

PORT OF ASTORIA

SPECIAL MEETING MINUTES

JUNE 10, 2009

1. CALL TO ORDER/ROLL CALL

President Larry Pfund called the meeting to order at 10:00 am.

Persons present were:

Commissioners: Larry Pfund, President; Bill Hunsinger, Vice President; and Dan Hess, Alt. Secretary/Treasurer. Floyd Holcom, Treasurer entered meeting at 1:15 pm.

Staff: Jack Crider, Executive Director

Janet Farstad and Lesle Palimar

Guests: Lori Durheim, Andrew Bornstein

2. PURPOSE OF MEETING IS TO INTERVIEW CONSULTANTS TO COMPLETE A STRATEGIC BUSINESS PLAN AND TO INTERVIEW APPLICANTS INTERESTED IN THE COMMISSIONER VACANCY.

A. Strategic Business Plan Consultant Interviews

1. MAUL FOSTER & ALONGI, INC (MFA).: John Nelson, Principal Planner; Michael Stringer, Project Manager; Steve Pottle, Director of Economic Development; and Lee Smith, Consulting Economist.

Completed Central Waterfront Master Plan for Port of Astoria in 2001.

Plan to create opportunities, not re-create existing document.

Tongue Point offers a lot of opportunities.

Lee Smith's background is in community real estate, specializing in airport development, will analyze markets and financial aspects.

Need to safeguard marina, airport is underutilized.

Will follow OECD template for report with ability for financial analysis.

Report will analyze entire property for achievement of shovel ready asset to eliminate months of permitting for a single tenant.

Ability to network globally is important in this era.

Business recruitment needs for current businesses retention and expansion, and target recruitment.

Plan community involvement to create vision expected by contacting tenants, businesses, and having public meetings.

Number of people on project will be 4.

RECESS 11:05 AM TO 11:15

3. THE BENKENDORF ASSOC: Al Benkendorf, Project Manager; JOHNSON REID LLC Jerry Johnson, Finance; CONSULTANT Allen Rumbaugh, Operations (former Port of Coos Bay Director); and RIVERWISE LLC Margaret Johnson, Market Assessment.

Will design a detail scope of work and negotiate cost after selection.

Benkendorf sits on Statewide Port Study group and could position the Port of Astoria. Johnson completed Tillamook Ports cost center study.

Management measurement for performance to be evaluated identifying skills needed. Airport not addressed as it recently had a Master Plan completed.

Bill Hunsinger noted that the airport property is not keeping up with Warrenton growth, not developed; and cruise ship industry has good potential.

Dan Hess questioned no community involvement.

Benkendorf said a business plan is for the commission and advised not a lot of emphasis on community. Internal activities that run the Port are not part of the community. Public outreach extends time for report when the board is voted to make decisions in the best interest of the Port. Only public outreach will be through normal business meetings that are open to the public.

Number of people on project is 4.

Could start in July and finish by end of year.

RECESS 12:16 to 12:36 pm

#### B. Commissioner Vacancy Applicants

A Commissioner vacancy was declared after accepting the resignation of Commissioner Kathy Sanders. The public was informed of this vacancy and invited to apply for the position. Twelve persons choose to apply. The Commissioners will ask the same ten questions to each applicant and then ask other questions as a result of resume or interest. Upon completing the evaluations, the 12 applicants will be narrowed to 3 and invited to Tuesday's meeting to make a final presentation. It is expected that the Commission will vote on the candidate to fill the vacancy at the Tuesday nights meeting.

The same ten questions to each applicant are:

1. Ability to serve (time requirements)?
2. Education?
3. Length of Residence in Clatsop County?
4. Governmental board experience?
5. Private business experience?
6. Professional experience?
7. Knowledge of Port activities?
8. Knowledge of current issues?
9. Team building experience?
10. Why do you want to be a Port Commissioner?

Scoring: 1-Poor, 2-Below Average, 3-Average, 4-Above Average, 5-Outstanding

##### a. Lori Durham

1. Able to serve, have attended 99% of meetings in last 3 years. Believes it would be exciting to serve, is a contributing member, team player and will work on public perception.
2. High School in California, General Office diploma from Clatsop Community College.
3. 32 years in Clatsop County.
4. No elective, Vice President of Astoria Visual Arts.

5. Worked at Video Horizons and Post Office. Not an owner of private business. Was a housewife for 20 years.
6. Commercial fishing experience from Mexico to Canada, custodian of 40' sail boat.
7. Having attended 99% of Port meetings in last 3 years, have a pretty good understanding of Port activities.
8. Have been following Tongue Point and believes it is a great opportunity. Airline is very important. Pier 2 needs more businesses. Cruise ships are an asset. The railroad needs work and is very important to Tongue Point.
9. When a board is divided and negative nothing get done. Want to see progress to make it a Port again. Need to work together, infighting can't get business done.
10. Excited about Tongue Point. Vision of Port is to be a Port again working for all the people, not bickering. Everyone will not like the commissioners but now there are not many who like the commissioners, need to increase trustworthiness. Would be in favor of ship breaking if possible to make money and be environmentally sound. The airport needs to keep up with draining so it doesn't revert to wetlands.

Dan Hess questioned concern with people associated with and politics.

Lori responded that she understands having pressure. She has told people that she will represent what's good for the Port. Perception to the public is important and will give up Letters to the Editor, activism protests.

b. Robert Stang

1. Has the time, does travel but can be available by phone and/or email.
2. Bachelor of Art in Community Relations  
Master in Business
3. 3 years
4. Housing Authority for Clatsop County  
Many non-profit and in private sector.  
On CEDR board.
5. Real estate development 40 years in family business, has brokers license.  
Turned 20,000 rental units into condos.
6. Relates to private business in #5.
7. Not very but willing to learn. Has the background to understand.
8. Read about the Port in the newspaper. Know there are a host of issues regarding Tongue Point, LNG, airport, need to red elope assets.
9. Ability to work with governments requires a great deal of understanding and patience. Developer experience instilled understanding.
10. Recommended by Floyd Holcom. Fundamentally people who volunteer want to do good for the community.

Bill Hunsinger asked his vision and what he could bring to the Port.

Robert responded business life is driven by the desire to think about long term. Institutional goals are more long term. Port needs long term goals for sustainability. Vision of asset use is to betterment of Port. No preconceived notions.

Larry Pfund asked his objective of LNG and other issues.

Robert responded consideration of facts, express opinion but can't change background.

1:19 pm – Floyd Holcom entered meeting.

Floyd Holcom said the challenge is the ability to provide substance to the Port of Astoria. Robert's resume includes land use planning but questioned what else.

Robert said his experience applies to industrial use and understands how to get it done. He is used to looking at assets and seeing potential.

c. Karl Hansen

1. Semi retired from electric company. Is a partner in consulting but time is not constrained. Serves on Credit Union Board that meets the 3<sup>rd</sup> Thursday each month.
2. No higher degree, 2 apprenticeships.
3. Move to Astoria in 2005.
4. General Manager to Clatenine Board of Directors. Asst. Manager to Canby Utility. No elective office.
5. Left Pacific Power to start up consulting. Have a general contractor's license. Do utility training sessions and online training.
6. Has knowledge working with boards. Know the line between board policy and micro-managing. Has knowledge of energy grid serving north coast, including drawbacks and problems of energy for Port development.
7. Understands viewpoint of paper is one sided. Likes to be independent. Irons in the fire are airport and Tongue Point
8. Knows history of Tongue Point – excellent property Some of the contamination issues are being cleaned up. There is electrical capability at Fern substation but line to Tongue Point is inadequate.
9. PP&L team disconnected prior to his employment. Eric Johnson came in and dissention went away. Karl was promoted to Regional Directors in charge of 2007 windstorm restoration that activated 80 crews in 24 hours.
10. Want to be part of growth and give back to community. Knows there will be hard work and some controversy. Likes the process boards go through. Would be comfortable with decision of board after following process.

Larry Pfund said some personalities are better with boards and asked about his.

Karl said he is very comfortable and knows the line between board and staff, understands the job. Have made unpopular decisions and can live with it. Supports working people.

d. John Dunzer

1. Unemployable, has the time, no commitments.
2. Masters in engineering and business, PHD in political science not finished.
3. Moved from Southern California to Astoria in 2004 to be closer to family.
4. Appointed to School Board and Planning Commission, not elected. Not good in general elections, general public does not like him or hear his opinion. Once people know him, he is appointed to offices.

5. Aerospace; United Aircraft Nordin Division with computers; Beckman Instruments minuteman testing for Apollo; Ultra Systems - started own company in garage, in 8 years went public worth \$8 billion; started consulting company.
6. Brings interest in creating family wage jobs. Interest in CEDR.
7. Very knowledge in general ports. Personally don't have knowledge of Port of Astoria operations.
8. Fairly good idea, read internet. Have interest to be on board, but have no support from anyone in community or family to be on board.
9. Have built teams by definition: trying to get people to succeed.
10. Newspaper has board on firing line, feels he could make points, don't need anything from community. Would be a real challenge.

Bill Hunsinger said he had a lot of people who voted for him, has tremendous amount of knowledge but loses energy by self negative comments. Questioned why downgrade.

John said people don't like change, its fun to laugh at yourself.

Floyd Holcom said John Denzer was the #1 reason he went to the debates, his comments were great.

John said he carries a lot of baggage.

e. Ed Neimi

1. No permanent commitments.
2. Born and raised in Astoria, left for 4 years in Navy and didn't come back until 14 years ago. Family here since 1886.
3. Bachelor from Oregon State
4. None
5. Self employed as contractor in residential and light commercial building.
6. Building trades and fishing in Alaska for Bumble Bee Tuna.
7. Worked in Ports (shipyards)
8. Worked for Oregon Responder and heard opinions, believes there has been good progress since Jack Crider was hired. Oregon Responder people a lot happier.
9. Construction crews of 3-5 people, factory trawler of 50 people, Oregon Responder.
10. Good impact, will carry some of the load, has time to contribute back to the community.

Bill Hunsinger asked what his visions were and if changes were included.

Ed said Tongue Point will have challenges, voters will not pass a bond.

Washington Group has the golden touch but couldn't make a go of it.

f. John Veenendaal

1. Lots of time
2. Europe, Holland Agriculture College for 2 years.
3. Dairy farming 10 years, started in Holland and then went to California before coming to Astoria.
4. Hay Growers Association as Vice President; USDA Soil Conservation
5. Farming since 1960, started in Arizona with 350 cows, then farmed in Washington with 150 cows. Since in Astoria bought salmon troll permit.

6. Board needs positive public relations and can help with that. Has taken legal courses, retired real estate broker.
7. Commission has 2 jobs: 1. set policy, and 2. oversee Director who has knowledge of Port operations.
8. Public relations are #1 issue. Tongue Point has been kept confidential, people need to know what's going on.
9. Get along fairly well with people, governing alienates people but OK if it doesn't go over 50%.
10. Would like to contribute to community. Personal philosophy fits the Port.

Floyd Holcom asked why he doesn't come to Port meetings.

John answered he has come previously but it's a personal reason.

g. Karl Konka

1. 100% available if necessary, has the time.
2. Graduated in top 10 of 600 students from Salem High School; Business degree from University of Oregon; Bachelor of Arts in English Literature; received highest score ever achieved from IBM in Los Angeles.
3. 13 years, moved away and now back for 4 = total of 19 years.
4. No governmental board, no idea how Port works compared to other groups.
5. Got a scholarship out of 500 applicants from US Bank, whereby working for them 1 year then attending college the next year, back and forth until graduating in 6 years. Started at bottom and worked up into management. Was Conversion Project Leader finishing ahead of schedule and under budget. Responsible for corporate budget.
6. Degree in finance economics, system analyst. Brings to Port the ability to understand financial spreadsheet comparison to the real world. After working for US Bank for 17 years, wanted to experience other parts of the world like brother.
7. Has general knowledge, would like to influence operations, lots of potential and would like to see it developed.
8. How to get economic development going, Tongue Point is critical to get.
9. Conversion Project Leader Plan was 30 people, did it with 12. Trained the people to complete the project. Need to have cooperation and trust to build a team.
10. Most exciting thing ever done in life. Moved back to be near water and have good memories of Astoria. It bothers him to see green stumps instead of piers and wants to be part of building it back. Port of Astoria should be leading the state.

Larry Pfund asked if he ever considered the Budget Committee.

Karl said committees make recommendations, he wants to be part of the decision making process.

h. Jack Bland

1. Yes
2. BS graduate from Stanford, Masters in Business; 5 years engineering in civil and aeronautical.
3. Moved from Portland 3 years ago.

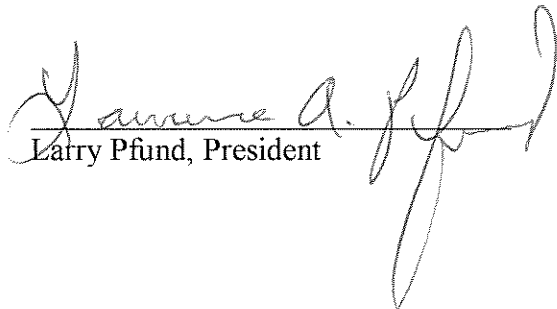
4. Charter member of San Matos Transit for 19 years, board of 9. Took district with nothing and went to fleet of 300 buses, in 1988 purchased 80 miles of railroad. Very important to look well into the future (10/12 years).
5. Forecasted growth rate of air passenger service and convinced FAA to allow growth at 11/15% compounded instead of 6%. Eventually that forecast was low. Port of Astoria passenger service is tremendous. Director of SRI. Had consulting business in marketing and finance.
6. As aeronautical engineer, worked with King of Saudi Arabia to review Transportation Plan. Has security clearance.
7. Not as much as need to know. Dredging contamination coming down the river is a problem, know about trying to purchase Tongue Point, need a rail line.
8. Slide on railroad track, important to economics to rebuild the railroad.
9. Lots of experience, always have been a team player. Air cargo has always been treated as secondary, forecasted explosion of cargo air and got the idea to convert passenger airplanes by putting in a floor and run seats in, modified Boeing Aircraft after buying 36.
10. Believe background and experience will fit with the Port ideas and board. Port is very interesting and has varied experience.

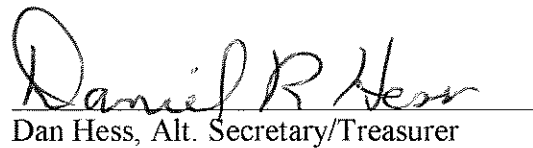
3. ADJOURNMENT at 4:10 pm.

Submitted by Janet Farstad

APPROVED:

ATTEST:

  
Larry Pfund, President

  
Dan Hess, Alt. Secretary/Treasurer

