trying to apply those same rules for small purchases and hiring attorneys. Separating services in two parts: one for goods and services, and one for construction. Rules still the same, just different numbers. New rules for purchasing goods and services, more detailed. Good news, exemptions now are way up. A direct hire can now be done without any competition for purchase of goods and services under \$5,000; architects and engineers are for \$25,000.

There is a state established informal procurement process: for goods and services under \$150,000, architects and engineers under \$150,000, or public improvements under \$100,000, except roads which are \$50,000. What it means you do not have to do advertising, just send out "request for proposals", on that basis, for goods and services, rather than a bid basis. Will be much easier to base choice on qualification and ability, and not the least expensive. Emergency exemptions stay the same for construction.

Not addressed by the public contracting rules are in particular that the port needs, contract authority of the executive director is now part of the local contracting rules. The port has to incorporate the contracting authority given to the director into the rules.

Buying/dispersing of property without bid for under \$5,000 need a rule addressing it. Class exemptions, terminal tariff, equipment rentals, fuel, hazmat environmental clean-up, and long shore services are all continued.

Gearin reported also, Bill Cook in Portland assuring the design complete with the Bornsteins project. It has reached some difficulty with the original plan for a sheet metal wall for the dock. Costs back higher than anticipated. Alternative may be a piling with a bank and rock; soil testing found ground not stable enough to put a dock on. Also found material dumped there years ago making it difficult to drive pile. Affordability is top concern. An open cell design, similar to the sheet metal wall at Tansy Point may be half a million dollars. Looking to be resolved in a couple of days. Everything ready to go with the exception on the

costs and how they're split for the premium. Permit also originally for a wall has to be kept on track along the way.

Dredging still not underway; different state agencies involved holding up the permit. Many delays have hampered getting started. Discussion followed on the many obstacles involved with the paperwork. Looking for a sixty-day extension from the Corps.

Commissioner Hess will not be at the regular commission next week. There being no further business to discuss, the workshop session was ended.