

**MINUTES  
PORT OF ASTORIA  
REGULAR COMMISSION MEETING  
SEPTEMBER 20, 2011  
PORT COMMISSION CONFERENCE ROOM**

Vice Chairman Jack Bland called the Regular Meeting to order. Roll call was taken.

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

Staff present: Executive Director Jack Crider, Deputy Director Herb Florer, Finance Manager Colleen Browne, Terminal & Administrative Services Manager Rita Fahrney, Property Manager Mike Weston, Airport Manager John Overholser and Boatyard Manager Steve Barkemeyer.

**PAST PRESIDENT PRESENTATION**

Past President, Floyd Holcom, was presented a framed poster with a plaque in appreciation of his service to the Port of Astoria as President of the Port of Astoria Commission for 2010-2011. A round of applause followed.

**CHANGES TO AGENDA**

Director Jack Crider reported addition of IGA between Oregon Infrastructure Finance Authority and Port of Astoria for discussion purposes only. Minutes of August 16, 2011 deleted from agenda.

**COMMITTEE ASSIGNMENTS**

Commission members reviewed standing committee member assignments. The following changes were made:

Commissioner Holcom will serve on CEDR. Port of Astoria 100 Year committee is removed. Airport Advisory Consortium is eliminated. Marina Advisory Committee is added. Commissioner Holcom serves as delegate; Commissioner Pfund is alternate along with Deputy Director, Herb Florer.

**MINUTES**

Regular Meeting July 19, 2011; Special Meeting August 9, 2011.

*Commissioner Hunsinger moved to approve the minutes of the aforementioned meetings. Commissioner Holcom seconded the motion. The motion carried unanimously.*

**FINANCIALS – MONTH OF AUGUST 2011**

Financial Reports. Finance Manager Colleen Browne reported August was a phenomenal month, with over \$1,000,000 in revenues. The pier revenue for August exceeded \$300,000. Some discussion followed. *Commissioner Holcom moved to approve the financial reports for August. Commissioner Hunsinger seconded. The motion carried unanimously.*

Vouchers. Browne reported on final payment of a General Obligation bond. Director Crider added there was residual remaining after payoff that is being sorted through by staff and bond council.

Commissioner Holcom stated due to the pay off of this GO Bond, County taxpayers will pay less taxes. In addition, jobs were created. *Commissioner Holcom moved to approve voucher payments for the month of August. Commissioner Hunsinger seconded. The motion carried unanimously.*

**PUBLIC COMMENT.** Vice Chairman Bland called for public comment.

Lori Durham, 398 Atlantic, Astoria congratulated Past President Floyd Holcom on his leadership. She noted she continues to address the County Commission in hopes of having an additional public comment period at the end of their board meetings, as the Port does.

### **INTERGOVERNMENTAL AGREEMENT**

Director Crider explained the history of this Intergovernmental agreement between the Oregon Infrastructure Finance Authority and the Port of Astoria. Senator Betsy Johnson felt it was important to get control on 23 port districts into a state-wide strategic plan, with state funding availability for the ports. To be eligible for State funding Ports must enter into an Intergovernmental Agreement. Because the Port of Astoria has projects coming up that are eligible for state funding – such as the ConnectOregon grant that will only be eligible for state funding if we enter into the agreement, he will recommend the Port Commission approve it. In addition the Agreement calls for establishing a program for a series of port-oriented training for commission and managers of Ports. Crider advised he is not requesting action at this time. The agreement is being discussed for consideration at a future meeting.

### **STAFF REPORTS**

Colleen Browne, Finance Manager, reported the following:

- New accounting assistant is doing a great job, self-motivated - taking huge load off of her.
- Preparing for audit, some grant work and moving taking her time.

John Overholser, Airport Manager reported the following:

- Confirmed, although Ringo Starr was not in the Falcon jet that arrived at the airport, there was a person who arrived at the airport and caught a ride to a yacht in Astoria. The airport sold fuel to the aircraft; the Port charged dockage for the yacht. Commissioner Hunsinger heard the yacht is available for rent at \$180,000/week.
- Air show was a great success, with celebration of 100 years of aviation. While the Port was not directly involved, assistance was provided.
- Explained how government aircraft refueling is sold at a fixed “government” rate that remains constant.

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

- Four cruise ship calls remaining for this year: one on Sunday the 25<sup>th</sup>, two on Monday the 26<sup>th</sup> – with one going to anchorage, and one on Tuesday the 27<sup>th</sup>. 11 cruise ships scheduled to date for 2012.
- A cruise ship planning meeting is scheduled for Thursday at 2:00 p.m. to go over final arrangements for the final four ships - safety, security, 17<sup>th</sup> Street, etc.
- 14 log ships have called on the Port of Astoria since November 2010; 49 million board feet of logs have been loaded on ships at the docks to date.

Mike Weston, Property Manager, reported the following:

- Working on final arrangements for the move of the office staff to the pier one building. Director Crider noted plans to hold a “house-warming” event when the kiosk is complete, and administrative and marina staff are all moved into the offices.
- The Pier 3 project is underway. A final version of samples and analysis is complete. Should be approved.
- At the WOW site a wetland analysis plan is underway.
- The coffee shop at the east basin is now owned by the Port of Astoria.
- The Commercial Fishermen’s festival held at Tongue Point went well. Low attendance there due to rain.
- Update on Tongue Point boatyard and storage area improvements and repairs. Some discussion followed on further plans for the Tongue Point facility.

Herb Florer, Deputy Director, reported the following:

- At the marina repairs and new railing are being completed; good fuel sales in August.
- The maintenance department staff are working on the new crane, beginning work on the dredge, repairing roofs on the old office building.
- He has been working to coordinate completion of the time capsule; the kiosk is nearly finished, and he has been working with the accounting assistant on accounts receivable training for utility re-bills.
- Security camera system proposals are being assessed, details, price and capabilities are under review.

Steve Barkemeyer, Boatyard Manager, reported the following:

- Boatyard longest vessel haul-out record was lifted: 1 90’ multi-million dollar yacht. Owner was great customer and happy with the service provided.
- Permit in-hand for the wash-down and electrical work at Tongue Point – expect to have electrical unit wired this Friday. The second phase of the power requirement should be completed by October 1<sup>st</sup>.
- The Triumph III was hauled-out at the Tongue Point facility. Also reported J&H Boatworks busy with six employees now and expecting to have 10 people working soon. Discussion followed.

#### **CITY OF ASTORIA – IGA**

Director Jack Crider explained the proposed Intergovernmental Agreement between the City of Astoria and the Port of Astoria is for repair of storm sewer line north of Portway Street right-of-way where the pedestrian path improvements were constructed. The City has agreed to use funds out of the Astor West Urban Renewal District for the repair. The Port will agree to manage the repair throughout the design and construction. *Crider requested authorization to enter into the agreement and execute the document – not to exceed \$25,000. Commissioner Holcom so moved. Commissioner Pfund seconded the motion. The motion carried unanimously.*

#### **LOWER COLUMBIA RIVER SOLUTIONS GROUP – DOC**

Director Crider reported this is a Declaration of Cooperation stating joint support of the “Mouth of the Columbia River Regional Sediment Management Plan”. Commissioner Holcom stated the Port of Astoria has been nailed with siltation problems in the slips, that we are required to pay for the removal of this material that does not belong to us. The Port of Astoria can use dredge spoils and has solutions for putting the disposed of material. He went on to further voice his opinion it doesn’t matter if there is great cooperation among agencies – NOAA and NMFS stop the Port’s permitting process for doing needed dredging due to soil disposal issues. Further discussion was held on potential dredge disposal sites. It was agreed to meet with the parties involved and let the Lower Columbia Solutions Group know of the Port’s concerns.

#### **LEASE TERM DISCUSSION**

Property Manager, Mike Weston, reported over the past couple months Port staff has been approached by two current tenants requesting lease extension. Da Yang Seafood is requesting a 35-year lease extension to their current lease and Astoria Pacific Seafoods has requested nine 5-year renewal options to the three remaining 5-year options for a total of 60 years. He is presenting their requests to the commission to receive guidance on direction. Discussion followed on pros and cons of extending leases including taking into account increased property values and tying up valuable shipping area for extended periods. Director Crider recommended the commission members tour the two facilities and see the tremendous investments made by the companies. This was agreeable to the board members. Crider will arrange a tour.

#### **RICE ISLAND SAND ANALYSIS**

Director Crider reported just receiving some information on the composition of sand – iron, titanium, etc. He is still analyzing the results and will be having someone else explain what it means. Do not yet have a full spectrum analysis. He hopes to complete the analysis before the Korean trip.

#### **KOREA TRIP/PRESENTATION**

Crider reported on progress preparing for Korea presentation. He is continuing to receive more questions to answer; the BST draft is not ready, however, they are getting into the details of the presentation. Commissioner Holcom voiced frustration at the lack of State support – noting the Governor’s trip to Korea. He questions why State resources are being spent going to Korea while not acknowledging the Port of Astoria’s commitment in Korea. Holcom stated the Koreans have been our greatest ally since the Korean War. Discussion followed on how and whether the state should get involved in the Port’s efforts. Dr. Park offered his comments on upcoming discussion with the Korean officials. He was commended by the commission for his support and efforts on behalf of the Port of Astoria.

#### **DREDGE REPORT**

Property Manager, Mike Weston, reviewed last year’s dredging period and production. Dredge time along the face of pier one was impacted due to debris and difficult soils, reducing the production rate of the dredge. In addition the dredge was down for nearly four weeks in November and another week in February along with miscellaneous breakdowns. Key points pointed out to the Corps of Engineers for

this year's dredging season include the abnormal amount of siltation/shoaling this year, along with the need to maintain depth for the Port's cargo ships. A request to emergency dredge the berth before dredge season begins has been submitted. Director Crider added this is the last year of this dredge permit. Staff will be requesting additional material removal on the new permit application. Discussion followed on the Turning Basin hump and the capabilities and benefits of an outside contractor such as the Terrapin Island coming in and dredging for the port instead of the current method of utilizing the Port's dredge and the time and labor commitment to achieve the same results. Crider explained the new permit application will be modified to enable flexibility on the type of dredging equipment used and increased volume of material to be dredged.

### **DIRECTOR'S REPORT**

Director Jack Crider reported the following:

Claremont Road Mitigation Project. Last month the Port entered into an agreement with REST and Columbia Land Trust for development of the Walluski River Mitigation. The following week, the land owner entered into a purchase agreement with a private company removing the property from the market until January of next year. Without a mitigation property option, the pier 3 docking facility cannot move forward. Warrenton Fiber has a section on the John Day River, Claremont Road Mitigation Project, that could be used. He explained the terms and credits for it and how it can work for our needs. OSU Seafood Lab. He met with Oregon State's property managers in Portland to discuss the OSU property. They agreed mistakes were made in deeding the property and the Port should own the property. Under existing time it will be difficult to negotiate a deal that will satisfy the Attorney General's office and surplus property statutes. Last legislative session bills were passed that will provide the University with more flexibility and cost savings by moving away from State government controls. They understand the Port's needs for the property.

Log Ship Move. Soundings August 22 after dock fenders were installed on the west side of pier one were 35.5 to 39 feet depth. Soundings of the same area on September 12<sup>th</sup> were 33-36 feet. The vessel in was designed differently and needed 36 foot depth alongside. The vessel was moved after four shifts, enabling them to finish a full load. Cost to Port: \$26,800.

Tiger Grant/Connect OR IV. Hired Janet Farstad to update the grant application and letters of support for both Tiger Grant and Connect Oregon IV. Both are being submitted for pier 3 docking renovation.

### **COMMISSION REPORTS**

Tape Recorder malfunction – recording stopped here.

### **PUBLIC COMMENT.**

Vice Chairman Bland called for public comment. None was received.

There being no further business, the meeting was adjourned.