

**MINUTES
PORT OF ASTORIA SPECIAL MEETING
SEPTEMBER 11, 2012
PORT COMMISSION CHAMBERS**

Chairman Larry Pfund called to order the Special Meeting. Chief Executive Officer (CEO) Hank Bynaker took roll call.

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

Staff present: CEO Hank Bynaker, Deputy Director Herb Florer, and Property Manager Mike Weston.

2. **CHANGES/ADDITIONS** - Chairman Pfund called for any changes or additions to the agenda. Commissioner Holcom asked for an update on Tongue Point added in #9 Commission Direction. Commissioner Hunsinger asked to add a memorial to Al Rissman is added to 8a.
3. **PUBLIC COMMENT** - Chairman Pfund called for public comment. None was received.
4. **BORNSTEIN EXPANSION** – Property Manager updated the group on details of the expansion to the Bornstein Seafood facility that was presented to the board a couple of months ago. Andrew Bornstein has approached the port and offered to pay for the ConnectOregonIV (COIV) grant dollar match of 250,000 in order to expand the processor’s dock 225’ (80’ wide and 220’ in length). It would include 25’ of dock space, room for a prefabricated metal building and a strip of parking behind the building.

Weston continued to explain the situation the port has at hand with the state and the funds that the port is responsible. Keeping in mind the investment into the Bornstein lease, a partnership has been entered into with the company to help maintain our facilities while the company does well. The capitol outlay of dollars will be saved while continuing a long-time tenant of the port. He is asking for ideas for the best solution.

Chairman Pfund questioned the Pier 2 detail of the port’s master plan. Commissioner Holcom also mentioned staff reports and the challenge he has with the information provided. He would like the staff to include in the reports a more visual representation of the current and future situations, that he and the public would possibly ask questions. Mr. Bynaker explained it is only a conceptual idea and no plan yet, but wanted Weston to briefly explain up to now what could happen and to ask for the board’s ideas and thoughts.

Discussion followed on contents of the master plan involving seafood processing. What would the next steps would be, given the fact, bids for the pier work related to the grant. No specific details of a lease and dollar amounts has been received by Bornstein yet and extensive planning can only proceed when discussed further in negotiations.

Commissioner Hunsinger added his views of the history going into detail of the initial Bornstein lease. Things to consider is the marketable property left at the port waterfront, costs of dredging in the slip, collateral related to the loan, and the need to keep consistent in the port’s master plan for the future. Careful research is needed to be sure we are headed in the right direction. Holcom added his overview of the discussion: keep it simple, what the company is presenting, where the port is going, what is good for the port, how to get there, and how the public will benefit. Weston agreed to look at the master plan and provide numbers giving us a better understanding of the impact.

5. **LEASE TO STEAMROLLER INVESTMENT GROUP** - Property Manager Mike Weston explained details of the potential lease presented last month. The vetting process still incomplete and the port is still unable to confirm company background looking at specifics. Staff is recommending the board deny the request of the lease and move forward with other plans. Commissioner Hunsinger believed the port needs to look at two companies that had come to the port with plans previously and take a closer look.

6. **DREDGING UPDATE** – Property Manager Mike Weston reported the in-water work extension compared to the emergency dredge that is necessary only when there is no permit in hand. If there is a permit in hand, it is only an in-water work extension if done inside the window. Dredged down to 42' Weston continued to explain certain methods and areas. Discussion followed on the method currently used of the hydraulic dredge used by the port. He continued to explain after the re-development of pier 3, the capacity to handle Panamex vessels, huge for the Columbia River system. Permit should be in-hand by end of this year or early next year. Commissioner Holcom commended Weston his work on the maritime side of the port in his two-year time at the port.

7. **RIVERWALK CONSIDERATION** – Property Manager Mike Weston explained with the information that was provided by Brad Smithhart consisting of an amendment offering another renewal offer at the end of the initial five-year period. If given to the hotel owner and operator, funds could be leveraged to do repairs to rooms and decks, family-style. It would be good to support port tenants. It's unsure if there is a guarantee afterwards. Smithhart is assured it will result in higher revenues. Tying the property for another five years, ten years total if given, Weston is presenting it to the board for consideration. The lease is only four to five months old. Restrictions to consider would be traffic plans in the intersections involved and plans previously discussed of a new hotel and boardwalk.

Commissioner Holcom recommended sensitive financial detail of business information of port tenants be saved for executive session later. Commissioner Bland did have a question of their business plan and certain expectations over a period of time. Bland believed details of that plan should be given to the board for informational purposes. CEO Bynaker added his concerns of performance during the winter months before moving forward and too early to have that discussion, but to still keep in mind the option after the first five years. Bynaker did not close the door to discussions. Holcom added conditions expected that could be inserted into negotiations. Weston added renewals are standard practice in leases. Chairman Pfund called for questions. None were received.

8. **PACIFIC MARINE EXPO** – The annual Pacific Marine Expo at the end of November is in Seattle, WA and CEO Bynaker explained the port has an opportunity to gather good materials early to market the Port of Astoria. The booth is already reserved. Commissioners Hunsinger and Pfund usually go up during the set-up period in the beginning. Property Manager, Mike Weston has already agreed to go and market port property.

8b. **AL RISSMAN MEMORIAL** – Commissioner Hunsinger offered a piece to read about the history of former Commissioner and Longshoreman Al Rissman who recently passed away. He spent twenty-five years doing a good job overseeing labor agreements. Hunsinger believes the ILWU hall should have a copy along with the port and hung on the wall as a remembrance giving him the respect he deserves. It would be nice to have a plaque underneath the write up. Rissman's whole life revolved around the port.

9. **COMMISSION DIRECTION** - Commissioner Holcom is concerned with projects and spaces that need to be resolved since CEO Bynaker has taken over the job. Between unfinished jobs and incomplete spaces, assets should be sold to the public. Maps, surplus equipment, and archived material that have

been left astray since former Executive Director Jack Crider left. CEO Bynaker added one of the things that was recovered such as insurance certificates that were stolen one day. Rita Fahrney has gone through every piece, cataloged, and are now locked up now.

Holcom added since Crider left, information has ceased coming in email form updating the board on things happening at the port. He is wanting to be in front of information in order to be able to answer the public's questions. Good things are happening and the board is the port's best voice in the community.

Commissioner Hunsinger discussed Tongue Point issues he is unhappy about. Road access into the area that is being dug up by ODOT, has area tenants including himself, asking why the port isn't doing more to help confronting parties involved. He continued to explain details of the operation and suggested calling representatives expressing the urgent need to keep vital truck access. He continued to express anger about the completely unacceptable waste of funds.

Property Manager Mike Weston explained his conversations with city and state officials and where each stands. Hunsinger believes the port needs to put more leverage into the idea of not tearing the road up. He wants administration staff to research more and bring information back to the next meeting. Considerable discussion followed.

Commissioner Hess added he had recently discussed this issue and informed the group on what the transportation agency had told him. Very politely, the men presented him with a map and showed him plans to the road access. Hess expressed his concerns on the road's restructuring and how it will affect truck access. Commissioner Holcom suggested the port write a letter to the federal highway administration that regulates interstate commerce laws preventing restriction of interstate commerce from a federal highway system and ask them to approach the Department of Transportation. Chairman Pfund reiterated the port act fast with this task.

Commissioner Hunsinger reported to the group about core samples between two and three. A barge is needed to set and take samples and do core drillings. A progressing explanation since October or November of last year, still now, the samples are not taken and running out of time and expressed frustration about why it hasn't been done yet. Considerable discussion followed on the methods, costs, and who could get it done. A year is too long. Further discussion is needed. Hunsinger continued to express how important the water in the marina is to customers and their boats.

Webpage minutes are still not up to speed. The first meeting in July is the last one. It was agreed to look into a program to post minutes, verbatim.

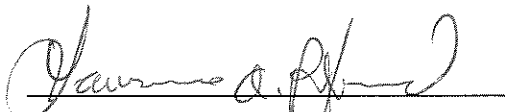
Chairman Pfund called for further commission direction. Commissioner Bland added the Seaside Airport is holding its annual barbeque and Chairman Henderson has extended his invitation to attend at 1:00 p.m., Saturday afternoon.

10. PUBLIC COMMENT – Chairman Pfund called for public comment. Commissioner Holcom asked if they were going to get an update on the t-hangars by the next meeting. Property Manager Mike Weston agreed to provide information.

Also mention was the passing of John Twiss, a long-time airport hangar tenant. Commissioner Hunsinger also added a past longshoreman of forty-five years, Art Yelton's wake at the Maritime Museum on Saturday.

11. **ADJOURN** - There being no further business, the Special Meeting was adjourned.

APPROVED:



Lawrence Pfund, President

ATTEST:



William Hunsinger, Secretary

Submitted by: Esther Jones, Administrative Assistant