

MINUTES
SPECIAL MEETING
APRIL 13, 2010
PORT OF ASTORIA COMMISSION CHAMBERS

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

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

Staff present: Director Jack Crider, Finance Manager Colleen Browne, Terminal & Admin. Manager Rita Fahrney, Property Manager Herb Florer,

Others present: See attendance sheet.

CHANGES TO AGENDA. Chairman Hunsinger called for changes to the agenda. Commissioner Holcom requested an update on the causeway at the East Basin. (agenda item #7-A). Chairman Hunsinger added agenda item 7B to discuss media coverage.

OLNG SETTLEMENT. Chairman Hunsinger announced the commission is still in negotiation with OLNG so this item will be deferred to the next meeting.

COLUMBIA BANK PURCHASE AGREEMENT. Chairman Hunsinger announced the Columbia Bank Purchase Agreement will be held to further discussion in Executive Session. He reported the Executive Session held before this Special Meeting will reconvene following the Special Meeting. It is not expected the Special Meeting will reconvene.

WESTERLUND LOG HANDLERS – DRAFT LEASE. Director Jack Crider reported the next step in the Westerlund Log Handlers discussion is the beginning of a draft lease agreement. Staff is working on a basic lease, subject to rates, property values, etc. with commission input. While there is a long way to go, the basic boilerplate is in agreement between the parties.

BUDGET

- a. Budget Schedule. Finance Manager Colleen Browne reported a draft schedule for Budget Committee Meetings has been prepared. Budget Members will also receive copies for planning.
- b. Budget Officer. *Commissioner Pfund moved to appoint Finance Manager Colleen Browne Budget Officer. Commissioner Bland seconded. Motion carried unanimously.*
- c. Appoint Budget Committee Member. Alternate Budget Committee is Andrew Bornstein. Discussion followed. Commissioner Holcom voiced he is not comfortable with people having direct dealings with the Port serving on the committee. Commissioner Pfund noted people with dealings with the port have a natural interest in serving on port committees. He pointed out John Lansing who is a budget member and also is involved with the port by way of Seaport Airlines. Commissioner Hess commented Mr. Bornstein has expertise and background to understand the budget process and law. John Lansing – Budget Committee Member stated the budget committee is an advisory committee only, with no vote. However, if he had voting privilege he would agree with Holcom as the committee needs a variety of input from different people. He has no objection to Andrew Bornstein being chosen for the Budget Committee member vacancy and hopes Chris Connaway will be able to attend more meetings.
Commissioner Bland moved to appoint Andrew Bornstein to serve as a regular member of the

Budget Committee. Commissioner Hess seconded the motion. Commissioners Hess, Bland, Hunsinger and Pfund voted yes. Commissioner Holcom voted no. Motion carried with majority vote. Commission members agreed to seek an alternate member. Staff will solicit for interest.

SEAPORT REVENUE GUARANTEE AGREEMENT MODIFICATION. Director Crider advised this modification in the SeaPort Revenue Guarantee Agreement is number 2, extending the date to May 1, 2010. He recommended approval of the modification. *Commissioner Bland moved to approve the modification to SeaPort Revenue Guarantee Agreement. Commissioner Holcom seconded the motion. The motion carried unanimously.*

CAUSEWAY UPDATE. Crider reported on meetings with CoE, NMFS, DSL, DEQ, to go through permits/plans to see what the Port of Astoria will be looking at over the next few years. The causeway permit is expected Monday. Bergerson Construction is working another job until the Port permit is in hand. Crider acknowledged the public likes to drive out on the causeway. It is currently only open to tenants. Commissioner Holcom commented on calls he receives from the public who want to go out on the causeway and fish from their vehicles.

MEDIA RELATIONS. Chairman Hunsinger explained an article in Friday's Daily Astoria raised issues attributed to him regarding Port's level of tenant care by him. He emphasized that in no way was the statement printed by the D.A. the intent of the statement reflected on the draft strategic plan. The Daily Astorian printed a clarification in the Monday edition of the paper and he had a nice meeting with Mr. Webb. Hunsinger also addressed long shore conflicts of interest concerns due to his sitting on the port commission, clarifying it is not considered a conflict. He also noted Tom Freel, who writes about port issues, does not attend port commission meetings.

PUBLIC COMMENT. *(The following public comments are not written verbatim, but intended to reflect the substance of the comments made.)*

Ted Thomas. Acknowledged the tenants would appreciate more attention. Logs are currently going past Astoria to be exported in Longview. Unless exports are stopped there is a situation where the loggers will be as unemployed as mill workers. Commissioner Pfund added the Port is understaffed. In the past there was staff for marketing. Getting industry to the Port will build staff up.

Lori Durham. Stated the general public is not being informed by the Daily Astorian of the meetings/ Notices have not been posted in the local paper for this meeting and the Regular Meeting. Cassandra Profita, the Daily Astorian reporter, answered the meeting was noted in a Tuesday article to allow the public ample notice to attend. She was urged to ensure meeting notices are placed in appropriate places for public information.

Lori Durham questioned who will do improvements needed for the log handling yard. Jack Crider responded the sheet piling, roadway, etc will be done by Port staff and will be reimbursed by the tenant. The Port hopes to get a grant for the sheet piling. Commissioner Pfund added with improvements to pier three it will be brought up to new standards and will be an asset for the Port.

John Huelman stated he flies a small plane and works with the sardine business. He stated the boats in the fishery need more than just a place to park, need to be able to come and go. Questioned if any study has been done to boat traffic at slip two with a log ship on pier three. Tenants have investments in their business and need access. Commissioner Holcom and Commissioner Hess

reassured him there would be no interference from a cargo ship being docked at pier three. It was past practice to have two log ships in the slip and there was ample room between them.

Ed Green. Commented he is trying to raise a family and is for economic growth, but not at the expense of people who have invested here already. He has no issue with log exports, but re-design of the boatyard concerns with debarking of logs. Having the boatyard located where it is works for him. Chairman Hunsinger explained to Mr. Green the de-barking process, and Longview's log yard is clean and clear. The de-barker will be placed far from the boat yard. The Port will work to make the two operations exist and keep everyone happy. Commissioner Pfund added the pier three yard was designed with 18" of pavement for heavy-duty use.

Andrew Bornstein. Stated he is not against log exports, his job is to protect his business and company for the long-haul. He feels there are a lot of unanswered questions and unknowns. He is concerned the Strategic Plan is "pre-conceived" and was hopeful the tenants would be more included in the process. Bornstein's commercial parking lease discussions with the Port have come to an end as Westerlund Log Handlers will be using available space. Bornstein Seafoods is nervous about log operations and boat traffic mix on pier one and the subsequent effect on their business.

Kathy Sanders. Kathy stated it has been a long time since the last logs have been shipped from Astoria. Significant changes have occurred – CPMW relocate, Englund Marine, Taggart Building, Bornstein, Red Lion improvements, Red Building renovation. That is why she supported acquisition of Tongue Point because the Port facility was being filled with other uses – necessitating a need for a different location for port operations. Commissioner Holcom acknowledged that was also his reasoning - to support the Port's acquisition of Tongue Point due to the lack of room at the port docks and hoping to get shipping operations at Tongue Point. Log shipping cannot work out of the Tongue Point facility. There is a need to dredge the facility to avoid loss of opportunities. Jack Crider added the Corps of Engineers has numbers on dredging the facility and has looked over the project. There is a need for "real players" to get work expedited.

Bob Christie. Suggested de-barking logs at the Tongue Point facility and then bringing them to Astoria for shipping to keep everyone happy. Mr. Crider responded there will be a reduction in log truck traffic through Astoria by bringing the trucks to the Astoria piers.


Kurt Englund. Stated he is pro-timber companies. Englund Marine supplies loggers and timber companies and they support Englund Marine through sales. He understands the Port needs the revenue and maintenance and dredging costs are high. He is concerned with the new Strategic Plan verses the old one. If reversed, Englund Marine would not have moved here. His concerns are related to: 1) the boatyard; 2) traffic; 3) northwest winds – downwind side is toward Englund Marine. He's met with Westerlund Log Handlers, noting they were upfront when asked for input – "they are good guys to work with". He asked if the Port has any plans to mitigate for current tenant's concerns. Commissioner Pfund responded the Port will bend over backwards to make sure things work out for Englund Marine. Kurt went on to state no one will know how it will run until it is here. It is an "unseen". When it happens it may be too late to stop it. Commissioner Holcom emphasized the need for "solutions". Kurt Englund stated the Port is the one who should be proactive and take action as a commission to take control of the situation the Port is in as landlord. Discussion continued, with Kurt Englund emphasizing the need for ample time to review and discuss the log export proposal and Roger Nance, Westerlund Log Handlers providing an overview of their efforts to inform the public and tenants.


Following public comment, Chairman Hunsinger called for a five-minute recess and then to adjourn to convene the Executive Session.

There being no further business, the special meeting was adjourned.

APPROVED:

ATTEST:


William Hunsinger, President


Daniel Hess, Secretary

Port of Astoria

COMMISSION MEETING

SIGN IN SHEET

DATE: April 13, 2010

NAME

PRINTED NAME

LORI DUSHEIM

~~John F. Kucinski~~

Ted Thomas

~~Ted Thomas~~

Kurt England

Jeffrey Scott Nelson (LURCH)

JEFF NELSON

Kathy Sanders

Kathy Sanders

RAM HUNSINGER

Dave Westerlund

Dave Westerlund

Lori Westerlund

Lori Westerlund

Alan Brunstad

Alan Brunstad

~~John Nance~~

JENNIFER NANCE

Kay Nance

~~Jeff~~

Richard Mitchell

Richard Mitchell

Velda Mitchell

Velda Mitchell

~~Malcolm C. Cotte~~

MALCOLM C. COTTE

~~Andrew Borinstein~~

Andrew Borinstein

~~Ed Green~~

Ed Green

~~Luke Ness~~

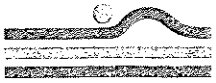
Luke Ness

~~Ken Ness~~

Ken Ness

Mary Jean Englund

M. J ENGLUND



PORT OF ASTORIA

COMMISSION

MEETING ATTENDANCE SHEET

DATE: 4/13/10

NAME:

PRINTED NAME

Joe Abram JOE ABRAM

DAVID BREWER

John Estebos JOHN ESTEBOS

Bob Kustura Bob KUSTURA

Steve Tuttle Steve Tuttle

Empty lines for additional meeting attendees.