

**PORT OF ASTORIA  
SPECIAL COMMISSION MEETING  
JULY 14, 2009**

**I. CALL TO ORDER/ROLL CALL**

President Larry Pfund called the meeting to order at 6:00 pm.

Persons present were:

Commissioners: Larry Pfund, President; Floyd Holcom, Treasurer; and Jack Bland

Staff: Jack Crider, Executive Director

Also present was Janet Farstad

News Media: Cassandra Profita, The Daily Astorian; and Jeff Nelson, KAST Radio

Guests: see Sign in Sheet

**II. OATH OF OFFICE**

Three commissioners were recently re-elected.

Clatsop County Commission Chairperson Jeff Hazen administered the Oath of Office for Port of Astoria Commission to Lawrence A. Pfund for position no. 1 and Floyd Holcom for position no. 2. Dan Hess, being absent, will be sworn in at the next meeting.

**III. AGENDA CHANGES**

Commissioner Holcom requested Haulout Hours be discussed under Other Business.

**IV. PUBLIC COMMENT**

Lori Durham questioned:

- A. Special Meeting status? She said that previously the first meeting of the month was a workshop with staff reports and no voting, but this has changed to a regular meeting where business is voted on. She understood that the Port could have as many special meetings as wanted but there was confusion as to calling it a special meeting when it was regularly scheduled and business was conducted, in essence two regular meetings a month.

Jack Crider explained that according to their attorney that workshops and special meetings are statutorily viewed as the same thing. One regular meeting is required a month and all other meetings are special meetings.

Commissioner Holcom said that many issues lengthen the regular meeting and the monthly special meeting allows ability to divide the meetings.

**V. WARRENTON FIBER AGREEMENTS**

Jack Crider presented four agreements ( Easement Grant, Construction, Right-of-Entry, and Street Vacation) with Warrenton Fiber which have been discussed for the last year, even a presentation by Steve Fulton at a previous meeting. Warrenton Fiber is making inroads across Port property to build on a 10-acre parcel of land near the Shilo Inn off Harbor Drive, along Holbrook Slough.

Commissioner Bland moved for approval of all four agreements, seconded by Commissioner Holcom.

DISCUSSION:

Commissioner Holcom said the CREST Wetland Agreement was now included.

Jack Crider responded that it is not a permanent delineation but a 5 year used for Warrenton zoning.

VOTE: motion was unanimously approved.

Steve Fulton thanked the Commission and said they will be proceeding forward with the project including a traffic study and will apply to vacate the platted streets when the project is completed.

**VI. OREGON STATE MARINE BOARD GRANT**

The State Marine Board approved funding through the Small Grant Program to purchase a portable pump out for Astoria East Basin. Funding will be \$3,381.25 in state boater funds and \$9,842.75 in federal Clean Vessel Act.

Commissioner Holcom moved to approve the grants and authorize the Executive Director to sign the documents, seconded by Commissioner Bland and unanimously approved.

**VII. MAKERS CONSULTANT CONTRACT**

Jack Crider presented the Professional Services Agreement that was included in the Request for Proposal document, but now includes the amount at \$65,385, a timeline and description of work.

Commissioner Bland did meet with MAKERS for their presentation to complete a Strategic Business Plan. He said it was a good presentation and they did admit that it was a lot of work for the amount of the contract. They expect to start the end of July.

Commissioner Bland moved to accept the contract and authorize the Executive Director to sign, seconded by Commissioner Holcom and unanimously approved.

**VIII. BALL JANIK RETAINER LETTER**

Jack Crider explained that the Port budgeted \$25,000 for lobbying; that July, August and September is a critical time to push for federal requests; and then the next critical time is in February in DC. The single request is for acquisition of Tongue Point. Senators Ron Wyden and Jeff Merkely along with Congressman David Wu have supported the request. The Retainer Letter calls for payment of \$4,166/month, including all out-of-pocket expenses, for a period of 6 months.

Commissioner Bland moved to authorize the Executive Director to sign the agreement, seconded by Commissioner Holcom and unanimously approved.

**IX. THANE TIENSON LEGAL SERVICES**

Thane Tiensen of Landye Bennett Blumstein reported his firm was initially hired in March for \$25,000 to address the DSL property ownership and the environmental cleanup in order to recoup the Ports expenses from the area wide contamination on Port property. The Port had insurance policies that should have covered the costs of the cleanup but a former Port counsel neglected to file claims against the companies responsible. It's estimated that the Port spent at least \$500,000 so far. The fees for legal

services of the claim will come out of money recovered. He expects it could take a couple years to file claims against all those who contributed to the contamination over many decades. A separate agreement needs to be submitted to go forward with the claim. Commissioner Holcom moved to move forward with the Agreement, seconded by Commissioner Bland and unanimously approved.

RECESS was called from 6:45 to 6:48 pm.

#### **X. BORNSTEIN LOAN REFINANCE**

Jack Crider reported that the \$2 million balloon payment owed on the original loan of \$10.5 million from Oregon Economic and Community Development Department has affected the Port's ability to finance the purchase of Tongue Point and caused difficulty with Bornstein. A revised repayment schedule has been proposed to level out the payments by increasing the monthly payments and deleting the balloon payments. Bornstein and the Port both agree the revised payment schedule for 25 years is preferred. The asset guarantee will not change.

Consensus of the Commission was to consider the final documents at the next meeting.

#### **XI. UNION FISH CONSENT TO OPTION**

The Consent Assignment was signed in February 2006 and recently a copy was received from the bank. Lack of this document had proved to be a problem. However, the Consent Assignment is the same as the Consent to Option signed on July 9, 2009.

#### **XII. OTHER BUSINESS**

##### **A. Haulout Hours**

Commissioner Holcom reported on a phone call from a California customer who thought they could get their boat hauled out over the weekend, but when they got here it was closed. He questioned availability of the haul out on weekends.

Discussion:

- Employees are under union contract which clearly identifies hours of work and the expense of overtime. Three employees are needed.
- Hours and procedure should be on the Port's website.
- Appointments can be made for haul outs after work hours.
- Strategic Business Plan should identify needs and how to resolve them.
- Study of daily use could produce a profile when haul outs are needed/used.
- Boatyards are normally for maintenance, boat launches are recreational.
- Extra charges could be proposed for weekends, or after hours.

Jack Crider will check into the incident, include it in the Strategic Business Plan Project and look for options.

#### **XIII. PUBLIC COMMENT**

Lori Durham questioned why the Executive Director sits at the Commissioner table, that people feel he is like a sixth commissioner, that he should only answer questions when

asked by the commission, but then went on to say he does wonderful work and not trying to discredit him.

Cassandra Profita requested more advance information and documents for the special meetings. She received an agenda but not documents for action to be taken at the special meeting.

Jack Crider said it was available at the Port office; she could stop by and pick it up.

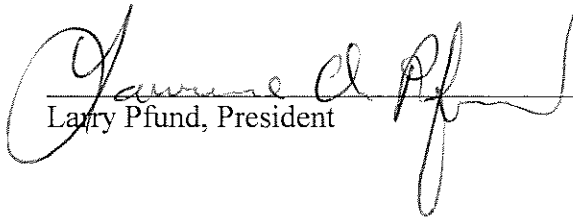
**XIV. ADJOURN**

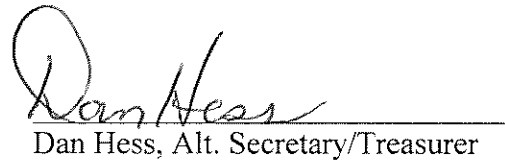
Commissioner Bland moved to adjourn at 7:15 pm, seconded by Commissioner Holcom and unanimously approved.

Submitted by Janet Farstad

APPROVED:

ATTEST:

  
Larry Pfund, President

  
Dan Hess, Alt. Secretary/Treasurer

