



PUBLIC MEETING: Port Commission Meeting

DATE: Thursday **December 1, 2022, 6 PM**

LOCATION: Cascade Locks City Hall 140 Wa Na Pa St, Cascade Locks, OR 97014

<https://us02web.zoom.us/j/85806615790>

## MINUTES

- 1) Commission meeting called to order
  - a. Pledge of Allegiance
  - b. Roll Call
    - i. President Groves
    - ii. Vice-President Lorang
    - iii. Commissioner Caldwell
    - iv. Commissioner Stipan
    - v. Commissioner Bump
  - c. Modifications, Additions and changes to the Agenda
    - i. Taking 8.a. off the agenda, will explain un her report. The committee didn't recommend this action.
  - d. Declarations of Potential Conflicts of Interest
- 2) Public Comment (Speakers may be limited to three (3) minutes)
- 3) Discussions
- 4) Presentations
  - a. Commission Training: Best Practices - Mark Knudson SDAO
    - i. Here to give a presentation to the Commission about the SDAO. He thinks it will provide a good foundation for the presentation. The second page is – and will talk about it but the way he explains the manual will be a presentation to give an overdraft of the policy manual. He will use the terms District and Board, meaning two different things. He continues by saying we will cover Port Authority, Commission Authority, Port and Staff expectation. A lot of the authority of the Commission and the Port covers over 777, such as duties and powers for each. There are other statues that go with it that affect directly what the Commission does. You must be accountable following public rules as associated with these things. You serve the best interest in the community and as a Commission, the role is to set policy and direction as a Port. You can take secret ballots, must have a quorum, public meeting, and in charge of hiring General Managers. There are two different types of authority. Legislative and Administrative authority. You cannot delegate the legislative authority, only the Commission can make decisions on the part of the Port but have the administrative authority to direct staff. Board members to use caution with authority as it can become challenging when you have board members reaching into the organization and telling them what to do. He continues that the Commission has a set of responsibilities. As a Commission, they are required to follow those policies and have Brooks to help navigate through those applicable statutes and an obligation to understand and follow the district

policies. That is why this exercise of making new policies is important because the Commission has an opportunity to help guide the direction of the organization by setting policies that decide where you're going to go and how you'll get there. VP Lorang says that this sounds like a double-edged sword because you're delegating authority to administration, but you must be clear that you don't violate policies. Knudson says that recipients of the authority should have specific direction and that's why he retells the importance of documenting everything and gives an example that policies should be around 20 pages to be exactly clear since there are more terms when it comes to having clear expectations. The Commission has indemnity if you are acting within the responsibilities you have, protected by the Oregon Torque Claims Act. When you step outside of those responsibilities, you run the risk of being personally liable due to actions that were taken. He stresses the importance of Commission Decisions instead of personal actions. The Commission can also be responsible for unlawful expenditures of public funds. If there were authorized expenditures without a budget, the Commission can be held responsible for the expenses. It's a heavy hammer that needs to be respected, that the Commission oversees finances. C Stipan says if he was to abstain at every motion if he would still be a part of the Commission. Knudson says that he can be but as a member of the Commission, they are responsible to provide direction and oversight to those decisions. Knudson continues that you could be bumped from the board. If you become affiliated, this is a statute that has existed from the early 1900s, but it has come more relevant in the last couple years. There are a lot of reasons why you can be removed from the board such as moving out of the Port district, death, resigning. Knudson tells his own experience by not being able to be a part of a board due to moving. If you election or position is declared tribunal or found incompetent by a judge, you can be removed. It requires a recall button, or you can be tossed if you agree to engage in a duel or curry a challenge to a duel. Board and Staff relations, it's a chain of command that exists. It starts with voters as the Commission is a board of elected officials. It goes from Commission, to GM, to the staff. Guiding principles going with that is the Commission has authority as a board, not alone. It is going to be SDAO recommendation that the Commission has one employee, the GM, so that the GM is accountable for their performance for the Commission, staff works for the GM. In terms of roles, the public elects the Commission, and holds them accountable. Commission hires the GM and upholds polices. GM holds staff accountable and follow direction from the GM for polices in place by the Commission. There are a lot of things that you can make Port meetings effective. Making sure the GM is providing information, being on time, providing packets and communicating. No secrets, no surprises. When you see high performing boards, they are in alignment with mission and values for the Port. When they operate collaboratively and share information, there is one voice which is the Commission. Respect among the board. A big part of this is holding each other accountable as individuals. He wants to stress anytime there is a communication as in deliberation such as business of SDAO, no secret

meetings, no serial meetings where you meet with each person once before it's in a public quorum. The things that usually get Ports in trouble is replying to emails which can lead to deliberation; most dangerous is to "Reply All". He is going to distribute a Word Doc tomorrow that they shouldn't reply all to as it can be taken as deliberation outside of a public quorum. He says it doesn't mean you can't meet with the other members, but don't discuss Port business. The reason public meeting laws exist is to have the public know where you are coming from and if those decisions come outside of the public meetings, you're straying off of the path. C Caldwell says that if the GM talks to someone and needs an emergency decision, is she able to call each Commissioner about their decision. Knudson says that that would be characterized as a serial meeting and bad business practices and should be done in public meeting. The GM can call everyone to discuss, for example, if something happens to the Sternwheeler and she needs to take emergency action, is okay. Knudson says they conduct meetings well and how they make decisions. Something that is bad is having a debate with the public, he retells about P Groves saying "Thank you for your feedback" as a generalized answer. Staff can follow up. He advises to limit public squabbles, not that it is bad, but to an extent. He says this is normally a 2-4 hour presentation. P Groves says we have committee's and where we can't have a quorum of Commissioners, and asks where that fits in. Knudson says that if the committee isn't making decisions but making recommendations to the Commission, it's appropriate and he encourages it. You can have individuals focus on specific things like finances or HR and utilize those committees. P Groves says that there have been times where the President and GM have gone to do negotiations and asks where Knudson lies on that. Knudson says that if the Commission assigns those responsibilities to that person, it's okay. It's hard to have negotiations in public and have a 5-way conversation with a potential tenant to reach a decision. He apologizes for giving the Commission this document cold, as he has been working with Brooks and others. This has already been through 3 drafts and based entirely off SDAO's best practices. SDAO has a template on their website that he used to generate this document. It's important to recognize that the Commission has their own way of doing things and wants to acknowledge that this is a review stage for the Commission to come up with how the Port can adapt SDAO Best Practices to meet the organization. He wants to make sure the Commission doesn't blindly assume this is the answer. It is up to them to read this and find ways to adapt, modify, and revise it. VP Lorang says if we ignore the policies and forget what they are and don't hold themselves or each other accountable, then this page can become worthless. Knudson agrees and says therefore he is now giving this to the Commission to be able to revise their needs. C Caldwell says that Knudson has recommendations from SDAO with the Best Practices and says that we have a special community and appreciates that they can look at this and be able to understand their roles within the community. Knudson says that the reason he spends time talking about the Best Practices is because it helps to set the foundation. He moves on to talk about objectives and the review process, as

well as contents. He flagged some issues he wants to discuss he found as well. Shared expectations of how they will do business, fill in the gaps in 2019 meeting and operating procedures, and hopefully to enhance the effectiveness of the organization. He says that as the Commission makes comments and reviews, he wants them to ask themselves is this will make the organization better. Continuing, Knudson says that today starts the review process, and the Commission will have the month to review this and wants some feedback by Dec 23. P Groves asks if the Commission should review this individually, Knudson says that each can review it individually and to send him comments, he will then compile all the comments and at a public meeting, he will hand it out to go over with everyone. The decision that determines what goes into the final document, they will go over at the public meeting. P Groves talks about the Port and Commission currently working with the local tribes and in doing so, they make sure to include each tribe for every decision as a whole, instead of by themselves differently. Knudson says that the decision will be with the Port at a public meeting. P Groves asks if it is going to be a multiple-choice sort of choosing, Knudson says it can be but if he can get his comments by the 23<sup>rd</sup>, and GM needs to review as well, he asks if everyone is comfortable with using this method, to then mark it up. C Stipan says the next public meeting will be in January, Knudson says if they send their comments on time, he can have up to a week to go through and make the document to send to the GM for the packet. P Groves asks if there are 20 policies, Knudson says probably, it's a big list. Therefore, he is concerned for the existing policies as there are some holes. Next, he provided an inventory of potential hot button issues to pay attention to as they review the document. He says that SDAO takes an oath of office, and sometimes Brooks may say you don't need to. He believes that the statute says you need to take it, or you can be kicked off. Brooks says that he made a comment about who is required to make it to you such as a judge or notary but can come in a lot of other ways. He thinks a lot of districts take oaths and is supportive as it is a public entity to the district. They went with the simplified version. P Groves says that he thinks the root of this may be connected that if you don't agree with the rules, you can face scrutiny for it. Knudson says that the tables over the next several pages are the homework assignment. If you follow through the tables with each section, what you see is SDAO standard language. He integrated most of the policies that the Port currently has. For example, he says Section 3.4: Meeting Packets. In the current policies, that if the Commission wants hard copies that they need to pick it up from the office, and they are printed single sided. He put the language in the document, but the Commission can remove that if they like. Section 3.5: Executive Session, encourages the Commission the limit the number of staff members in the sessions. Brooks says that it's prudent regardless of who can be invited but the purpose is to make sure you maintain the purpose of the Executive Session and its human nature that the more people who are not involved with it, more have no relation to the topic. He says they should be done deliberately based on what's it for and who's invited. P Groves says that Brooks wrote an email to GM

and himself about a committee in Executive Session. Brooks says if you follow the rules, you can have executive sessions like the Commission. P Groves says that at the EDSC meetings, they need to protect the clients who show their financials. Knudson says the whole topic of committees has a section in the document. He continues that in the current document, you call them sub-committees. If you call them sub-committees, they are established as a sub-committee of the Commission where they presumably have some level of authority to give recommendations and are open to the Public Meeting rules. He thinks you should also have non-Commission established committees that can answer to GM and may not need to follow Public rules. If the Commission establishes a committee with the purpose to come back and advise the Commission, those meetings need to follow Public Meetings rules. This draft says that, and it will be important to go over it. Brooks says that if you are deliberate of the charter of the committee such as why you're establishing them, what is being discussed and what that committee will do, Brooks can help assess which committee needs to follow Public Meeting laws as some committees can be from the Commission where others like a work group are a "think tank" that funnels information back through staff. It helps to understand the charter of the group. P Groves says that we do have committees that do that and C Stipan as well as C Caldwell are part of committees that meet like that, with just staff. Knudson says he knows there are standing committees already and to make it clear about their mission and the rules. C Stipan asks where the section about ORS. Brooks says the attorney public meetings and records laws can be found online and there is a good discussion for what constitutes a governing body. There is a section that talks about delegation of authority, responsibility, and staff. It's based off standard language and wants the Commission to go over it carefully and if they want to assign someone to handle admin responsibilities, to handle as a Commission. You're entitled to \$50 a meeting per day, P Groves says that the Commission has followed that. Knudson says it can be for 15 minutes or the whole day, and you can collect it for trainings. Knudson says it's up to the Commission to decide. Brooks says that if it ends up being a topic of discussion, you can't do it for themselves but for a future board, due to ethics. If this Commission decides to it, there is a process that comes down to doing it for every board beyond this one. Knudson continues that there is an ethics section in this new draft that isn't in the current document. This can cover a very explicit policy over the Commission. If the Commission wants to take the budget process out and make a new section, they can do that but should adhere to the SDAO standards. It's important to SDAO for the Commission to get trainings in but can withdraw. Lastly, the acknowledgement that the Commission signs and turns in saying they acknowledge this document of rules. Knudson says that one of his clients liked this idea so much, they have their board members sign it annually. Next steps, he will email the Commission with the same document. They can print it out or put comments on the document instead of writing in the document. He will take all the feedback and his goal is to have a consolidated set of comments to

bring on the Jan 5<sup>th</sup> meeting to go over. C Stipan says there is a training soon, he thinks about abstaining to avoid being sued. Knudson says that if he isn't going outside of his authority, he is protected by insurance for the decisions. P Groves says that a few years ago, a Commissioner left the board because they heard this, potentially being sued. Knudson says he will email this document and expect answers by the 23<sup>rd</sup>. P Groves asks if he is comfortable with the other Ports he works with and their changes that they've made. Knudson replies that he isn't fully sure but there are some water districts that have taken this recommendation and beyond, some have taken out a lot of pieces from the template, and others have taken out a lot of big language. P Groves says, for example, POHR has a toll bridge, so they have a lot more extensive policies. Knudson says he didn't do a tremendous amount of looking into other Port policies as he wanted to give the Commission the template.

**b. Strategic Business Plan Update – Olga Kaganova**

- i. GM says we are waiting for the agreement to be finalized but in terms of a timeline, during December, we will set up the framework and the meetings that need to be had, have the meetings in January and complete the process in about April or May. We generally have a retreat in November and have that level of conversation within the SBP process and sometime in the middle of the plan development would be a retreat around the end of Feb, with the completion date in late April for a draft to be able to develop a budget and May to finalize it. P Groves says that GM says she feels like there are other areas they can help with. GM replies it's in the scope of work and highlighted this is the big cornerstones of the SBP with MossAdams and need to be able to rely on and marry the goals up such as the financial plan. The reason she highlighted it is because typically this big of a change doesn't happen within the SBP but it's a big deal for the Port and wants MossAdams to understand the importance of creating more revenue sources. P Groves thinks that the plan they drew up a few years ago, and can still be used, would be good and add some more items. He says that a big issue is getting off bridge tolls, if it can happen and how. GM says that they will have interviews with the Commissioners individually, work session with community members and partners. She says that if there are partners to be thought of would be the City, legislative representatives, and those supporting the goals with financial funding to hear what we're doing and why. P Groves said that last time they were doing this, they had stations in the pavilion with different plans. GM says that MossAdams would like a list of partners to contact. Jordan Bennett says that the last SBP he was a part of did a great job of connecting with people.

**c. Quarterly Financial Report – Melissa Warren**

- i. Melissa Warren says this is the first quarter of the budget year. You can see there are no property taxes listed yet, bridge tolls are good, camping is looking to exceed budget. Parking is over \$47,000, \$1637 is from AWI for 2 months. In leases, we are not where we want to be due to Flex 6. Miscellaneous revenue is up because of \$30,471 we received from insurance with the HVAC units. In a grant, we received \$1.3 million in legislative grants. In expenses, in the first

quarter, we are at 14.65% of the budget. Capital assets, spend \$166,000 on Flex 5, more will go into it on the next quarter. Flex 6 for \$42,000. ARPA Funds which is the Harvey Road project. P Groves asks if it is Harvey Road or Herman Creek. GM says it's for Harvey Road Parking Lot. P Groves thanks for all the details on the report. GM asks if there is anything else the Commission wants to see in the future and introduces Mihaela to hear comments and be able to help as well. P Groves points out for the details saying HVAC expenses to show what is being sent. He then adds that the GM provided a document about Flex 6 for money and where it's coming from. He feels like it should be in its own section instead of under General. GM says that we different buildings, P Groves says they should be in their own. GM says we are tracking it by building and can go back to see what has been collected in revenues. It isn't built into the system, so you must go in and add figures with a spreadsheet. The tradeoff is how often it comes up. With Flex 6, they did the work to answer the questions like going through what was collected in revenues, what are the expenses, and where are we really at. P Groves says he doesn't know what buildings that have payments being made on to the state. GM says to feel free to ask questions, Warren says that Flex 2 and 4 are on the same loan. P Groves says that Knudson said they are representatives to the people and when people ask questions about payments on the buildings, he should be able to answer those. GM asks how often they want to see that report, P Groves says quarterly. GM says some of the tenants have locked in rates, but we have moved up the rate. She analyzed the actual cost of these and created margins for the costs and made the new rate based off that. When signing new agreement, she goes back to the spreadsheet and considers of if the building will need repairs. P Groves asks if we are making payments on Flex 5, GM replies we are, and it helps to be more flexible with the payments for the tenant. At that point, the new rate will come in and built the CPI in it as well. P Groves asks how we are handling the CPI, GM replies most of the expenses on the buildings are loans. Staffing goes up, cost of service, materials, are going to increase but a majority of the costs are fixed loans that don't change. It makes up for the higher percentage of the costs. P Groves asks if we have a set CPI, GM replies we have it set with the agreement and as it comes out, they look at the CPI and what rates are being expected to be paid.

## 5) General Manager Report

- a. Bridge engineer is working on bridge painting, coming out spring or early summer. Will structure the agreement, and because we can't get to the gusset plates due to the budget being set at \$150,000, but next year have set the plan at \$300,000, some more minor painting at the original cost of \$150,000. P Groves asks what we plan on painting for the \$150,000. GM replies that it will go out to bid and say what needs to be done with the estimates. Once we get the bids, we will know where we stand. C Caldwell says we do know our priorities, GM says that the conversation is related to the gusset plates since we didn't budget for them, but they can't be covered. Instead of this year, we will do other things and gusset plates next year. C Caldwell asks if we know which gusset plates will be the priority. GM says the report is guiding what is most critical.

Don't have toll revenue numbers for November but estimate to be lower, more weather related. Auditor is working on finalizing the report, they rescheduled some meetings from last week but know they are actively working. In staffing, welcoming Mihaela. She hasn't been part of the regular accounting stuff but has helped a lot with current big projects. Secretary job has been posted and hope to have some feedback by the next meeting. Christmas bonuses for staff to be raised to \$350. Have been understaffed in other areas and lots of people put in hard work. GM asks if the Commission wants to offer a bonus this year and what amount. OM asks if it is for all staff or pro-rated.

**C STIPAN MOTIONS TO MAKE THE CHRISTMAS BONUS BE RAISED TO \$350 PRO-RATED; C BUMP SECONDS; Passed 4-0; C Caldwell abstains due to conflict of interest**

- b. HVAC units are continuing to freeze. Work crews for the pFriem expansion are being pushed back, and now scheduled to complete in early January instead of late December. P Groves says he isn't completely surprised with the weather that there is a delay and shows a picture of the current work. GCC submitted a CUP to the City and should be in the Incubator space sometime early spring. Ixtapa and the Rutherford's are looking to have a restaurant in the café space, waiting for more from those conversations. P Groves wants to let the Commission know they have had meetings with RoundHouse, GM gives an update that the group is working on a MOU draft for the Port to review. She has talked to the financial consultant who has some feedback and researching questions. C Caldwell asks who the financial consultant is, P Groves replies it is David Ulbricht. Working for funding with Harvey Road as costs have raised and may need to phase out some items. The committee will work on a recommendation for the Commission to consider. In the campground, we have extended the camp host position and they will also help with parking and with campers. C Caldwell asks if we are keeping the campground open, GM replies we have it open year-round but during the winter, we really encourage self-contained, but offer electricity. Part of the goals was to see the feasibility with the underground work. The campground has attracted a lot of attention and hopes it can be revenue that grows. P Groves says that the faucets should be freeze-proof. GM says she believes it has to do with the lines. Sternwheeler sub-committee met and recommends that the vessel should be brought to CL once the contract ends until it goes to dry docking. It costs -. It is required as it needs to be inspected and while it's docked, we are going to install keel coolers and potentially bow thrusters per the committee request. One of the public members offered to do some investigating on what it will cost and what it will look like. Once the committee has that, they will bring it up to Commission. C Stipan mentions that he thought the reason they took the Sternwheeler away in the winter was because the winter isn't as hard there, but he is concerned if it's going to be here in January, if they should have something in place in case. P Groves says he went to experts such as Captain Tom, and he feels like there shouldn't be any harm. Maybe if the old pylons were still there, it wouldn't be as safe but with the new pylons and bumpers. GM asks if the Commission wants to use ARPA funds for this, P Groves says that is what we need to go with. C Caldwell asks if we need to make a motion on this,



GM replies that once there is a better estimate, they will. P Groves says that he knows Troutman will bring the boat to redline. Christmas in the Gorge this Saturday with music from C Stipan and a countdown by P Groves. Early in the day, they will meet people at the PTO Marketplace in the school gym to hand out passports for a scavenger hunt throughout the town. The Port was published in the Oregonian alerting people of what will be going on. C Stipan says that he thought this was the last Port meeting, and that the Christmas Party was on the 15<sup>th</sup>. GM says that the Commission can cancel it. P Groves is okay with cancelling it if there isn't anything important. GM says that one item they would have been the Sternwheeler transition, appointing Budget members can wait until January. They can discuss it today and thinks it will take a modification to the contract, and if a weather event happens, they won't be able to bring the boat here. GM recommends giving them until the 6<sup>th</sup> of January to complete the transition of the boat and be able to have insurance. GM invites everyone to the SDAO Conference and to tell GM if they want to go to reserve a room. C Stipan asks if AWI is okay with that, GM says it's something we've offered but haven't decided.

**C MOTIONS TO EXTEND THE DATE OF THE STERNWHEELER TRANSITION TO THE 6<sup>TH</sup> OF JANUARY TO COMPLETE THIS TRANSITION WITH MEANS TO CONTINUE INSURANCE ON IT AND ONTINUE TO COMPLY WITH THE TERMS OF THE AGREEMENT UNTIL THEN; C CALDWELL SECONDS**

**VP LORANG AMENDS MOTION TO EXTEND THE CURRENT CONTRACT TO HAVE THE STERNWHEELER RETURNED NO LATER JANUARY 6<sup>TH</sup> TO COMPLETE THIS TRANSITION WITH MEANS TO CONTINUE INSURANCE ON IT AND ONTINUE TO COMPLY WITH THE TERMS OF THE AGREEMENT UNTIL THEN; C CALDWELL SECONDS; UNANIMOUS 5-0**

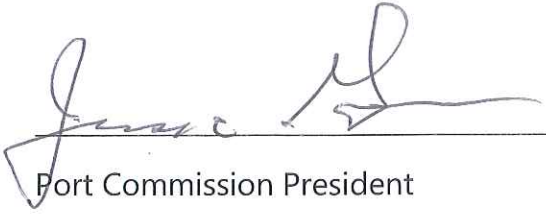
**C CALDWELL MOTIONS TO NOT MEET ON THE 15<sup>TH</sup> OF DEC; C STIPAN SECONDS; Unanimous 5-0**

- 6) Commissioner and Sub-Committee Reports
- 7) Consent Agenda (\*\*\*)Consent Agenda may be approved in its entirety in a single motion. Items are considered routine. Any Commissioner may take a motion to remove any items from the Consent Agenda for individual discussion).
  - a. Approval of minutes for Commission Meeting from November 17, 2022
  - b. Ratification of bills in the amount of \$59,920.34

**C CALDWELL MOTIONS TO APPROVE THE CONSENT AGENDA AS STATED; C STIPAN SECONDS; Unanimous 5-0**

- 8) Business Action Items
  - a. Approve Mooring Agreement and Associated Costs not to Exceed \$10,000. Transfer out of Contingency.
- 9) Executive Session under ORS 192.660(2)(e) Real Property Negotiations
- 10) Adjournment 7:53

Port of Cascade Locks



---

Port Commission President

Jess Groves



---

Port Commission Secretary/Treasurer

Joieinne Caldwell

*The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting by contacting the Port of Cascade Locks office at 541-374-8619.*