

MINUTES

PORT OF ASTORIA
SPECIAL COMMISSION MEETING
JULY 10, 2012
PORT COMMISSION CHAMBERS

1. ROLL CALL/CALL TO ORDER.

Chairman Hess called the meeting to order. Roll call was taken.

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

Staff present: Interim Director Herb Florer and Property Manager Mike Weston.

2. CHANGES/ADDITIONS TO AGENDA

Chairman Hess called for any changes/additions to agenda. None were received.

3. PUBLIC COMMENT

Chairman Hess called for public comment.

Pat O'Grady, Peter Johnson Road, Warrenton stated he was fishing off the river by Bradwood while dredging was going on, putting spoils upland. The Port of Astoria has to go through an expensive, long process to try to get permits which can cost upwards of \$50,000 - \$300,000. He questioned why the Port of Astoria can't dredge – the dredges for the Columbia River are working right in the middle of prime season for salmon and sturgeon. The Port's given a small window to dredge. Chairman Hess voiced his concurrence of the difficulty the Port has getting permits to do what other public entities are now doing. O'Grady stated it needs to stop.

Andrew Bornstein, 844 Alameda, Astoria – stated he would like to throw out on the radar and idea that he feels could be a “win-win” situation. He congratulated the Port on the award of a Connect Oregon IV grant for pier two east renovation and suggested Bornstein may be able to help. There is no secret Bornstein has run out of room and want to expand. They need more processing and freezer space. They have grown out of their building in six years. He suggests while in the middle of the pier renovation the Port consider proposed expansion by Bornstein – he stated Bornstein will pay for their investment and provide the \$250,000 match needed with the grant. He passed out a sheet with their expansion that equals about 25% of the total improved area of the Ports dock. (or approximately 170 feet of the proposed 600 feet improvement). Andrew advised he is not looking for any decisions at this point, but to have the board consider their proposal. Discussion followed on Bornstein's proposal and the benefits to Bornsteins. Commissioner Holcom wondered if it might be better to have Bornstein take the funds and apply them toward the balance of their loan, decreasing the debt – then the Port can lease the additional facility to Bornsteins. Andrew stated their investment, besides the match, would be an additional \$500,000 to \$1,000,000.

Denny Houle, Business Oregon, noting time is of the essence, suggested it might be good to work with Dave Harland to get a marketing assessment, to see if it pencils out. There is a need for a marketing plan.

John Lansing, Astoria. Regarding the gillnet issue, it has now been determined there are enough valid signatures to place it on the ballot. Salmon for All and the Gillnet industries have retained Mark Nelson, a premier lobbyist in the history of fighting a lot of these initiatives. There will be a need for \$1-1.25 million dollars to pay for the lobbyist and the fight. He strongly encouraged the Port to get the word out whenever there is an opportunity to speak about the issue. It is an "allocation" fight. Lansing spoke about how the issue will affect the community and the fact that tribes and Washington gillnetters will not be affected by this initiative. Discussion followed. He explained some of the history involved in the gillnet industry. Lansing reiterated the need to speak up if given an opportunity.

Steve Fulton 2598 Grand, Astoria updated the board on the status of Diking District #11. The Corps of Engineers annual inspection resulted in an unacceptable rating. The consequences include the east side of the Skipanon to Ft Clatsop, which means the airport. The impact to the City of Warrenton is that the Corps of Engineers will not step in to help regional levies. There is a Swift program that has signed agreement with the City of Warrenton to do a certain amount of modification or repairs or cross dike to divide. It is important the new Port Director, Mayor and City Manager of Warrenton discuss how we are going to minimize the impact. Chairman Hess asked what the problem is. Fulton responded the dike district 11 is too low and narrow, built as an agricultural levy. It does not meet the standards of the Corps of Engineers. Following some discussion Commissioner Holcom stated the Port sees the threat. We need to sit down with the County and ask for a subpoena of Diking District #11 and the Corps of Engineers come to a meeting to explain their actions that impact Port of Astoria jurisdiction. Reality is the cheapest fix is to fix the dike. An engineer estimate is in process. Mike Weston recalled a \$4.4 million cost. Mr. Fulton requested a written report on any action taken.

4. ELECTION OF OFFICERS

Chairman Hess called for election of officers for fiscal year 2012-13. He reviewed the current slate of officers: President – Dan Hess; Vice President – Larry Pfund; Secretary – Jack Bland; Treasurer – Bill Hunsinger; Assistant Treasurer /Secretary- Floyd Holcom. Following normal rotation schedule the new slate would be:

- President – Larry Pfund
- Vice President – Jack Bland
- Secretary – Bill Hunsinger
- Treasurer – Floyd Holcom
- Assistant Secretary/Treasurer – Dan Hess

Commissioner Holcom wondered why he has never held the Secretary position. *Commissioner Holcom moved to approve the recommendation for slate of officers. Commissioner Bland seconded the motion. Motion carried unanimously.* Interim Director presented to out-going President Dan Hess, a plaque in appreciation by the staff of an excellent job to Mr. Hess, to which Mr. Hess expressed his appreciation. Florer also recalled Mr. Hess reporting on owning only one tie that he wore when past director, Jack Crider had a going-away party and he was pleased to present Hess with another tie. Hess stated he is now proud owner of two ties and thanked the staff.

Commissioner Pfund assumed his position as President (Chairman) of the Port of Astoria Board of Commissioners

5. PIER TWO COAST GUARD UPDATE

Chairman Pfund called for an update to the pier two Coast Guard relocate.

Interim Director Herb Florer gave a status report. He reminded the board that at their last meeting on June 28th, the contract for the electrical work was awarded for the pier two upgrade, contingent upon final agreement with the City of Astoria on the total project payment amounts and terms, and to authorize the President of the Commission to approve and sign an agreement with the City on the total project payment amounts and terms. Since that time, the City of Astoria Development Committee met and decided to approve the proposed cost sharing, with the City covering 65% of the estimated cost of \$105,000 and the Port covering 35% of the costs. The ADC did agree to cover the port's share with an 18 month loan at an interest rate of 1.5%. The Port has budgeted for this loan and repayment in the current budget. The Port Finance Manager has discussed payment and reimbursement procedures with the City of Astoria. The Contractor will commence ordering equipment and submitting plans this week. Work will be coordinated with the City, the contractor and Port maintenance staff. The Port will be responsible for implementing and managing the installation. When the Coast Guard returns to the 17th Street dock, the Port will retain ownership of the installed infrastructure improvements. Commissioner Holcom stated he was unaware of the 1.5% interest being tacked on until he read it in the paper. The statement that the Port gets to keep the infrastructure is not useful because the infrastructure improvements are specific to the Coast Guard needs. He believes it is time to remind the Mayor and City that the Port donated the 17th Street facility to the City of Astoria. They have gained excellent customers and infrastructure improvements. Both government entities had the same goal – to help the Coast Guard. The Astoria Development Committee came back with the 1.5% interest charge. The Port of Astoria assisted the City in getting the grant in the first place. He believes the 1.5% interest should go to benefit all citizens. Chairman Pfund added The Port is now losing money due to the lack of the dock space being used by the Coast Guard ships and the City is keeping the monthly revenue checks. The Yacht Club got displaced from their facility by the City. They are now utilizing Port space. Mike Weston added the Port discussed use of some Urban Funds to do improvements on pier three that would bring in millions of dollars locally. After some more discussion, Interim Director agreed to communicate with the City the concerns voiced by the commission.

6. EAST MOORING BASIN PARKING AND RAILROAD CROSSING

Interim Director Herb Florer reported the Port has been using the parking area at the east mooring basin and 37th Street for paid parking since June 2012. This use, in conjunction with the construction of a fish cleaning station has led to a need to redesign of traffic flow across the rail tracks at the top of the boat ramp. The Port has officially requested permission from the Oregon Department of Transportation to alter the current crossing by widening it. ODOT has prepared a draft order, which the Port has reviewed and asked ODOT to move forward with, and ODOT has been in the process of contacting stakeholders such as the Trolley operators and the City of Astoria for comment. The Trolley operators have expressed no concern other than the Port coordinate any construction/paving work with the Trolley schedule. ODOT has stated they are waiting to hear back from the City for their approval of the expansion work.

Once we have approval from ODOT we plan on having the work done in the early morning before the trolley starts so it will not interrupt their schedule. The Port will be responsible for the expansion and maintenance of the site. We will be required to do additional striping and place additional signage at the crossing. This work is budgeted for having been carried over from last year's budget for the parking area improvements. Florer also explained a proposed "order" from ODOT is included in the packet and a diagram and picture of the fish cleaning station. It was noted on choppy waters it is a challenging couple of hours disposing of the waste. Information on the total cost of the project will be forthcoming.

7. ELECTED OFFICIAL TRAINING

Interim Director Herb Florer reported on a webinar schedule that could be used for elected official training. In an e-mail from Mark Landauer, OPPA, He confirmed that the training available through the Oregon Government Ethics Commission will be recognized as training for the purposes of continued training for staff and Port Commissioners that is required under the IGA's between Ports and the Oregon Business Development Department. They are offered free of charge and can be done at any time. Some discussion followed on what the IFA wants in training and the consequences of missing the training. Florer explained in the IGA agreement, their responsibility to us is to provide additional support to ports, guidance and provide help with grant applications. Denny Houle was asked to expand on the information provided. Houle stated the webinars can be used for training. He recommends the commission invite Patrick to come in and explain requirements and timeframes. *Commissioner Holcom made a motion to have a port-wide meeting in Astoria inviting all the Ports and Business Development Department to be better informed on the requirements and compliance rules. Commissioner Hess seconded the motion.* Denny Houle noted that the meeting would also qualify for ports planning and marketing efforts. *Commissioner Holcom's motion carried unanimously.*

8. PARKING TICKET IMPLEMENTATION UPDATE

Interim Director Florer reported on March 20, 2012 the Port Commission authorized the issuance of parking tickets as authorized by port ordinances. With the recent conversion of the East Mooring Basin parking lot customers to pay parking, the Port Security staff has begun implementing violation ticketing as of July 1st. Marina and security staff have been working on a policy for issuing tickets which has the marina staff checking daily on vehicle compliance at the East Basin. When vehicles do not have a proper receipt for parking displayed, the marina staff are able to check whether payment has in fact been made by checking the payment forms in the deposit box. Florer went on to explain the procedures and stated the Port has received payment on several tickets already. Commissioner Holcom wondered if security staff are hesitant to write tickets, as they may know several of the people. Herb responded the marina staff is monitoring warnings and directing security when warnings are not working to go ahead and issue a ticket.

9. ARROW II

Herb Florer reported staff was approached last week by David Van Osdol regarding the future of the Arrow II. The Arrow II has been a fixture in the Astoria Waterfront since the early 1960's. He explained the Arrow II is used to transfer the bar pilots and river pilots to and from ships passing through Astoria. The future of the vessel is now up for consideration and the Port was approached about the possibility

of placing it on display much in the same way the Peacock is displayed at the Maritime Museum. Staff would like to continue to explore options for the Arrow II to be displayed on Port property and is requesting commission direction on pursuing this opportunity. Staff is looking at some locations that would be in view of the highway. Or it could be placed here on our Central Waterfront. Mike Weston thought it might be an opportunity for use of Urban Funds by redesigning the Portway intersection. These are just thoughts for pursuing. Some discussion followed. Commission members voiced approval of staff going forward with pursuing ideas and the opportunity.

10. INCOMING CEO PUBLIC INTRODUCTION SCHEDULE

Interim Director Florer stated he has been in contact with the new CEO, Hank Bynaker, who has a very busy schedule transitioning here to Astoria. The CEO would like to set aside the first few days to meet with commissioners individually. He is scheduled to start Monday, July 16, 2012 and will be present at the Regular Board meeting Tuesday, July 17, 2012.

11. COMMISSION DIRECTION

Commissioner Hess noted the short section of sidewalk where the sewer line was fixed, across from Bergerson, needs to be repaired. He wondered if Urban Renewal Funds could be used for this. Commission members thought the City should repair the sidewalk, but acknowledged they get negative responses stating it's yours, you repair it. Property Manager, Mike Weston, agreed it should be the City's responsibility for the repairs. The port does not own the "triangle" section in that area. Staff will pursue.

Commission Holcom stated the Project list completed before the departure of the Port's previous director should be presented and updated at the meeting when CEO Bynaker arrives. It will assist him in knowing what the port is involved in. Commission members voiced agreement.

Commissioner Hess reported on an e-mail received from the Western Fishboat Owners Association about the arrival of the debris from Japan's tsunami. Florer explained to date the Coast Guard has accepted the responsibility. Marina staff members are advised to get information to the tenants when new information comes in.

12. PUBLIC COMMENT

Chairman Pfund called for public comment. None was given.

There being no further business, the special meeting was adjourned.

APPROVED:

ATTEST:

Lawrence Pfund, President

Bill Hunsinger, Secretary

Submitted by: Rita Fahrney, Administrative Service Mgr.