

## MINUTES

PORT OF ASTORIA  
REGULAR MEETING  
DECEMBER 18, 2012  
PORT COMMISSION CHAMBERS

### 1. CALL TO ORDER/ROLL CALL

Chairman Larry Pfund called the meeting to order. Roll call was taken .

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

Staff present: CEO Hank Bynaker, Director – Seaports Division Herb Florer, Director – Business Development and Operations Mike Weston and Finance Manager Colleen Browne.

### 2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

### 3. CHANGES/ADDITIONS

Chairman Pfund called for any changes/additions to the agenda. Agenda item #10 – Steve Fick was moved up on the agenda to present his topic upon his arrival.

### 4. MINUTES

#### Special Meeting 11-13-12 and Regular Meeting 11-20-12

Commissioner Holcom noted he was not present at the Special Meeting 11-13-12. He stated there is a discrepancy on the Fire Boat review that he read in the minutes having to do with costs and maintenance. He recalled past director, Jack Crider, reporting a lower cost and now the cost is estimated at \$77,414. He also doesn't recall that being discussed during last week's Finance Committee meeting held last week. The figure is higher than what was determined in previous discussion. Director, Seaports Division, Herb Florer responded he is not familiar with the previous cost estimate; however, he stated he put his numbers together carefully and has been told it might be high or might be low.

\$45,000 is the low end and upwards to \$100,000 is a high-end number. *Commissioner Hess moved to approve the minutes of the Special Meeting 11-13-12 and the Regular Minutes of 11-20-12.*

*Commissioner Hunsinger seconded the motion. The motion carried unanimously, with note of abstention of Commissioner Holcom on 11-13-12 minutes.*

### 5. FINANCIAL REPORTS

Vouchers. Finance Manager Colleen Browne called for any questions regarding voucher payments. She explained what loans are current. A question regarding staff employee's credit card balance was explained. That employee oversees office supplies purchases and travel arrangements for staff. She further explained the DEQ payment is for the area-wide contamination payment and will be offset; the Pacific Power bills are rebilled to tenants. SDAO is an annual payment for flex loans. *Commissioner Holcom moved to approve the vouchers for the month of November. Commissioner Bland seconded the motion. The motion carried unanimously.*

Financial Reports. Browne reported on the Operating Statement November was a good month with the \$350,000 settlement offset by the \$132,000 in legal expense. Operating Revenue for November is \$797,000 and income from operations is \$206,000. Commissioner Hunsinger asked how invoices for vessels are billed. Browne responded Terminal Services Manager Rita Fahrney gathers the information and handles the invoicing of terminal services. Commissioner Holcom voiced his concern about the overhead. *Commissioner Holcom moved to approve financial reports for the month of November. Commissioner Hess seconded the motion.* Some discussion followed about area-wide contamination attorney fees and settlement, followed by Commissioner Hunsinger asking if Terminal Services Manager, Rita Fahrney, still attends the Northwest Marine Terminal Meetings for the Port. He recalled she used to report back to the commission on the meetings and what ports agree to on tariff rate changes and report to the commission on recommendations. Florer stated tariff rates are slated for an increase this year. Hunsinger stated he would like to see continued staff participation in the meetings. Following discussion, *Commissioner Holcom's motion carried unanimously.*

## **6. STEVE FICK – MARINA MOORAGE & PARKING RATES**

Steve Fick, Fishhawk Fisheries arrived. Mr. Fick stated at the last Port Board meeting he brought up discussion of increasing parking, fueling and moorage fees for people who do not live in the community. He feels the Port should not subsidize people who are not involved in the community and they should pay higher fees such as \$20/day to park and an additional \$.25/gallon added to fueling fee. Fick also recommended increasing moorage fees for non-county residents. With the amount of money received from these additional income sources it would justify hiring a parking crew for the summer and the Port would have increased income. Discussion was held on the concepts and how they could be incorporated. Commissioner Holcom advised the Port has a Marina Committee where these types of ideas can be or are discussed. Also discussed were out-of-county charter boat operators who provide no economic benefit to the Port of Astoria and are getting "free rides". Commissioners agreed to the need to study Mr. Fick's recommendations and engage the community. Commissioner Holcom stated the Marina Committee is an appropriate place to discuss the recommendations. He also suggested staff be tasked with coming up with a recommendation to the commission members.

## **7. STAFF REPORTS**

Herb Florer, Director – Seaports Division presented staff reports for the following:

Rita Fahrney – Terminal/Administrative Services Manager

- Provided information on tonnage numbers for the Port of Astoria for 2012. Annual tonnage: Logs 269,000 metric tons; fishmeal exported: 154 metric tons. Fish landings from terminal tenants total 43,659 metric tons. This includes numbers from Da Yang, Astoria Pacific Seafoods, Del Mar, Bornstein Seafoods and West Bay.
- Two log ships came in December. We now have 23 cruise ship calls scheduled for 2013 and 7 so far for 2014.
- Rita is taking over Tongue Point terminal services and will be monitoring and invoicing dock services.

- Mid-January expected is a ship called Noble Discoverer. It is a drilling ship used in Alaska and will be in to have the drilling derrick removed – the drilling derrick is too high to fit under the Astoria-Megler Bridge. The USNS Henry J Kaiser is scheduled to dock here Wednesday to await favorable weather for a trip south.

Some discussion followed on calculating for logs exported. CEO Bynaker stated Rita works with WLH to obtain accurate numbers for board feet and metric tons. Commissioner Holcom noted the Corps of Engineers use metric tonnage for cargo stats to prioritize dredging and the Port of Astoria is considered a small port due to our yearly numbers being lower than one million tons. Mike Weston, Director – Business Development and Operations, reported the turning basin has been dredged by the Corps of Engineers just recently.

Commissioner Holcom noted it is important to realize what one log ship call at the Port means – 260 truckloads of logs provide jobs and trickle-down effect for the drivers, the logging companies, the log sellers, the fuel sellers and etc. He also stated the Port's EIS is out of date. Herb responded staff is working on updating it.

Steve Barkemeyer, Boatyard Manager:

- Stats: 24 lifts this year compared to 16 last year; 11 inactive storage compared to 19 last year (some of last year vessels were seized by Port); 17 storage renters at Tongue Point – 15 last year.
- Forklift has a meter placed on it to more accurately charge renters for time used.

Janice Burke, Marina Manager:

- Dock repairs are continuing at both marinas; some temporary repair being completed on causeway.
- High winds have kept staff busy notifying tenants and watching over boats.
- She highlighted some of the marina accomplishments during 2012:  
New fish cleaning station and barge. 3,200 people used parking based on payments received; upgrade to boat ramp; Transient moorage up 7% and fuel sales up 6.2%
- Janice also voiced thanks to her staff Jose and Glen for their work over the past year.

Mike Weston, Director of Business Development and Operations presented the following staff reports:

Harold Culver, Maintenance Supervisor:

- Working on clean-up from wind damage and addressing safety concerns.
- The dredge crew have moved to the inside slip on pier one and will be dredging from the 650' up.

Airport and Airport Manager John Overholser:

- Weston and CEO Bynaker met with Cindy Hersh, FAA, to discuss upcoming capital improvement projects at the airport. Needed is a runway overlay, drainage and light improvements. He explained the funding process to achieve the work needed will be provided by the FAA and State funds and request for Connect V funding. He added Tillamook's airport recently had \$10 million in improvements funded.
- Airport Improvement Project (AIP) #18 (wind-cone and light beacon) is closed. AIP #19 is almost completed, going through a punch list with the contractor.

- David West is starting his business and currently has a couple of clients. Commissioner Holcom asked if there is funding in the Port's marketing budget to assist him in getting started by letting the public know the service is there.
- The Twiss building is in the process of being vacated and will be available to lease after the first of next year. Some interest has been shown in it.
- Update provided on the T-Hangar – drawing down remaining grant and collecting on bond. Helligso is completing repairs needed. Commissioner Holcom noted this should be annotated in the supplemental budget. Florer responded that it is.

Jim Peyok – FSO/Security:

- Report of Captain illness causing vessel delayed sailing
- DelMar report of missing pallets
- Exceller Fisheries reported missing crab pots (40-60) which were later found on a different area at Tongue Point.
- Astoria Pacific Seafood reported a potential breach on doors. Weston is going through recordings on the cameras to see if any additional information can be found. Some discussion was held on software and capabilities of cameras.

Mike Weston, Director – Business Development and Operations reported the following:

- The office space for Customs and Border Patrol has had a walk-through completed. We will need some outside help to meet their security requirements.
- Gate at Tongue Point near Quonset hut will soon be ready to install.
- Pacific Expedition & Yacht is expected to vacate their space at Tongue Point at the end of the month. They still owe \$10,000; however, have made a recent payment of \$10,000. Discussion was held on liability for contamination and how it will be handled. Commissioner Holcom acknowledged the efforts of Mike Weston to stay on this issue but emphasized that because people own the boats being worked on there may be recourse to hold the boat owners liable. Staff advised this lease was in existence at Tongue Point when the Port took over management. Since then efforts are underway to ensure all new leases address contamination issues specifically and consistently.
- Sediment samples are back for the pier three project. Permits are progressing that will permit other types of dredging. CEO Bynaker added he has been talking to constituents to see if there are any funds out there that can reimburse the Port's dredging costs.

**8. LEASES**

Commissioner Holcom declared a conflict of interest on Resolution 2012-13 Mark Tarabochia vessels. He will not participate/vote.

Resolution 2012-11 John Carlson, CPA

Resolution 2012-12 Tiki Charters

*Commissioner Hess moved to approve Resolution 2012-11 and 2012-12. Commissioner Holcom seconded the motion carried unanimously.*

*Commissioner Hess moved to approve Resolution 2012-13. Commissioner Bland seconded. Motion carried with majority vote. Commissioner Holcom's abstention noted.*

## **9. BERGERSON BID**

Mike Weston noted this agenda item was accidentally omitted from the agenda. He reported November 8<sup>th</sup> a RFB for pier two east rehabilitation went out for opening on December 10<sup>th</sup>. Although there was a lot of interest shown, only one contractor, Bergerson Construction, submitted a bid of \$1.13 million – which is under the budget of \$1.25 million. At the bottom of the bid, items were added in the event the port wants to request extra work. Commissioner Holcom suggested capability for adding utility lines be considered. Weston responded conduit for extra utilities are already in place.

*Commissioner Hess moved to approve the bid of Bergerson, not to exceed 10% of hard bid number. Commissioner Bland seconded. The motion carried unanimously.*

## **10. Fireboat Cooperative Purchase Agreement**

Herb Florer, Director – Seaports Division reported the commission last week was updated on the status of the Quick Response Vessel(QRV), with firefighting capabilities. Clark County has gone forward with a purchase order at a cost of \$367,897. Florer pointed out with Oregon Tax difference there will be an 8% savings on cost – giving the Port some flexibility. The cooperative agreement calls for purchasing the boats together. Specs provide for options. He explained some of the available options. The QRV is well within the budget the Port has for the grant. Commissioners, in an earlier meeting, voiced approval to enter into a local cooperative agreement with Clark County for the purchase. Some discussion followed on the specs for the vessel. Commissioner Holcom suggested staff talk with the Sheriff Department regarding use of the vessel for their operations. Florer reported over the past year Port staff has discussed the QVR specifics with many people. The vessel can be made capable of dispensing up to 1,500 gallons of water at a time. *Commissioner Bland moved to approve the Inter-Governmental Cooperative Agreement. Commissioner Hess seconded the motion. Commissioner Hunsinger stated while he will vote yes on the motion, he has some different opinions.* CEO Bynaker asked that he be allowed to oversee options and work with the players. Commission members were agreeable to this and asked that a staff report be submitted back to the board. Hunsinger stated over the years he has seen many vessels of this type and he intends to go to look at the vessel while it is being built.

*Commissioner Bland's motion carried unanimously.*

## **11. Tongue Point Access Road**

Herb Florer explained discussions ongoing with ODOT regarding commerce and port future plans being incorporated into the changes on the access road. There are a lot of stakeholders. ODOT cannot turn a blind eye to the Port's needs. Also working to get Congress and the State the opportunity to find solutions of possible adding an additional road or working to fix the existing access at North Tongue Point to reach a viable solution. He is encouraged by the number and type of people showing interest.

## **12. CEO Report**

CEO Hank Bynaker provided the following report:

- He met with Greg Jackson, Risk Management Consultant for Special Districts Association of Oregon (SDAO) regarding their department and the resources they provide.

- The Port Commission and staff members participated in this year's Pacific Marine Expo held November 27, 28, 29 in Seattle . This is a great way to reach new segments of the maritime industry and provided good contacts and potential opportunities.
- Authored a letter to Oregon Public Ports Association (OPPA) in support of the \$10MM Ports Capital Infrastructure Pilot Program (copy provided). He has since heard the funding source has failed.
- Convened Finance Committee Quarterly Review, beginning December 4, 2012.
- Was guest speaker for the Lion's Club on December 5<sup>th</sup>.
- The Port is leading effort on access to North Tongue Point (NTP). Met with ODOT stakeholders and various state/federal representatives regarding the access to NTP December 6<sup>th</sup>. This was a productive meeting and we will be meeting again in the near future. We are all collaboratively working towards a solution.
- Met with Travel Oregon in the morning of December 7<sup>th</sup> followed by the presentation of a plaque to the Captain and crew of the M/V MAPLE APUS in recognition of their maiden voyage. Herb Florer and he represented the Port and were joined by Roger Nance of WLH and the shipping agent from Merit. An article and photo will be put on the port's website.
- Mike Weston and he met with John Shute, Precision Approach Engineering, on December 12<sup>th</sup> in regards to our five-year Capital Improvements Projects for our airport.
- Herb Florer and Bynaker participated in a Legislative Summit held at the Capitol in Salem on Dec 13<sup>th</sup>. The Ports were well represented and we had the opportunity to make a presentation for the Port of Astoria as well as listen and view their presentations and to meet with other constituents. Senator Betsy Johnson and Representative Jean Cowan and Deborah Boone were also present. Good opportunity to talk to a lot of people the Port deals with.

### **13. COMMISSION**

#### Reports.

- Commissioner Holcom reported on the Marina Committee meeting he attended. It was brought up that the lights on the Riverwalk paths are remaining on during the day. CEO Bynaker reported he is actively working on this issue. He was unable to get any response from the contractor and is now working with ODOT. He has had discussions and back-and-forth e-mails with ODOT to work on remedying the problem. Staff is also monitoring the additional electric charge.
- Holcom stated another issue that came up is lack of facilities for commercial vessels at the East Basin. They are unable to access their boats for loading/unloading gear or tie up on the breakwater. Herb Florer responded he has researched the Corps of Engineers document on the breakwater and there are specific regulations in use of the breakwater for recreational vessels. If any changes are made they will have to re-negotiate with the Corps. Commissioner Hess recalled several years ago there were dolphins that vessels tied up to that were on the outside of the breakwater due to restrictions of not being able to tie up on the breakwater. Holcom stated Marina Committee member, Dave Densmore, could offer recommendations on what the commercial fleet needs at the east basin. Commissioner Hunsinger stated a fish hoist is needed

on a dock – but not at the East Basin or Tongue Point. Commercial fishers would prefer to use a hoist at the Port terminals.

- Commissioner Holcom voiced his disappointment that staff members are not here that could report further. He believes it is important to have other key staff at the meetings. He is not getting his questions answered. Commissioner Hunsinger voiced agreement, adding this is the only time the commission has the opportunity to interact with staff and ask questions. Commissioner Hunsinger stated he is hearing comments that people are not happy with the port-a-potties being removed from pier one. Mike Weston explained the options for restrooms on the facility and he had them removed in a cost-saving effort. Commissioner Bland stated these are not the topics the board should be addressing – they are not a commission issue. Chairman Pfund stated it is not an issue for commissioners for a need-to-know and should be handled at staff level. If the commission members have concerns they should be addressed to the CEO. Discussion continued. Hunsinger emphasized his opinion that staff should be available to answer questions at meetings. Chairman Pfund responded it is not the boards job to question staff members – it is “micro-managing”. Commissioner Hunsinger brought up an issue about a finance question regarding Bornstein’s account, noting no staff member present can answer his questions. Commissioner Hunsinger made a motion to have staff members attend Board meetings. Commissioner Holcom seconded the motion adding that he also wants to see the Port attorney attend meetings – at least on a quarterly basis. Commissioner Bland stated he is not in agreement with the proposed process; that staff reports to the CEO, and the Board of Directors are not “management”. Commissioner Hess reminded the board they have only one employee – the CEO. Commissioner Holcom challenged that, stating every staff member is responsible to the commission. He stated mistakes were made in the past when the Board counted only on the Director for information. Discussion continued about possible solutions such as changing the time of the meetings and having specific staff members present when they are overseeing an issue that the commission needs to have more specific information on. Commissioner Bland recommended deferring the issue to the CEO for decision. He should decide how to provide information to the board. Commissioner Hunsinger withdrew his motion. Commissioner Holcom withdrew his second. CEO Bynaker tasked with making a decision on how to report information needed to the board members.

#### **14. OTHER BUSINESS.**

Chairman Pfund called for other business. None was received.

#### **15. PUBLIC COMMENT**

Chairman Pfund called for public comment.

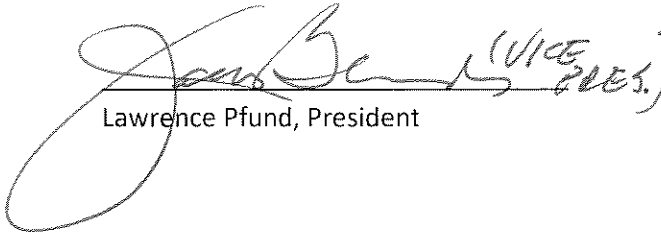
Dave Maki, Astoria pointed out the board of commissioners are all working for him. He is very unhappy at how the board meetings are being held – stating it is just not right. He is not happy with what he heard tonight. None of the staff issues should be a topic addressed by the board in a public meeting. It is not the appropriate place. The Board needs to find another way to deal with these types of issues. Maki also asked about the Tongue Point entrance being worked on. Mike Weston reported a new gate will be installed there. Utility work is being done that is needed to place the gate. Maki also inquired

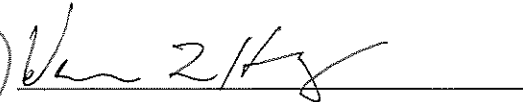
about the current log ship. It was explained to him that the captain became ill and injured and is in the hospital. The ship was awaiting another captain and better weather conditions.

There being no further business, the meeting was adjourned.

**APPROVED:**

**ATTEST:**

 (VICE PRES.)  
Lawrence Pfund, President

  
William Hunsinger, Secretary

Respectfully submitted by:  
Rita Fahrney,  
Administrative Services Manager