



PUBLIC MEETING: Port Commission Meeting

DATE: Thursday **September 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 at 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
 - c. Modifications, Additions and changes to the Agenda
 - i. GM requests to remove 8.a. off the Business Actions Items; Procurement Policy.
 - d. Declarations of Potential Conflicts of Interest
- 2) Public Comment (Speakers may be limited to three (3) minutes)
- 3) Discussions
 - a. Heart of the Gorge
 - i. Preston Wright is here from Heart of the Gorge Sailing. He says he has a couple items to ask about. He begins to talk about the Marina Pump Out station being broken and how it has affected them as well. He says he is more than happy that the Commission wants to get it fixed. He continues to say that there are weeds growing everywhere through the fencing and sidewalks and wants someone to go down and clean it up. They are working on a new agreement with the Port and says it is important with him to transfer the slip to their new owners and wants to make sure he can transfer that and retain it for more time to come, along with having customers expecting them to stay. He brings up that when they agreed to doing this, they were to pay \$150 while operating and hoped to have a tangible benefit from it and says that the GM has said that the customers get to walk on the docks and that they don't add any additional cost to the Port. P Groves says that this topic has come up before and knows he has an operation that makes money and doesn't think they are charging him very much. Wright says he doesn't see the Port "behind him" in any way and doesn't get any help or any contact from the Port. He says that he would like to see some consideration. P Groves says that we are in the process of ordering a new pump out station and apologizes for the inconvenience. Wright says he understands but brings up that no one is thinking about the Marina tenants and that they're running a business. GM adds for Wright to reach out to get it taken care of when it gets out of hand. P Groves continues that Wright, and his wife are so quiet and follow rules that

sometimes we don't notice. He adds that Pat the Marina manager is around to ask for as well. C Caldwell says that she is thankful that he brings up the landscape issue and how she was appreciative of meeting with Wright and his wife. She says that she also pays to have her business in the park as well and that she understands that what she is getting from the amount that she pays for her booth, is having customers. VP Lorang asks if Wright has any signage on Port property and adds that him having signs out is a bonus to his lease because most other slips in the marina don't get to have signs. Wright says if we can find a way to make it work then he will be happy. P Groves asks if Wright has gotten information about the pump out station, Wright says he agrees with the state taking the brute end of the cost. P Groves says that they will let him know the outcome. Wright invites the Commission to go for a ride on his boat.

4) Presentations

a. Financial Report

i. GM is presenting an updated financial report. This is what Melissa Warren was going to present a couple months ago. In revenue, we came in at \$4,710,000. We budgeted for \$4,650,000. In the last column is the difference between actual and the budget, where we received \$58,000 over the budget. If you go to Materials and Services, our total was 2.9 million, we budgeted for 3.4 million resulting in an unspent 1.3 million. We have recognized a sale to Gorges Beer as income but should have been recognized as such as we have been collecting. It has been adjusted to show so. Contingency we budgeted for \$200,000 and spent that amount. In capital we budgeted for 1.6 million and spent \$98,000. Extra revenue came from leases and rentals, campground did very well, and received additional Christmas lighting display money from insurance and ODOT donated to COVID funds. P Groves asks if the brackets show the positive, GM says that it shows both a positive and negative. P Groves says points out that we went into the hole with the bridge budget. P Groves shows that this is how it is presented is how he has seen other reports over the years and says it is easier to read it this way. GM replies that this is an annual report, and it helps to reflect the amounts. P Groves adds that they used to get a monthly report about the traffic on the bridge and believes it's more compelling, by traffic and vehicle type. C Caldwell and P Groves recall a previous employee being diligent in showing the traffic amounts.

b. Flex 5 Project Update

i. RA Grey has been working sporadically due to building delivery date not being confirmed. There was a construction schedule emailed out that shows a gap between the time of delivery. There are water and electrical going under the concrete, which they will hopefully be pouring next week. It puts them one week out on preparatory tasks but not on the overall project. P Groves says that he ran into Rudy and his wife and reported that the beer in the kegs is kind of flat in sales, and that their canned beer is still doing well.

c. BreezeBy Fee Reconciliation

- i. POHR put this together and were delayed in bringing this to the Port due to their CFO leaving. Initially estimated, traffic was at \$1,355,000 for traffic, a 13 cent per traffic, and first year annual amount. The traffic from POCL was \$1,286,000, so overall both traffic amounts have declined from the first year. Due to the startup costs, POHR incurred a cost of \$163,000 on our behalf and collected \$67,000 from us, leaving a variance of \$96,000 from us. This following year incurred \$85,000 which is more realistic for how to calculate this. Variance is \$100,000 that they have expended more than collected. They are not concerned about it due to having more traffic and are not worried about carrying this forward as we will recoup it. P Groves points out a quarter amount of the Port incurring a small amount, GM says that the amount is constant, but last year should have been 3.16 but actually paid less. This year should've been 14 cents with a one cent variance, plus the carry over balance. P Groves points out that this is interesting to see the difference between traffic amounts. GM continues that we used 2019 numbers and that we are about 80,000 vehicles off. C Caldwell asks if they are receiving 87.3% of BreezeBy traffic and ours was 16%. GM and P Groves reply that it is a portion of BreezeBy. GM adds that POHR has almost 70% of their traffic users have BreezeBy, and POCL BreezeBy total is 40%. P Groves asks if we are getting a spreadsheet from dollars of cents, GM says we run it dollars to cents. GM adds that we wanted to receive funds more often to be into our investment account and discussed an adjustment for days that the money sits at POHR. C Caldwell asks if the Commission can receive quarterly reports, GM replies that without BreezeBy account, we can see how many crossings, coupon returns, etc. At the end of the week, added to the adjustments, should match was is deposited to our account. GM says she can bring in one of the weekly reports to show the Commission. P Groves asks GM how she thinks having customers crossing is going. GM replies in terms of new accounts with BreezeBy, they do a weekly time with staff and see which bridge has which issue that was resolved. GM says that the system is good about showing where the transaction happens, with codes. They took their regular rate and attributed the increase to us. GM says that we can't identify customers by location, so the transactions matter most. P Groves asks if they do any cash transactions, GM replies that if it's for the BreezeBy account, then yes but otherwise they don't manage our customers. P Groves agrees that he would like to see the dollars and cents of it. He asks if we could match numbers to what is being put into the system. He would like to see the amounts and transactions occasionally. He says that therefore the Ports like to have annual meetings but unfortunately, has been postponed this year due to POHR finding a new manager. GM continues that we get a weekly basis of what we are owed and what POHR has paid. Then, when the deposit comes through the bank, the reconciliation must match. That comes through on a weekly basis and asks if the Commission wants to have the weekly number be added up on a quarterly basis. C Caldwell agrees. P Groves says we may be able to get it off QuickBooks, GM replies she can but can't get the amounts from POHR unless

it is done manually. She can give a quarterly revenue and be able to tell if it is not right or not.

5) General Manager Report

- a. Traffic and revenue reports will be brought to the next meeting, we don't have the numbers yet due to it being the first of the month but will send it out. We have a candidate recommended from the recruitment firm and are having conversations with SDAO consulting services to help train this person. We have not received any updates from the audit team, have brought this up with SDAO and may be able to put some pressure on the firm. At this point, we are under contract with Pauly Rogers for 2 more years, February 2024. Part of this contract requires them to give a report within 5 months of the audit, which hasn't been done. She replies that it is very demanding for audits right now. GM hopes to have it closed out soon. P Groves says that he talked to Roy and that he said their staff has a lot going on as well and apologizes for this taking so long. We have done our best exhausting out options trying to get it to move faster. Community Picnic had around 200 attendees, survey was given out and awaiting results. GM thanks councilwoman Fallon and Port employee Brittany Berge. City of CL helped financially, as well as other key staff. Herman Creek complex is having a lot of action due to fruit pressing for the wineries. They have a joint dumpster by Flex 6 to help keep fruit scraps away from the office spaces, as well as keep insects away. GM appreciates they got a joint dumpster. P Groves points out that behind a tenant building, a camper. GM replies that it's someone helping the tenant and are working on finding them a space. Continuing, we are experiencing a lot of HVAC issues indicating that installation was the cause for the core to melt. SDAO is covering emergency costs, under \$35,000, to repair the unit. For pFriem, HVAC failure is detrimental in their production. GM will have an expense for the Commission to ratify and went in under emergency procurement has been estimated at that amount. Port has another HVAC failure in Flex 1 and 4. First estimate for Flex 4 is at \$17,000 and are unsure if this is covered by property insurance. C Caldwell asks if SDAO is going to pay for the whole \$35,000, GM replies that they will be paying it. Flex 4 will also need something similar, and GM is surprised that the unit failed, but if something was slightly damaged due to snowfall, would show up now. C Caldwell asks if the building is 6 years old, GM replies yes and it is surprising for it failing so soon. She suggests investing in some barrier to protect the units, but unsure of cost. Second part to consider, contracting with a service company to be able to come and prepare the units for the winter and summer, or however often as they see it necessary. C Caldwell asks if there was a discussion about how to maintain these and wonders if this is a common problem. GM replies that when they were installed, she gathered that they had to understand the filter maintenance, but aside from that, there wasn't much information about upkeep, which also means this hasn't been reflected into the lease rate. P Groves adds that the location of the units was an error and talks about the snow damage on the gutters of Flex 4. C Caldwell asks if Todd Mohr has the knowledge about protecting and preventing this, GM replies that yes, he does have knowledge and is able to construct in house. P Groves adds that is won't be a bad idea to have someone come out to check on the pressure levels. GM says that this would be a good time to plan for the unit replacement over the next 4 years and plan out a way to have the funds

for it. An idea to consider, if we need to start a fund, who contributes, allocating it amongst leases. P Groves says that the buildings themselves are very strong, but things like the doors, heating, and cooling units, bring problems. He suggests we talk to another Port with the same buildings and see how they manage through it. GM says that our buildings were all constructed close to the same time and that planning out how to pay for repairs is important to start on now. P Groves says that it would be a good to replace and repair items in sync. GM says that this is a more of a larger plan to have in place. PCT Days went well, saw a higher number of hikers, due to the event being more popular and COVID going down. Jeanetta and Jason will come to present to the Commission about the event. House 3 sewer failed and required a repair. The piping was crumbling, so we have connected to a newer and better line, which required a 14-15 ft deep hole. City Public Works came to help. C Caldwell asks if the pipes are the same as the ones put in during the 30s. Coming up, there is a Bridge Sub-Committee on the 7th, 15th of September meeting cancelled, and want to have special meetings scheduled for Sternwheeler negotiations and for GM review. GM replies that the 6th wasn't doable for everyone so it's going to be on 22nd. P Groves says that an AWI rep reported this will be over by the 15th. VP Lorang says that this has gone on for very long time, C Caldwell agrees that we need to be able to have a meeting before the 15th as well. She adds that it didn't seem very clear if they were aware we were going to purchase the engines, GM says that we have done our part of communication, but we can't make everyone listen. GM and C Caldwell agree on having the 22nd meeting at 6 pm, as well as the 23rd meeting.

6) Commissioner and Sub-Committee Reports

- a.** C Bump: Nothing to add
- b.** C Caldwell: Thanks staff for the work on the Community Picnic and met people that have moved to CL from recently to years ago. She adds that the CL Alumni dinner is at Bridgeside and invites people to come and visit, at 5 pm. GM adds that the Old Timers Picnic is the following Sunday and asks if the Port is helping put it on. GM replies that she isn't very sure but it's hard keeping communication with everyone.
- c.** VP Lorang: Said picnic was fun and enjoyed hearing from everyone.
- d.** P Groves: Hashing over stuff in EDSC meetings and getting updates of having engineers for projects, and Zimmerman made a comment on the permit for the project being approved. P Groves brings up that the City wants the Port to survey the sewer line but will bring it up to the Planning Commission for why the Port needs to do it. The meeting is next week on the 8th. P Groves adds that he and GM spent a couple hours in mediation; will discuss more during Executive Session. P Groves continues with saying the picnic was a success as well. There was also a man who worked with Alfonso and had several complaints about the bridge and parking. P Groves wants to bring him down to help him understand how the Port functions. C Caldwell adds that she talked with the secretary at the elementary school and was told that each grade has their own teacher as well as a science teacher. GM says that she believes there is a collaboration to be had with Corbett School, as they are a charter school.

- 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 August 18, 2022
 - b. Approval of bills in the amount of \$
 - c. Approval of payroll for \$

VP LORANG MOTIONS TO APPROVE CONSENT AGENDA WITH THE MINUTES FROM AUGUST 18, THE AMOUNT OF BILLS TO BE STATED, AND PAYROLL TO BE STATED WITH NUMBERS TO COME; C BUMP SECONDS; Unanimous 4-0

8) Business Action Items

a. Approve Procurement Policy

b. Approve Container Policy

- i. The implication of the container policy is that it will be included in the development guidelines and be incorporated to existing or future leases. P Groves asks if it will be a lease breach if it doesn't comply with the guidelines, GM replies yes. P Groves then adds that we need to clarify what can be classified as a container, VP Lorang agrees that it is a decision between both Port and tenant. VP Lorang continues to read off the policy. P Groves recalls that there were things listed that if something was outside of the buildings, that there would need to be fencing and doesn't want to go against CRCs. GM asks if it had to do with equipment or storage, P Groves says that it just had to do with anything outside of the buildings. VP Lorang adds if it is a compatible color, and is out of the way, but also as a case-by-case basis. P Groves wants to encourage it but agrees that they need to look a certain way and be in a proper location that won't damage asphalt. C Caldwell adds that it is at our discretion. VP Lorang says sometimes less language is better. C Caldwell and P Groves agree to look over CRCs. C Caldwell adds that they want to make the business park attractive due to all the recreational opportunities and continues that since we have a business that wants to add a container, says as long as they have the same siding for both the building and container, she is okay with it. P Groves says that we have a tenant that doesn't have space for a container unless they block the parking or are in the way of a bioswale. P Groves says that he thinks only Flex 5 and 6 would work the best to have a container.

VP LORANG MOTIONS TO ACCEPT CONTAINER POLICY; C BUMP SECONDS; Unanimous 4-0

c. Approve Government Relations Contract Modification

- i. GM and Mark Johnson have circled around to the offered contract and requested some modifications. Johnson is asking for an allotment to cover meeting expenses that are directly to do with lobbying. VP Lorang asks if it's limited to mileage, GM replies yes. It includes having to stay overnight in Olympia, for example. The current contract says these expenses are allowed if GM is given notice and can check the budget. Johnson is asking for this

allowance to also include not having to ask GM beforehand. P Groves says he doesn't agree with that and that he himself turns in his mileage and receipts when he returns. GM says this is different from staff and Commissioners due to Johnson being a contractor because there isn't prior communication of where he is going. She knows where staff are going and what meetings Commissioners are attending. As a contractor, he has more leeway. GM says that it will be from his card and expenses, but what is being discussed is if preapproval is needed beforehand so we can find out if it can be covered in the budget. P Groves says that the Port, according to rules, should have receipts for everything that is being bought or paying back. P Groves isn't in favor of having Johnson of spending \$500 without asking/telling the Port to beforehand.

VP LORANG MOTIONS TO APPROVE THE GOVERNMENT RELATIONS CONTRACT WITH MODIFICATION WITH THE EXCEPTION OF THE ALLOTMENT, ALLOWING MARK JOHNSON TO BE THE ONE POINT PERSON, AND ALLOCATE \$6,000 FOR TRAVEL EXPENSES AND HAVE THE PORT COMMISSION PRESIDENT SIGN IT; C CALDWELL SECONDS; Unanimous 4-0

- ii. C Caldwell asks if Johnson can have an expense sheet per month, GM replies that it can be done but also Johnson contacting the GM beforehand, is okay too and gives time to decide if it warrants it. GM rereads the other modification to Johnson's contract. Want to have a one-point person if there are business opportunities. VP Lorang believes to know about upcoming expenses and if they are valid enough Port business to warrant staying over a night somewhere. P Groves doesn't disagree with Johnson for legitimate expenses. Johnson can be the one-point person who is communicating formal responses from the Port.

d. Approve Marina Pump Out Procurement

- i. Port is going after Marine Board for the grant; they need Port to procure for it first. Grant will cover 75% of expense. VP Lorang asks if it includes installation and electrical, GM replies yes. EMP is under KECO, and Port prefers to work with EMP due to previously working with them. \$28,354.

VP LORANG MOTIONS TO APPROVE THE PROCUREMENT OF THE KECO EQUIPMENT FROM EMP FOR THE AMOUNT OF \$28,354.13; C BUMP SECONDS; Unanimous 4-0

e. Schedule Special Meetings

- i. Consent was given during GM Report

9) Executive Session under ORS.192.660(2)(e) Real Property Negotiations and under (2)(h)Legal Counsel Regarding Litigation or likely Litigation to be filed

- a.** Recess from Regular Session, into Executive Session at 7:58 pm

- b.** Recess out of Executive Session, Into Regular Session 8:28 pm

10) Adjournment at 8:28 pm

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.