

**MINUTES  
PORT OF ASTORIA  
REGULAR COMMISSION MEETING  
JUNE 21, 2011  
PORT COMMISSION CHAMBERS**

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

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

Staff present: Executive Director Jack Crider, Terminal & Administrative Services Manager Rita Fahrney, Finance Manager Colleen Browne, Marina Manager Janice Burk, Property Manager Mike Weston, Boatyard Manager Steve Barkemeyer, Maintenance Supervisor Harold Culver, Airport Manager John Overholser.

**2. CHANGES TO AGENDA**

Chairman Holcom announced the presentation to Captain Kaup will be postponed.

**3. MINUTES**

Special Meeting, April 12, 2011; Regular Meeting, April 19, 2011, Special Meeting May 10, 2011. Commissioner Bland moved to approve the minutes of the aforementioned meetings. Commissioner Hess seconded the motion. The motion carried unanimously.

**4. FINANCIAL REPORTS**

Finance Manager Colleen Browne reported vouchers for the month of May total \$311,728. Director Crider reported May revenue of \$350,000; Income from operations \$404,817. A good month. Commissioner Bland moved to approve vouchers for the month of May. Commissioner Hess seconded the motion. The motion carried unanimously. Browne reported she will be doing transfers within categories to balance with budget. Commissioner Bland moved to approve the financial reports. Commissioner Pfund seconded the motion. The motion carried unanimously.

**5. PUBLIC COMMENT**

Chairman Holcom called for public comment. None was received.

**6. CAPTAIN DOUG KAUP PRESENTATION.**

Postponed

**7. ELECTION CERTIFICATION**

Executive Director Jack Crider reported the need to ratify the electoral process. Commissioners Jack Bland and Bill Hunsinger both were re-elected to serve. Chairman Holcom read the ORS 255.295 pertaining to canvass of votes and voiced his agreement with the results. Commissioner Hess moved to

approve the Abstract of Results. Commissioner Pfund seconded the motion. Commissioner Bland abstained. Motion carried with majority vote.

## **8. STAFF REPORTS**

Steve Barkemeyer, Boatyard Manager, reported the following:

- Concentrating on taking care of customers, getting maintenance projects done during lulls.
- Working on getting power to support boat haul-out operation at Tongue Point and working on a wash-down system, which will generate more business.

John Overholser, Airport Manager reported the following:

- A really busy season with a lot of fuel sales at the airport.
- Closed out the last AIP project on Beacon/Wind cone. Planning stage of AIP 19.
- Successful household waste collection program. Also training being conducted on inactive runway.

Harold Culver, Maintenance Supervisor reported the following:

- Clean up underway at Tongue Point – under dock and gutter repairs.
- Pile buck work at pier two west.
- Dredge and workboat preparation for season will be starting soon.
- Airport drainage issues repaired.

Janice Burk, Marina Manager reported the following:

- Working on fish cleaning station area – added dumpster and supplying totes and trash bags.
- Repair work at docks and East Basin ramp.
- Charging for parking at parking lot – Red Lion.
- First Marina Committee meeting held in May. Next is June 30<sup>th</sup>.

Mike Weston, Property Manager reported the following:

- Working with Western Fabricators to build a barge for fish cleaning station. Complete in August.
- Pier 3 Development. Pre-app meeting in Portland. Preliminary sampling from slip two show some contamination.
- Wi-Fi service now available at pier one building. Working on solution for better signal.

Rita Fahrney, Terminal & Administrative Services Manager reported the following:

- Working on RFP for camera surveillance system. Port Security Grant Funds will be used.
- A lot of ship traffic in last month. R/V Atlantis will call four times this summer.
- NWMTA members are recommending 3% increase in tariff rates. A recommendation will be forthcoming for POA increase.

Colleen Browne, Finance Manager reported the following:

- Budget transfers for this year are needed.
- She will be starting reconciliations for audit for this year
- Ad will be in paper this week to get accounting assistant for her.

## **9. COLUMBIA ALTERNATIVE ENERGY FARM**

Chairman Holcom acknowledged presence of John Dunzer, Keepsake Drive Seaside and Ken Leahy, Hillsboro, Oregon. Mr. Dunzer reported on progress on the Columbia Alternative Energy Farm

development. During the past few months there have been ongoing discussions with a lot of state-level officials. He has had incredible support for the project and potential job creation. Ken Leahy added the passage of two bills at the state level will streamline permitting process. Chairman Holcom stated the commission has reviewed numerous letters and documents pertaining to the project. Mr. Dunzer is requesting a letter of support be sent to Business Oregon and has a draft letter for consideration. Commissioner Pfund moved to approve the letter of support as drafted. Commissioner Bland seconded the motion. The motion carried unanimously.

#### **10. HOTEL LEASE PROPOSAL.**

Chairman Holcom announced he will remove himself from discussion due to a perceived conflict of interest due to his past affiliation with one of the proposers. Property Manager Mike Weston explained discussions are continuing. There are differences between what the port expects from the lease and what the tenants are requesting – such as the tenant being responsible for repairs. Director Crider added the Port has come up with a clear idea of expectations. The Port's position is that a tenant will be receiving the facility "as is". The lease is not ready for approval. Staff is continuing to work with the proposed tenant.

#### **11. PIER 3 DESIGN FINDINGS**

Director Crider reported PND has completed some work for staff to draw up some options. Staff has been amazed at how difficult it's been to complete this project. There are massive regulations and requirements to get the work done and the timeframe is getting narrower and shorter. Chairman Holcom stated NMFS is impeding interstate commerce for the Port of Astoria. This agency works under the Department of Commerce. The Port of Astoria has spent millions to move cargo. A letter needs to be written to the Secretary of Commerce regarding government entities restricting interstate commerce. The Port of Astoria has solicited business to meet President's encouragement to triple cargo exports. Property Manager, Mike Weston, reported on contaminated materials handling and estimated dredging costs.

#### **12. DIRECTOR'S CONTRACT.**

Chairman Holcom reported an executive session was held to review the performance of Executive Director, Jack Crider. His performance was deemed hands on great. He deserves an incredible pat on the back. He recommends approval of Mr. Crider's contract, calling for additional yearly compensation of \$5,000. Commissioner Hess so moved. Commissioners Pfund and Bland jointly seconded the motion. The motion carried unanimously.

#### **13. PROPERTY OWNERSHIP REVIEW STATUS**

Director Crider reported he met with Tim Ramis and discussed DSL/POA ownership of land, focusing on submerged, to find ownership and point out to DSL there is deeded property the port owns. Chairman Holcom stated the challenge is DSL states ownership of land that was Port of Astoria land. He noted the Port granted the right-of-way for the building of Young's Bay Bridge. If not the Port's land, how was the port able to grant the right-of-way. Crider added finding one element to prove the Port of Astoria ownership will open a "pandora's box". Initial cost to hire Mr. Ramis is \$5,000 to start the process.

#### **14. RAILROAD IMPROVEMENT UPDATE.**

(Discussed during Director's Report)

#### **15. KOREA UPDATE**

Director Crider reported on the timeline for Korean prospective investors:

1. Ministry/Busan --- bulk/grain, NTP
  - A. BST – Cargo study – July
  - B. Max. Investment ROI on barge/vs Ship
  - C. Interested shippers (2) – visit August
2. Exporters/Interested (3) – visit July
  - A. Iron Ore/Sand – Rice Island
  - B. Slime Eel
  - C. Crab
  - D. Steel

#### **16. DIRECTOR'S REPORT.**

Director Crider reported on the following:

Tongue Point Rail Access. With the resignation of P&W General Manager, railroad operations have approved the access license agreement. Dave Larson Const. will clear the property for \$2,500 using port equipment and manpower to remove and dispose of debris.

Tongue Point Tenant Contacts. Meeting and collecting information for two potential large-scale tenants. One, a sand mining operation and the other a large vessel on-shore dry-dock facility. Both would require dredging. Staff is looking into Tongue Point dredge permits and upland disposal.

West-East Scrap Metal. Clean up is almost complete. Final inspection next week. Explained effort required to return to pre-existing condition. Port retains \$10,000 deposit.

East Basin Fish Cleaning Station. \$15,000 of steel purchased (through ODFS and R&E Funding). He explained the barge needed and piling that needs to be done before end of August.

West Side Pier 2. Port and Bergerson staff have completed repairs on pier 2 west.

Staff Training. Confirmed staff training is ongoing for staff. Trained in CPR/first-aid, forklift, highlift, cranes, fall protection and other certifications.

#### **17. COMMISSION**

##### **REPORTS**

Commissioner Pfund reported he attended a Pacific Power luncheon function. He has a lot of respect for them - they are supportive of Port of Astoria progress. They donated labor and equipment for Seaside Kids new ball field.

Chairman Holcom attended the Coast Guard change of command. He acknowledged Captain Kaup's excellent performance during the time he served.

##### **DIRECTIONS**

Commissioner Hess emphasized the need for the port to acquire a mowing machine and recommended watching closely for surplus equipment. It gets picked quickly by other entities.

**18. OTHER BUSINESS.**

None was received.

**PUBLIC COMMENT.**

John Estoos, ILWU Local #50 inquired who owns the mineral rights for Rice Island. Discussion followed. The Port has applied for mining permit. Rice Island partners renewed their permit. State has conclude two entities can conduct operations at the same time. Chairman Holcom stated issues with Rice Island partners remain.

There being no other business, the regular meeting was adjourned.