

MINUTES
REGULAR COMMISSION MEETING
TUESDAY, FEBRUARY 15, 2005
PORT COMMISSION CHAMBERS

Chairman Larry Pfund called the Regular Meeting to order and took roll call.

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

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

CHANGES TO AGENDA. Chairman Pfund called for changes to the agenda. None were noted. Heather Reynolds noted for the record, the Regular Meeting is also a meeting of the Local Contract Review Board.

MINUTES – Special Meeting, January 14, 2005; Regular Meeting, January 25, 2005. Commissioner McDaniel moved to approve the minutes of the aforementioned meetings. Commissioner Bergeron seconded the motion. The motion carried unanimously.

VOUCHERS FOR MONTH OF JANUARY 2005. Commissioner Taggart reported he reviewed the vouchers for the month of January with Peter Gearin and found them to be in order. He moved for approval of vouchers for the month of January 2005. Commissioner Bergeron seconded the motion. The motion carried unanimously.

PUBLIC COMMENT. Chairman Pfund called for public comment.

Fred White, Astoria, asked for clarification of the statutes or precedents that govern the Calpine Advisory Committee put together to advise Calpine on how to communicate to the public and how the role of public officials using public time to sit on a private advisory committee works. Chairman Pfund responded the idea of the committee is to determine what questions the community has and try to obtain the information from independent sources if possible. Commissioner McDaniel added gathering input from public officials participating in private committees is not unique. It is done for instance when the Conference Center Committee meets and chamber group meetings as well as other organization meetings. Some discussion followed about the last Calpine Committee meeting and how it was structured.

Peter Huhtula commented he serves on the committee and took time off from his position to participate. The point he wants to make is that if the work of the committee and answers generated are pre-decisional to the Warrenton Planning

Commission or other public bodies, he encourages the meetings to be as open to the public as possible.

Jack Guyot inquired why the Port of Astoria commission election is not part of a general election and how it is funded. Port Attorney, Heather Reynolds, responded the Port is a "Special District". Under Oregon law there are different statutes that govern members of Special Districts than governing bodies like the County. Elections are funded by County taxes and the cost depends on the amount of Special Districts involved in the election. Commissioner McDaniel added there is a conglomerate of special districts including fire, ports, sewer, utilities, etc.

Kris Daehler stated he wished to voice opposition to the Port's position regarding Calpine, understanding there are many who respect and believe it to be a good decision for the port and the area. He asked if the Port looked at alternatives and what attracted them to this decision. Chairman Pfund replied he grew up in this county and there is a great need for work opportunities. He further stated the greatest export from this county is our children due to lack of work opportunities. We need to create jobs that are not minimum wage. Calpine choosing Clatsop County is good news. He would not want to see the ships going up the river to another community, losing the family wage work possibility here.

Sue Skinner explained there is a finite amount of natural gas and spoke about the LNG controversies at other facilities. Commissioner Taggart responded the question of the amount of natural gas supply would take more time to debate than is available. Skinner further voiced her disapproval of the action taken by the Port commission to approve the lease, stating it is the wrong decision.

RESOLUTION 2005-07 ADOPTING LOCAL CONTRACT REVIEW BOARD RULES. Heather Reynolds reported, as discussed at the workshop session, beginning March 1, 2005 existing state contract and local administrative rules become void. There are new laws on contracting and signature authority. The Port, as the Local Contract Review Board, needs to adopt and use new state rules, adding exemptions unique to port operations. Heather further reported Special Districts Association released additional information about new local contract review rules and she has modified the resolution to reflect changes in the ability to buy federal surplus properties. Commissioner Taggart moved to approve Resolution 2005-07 adopting Local Contract Review Board rules. Commissioner Bergeron seconded the motion. The motion carried unanimously.

ASSIGNMENT OF LEASE – BORNSTEIN SEAFOOD TO ASTORIA PACIFIC SEAFOOD. Peter Gearin advised Astoria Pacific Seafood negotiated a lease for the first sardine plant on pier two. APS was not yet established as a corporation so the lease was entered into between Bornstein Seafood and the Port of Astoria. The Assignment of Lease from Bornstein to Astoria Pacific Seafood had never been completed. Staff recommends the commission approve Assignment

of Lease – Bornstein Seafoods to Astoria Pacific Seafoods. Commissioner Taggart so moved. Commissioner Bergeron seconded the motion. The motion carried unanimously.

RESOLUTION 2005-08 BORNSTEIN SEAFOOD LEASE. Peter Gearin advised Bornstein Seafoods approached the port to finance a new building on port property, using funding available through the State. The Port would borrow the funds, build the building and add payments to the land rate. Services for an engineer and architect will also be paid by state funds. The portion that is grant funds is based on addition of 80 new jobs created. The cost of the project has increased \$600,000 due to additional site preparation needed. Subject to approval of the commission of the lease, Bornstein will bear the cost of increased loan funds. Staff is seeking approval to conclude negotiations with Bornstein Seafood in order to have a signed lease for expenses now being incurred for architectural and engineering services.

Some discussion followed on the cost to service the debt. In response to Commissioner McDaniel's question on the additional cost for site preparation, Mr. Gearin responded there will be a need for more piling and beams in the flooring. Commissioner Bergeron moved to approve Resolution 2005-08 Bornstein Seafood Lease. Commissioner Taggart seconded the motion. The motion carried unanimously.

CALENDAR SCHEDULE. Chairman Pfund called for additions or changes to the calendar schedule. Peter Gearin noted the work session is scheduled for March 8th. The regular meeting is March 15th. Commissioner Bergeron is attending a Community Quotas for Fisheries meeting on the 18th in Newport.

REPORTS.

Finance. Peter Gearin reported revenue is ahead of budget. Old accounts receivable accounts are being caught up.

Commission.

Commissioner Bergeron attended the OCZMA meeting. There was discussion about community quotas for fisheries. He thinks it is in the best interest of the Port to not become involved in this issue. The Near Shore South Jetty meetings will do research this fall and additional meetings will address dumping sand on the beach. CREST members will re-advertise for the manager position. None of the applications submitted were chosen.

Commissioner McDaniel attended the Salem ODOT meeting. The N.W. Area Commission on Transportation talked about highway funds available and there was a big discussion on the Seaside project. Seaside has two choices, approve or disapprove the project. If it is turned down, the funds go into a state pot to be allocated to a different project – possibly the Tillamook by-pass. At the County Commission Workshop the community survey results were presented. 21-22%

were returned with concerns, noticeably “lifestyle” such as hospitals, quality of life and family wage jobs. On the business side, taxes, zoning and regulatory issues were addressed. With the results the County will position itself for the role of the County in regards to economic development.

Commissioner McDaniel briefly reported on the Special Districts conference he attended. He attended a Homeland Security seminar. They discussed funding needs and sources. The Legislative program contained no real issues affecting the Port. The Risk Management seminar focused on “not getting sued” with such topics as hiring and disciplinary procedures. He also attended the Building a Great Board seminar covering topics such as boards working together with staff, to which he commented he believes Port of Astoria members are doing well.

OTHER BUSINESS. Chairman Pfund called for other business. Commissioner McDaniel asked Ron Larsen to provide an update on the Lektro project. Ron Larsen reported requests for bids will be published on the 17th and 24th of this month. Opening is set for March 17th. The City of Warrenton Planning Commission has approved the permit for upgrades. Ron Larsen briefly reported on an alternative approach from the City of Warrenton to securing adequate water supply instead of the installation of water tanks which would connect the Airport by routing 18” line from the Pacific Power site to connect with the airport.

There being no further business, the meeting was adjourned.