

MINUTES

**PORT OF ASTORIA
SPECIAL MEETING
SEPTEMBER 27, 2012
PORT COMMISSION CHAMBERS**

1. CALL TO ORDER ROLL CALL

Chairman Larry Pfund called the meeting to order. Roll call was taken.

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

Staff present: CEO Hank Bynaker, Deputy Director Herb Florer, Property Manager Mike Weston. The Pledge of Allegiance was recited.

2. CHANGES TO AGENDA.

Chairman Pfund stated a CREST delegate needs to be named. Also a fireboat update is in order. The Port is pretty certain a fireboat will come to Astoria and needs to be ready to act on it quickly.

3. CONSIDER LITIGATION.

Chairman Pfund called on Attorney Thane Tiensen to report. Thane provided a brief synopsis of the litigation to date. What is remaining is the lawsuit against Mike Lilly. A mediation session was held the previous Friday in Portland that resulted in a recommendation that the Port of Astoria be paid \$300,000 to conclude the litigation. Claims have been settled with pre-1986 insurers. He is still in the process of identifying others. Two were found in the records returned to the Port. He will continue to look for any other previous port insurers. *Commissioner Hunsinger moved to approve the litigation settlement with Mike Lilly for \$300,000. Commissioner Holcom seconded the motion. The motion carried unanimously.* Commissioner Holcom thanked Mr. Tiensen for his efforts identifying these sources to recoup money the port has spent.

4. INITIATIVE #81

Commissioner Hunsinger asked that this item be on the agenda for updating the board. He introduced Steve Fick, Fishhawk Fisheries. Mr. Fick explained the devastating effect Measure #81 will have on the industry. Loss of jobs, loss of property taxes in the County, housing market will be effected and so on. He requested the Port commission consider levying a higher moorage fee to maximize revenues to the county. Commissioner Holcom stated the Port has both State and Federal jurisdiction to assess fees, licensing, etc. Steve Fick stated as residents of the county will be most affected, additional fees be directed to non-residents. Maintenance costs for transient vessels coming and going for sport fishing is higher than maintenance for permanent tenants. CEO Bynaker asked where the funds are coming from that are advertising opposition to the measure. Fick responded out of citizen's pockets that are concerned about the initiative. The Government's rule making process would destroy the oldest fishing industry in the State of Oregon. Fick will have to seriously look at shutting down his business, Englund Marine would have to lay off part of their employees, other small businesses dependent on this industry

would very likely close down. Some discussion followed on how the petition was paid for – partly by a person in Washington who contributed one-half million dollars to pay for people to solicit signatures.

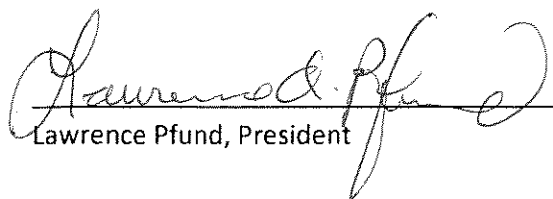
Commissioner Hunsinger stated he has attended a lot of meetings. He reported on the first Governor’s Plan meeting where a contingent of people, including members from Oregon and Washington Commissions , fishermen, fish buyer, National Fisheries staff and tribes from both Washington and Oregon were present to testify. The Governor says his plan calls for reform of how gillnets are used for commercial fishing in the Columbia River. It would phase out the use of gillnets on the main-stem of the Columbia River, shifting their use in commercial fishing to off-channel areas. Hunsinger stated some gillnetters have invested \$300,000-400,000 and some have invested \$20,000. He explained how the gillnetting is done currently and that this year there were only 4 ½ days, compared to past where they used to gillnet 4-5 days a week during the season. All of the gillnetters are “independent businessmen”. The Governor will never “make it whole”. He explained the trickle-down effect of gillnet fisheries and that people who support the gillnetters are generously donating their money to advertise against the initiative. A march is also planned in Salem. Some discussion continued.

Commissioner Holcom reported on an issue where a constituent has a business on the waterfront that the City of Astoria put a stop work order on his maintenance work to his building, insisting he needed engineering and a building permit to complete work on the waterfront building. It affects Holcom and all waterfront owners if a building permit is required. He does not think this is a City of Astoria right. This is not the norm. For some reason the City believes the agreement they made is no longer in effect and they need to oversee it.

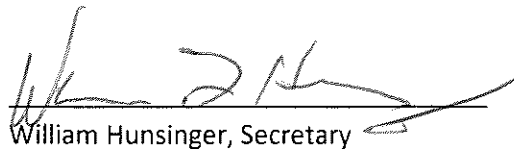
Chairman Pfund announced Commissioner Hunsinger departed. It was declared a quorum no longer exists. A member of the public wishing to speak was asked to wait until the meeting closed and the commission will then be available to talk with the public.

There being no further business, the meeting was adjourned.

APPROVED:


Lawrence Pfund, President

ATTEST:


William Hunsinger, Secretary

Submitted by: Rita Fahrney
Administrative Services Mgr.