

MINUTES
REGULAR COMMISSION MEETING
PORT OF ASTORIA
JUNE 15, 2004
PORT ADMINISTRATIVE OFFICES

Chairman Dan Hess called the meeting to order and took roll call.

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

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

Others present: See sign-in sheet.

CHANGES TO AGENDA. Peter Gearin advised of a presentation to the Commission and suggested it be placed before Public Comment.

MINUTES: WORKSHOP MEETING, MAY 11, 2004 AND REGULAR MEETING, MAY 18, 2004. Commissioner Taggart moved to approve the minutes of the aforementioned meetings. Commissioner Pfund seconded the motion. The motion carried unanimously.

VOUCHERS FOR THE MONTH OF MAY 2004. Commissioner Taggart reported he reviewed the vouchers with Peter Gearin and found them to be in order. He moved for approval of the vouchers for the month of May and declared conflict of interest on a Voucher payable to him for services rendered. Commissioner Pfund seconded the motion. The motion carried unanimously.

Andy Papachristopoulos, representing Columbia River Maritime Institute (CRMI), was introduced and proceeded to give a presentation on the CRMI plans to build a school in Rainier, Oregon at the previous Trojan site – being the only training facility in the United States with a manned-model school for maritime pilots and tug captains and a school for Homeland Port Security. He explained schooling requirements for pilots and tug captains, the manned models that will be built for training, and the facilities. The lease with Portland General Electric is for a 10-year lease with two 10-year options. Private contributions and commitments for this project total to date \$2.2 million. Additional support is being sought for investors to commit to \$100,000 with a return on investment of 15%. The committed funds would be returned within three years. For ports a \$100,000 investment will be arranged to be returned within 12 months with a 15% return

on investment. Some comments followed. Mr. Papachristopoulos was thanked for his presentation on an interesting concept for the maritime school.

PUBLIC COMMENT. Chairman Hess called for public comment. None was received.

CONSENT AGENDA.

- Resolution 2004-08 Budget Transfers Fiscal Year 2003/04
- Resolution 2004-09 Adopting 2004/05 Budget
- Resolution 2004-10 Imposing and Categorizing Taxes
- Resolution 2004-11 Approving Budget Appropriations for Fiscal-Year 2004/05

Commissioner Taggart moved to approve the Consent Agenda containing the items listed above. Commissioner Bergeron seconded the motion. The motion carried unanimously.

OREGON PUBLIC PORTS ASSOCIATION DISSOLUTION. Peter Gearin reported that in the past there had been concern by smaller ports to continue making the membership payments to keep the organization (OPPA) viable, resulting in a break-out group, the Oregon Ports Group with the larger ports funding it and focusing on lobbying efforts. OPG was providing lobbying efforts. OPPA now focuses on providing updates on Salem happenings and information of interest to ports, a newsletter, etc. Member Ports are now considering dissolution of OPPA and have requested member ports to vote to approve a plan of dissolution or vote against dissolution. Discussion followed. Staff recommendation is to dissolve the organization, consolidating into the OPG with funds remaining from OPPA to be distributed to the OPG. Commissioner Bergeron moved the Port of Astoria vote in favor of dissolving the Oregon Public Ports Association, including distribution of OPPA's assets as set out in the Dissolution Plan to the Oregon Ports Group. Commissioner Pfund seconded the motion. The motion carried unanimously.

CONSIDER CONTRACT-DESIGN SERVICES, WEST BASIN EXPANSION, PHASE III. Ken Smith reported he received four proposals for engineering of West Basin Expansion, phase III which includes floats, rip-rap, utility dock and other interior work. The proposals ranged from \$68,000 to \$135,000. After reviewing qualifications/experience/references of the firms, all were qualified for the project. The low bid was submitted by a local firm, BSM Structural Engineering. Staff recommends award of contract to the low bidder, BSM Structural after review by Port Attorney, Heather Reynolds. Peter Gearin commended Harbormaster, Ken Smith, for a great job overseeing the expansion program. Bill Marczewski and Jesse Chase, BSM Structural, were introduced. Mr. Marczewski commented on his firm's experience, noting that while his firm has

been in business for a year, he previously worked for Peratrovich, Nottingham & Drage, who specializes in heavy structural and civil engineering and is familiar with Port projects past and present and working with municipalities. Because most of the engineering needed is based on fees, being local they were able to bid low, saving on hotels and transportation costs. Additionally their close proximity to the project will enable them to more closely inspect the progress.

Commissioner Taggart stated the Port is fortunate to have the local talent of BSM Structural for the engineering. He moved to approve the contract for design services with BSM Structural, subject to attorney review. Commissioner Bergeron seconded the motion. The motion carried unanimously. Peter Gearin noted the increased cost of steel for the expansion will be somewhat offset by the lower cost of the design services being provided.

CALENDAR SCHEDULE. No calendar updates were reported.

REPORTS.

Finance. Peter Gearin stated some progress is being made on overdue receivables. A few accounts will need to be written off. The vessel WOODBINE has been arrested due to non-payment of docking fees. The lawyers are working with the lender. Columbia River Discovery Tours is behind and staff is pursuing collection efforts.

Commission.

Commissioner Pfund represented the Port welcoming the Coast Guard Air Group and the receptions for the Rose Festival fleet ships that stopped in Astoria. The officers of the ships stated they have seen no warmer welcome anywhere than when they come to Astoria, including welcomes from Miss Oregon, the Scandinavian princesses and Regatta court. Commissioner Pfund presented a plaque from the USS LAKE ERIE. Bill Cook credited Rita Fahrney who works closely with the Rose Festival organizers for ensuring all goes well when the ships stop in Astoria and commended her for her efforts over the years in this capacity.

Commissioner Bergeron reported he and John Englund attended a National Trade Commission meeting where the danger of the south jetty failing was discussed. Concern was expressed in a letter to the Corps of Engineers. He commented the lawsuit against channel deepening addresses concerns with the lack of protection of the jetties. Commissioner Bergeron also gave a report on OCZMA discussions regarding responses to different group proposals for regulating and governing Oregon ocean shores. Some discussion followed.

OTHER BUSINESS. Bill Cook reported the following:

- Staff has not had an official response back from the Coast Guard regarding the possibility of opening pier one to public access during periods of non-activity.
- The Corps of Engineers has requested \$100,000 allocated for completion of the East Basin be "borrowed" for this year's critical maintenance dredging contract at the mouth of the Columbia River. The funds will be returned to the Port in the future to allow completion of the breakwater repair, which will not be completed this year due to insufficient federal funds available this year to finish the project. Commissioner Pfund commented he supports the request because the remaining funds will be used for the betterment of the waterway and the Port will be repaid when future funds are available for completing the breakwater.
- Eight cruise ship calls are scheduled for 2004. 13 calls are now reserved for 2005; 7 for 2006 and to date, one is scheduled for 2007.
- Updated the commission on ongoing plans for the haul-out facility

Chairman Hess called for any further business. None was heard. There being no further business, the meeting was adjourned.