

# Port: Judge will decide next week on contract claim

Continued from Page 1A

Clatsop County Circuit Court Judge Dawn McIntosh will decide next week on Param's claim of specific performance of a contract, which could retroactively grant Param the lease it had sought from Smithart. The Port will need to look at everything, including the court's decision on specific performance, before deciding whether to appeal, Reese said.

Param sued the Port in November 2015 for breach of contract after being rebuffed in attempts to acquire the remaining seven years on Smithart's lease. The Portland company claimed the Port breached an agreement reached by a unanimous vote of the Port Commission in June 2015 and showed favoritism when it later installed a locally connected company as the new operator.

## Competing estimates

Opening his defense Thursday, Reese called Kevan Ridgway, a tourism consultant who lives in Cannon Beach, as an expert witness to estimate Param's potential losses through 2022. A forensic accountant previously called by Hunter had estimated the company's loss in net profits at \$4 million. But Ridgway estimated only \$190,000 over the seven years, assuming fewer rooms in operation, more investment needed to rehab the hotel and the purchase price of the lease from Smithart.

Reese then called Chester Trabucco, a partner in Astoria Hospitality Ventures with owner William Orr, a brother-in-law of former Port Commissioner Stephen Fulton. After the Port terminated Smithart's lease and heard presentations from multiple suitors including Sonpatki, Hospitality Ventures was awarded a short-term lease on the Riverwalk Inn.

Orr and Trabucco were included as co-defendants in Param's original lawsuit for intentional interference with economic relations. The two were later removed after Judge Philip Nelson ruled their lobbying of a public body is protected activity.

Trabucco learned about Sonpatki's deal from a friend after the Port Commission vote in June 2015. Trabucco then started searching for financial partners and lobbying to get the lease. Nobody on the Port encouraged him to pursue Smithart's lease, Trabucco testified, and he received no inside knowl-

edge from Knight.

In his cross-examination, Hunter sought to show that Trabucco's lobbying of the Port was aided and abetted through communication with Fulton and Port Commissioner Bill Hunsinger.

"I'm allowed to," Trabucco said of his efforts.

Reese next called Knight, who reiterated his previous testimony that his termination of Smithart's lease in July 2015 was necessary because of Smithart's debt, the default on his lease, the deteriorating condition of the hotel and the deal with Sonpatki falling apart as Smithart entertained other suitors behind Sonpatki's back. Knight denied having ever misled Sonpatki.

Hunter has argued that Knight provided incorrect documents to consent to the deal between Sonpatki and Smithart and never corrected them. Knight admitted to mistakes, but said the Port had trouble getting corrected documents from its attorney. Sonpatki later took the stand and testified about his failed attempts to fix the documents, get Smithart's lease reinstated and offer the Port a cashier's check for Smithart's debts.

Reese called to the stand former Port Commissioner John Raichl, who said he had no concerns about how the Port Commission conducted itself in meetings, and that Fulton recused himself during discussions of the Riverwalk Inn. Hunter pointed out to Raichl notes from previous meetings showing that Fulton had been present for discussions of the Riverwalk Inn.

## Closing arguments

"This is about whether the Port played by the rules," Hunter said in his closing statements.

The questions are whether the Port and Param had a deal, whether that deal was broken and whether Sonpatki was misled, Hunter said. The Port wants to make the matter complicated with dates and figures, he said, but the issue is about playing by the rules and honoring a deal.

"This is a case about Mr. Knight's truthfulness," Reese said in his closing statements. "At the core, that's what it is."

Reese asked the jury to remember that Sonpatki is a successful businessman who took a risk trying to strike a deal with Smithart, who was the reason his deal went bad.

"If anyone is lying here, it's Smithart," Reese said.



Colin Murphey/The Daily Astorian

Left to right: Zachary Cox, Joe Jenson and Erin Riggs work in the fabrication shop of Astoria Granite Works.

# Pastor: Warr has stayed away from business

Continued from Page 1A

## Good people

Warr had been dealing with the Schaueremanns for some time and thought they were good people. The same year Warr sold Sears, the Schaueremanns started North Coast Christian School, where Schaueremann still serves as superintendent, and his wife as a board member.

Their son, Angelo Schaueremann, was recently voted in as the new pastor by the membership of the Gateway Community Church next door.

"It was time for me to not be a pastor anymore, and I still need to make a living," Chris Schaueremann said. "Me and my wife have been fixing up dilapidated buildings, (and) I knew something about granite."

The Schaueremanns weren't interested in the headstone and monument business, so Warr brought in Vancouver Granite Works.

"They had been lifelong friends with the first generation of Vancouver Granite Works," Warr said of the Fuerstenberg family that owns the business.

Warr sold the original location of Astoria Granite Works to Cindy Daly, a daughter of one of the original owners. The Schaueremanns took on the workshop Warr had opened in 1998 on Gateway Avenue.

## The stone business

Behind a small storefront is the workshop where Astoria Granite Works takes in stone from around the world and turns it into countertops, bathroom walls and other household features. Most of the work is with homeowners and building contractors.



Colin Murphey/The Daily Astorian

Zachary Cox works on a countertop in the fabrication shop of Astoria Granite Works.

Shary Schaueremann does accounting for the business, but the Schaueremanns largely leave operations to Isaac Benton, a member of their church they hired as general manager after he was laid off from a construction crew. Despite losing the monument business, the Schaueremanns took on all of Warr's former employees,

including four fabricators with 15 years of experience each.

Warr has stayed away from the business, not wanting to interfere, but said Astoria Granite Works' reputation seems to be holding up.

"I'm not sure how that's going to work out in the long term," he said of his retirement from both public life and busi-



Danny Miller/The Daily Astorian

Russ Warr sold his business.

ness ownership. "All of my adult life I've been involved in things besides my business, now I've got nothing to do during the day. But at some time, you've got to quit."

# Library: 'a community enterprise'

Continued from Page 1A

public. It was established by the Cannon Beach Civic Club — a group of eight women who worked on civic needs such as street lighting, garbage disposal, public restrooms and, eventually, the library.

Through donations and hundreds of volunteer hours, the library was able to move into a small cottage on Second Street in 1945 before settling in the Hemlock location in 1972.

While the civic club that started the library no longer exists, its spirit of public service has remained. There is one paid position at the library. Otherwise, day-to-day tasks like running the front desk, book collection and inventory, maintenance and fundraising are done by more than 80 volunteers, who each year donate 9,000 hours of their time, Bernt said.

"I think the fact this library is so volunteer-based cements the fact it is a community enterprise," Bernt said.

Running as a nonprofit rather than a public institution has its share of challenges and benefits. Collecting books and movies to rent is relatively easy — the library receives about 10,000 book dona-

tions a year. But it takes about \$83,000 a year to operate, with only \$16,000 of that funding coming from the city.

It's not always easy to find enough volunteers to help organize programs and fundraisers to keep the library running. Tasks like general building maintenance and janitorial work are shared between everyone. But for library board member Sandi Lundy, it is worth it.

"We take a lot of pride in making this library the center of the community," Lundy said. "There are so many moving parts to it, but it's fun to bond with the other volunteers. There's a sense of pride in keeping (the library) perfect."

Lynne Murray, another library board member, said part of what she thinks has made the library thrive for as long as it has is not just the number of volunteers, but the type. "We have a large number of resources in Cannon Beach. We have people move here who were former children's librarians, people who worked in finance, people who worked in real estate, and they donate their expertise and do it for free," Murray said. "Everyone brings something different to the table to help this run."

## The next 90

As times change, the volunteers at Cannon Beach Library are working to change with it by providing services like public access to internet, e-books and more educational programming. But to make sure the library can continue to evolve, Bernt said the board plans to kick off a fundraising campaign at the birthday party in order to start an endowment.

"We are good at fundraising, but we don't have a reliable source of income. We would like to have an endowment to be more steady," Bernt said. "We want to make sure this library is around for the next 90 years."

The goal for the next 90 years is continue to figure out what resources people need from a library and find ways to fund it, Bernt said. But for now, she wants the party to press pause on the hectic day-to-day library routine to thank the volunteers and supporters who were around for the first 90 years.

And for those who are on the fence about coming, the board offers an incentive.

"We're giving amnesty for overdue book fees, one day only," Lundy said. "You can't miss it: We only do it every 90 years."



# Celebrating Hope

CMH-OHSU Knight Cancer Collaborative

The CMH-OHSU Knight Cancer Collaborative has been built with extraordinary support from our community. The center has been designed to serve the entire region with expanded capacity and the most state-of-the-art technology found anywhere on the Pacific Coast. It's truly been a journey of hope—for CMH caregivers, the community, donors, and patients who will no longer have to travel to receive radiation treatment.

Join Columbia Memorial Hospital in celebrating this achievement at a Community Open House.

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**Sunday, October 15, 2017 | 2:00 p.m. to 4:00 p.m.**

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