

MINUTES  
REGULAR COMMISSION MEETING  
PORT OF ASTORIA  
MAY 24, 2005  
PORT COMMISSION CHAMBERS

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

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

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

Others present: See sign-in sheet.

CHANGES TO AGENDA. Chairman Pfund called for changes to the agenda. Peter Gearin reported three items to add:

1. Request Approval for Purchase of Fuel Tanks
2. Approval of Contract – Floats, West Basin
3. Community Development Department – appoint delegate/alternate.

MINUTES

- (a) Workshop Session, April 12, 2005
- (b) Regular Meeting, April 19, 2005
- (c) Special Meeting, May 3, 2005

Commissioner Taggart moved to approve the minutes of the aforementioned meetings. Commissioner Hess seconded the motion. The motion carried unanimously.

VOUCHERS FOR THE MONTH OF APRIL 2005. Commissioner Taggart reported he reviewed the vouchers and moved for their approval. Commissioner Bergeron seconded the motion. The motion carried unanimously.

PUBLIC COMMENT. Chairman Pfund called for public comment. Rose Priven asked if there is resolution to the dredge spoils issue and if the Port has a plan to get tenants with delinquent back taxes to pay them. Peter Gearin responded the Port of Astoria cannot pay taxes for tenants if they do not pay. The terms of their leases will dictate action taken. The Port is continuing to work on the resolution of the dredge spoils issue with a 30-day plan to resolve. A consultant is providing chemical analysis of samples – are clean.

STEVE FICK, FISHHAWK FISHERIES-UPDATE ON FISH QUOTAS. Steve Fick discussed potential legislation that would isolate processing/drag fishing/sardine limits to exclusive groups to process and that if certain species were not fished historically, then

certain groups would have no right to process them in the future. He is working opposing the legislation and believes all should have the opportunity to continue to compete in the fisheries. He further explained the fisheries involved and how the legislation would work. The species are “nationally-owned” resources and should not be given to one certain industry. Commissioner Bergeron added he is familiar with this topic and they are considering limited entry processors/fisheries. He recommended the Port not take a position at this time; however, to consider taking a position in the future. It is not in the best interest of the Port or the community to have a “control of industry” by any entity. Chairman Pfund thanked Mr. Fick for his presentation and stated staff will work to get a presentation by representatives to speak to both sides of the issue.

2005/2006 PORT OF ASTORIA BUDGET. Commissioner Bergeron moved to appoint Bill Harris to fill the vacant Budget Committee member term and Peter Gearin to serve as Budget Officer. Commissioner Taggart seconded the motion. The motion carried unanimously.

APPROVAL OF EASEMENT – PACIFICORP. Peter Gearin reported this is an easement for a utility relocate for the Englund Marine development, is a standard form and has been reviewed by Heather Reynolds. Commissioner Taggart moved to approve the Pacificorp Easement. Commissioner Hess seconded the motion. The motion carried unanimously.

APPROVAL OF CONTRACT – CONCORD CONSTRUCTION. Ron Larsen reported on March 17<sup>th</sup> staff held a bid opening for the Lektro expansion. Five bids were received. The low bid was submitted by Concord Construction in the amount of \$1,974,000. Concord has worked with the architect, Lektro and staff to value engineer the project to bring the costs down to \$1,863,525.00 - within budget. Larsen explained the advantages as follow:

- (1) Allow project to move forward with lowest bidder within budget
- (2) Provide expansion area for Lektro
- (3) Provide office space for Lektro employees
- (4) Economic Development
- (5) Increase value of Port-owned building

The disadvantage is the Port will incur a debt of \$2,591,900 for a 25-year period. Larsen reported the contractor also has two local subcontractors providing services. Staff recommends the Commission approve the construction contract. Commissioner Hess moved to approve the contract with Concord Construction. Commissioner Bergeron seconded the motion. The motion carried unanimously.

APPROVAL OF CONTRACT – WESTERN UNDERGROUND, AIRPORT WATERMAIN. Ron Larsen advised this contract is to provide required water volume to the airport. The Port received four bids. Western Underground submitted the low bid in the amount of \$202,384. This is a significant project that has been ongoing for at least 13 years and will provide volume sufficient to meet fire flow suppression requirements. The City of Warrenton will have a concurrent project to bring an 18” line from the area of

PP&L to the Port's elk guard. Staff recommends approval of the contract. Some discussion followed about the increase in capacity and how the water line will be ran. Commissioner Bergeron moved to approve the contract with Western Underground. Commissioner Taggart seconded the motion. The motion carried unanimously.

APPROVE RESOLUTION AND ORDER NO. 2005-18. Ron Larsen reported this item is continued from the May 3<sup>rd</sup> meeting for action as the Contract Review Board to exempt from competitive bidding the purchase of the aviation fuel systems for the airport. Bids were received and rejected due to excessive costs caused by the technical specifications in the bid documents. Air BP can supply tanks that meet their specifications and provide a package that includes the fuel systems, testing, commissioning and decommissioning of the old system at a cost of \$363,529. Staff recommends approval of Resolution and Order No. 2005-18 exempting contract for purchase of two aviation fuel systems and award of bid to Air BP. Commissioner Bergeron moved to approve Resolution and Order No. 2005-18. Commissioner Taggart seconded the motion. The motion carried unanimously.

APPROVAL OF GRANT – NOEA, PHASE 1 SCOPING FOR AIRPORT INDUSTRIAL PARK. Ron Larsen reported, with the watermain extension a reality, OECD is recommending the Port complete a Phase 1 scoping project in accordance with the State's Industrial Site Certification Questionnaire. This project will develop an action plan regarding the appropriate development potential for the site, timelines, costs and critical path for completion of the work. Mark Barnes has been hired to complete the project. Staff recommends the Commission approve the Northwest Oregon Economic Alliance Grant (NOEA) for \$5,000. Commissioner Bergeron moved to approve the NOEA grant for \$5,000 for Phase 1 scoping in accordance with the State's Industrial Site Certification Questionnaire. Commissioner Hess seconded the motion. The motion carried unanimously.

APPROVAL OF LEASE – PACIFIC VIEW WINDOWS. Ron Larsen advised Ken and Cheryl Winebrenner are releasing management duties of Pacific View Windows to others who will operate the business. The Winebrenners have been a tenant of the Port for many years. Staff negotiated a new lease with an additional bay created with Ag-Bag's release of the space. The lease will commence June 1, 2005 for two years with three successive 2-year options. Staff recommends the Commission approve the lease with Pacific View Windows. Commissioner Hess moved to approve the two-year base lease with Pacific View Windows. Commissioner Taggart seconded the motion. The motion carried unanimously.

RIVERLAND – LEASE AMENDMENT. Peter Gearin advised as stated in Bill Cook's staff report, River Land is requesting an extension to the effective date of their lease in order to complete the zone change required by the City of Astoria. The City cannot approve the change until the Transportation Impact Study is completed. River Land has requested an extension to November 1, 2005. Staff recommends approval of the extension. Commissioner Bergeron moved to approve the lease amendment with River

Land Co. as recommended by staff. Commissioner Hess seconded the motion. The motion carried unanimously.

**AWARD CONTRACT FOR MARINA FLOAT CONSTRUCTION.** Ken Smith reported four bids were received for the West Basin Phase III expansion-design, fabricate and supply floats. The marina currently has 53 people on a waiting list for moorage over fifty feet. The low bid was submitted by Bellingham Marine in the amount of \$652,150.00. The funding will be through OECDD and a grant. Staff recommends award of the contract to Bellingham Marine. Commissioner Taggart requested information on the start and completion of the project. Mr. Smith replied the floats will be available November 1<sup>st</sup>. Dredging will be completed and then the floats will be installed with a target completion by Thanksgiving to have the floats in the water. Commissioner Bergeron moved to approve award of the contract to Bellingham Marine. Commissioner Hess seconded the motion. The motion carried unanimously.

**CALENDAR SCHEDULE.** Peter Gearin advised budget documents for fiscal year 2005/2006 are ready for distribution. The first Budget Committee meeting will be May 26, 2005 with another June 2<sup>nd</sup>, if needed. The Budget Hearing is scheduled for June 14, 2005 with adoption of resolutions to be held on June 21<sup>st</sup> during the Regular Commission meeting. Strategic Planning meeting set tentatively for June 23, 2005. Rita Fahrney reported on the Rose Festival ship arrivals, due in June 8<sup>th</sup>, departing morning of the 9<sup>th</sup>. Ron Larsen reported an Airport Master Planning meeting will be June 14, 2005 at 3:00 p.m. at the Runway Café.

#### REPORTS.

**Finance.** Peter Gearin pointed out on page 3 of the financial reports, for the April month ending the Port received \$12,700,000 in grant/loan funds. A substantial amount of this money will be spent in the next few months. He will continue to provide monthly reports of funds received and spent on capital projects.

**Commission.**

Commissioner Bergeron reported on a recent two-day meeting of the South Jetty Group. They contracted with scientists who did papers on six different issues including sand movement, currents, waves and animal effects. There was then review of the papers with policy people. Decision was to go with experts to get floor of knowledge. Plan is to do one-day dumps to test thickness of layer to lay down.

Commissioner Taggart met with a Bio-fuel consultant representative to get a handle on the technology advances. The representative did a good job explaining Bio-fuels. Taggart would like to further discuss the technology with a formal presentation, having the Port sponsor it for \$300 and they will go over the process and show how conversion is done to make bio-diesel, a "cooking oil". Commissioners concurred with Commissioner Taggart's request to sponsor a presentation. Ken Smith noted the marina fuel facility will be offering bio-diesel fuel when moved.

Commissioner Taggart also met, on an energy committee, with a company leasing land that is an energy producing company. It is a good opportunity for the Port of Astoria to gain awareness. The State of Oregon is now also becoming involved. The committee may be moved into another organization to follow up, such as CEDC.

OTHER BUSINESS. Commissioner Taggart noted it is time for the Commission to do the yearly performance evaluation of the Director, Peter Gearin. Last year one was not done. They will look into a July timeframe to set this up.

There being no further business, the meeting was adjourned.