

MINUTES  
PORT OF ASTORIA  
WORKSHOP SESSION  
FEBRUARY 15, 2008  
PORT COMMISSION CHAMBERS

Chairman Dan Hess called the Workshop Session to order and took roll call.

Commissioners present: Dan Hess, Bernie Bjork, Kathy Sanders and Bill Hunsinger. Commissioner Larry Pfund arrived late.

Staff present: Ron Larsen, Colleen Browne, John Hord, Lora Eddy, Esther Jones, and Ken Smith.

Others present: See attendance sheet.

STAFF REPORTS:

Ken Smith, harbor master reported:

- Has been working with Environmental Compliance Manager Lora Eddy on the permit to repair pilings at the east end basin. Project pending biological reports and permit processing.
- Marina working with Oregon State Marine Board to get funding for a grant. It would be for a pump out station to service boats on trailers and would be adjoining the restrooms at the east end basin.
- Boatyard very busy with calls.

John Hord, chief of security reported:

- Meeting last week with cruise ship agents. Discussed details of the coming season.
- Transients showing up again at the marinas facilities. Always a problem once the processing season nears.
- Planning meeting next month with security staff for upcoming cruise ship season.
- TWIC card update: Only people who have any business in the restricted area of pier 1 will be required to have card. The cards will cost \$132.50 each and will be good for five years. All security personnel and longshoremen will be required to get one.

Lora Eddy, permit compliance officer reported on dredging:

- Working with CREST and Lower Columbia Solutions Group toxic subcommittee investigating how many of the ports are dredging and how much of the material that is potentially contaminated and what will be needed to be disposed of upland. Upland sites are being considered for the Ports of Astoria and Ilwaco.
- Attending a pre-disaster mitigation risk plan meeting. Working together with the county.
- Waiting on ODOT for them to choose a consultant on the trail grant project.

Eddy answered questions from the board on the amount of money involved when moving contaminated material in the port's mooring basin. Hard to pinpoint responsible party, some ports have special funds set aside for this kind of work. Investing in a "solution" fund could chart the path for a funding source.

More discussion followed on sheet piling around all the port's docks. Sheet piling on pier 3 would provide a site to hold 56,000 cubic yards of material. A long-term solution for disposing of dredge spoils is something that should be addressed but it's very expensive. She also noted the port does not have the high contamination that other areas have that use the joint disposal sites.

Eddy also explained the timeframes each regulatory agency goes by. She also covered a list of permitting processes that she had given the board previously. The five year period for the permit is effective the day the agencies sign the permit.

The port being in a "unique" situation with limited funding could add a dollar amount to the solution. Also, since we are not the only port with dredging issues, putting together a long-term solution could chart the way for the others. More discussion followed on details addressed by the board. A possible joint disposal site, one that could be sheet piled then filled is something to consider. More ideas flowed into the discussion, all worth looking into.

Bruce Conner, cruise ship marketer reported:

- Met with the Clatsop Cruise hosts committee
- Explained the situation in Newport, Oregon. They are researching to bring small cruise ships to their port.
- Explained the coupon book the committee is working on to sell to cruise visitors
- Planning to attend the SeaTrade conference in Miami, Florida
- Explained the marketing fund in order to raise money for operations
- Explained the Customs and Border control's passenger act. When on a foreign flag carrier and go into a U.S. port it also has to go into a foreign port. After departing from Astoria, the ship will have to spend two days in Victoria, BC.
- Passed out 2008 cruise ship schedule

More discussion followed on the process Customs uses when they board a cruise ship for an inspection. Also, Commissioner Hunsinger added he has been researching a possibility of more than one cruise ship docked at Pier 1 on the west side. The port is awaiting permits to dredge slips 1 and 2. Once the slips are dredged, it will allow us to offer another space at the piers to cruise lines.

Ron Larsen reported:

- Airport Master Plan progress; has received the ALP (layout). Hoping to receive plans soon.
- Connect II review committee this morning; each project presenter had 15 minutes. Expense a little more than the 20 percent we expected.
- Appraisals in: E. basin, \$300,000; Skipanon, \$4,604 an acre, 133.88 acres on the peninsula. The parking lot (under an acre) at the west basin, south, valued at \$721,000. Department of State Lands on Pier 3, \$845,000; Pier 3, \$586,000; Bay Street property, \$484,000.
- Woodbine is still at the dock. Owners experiencing some problems, though still working on taking the vessel from the port docks.
- Englund Marine sponsoring group and working with local authorities Sunday; will be doing demonstrations shooting flares at the north end of Pier 2.
- Spent several hours with eight representatives from National Oceanographic and Atmospheric Agency (NOAA) who are looking to permanently re-locate their Seattle based operations, offices and six ships. He explained the possibilities he showed them eastern side of pier 2 or the pier 3 east side. If the area on pier 3 were to be sheet piled in the space would have everything they would need. Very impressed with the idea they could have a lay-down area and pads to possibly build offices. The Port of Astoria was one of the eleven visits to view out of thirty-three applicants. Their contract in Seattle ends in the year 2010-2011. Thirty feet of draft would be needed.
- FEMA expenses have been submitted for payment in the amount of \$38,424 which 75% would be covered by the agency. A contract for approval at next weeks' regular meeting is needed by the agency prior to any payments made. The amount submitted, which includes the east basin, of \$61,500 in order to exceed the agency's required level to meet.
- Lobbyist in Washington DC, Peter Freidman, is overseeing two projects for the port: a 10.9 million dollar project to re-do pier two and a 4.5 million dollar project for the facility on the eastern side of pier 3, that ties in with NOAA and dredge spoils. Noting the figures were very high to go through the legislation process, it was decided to accept the offer of 1.5 million dollars for each of the projects and the port would then work with whatever amount of money it could receive. An on-going process for several years.

- MSRC has submitted a letter to take the option for the last five-year portion of their lease. Upon some resolution of associated costs we will need to look at the dredging issues and the need to possibly move the barge. Making it top priority after storm related issues, the port plans to work with the agency in order to accommodate the tenant and get them back to their current berth. Negotiations should begin as soon as possible. Many options to explore.
- The consent decree related to dredge violations and the supplemental environmental project for the fine should come from the Corps of Engineers and go through the process with the Department of Justice for a few weeks to allow them time to make their determinations. Afterwards, once it is filed with the port, we will have 30-45 days to make any decisions needed to move ahead with the supplemental environmental project or pay the fine over a period of time. Fifty thousand dollars, the amount that was negotiated down from \$200,000, will have to be paid immediately, but not before next years' budget time, in July sometime.
- Related to storm issues: total amount (value, \$777,664) to repair the entire pier 2 roof. After depreciation, the insurance company will pay fifty percent of cost to repair (per engineers' reports) which is \$388,582. The remaining amount is what FEMA will cover at 75%, which is \$291,436. The remaining 25%, which is \$97,145 is the port's part to pay. At the East Basin, which has no insurance coverage, total damage estimated to be \$61,500, 75% being \$46,125. Port's part \$15,375. The storm in December of 2007 will cost the port a lot of money. Dollar totals may vary due to insurance estimates that may come in less expensive if they decide to repair a smaller portion of the roof.
- More discussion followed on details of areas to be worked on. To replace all the western side of the lower roof is 30,000 sq. ft. of area, and certain portions of the eastern side of the roof. A tenant on pier 2 also added areas of concern.

Larsen then turned to Andrew Bornstein, who extended an invitation to the board of commissioners to walk his facility's boundaries to get a visual on the area leased.

Discussion followed on the pier 3 park details purchasing land from the Department of State Lands (DSL) for the grant that is designed to improve pedestrian access. It was noted that the right "time and place" to talk about these issues and everyone's concerns will come once the project moves forward to the next step.

With no further business to discuss, the workshop session was adjourned.