

PORT OF ASTORIA

REGULAR COMMISSION MEETING MINUTES

MARCH 17, 2009

1. CALL TO ORDER/ROLL CALL

President Larry Pfund called the Regular Meeting to order at 6:04 pm and took roll call.

Persons present were:

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

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

Also present were Janet Farstad, Lesle Palmeri, and John Lansing

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

Guests: (see sign-in sheet)

2. CHANGES TO AGENDA

Delete: 15 (2)(b)

3. MINUTES

Corrections: Feb. 17 credit line \$50,000 not \$200,000.
Feb. 25 Reichl not Reichi
Jim Raskin is "former" mayor
Port looking for "used" foam truck
March 10 "Andrew" Bornstein not Jay

4. VOUCHERS/FINANCIALS FOR THE MONTH OF FEBRUARY 2009

Profit and Loss Statement:

Colleen Browne noted the negative income for both the year to date and end of month. Loss was due to audit fees of \$12,000, membership of \$5,000, utilities higher than normal, marina revenues low, and project revenues booked after receiving not as incurred.

Balance Sheet:

Colleen Browne said that Bornstein was re-classed as a receivable by the auditor.

Accounts Receivable:

West Bay Fisheries (1) had inventory damage that was denied by the Port's claim but they held the Port responsible thereafter deducting the damage cost from rent; (2) there were 20 months forgiveness for pier repair which ended 4 months ago but they have not started paying the rent now due.

Betsy Ross – bill is automatically charged with a credit card – not being done.

Peter Gearin – medical premiums of 18 months were in the separation agreement.

The Port kept paying the premiums after the end date and once discovered sent a bill.

Gearin has not paid the rebilled premiums but is paying current premiums.

Commissioner Holcom moved to accept the financials as presented by the Finance Manager, seconded by Commissioner Sanders and unanimously approved.

Vouchers: no questions

Commissioner Holcom moved to accept the vouchers, seconded by Commissioner Hess and unanimously approved.

5. PUBLIC COMMENT – none

6. BUDGET OFFICER APPOINTMENT

Jack Crider said Colleen Brown did an excellent job last year and recommended her again this year as Budget Officer.

Commissioner Hunsinger moved to make Colleen Brown Budget Officer, seconded by Commissioner Sanders.

Discussion:

Commissioner Holcom wanted to insert that Colleen Browne would work with the Budget chairman.

VOTE: unanimously approved.

7. BUDGET COMMITTEE APPOINTMENTS

Staff report from Rita Fahrney, Administrative Manager, stating two terms expired December 2008, Mr. Harris and Mr. Lee; with both expressing a desire to continue to serve. Dan Brown's appointment expires Dec. 2010 but he has not expressed an interest to continue. Other members include Clarke Powers and John Lansing who will continue. A press release requested applications from interested persons, none received.

Commissioner Hunsinger reported that he has talked with Chris Connaway, who would like to be on the committee.

Commissioner Holcom moved that John Lansing, Budget Chairman, should make recommendations of committee members, seconded by Commissioner Hunsinger.

Discussion:

Commissioner Sanders read the commission policy on budget committees that appeared to replicate state statutes.

VOTE: unanimously approved.

John Lansing recommended retaining Mr. Lee and Mr. Harris.

Commissioner Hunsinger moved for a 10-day cutoff date for interested persons, seconded by Commissioner Holcom and unanimously approved.

8. HOUSE BILL 2223 OPPOSITION – RESOLUTION 2009-10

Commissioner Holcom reported that Scott McMullen had called with concerns of the resolution and the urgency to pass it along due to the public hearing tomorrow.

Potential Conflicts of Interest Declared:

Commissioner Holcom declared a conflict of interest due to owning Hanthorn Crab Co. and Oregon commercial fishing license.

Commissioner Hunsinger declared a conflict of interest due to holding 6-7 commercial

fishing licenses.

Commissioner Sanders read the resolution opposing Section 26 of House Bill 2223.

Commissioner Hess moved to approve Resolution 2009-10, seconded by Commissioner Sanders.

VOTE: Yes – Commissioners Sanders, Hess, and Pfund

Abstained – Commissioners Holcom and Hunsinger

9. ASTORIA ANCHORAGE PROPOSAL

Jack Crider talked about the history of charging anchorage in the Columbia River, that for some reason it was stopped.

Michael Haglund of HAGLUND, KELLEY, HORNGREN JONES & WILDER LLP, was introduced for possible maritime legal work. Mr. Haglund believed that the Port of Astoria gave up their rights to charge about World War II. The Port has broad powers and could have charged the estimated 1355 ships anchored last year. The potential needs included: (1) Safety – fireboat; (2) Environmental – ballast water management, water sampling; (3) Regulate anchorage – now a vessel can anchor indefinitely; and (4) commercial areas management.

The proposal range is \$5,000 to \$7,000 that would include a report on:

- (1) The Port's legal authority to establish and control an anchorage zone in the Columbia River;
- (2) Data regarding the number of ships that anchored in the Columbia River at Astoria and the total number of days that these ships utilized the anchorage in 2008;
- (3) An analysis of the safety, environmental and commercial justifications for the Port of Astoria reestablishing an anchorage zone within the Port's jurisdiction; and
- (4) An analysis of the rates charged by other U.S. and foreign ports which regulate anchorages and the types of services provided by these port authorities to the vessels utilizing those anchorages.

Discussion:

Possible \$400,000 gross revenue per year.

Looking at fresh water ports vs. salt water ports.

Port of Astoria jurisdiction should follow county lines.

Possibility of resident tug, might include tug analysis.

Commissioner Holcom moved to proceed with the analysis and retain HAGLUND, KELLEY, HORNGREN JONES & WILDER LLP to provide necessary data to make a decision, seconded by Commissioner Hunsinger and unanimously approved.

10. ENVIRONMENTAL & PROPERTY FINANCIAL RECOVER PROPOSAL

Thane Tienson of LANDYE BENNETT BLUMSTEIN LLP, by telephone proposed to assist in the area wide contamination issue and the loss of property from Division of State Lands.

Proposal cost of \$25,000 for the following work:

- (1) Provides notice to all potential insurers of the claim for environmental cleanup costs associated with petroleum hydrocarbons contamination at the Port of Astoria.
- (2) Providing notice to the Oregon State Bar Professional Liability Fund of the Port's potential claim arising out of the failure to timely notify the above insurers of the claims asserted against the Port.
- (3) Research the Port's ownership of real property presently leased by the Port from DSL and ownership.

Commissioner Sanders moved to hire Thane Tienson of LANDYE BENNETT BLUMSTEIN LLP per the proposal, seconded by Commissioner Hess and unanimously approved.

11. DISCUSSION ITEMS

A. BUDGET SCHEDULE FY 2009-2010

Jack Crider proposed the schedule ending by June 30. Calendar dates will be checked out.

B. DREDGE SEASON FINAL

Jack Crider said it was a good dredging season, maxed out 130,000 yards removed, wants to get back to 200,000 yards. In the process of final reports, samples and filing.

C. LONGSHORE PAYROLL & FRINGES

Jack Crider talked about the need for competitive rates for upriver ports, may look at increases of 10%. Presently there is a 20% markup to cover costs, charge at overtime rate. Other ports charge other fees over the Longshore rates.

12. COMMISSION

A. REPORTS

Commissioner Holcom:

Last work session suggested reinstating the airport and marina committees and has gotten calls to start them up again. He would like better relationships with customers.

Commissioner Hess deferred to Commissioner Sanders as they attended the same meetings.

Commissioner Sanders:

Columbia Pacific Economic Development District has \$499,000 to loan to small businesses for risky business. \$125,000 loan to businesses damaged by the December storm.

Northwest ACT briefed on federal stimulus funds for first round of programs in April. Marty Andersen of ODOT will do all the bid process. Jack Crider said that ODOT was looking for pre-existing work to be extended. The Port of Astoria applied to extend Pier 2 work at \$8.4 million. Commissioner Sanders reported that \$400,000 in stimulus funds was approved for lighting of the Pedestrian Path.

Budget Workshop was attended along with Colleen Browne.

Commissioner Hunsinger:

Lower Columbia Solutions Committee, would like Jay to look at getting funding for the cleanup. Jack Crider said it was part of the stimulus application.

Tongue Point was showed to a prospective tenant from Holland, need steel and was ready to come with good jobs.

Commissioner Pfund:

Washington DC contacts with PNWA were very good.

Met people interested to come with a tug boat.

Moorage anchorage charge was supported.

B. CALENDAR - none

C. CONCERNS/COMMENTS - none

Commissioner Hunsinger talked about the fish industry, that it involves all types of businesses.

Big Creek Hatchery closure was in the newspaper, along with the Sandy Hatchery. This is a tremendous blow to the fishing industry and needs support from agencies.

Commissioner Holcom recommended recognition of George Fulton who once was the Port's attorney, will have his 90th birthday. The Commission recommended sending a card.

13. OTHER BUSINESS

A. STRATEGIC BUSINESS PLAN

Jack Crider noted good proposals. After submitting the evaluations, 3-4 firms will be selected for interviews.

14. PUBLIC COMMENT - none

**15. RECESS TO EXECUTIVE SESSION at 8:00 pm PER ORS 192.660
~~(2)(b) TO CONSIDER DISMISSAL OR DISCIPLINE OR HEAR
CHARGES OR COMPLAINTS AGAINST AN OFFICER, EMPLOYEE
OR STAFF MEMBER; AND ORS 192.660 (2)(e) TO CONDUCT REAL
PROPERTY TRANSACTIONS.~~**

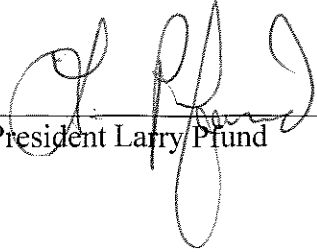
**16. RECONVENE REGULAR MEETING at 8:45 pm FOR ACTION
ITEMS - none**

17. ADJOURN at 8:45 pm

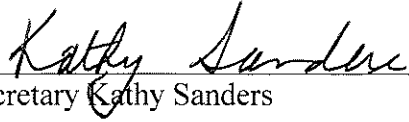
Submitted by Janet Farstad

APPROVED:

ATTEST:



President Larry Pfund



Secretary Kathy Sanders

Port of Astoria
COMMISSION MEETING

SIGN IN SHEET

DATE: March 17, 2009

| NAME | PRINTED NAME |
|--------------------------|-------------------|
| <i>Jeff Nelson</i> | JEFF NELSON (KAS) |
| <i>Mike Haglund</i> | MIKE HAGLUND |
| <i>David Brewer</i> | DAVID BREWER |
| <i>Sassanasa Pichita</i> | |
| <i>Pam Hunsinger</i> | PAM HUNSINGER |
| <i>David Brewer</i> | DAVID W. BREWER |
| <i>Steve Sanders</i> | STEVE SANDERS |
| <i>Triam Hartill</i> | STUART SINCEAD |
| <i>Triam Hartill</i> | TRIAM HARTILL |
| <i>Andrew Bernstein</i> | Andrew Bernstein |
| <i>John Estilos</i> | JOHN ESTILOS |
| <i>Ed Thomas</i> | Ed Thomas |
| <i>Elaine Pfund</i> | Elaine Pfund |
| <i>John Ford</i> | John Ford |
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