

PORT OF ASTORIA MINUTES  
REGULAR COMMISSION MEETING  
MARCH 21, 2006  
PORT COMMISSION CHAMBERS

Chairman Jim Bergeron called the Regular Meeting to order and took roll call.

Commissioners present: Jim Bergeron, Don McDaniel, Dan Hess, Glenn Taggart and Larry Pfund.

Staff present: Peter Gearin, Ron Larsen, Rita Fahrney, and Port Attorney, Heather Reynolds.

Others present: Kate Ramsayer, Ed Luoma, John Lansing

MINUTES

- (a) Workshop Meeting, February 14, 2006
- (b) Regular Meeting February 21, 2006
- (c) Special Meeting, March 14, 2006

Commissioner McDaniel moved to approve the minutes of the aforementioned meetings. Commissioner Pfund seconded. The motion carried unanimously.

VOUCHERS FOR THE MONTH OF FEBRUARY 2006. Commissioner Hess reported he has reviewed the vouchers for the month of February. He moved for their approval. Commissioner McDaniel seconded the motion. The motion carried unanimously.

PUBLIC COMMENT. Chairman Bergeron called for Public Comment. None was given.

APPOINTMENT OF BUDGET OFFICER FOR FY 2005/2006. Commissioner Hess moved to appoint Director, Peter Gearin, to serve as Budget Officer. Commissioner Taggart seconded the motion. The motion carried unanimously.

BUDGET COMMITTEE VACANCIES. Staff reported both Bob Lovell and Richard Lee, whose terms have expired, have been contacted regarding interest in serving an additional term. Mr. Lovell agreed to serve a one-year period. Mr. Lee has not responded as yet. Commissioner McDaniel moved to appoint Bob Lovell for a one-year term. Commissioner Pfund seconded. The motion carried unanimously. Others indicating interest in serving will be contacted.

PORT OF ASTORIA AUDIT FOR FISCAL YEAR 2004/2005. Ed Luoma, the Port's auditor, has completed the audit and is present for answering any questions or

comments. Peter Gearin reported the purpose of the audit is to determine operation results, budget compliance and financial condition of the Port of Astoria for fiscal year 2004/05. Gearin gave a synopsis of the audit as follows:

For the year ending June 31, 2005 the port ended with an overall profit of \$388,413. Up from prior year of \$224,745. Due to the Port paying off some outstanding bonds, timber revenues decreased by a large amount. There was a large increase in grant funds received over the previous year, some due to the City of Astoria reimbursing the Port for conference center planning expenses. Sale of the Port's 6250 TC Crane is included in sale of assets. Expenses increased by \$238,000 including Corps of Engineers expenses and attorney expenses.

Chairman Bergeron inquired about the haul-out facility finances. Gearin responded the travel lift usage is exceeding five-year expectations; however, boats are not remaining stored at the facility as long as calculated. Revenue growth increases of 10% in leases. Piers rental is up. Marina revenues are up, with increase in rates and fuel sales.

Operating expenses include increased vacation accrual, wage increases, including wage level adjustment when the Haul-out facility was ready to operate and additional boat yard staff was hired. Workers Comp expense has also increased. Professional expenses are up as a result of environmental issues. Other expenses of note were reviewed. Gearin explained further reference to increased expenses will be found in the audit report summarized by Ed Luoma.

Ed Luoma stated the Port of Astoria is in compliance with the budget and within budget on all categories. Total expenses in the budget are \$3,072,000. Budgeted was \$3,145,000. Discussion followed on the ratio between current assets to current expenses. It dropped from 1.67 the previous year to 1.25. Current debt was reviewed. In response to a question by Commissioner McDaniel, Mr. Luoma explained the Port has, in addition to a Certificate of Participation through the Port's bank account, supplemental security instituted to ensure the Port has adequate coverage.

Mr. Luoma thanked the Port Commission for patience in receiving the audit report, due to previous commitment for January he was unable to present it then. He pointed out an error in the report pertaining to the PERS contributions. The statement that the Port pays the employee's contribution is incorrect. In fact, employees pay their share of the contribution.

STATE OF OREGON – TRANSPORTATION ENHANCEMENT PROGRAM. Peter Gearin reported in conjunction with the City of Astoria, the Port of Astoria applied for and received a Transportation Enhancement Program Grant to extend the

Astoria River Walk Trail to pier three and provide a park. Another round of grant funds are being offered. Gearin explained the trail proposal and proposed trail route. The trail would link Ft. Clatsop National Memorial, the Warrenton Waterfront Trail, Ft. Stevens State Park and the Fort-to-sea Trail. The trail would encompass a significant scenic and nature viewing area and will connect a primary shopping district with residential areas and areas identified for both commercial and commercial growth. Mr. Gearin explained if the grant is awarded the Port will work with other entities including the City of Warrenton towards zone changes and wetland issues that may provide an opportunity for the Port to get mitigation credits for future uses. Discussion followed. Mr. Gearin reported this project is estimated at \$1,013,655 requiring matching funds of \$104,102 that would be provided through a cooperative agreement between the City of Warrenton, the National Park Service and the Port of Astoria. At this time he will be submitting a letter of intent to apply for the grant. The actual application for the grant will be brought back to the commission for consideration at a later date. The funding cycle for this project is 2009-2011.

CALENDAR SCHEDULE. The East Basin Breakwater completion event scheduled with Congressman Wu's attendance has been cancelled. The event will be rescheduled in June when closer to completion. The Cruise Committee volunteer kick-off dinner is March 31<sup>st</sup> at the Seafood Consumer Center. Commissioners are invited. Ron Larsen reported the annual Astoria Regional Airport/Coast Guard Open House will be held June 19-20 this year instead of in September. This will coincide with scheduled visits by B-17 and 24 aircrafts on those dates.

## REPORTS.

Finance. Peter Gearin reported progress on accounts receivable delinquencies, a slow and painful process, but staff is continuing to work on collection efforts.

### Commission.

Commissioner McDaniel reported on the Astoria Council meeting he attended. There was discussion of the Astoria By-pass. At a recent meeting in Salem ODOT basically said the By-pass is a waste of time to pursue due to cost. The Regional Refinement Study Committee looking at moving traffic through Astoria is split on how to proceed. Half of participants are in favor of the By-pass, half don't believe it can be accomplished. They are looking at a smaller By-pass project. McDaniel commented the only way a By-pass will be funded is through a congressional earmark.

Commissioner Taggart recalled the Port considered participating in the Sportsmen Show and he commented the Portland Boat Show seems to be doing better at targeting our audiences and the Port may want to consider participating in the future at the Seattle Boat Show.

Commissioner Pfund spoke with Peter Hansen with Calpine about having a financial partner involved with their Skipanon LNG plans.

Chairman Bergeron reported a lot of planning sessions are underway regarding the Governor's proposed sanctuary zones restricting salmon fishing. He thanked Peter Gearin for his assistance. OPAC is conducting meetings up and down the coast regarding the loss of fishing. The State is stating there is no funding available to hold meetings for input. He also reported the County Commission hearing on energy was well received.

Commissioner Taggart advised the Design/Review Committee approved the design for the Union Fish LLC building. Shawn Helligso, one of the principles, would like to proceed with deck and retaining wall work. The Committee's recommendation will be brought before the Port Commission at the next meeting. The work will be subject to approval of the Port and/or City of Astoria as required.

OTHER BUSINESS. Chairman Bergeron called for Other Business. None was received.

There being no further business, the meeting was adjourned.