

**PORT OF ASTORIA
SPECIAL COMMISSION MEETING MINUTES
FEBRUARY 9, 2010**

1. CALL TO ORDER/ROLL CALL

President Hunsinger called the meeting to order at 6:00 pm and took roll call.

Persons present were:

Commission: William Hunsinger, President; Floyd Holcom, Vice-President, Daniel Hess, Secretary; Lawrence Pfund, Treasurer; and Jack Bland, Asst.

Secretary/Treasurer.

Staff: Jack Crider, Executive Director

Staff Support: Janet Farstad and Lesle Palimar

News media: Cassandra Profita, The Daily Astorian and Jeff Nelson, KAST Radio
Guests Sign In Sheet attached.

2. AGENDA CHANGES - none

3. BORNSTEIN SEAFOODS REQUEST

Jack Crider reported on the Bornstein Seafood letter of January 13, 2010 requesting that the Port of Astoria release the "Energy Tax Credit" fund in the amount of \$126,797, and apply the proceeds of this fund towards the principle portion of monthly rent due to the Port from Bornstein until the full extent of the funds have been exhausted. The collaborative project in 2005 was to build a seafood processing facility. A subsequent "Energy Tax Credit" was applied for through the Energy Trust of Oregon and was specifically for the Ammonia Refrigeration System for their Cold Storage Facility and for Blast Cells used to quick freeze products. A study report showed that Bornstein would have a savings of \$22,887 per year with an Energy Savings of 633,985 kWh.

Crider then talked about "what the intent was" of the tax credit and "ownership of the fund – the Port or Bornstein". Excerpts of meeting minutes from Dec. 19, 2006, Jan. 16, 2007 and April 17, 2007 were presented. Crider believes that the money was presented to the Port as the building owner who applied for the fund, and that Bornstein received compensation by the lowering of their annual power bill of \$22,000.

Jay Bornstein talked to the Commission about their request and requested that the Commission meet with them in confidentiality to receive their documents and hear their side of the request. He believes the funds belong to Bornstein and noted that the fish factory is moving forward.

Rich Griffith, Bornstein's accountant, said the Port's audit of 2007 and 2008 identified the fund as Bornstein's and Bornstein returned confirmation that it was.

Commissioner Holcom voiced concerned over "undocumented money" and questioned if this was in audited accounts as he had previously asked about what might be hanging out there.

Jack Crider responded that the fund is accounted for on the books, being held for future OEDD loan payments, but the past administration failed to document "use of the funds".

President Hunsinger noted that the reason it has come up now is because Bornstein wants the money when the Port believes it's their money. The Port is responsible for the (OEDD) loan regardless if Bornstein stays or leaves.

A meeting was set up for Feb. 10 at 10:00 am to meet with Bornstein's, Commissioners Holcom and Pfund, and Jack Crider to go over confidential documents to conclude the ownership of the funds and its intent.

4. MARINE SPILL RESPONSE CORP BUILDING at Pier 2

Jack Crider reported that the back part of the building is caving in. The Port has been monitoring it for the last year; it moved $\frac{3}{4}$ " in the last six months, a total of 5" over the last year. Inspection by an engineer determined that no stress was on the building due to twisting, it was shifting due to the way it was construction; he believed that it had stopped; and OK'd occupancy of the building.

5. CAUSEWAY REQUEST FOR PROPOSAL

ODOT initially inspected the causeway in November 2009 detecting several urgent bents that needed immediate repair. There was a load restriction of 3 tons with full closure by March 1, 2010 unless repairs were completed. On February 5, the State's underwater inspection team found the structural members were near collapse in some areas, thereby recommending the bridge be closed immediately to all vehicles.

In response to ODOT's inspection, the Port advertised for a Request for Proposal to repair the "urgent and critical" bents. Three proposals were received. A Notice of Intent to Award a Contract was presented to the Commission identifying evaluation criteria points as follows: Bergerson Construction with 285 points, Rognlins Inc with 191 points, and Tidewater Construction with 174 points. Proposed cost for the repairs was 25% of the total evaluation points.

Commissioner Holcom said his tenant has responded to the RFP and declared a potential conflict of interest, opting out of voting.

Commissioner Hess moved to approve the award of the contract of East Basin Causeway Repairs to Bergerson Construction for a price of \$90,415, seconded by Commissioner Pfund. VOTE: Yes: Commissioners Hess, Pfund, Hunsinger and Bland

Abstain: Commissioner Holcom

Motion approved.

6. PUBLIC COMMENT

Lori Durham:

- a. Asked who paid for the invitation only party last Friday?
Crider answered the Port.
- b. She is opposed to LNG but realizes the Port is in a hard spot. If LNG does not build, will they pay the remaining lease or prevent another facility coming in?
Commissioner Holcom answered that it is a Strategic Plan issue and the answer should be on the Port's website.
President Hunsinger answered that after the executive session they may have more answers on the question.

Tim Ganaway was not thrilled about the LNG lease but realizes the Port cannot undo it. Since several judges do not agree with the Port he asked the commission to not risk Port assets and the name of the Port by not fulfilling the lease. He said as an ex-commissioner ORS 294.100 can work against the Port if elected officials do something against the law, they have to cover their own expenses. He is concerned of the future of the commission after reading the accounts of the lawsuit in the newspaper.

Jon England heard about a possible secret tenant for log processing on Port property. He said it is time for other lessees to know what's going on. They have invested substantial money in their long term leases following the Port's prior mission for a marina cluster. Now the Port is changing direction and it affects their investment. He believes that there should be a tenant committee for meetings to discuss property/tenant issues before the existing tenants are blindsided by new developments.

President Hunsinger said the proposal came about in a short time period. The proposed tenant was interested and wanted it kept confidential while credentials were checked out, which was still in the process.

Jay Bornstein said they were getting financing for a fish factory by next year. The parking lease that expired in January will soon be readdressed. They did go into long term planning process with the trail and downtown activities along with their long term indebtedness. They now feel threatened by someone who could change the game so suddenly.

7. **RECESS TO EXECUTIVE SESSSION** at 7:00 pm in ACCORDANCE WITH
 - ORS 192.660 (2)(i) TO CONDUCT REAL PROPERTY TRANSACTIONS; and
 - ORS 192.660 (2)(h) TO CONSULT WITH ATTORNEY REGARDING LITIGATION

Commissioner Pfund left the meeting at 8:40 pm.

8. **RECONVENE SPECIAL MEETING** at 8:47 pm, wherein President Hunsinger announced that there would not be a discussion on the State/LNG Lease and the DSL/Pier Lease.

9. ~~STATE/OLNG LEASE~~

10. ~~DSL/PIER LEASE~~

11. **PUBLIC COMMENT** - none


12. **ADJOURN** at 8:48 pm.

APPROVED

ATTEST:



William Hunsinger, President



Daniel Hess, Secretary

Submitted by Janet Farstad, Special Projects

Port of Astoria
COMMISSION MEETING

SIGN IN SHEET

DATE: Feb. 9, 2018

NAME	PRINTED NAME
Loei Durham	
Pam Hunsinger	
JEFF NELSON	JEFF NELSON
PAUL RADO	
Bill Landwehr	
Don Englund	
Jim Larson	
RICH GRIFFITH	
Quinton Gregory	
Walter Palmeri	LESLIE PALMERI
Jay Bowman	