



PUBLIC MEETING: Port Commission Meeting

DATE: Thursday **May 18, 2023, 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 6:00 PM
 - a. Pledge of Allegiance
 - b. Roll Call
 - i. President Groves
 - ii. Vice-President Lorang
 - iii. Commissioner Caldwell
 - iv. Commissioner Stipan (excused)
 - v. Commissioner Bump
 - vi. Members of the Staff – IGM Jeremiah Blue, Accountant Chuck Mosher, Accounting Specialist Melissa Warren, Secretary Keriane Stocker, Special Projects Coordinator Brittany Berge, Government Affairs Consultant Mark Johnson, and Attorney Tommy Brooks
 - vii. Members of the Public – Brenda Cramblett of Cascade Locks, Carrie Klute of Cascade Locks and Albert Nance of Cascade Locks; Zoom Attendees – Nikki Adler, Olga Kaganova, Chris Matlock, Butch Miller, Gary Munkhoff, and iPhone.
 - c. Modifications, Additions and Changes to the Agenda
 - i. IGM Blue requests to move the General Manager Report to prior to Public Comment.
 - d. Declarations of Potential Conflicts of Interest
 - i. C Caldwell declares a Potential Conflict of Interest regarding the Sternwheeler Presentation as her brother works on the Sternwheeler.
- 7) General Manager Report
 - a. IGM Blue expresses the Port's condolences on the incident that occurred in the river, on Wednesday 05/17/23. P Groves adds that he had received a request for the Port to possibly get involved with acquiring a jet ski-type craft. He explains that the Port and the Four Treaty Tribes usually work intergovernmentally. In the meantime, there will be a lot of people in [boat launch] area and the Port is aware of that, however the Port will stay out that as it is not the Port's business. The Port will try to support the family the best they can. He has spoken to the IGM Blue and may bring in more port-a-potties to ensure that their health is taken care of.
- 2) Public Comment (Speakers may be limited to three (3) minutes)
 - a. Albert Nance of Cascade Locks implores the Port to contribute any support and/or resources that they can to help the grieving family. He states that local citizens have already pulled together their own money to help with food, shelter, and gas, and urges the Commission to help in any and all ways that they can, not only in the future to avoid this type of tragedy, but right now.
- 3) Presentations
 - a. Legislative Update – Mark Johnson
 - i. Johnson reminds the Commission that the Transportation Sub-Committee requested that the three (3) local bridges be joined into one bill which was presented as House Bill 3622. It has successfully passed the Transportation Sub-Committee with no

opposition and will move to the Ways and Means Sub-Committee. Johnson also mentions that he received an email from the Committee Administrator for the Washington Joint Transportation Committee. They are planning to do a tour of all the different interstate bridges on the Columbia River in September, starting in Astoria, and working their way all the way to the Dalles. He gives a brief update on ACL who is working on the permitting process. They currently are in acquaintance with someone from the NOAA fisheries who can give them some really good advice on the permitting process.

b. Ixtapa Lease – Mark Johnson

- i.** Johnson informs that Ixtapa's attorney has not yet reviewed the lease but during his most recent conversation with Barajas (Juan, owner of Ixtapa), the impression that was conveyed was that Barajas does not have any concerns with the financials set in the lease and he would like to move ahead with getting the lease signed. There may be minor items that may need to be elaborated on, but they are at the point where they really need to move ahead and start to get some things in order to get the word out. Johnson informs that Barajas has people that are ready to make the furniture that he wants to put in there and needs to order some new appliances for the kitchen and continuing the delay is going to make it that much more difficult for them to get set up to take advantage of the season. Johnson expresses that [Barajas] would really like to push ahead and encourages the Commission to decide on a way to get [the lease] signed in lieu of a formal approval later on so that Barajas can proceed on his end. VP Lorang turns to Brooks for advice. Brook replies that the Commission knows what the primary terms of the lease are, if the Commission agrees to those terms, they can give the authority to [him and IGM Blue] to hash out the actual lease language that is consistent with the terms, they can do that. However, if there is a major change, the Commission should want them to bring that back to them. Brooks stresses that it is really up to the Commission. VP Lorang remarks that it seems premature to sign a lease without the conditions finalized. Brooks clarifies that the Commission would not be signing the lease. VP Lorang replies that, if the Commission is voting to approve the lease, then for all intents and purposes, the Commission is approving the lease without knowing the final. P Groves clarifies that the Commission is approving [it] with provisions. VP Lorang counters that, without knowing what the revisions are, he does not think it is advisable. Brooks states that he is not recommending that they approve it while they are negotiating. VP Lorang comments that is what it sounds like they are talking about doing, voting to approve the contract before [the terms are finalized]. Brooks states that he does not know what the motion of the table is and emphasizes that he was asked whether there was a way to move forward and delegate some of that authority to Jeremiah (Blue, IGM), and his answer is "Yes, you can do that," but it is up to the Commission about how much they want to delegate. P Groves seeks confirmation with Johnson that Barajas has no problem with the amount that he is going to pay and several of the deal points. Johnson concurs, stating that apparently the financials are fine, but not knowing how Barajas' attorney will look at it, for example, if he wants more clarity about parking, these are points that are more of a grey area and is not fully elaborated in the lease agreement. Brooks stipulates that if a grey area raises a concern and results in a change in the business terms, he would bring it back to the Commission. IGM Blue inputs that the Commission tends to slow down a lot of its contracts because of this sort of process and Brooks has recommended that if the Commission could typically agree on standard deal terms: they are going to pay this

much, they are going to be responsible for this, the Port is going to be responsible for that, then delegating that authority to negotiate that [...] and keep those things moving would be a good procedure, otherwise the Port winds up with the attorneys going back and forth three or four or five times and it gets dragged on. With that being said, IGM Blue reaffirms that anything that would change any of the deal terms or deal terms that the Commission has not already agreed to, it would come back in front of the Commission. P Groves comments that the point that seemed like there could be an issue was parking, but it is stated in the lease that [Ixtapa] is paying the utilities, they are taking care of the restrooms, they are paying the Port \$3,500 a month, they are insuring the building, all these points that are super important to the Commission and the Port. Those deal points sound like they are acceptable. Johnson reiterates that Barajas does not have a problem with anything he has seen on the lease, it is just that heard his attorney's input yet. P Groves comments that he, personally, does not have a problem as long as they do not have deal points that are upended. The little, small details, he feels that [IGM Blue and Brooks] can work out. At least put in bullet points, it was pretty much decided on what they were willing to do and what they were not willing to do. IGM Blue adds that that is where most of the negotiations take place. In theory, once the parties get through bullet points, there shouldn't be too much negotiation. There should be just agreement of the language that supports that negotiation. P Groves stresses that the Port is in the "driver's seat", in that, if [Ixtapa] wants to change something after [the Commission] has approved it, they are going to have to convince [the Commission] to change that.

C CALDWELL MOVES TO ACCEPT THE CONTRACT WITH IXTAPA AS WRITTEN WITH THE GENERAL MANAGER TO CONTINUE THE NEGOTIATIONS ON THE MINOR ISSUES, AND THAT IT CAN BE SIGNED BY THE PRESIDENT OF THE COMMISSION, BUT IF THERE IS SOME MAJOR ISSUE THAT COMES UP, THAT IT NEEDS TO COME BACK TO THE COMMISSION; C BUMP SECONDS; Passed 3-1 WITH P GROVES, C CALDWELL AND C BUMP, APPROVING AND VP LORANG, OPPOSED.

- ii. C Caldwell comments that in Section 16 Assignment and Subletting, which sets the terms that "The Tenant shall not assign, sublease or transfer its interest under this Lease nor sublet the Premises without first obtaining Landlord's consent in writing, which consent shall be in Landlord's sole discretion," she appreciates seeing that in this contract, and her hope is that this statement will be in all contracts that [the Port] is getting into leases with.
- iii. VP Lorang comments that he has already previously stated his concerns about the potential impacts for the operation of the Sternwheeler as well as that [the Commission] basically have not done their homework on how much the potential modification of the building is going to take on [the Port's] side. P Groves replies that he wants to reiterate that he did offer to take VP Lorang down there to show him around. VP Lorang counters that P Groves has not done any of the calculations on how much it is going to cost the Port to modify the facility. P Groves answers that the Port is not going to make modifications, Ixtapa is. VP Lorang clarifies his statement in that he meant what is left of the building so that [the Port] can do the Sternwheeler operations, like the gift shop, etcetera. P Groves states that the only modification that he knows that has expense to it is getting the mold out of the walls in that part of the building, but that is not Ixtapa's fault. He adds that he believes they have a price on that from the maintenance manager, and because Mr. (Dan) Yates did not do anything to the building while [AWI] was in there, there may be some carpet that needs to be replaced.

c. Sternwheeler – Jeremiah Blue

- i. IGM Blue reports that there has been a general sort of discussion that the Port needs to at least understand what running this asset would look like. He adds that his direction from the Commission remains the same, which is to continue to look for an operator to run the Sternwheeler, but in the meantime, the Port also needs to understand what that could potentially look like for [the Port]. With the previous operators, [the Port] does not have a lot of information available on what ridership was like, what their costs were, particular schedules that they ran, how they successfully operated that boat. What the Port does have, and one of the probably most important things that they currently possess, is that institutional knowledge of people in our community that have operated that vessel under AWI. Right now, we have Captain Tom (Cramblett) and Nikki (Adler) and Steven (Hamrlich), who are currently working on the boat and getting it up to speed for the season. IGM Blue states that they actually have a very, very strong background and understanding of how the hospitality side work and the operation side works itself. He adds that Brittany (Berge) worked on the boat and spent a number of years with it. She also brings a very interesting piece to this dynamic. She understands the port and she understands the boat, which is very important because when they start making decisions about what they are going to do for the boat, it will be very impressive to have somebody that can speak the boat language and can also say, "You know what, that's a decision that is going to have to happen at the Commission" or "that's a decision that the GM is going to have to sign off on", or "actually that's one that we can just get done." To have that knowledge base as we move through this is going to be super helpful. What the [Port staff] did, was look at what they can actually quantify and is this boat sustainable in and of itself. It is really difficult to find out the ridership on that. The one number that the Port does have is the pre-bookings, the people who have pre-booked for a cruise. Those numbers they have because they are written in the Dockhand Logs. The dockhand has to keep a log of all the pre-booked customers and the [customers] who just showed up, they went into a different log, and unfortunately, [the Port] does not have those logs. IGM Blue reports that the number that he is working with is 7,200 passengers. He clarifies that there might be more but 7, 200 is what he can say is confirmed and rode last year. C Caldwell asks if that is from May to October. IGM Blue affirms. He continues to inform that they have heard that May is kind of a slow month, and June is when the majority of the passenger number is accounted for. He also states that they have heard things like, "the real money is made in the gift shop," or "the real money is made on the alcohol" or "the real money's made on the food." And then it becomes very difficult to quantify once again, because [the Port] does not have those records Operating a gift shop, selling alcohol and food on the boat, will certainly generate income, but what IGM Blue did not want to do was, for lack of a better term, hide the operational costs of this boat, which is the draw in the alcohol sales or food sales, he really needed to know: if [the Port] sends this boat out with passengers on it, and if the passengers don't buy anything else for the ticket and just come back, does [the Port] lose money? It really sort of came down to the fact that [the Port] has to determine a ticket price, they have to determine the fuel costs, they have to determine how much it will cost to take care of the crew. Some of these are projections. Fuel, is not unpredictable. Nikki (Adler) and Steven (Hamrlich) have that pretty dialed down. IGM Blue and Berge are sifting through ticketing systems, and more than likely they will choose the cheapest one at this point. They are looking for a lean operating

system. He states that they have heard previously that the Port got a little overconfident but when the Sternwheeler was run very lean and with a business mindset, it has done well before. Before delving into the presentation, IGM Blue reiterates that this is just a discussion on something that the Commission is potentially interested in. Through the slideshow, he explains the proposed Sternwheeler positions. He emphasizes that they will need to keep at least two (2) people year-round, an engineer and the operations manager. He explains that the operations manager also has to really understand the boat because it takes three (3) people to flip the Sternwheeler. If [the Port] has it sitting there in the middle of the winter, and a storm comes or the wind changes, they have those three (3) people on staff to turn that boat. After introducing the six (6) positions, IGM Blue states that this is the very minimum number of people that they will need to operate as a cruise ship. It is based on both Coast Guard requirements as well as just being able to pull off the operation. IGM Blue then goes into the proposed cruises. He explains that they looked at a few different ways of operating the schedule and what he is proposing is doing three (3) cruises, two (2) 90-minute day cruises and a two-hour sunset cruise. The schedule will cut down on the fuel costs substantially and also has been canceling less trips. IGM Blue admits that he is always very concerned any time the Port operates directly with the public. Because, as a government entity, they struggle sometimes with that customer service piece of it. They are really bound by a lot of government rules. Anytime [the Port] does that, there is a certain part of that that makes him nervous. With that being said, he thinks [the Port] has the potential. Utilizing a spreadsheet, IGM Blue discusses that, using the 7,200 passenger count from the previous year, if the ticket prices is set at \$47 for the day cruises and \$57 for the sunset cruise, the Port will make \$5,000 with the boat this year. He explains that they do not need to make money with the Sternwheeler, they just need to know that it can sustain itself. And emphasizes again that they do not have to make a lot of money with the boat, they just cannot lose any. If they choose to park [the boat], from an insurance standpoint, they will still be ahead. But if they park it, they stand to lose some of that institutional knowledge and that becomes very scary, to have a boat that they do not know how to operate and cannot pass that information on to the next people, whether it's an operator, the Port selling it, or the Port operating it themselves. What IGM Blue is proposing is 184 day cruises and 92 night cruises. If they raise the prices to \$57 for the day cruises and \$67 for the sunset cruise, the Port will make \$100,000. If they reduce it to \$30 and \$50, they would lose a \$130,000. He comments that he will send the Commission the spreadsheet, or they can come to his office, but he asks the Commission to play around with the calculator. He reminds them that this is just a boat going out and being a boat, that it can sustain itself, but they have to have the right ticket prices and it has to have ridership. IGM Blue also points out that something that is not figured into this is what it is going to cost from an administrative standpoint, and that is something to keep in mind. This will take up time for the GM, this will take up time from our finance department, this will take up time for Special Projects. There is, without a doubt, administrative costs. Can the Port handle that? IGM Blue believes that they can, but it will be more work. And something to consider is, is this something that they want the Port to actually be involved in? Do they want the Port, on a daily basis, to have administrative people focusing on operating the boat? He replies that generally, he doesn't think so, but he doesn't think they have an alternative that is presented in front of us that we don't have to consider this year. They are going to have to watch every penny along the

way, whoever the manager is going to be will need to report back to this Commission. This will be something that they will have to be watching on a weekly basis. VP Lorang asked if they calculated any potential breakdowns because we still have not finished the repower and that has been a continual problem. IGM Blue replies that that has not been factored in and admits that will absolutely be one of the most devastating things that could happen to the Sternwheeler this season. The Port has not been saving for this boat, this was not an expectation that they had. They do have ARPA funds that could be tapped into to make repairs that ultimately need to be repaired and used for the upgrade anyway, but without a doubt, a breakdown on this boat would be a problem. It is not just a problem concerning repair costs, but ridership as well as employees. IGM Blue comments that this very much a business and one that he thinks the Port can successfully run but it comes with risks, as all businesses do. P Groves adds that if it breaks down, they can always park the boat. He also states that he has a different point of view and thinks they need to operate the boat very cautiously. After skimming over the budget that was sent out, he mentions that the Port has almost \$2M in labor costs, three (3) years ago, it was \$750,000, adding that the boat got had because of the cost of labor. He comments that he and IGM Blue sat down earlier and discussed that if the Sternwheeler took fifty (50) people a day on one two-hour cruise, one, one way and one, the other, and did that seven (7) times a week, he can show on paper that the Sternwheeler can make quite a lot. He points out that the more cruises they add to it, the more labor and the more fuel and everything else. P Groves adds that the numbers he put together does not include someone alcohol, does not include selling photos and other things to make money. He also states that he spoke with ACL and was told that ACL is not going to land their boats over in Stevenson much this year, they are going to land them in The Dalles and they are going to take their people off those boats from The Dalles to Multnomah Falls. ACL is going to stop here for lunch and they are willing to do that on the Sternwheeler. P Groves also figured that piece in, which could be pretty heavy duty that 175 people, five times a week. IGM Blue remarks that that would dramatically change the equation that he had been based on 7,200 riders. If he added that piece of information to it, then this becomes an easier operation. P Groves comments that he knows the mistakes that were made and the things that were done right. He again advises that the Port proceed cautiously and run it like a business. He points out that, unfortunately, may mean that the employees of the boat may not get the hours that they want to get but the Port needs to operate the [Sternwheeler] in a way that the Port can make money. VP Lorang chimes in that there has to be a balance because if the employees do not get the hours they want, they will leave. P Groves replies that they will keep the key employees that IGM Blue mentioned earlier but the rest would part-time. IGM Blue adds that there are certain things that they are doing now that are costing the Port money, things like general upkeep, they are working towards getting their COI (Certificate of Inspection), which costed \$70,000. There is a certain part to getting the business going and the [Sternwheeler] capable of doing business that requires [the Port] to invest in the fact that we are going to do something with it, whether it is us or someone else. He understands that that [decision] is still on the table with Commissioners, so he wants to make sure that most of the spending that [the Port] is doing is required regardless of what they do at this point. VP Lorang comments that if they had another operator, [that operator] would be spending the money. P Groves remarks that [the other operator] would be spending the money but also not

paying [the Port] anything. For anyone that did not know, they explain that the COI certifies that the crew knows what to do if they have a fire or someone goes overboard, it shows that the fire system and alarms on the boat work. Every year, boats have to go through it. P Groves informs that the two (2) incidents that have occurred on the Sternwheeler was 1) the generator caught on fire because it was not cleaned, and they had to replace it because it caught on fire. And 2) they thought it was an issue with the SCR (Selective Catalytic Reduction) system but it ended up being a wiring issue, so when they put a SCR panel in, they did not wire it right. P Groves states that the Sternwheeler really has not had maintenance issues of any great peril over the last three or four years., and the reason the engines need to be replaced is because they got a lot of time. The first set of engines and generators and that was put in, in 1983 lasted twenty-three (23) years. Once installed, this engine replacement and change, the Port can plan on numerous years of operation of that Sternwheeler. P Groves imparts that another thing people might not know is that the Sternwheeler burns only ten (10) gallons an hour of diesel, it is a pretty cheap operating vessel. He admits that he will be the first one to say that the Port made some mistakes back in the day. When the Port first started operating the Sternwheeler, they operated four (4) months out of the year in Cascade Locks and eight (8) months out of the year in Portland, and when operating out of Portland, they had to pay docking fees, electrical fees, office fees and all these things that that we were in a tremendous amount of money, every month. P Groves admits that he would prefer to that the Port does not operate the [Sternwheeler], but he also prefer that the boat gets operated where the Port makes the maximum amount of money they can make. IGM Blue agrees that he would prefer the Port did not run the [Sternwheeler] but he does not see a current alternative to that. He, again, encourages the Commission to come in and sit down with him and play with the calculator and have a talk about what those ticket prices would be. In the slideshow, he is only showing the bare minimum numbers that are quantifiable and that he can count on. IGM Blue reiterates that if they had the previous operator's books, it would be considerably easier to tell the Commission what [the Port] is going to do with the Sternwheeler and how they are going to do it, but they don't so they are making their best educated guess with their accountant, with someone who has previously been on the boat and the (interim) general manager, and he is presenting what we have. He summarizes that he does think it is doable and he does not know if they have a lot of choices. IGM Blue expresses that he feels the Port will also be in a much better position, if they choose to negotiate with AWI or a different operator or ACL. The Port will be in a much better position and have a better understanding of what that boat is capable of what it takes to run it, how much money can be made, where the money is made. And with that the Port can make those decisions much stronger. C Caldwell comments that she feels good that the Sternwheeler is back in the hands of the Port and the Port needs to do the bare minimum right now. The Sternwheeler is the only sternwheeler in the Pacific Northwest, it is a unique tourism. There are lots of possibilities that they have not even tapped into. Her hope is that they will also look at what kind of platform can this boat really be. P Groves adds that he did his own calculations with just one cruise once a day. He did not factor in night cruises and sunset cruisers or anything like that because, from his past, when the boat goes out it costs so much for fuel, maintenance, expense for insurance and labor. He tried to figure out a simple scenario and tried to proceed cautiously rather than jumping in headfirst and trying to do all these different cruises. He states that that was one

of the things that cost [the Port] in the past. IGM Blue responds that they will take a look at the scenario that P Groves is proposing. Public Member Carrie Klute asks, if the Port knew that the AWI contract was expiring in December, why wasn't a business plan put together earlier. P Groves answers that they thought they had an opportunity to have do some more work with ACL. The problem that they ran into with ACL is that it got so late in the year, any business needs to have time for marketing, and they decided that they could not take the boat themselves this year because they did not have time to market and do the things that they needed to do. He also adds that sometimes when working with the Port, because they are a government entity, they run into incidences of a day late and a dollar short. He also wants to point out that the Port cannot do anything with the Sternwheeler until the next fiscal year (July 2023) as they have no money in this (year's) budget to do any more than what they are doing right now, which is working on the boat, fixing things up, and making sure it's ready. That is why they are talking about it now because there will be some money when they put this in the budget to move this ahead. P Groves communicates that he is seriously concerned because they have yet to get our 2020-21 audit, and it has been months and months and months to try to untangle this. He asks where the Port is with that. Mosher informs that they are working with two firms, the auditing firm, Pauly Rogers and the accounting firm, Merina+Co. He believes the auditing will still take a while, as it is auditing season and many other companies are doing their audits, so it has been put on the backburner for now. They are still working on it and the Port is still providing everything that [Pauly Rogers] asks for. P Groves comments that in all his years as a Port Commissioner, he has never seen the Port's books so difficult to untangle. Mosher comments that it is not necessarily that it is difficult but just how things were allocated and recorded. IGM Blue adds that Merina+Co is working together with Pauly Rogers. He has recently spoken to Matt (Apken, Managing Consultant Merina+Co) and Apken informed him that he had to pause (on the audit) because he needed to focus on the budget. Apken is working directly with Pauly Rogers, so when Pauly Rogers need something from Melissa (Warren) and Chuck (Mosher) and they cannot find it or are not sure what [Pauly Rogers] is asking for, or they already gave that to Pauly Rogers but Pauly Rogers does not understand the way that the Port recorded it, Matt (Apken) is there going through and translating some of that stuff. As mentioned earlier, IGM Blue states that currently, Apken has taken a pause on [the audit] to get the budget because the budget is critical. In his conversation with Apken, IGM Blue relays that Apken commented that "[the audit] is moving forward, it has not run into anything that is of major concern. It's taking too long, it shouldn't be but it is." IGM Blue also mentions that they are also building this (upcoming) year's budget with Apken, in order to make the way the Port record things now through our system make that auditing process much more easier. So, now when the auditors come in, everything they're looking for is right there the way that they want. This (upcoming) year's budget was really focused on how do they keep these auditing processes smoother and cleaner and easier based on the way that we're actually recording? Things are changing. They are recording things a little bit, changing the budget, and a lot of it is to meet the requirements that government accounting and the State wants, but also the things that the auditors want. Warren adds that they were giving them what they were asking for, and she personally sent them things two and three times that they would ask again for and then they would come physically and she would give them and they would leave and then they would

email her and want her to send it to them. She also mentioned that they were informed during the SDAO conference in February, that almost everybody in Oregon is two (2) years behind. The Port is not unique right now, [the State] just does not have enough auditors. Warren comments that the auditors that they have been working with are right out of college and when they send a different person every year, the staff has to bring them up to speed because they were not here last year and/or the year before, and they do not know what the Port's operations are. She also points out that the Port usually starts their budget in January and they have three and a half to four months to get the budget done. This year, the Port did not start their budget until April, so they couldn't work on the budget and the audit at the same time, but the budget actually takes priority or we have to lock the doors. P Groves asks what the difference between this year and the years before. Warren replies that they have a new auditor. P Groves responds that they have been working with Pauly Rogers for the last three or four years. Warren answers that they should ask Mr. Rogers what the difference is. P Groves replies that he has spoken to Mr. Rogers and David Bledsoe (the auditor) to try to get an answer. He knows that Bledsoe was out for a week. Warren recounts that previous auditing firms would send a team of five people and they would sit down in the basement and would go through all the boxes, and they would be there for two weeks or more. This year, Pauly Rogers does not do that. They send one person for like a day and a half and she sets out everything they asked, and the one person sits down and go through it. She comments that they never stay a full day or and then they go and then they want her to email it to them. Warren asks, "Do you know how long it would take me to scan all the work that I do, to send to them? When they could come and just be there and go through it." P Groves states that they need to identify this (problem) because the Port should not go through this again. VP Lorang asks, if the Port is digitalizing everything, moving forward. Warren replies that they are not. Warren apologizes that she does not have a better answer. P Groves replies that they are not looking for answer but a solution. Warren comments that [Pauly Rogers] works differently and the Port is not set up that way. IGM Blue comments that [the Port] is very much enjoying the work that is getting done with Merina+Co and the services they offer. He adds that Merina+Co also offers auditing, and it would be interesting to have somebody who has looked at [the Port's] books the way that they have so far, understood their books and be able to audit their books going forward. Merina+Co is really starting to get a very strong understanding of how the Port works to help them put it together. P Groves suggests that the solution may be that the Port needs a different auditor. Warren adds that she has not needed to send Merina+Co anything twice. P Groves states that he does not want to approve a budget, or the Commissioner-Elects, that he does not know the total answer to. IGM Blue remarks that Apken will be [once the budget is done] right back to working on the audit. P Groves comments that the Port has to do a supplemental [budget] until they have the answer but he does not know what that answer is. Warren replies that the Port has to have an approved balance budget by June 30th or no one comes to work. P Groves refutes her statement, saying that he and Olga (Kaganova, previous GM) did a budget during COVID that was a partial budget that satisfied the stipulations so they could do a bigger one. Warren points out that there were different rules during COVID. P Groves asks, "What are they going to do? Fire us all?" He then asks Warren if she understands where the budgets go. Warren replies that she does as she has been delivering them, in person, herself, to the County for the past twenty (20) years.

P Groves concurs with, "So the State does not even look at them." Warren points out that the County sends them to the State. P Groves replies that the State said that they do not look at them. He emphasizes that he wants the budget done right. Warren suggests that they ask Apken during the Budget Meeting, next Thursday (May 25th) on where the Port stands. P Groves agrees with the suggestion and adds that maybe the Port is in okay standing, but he is just concerned because they have not finished the 2020-21 audit.

- 4) 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 Special Commission Meeting from May 11, 2023
 - b. Ratification of bills in the amount of \$124,149.22
 - c. Approval of payroll for 05/04/2023 in the amount of \$36,931.61

VP LORANG MAKES A MOTION TO APPROVE THE CONSENT AGENDA AS STATED; C CALDWELL SECONDS; Passed Unanimously

- 5) Commissioner and Sub-Committee Reports
 - a. P Groves first comments that he understands that C Bump did not win at Wildhorse Casino. C Bump states that he did not. Mosher asks if C Bump had fun. C Bumps replies that he did. IGM Blue jokingly comments that Mosher can tell him why not to go to Wildhorse Casino. Mosher explains that he used to work there for thirty-four years. Getting back to the topic, C Bump, asks whether there are "No Swimming" signs by the boat launch. P Groves replies that there is and adds that the Port also has an ordinance that says it, too. C Bump comments that he was concerned about that. P Groves adds that he and IGM Blue discussed it earlier in the day and have decided to put up more signs. C Bump mentions when he was younger, he used to jump off the [footbridge] all the time. P Groves asks if the water was as swift as it is right now. C Bump admitted that it probably was not. P Groves points out that right now, it is high-water period as there was a lot of snowfall [this past winter].
 - b. C Caldwell informs that she does not have anything.
 - c. VP Lorang reports that there was a Budget Committee meeting but it was inconsequential. P Groves apologizes for not being able to attend in person as his back was not doing well.
 - d. P Groves mentions that ODOT Region 1 is planning to meet in Hood River County in August, and may possibly ask to hold it in the pavilion and encourages everyone to attend. P Groves states that he had spoken with (Scott) Sullenger about a jet ski-type craft (Waverunner) and was advised that if the Port acquired one, it should have at least 1100cc as anything lower would be less stable and potentially be more difficult to use in rescues. Sullenger estimated that a new one would cost \$12,000. P Groves asks whether the Port has money somewhere in its budget to use towards this. He states that, as the fire department is the City's responsibility and not the Port's, if the City is willing to put up half of the cost, he is willing to [approve] the Port putting up half, as well. P Groves also mentions that the last time the Port put money into the fire department was about \$20,000 for recruitment and John (Logan, Fire Chief) has been doing a great job. VP Lorang suggests reaching out to local motorsport dealers to inquire if they would be interested in sponsoring the fire department. Johnson also suggests contacting the Hood River Sheriff Department as they have an extensive water rescue program. VP Lorang recalled that the fire department previously received their fire boat as a donation from the Hood River Sheriff Department. C Caldwell asks, "The fire department has a boat?" VP Lorang replies that the fire department *had* a boat, unfortunately it mysteriously sank at the Port's docks. P Groves also states that if the fire department is going to have a boat and do rescues, they will need pay to have someone get trained. C

Caldwell asks whether John (Logan) would oversee that. P Groves concurs. Warren suggests, if the City put \$6,000 and the Port puts \$6,000 towards training and personnel, they could also do fundraisers and take donations to collect funds during community events such as the Fourth of July, to buy the [Waverunner]. P Groves adds that with all the sailing and water activities the town is involved in, it is probably not a bad idea to invest in a [Waverunner], they just need to make sure they acquire it properly and people are certified to operate it. Warren also suggests that there might be grants that would help fund it. Public Member Brenda Cramblett also points out that if the [Sternwheeler] is running, it can also provide rescue services, as they have practiced for it and have rescued quite a few people throughout the years. C Caldwell questions whether CGRA (Columbia Gorge Racing Association) or GCC (Gorge Canoe Club) could provide assistance. P Groves responds that they will if they are there when an incident happens. IGM Blue adds that Val (Stepanchuk) was one of the first ones in the water when they were notified of the incident. P Groves agrees that Stepanchuk is a powerful [paddler], however with the current conditions, everywhere else on the river would be fine. But, at this time of the year, in the navigation locks, a Waverunner would be very useful.

VP LORANG MAKES A MOTION TO PUT \$6,000 IN THE BUDGET FOR A WAVERUNNER FOR THE FIRE DEPARTMENT; C CALDWELL SECONDS; Passed Unanimously

- i. P Groves asks Public Member Albert Nance what else he had requested the Port to assist with. Nance answers that he had mentioned shelter, gas, and food. P Groves replies that he had an extensive conversation with Denise (Emmerling-Baker, Public Member) about it and the problem with the Port in regard to the campground is that people can reserve sites online and it is filling up quick. He relays that his suggestion was to tape off some of the parking lot by the boat launch and provide more space for them down there. Nance informs that he was notified that the family was only able to secure two rooms in Stevenson. C Caldwell asks which tribe is involved. Nance replies that he did not ask. Klute adds that she was just notified that the family has incurred \$2179 in costs between paying for hotel, gas for the boats, and trailer sites for the campground. Nance requests that the Commission waive the campground fees. Berge informs that [the Port] has already blocked out four (4) campsites for the family, until Monday (May 22nd). P Groves thanks Berge for doing that but emphasizes that there has to be a time-limit set. He also informs that the way the Port usually works with the Four Treaty Tribes, is government to government, so it would be best if their Tribal council contacted the Port to work out an IGA (intergovernmental agreement) so that they can make sure that stipulations are put into place. Nance offers to speak to the family and give them the contact information that they need so that they can get it taken care of. IGM Blue chimes in that as a government agency, [the Port] sets pricing and they set that for everybody who comes into the park. The Port runs a bit of a slippery slope of deciding that they are going to waive this fee for this person and not waive this fee for this person. He admits that he specifically feels like it is the right thing to do, but it is also not something that necessarily is going to be fair thing to do. He points out that there are district members who vote and who say the job of the Port is to make money. He does not think there are very many people with that mindset, but he does have a voter that he knows does not want him to waive traffic on the bridge. IGM Blue states that the person wants them to collect from every single person because that is what they want the Port to do. And that is why that person pays their tax dollars, for the Port to make that money. IGM suggests a simpler solution and one that is

more in line with the Port's mission is, as a government entity to give a cash donation or a cash grant or some sort of cash to an entity that is providing that support. The Port can easily help organizations, but it becomes a little slippery when they start helping individuals, because then people can say, "Well, why did you help them, but you didn't help them?" and the question arises of who decides who gets helped? IGM Blue stresses that the Port very much wants to do these things for these people, but it is a little bit easier for the Port not to have that direct [...]. He also emphasizes that the Commission can do absolutely whatever they want. VP Lorang asks Warren if there is an application process. Warren replies that it has been spent this year and will not be available again until July 1st. P Groves stresses that he is not worried about the money, but about the politics. C Caldwell explains that that is why she asked what tribe the family is from, so that they could reach out to the right Tribal council. P Groves directs Nance to give the family head IGM Blue's contact information so they can meet with them and discuss what the family needs and what the Port can and cannot do. Warren suggests that since the Port will be doing budget adjustments in June, the Commission can make a motion to put money in that line item and then they will do the budget adjustment in June. P Groves asks if the Port still has money in its Contingency fund. Warren replies that it still has \$600,000. P Groves comments that they can take money out of the Contingency fund if they need to, which is why he said that he is not worried about the money but about the politics. IGM Blue adds that the quickest solution would be a one-page IGA with the Tribe.

VP LORANG MAKES A MOTION TO APPROVE AN IGA WITH THE TRIBE AND ALLOW JEREMIAH (BLUE, IGM) TO WORK WITH THEM TO RESOLVE THE ISSUES; C CALDWELL SECONDS; Passed Unanimously

- ii. P Groves also brings up that, three (3) months ago, the Commission decided to make Jeremiah (Blue, IGM) the interim general manager and to possibly look later for a (general) manager. P Groves states that he, personally, feels that IGM Blue has done a good job and would like to go ahead and make Jeremiah (Blue, IGM) the manager and raise his pay. He does stipulate that IGM Blue will have a probation period. Brooks advises discussing the topic in executive session first before making a formal motion as he does not know what the motion on the table is going to be and there are details to be discussed such as the (employment) contract, the job description, etcetera. He adds that they cannot talk about pay in executive session.

6) General Manager Report

7) Executive Session under ORS 192.660(2)(f) Discussion of Exempt Public Records and ORS 192.660(2)(h) Legal Counsel Regarding Litigation or Litigation Likely to be Filed

a. Recess from Regular Session, into Executive Session at 8:19 pm

b. Recess out of Executive Session, into Regular Session at 8:50 pm

- i. C Caldwell states that Brad (Lorang, Port Vice President) brought up raising Jeremiah (Blue, IGM)'s pay and though she understands that is separate from the negotiation for the general manager position, she would like to see it be discussed right now. VP Lorang comments that he believes that it will be part of the negotiation of the contract to make the pay commence with IGM Blue's start date of IGM.

C CALDWELL MAKES A MOTION TO DELEGATE TO THE PRESIDENT AND VICE PRESIDENT TO MAKE AN OFFER TO JEREMIAH BLUE TO BE THE GENERAL MANAGER, BASED ON THE CURRENT JOB DESCRIPTION, DUTIES AND EXPECTATIONS; C BUMP SECONDS; Passed Unanimously

8) Adjournment 8:54 pm

Port of Cascade Locks

Port Commission President
Jess Groves

Port Commission Secretary/Treasurer
Joeinne Caldwell

Date Signed

Date Signed