

MINUTES
PORT OF ASTORIA
REGULAR MONTHLY MEETING
NOVEMBER 21, 2006
PORT COMMISSION CHAMBERS

Vice President Dan Hess called the Regular Meeting to order and took roll call in Chairman McDaniel's absence.

Commissioners present: Jim Bergeron, Larry Pfund, Dan Hess and Bernie Bjork. Don McDaniel is on vacation.

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

Others present: See attendance sheet.

CHANGES TO AGENDA. Dan Hess called for changes to the agenda. Peter Gearin asked to have Authorization to Sign grant application with Oregon Economic & Community Development in section 9 of the agenda.

MINUTES: Regular Meeting, October 17, 2006
Commissioner Hess called for a motion to approve the minutes of the aforementioned meeting. Commissioner Pfund made the motion to approve; the motion seconded by Dan Hess, motion carried unanimously.

VOUCHERS FOR THE MONTH OF SEPTEMBER AND OCTOBER 2006.
Commissioner Pfund questioned a payment made on page 6 on 9/7/06. Pfund moved to have the vouchers approved. Commissioner Bergeron seconded motion. The motion carried unanimously.

PUBLIC COMMENT. Commissioner Hess called for Public Comment. Bill Hunsinger introduced himself and began the list of grievances. They are:

- The Taggart building on Pier 1,
- Dredging issues (violations/fines, work on the dredge),
- The departure of deputy director Bill Cook,
- The Western Oregon Waste (Wow) facility at the airport, and
- Vessels at Pier 2 abandoned by their owners.

The new Pier One Marina Building comes under fire by Hunsinger according to him in several ways: the height of the new building, condominiums offered for sale, the marina lease details, and the fact that other contractors didn't have a chance to make their offers to build. "That isn't the Taggart building, that's the

Taggart pier” Hunsinger went on to say, added that he (Taggart) “got a good deal”.

In short, he had question on the timing of the dredge work starting late with dredge season starting on November 1st. He also requested information on the dredging violations and the attorneys that handled the case. He wants to know why the port changed attorneys and had another one come in suddenly to continue. Gearin mentioned that Mike Lily had quit. Commissioner Pfund agreed the port should provide the information Hunsinger is asking of the port. Also as part of the request, he would like to have dollar figures on how much went to each individual attorney. Pfund added information, as that would be helpful, as sometimes he is approached and would like to be able to explain when asked.

On the sudden departure of deputy director Bill Cook, Hunsinger continued his concerns asking for a copy of the letter written by Gearin. Questioning whether a copy of the letter could be made available, port attorney Heather Reynolds answered him “there is no public document”.

The Western Oregon Waste deal at the industrial park at the airport was also a long topic of discussion. Details were tossed back and forth about the events starting with the lease deal. From director of operations Ron Larsen’s conversations with the county and Martin Nygaard pertaining to the regulations on bird hazards for airplanes, to who the project was discussed with or not. The Federal Aviation Administration (FAA) and the U.S. Department of Agriculture (USDA) were the departments that made the decision on location of this facility at the airport.

Finally, the vessels on Pier 2 that are taking up space due to owners’ neglect and lack of payments to the port was last on Hunsinger’s list. He asked why the vessels are still here? He added the vessels are leaking fuel and may cause considerable damage.

RESOLUTION 2006-15 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2006. Authorization is needed from the commission to sell the bonds in order to pay off existing bonds. It’s like refinancing. Commissioner Bergeron moved for approval, commissioner Pfund seconded the motion. The motion carried unanimously.

RESOLUTION 2006-16 REVER LAND LEASE - A standard port lease, south of port’s main office to include tenants that are storage commercial/industrial supporting the Marine Service Center. The building will be 116,660 square feet of space. Building to commence December 1st if approved tonight. The lease is a twenty-year lease with three twenty-year options. No cost to the port, except for section 9.2 in the lease. Many companies involved with clean up. A vapor

barrier and venting into the ground ordered from DEQ to be able to proceed with the line-up of tenants. May be the only cost to the port. Four buildings expected to be built, single story, twenty-four feet tall. Jason Palmberg and Jeff Canessa, the principals of the project were at the meeting to answer questions. Commissioner Bergeron made a motion to approve the resolution. Commissioner Pfund seconded the motion. The motion carried unanimously.

RESOLUTIONS:

- Resolution No. 2006-17 – Bornstein Lease Account
- Resolution No. 2006-18 – General Fund Checking
- Resolution No. 2006-19 – Revenue Fund Checking
- Resolution No. 2006-20 – Bank of Astoria Payroll Account
- Resolution No. 2006-21 – Marina Fuel Dock Account
- Resolution No. 2006-22 – Oregon State Treasury, Local Gov. Invest. Pool

Peter Gearin added that he would like to explain the Bornstein Lease (R&O 2006-17) a new account is needed to keep the large monthly payments due to the state in a separate account. Commissioner Pfund made a motion to approve the group of resolutions. Commissioner Bergeron seconded the motion, which carried unanimously.

MODIFYING THE AUTHORIZATION OF SETTLEMENT – CORPS OF ENGINEERS

Last December the commission approved guidelines with R&O 2005-32 for settling with the Army Corps of Engineers to read that payment may be spread over 3-4 years. Looking at the cost of the supplemental environmental project, the balance paid off in cash was first thought there would be five years to pay-off, in reality we are looking at three years to meet their deadline. Commissioner Bergeron moved to approve the modification. Commissioner Pfund seconded the motion after some discussion about a possible intervention by the agency, which carried unanimously.

OECDG GRANT APPLICATION AUTHORIZATION FOR SIGNATURE - Approval from the commission to apply for a \$25,000 grant with Oregon Economic & Community Development Department. Authorization grants authority for Peter Gearin to sign grant. The total cost, less the grant, is split with the City of Astoria, involving the Uniontown Master Plan update. It includes areas where the Red Lion Hotel is located and long-term uses, the parking area, and the fish factory. It is not a new plan, only tools to evaluate. Commissioner Bergeron moved to approve the authorization. Commissioner Bernie Bjork seconded the motion. The eyes carried unanimously.

COMMISSION CHAMBERS DISCUSSION – POLICY ON USE - Policy review of commission room use and how to accommodate the venue of “informational” town hall type of events is what is needed. The staff report is a list of

recommendations on how to handle the use of room. Jim Bergeron made his concerns of how he wished the room would continue to be used without any charges. The concern is security being responsible for two things at once, when the conference room is used in the evenings.

Discussion followed with times spaces had been invaded and items stolen from workers' handbags. With the surge of identity theft and confidential information being at stake, personal or job related, a business can never be too safe from persons wishing to do harm. A business must take steps to keep their workers and work environment safe. Considering the amount of time a meeting usually involves, 1-2 hours seems to be a common for most.

It is recommended security be more visible, to re-adjust their schedule, during evening meetings and that the room still to be used "free" of charge keeping in mind the public is benefiting from the use of the room. Lori Durheim, of RiverVision, added when her group uses the room security is around at the beginning and end. Also, a time limit could be a good way to make sure everyone is out a reasonable time could be helpful. Commissioner Hess added he is in favor of the "no charge" status. Also at hand was the use of commercial benefit would not apply, only meetings with "information" intentions, not to "sell" specific items.

Commissioner Bergeron moved to accept the staff report, with the exception of item #4 stating, and setting a maximum time limit of no longer than 2 hours. With no set policy in place, hold off on charging for the room for six months and evaluate it at that time. Security will be here when needed. Mr. Bjork seconded the motion. Motion carried unanimously.

CALENDAR SCHEDULE.

- Peter Gearin is on vacation 11/24-12/4/06, vacation. Ron Larsen, director of operations will be in charge in his absence.
- Ron Larsen will be on vacation also, 12/11-17/06.

REPORTS – Staff

- Financial: An improvement from last year, profit this year, \$134,000 that includes \$34,000 a month of rental income from the Bornsteins Seafoods plant.

A significant improvement for a couple of reasons: down in personnel, supplemented by CREST for compliance officer who helps out with permit issues. Cruise business done by the cruise marketer, Bruce Conner. Good success with reduction in medical insurance. In the health insurance premiums area, we are down from \$24,000 to \$16,000 a month, working very well.

- Tracking various receivables, it is slow getting payments in, but most resolve in time.
- The boat yard was commended the marina crew on operations. Commissioner Bergeron commented on the compliments many people had at the fish expo convention in Seattle.

COMMISSION REPORTS:

- Bernie Bjork attended the: Lower Columbia Salmon recovery plan meeting 10/24/06 back up for Mr. Bergeron; the Columbia Nearshore meeting 10/26/06; WFOA meeting 11/12/06, 10,000 –11,000 metric tons of albacore tuna was caught by the west coast fleet this year. More discussion followed on data; and the Marine Expo in Seattle, WA 11/16-18/06.
- Jim Bergeron attended the Columbia Stakeholders meeting developing a plan to address salmon problems on the lower Columbia River. Putting together “solutions” to the problems, looking for comments from members. Also attended the Near Shore meeting a sub-committee of the Columbia Solutions. Sand from the dredging issues; waves breaking down jetty faster than normal. A layer no more than 4” deep to protect the crabs. Tracking the sand to see what it does once layered is key. Jim also attended the Fish Expo in Seattle, WA.
- Larry Pfund – no report.
- Dan Hess – no report.

OTHER BUSINESS. Commissioner Hess called for other business. Ron Larsen reported Western Oregon Waste is agreeable to wait for the city of Warrenton to get 3-4 training sessions on taking the old building down.

Commissioner Pfund asked about an overgrown roadway where the elk gate is at the airport’s main entrance, the driving school concerned with the class interfering with U.S. Coast Guard property. A concern to be able to expand their operation, with security, it will be difficult with security as it is.

There being no further business, the meeting was adjourned.