

Board of Commissioners

Frank Spence – Chairman
Robert Stevens – Vice-Chair
Dirk Rohne – Secretary
James Campbell – Treasurer
Scott McClaine – Assistant Secretary/Treasurer

422 Gateway Ave, Suite 100
Astoria, OR 97103
Phone: (503) 741-3300
Fax: (503) 741-3345
www.portofastoria.com

Workshop Session

February 15, 2022 @ 4:00 PM
Via Videoconference*

*To maintain social distancing, this meeting will be held via Zoom. Please see page 2 for login instructions. Public comment can be submitted via email to admin@portofastoria.com until 5PM on Monday, February 14, 2022. A link to the recording will be available on the Port website at www.portofastoria.com.

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. CHANGES/ADDITIONS TO THE AGENDA
5. PUBLIC COMMENT:
This is an opportunity to speak to the Commission for 3 minutes regarding any topic. Public comment must be emailed to admin@portofastoria.com by 5PM on Monday, February 14, 2022. Public comments received by the deadline will be read at the Commission meeting.
6. ACTION:
 - a. Resolution 2022-02 – Amended Resolution to Raise Rates at the Airport3
7. ADVISORY/DISCUSSION:
 - a. Cruise Ship Update – Bruce Conner5
 - b. Budget Season Update – Melanie Howard7
8. COMMISSION COMMENTS
9. UPCOMING MEETING DATES:
 - a. Regular Session – March 1, 2022 at 4:00 PM
 - b. Workshop Session – March 15, 2022 at 4:00 PM
10. ADJOURN

Please Note:

Agenda packets are available online at: <https://www.portofastoria.com/CommissionMeetings/AgendaMinutes.aspx>

Please allow time for the normal posting procedure for agendas and meeting packets.

Board of Commissioners**HOW TO JOIN THE ZOOM MEETING:**

Online: Direct link: <https://us02web.zoom.us/j/86905881635?pwd=amhtTTBFcE9NUElxNy9hYTZFPQTizQT09>
Or go to [Zoom.us/join](https://zoom.us/join) and enter Meeting ID: 869 0588 1635, Passcode: 422

Dial In: (669) 900-6833, Meeting ID: 869 0588 1635, Passcode: 422

This meeting is accessible to persons with disabilities or persons who wish to attend but do not have computer access or cell phone access. If you require special accommodations, please contact the Port of Astoria at least 48 hours prior to the meeting by calling [\(503\) 741-3300](tel:5037413300) or via email at admin@portofastoria.com.



RESOLUTION
NO. 2022-02

AMENDED RESOLUTION TO RAISE RATES AT THE AIRPORT

WHEREAS the Port of Astoria Commission did by Resolution No. 2022-01 on January 18, 2022, establish updated airport rates, and

WHEREAS the Port of Astoria Commission finds it necessary to make amendments to that fee schedule,

NOW THEREFORE, be it resolved that the Port of Astoria Commission hereby approves the updated Airport rates as set forth below:

AS ADOPTED

Landing Fee: \$2 for each 1,000 pounds over 10,000 pounds Maximum Takeoff Weight (MTOW)

AS AMENDED

Landing Fee: For aircraft over 10,000 pounds Maximum Takeoff Weight (MTOW), \$2 for each 1,000 pounds MTOW

AS ADOPTED

Ramp Fee: \$5

AS AMENDED

Facility Fee: \$5

ADOPTED BY THE BOARD OF COMMISSIONERS this 15th day of February
2022.

Yes _____

No _____

Absent _____

ATTEST:

Frank Spence, Chairman
Board of Commissioners

Dirk Rohne, Secretary
Board of Commissioners

PORT OF ASTORIA COMM MEETING FEB 15, 2022

Key Takeaways:

Norwegian Cruise Lines/ Oceana /Regent Seven Seas: Apr 27 May 7

2H22 booked position in line with pricing ahead of 2019: Bookings have improved sequentially in recent weeks following a negative impact “primarily for close-in voyages in the first and second quarters” due to Omicron at the end of 4Q. Booked position for the 1H22 is unsurprisingly below “extraordinary strong levels of 2019,” which was likely also the case as of the 3Q call in Nov. As of early Feb, the booked position for 2H22 has moderated to “in line” with 2019 (was “meaningfully ahead” as of 3Q call), which makes sense as occupancy for the 2H22 is unlikely to exceed 2019 levels. Pricing for both 1H and 2H22 remains ahead of 2019. NCLH noted that 2023 price and booked position are “meaningfully higher and at record levels” compared to 2019.

Full restart still expected in early 2Q despite some 1Q delays: NCLH currently has 16 ships relaunched (70% of total berths) with plans to have 85% by the end of 1Q22 and the full fleet in early 2Q22. While Omicron-related “operational challenges” led to some cancelations and lower 1Q capacity vs. expectations pre-Omicron, the timeline for a full restart appears roughly in-line with the prior goal of April 1. NCLH has opted into the voluntary CDC risk mitigation program put in place on Jan 15th when the Conditional Sail Order expired.

Liquidity likely improved Q/Q; Omicron pushing back cash flow positive target: NCLH liquidity on Sep 30th was \$1.9B. Based on various actions taken throughout 4Q, we estimate liquidity as of Dec 31st improved to near \$3B. Release notes that cash burn during 4Q was \$345M/month, \$5M below their expectations. NCLH also updated profitability/cash flow projections which appear in line with expectations in light of Omicron. NCLH now expects net cash from operating activity to be positive in 2Q, vs. prior plan for 1Q. Management expects to have positive adjusted net income for the 2H22.

Royal Caribbean/ Celebrity Apr 20, 27 May 7,16

Josh Carroll, VP of Destination Deployment and Development, expects 100% occupancy in Alaska this summer. Through Omicron, "Alaska has really been a standout" in bookings. Royal Caribbean "can absolutely and intend to fill the ships" which are already booked well. Some cabins may still be roped off for health/safety purposes, so the 105-110% occupancies of 2019 are unlikely, but 100% is possible with 3-4 people occupying a 2-person cabin, offsetting the negative impact on occupancy from the removed rooms.

We continue to hear of strong demand for Alaska with especially strong pricing in our work. Hopefully this is just the beginning.

Royal Caribbean Group reported 4Q 2021 earnings this morning followed by a conference call. Passing along the key takeaways from our conversation with management.

Bookings have rebounded over the past few weeks as cases come down in the US. Pricing and Booked Position are holding for the 2H 2022. The company expects 1Q occupancy of 60% following 59% in 4Q. By the 3Q, occupancy is anticipated to "approach historic levels." COVID protocols (which are expected to soften through the year to make cruising more convenient/easier),

Princess/Holland American: Apr 5,19,20,23,25,26 May 5.

All three Carnival products cruise to Alaska in 2022.

Princess & Holland reconfirming shore side services/inventory next week

Moving forward:

We (CTW) believe with our partner Cruise Lines there is going to be 20% more berths in Alaska in summer 2022 than there were in 2019, that comes from an earlier start/later finish to the season as well as additional ships.

That's more Alaska to sell, and with the pricing premiums placed on that region in particular, the lines are betting big on AK With Royal's latest announcement expecting close to 100% occupancy in Alaska, it seems like that bet might pay off. Alaska is probably the highest booked region as of today vs. Europe or the Caribbean but there's still a lot of space to sell. Again, not as much as Eur/Caribbean.

Hapag-Lloyd announced all guests 18 and older will be required to have a booster shot to cruise, if they are eligible (last shot >3 months ago). The requirement goes into effect in Mid Feb. Two shots 1 booster, several Cruise Lines to follow.

CLIA: "we continue to be dismayed by the CDC's decision to maintain any Travel Health Notice for cruise. CDC has long recognized the paramount importance of vaccination in protecting against COVID-19 and the vaccination rate on cruise ships is close to 100%, whereas on land it is only about 63%. It seems unnecessarily discriminatory against cruise to maintain that the chances of getting COVID-19 on a cruise "is very high" even if you are up to date with your COVID-19 vaccines. This discounts the importance of what the CDC has otherwise promoted as the single most important touchstone for public health and safety."

We (CTW) agree with CLIA - seems unnecessary/an overstep, against societal trends, and overly complicated. If cruise is already ahead of the curve when it comes to Covid (nearly 100% vaccinated), there's no need to keep kowtowing to the CDC. It seems highly unlikely that the cruise lines would decide to completely get rid of their health/safety protocols right away, even if they don't participate in the CDC program.

Please reach out with any questions/comments. bruce@portofastoria.com

CTW Cruise the West Consortium, CLIA Cruise Lines International Association

Bruce Conner: Director POA Cruise Industry Marketing, Vice President CTW.

Port of Astoria 2021 Budget Committee Members

Citizen Member	Term Ending
John Lansing	6/30/2022
William Young	6/30/2022
Walt Postlewait	6/30/2021
Randolph Pedersen	6/30/2024
Vacant Position	-

ORS 294.414(5) – Appointive members of a budget committee that prepares an annual budget shall be appointed for terms of three years. The terms shall be staggered so that, as near as practicable, one-third of the terms of the appointive members end each year.

2022-23 PROPOSED BUDGET CALENDAR

<u>DESCRIPTION</u>	<u>DATE/DEADLINE</u>
1) The governing body appoints the budget officer.	<u>Done</u>
2) The governing body appoints the budget committee.	<u>4/19/2022</u>
3) The budget officer prepares the proposed budget.	<u>4/27/2022</u>
4) The budget officer publishes the Notice of Budget Committee Meetings. Print a notice in the newspaper no more than 30 days before the meeting and no less than 5 days before the meeting. A notice should also be posted on the website at least 10 days before the meeting.	<u>4/25/2022</u>
5) The budget officer provides a copy of the proposed budget to each member of the budget committee.	<u>4/27/2022</u>
6) The budget officer files a copy of the budget in the Port office.	<u>4/27/2022</u>
7) The executive officer of the Port prepares or directs the preparation of the budget message.	<u>4/29/2022</u>
8) The budget committee meets at the time and place in the notice and receives the proposed budget and budget message.	<u>5/4/2022</u>
9) The budget committee meets at the time and place in the notice for the purpose of hearing public comment and hears questions and comments from any interested person.	<u>5/18/2022</u>
10) The budget committee approval deadline. Before approving the budget, the budget committee can make any changes to the budget that a majority of the committee members agrees on.	<u>5/18/2022</u>
11) The budget officer publishes one notice of the Budget Hearing and a summary of the approved budget (Forms LB-1, 2, 3 and 4, if required). This notice must be published between 5 and 30 days before the hearing.	<u>5/30/2022</u>
12) The governing body conducts the budget hearing and takes public comment from any interested person. The governing body must have a quorum present at the public meeting. The governing body considers the comments of all interested parties about the budget and the fiscal policy decisions reflected in the budget.	<u>6/7/2022</u>
13) If the governing body raises expenditures in any fund more than \$5,000 or 10% or raises the tax at all, they must republish the adjusted budget and notice of a second budget hearing. The notice of the second hearing must be published between 5 and 30 days before the second hearing.	<u>n/a</u>
14) After the budget hearing, the governing body enacts resolutions or ordinances to adopt the budget, make appropriations and categorize the tax, if applicable.	<u>6/7/2022</u>
15) The budget officer submits the approved budget and certification documents (LB-50, Resolution Adopting Budget, Resolution Imposing Taxes) to the assessor's office and the county clerk's office by July 15th.	<u>7/8/2022</u>