

MINUTES
PORT OF ASTORIA SPECIAL MEETING
MAY 11, 2010
PORT COMMISSION CHAMBERS

Chairman Hunsinger called the Special Meeting to order and took roll call. Commissioners present: Bill Hunsinger, Floyd Holcom, Jack Bland, Dan Hess, and Larry Pfund.

Staff present: Jack Crider.

Others present: See attendance sheet.

CHANGES/ADDITIONS None.

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

Al Rissman 5161 Cedar St. – A Port commissioner for 24 years stated he closely follows the activities of the Port. It is not surprising that the Port of Astoria is being asked to sell its soul to settle a breach of contract lawsuit with Oregon LNG. He voiced concerns being:

1. The request that the agreement requires the port to write letters of support for a variance that the company needs from the City of Warrenton. This is making policy under pressure.
2. The Port has a policy adopted years ago to not sell port property, but to lease instead. If property is sold, certain procedures must be followed.
3. Some port property deeds have restrictions stating that if the property is no longer used by the public, then it reverts back to the donor.

Rissman went on to state asking the Port to support a variance to the City of Warrenton planning without a public hearing is a bewildering and concerted effort to get the port involved in a legal situation it might not have the authority or public support to do. Rissman asked the commissioners to “stand up for the interests of the port and taxpayers.” He added, “Mr. Hansen, you do not make the rules, you comply with them.”

Some discussion followed on the history of Port policies on land leasing, sales and purchases.

Jean Dominey. 3647 Duane. Regarding the additional 5-acre lease to Oregon LNG, she firmly opposes any additional lands being leased to OLNG. As a taxpayer does not approve of any further coerced lease of additional lands to this entity. She also voiced opposition to the Port Commission writing any letter supporting variances that OLNG may wish to pursue – that OLNG should act on its own to pursue variances.

Carl Dominey. Reported in newspaper, letters from the Port are required to be written in support of OLNG variances. Questioned if requirement was in original agreement? It was in original. Asked for clarification on protected air space and height restriction. Attorney, Tiensen explained the Warrenton height variance for the tanks has been approved by the FAA and the City of Warrenton. The FAA is the

overriding authority. Dominey commented the Port is stuck between a rock and hard place. If a plane were to crash into the tanks, would the port be liable.

Chairman Hunsinger called on Port Attorney, Thane Tiensen to report on the progress of the OLNG settlement. Mr. Tiensen reported on the status of the settlement issue that the Port should be required to write a letter of support for the OLNG project. The decision to support the OLNG facility was done six years ago. It would be inconsistent with the Port at this time to write a support letter and Tiensen does not believe they can legally require it. Commissioner Holcom asked what specifically their request for an additional five acres is for. Chairman Hunsinger explained that it is suppose to create a 1,000 foot buffer zone to move tanks closer to the water. It is property the Port owns. OLNG does not want to lease the property, but rather want to purchase it. They also need to get agreement from Hampton on their property. Some discussion followed.

OLNG SETTLEMENT

Chairman Hunsinger announced the Port commission is not going to vote on the settlement tonight. They do not have a final draft. Attorneys are still working on a final draft. Tiensen commented he will ask for an extension. They do not anticipate any significant changes. The scope of purchasing property, if not critical should not be included for agreement in the settlement hearing.

PRE-FINAL STRATEGIC BUSINESS PLAN – DISCUSSION.

Director, Jack Crider, reported last week copies of the draft Strategic Business Plan were given out. Staff has reviewed and is correcting grammar, typos, things that don't make sense. Crider is looking for direction from the commission to make the document available to the public before adoption. Financials are in and components the state wants are in. It was agreed to put the Strategic Business Plan on the Port's web site and make copies available to the public as requested.

RESOLUTION 2010-05 LEASE- TOTAL FISHERMAN (Kevin Newell) Crider reported this lease is for a small office building next to the insurance company, in the Chinook building. Rent is \$135 month. The office will be used for charter boat operations. The lease is for one year with an option to renew. Commissioner Holcom declared a potential conflict as he is a waterfront property owner in Astoria. *Commissioner Hess moved to approve Resolution 2010-05 Lease – Total Fisherman. Commissioner Bland seconded. The motion carried unanimously.*

RESOLUTION 2010-06 LEASE – J.E. MCAMIS INC.

Jack Crider reported this lease is not quite ready for approval. Hoping for approval next week. It is a land lease for \$1,972 per month and pier space at \$1,200 per month. The lease is a 10-year lease with two five- year renewals. The issue they are running into is getting City permitting resolved for placing a shelter on the property. Have meeting tomorrow with the City of Astoria Mayor, McAmis, and the Community Development Director at 10 a.m. Commissioner Holcom questioned if it is a temporary structure why building permit. Crider explained the building, while considered a temporary structure will be used for more than storage, also for fabrication purposes.

DISCUSSION – DEPUTY DIRECTOR JOB DESCRIPTION

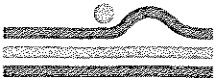
Director, Jack Crider, advised there are a couple of components to the discussion of filling the Deputy Director position. He distributed a draft Organization Chart for review, explaining it is needed for the inclusion in the Strategic Business Plan and involves the position of the deputy director. Discussion followed on the chart and the need to have the deputy director position also be an “operations manager” and located on the chart with a line directly to the director. The deputy director will oversee environmental compliance, contract compliance and grant administration. Some discussion followed on the Harbormaster’s position and authority, and clarification of staff roles. Crider stated budget for the deputy director is in the salary range \$65,000-\$85,000. He would like to see commission participation as he would want them to be happy with the choice. Commissioner Holcom emphasized the key will be the success of the Port’s ability to fill an operations manager position, relieving the director of some of his responsibilities and being able to relieve the director in his absence. Crider will provide copies of the applications for commissioners to review. He stated if revenues look solid, there will be opportunity to bring in other needed positions. The current need is for additional maintenance employees.

PUBLIC COMMENT

Jeff Nelson, NNWB asked for an update on Westerlund log handlers. Crider replied the pier one lease is signed. Westerlund is contracting for graveling and making improvements to pier one. The Port will credit back to them their costs. The Port needs to finalize the Strategic Plan to complete pier three negotiations, including the collateral agreement and the parcel leased from DSL.

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

A handwritten signature in black ink, appearing to read "Jack Crider". The signature is fluid and cursive, with a large initial "J" and "C".



PORT OF ASTORIA

COMMISSION

MEETING ATTENDANCE SHEET

DATE: 5-11-10 7pm

NAME

PRINTED NAME

Jean Dominey

Jean Dominey

Carl Dominey

CARL DOMINEY

Melissa Vedenoja

Melissa Vedenoja

Lasse Vedenoja

Lasse Vedenoja

Bob Zabrewski

Jan Mitchell

JAN MITCHELL

Sam Hunsinger

Malcolm C. Cotte

MALCOLM C. COTTE

Andrew Bornstein

Andrew Bornstein

Robert Clark

ROBERT CLARK

John Estoos

JOHN ESTOOS

Jan Gregor

JAN GREGOR