

PORT OF ASTORIA

SPECIAL MEETING

JUNE 12, 2009

1. CALL TO ORDER/ROLL CALL

President Larry Pfund called the meeting to order at 10:00 am and took roll call.

Persons present were:

Commissioners: Larry Pfund, President; Bill Hunsinger, Vice President; Floyd

Holcom, Treasurer; and Dan Hess, Alt. Secretary/Treasurer.

Staff: Jack Crider, Executive Director

Janet Farstad

Guests: Lori Durham; Andrew Bornstein arrived about 1:00 pm

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

A. Strategic Business Plan Consultant Interviews

10:00 AM MORGAN CPS GROUP John Morgan, Principal
RICHARD HILL ASSOCIATES Richard Hill, Principal

State requires a Strategic Business Plan and they can meet the requirements.

Benchmark is to establish milestone goals for results.

Have looked at first Plan from Port of Siuslaw that meets the law but has no strategy, no plans.

Want to create a plan that is useful for development, funding and timing.

Floyd Holcom declared he contributed to Dick Hill's report in 2002 but is not a conflict of interest as there is no relevance to the Port of Astoria project.

Qualifications:

- Have an understanding of Port activities that it takes to prosper.
- Document will help Commissioners make difficult decisions.
- Dick Hill produced #1 and #2 models for the state strategic plans.
- John Morgan is an urban planner who wrote Gearharts first plan, works with organizations on plans, training and leadership development.

Approach:

- Financial analysis to be realistic
- Understand local and regional market, Port of Astoria is a classic port and should look more of world views for future markets.
- Lever partnerships.

- Will include relations and political environment.
- Process:
- Open process by engaging public along with confidential discussions with commission, community key people, valued stakeholders and detractors.
 - Spend a lot of time with staff, draft interim reports.
 - Feasibility risk review.
 - Need to work State Legislature for funding.

Floyd Holcom talked about the challenge of Oregon State being behind other ports in California and Washington in economic development. Ports on Oregon coast are a failure competing with other states. The Port of Astoria Plan needs to get away from current thinking and go into a new direction.

Dick Hill responded that Oregon port industry lacks state support and funding, more like a step-child. Another problem is to retain focused managers and commissioners, reduce turnovers. There is a failure of implementing good solid plans and funding. Washington State highly funds their ports. Port of Astoria will be a model for statewide changes for ports.

Larry Pfund said bike paths are more predominant for state funding than ports.

Bill Hunsinger believes the state drops the ball by not looking any further than Port of Portland as Port of Entry. The Port of Astoria needs to purchase parcels like Tongue Point to compete with Port of Portland.

Dick Hill believes the deciding factor will be when the ships can't get up river.

Dan Hess asked about public involvement.

John Morgan said it is required by statute. They will host Open House meetings to respond by the public to drafts, not ask for wish lists. Will go to community events with a booth to talk with the public.

Dan Hess asked about timeline.

Dick Hill responded that it would take 6 months.

11:00 AM HARPER HOUF PETERSON RIGHELLIS

Robert Price, Project Manager

HOVEE & COMPANY LLC

Eric Hovee, Principal

Robert Price introduced the team as himself being the Project Manager in charge of all the public outreach (Town Hall) meetings including the smaller communities, and invoicing. He has worked with Eric Hovee for 20 years to help solve community problems.

Eric Hovee has been the Economic Development Coordinator for the Port of Portland and Port of Vancouver, and will be the technical person who will produce the plan.

Approach:

1. Understand what the Commissioners and staff issues, goals and what to stay away from, and financial situation.
2. Other stakeholders, a selection of about 25 tenants, key decision makers, outside businesses. Will identify key issues and obstacles while address the state development requirements.
3. Meet the needs of the Port of Astoria. Research marketplace and funding reporting communication to the Port along the path.

Robert Price said they want the project and won't let the Port down; the Port will get what is wanted. They are qualified to get the job done and is the best choice. They work efficiently and will research what comes up along the way of the project.

Questions:

Larry Pfund said the Port doesn't want another document. They want to see the Port huge future and plan to open the door on potential.

Robert Price responded that the plan will be interactive document to guide the Port and help make decisions. The Port has a great deal of potential.

Floyd Holcom talked about that the Ports on Oregon coast are a failure competing with other states. The Port of Astoria Plan needs to get away from current thinking and go into a new direction.

Eric Hovee responded that the Port needs to push the edge of the envelope and will include risk projects and identify funding. The Columbia River dept with eventually bring opportunities to the Port of Astoria. Will research markets for property assets. The Port can leverage more opportunity for future employment expansion.

Robert Price said the Port of Astoria has as much to offer as any other Port and can offer different potential.

Larry Pfund asked if the company had any governor staff alignment. He is nervous about competing with the Port of Portland.

Eric Hovee responded that he has good contacts with state staff.

Bill Hunsinger said that part of the plan needs to address 20 years from now; to compete the Port must change. Grain facility could come to Port of Astoria and could use barges to transport it.

Eric Hovee responded that another person association with the team has Port experience.

Jack Crider said he would like to see the financial plan ready for grant applications as a usable tool.

Eric Hovee responded that he would start with projects already and go to goals and resources. Will prioritize a wish list and decision rules to make decisions.

Robert Price said an update plan needs to be completed every 5 years for changes.

Dan Hess asked about timeline.

Robert Price said the project will take about 6 months.

12:00 **MAKERS ASSOCIATES**
AICP
BST ASSOC.

Gerald Hansmire, Partner
Julie Bassuk, Partner
Paul Sorensen, Principal

Gerald Hansmire introduced the team and talked about their process. They will identify priorities and strategies, markets, costs, benefits and options. He has been good at getting projects through Congress. He worked on the NOAA project.

Julie Bassuk talked about targeting focus markets to be more objective.

Paul Sorensen said he started in 1986 and 80% of his work is waterworks. He will complete a report that will serve the Ports purpose.

Floyd Holcom said most of Makers work is in Washington and very impressive. He would like to see the Port go in a new direction that would mirror demonstrated work. He questioned if Makers could look at the Port as equal to Washington ports.

Gerald Hansmire admitted that the budget was tight but they would focus on goals and opportunities for the Port. They would need to understand resources compared to the objectives.

Julie Bassuk said the team has worked together enough to understand core areas, look at prior studies and have an open mind.

Floyd Holcom commented that the Port needs business intelligence.

Paul Sorensen responded that they have the business intelligence for the West Coast; they would be able to draw on past studies and already have a database for cargo, boatyards, shipyards, and marinas.

Gerald Hansmire said they will provide information for the board to make sound feasible decisions.

Jack Crider asked about the expectation for a usable tool.

Gerald Hansmire responded that they would focus on a few key projects detailed ready and eliminate risks, and sort out competition.

Jack Crider commented on local politics and concern over their budget being lower than their normal work.

Gerald Hansmire responded they did not plan on community meetings other than the public meetings for the commission. Public outreach is very expensive. Once the commission is focused, then the community would be informed.

Julie Bassuk said they could provide public outreach in conjunction with the commissioner meetings, for instance just prior to the meeting that would not require an additional trip to Astoria.

Dan Hess asked about their timeline.

Gerald Hansmire responded it would take about 6 months.

B. Applicant Interviews for Commissioner Vacancy

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 their 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

1:15 PM CARY JOHNSON

1. Does have the time. Self employed construction and can adjust own time. He does not believe in micromanaging, believes the commission provides leadership to the manager.
2. Graduated from Astoria High School, got education through work experience. Marine construction from Alaska to Mexico. Has taken limited collect classes and currently working on Captain License.
3. 30 years – family has been here for generations. Choose to live here.
4. Clatsop Planning Commission – Chairman
Clatsop County Budget Committee
USDA Soil & Water Conservation Board
No elective office.
5. President of Johnson Building – family owned residential construction business.
Sole proprietor of C.T. Johnson Custom Homes Construction.
Commercial fisherman on own 28' gillnet boat, fished Puget Sound.
6. Oregon General Contractor license
First Responder
Experience working on teams, boards and with family.
7. Having lived in Astoria all his life he has general knowledge of the Port operations and believes the Port has a huge benefit. His goal is to increase family wage jobs. The Port can do so many good things. Fishing

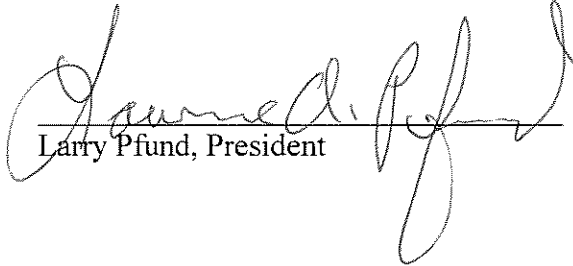
community plays a big role in the community. He has good relations with Legislators and willing to be liaison between the Port and Legislature.

8. #1. Biggest goal is needed improvements for the cruise ships to boon economy.
#2 Increase family wage jobs by manufacturing.
#3 Tongue Point purchase.
9. Family owned Construction Company requires team ability as President. County Planning Committee as Chair requires getting along with constituents.
10. Can work with board in order to move forward. Wants to see job creation. Doesn't expect controversy.

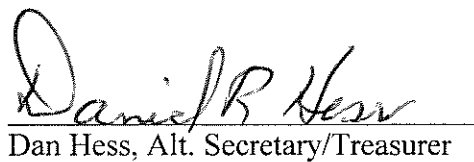
3. ADJOURN at 1:35 pm

Submitted by Janet Farstad

APPROVED:


Larry Pfund, President

ATTEST:


Dan Hess, Alt. Secretary/Treasurer