

**MINUTES
JULY 15TH, 2014**

**PORT OF ASTORIA
REGULAR SESSION
PORT COMMISSION CHAMBERS**

Call to order

Chairman Campbell called the Regular Meeting to order.

Roll Call

Commissioners present: Jim Campbell, Steve Fulton, John Raichl, and Robert Mushen.

Commissioners excused: Bill Hunsinger.

Staff present: Interim Executive Director Mike Weston, Finance Manager Colleen Browne, Operations Manager Matt McGrath, Permit and Project Manager Robert Evert, and Administrative Clerk Judy Farfan.

Also Present: Port Counsel Ron Guerra.

Pledge of Allegiance

Election of Officers

Chairman Campbell announced the Election of Officers and called for nominations:

Commissioner Mushen nominated Commissioner Raichl for President. Commissioner Fulton seconded.

There were three votes yes from Commissioners Mushen, Fulton, and Campbell. Commissioner Raichl abstained.

Commissioner Fulton nominated Commissioner Hunsinger for Vice President. Commissioner Raichl seconded.

Motion carried unanimously.

Commissioner Mushen nominated Commissioner Fulton for Secretary. Commissioner Raichl seconded.

There were three votes yes from Commissioners Mushen, Raichl, and Campbell. Commissioner Fulton abstained.

Commissioner Raichl nominated Commissioner Campbell for Treasurer. Commissioner Mushen seconded.

There were three yes votes from Commissioners Fulton, Mushen, and Raichl. Commissioner Campbell abstained.

Commissioner Fulton nominated Commissioner Mushen for Assistant Secretary/Treasurer. Commissioner Raichl seconded.

There were three votes yes from Commissioners Raichl, Campbell, and Fulton. Commissioner Mushen abstained.

Chairman Campbell thanked the Commission for their support over the last year, and welcomed the new President by handing over the gavel. Chairman Raichl took immediate possession of the session.

Changes/Additions

Chairman Raichl requested the addition of Committee Appointment to the agenda for the purpose of appointing a member to the Airport Advisory Committee.

Changes/Additions (Continued)

Commissioner Fulton moved to add Committee Appointment to the agenda. Commissioner Mushen seconded.

Motion carried unanimously.

Public Comment – for items on the agenda

Kevin Dunn, Commercial Fisherman, Astoria, OR

Mr. Dunn noted that he would like to speak in regard to the tariff. Interim Director Mike Weston explained that they are currently setting up the tariff schedule, and mentioned that the public hearing for the tariff will be held during the next regular session on August 19th, 2014. Mr. Dunn declined to continue public comment at that time.

Special Presentations

N/A

Consent Calendar

Commissioner Mushen moved to approve the Consent Calendar. Commissioner Campbell seconded. Commissioner Fulton noted an error in the August 9th, 2013 minutes. He also requested the removal of the Financials from the Consent Calendar to be discussed in detail later in the meeting.

Commissioner Mushen revised his motion to approve the Consent Calendar with the correction to the minutes of August 9th, 2013 and the removal of the Financials. Commissioner Campbell revised his second.

Motion carried unanimously.

Public Hearings

N/A

New Business

1. Committee Assignments

Interim Director Mike Weston presented the Commission with a list of committees that the Commission and Staff attend, which currently have several vacancies.

Commissioner Fulton noted to the Commission that Commissioner Hunsinger, in his absence, had requested to remain on the committees on which he currently serves. Discussion followed with regard to which Commissioners would fill which vacancies.

2. Committee Appointment

Chairman Raichl appointed Mark Smith to the Airport Advisory Committee to fill one of two current vacancies.

3. 2014/2015 Tariffs

Interim Director Mike Weston presented the Commission with the Port of Astoria Tariff #11 Proposal. He noted modifications had been made and introduced Operations Manager Matt McGrath to explain the modifications and to present the timeline to the Commission.

Mr. McGrath explained that most of the changes to the tariff were formatting and layout in nature, making the tariff more user-friendly. He noted an increase in many of the rates, as they had not been adjusted in the past three to four years.

2014/2015 Tariffs (Continued)

Staff recommends that the Port of Astoria Tariff #11 replace Tariff #10 with the following schedule:

- July 15th, 2014 – Tariff proposal and submission to Commission.
- July 27th, 2014 – A 21-day public hearing notice.
- August 19th, 2014 – Public Hearing and first reading.
- September 16th, 2014 – Second reading with effective date of October 1st, 2014.

Commissioner Mushen moved to approve the Tariff #11 schedule as presented. Commissioner Campbell seconded.

Motion carried unanimously.

Financials – May/June 2014

Finance Manager Colleen Browne answered questions regarding the financials.

Commissioner Fulton moved to approve the financials as presented. Commissioner Mushen seconded.

Motion carried unanimously.

Old Business

4. DaYang Proposal

Interim Executive Director Mike Weston updated the Commissioners regarding the DaYang Lease Proposal. He noted that DaYang would like to stay on the east side of Pier 2. Mr. Weston presented the Commission with a letter from DaYang, regarding certain conditions they feel would need to be met in order to move their proposed operations to the west side of Pier 2.

Mr. Weston provided the Commission with the estimated revenue and asset improvement numbers, and explained the pros and cons of approving the lease for the east side of Pier 2.

Discussion followed regarding the options for both sides of the pier, including possible dredging needs and potential traffic and fire issues.

Commissioner Mushen moved to reject the DaYang lease as proposed, and to consider options to build on the west side of Pier 2. Commissioner Campbell seconded.

Commissioner Fulton noted that the proposed lease was merely for informational purposes and requested waiting until a full commission is present to make any further decisions.

Commissioner Mushen withdrew his motion. Commissioner Campbell withdrew his second.

Commissioner Mushen revised his motion to reject the DaYang lease as proposed, and direct staff to explore the west side options with DaYang in accordance to their letter of demands, with the exception of item 5. Commissioner Campbell seconded.

Motion carried unanimously.

5. Tiki Charters

Interim Executive Director Mike Weston recapped the issues previously brought before the Commission regarding Tiki Charters, and explained what solutions have been implemented.

Staff recommends issuing parking passes to the Chinook building year-round tenants, opening a second restroom and eliminating an electric meter.

Discussion followed regarding the need for a second restroom and possible solutions, and issues with parking.

Commissioner Mushen moved to accept staff recommendation with encouragement to open a second restroom as soon as possible, find alternate facilities for current tenant Astoria Tax Consultants, and remove parking passes from the proposed solution. Commissioner Fulton seconded.

Motion carried unanimously.

Staff Reports

Interim Executive Director Mike Weston told the Commission that the Port department heads will be giving quarterly reports.

Matt McGrath, Operations Manager

Mr. McGrath presented the Commission with his report on grants, the airport, and Tongue Point. An overview of the report follows:

- Grants: The TIGER was submitted by the end of April. However, due to an overabundance of applications received, the Department of Transportation has had to extend the timeline for selection and award, which could possibly happen this fall.
Also, the Port Security Grant Program grant application was submitted by the end of May. DHS/FEMA is anticipating the funding selection date by the end of July, with an award date of September 30th, 2014.
- Airport: The Port is advertising in the National Air Transportation Association's Buyer's Guide August 2014 edition to attract more business to the airport and is also looking to highlight Lektro's presence in an attempt to attract compatible industries.
The Port will be seeking funding sources for levee work due to an adjustment of the base flood elevation in Warrenton.
Also, the Port is currently number eight on the list for the ConnectOregon V grant.
- Tongue Point: The Port is in the process of updating Tongue Point tenants file information and changing old Washington Group leases over to Port leases.
There is also concern regarding a lack of Port presence at Tongue Point. Mr. McGrath will begin an NTP office rotation in the Hangar 3 security office.
The Port is seeking funding for the estimated \$180,000 for the new sewer line.

Robert Evert, Permit and Projects Manager

Mr. Evert presented the Commission with his report on permits, projects, boatyard, and maintenance. An overview of the report follows:

- Dredging: The Port is pursuing a 5 year maintenance permit and is scheduling dredging to begin on November 1st, 2014.
- GSA: The contractor for GSA is confident that the project can be complete with move-in by October 1st, 2014. The GSA is currently attempting to increase their budget to accommodate their requirements.
- Marinas: All annual slips are filled at the West End Mooring Basin, with a waiting list of 32 vessels wanting annual slips.
The change in the sturgeon fishing season has impacted revenue significantly. Transient rental nights were down in May and June by 1500, in comparison to numbers for the same time last year. This has affected fuel sales as well, however sales remain steady.
The West End Basin received 5 new pilings in May, and repairs have been made to East End Basin docks and the causeway railings.
The Port is pursuing long term maintenance permits for dredging and piling replacement, as well as other Port operations.
- Boatyard and Haulout: Currently, the boatyard is running at ninety percent capacity, with only a few spaces available on a rotating basis.
Lift frequency continues to increase, with 35 lifts each in April and May, and 46 in June.

Mike Weston, Interim Executive Director

- The Oregon Transportation Committee is meeting on Thursday, July 17th, to hear public comment on the ConnectOregon V project.
- On Monday, July 21st, Mr. Weston will be attending the American Public Port Association conference in Longview, Washington.
- The Northwest Marine Terminal Association will be hosted by the Port at our facilities next week, from Wednesday through Friday.

Public Comment – for items not on the agenda

Brad Smithart, Riverwalk Inn, Astoria

Mr. Smithart congratulated the Port on resuming activity on their Facebook page. He also announced that the annual Astoria-Warrenton Chamber Barbeque will be on Thursday, July 17th, and extended an invitation for all to attend.

Commissioners/Director Reports

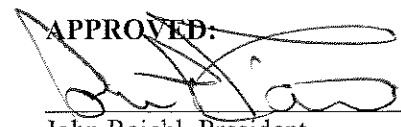
- Commissioner Mushen noted that he, along with Commissioner Fulton and Mr. Weston, attended the Gearhart City Council meeting with hopes of gaining insight as to how the Port can best aid the city of Gearhart. He expressed frustration about the lack of response received from the Council.
- Commissioner Fulton thanked Interim Executive Director Mike Weston for the presentation he gave at the Gearhart City Council meeting.
- Chairman Raichl expressed concern regarding the scheduling of the Executive session conflicting with the Cannon Beach City Council meeting on August 12th. Commissioner Fulton recommended directing Finance Manger Colleen Browne to meet with Mr. Weston regarding scheduling the executive sessions.
- Chairman Raichl also noted that he had received an anonymous letter directly prior to the meeting, and would be glad to communicate with the author, if they would like to come forward.

Next Meeting Dates

- Regular Session Meeting – 19 August 2014 at 6:00 PM

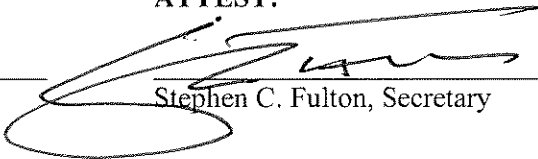
Adjourned

APPROVED:



John Raichl, President

ATTEST:



Stephen C. Fulton, Secretary

Respectfully submitted by:
Judy Farfan, Administrative Clerk

8/19/2014
Date Approved