

MINUTES
PORT OF ASTORIA REGULAR MEETING
SEPTEMBER 21, 2010
PORT COMMISSION CHAMBERS

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

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

Staff present: Executive Director – Jack Crider, Terminal & Administrative Services Manager – Rita Fahrney, Deputy Director – Herb Florer, Finance Manager – Colleen Browne, Airport Manager – John Overholser, Property Specialist – Jessica Long, Property Manager – Mike Weston and Maintenance Supervisor – Harold Culver.

Others present: See Sign-In Sheet.

CHANGES TO AGENDA. Chairman Holcom announced agenda items #9 – Pier 3 Collateral Agreement and #10 – North Tongue Point Broker Representation, will be moved to Executive Session, following the Regular Meeting. Agenda Item - Seaport Marketing to be added.

MINUTES. Regular Meeting, June 15, 2010 and Regular Meeting July 20, 2010. *Commissioner Bland moved to approve the aforementioned minutes. Commissioner Hess seconded the motion. The motion carried unanimously.*

FINANCIALS

Vouchers. Finance Manager Colleen Browne reported there are notes on voucher payments that may have questions. *Commissioner Bland moved to approve the voucher payments for the month of August. Commissioner Hess seconded the motion. The motion carried unanimously.*

Financial Reports. Following discussion with Finance Manager Browne, *on motion by Commissioner Bland and second by Commissioner Hunsinger, the Financial Reports for the month of August were approved unanimously.*

WARRENTON DIKE CERTIFICATION. Executive Director Jack Crider reminded the Commission that a delegation was organized last year to ask for a delay of the FEMA maps authorization. That effort was unsuccessful. The Port is now under the new mapping system and “under the flood zone”. Crider welcomed Warrenton City Commissioner, Mark Kujala to speak to the subject. Mr. Kujala spoke in detail how the City of Warrenton is crisscrossed by a levee system designed to protect the area from floods, but the dikes in the system currently do not meet federal standards. The City has been working with the US Army Corps of Engineers to certify the dikes against the 100-year flood plain which concerns the Port of Astoria with regards to the airport properties which saw the most significant change. Scott Fulton, Warrenton’s consultant, presented a list of ways the port could help the city, through use of equipment and manpower. Basically, all of Warrenton is in a flood zone. It means property owners will have to buy

flood insurance and meet the standards for building on a flood zone. According to Fulton, phase one of the Corps' certification inspections will cost \$10,000 per diking district. He said there is an option to put in a new cross-dike to protect port-owned property at the airport. Discussion followed. Port commissioners agreed to help Warrenton by forming a partnership with Warrenton.

PUBLIC COMMENT

Ted Thomas, 398 Atlantic, Astoria. Ted Thomas voiced opposition to Steve Fulton's involvement in the Warrenton dike issues as he is employed by a resident who owns the property Wal-Mart is planning to build on. The proposed cross-dike, Thomas said, would do more to protect the proposed Wal-Mart property than port property. Director Jack Crider responded if there are concerns about Fulton's ulterior motives he should talk to the city of Warrenton.

Gary Ziak. Mr. Ziak thanked the commission members for their support attending the County meeting. The pipe was built and is about five feet above the dike. It takes very little water and everyone is happy.

STAFF REPORTS.

Terminal & Administrative Services Manager Rita Fahrney reported the following:

- Attended a Columbia River sub-committee meeting of the NWMTA. Discussion was held on member port practices concerning charging barges that do commerce on the River. All ports report that they do not charge the barges because they create a revenue stream in support of river commerce. Also discussion on new inquiries at C.R. ports regarding export of logs. NWMTA members are working to reformat tariffs to make them more consistent among member ports.
- A cruise ship pre-planning meeting was held September 15th. Emergency responders were invited to attend to become familiar with the new set-up.
- Staff attended a TWIC training refresher course.
- A recent Coast Guard inspection for conformance to the Port's FSP was done. The Port passed the inspection with no deficiencies noted.

Maintenance Supervisor Harold Culver reported the following:

- A lot of preparation work for the Fish Festival underway
- Dredge boat will be hauled out of the water next week for repairs, before dredge season. Director Crider added the Corps of Engineers did a courtesy inspection of the dredge to determine if there are any minor/major deficiencies. If the Port dredges the turning basin, we would be held accountable for safety regulations. Some discussion followed on dredging needed at the turning basin and funding.

Airport Manager John Overholser reported he is working on three projects, as follows:

- C.R. Bar Pilot remodel. It is about 25% complete.
- Row "E" hangar construction is about 75% complete.
- Helligso Construction is continuing FAA work on wind cone and beacon components.
- Working on next year's FAA grant request, to request lighting on all runways
- Coast Guard held their annual open house. A good time had by all.
- Airport fuel sales are high.

Property Specialist Jessica Long was introduced. She reported working with Deputy Director Herb Florer and Property Manager Mike Weston organizing port information and property information. She stated she is excited to get projects going. She has been diagramming properties for rent. Chairman Holcom noted Ms. Long was a former officer on a NOAA ship and has a good background.

Property Manager Mike Weston reported the following:

- Working on the West Basin dredging permit and 1200cc permits.
- Port of Astoria, Port of Ilwaco and City of Astoria and City of Warrenton are looking to jointly purchase a vibra-corer for sampling. The equipment is very expensive
- The Port has a permit to dredge at Tongue Point with restrictions and conditions.

RESOLUTIONS – LEASES. Property Manager Weston advised the following Resolutions to approve leases are ready for commission consideration:

2010-17 Martin Alvey, LLP. *Commissioner Bland moved for approval, Commissioner Hunsinger seconded. Motion carried unanimously.*

2010-18 John Carlson, CPA. *Commissioner Bland moved for approval, Commissioner Hunsinger seconded. Motion carried unanimously.*

2010-19 C.R. Bar Pilots. *Commissioner Hess moved for approval, Commissioner Hunsinger seconded. Motion carried unanimously.*

SEAPORT AIR SERVICE – MARKETING. Executive Director Jack Crider reported Connect Oregon II grant funding is available for Seaport passenger service marketing. The Consortium overseeing the grant has approved motions recommending the Council authorize the use of \$80,000 of the funds for an advertising campaign. Several factors have contributed to the low passenger count, including the fact that the last air service offered flights to Seattle, and this time period is the worse for trying to re-activate the service due to the economy. There are also disconnects with the Astoria to Portland flights and making connecting flights. Currently Seaport is being paid for the marketing at \$2,000 per week. Commission members agreed on the need to get the public more aware of the service and that the service is important to have. Discussion followed. *Commissioner Hunsinger moved to approve use of \$80,000 of Connect Oregon grant funds for a “fly Newport” and a “fly Astoria” advertising campaign. The motion was seconded and approved unanimously.*

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

- Fishermen’s Festival. The 2010 Fishermen’s Festival at Tongue Point was a tremendous success, doubling last year’s attendance despite the rain. Over 600 cars were parked on the 10 acre tarmac. It was a good opportunity to showcase the Port’s Tongue Point facility. New staff members Mike Weston and Jessica Long answered questions and handed out information at the Port’s booth.
- Cruise Ship Visit. On Monday the Port had its first cruise ship in with the new facility design. All parties were extremely happy with the new design. The Cruise Hosts new shelters worked perfectly during the rain events. There are some modifications needed, including signage, but all in all everything went well.

- Korea Trip. Chairman Holcom, Dr. Park, and Director Crider will be traveling to Korea September 29th – October 5th. While there they will be hosted by K1 Plant Company, a Korean Crane manufacturing company. Several medium sized shipping companies interested in the Port of Astoria facilities will attend a function to learn more about the port. Meetings will be held in Seoul and the Port of Busan with the goal to attract Korean investment at Tongue Point and shipping opportunities for acquisition of a dock-side crane.

COMMISSION REPORTS.

Commissioner Hess inquired about the sidewalk collapse on Haggren property. Director Crider noted the City of Astoria should share the cost with the Port. Due to a past agreement, the Port has responsibility for the repair. The City of Astoria has repaired other collapses

Commissioner Jack Bland noted the grant request for the airport placed 42nd on the list. Flooding south of Seaside was deemed 1st priority. The Mayor of Cannon Beach asked whether the Port would consider participating in the flooding project to help move it along to get done. Chairman Holcom suggested the Port contribute financially for the engineering study.

Chairman Holcom has had discussions with international players who are surprised to hear the Port of Astoria is getting back into the export business. There is a need for a statement to educate the public about Oregon's importance in the export market.

COMMISSION REDLINE ISSUES

Commissioner Hess asked if the pedestrian trail is completed. Director Crider responded there remains work to be done on the lights and hydro-seeding. Port employees will need training on the system. The Port is responsible for paying for the lighting on the trail.

Commissioner Hunsinger asked for an update on the pier three log yard noting he is being questioned by business people and logging people. Crider explained concerns the Attorney General is holding up the log operation. We need to sit down with politicians who have power with the Attorney General to help push the pier three jobs.

Chairman Holcom stated in conversations with two charter boat captains their concern is the number of guide boats from Portland. They are not supporting the local economy, they have free access to launch, park and pick up customers. Charter skippers have to pay for moorage, parking, etc. The local fisheries are being challenged by guys from Portland. Holcom commented there needs to be a balance. Director Crider confirmed staff needs to work on parking issues.

OTHER BUSINESS. Executive Director Crider reported the Port's new website is now online. Staff will now have control over the site. Commissioner Bland remarked it is a lot cleaner.

PUBLIC COMMENT. Chairman Holcom called for public comment. None was received.

Their being no further business, the meeting was adjourned.

