

PORT OF ASTORIA
REGULAR MEETING MINUTES
NOVEMBER 18, 2008

1. CALL TO ORDER/ROLL CALL

President Larry Pfund called the Regular Meeting to order at 6:01 pm and took roll call.

Persons present were:

Commissioners: Bill Hunsinger, Vice-President; Kathy Sanders, Secretary; Floyd Holcom, Treasurer; and Dan Hess, Asst. Secretary/Treasurer

Staff: Jack Crider, Executive Director; Ron Larsen, Director of Operations; Colleen Browne, Finance Manager; and John Overholser, Airport

Also present were Janet Farstad, and Leslie Palmeri

News Media: Cassandra Profita, The Daily Astorian and Jeff Nelson, Radio

Guests: (see sign-in sheet)

2. CHANGES TO AGENDA – NONE

3. MINUTES

A. Special Meeting, October 14, 2008 – Not available

B. Special Meeting, October 30, 2008 – Correct page 2, Capital Expense Average ~~\$8,362~~ to **\$8,362,000**.

C. Regular Meeting, October 30, 2008 – Correct page 3, Comm. Sanders report, ~~COPAC~~ to **COLPAC**; and ~~Trolley~~ to **TRAWLING**.

D. Joint Special Meeting, November 12, 2008

E. Special Meeting, November 13, 2008

Comm. Hess moved to approve the minutes as corrected, seconded by Comm. Holcom. VOTE was unanimously to approve.

Comm. Sanders noted that the City of Newport were to send the Joint Meeting minutes of October 28, 2008.

4. VOUCHERS/FINANCIALS FOR THE MONTH OF OCTOBER, 2008

Colleen Browne noted several expenses in the Profit & Loss Statement for storm damage repairs, East Basin repairs and cat rental. Utilities rebilling to tenants was \$47,000. Comm. Holcom believed that the Port's portion of the expense should be less than the tenant portion.

Comm. Holcom moved to accept the vouchers and financials as presented, seconded by Comm. Hess. VOTE was unanimous to approve.

Comm. Holcom asked about the garbage bills, if it had been resolved.

Crider said the bill was down by 1/3 and going toward 1/2 due to the problem of public dumping personal garbage into the Port dumpsters. The three most predominant problem dumpsters will be locked up.

5. PUBLIC COMMENT - none

6. RESOLUTION 2008-24 RECORDS RETENTION POLICY

Staff report from Rita Fahrney revealed that the Port has no official policy for records retention. After some Port records were destroyed during a storm, it became evident that an official policy was needed. In addition the insurance carrier, Special District's Association of Oregon offers premium discounts for districts having a policy on records retention. Recommendation was made to officially adopt the State of Oregon policies on Record Retention and Disposal as found in the State of Oregon Administrative Rules, Chapter 166 and Oregon Revised Statutes 192.170.

Comm. Holcom recommended having 2 signatures to sign off on record disposals.

Comm. Hess moved to approve Resolution 2008-24 Records Retention Policy, seconded by Comm. Hunsinger. VOTE was unanimous to approve.

7. WESTERN OREGON WASTE (WOW) – FINAL REIMBURSEMENT

Continuation of the lease clause regarding the buyback and environmental hazards as reported at the Nov. 13, 2008 Special Meeting. Cleanup at the time of property ownership change from Taggart to WOW in 2006 included environmental remediation expenses estimated between \$50,000 and \$70,000. Concern was voiced that this was not budgeted thereby becoming a lost liability. At that time the concept was to use the expense as a credit against lease payments.

Crider reported that Joe Cook, Chief Financial Officer and their attorney will be coming to the Port to go over the last \$20,000 in expenses. After scrutinizing the eligible expenses, then a final amount should be available to resolve how the liability is handled.

8. DISCUSSION ITEMS

A. COUNTY COMMISSION PROPOSAL (DEC. 3): Crider drafted a letter to Andy Anderson, Interim County Manager, requesting to address the County Board of Commissioners on Dec. 3 to discuss the Port's intent to purchase North Tongue Point from the Washington Development Corporation. The discussion will include a request for a short term loan borrowed from Clatsop Counties lottery funding.

B. FAA/LNG TANK HEIGHT: Per FAA letter dated 11/13/2008, FAA conducted an aeronautical study concerning Liquefied Natural Gas Tank in Warrenton, OR. Proposal is for three concrete tanks whose height is 185 above ground level, each 270' in diameter, smaller buildings and structures; located about 8,000' from Runway 08 threshold.

The study revealed that the structure would have no substantial adverse effect on the safe and efficient utilization of the navigable airspace by aircraft or on the operation of air navigation facilities provided the following conditions are met:

- Structure is marked and/or lighted.
- Aeronautical charts are updated to reflect current coordinates, elevation and height.
- Conventional AST VOR facility shall be replaced with an operational Doppler VOR facility prior to construction. (estimated cost is \$500,000)

Several written comments have already been received by the FAA concerning the tank placement. The comment period ends December 13, 2008.

Commissioner discussion included:

- Question if the passenger service was taken into account, will it affect it.
- Question if the tides influence ships from delivering the LNG.
- FAA is limited in scope, only look at structured analysis, only concerned with procedures. Terrorism since 9/11 has affected the LNG in La, restricting airplanes from flying over.
- FAA may approve the construction, but the actual construction of the tanks may never happen.

C. SUPPLEMENTAL BUDGET: purpose of the Supplemental Budget for the General Fund is to allow for the Resources and Requirements for a building purchase. Meeting is scheduled on November 26 at 4:00 pm.

Resources:	Loan	\$2,000,000	
	Rental Income	\$ 60,000	
	Contingency Fund	\$ 15,000	
	Total Resources		\$2,075,000
Requirements:	Building Purchase	\$2,000,000	
	Interest Expense	\$ 70,000	
	Maintenance Expense	\$ 5,000	
	Total Requirements		\$2,075,000

D. SEAPORT CONTRACT NEGOTIATION

Crider reported that he met with Gary Firestone, Attorney for the City of Newport and Dan Clem, Director of Oregon Department of Aviation (ODA) regarding the SeaPort Contract draft for air passenger service. ODA provided a sample contract. They talked about the frequency of flights - 3 daily trips with departure times beginning at 6:00 am to PDX. SeaPort wanted to begin in December as their new plane is available, but in the best interest of the Program, it would be better to start in March. That would give time for marketing and taking into consideration that January and February are slow.

Discussion included:

- SeaPort now has 20 flights a day to Seattle.
- Local hotels need to be contacted about offering park & fly packages.
- Hotels need to be contacted to be included as part of the marketing.
- Newport will use hotel tax for their marketing resources.
- SeaPort will fly unsecured from Hillsboro and then on to Boeing Field in Seattle. Folks will be transported by bus to PDX and go through TSA for other flights.

E. OREGON LNG/DSL PROPERTY OWNERSHIP

Crider went to Division of State Lands and learned the history of Skipanon including the chain of title from 1888, but there are still some unanswered questions. The tidelands became created lands and the Port lost its ownership. It is apparent that DSL will defend their ownership of the property. A draft is expected in a week.

Comm. Holcom talked about how confusing the ownership is. The Port was given the property in 1960 but it was not recorded until 1997. Between 1960 and 1997, DSL made their claim. Another consideration is that the State put their dredge spoils on Port property without payment to the Port for storage.

Crider went through the wharfing issue and Steve agreed to critical areas. The value was shrunk from \$87,000 down to \$15,000.

9. CALENDAR – December had already been approved, January meetings were not listed.

10. REPORTS

Comm. Sanders

- NW ACT –

ODOT wants new rules on Federal Earmarks, they want to sign off.

OREGON SOLAR HIGHWAY – to build solar panels next to highways for lights in early 2009, beginning on I5. Oregon will be the first state to build the panels. This is a new technology for green power with tax credits being offered.

Comm. Holcom

- CEDR on NOAA – its exciting about the enthusiasm received from the proposal. They have hired Jim Beals in DC to see if the Port has a shot.
- Citizens are concerned about the intersection at Bergesons/Bornsteins. The road swings left into oncoming traffic and confuses drivers.
- A local attorney has suggested relying on Andy Jordan for major legal conflict and hiring a local attorney for minor legal questions at a lesser cost. Crider explained that there are different levels within Andy Jordan's office being used to minimize the cost.
- Meetings have redundancy; perhaps the workshop could be eliminated. Discussion followed on the value of the workshop, that it might be better to just schedule a workshop when needed instead of scheduling one the second week of the month.

Comm. Hunsinger

- Talked about Tongue Point and all the different ideas coming forth for its use.

11. OTHER BUSINESS - none

12. RECESS (at 7:30 pm) TO EXECUTIVE SESSION IN ACCORDANCE WITH ORS 192.660 (2)(e) TO CONDUCT DELIBERATIONS TO NEGOTIATE REAL PROPERTY TRANSACTIONS.
13. RECONVENE REGULAR MEETING (at 7:50 pm)
14. CONSIDER ACTION ITEMS (IF ANY) - none
15. ADJOURN
Comm. Hess moved to adjourn the meeting at 7:51 pm, seconded by Comm. Sanders. VOTE was unanimously approved.

Submitted by Janet Farstad

