

MINUTES
PORT OF ASTORIA
REGULAR COMMISSION MEETING
OCTOBER 18, 2011
PORT COMMISSION CHAMBERS

Chairman Dan Hess called the Regular Meeting to order. Roll call was taken.

Commissioners present: Dan Hess, Jack Bland, Bill Hunsinger, Floyd Holcom. Larry Pfund is excused.

Staff present: Deputy Director Herb Florer, Terminal & Administrative Services Manager Rita Fahrney, Finance Manager, Colleen Browne, Property Manager Mike Weston, Airport Manager John Overholser.

CHANGES TO AGENDA. Agenda Item #11 "Lease Terms" deferred until all members are present.

MINUTES: Regular Meeting August 16, 2011; Special Meeting August 30, 2011; Special Meeting September 13, 2011; Regular Meeting September 20, 2011; Special Meeting October 6, 2011.

Commissioner Bland Moved to approve the minutes of the aforementioned meetings. Commissioner Hunsinger seconded the motion. Commissioner Holcom stated he will approve all the minutes; however, he would like to have the meeting of August 30th with the Department of State Lands be provided in transcript form. Commissioner Bland agreed, stating he was unable to attend that meeting. Commissioner Bland's motion carried unanimously.

FINANCIAL REPORTS.

Finance Manager Colleen Browne reported vouchers for the month of September totaled \$395,600. Commissioner Bland moved to approve the vouchers submitted for September. Commissioner Holcom seconded the motion. The motion carried unanimously. Browne reported Operating Income from operations to be \$184,726. She explained some of the higher expenses and revenue sources. Aging of Accounts does not reflect any substantial issues. Tongue Point net income for September is \$3,738. Some discussion followed on tracking DSL payments – Tongue Point specifically. *Commissioner Holcom moved to approve the financial Reports for September 2011. Commissioner Bland seconded. The motion carried unanimously.*

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

STAFF REPORTS.

John Overholser –Airport Manager reported the following:

- Declared the month of September at the airport to be "Normal" no incidents or controversy
- Bar Pilots helicopter is up and running. Was down due to maintenance needs
- Maintenance is doing mowing and drainage projects
- No progress seen on T-Hangar – steel has not shown up

Mike Weston – Property Manager reported the following:

- The Fish Cleaning Station is being constructed. It went over budget. Request in for additional funding from ODF&W.
- The coffee hut area has been leveled out, asphalted.
- Tongue Point is being used for docking the fleet of the Tarabochias', Dave Lethin and McAmis due to power now available.
- Explained new mapping technology to survey for soundings. It is very accurate.

Rita Fahrney – Terminal/Administrative Services Manager reported the following:

- Reported on the recent Clatsop Cruise Hosts meeting. She serves on the board on behalf of Port staff. The Cruise Hosts met with the new director of Sunset Empire Transportation to work out issues for bus service next year. Optimistic all will work out.
- Provided update on grain ship docked on Face of Pier One. It is the M/V ED FU and is in for repairs. The Port will receive "layberth dockage" of \$1,700 per day.

Herb Florer – Deputy Director reported the following:

Marina – staff undergoing repairs, landscaping. Canadian Tuna fleet in due to weather.

Fuel sales are up from last year.

Marina Manager Janice Burk attended an Oregon State Marine Board Map Fund conference.

Boatyard – Electricity repairs will be completed next week

Tongue Point wash down is together

Maintenance – Harold Culver is out with family issues. The dredge is ready to go, boat is in the water.

Airport work is ongoing – fixing drainage issues, lighting, grounds work.

Florer has been working on gaining additional skills with the Port's web site to enact changes in-house.

Discussion followed on dredging. The dredge crew is ready to begin on the west side of pier one after the dredge Terrapin Island departs. The Permit allows for a November 1, 2011 start; however, the Port was able to request advance start to dredge the critical area on pier one west before a log ship arrives. They estimate 4-5 shifts. Funding did not come through to address the hump in the Turning Basin.

CONSIDER RESOLUTION 2011-10 TARIFF ADJUSTMENTS.

Commissioner Holcom moved to approve the 2011-10 Tariff Adjustments as recommended by staff.

Commissioner Bland seconded the motion. The motion carried unanimously. Property Manager, Mike Weston, explained he is continuing work on additional tariff rates for Tongue Point to ensure rates are consistent with other NW ports. More strategic planning will be undertaken.

CONSIDER APPROVAL - CAMERA SURVEILLANCE CONTRACT

Deputy Director Herb Florer stated the camera surveillance system is not a public document. He has reviewed proposals and spoke with some commission members about the services they will provide. Commissioner Holcom stated he is not concerned so much about the cost for the service but, rather, the need to ensure the Port is getting what we paid for in service. Florer confirmed he had not spoken with other ports about their systems. He has reviewed the service provisions thoroughly and wants to get

the installation started as soon as possible. Some discussion followed. Chairman Hess acknowledged he is not a “security” person. It may be beneficial to have an outside security consult. Commissioner Holcom recommended the project be tabled for now – there is no deadline to award the contract at this time and he has more questions about the capabilities of the service. Commissioner Hunsinger would like to talk to other ports about their systems. Consensus of commission is to have an Executive Session under “Records exempt from public disclosure” to get additional information and questions answered. Staff was directed to continue research on the project.

CONSIDER APPROVAL – IGA, STATE OF OREGON

Deputy Director Herb Florer recalled the Intergovernmental Agreement with the State of Oregon was presented for review during the special meeting held last week. Key points were reviewed. The Port has already adopted a Strategic Business Plan as required by the Agreement which is ongoing. *Commissioner Holcom moved to approve the Intergovernmental Agreement subject to any questions. Commissioner Bland seconded the motion. The motion carried unanimously.*

RED LION DISCUSSION

Deputy Director Herb Florer reported the Port entered into a 6-month option agreement with Red Lion to explore the possibility of developing a new hotel on the “overflow” parking lot. A Request for Proposals was issued by the Port for operation of a wing of the hotel at 400 Industry (Red Lion). Each of the interested parties eventually withdrew their proposals as negotiations occurred – concern expressed at the time with Red Lion option still in effect, proposers were reluctant to invest the amount necessary for hotel improvements and operations facing the uncertainty of whether Red Lion would choose to proceed. This option has now expired. Staff is looking for direction on next steps. Commissioner Holcom stated it is prudent to take time to develop a long-term plan for the site. Holcom stated staff needs to advise the commission on best next step to limit the Port’s liability and to have an income. Commissioner Bland discussed potential of a multi-story hotel. Chairman Hess mentioned plans for a new hotel in parking lot and the need to get a RFP out. Commissioner Hunsinger stressed the need to come to a consensus on interim basis and move forward.

COMMISSION – Reports

Commissioner Holcom invited to speak at the Seaside Radio station about the “Hickson Heist”.

COMMISSION Direction

Commissioner Holcom confirmed direction has been given to the Deputy Director to arrange an Executive Session for camera surveillance system and the need to prepare a Request for Proposals for the hotel. Holcom is reviewing a document he requested from the Corps of Engineers regarding Tongue Point history – there may be some answers to questions found.

OTHER BUSINESS

Commissioner Hunsinger addressed board meeting member compensation and requested staff review other Port compensation policies.

There being no further business, the Regular Meeting was adjourned.

