

**PORT OF ASTORIA
SPECIAL MEETING
NOVEMBER 10, 2009**

I. CALL TO ORDER/ROLL CALL

President Hunsinger called the meeting to order at 6:03 pm and took roll call.

Persons present were:

Commission: William Hunsinger, President; Dan Hess, Secretary; Lawrence Pfund, Treasurer; and Jack Bland, Asst. Secretary/Treasurer. Commissioner Floyd Holcom was absent.

Staff: Jack Crider, Executive Director; Colleen Browne, Finance Manager

Port consultants: Janet Farstad, Vicki Goodman and Lesle Palimar

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

Guests: John Lansing, Lori Durheim, Pam Huntsinger and Rachel Jensen

II. AGENDA CHANGES/ADDITIONS

ADD: Commissioner Hess requested Pier 1 Fishermen and Western Boat Owners Association be added to the agenda.

III. TONGUE POINT TENANTS

Jack Crider went over the list of existing tenants and then talked about those tenants whose leases would be re-written with the Port. Issues to resolve are: (1.) Utilities – need to analysis usage and then install meters for rebilling; (2.) Taxes – total taxes paid to the county I \$85,000. Washington Group did not include property tax payment in their leases so the Port needs to include it in the new leases. Exemption status for property not leased will be requested; (3.) Lease fees schedules needs to be adjusted; and (4.) Security – four cameras have been installed, stickers will be issued to employees and those doing business at the site, auto insurance will be required, security personnel will be on duty from 8 pm to 6 am, and the rest of the time maintenance personnel will be available. Other issues: City Transfer will need to cover their crates, Clean River to cover their boats and Pacific Expedition to install a curtain for separation.

Colleen Browne explained a cash flow analysis for fixed expenses. The first 6 months shows net income of \$1,567, the second 6 months shows net income of \$22,150. New lease revenue goes from \$3,300 to \$24,800 but that is dependent on lease approvals. Discussions with Warrenton Fiber and Trails End Recovery continue, both want to lease property.

IV. CONNECT OREGON III PROJECTS

Vicki Goodman talked about the Connect Oregon III application deadline of November 20, award August 2010 and contract December 2010. She explained the following projects in detail.

Marine Projects:

- Pier 1 Crane, cost \$2 million; match is a loan payable from user fees.
- Pier 3 installation of sheet pile and tie backs, cost \$1.2 million; match is from port labor, equipment and 40,000 CY dredge materials to fill the space behind the wall.
- Stand-by tug subsidy for 2 years, cost \$1.2 million; match is a loan payable from user fees from all cargo vessels crossing the Columbia River bar. Money would be collected by the Bar Pilots.

Airport Projects:

- Hangar/shop for Seaport Airlines aircraft, cost \$650,000; match is SPWF loan (Oregon Business Development Department) payable through lease payments on the hangar.
- IFR minimum lowed addresses FAA requirements of taxilane, electrical system upgrades and tree obstruction removal, cost \$4.4 million; match from FAA grant funds. Janet Farstad reported on FAA's initial waiver of full parallel taxi and to allow usage of existing taxi's in order to keep the cost minimal. The project will not be approved by FAA until an engineered design is submitted and Congress approves FAA's fiscal budget for 2012.

Rail Project:

- Rail connection and siding at North Tongue Point, and automated swing bridges at John Day and Blind Slough, cost \$1.5 million; match of \$300,000 from ODOT Industrial Rail Spur Fund.

V. L.C.S.G. DECLARATION OF COOPERATION

Lower Columbia Solutions Group (LCSG) has been working on a solution to help lower Columbia ports dredge and dispose of sediments that are too contaminated for in-water release. Pesticides, metals and other contaminants originate throughout the Columbia River watershed and move down through the system settling at the mouth of the river, leaving lower Columbia ports with costly problem of dredging and disposing of these materials, most of which they did not produce. The LCSG will raise local contributions and work with the region's Congressional delegation to secure \$5 million for the facility construction. LCSG is now seeking funding sources and technical assistance for Phase I engineering feasibility and design process as follows:

- Port of Astoria
 - \$10,000 contribution
 - Provide staff resources to help seek additional funding partners.
- Port of Ilwaco
 - \$5,000 contribution
 - Assist in seeking additional funding partners.
- City of Warrenton
 - \$10,000 contribution
 - Assist in seeking additional funding partners.
- Columbia River Estuary Study Task Force
 - \$10,000 contribution

CREST to provide technical expertise.
 Clatsop County Economic Development
 Provide guidance seeking funding partners
 Columbia River Business Alliance, Lower Columbia River Estuary Partnership,
 Oregon Department of State Lands and Oregon DEQ to provide technical assistance.
 Lower Columbia Solutions Group
 Seek other funding partners
 Provide project management services

Commissioner Hess moved to approve \$10,000 to LCSG and authorize executive director to sign the Declaration of Cooperation, seconded by Commissioner Bland and unanimously approved.

VI. PACIFIC MARINE EXPO PARTICIPATION SCHEDULE

Wednesday	Nov. 18	Set UP	Larry Pfund Bill Hunsinger
Thursday	Nov. 19 AM		Larry Pfund Bill Hunsinger
	Nov. 19 PM		Jack Crider Ken Smith
Friday	Nov. 20		Floyd Holcom John Lansing Dan Hess
Saturday	Nov. 21	Take Down	Dan Hess Jack Bland

VII. PIER 1 FISHERMEN

Commissioner Hess talked about the problem of older folks who now have to haul their crab pots to Pier 1 and the difficulty of access for them. He requested that these folks be allowed to drive and unload their pots. Consensus of the board was to approve the request.

VIII. WESTERN BOAT OWNERS ASSOCIATION

Commissioner Hess reported on the annual association meeting in Rocklin CA from March 29 to April 1 2010. In recent years the Port supported the meeting by providing a continental breakfast costing about \$200. He requested that the Port again provide the breakfast. Consensus of the board was to approve the request.

IX. PUBLIC COMMENT

Lori Durham asked the following:

1. Is the charge to cross the bar different than anchor fees?
 Jack Crider replied that it's the first step.
2. LNG court hearing in Vancouver?
 Jack Crider replied that the documents are public and she can request them.

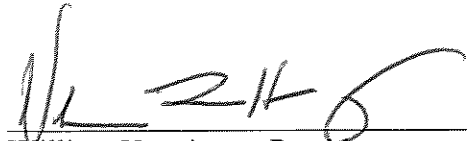
3. Port vs. LNG lawsuit?
Jack Crider replied that oral arguments are going on now.

John Lansing, representing SeaPort Airlines requested that the Port include language for travel policy in their Personnel Policy to mandate flying on Port business is it is the least cost to mileage and lodging or per diem. He said air service was designed to get people off the highway and he is promoting awareness to flying.
Jack Crider replied that the challenge is planning 21 days in advance to get the rate.

X. ADJOURN at 7:15 pm

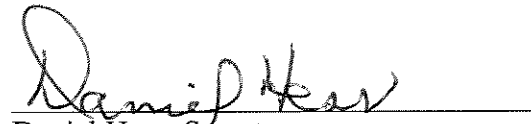
Submitted by Janet Farstad, Special Projects

APPROVED



William Hunsinger, President

ATTEST:



Daniel Hess, Secretary