

MINUTES
PORT OF ASTORIA
WORKSHOP SESSION
JUNE 12, 2007

Chairman McDaniel called the meeting to order and took roll call.

Commissioners present: Don McDaniel, Bernie Bjork, Dan Hess, Jim Bergeron and Larry Pfund. Also present: Commission-elects Bill Hunsinger and Kathy Sanders.

Staff present: Ron Larsen, Rita Fahrney, Ken Smith, Colleen Browne, Lora Eddy, Bruce Conner.

Others present: See attendance sheet.

PRESENTATION – ANDY JORDAN, SDAO – Elected Board Member Duties & Responsibilities.

Interim Director, Ron Larsen, introduced Andy Jordan who stated he is an attorney and serves as General Counsel for Special Districts Association. He distributed a paper copy of his presentation to board members and encouraged questions on any topics covered.

The following topics were addressed by Mr. Jordan:

- District Powers
- Power and Responsibilities of Board Members
- Office Holding
- Decision Making Processes
- District Financial Issues
- Open Meetings Law
- Public Records Law
- Ethics and Conflicts of Interest
- Political Activities
- Public Contracting
- Liability and Exposure

During the presentation, questions and comments on the topics were addressed. (Copy of the detailed publication "*Managing Your Public Agency*" is available for review at Port office.)

PACIFIC COLUMBIA INC. – Update by Dr. Sonny Park.

Dr. Park briefly reported on the history of the proposed development for the Skipanon property, beginning in 2001. He advised due to problems encountered during negotiations with previous staff and the Port then leasing a portion of the land to

Calpine, the principals became angry and the project stalled. They have recently decided to reactivate the concept and are now working again with Port staff to negotiate a land lease. Park acknowledged there would be issues to deal with in regards to wetlands, which will be worked on if Pacific Columbia Inc. can complete an agreement with the Port.

Dr. Park displayed drawings for the public, showing where the proposed structures, golf course, sport courts and walking trails will be located and the design concepts. The two-phase plans include a golf course, five-star hotel, racquet and tennis ball courts, rock climbing area, conference center and swimming pool complex. He reported phase #1 is expected to generate 180 jobs that will be lower end wages. He pointed out the acreage they are interested in leasing. Phase #1 will bring \$49 million in construction to the area. A total of \$100 million dollars will be expended in a five-year period. The company is also looking at building apartment complexes to accommodate employees. In phase one they expect approximately 10,000 visitors per year.

Mr. Park finalized his presentation, emphasizing his hopes that the Port of Astoria and Pacific Columbia Inc. will be able to successfully complete negotiations for a lease agreement in the near future. Questions and comments followed on the proposed development. At the conclusion, Dr. Park was given a round of applause from the audience.

Following a brief break, Chairman McDaniel called for staff reports.

REPORTS FROM STAFF

Harbormaster, Ken Smith, reported the following:

- The boat yard is nearing capacity. More power sources are needed and there is need for additional stands. Ron Larsen reported there is a proposal to bring refrigerated containers to pier three. Smith responded the marina staff has been looking over the concept.
- Fuel dock is ready to go. One more inspection is needed. Testing has been completed.

Cruise Ship Marketer, Bruce Conner, reported the following:

- Thanked the Port commission members for attending the Rose Festival receptions.
- Congratulating Mike and Marian Soderberg for receiving the Governor's Volunteer award on behalf of the Cruise Committee.
- At each cruise ship call this year, captains were given a welcome basket with local products, giving an opportunity for Conner to meet with each captain. The Port, City and Sundial share the expense.
- 17 calls are confirmed for 2008. Awaiting two cruise lines to confirm reservations.
- Flyers and brochures were sent to Norwegian Cruise Line.

- In October a meeting will be held in Seattle where cruise line itinerary planners will be meeting. The Port will be sponsoring a coffee reception.
- Manzanita to Long Beach shore excursions are now available. He reported on the myriad of excursions being offered.
- He explained disembarking and embarking procedures and having Astoria act as a destination port for departure and arrival.
- Update on Cruise the West activities.
- Some discussion followed on US Custom procedures with ship calls.

Comments followed on how passengers enjoy taking boats to shore from anchorages.

Lora Eddy reported on environmental/compliance issues as follows:

- The dredging status remains the same as she presented at a previous meeting during a power-point presentation. The West Basin permit has expired. She is working on renewing it. An upland disposal site must be identified. She passed out a sheet of options being considered by staff and the Corps of Engineers. She explained a decision process is needed to evaluate the options and make a choice. She would like to have a decision from the Commission to present choices to regulatory agencies.
- Sediment tests done previously for the West Basin came back above accepted levels. She is proposing an option for bio-essay testing. There is potential that the port docks could pass the bio-essay testing. She explained the testing procedures. If the tests turn out positive, there is a possibility of obtaining flow-lane disposal. Discussion followed.
- CREST has been awarded a contract by Lower Columbia Solutions Group (LCSG) to pursue potential development of upland disposal land. They are collecting information on other ports regarding their dredging issues, procedures and disposal sites to do a presentation to the LCSG.

Ron Larsen reported the following:

- Request for qualifications (RFQ) for a port auditor and attorney have been advertised. June 20th is the date RFQ are due back to the Port.
- A meeting is scheduled with WOW for the 15th to discuss their future plans for an airport lease.
- The airport open house is in progress as the meeting is going on. This year three WWII bombers are in town including a B-17, B-24 and a B-25 this year.
- Discussed Lot line Adjustment between J. Bornstein and Chester Trabucco that will be presented at the next regular meeting.
- Updated progress on River Land LLC construction.
- Advised the commission that the dredge is scheduled for dry-dock on July 16th.
- The FAA has reviewed the Airport Master Plan and submitted their comments for consideration.

Following staff reports, there was discussion about using pier three for refrigerated container storage.

There being no further business, the workshop session was adjourned.