

MINUTES
REGULAR MEETING
SEPTEMBER 18, 2007
PORT COMMISSION CHAMBERS

Commissioner Dan Hess called the Regular Meeting to order and took roll call.

Commissioners present: Dan Hess, Bernie Bjork, Larry Pfund, Kathy Sanders and, Bill Hunsinger.

Staff present: Ron Larsen, Esther Jones, Colleen Browne, and John Hord.

Others present: See attendance sheet.

CHANGES TO AGENDA. Chairman Hess called for changes to the agenda. Ron asked for item #7 R&O 2007-29 on the agenda split in two parts for two parcels of land.

MINUTES: Workshop Meeting, August 14, 2007; Regular Meeting, August 21, 2007. Chairman Hess listed the minutes for approval. Commissioner Sanders had a question on the workshop minutes of August 14th asking Commissioner Hunsinger if the explanation on page 1, last paragraph, is how he had explained the issue. Also, on page 2, Sanders clarified what she thought it should have read. It was decided to re-word portions of the minutes mentioned. Chairman Hess called for a motion to approve workshop minutes. Commissioner Sanders moved to approve the August 14, 2007 minutes with corrections. Commissioner Pfund seconded the motion. The motion carried unanimously. Some confusion followed with a member of the board not knowing if both minutes had been called for approval. Hess then called for any corrections for the August 21, 2007 regular minutes. None were noted. Both sets of minutes were included in the motion.

VOUCHERS FOR THE MONTH OF AUGUST 2007: Chairman Hess called for a motion to approve the vouchers. Treasurer, Bill Hunsinger noted no questions with the vouchers of the previous month and made a motion to approve the vouchers. Commissioner Sanders seconded. The motion carried unanimously.

CONSENT AGENDA: ASTORIA SUNDAY MARKET AGREEMENT – RATIFY AND REAFFIRM Explaining the status of the agreement, Ron Larsen added the agreement had already been approved, subject to their signature, with a slight change to item G, a “staffing issue” reimbursing the port for additional security for allowing early access to the pier. Larsen added there was some problem with the vendors not arriving early enough with security not there and agreed to pay for security’s time. Commissioner Hunsinger asked Chief Hord who was at the meeting if the change was agreeable. Hord explained there was some confusion with Homeland Security’s policy. Even though security is posted four hours before, the gates still need to be closed for one hour before the ship arrives at the dock. Issue resolved with the change. Chairman Hess called for a motion to approve agreement. Bjork made the motion to approve and commissioner Sanders

seconded the motion. Before the voting carried on, Commissioner Pfund called for discussion period as he was feeling it to be "open ended" of sort and questioned the agreements' duration. Adding the port being in a revenue shortfall it would make sense to him to discontinue the agreement at the end of this cruise ship season and open it for further discussion. Commissioner Hunsinger suggested an amendment to the motion to end the agreement at the end of this years' season and renegotiate it for next year. The ayes carried unanimously.

USS RANGER MUSEUM FOUNDATION - PRESENTATION: Interim Director Ron Larsen introduced Captain Tim Myers, executive director of the USS Ranger Museum Foundation attending the meeting making the presentation on the aircraft carrier's search for a home. Also at the meeting was Neil Wallace, public works director in Seaside, Oregon who is also interested in the project. The only super carrier in the United States that is a museum is in Bremerton, Washington currently decommissioned. At 1065 feet long, it is destined to be a large tourist attraction wherever it locates. Cleared environmentally, the flight deck is 4.5 acres of area. A huge impact on a community, the foundation will rent, lease or buy anyplace it's approved for. Able to hold five million gallons of water it houses a generator, which could be a center for emergency response. Discussion followed on places and money available through grants and donations. Parking issues could present a problem. They are also looking at two places at the Port of Portland. Timelines at hand are middle of next year. Terms would be at that time the Navy would have to see further progress to gain another 18 months.

RESOLUTION NO. 2007- 29 AMENDMENT TO UNION FISH PROPERTIES LEASE: A request to exercise at the owners' option, parcel 4 (25,150 sq. ft. at .03 a sq. ft.), included in the lease agreement through 2024. The owners would like to clean up the area and add to their existing space around the newly renovated Red Building making the land near it more valuable would be able afterwards to work with the city of Astoria and include it in the master plan, to receive dollars through the Crandall and Arambula Urban Renewal master plan. Discussion followed on the rates the port leases land currently and the need for a new appraisal. An appraiser is scheduled to come to the port and discuss doing a new appraisal that is necessary due to improvements to the land. The last appraisal done on the land was in 2004. Commissioner Sanders suggested no more leases be entered into until new appraisals have occurred. Chairman Hess called for a motion to approve the amendment to the lease. Sanders made the motion and Bernie Bjork seconded. After voting, the ayes carried unanimously.

The month-to-month lease details land behind Ocean Beauty Seafoods. A small paved area is needed for delivery trucks when delivering. Once city streets are completed and the city's master plans are approved, the space will not be needed and can come back to the port more valuable. No commission action needed.

RESOLUTION NO. 2007-30 COLLECTIVE BARGAINING AGREEMENT: The agreement already in place with the I.L.W.U. calls for a change in section 9.5 pertaining to

retirement insurance portion. After negotiations, all future employees hired as of September 18, 2007 will require to have a minimum of thirty years of active service upon retirement. Required to be eligible for retirement with the system PERS, which calls for the 30 years or be 58 years old. Also, when an employee is eligible for health insurance coverage from the port, from the time of retirement, until the age 65, 30 years of service is required. Current employees are grandfathered under the current contract. When Chairman Hess called for a motion to approve the portion of the agreement, Commissioner Hunsinger added he would be abstaining from voting due to conflict of interest. Commissioner Bjork made a motion to approve the resolution, Commissioner Sanders seconded. Commissioner Hunsinger abstained from voting. Commissioners Hess, Pfund, Bjork, and Sanders voted to approve the agreement; the vote was carried by the majority vote.

RESOLUTION NO. 2007-31 STATE MARINE RESERVES: Pertaining to the commercial fishing industry, in a resolution the port is asking the state of Oregon to consider nine criteria before drawing lines in the ocean and creating marine reserves. Chairman Hess called for approval of marine reserve resolution. Commissioner Sanders made motion and Commissioner Pfund seconded. The ayes carried unanimously.

RESOLUTION NO. 2007-32 LINES AGREEMENT: The issue of unannounced barges coming to the port as to whether longshoremen need to be present. In meeting with the union members, it was agreed on that the original agreement adequately covers the item with port security now being present for all tie-ups and let-gos. Nothing changing, still the question on the last time no longshoremen were present resulted in damage to the pier last year. Noting security does not do tie-ups they are there only to make sure if something happens documentation is provided. The damage occurred after the barge was tied to the dock. After discussion on pier damage, the chairman reminded the board the matter at hand was the lines agreement and not details of the pier damage. Commissioner Pfund added, unsure if the issue is a line handling issue, the main concern being the docks. Larsen explained how the practice is currently where the port allows the barges and tugs to come in and go during visits that only require a short time. In order to continue the traffic and commerce, it's necessary to allow the tugs and barges to continue to do so.

Chairman Hess called for a motion to approve lines agreement. Commissioner Hunsinger stated he was abstaining from the vote, citing a conflict of interest. Commissioner Sanders made the motion and Commissioner Bjork seconded. Commissioner Hunsinger abstained. Commissioners Hess, Pfund, Bjork, and Sanders voted yes, approving the agreement; the vote was carried by the majority vote.

Commissioner Hunsinger requested staff to "move" on pier damage and Interim Director Ron Larsen would be able to talk to him after the meeting. Hunsinger continued with making a motion to contact the port's attorney in order of resolving the matter. In-water work windows are a main concern when repairing. Commissioner Bjork added he also wants to see the paperwork. Everyone agreed to have the pier 2 dock details at the next work session. Bottom line: get the dock fixed. Larsen agreed

port's attorney, Andy Jordan would need to be part of the process. Also, he had just received the estimate before the meeting from BSM Consulting Engineers, Inc. and would share the details with the commission tomorrow.

SUPPLEMENTAL ENVIRONMENTAL PROJECT (SEP): Interim Director explained no further discussion is needed due to items coming in from agencies involved.

CALENDAR SCHEDULE: Cruise ship, Radiance of the Seas is visiting Astoria this coming week along with four other ships. Also, Larsen added DSL representative here for meeting at the port tomorrow at 3:00 p.m. Going on with cruise ship arrivals, this coming week will be very busy for the volunteers. Commissioners Sanders and Bjork signed up for the city/port presentation of a plaque to the captain of the cruise ship Golden Princess on September 25th making its inaugural visit.

Noting conflicting schedules, the extra workshop scheduled for October 2nd may need to be cancelled. The next work session, Tuesday, October 9, 2007 as scheduled, all agreed then to decide if an extra session that week is needed. Commissioner Hunsinger noted a bucket dredging presentation on the 9th. Kathy Sanders added the importance of the infrastructure needs list starting. Deadline is October 31st for the priorities at hand.

As Chairman Hess called for additional items, Larsen noted the need to clear up resolution 2006-23, approved last year regarding public comment rules and sign-in card. Adding the new card approved last month by the board, went into effect with this meeting, calls for the prior resolution to be cancelled. Chairman Hess called for a motion cancelling the resolution. Bernie Bjork made the motion. Commissioner Sanders seconded the motion. The ayes carried unanimously.

REPORTS:

Finance: Colleen Browne reported on the balances of the weekly management report. Expecting \$900,000 in debt repayment due the first of December. In the revenue fund, \$60,000 is reserved for a Lektro payment also. Large payments are also due for the marina and the Bornsteins account. The special revenue fund includes funds to pay for a water line project. Accounts' receivable down. Accounts' payable, outstanding legal fees down to \$39,000 with two paid off next month. Negotiations are possible with finance fees due to one. She has met for the first time with John Carlson, the port's new auditor.

Commission

- Larry Pfund: Attended dredging meeting yesterday. NOAA trying to find solutions to financial problems.
- Kathy Sanders: Attended a meeting of the Northwest Area Transportation meeting. Highway 101 priorities to the improvement plan. Also attended the Oregon Business Magazine tour and the cruise committee host dinner. Participated in the South Jetty repair completion celebration. Missed the ColPac Economic District meeting due to email complications. Lists of infrastructure

projects for the next six years are a top priority with state legislature for accountability. Don McDaniel explained how the process now works. Essential to have the same items on both the ConnectOregon list and Need and Issues list.

- Bill Hunsinger: Visited Marine Spill Response Corp recently. Discussed possible alternative sites on pier 2. More discussion followed on pier repairs. He also attended the Lower Columbia Solutions Group meeting hosted by Lora Eddy. Considerable discussion followed on dredge spoils and the numbers each agency goes by to determine permitting, plus possibilities of alternative solutions. Also, today, he attended the Oregon LNG meeting on the Skipanon site. He also would like to discuss leasing property in the Warrenton area at a workshop session.
- Bernie Bjork: handed in reports on meetings/events he attended. The Oregon Ocean Policy Advisory Council, the Community and Economic Development Resources group, visits to the dredge Felkins, the Community and Economic Development Resource meeting, the Oregon Business Magazine tour, plus numerous port, and city council meetings.
- Dan Hess: South Jetty repair completion celebration, the Oregon Business Magazine tour, and the Red Building gathering.

PUBLIC COMMENT. Chairman Hess called for public comment. *The following public comments are not written verbatim, but intended to reflect the substance of matters discussed.*

Ted Thomas signed in for public comment. The purchase of Department of State Lands land on pier 3 was an item of discussion. Between the western and eastern portions are in discussions with DSL, for a couple of projects. More comments on prior workshop sessions commenting on elected officials and their stand on audit procedures.

Don McDaniel explained the purpose of the Clatsop Economic Development Resources (CEDR) that encourages new businesses and their expansion.

Randy Bowe, real estate businessman, spoke about the need for air service at the airport. Two businesses looked here to relocate but did not do so because Astoria has no commercial air service. He is asking the Port of Astoria to do 'whatever it needs to do' to bring air service to the area.

OTHER BUSINESS. The work on the east end railing, discussing on truck tariff to the next workshop session, the Bornstein building issue (fish factory), and to revisit how the port leases land.

There being no further business, the meeting was adjourned.