

**MINUTES**  
**PORT OF ASTORIA REGULAR MEETING**  
**JUNE 15, 2010**  
**PORT COMMISSION CHAMBERS**

Chairman Bill Hunsinger called the Regular Meeting to order and took roll call.

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

Staff present: Executive Director – Jack Crider, Terminal & Administrative Services Manager – Rita Fahrney, Marina Manager – Ken Smith, Maintenance Supervisor – Harold Culver, Bruce Conner – Cruise ship Marketing Manager, and Airport Manager – John Overholser.

Others present: See attendance sheet.

**CHANGES TO AGENDA.** Addition of staff reports after the Art Contest winners presentation.

**ART CONTEST WINNERS.** Bruce Conner thanked all the art contestant winners for attending. The winners were chosen in May and winners were given a tour of a cruise ship while in port, were videoed for the Port's 100 year video and are present today. Conner introduced the winners to the Board and a round of applause followed. The winners were thanked for their participation.

**STAFF REPORTS**

Airport. John Overholser reported the following:

- Starting construction on T-hangar – design.
- BP fuel contract renewed.
- A refund of taxes on fuel is forthcoming, amounting to thousands of dollars for the port.
- Pre-bid and award meetings for the rotating beacon and wind cone have been completed.
- The Barefoot Bandit struck at the airport, failing an attempt to steal an airplane, a car from Hertz Rentals was stolen.

Marina. Ken Smith reported the following:

- 2006 held the record for the most boat lifts at the boat yard. 2010 is now paralleling 2006 in haul-outs.
- Marinas are busy and full. Good trolling and tuna season.
- Bergerson Construction has started the causeway repair at the East Basin.

Maintenance. Harold Culver reported the following:

- Repairs are underway on roadways, with patching.
- The ice house at Tongue Point has been repaired and is now back in operation.

- Brush cutting is underway at the airport. An additional temporary employee was hired to assist in getting weeds under control.

Chairman Hunsinger asked for an update on cattle grazing leases at the airport. Jack Crider responded the lessee remains interested in leasing the land. Staff is working out the true value of the land. More activity and demand is possible. Hunsinger noted the Port continues to find more properties that are owned by the Port. Some discussion followed.

Terminals. Rita Fahrney reported the following:

- The terminals have been busy with ship calls including...
- Cruise ship calls for the spring have just wrapped up with the Nippon Maru – Japanese flagged calling June 14<sup>th</sup>.
- The Portland Rose Festival brought a USS cruiser – the Bunker Hill to Astoria to pick up passengers.
- Research vessels the Wecoma and the Miller Freeman have called. Also the cable laying ship Global Sentinel.
- The Corps of Engineers has awarded a contract to Great Lakes Dredging for C.R. maintenance dredging. The dredge Dodge Island will be using the Port facilities during the contract.

**CONSIDER MINUTES:** Special Meeting, Mach 19, 2010; Special Meeting, May 6, 2010; Special Meeting May 11, 2010; Regular Meeting, May 18, 2010; Special Meeting, May 26, 2010. It was noted that minutes of May 6, 2010 did not reflect Commissioner Pfund’s attendance. With correction, *Commissioner Holcom moved to approve the minutes of the aforementioned meetings. Commissioner Bland seconded the motion. The motion carried unanimously.*

**FINANCIAL FOR THE MONTH OF MAY 2010.**

Jack Crider advised Finance Manager, Colleen Browne is ill and unable to be present. Accounts Payable payments were reviewed. Commissioner Holcom requested a summary of payments made to VLG Consulting (Vicki Goodman). *Commissioner Holcom moved to approve the vouchers and financial reports for the month of May. Commissioner Bland seconded the motion. The motion carried unanimously.* Further questions on accounts receivable were discussed.

**PUBLIC COMMENT.** Chairman Hunsinger called for Public Comment. None was received.

**RESOLUTION 2010-08 TARIFF MODIFICATIONS.** Rita Fahrney advised staff is recommending increases to Port of Astoria Tariff No. 10, as discussed at the workshop session on June 8, 2010. Commissioner Holcom inquired about adding a surcharge to fulfill a possible past obligation to supply water from the Port’s water tower in the event of a ship fire. The Port’s water tower is no longer available. Some discussion followed. *Commissioner Holcom moved to approve Resolution 2010-08 Tariff Modifications. Commissioner Pfund seconded the motion. The motion carried unanimously.*

**ATTORNEY REQUEST FOR PROPOSALS.** Chairman Bill Hunsinger announced four proposals were received by the Port from law firms interested in contracting with the Port for attorney services. Commissioner Holcom declared a conflict of interest as two of the attorney firms: Jordan Schrader Ramis, and Landye Bennett Blumstein LLP, the firm that Thane Tiensen is a partner in, have both provided services to his company. Commissioner Holcom stated he is not happy having all legal work handled by one firm and it may be appropriate to look at other firms for specialties. Hiring a local attorney will enable them to handle the “business” side of the house and the Port can utilize bigger firms for more expertise. Holcom asked how the RFP was put out to the public. Crider responded port staff advertised in the Daily Journal of Commerce and The Daily Astorian. In addition, copies of the RFP were mailed to all attorneys in the county.

Some discussion followed on rates and expertise of the firms that applied. Chairman Hunsinger noted the Port has, in the past, utilized the services of the attorneys who responded to the RFP. He stated Attorney Dan Van Thiel is knowledgeable about the issues of the Port and has worked for the port in the past. He would work well with the port on day-to-day issues. He went on to state Andy Jordan is a good public entity lawyer who handles well many issues; however Hunsinger did not like it when a partner of Jordan’s firm was pulled out from representing the port in a land issue before he was finished. More discussion followed on the attributes of the attorneys and the legal needs of the Port. There was some further discussion on re-advertising for RFPs. Jack Crider stated he, as staff, likes the flexibility of having more than one attorney to work with the port. He recommended meeting with Dan Van Thiel to further discuss his potential work for the port. He and Commissioner Bland will set up a meeting with Van Thiel.

**BOARD GOVERNANCE.** Jack Crider stated part of the components needed for the Strategic Business Plan still remaining with issues is board governance. Addressing board governance is necessary to satisfy state requirements. He has samples of documents for review. Commissioner Bland advised he has read Resolution 2008-05 regarding Port of Astoria Board Governance and has a suggestion to add a one-page summary on Port Governance to the resolution. The original resolution falls apart at “consequences” making it sound unprofessional. Following some discussion *Commissioner Holcom moved to approve modification to Resolution 2008-05 to remove the final “consequence” and add the Port Governance section drafted by Commissioner Bland as the new document to submit to the State. Commissioner Bland seconded the motion. Motion carried unanimously.*

**COUNTY PRIORITY LIST.** Jack Crider refreshed the commission on Port priority projects submitted previously to the County’s yearly list submitted for possible federal funding opportunities. The County rates the list and gives pitches to agencies that may provide funding for the items. The Connect III applications for grants were unsuccessful this year. Chairman Hunsinger stated his top priorities as: 1. Dredging; 2. North Tongue Point; 3. DSL Land purchase of pier 3 property. Commissioner Holcom emphasized the need for the continued development and acquisition of North Tongue Point. Jack Crider added improvements to pier three for the renovation of the pier is also a priority. Discussion followed on capital to dredge pier three due to increased revenue from log exports, should consider possible outsourcing of the project. Commissioner Holcom asked for more direction from the Executive Director on recommendations, stating the Port is fragmented in goals and has no clear path. Jack Crider

responded there is concurrence on the continued development and purchase of Tongue Point property. The Port will not be able to attract users without the infrastructure improvements needed. Additionally, we know the log export operations want to consolidate to pier three – substantiating a goal to seek funding for pier three dock improvements. Holcom added the need to work on benefit/cost analysis on projects and for business plans. Commissioner Pfund stated the Port should focus on putting funding into development projects that generate revenue for the Port. Jack acknowledged direction from the commission: 1. Acquisition of N. Tongue Point; 2. Improvements to N. Tongue Point; and 3. Cargo operations pier one/pier three.

**TIGER GRANT.** Tiger DOT grants focus on projects involving cargo operations and/or infrastructure improvements to transportation system. Commissioner Holcom recalled Newport, Oregon’s success in securing the NOAA fleet and requesting/receiving funding for the re-location, noting the Port of Astoria has “not used our political chips”... to get a bigger bang for Clatsop County. Crider pointed out some of the selection criteria for the Tiger Grant and pier three needs for the log tenant. Discussion followed on direction the port should pursue for grants. Commissioner Holcom reiterated the director needs to give staff recommendation to the commission. Jack Crider confirmed he has direction from the board, after having given the board input on the opportunities.

#### **COMMISSION REPORTS**

Commissioner Bland. The USS Ranger Foundation pulled the plug on Multnomah County and is now looking at Troutdale and three other cities on the Columbia River. Problems getting ship up the Columbia with high tides under the lowest bridge and dredging issues. The Foundation decided they have a lot more financial support from upriver communities. The Port of Astoria will standby and await the feasibility study budgeted for. Meanwhile, the Foundation is running out of time. Bland and others had a lunch meeting recently with discussion of a possibility of another ship interested in the area. Commissioner Bland commented on the Port’s Budget Meeting – it was well prepared and a good job. He also commended Director Crider and Bruce Conner for a good job while the Japanese ship Nippon Maru was here on its inaugural visit.

Commissioner Holcom. Reported he has recently had two negative comments regarding the marina and three positive comments. He would like to re-activate the Marina Committee to discuss marina matters and make recommendations to the board.

Chairman Hunsinger. Reported he has attended most recent Port functions. The recent meeting concerning the rail road breach on Ziak’s property was well represented with three board members in attendance. There is a good chance they will start the project again in August.

#### **COMMISSION CONCERNS.**

Commissioner Pfund commented on the irony that his family has known the Ziaks forever. The older brother worked with wildlife sanctuary – now wildlife people are trying to stop the project. He noted the security process with the call of the Nippon Maru showed good training and he commemorates them for presentation. With the Tyco cable ship calling again in Astoria it could provide a strong

opportunity for the Port to re-engage them for more work presence in Astoria. It may be a good fit for the facility at Tongue Point. The cost to berth a cable ship 100 miles from the Pacific Ocean is expensive.

Commissioner Hunsinger voiced concerns addressing the new budget, that more effort needs to be put forth to look for grant opportunities. He also would like to see the Port budget include more funds for advertising. If it brings in one customer others will see we are “open for business”.

**OTHER BUSINESS.** Chairman Hunsinger called for other business. None was heard.

There being no further business, the meeting was adjourned.