

**MINUTES**  
**PORT OF ASTORIA REGULAR MEETING**  
**FEBRUARY 15, 2011**  
**PORT COMMISSION CHAMBERS**

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

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

Staff present: Executive Director Jack Crider, Terminal & Administrative Services Manager Rita Fahrney, Finance Manager Colleen Browne, Property Manager Mike Weston, Airport Manager John Overholser, Boat Yard Manager Steve Barkemeyer, Property Specialist Jessica Long, Maintenance Supervisor Harold Culver.

**CHANGES/ADDITIONS**

Executive Director Crider requested addition of Janitor Services Contract for approval.

**MINUTES**

Special Meeting, January 11, 2011 and Regular Meeting January 18, 2011. *Commissioner Hunsinger moved to approve the aforementioned meeting minutes. Commissioner Bland seconded the motion. The motion carried unanimously.*

**FINANCIALS**

Vouchers. Commissioner Bland advised he received the financial reports via e-mail. Commission members have reviewed the vouchers for January. *Commissioner Hess moved to approve the January voucher list. Commissioner Bland seconded. The motion carried unanimously.*

Financial Reports. Finance Manager Colleen Browne reported the Profit/Loss for operations shows positive year-to-date. The expenditures are higher due to audit costs, PERS payment and DSL leases. *Commissioner Hunsinger moved to approve the financial reports for the month of January. Commissioner Bland provided the second. The motion carried unanimously.*

**PUBLIC COMMENT.** Chairman Holcom called for Public Comment. Greg Kasch and Lori Durheim requested comment period later.

**STAFF REPORTS**

Executive Director Jack Crider introduced Boatyard Manager Steve Barkemeyer. He has been promoted to Boatyard Manager. Steve has 10 years experience working in boat yards, including seven at the Port of Astoria.

Steve Barkemeyer, Boatyard Manager, reported the following:

- Crab season is winding down and fishing gear is being removed.
- He has consolidated the boat yard storage area to accommodate Westerlund.

- He will be researching rates for other boatyards to ensure the Port of Astoria rates are in line.

Harold Culver, Maintenance Supervisor, reported dredge season is near the end of the season. One breakdown occurred during the period. Asked about the Port renting the dredge to other ports, Culver responded the dredge window is short and the priority is to get the dredging needed at the Port done. Commissioner Hunsinger asked if a dredging extension will be requested. Director Crider advised though three weeks were lost due to the breakdown, the Port was granted additional dredging time before the in-water period to accommodate a log ship. He doesn't want to "cash in that chip" yet. Discussion followed.

John Overholser, Airport Manager, reported the following:

- Working on FAA inspection requirements
- Holding pattern on T-hangars, waiting for parts. Working with contractor to get sub-contractors paid off.

Jessica Long, Property Specialist, reported the following:

- Working on West Bay Marketing Lease/diagram
- Researching the Beltline Railroad history in Astoria
- Working on document research – DSL information on permits and fees.

Some discussion followed on \$1,000,000 funds from Clatsop County that are paid to DSL yearly – for the common school fund. Chairman Holcom stated it would be nice to keep those funds for use in the community . There are more questions than answers regarding DSL's use of the funds.

Colleen Browne, Finance Manager, reported the following:

- The last of the audit requirements have been completed. A draft will be ready for commission review in the near future.

Mike Weston, Property Manager, reported working on the following:

- East Mooring Basin fish cleaning station
- Radio and signs for advertising areas for lease
- Tongue Point Pier #4 electric power (potential NRC Columbia berthing)
- Curtain progress in Hangar 3 – Pacific Expedition
- Phone and internet set up for office staff relocation
- Pier 3 re-development. Discussion on rental fees and price per square foot for land.

Rita Fahrney, Terminal/Admin Services Manager, reported the following:

- Compiling information and creating a RFP for an Insurance Agent of Record
- Continuing work on establishment of fees for different types of vendors using port property.

## **LEASE RESOLUTIONS**

2011-02 Westerlund Office Space

2011-03 West Bay Fisheries

2011-04 J.M. Browning Office Space

2011-05 Martin Alvey Office Space

Chairman Holcom recommended a single motion for approval of leases. Executive Director Crider advised Dana Ferguson is here to address the West Bay Fisheries lease. *Commissioner Bland moved to*

*approve Resolution 2011-02 Westerlund office space; 2011-04 J.M. Browning office space and 2011-05 Martin Alvey office space. Commissioner Hess seconded the motion. The motion carried unanimously.*

2011-03 West Bay Fisheries. Dana Ferguson, West Bay Fisheries, advised the last few years the season's catch has been lower than usual. He said that Chang was comfortable with the first proposal, but that this second proposal would put a strain on West Bay. He mentioned several capital improvements to the leased area that they have funded. He asked the Port to delay a significant rent increase of 26% until the fishery recovers. West Bay would be willing to sign a shorter term lease to see what happens to the economy and fishing industry in the next few years.

Questions followed on the fire lanes and non-exclusive areas. Also discussion on apron rates that staff advises are based on commission-established rates. Commissioner Hunsinger stated the \$.05 per square foot of apron space is low, considering the benefits of having apron access next to the pier. Property Specialist, Jessica Long, advised that the previous lease did not define areas. The proposed lease is more clear and defined. Commissioners agreed to table the lease approval to their March meeting in order to research rates charged by other entities for apron areas. No action taken.

RESOLUTION 2011-06 PIER ONE VENDOR FEES. Director Jack Crider reported staff has been working on establishing a base for vendors using port facilities. He explained how the fees were calculated, based upon established value for land adjacent to port piers. There are many variables in the types of vendors. Staff has discussed the formula with Astoria Sunday Market. They are satisfied with the charge. Greg Kasch, Manager of Hertz Rental Cars in Astoria explained Hertz does not make a lot of money. The service in Astoria is not a profit center. \$100 to use the Port facilities is not feasible for them. 80% of any revenue produced with the cruise ship car rentals goes back to the corporation. Gary Dunzel, Enterprise Car Rentals shared the same concerns, noting they don't use the space for cars. They pick up the reservations and take them to their rental office. Director Crider acknowledged the difficulty in applying the fees equally among users. He requested the car rental companies bring a proposal back to the Port. No action taken.

RESOLUTION 2011-07 ASTORIA MARINE CONSTRUCTION SUPPORT. Executive Director Jack Crider reported his frustration that Governor Kulingoski did concur with the EPA in listing Astoria Marine Construction Company (AMCCO) to the Superfund Program. The listing can cause AMCC to close their operation. He recommended approval of Resolution 2011-07 Astoria Marine Construction Support. Chairman Holcom concurred. He read Resolution 2011-07 in its entirety. Holcom noted listing AMCCO to EPA's Superfund Program will not fix anything. Thousands have been spent in clean up efforts already and the listing will put a good business out of service. Other commission members voiced their concurrence in opposing the listing. *Commissioner Hunsinger moved to approve Resolution 2011-07 Opposing Listing of AMCCO to EPA Superfund Program. Commissioner Hess provided the second to the motion. The motion carried unanimously.*

JANITORIAL SERVICE CONTRACT. Property Manager, Mike Weston, reported staff put out a Request for Proposals for Janitorial Services. Five proposals were received. Oregon Janitorial Service had the

contract for providing janitorial services for many years. When staff published the RFP, Services America was hired to provide the services on a temporary basis. Weston reported he reviewed all the proposals and spoke to each provider. Based on the evaluation of references from all applicants and the services provided over the past year by Oregon Janitorial, Special Touch Janitorial and Services America, staff recommendation is to choose Special Touch Janitorial based on the competitive price, excellent quality of service and employing locally. *Commissioner Bland moved to contract with Special Touch Janitorial Service, per staff recommendation. Commissioner Hunsinger seconded the motion. The motion carried unanimously.*

**OREGON BUSINESS DEVELOPMENT DEPARTMENT – AMENDMENT #3.** Director Crider reported this is an amendment to allow the Port to continue log export activity while protecting the state’s fiduciary interest in the seafood processing plant funded by the SPWF loan. *Commissioner Hess moved to approve Amendment #3, Oregon Business Development Department. Commissioner Bland seconded the motion. The motion carried unanimously.*

**RED LION LEASE AMENDMENT.** Director Jack Crider briefly recapped the status of the Red Lion. The first Tolling Agreement was in July for a 120 day period. On February 10, 2011 the Red Lion delivered a conceptual and financial feasibility report. On February 16, 2011 there was a Settlement Agreement for 60 days. Some discussion followed. *Commissioner Hess moved to allow Red Lion another 30 days to wrap up a settlement. Commissioner Bland seconded the motion. The motion carried unanimously.*

**DIRECTOR’S REPORT.** Executive Director, Jack Crider reported on the following:

**Public Dock at Bornsteins.** He has reviewed the grant, loan and lease documents. Funding for the project was provided by the State’s Special Public Works Fund (SPWF). Under the program, grants cannot be given or directly benefit a private business, so the grant was specific to the dock which was described as “Common Area” in the lease. The lease excludes the dock, with current access through the leased area. References to the dock in the lease allow the Port to establish rules of public use but “shall recognize and protect Tenant’s need to unload product from fishing vessels....”. The current crane hoists on the dock are personal property of Bornstein’s so any use of the equipment would need their approval. There is a huge need for a public hoist at the central waterfront and staff is making that a high priority for 2011.

**New Airport Hangar.** Hangar is 90% complete. Only item remaining is the executive hangar’s bi-fold doors. Doors have been shipped and should arrive this week. The contractor has been slow to address a growing punch-list of problems discovered during recent storms. Also, subcontractors are not being paid and are beginning to file liens on the bond. Crider explained the Port’s protection. Staff has a meeting with the contractor tomorrow.

**New Marina and Boatyard Manager.** Two current staff have been promoted to supervisory positions. Janice Burk was promoted to Marina Manager. She has over 10 years managing our marinas and is well-liked by users of the facilities. Steve Barkemeyer was promoted to Boatyard Manager. He also has over 10 years of experience. He has been instrumental in making ready the new log yard at Pier 3 and finding the right equipment for the wash-down at Tongue Point.

Time Capsule. Postponed the time capsule event to give more time for commissioners, employees and others to make a recording. Felt it was more important to record the Port VIP's than to meet a deadline nobody will remember in 100 years.

New Port Office. Provided an update on preparations for the new office. Move in by April.

### **COMMISSION REPORTS**

Commissioner Hunsinger reported the following:

- He has attended numerous meetings – Meeting with AllPorts Forwarding, a consulting group for Hampton Lumber regarding shipping lumber from Astoria. They are very interested and have customers in China. Chairman Holcom commended Commissioner Hunsinger and Director Jack Crider for their efforts working with the principals with the lumber company interested in exporting from Astoria.
- Met regarding a barge facility at Tongue Point. Weyerhaeuser controls barge movements to Hawaii and Southern California. Looking at becoming partners.
- Attended Lower Columbia Solutions Group
- Attended a meeting with Western Oregon Waste (WOW)

Chairman Holcom brought up the Beltline Railroad boundaries and control of the line. He recommended staff contact Ike Vice, a retired maintenance supervisor, who can provide additional information on the Beltline history. He also asked staff to research past Pacific Power right-of-ways within the Port district.

**OTHER BUSINESS:** None

**PUBLIC COMMENT:** None

There being no further business, the Regular Meeting was adjourned.