

MINUTES
PORT OF ASTORIA
SPECIAL MEETING
AUGUST 12, 2008
PORT COMMISSION CHAMBERS

Chairman Larry Pfund called the Special Meeting to order and took roll call.

Commissioners present: Chairman Pfund, Dan Hess, Floyd Holcom, Bill Hunsinger, and Kathy Sanders.

Staff present: Jack Crider, Ron Larsen, and Esther Jones. Also present, Leslie Palmeri.

Others present: See sign-in attendance sheet.

AREA-WIDE CONTAMINATION – TOM CALABRESE Tom Calabrese of Envirologic Resources did a presentation on the status of the area-wide contamination cleanup on port property. The port is one of nine entities responsible for the clean up stemming from oil companies that once operated on port property. Already spending thousands of dollars of the study costing 1.8 million dollars that identifies the contaminated areas.

Executive Director Jack Crider added he would like to see the other responsible parties pay more for the remaining project. The port is the landowner but not the responsible party. There are nine responsible parties, each with consultant and attorney representation. Concerns with continued payments; the amount of the payments by the different parties vary. Discussion followed on history of project and Calabrese answered questions.

The special meeting was adjourned to executive session.

The special meeting was reconvened after the executive session.

AIRPORT MASTER PLAN Director of Operations, Ron Larsen gave the board members a presentation of the Port of Astoria's Airport Master Plan, a comprehensive evaluation of the airport, with the end result of a long-term facility and operational plan for the highly anticipated future aviation demand in the area.

Continuing, Larsen explained the different sections within the plan, including the inventory, a forecast of aviation activities, and capacity analysis. The development and airport plans, and implementation programs were also explained. He continued with an in-depth overview of the overall plan with

extensive property and operations presentation from parking to highway approach, answering questions from board members.

The complete update, completed in 2008 by the firm, Barnard Dunkelberg, was provided to board members. The plan is based on 2006 costs. Posting the plan on the website would be nice to be able to download. Executive Director Jack Crider added the plan would be on the meeting agenda next week for approval.

PASSENGER SERVICE COMPANY SELECTION The board was updated by Director Jack Crider on the process of the selection for passenger air service to Portland from the coast. Agency leaders who attended a meeting recently interviewed two companies who submitted proposals. The rating process used was explained. Material was provided for board members for their information. Also included with the material, letters from an attorney representing an Oregon company, including verification the company did receive the proposal packet.

Discussion followed on the details of a clean process, substantially advertised, with a copy of the distribution list of the recipients of proposal packets distributed by the city of Newport. Chairman Pfund requested a list of proposal recipients. Next week, the commission will be asked to approve the selection process for passenger air service.

DRAFT AUDIT FOR FISCAL YEAR 2006-2007 More financial statements completed. Notice from the auditor if not complete one week from today he has given the port authorization to terminate his contract. Commissioner Holcom made a motion to terminate the contract with John Carlson, though; board members interceded to wait until next week. Motion died for lack of a second.

OREGON CONNECT II CONTRACT - Executive Director Jack Crider reported the standard contract from the state for Pier 2 repairs is in hand, copies are available. He continued to go over the dollar amounts of the project, which are: 1) project total, 1.1 million, 2) maximum grant \$673,000, 3) local share \$168,000, 4) loan, \$300,000, and 5) the project fees of \$22,848 that will come from port funds. Will try to meet with the city of Newport. Approval of the contract will come before the board at next weeks' meeting.

MOSS/ADAMS CONTRACT – A draft contract for board members to review. Will have a final version at next week's meeting. Partner fees expensive but public contracting RFP will not be required.

SURPLUS PROPERTY ITEMS – A discussion for decision by the board. The vessel Matteson, that came from the Corps of Engineers as surplus equipment was purchased for use by the port for dredging operations, explained by Director of

Operations, Ron Larsen. Water entered the engines. It has been in the port's possession for two years. Discussion followed on the cost of the vessel.

Executive Director Jack Crider added the vessel would be put on the surplus property declaration assuming we will receive over the value of \$5000. Discussion followed on the condition of the engines. Crider's understanding of the condition is that the zincs were not maintained and the hull is shot. Power was questionable. Do the engines work? Yes. It was suggested the port's mechanic, John Dean address the board to answer questions.

Next, the propeller, donated by the Columbia River Maritime museum is sitting close to the boatyard. The project for turning the propeller into a stand stalled. The propeller is 23,000 lbs and is valued at \$42,000. A list will be generated and the board will have to decide one way or the other.

Firewood to sell, the next item to get rid of, not treated. Basically, the three primary items are the two boats and the prop, with more discussion next week.

RATE INCREASES AND NEW CHARGES Remaining consistent is the reason behind the increases. From the non-profits to the agencies that make a profit, all are included. Minimal amounts are being considered. Discussion followed on possibly relocating certain tenants, by creating a decent facility. Cleaning up areas and possibly being able to use properties for other uses. Processors at the end of pier 2, are busy, and are possibly using areas in their operations that are not included in the lease. By bringing tenants' rates, all consistently across the board, certainly not a lot, could add up to several thousand dollars, a significant difference. Discussion followed on the rate increases for airport hangar tenants. Consistency and transparency: the operative words. Once we begin to go through the files, we should be able to identify possible wrinkles. Discussion followed on possibly trading services and the history of particular tenants.

Director of Operations, Ron Larsen, added: the vessel Woodbine is gone. The captain left the life ring at the front door as a memory of the vessel. Larsen presented it to the board of commissioners.

Before the meeting adjourned, Commissioner Hunsinger has asked for an update to the Chinook Room renovations. Executive Director Jack Crider informed the board the materials have been torn out of the inside as sheetrock and exposing beams. The roofer is there to look at the roof and finalize the order. The port of Tillamook will provide the roofers (services to be reimbursed back to their port) to train workers and rent the equipment to torch down the roof. A meeting with the Red Lion corporate representatives tomorrow and show them the progress of the renovations. The paint color will be the red with the brown trim, the original colors. Decking materials for the fish cleaning area have been ordered and will

be replaced. The restrooms will be open for customers. The water system turned out to be pretty good along with the fire alarm system.

There being no further business, the special meeting adjourned.