

Port of Cascade Locks

The Port of Cascade Locks Commission Meeting was held Wednesday, August 20th, 2008 at the City Hall Council Chambers, Cascade Locks, Oregon.

I. Meeting called to order/Pledge of Allegiance: Commission President Lee called the meeting to order at 7:05 pm.

II. Roll Call: Commissioners Lee, Caldwell, & Janik were present. Commissioner McLean & Woosley were excused.

Others present: Staff Daughtry, Bengtson, Albaugh, Davis and RARE Babcock. Also present was Port Attorney Jaques, Don McDermott (John L Scott Real Estate), Colleen MacLeod (Rural Oregon Alliance) and Camera Operator Betty Rush.

III. Modifications, Additions to Agenda: Commissioner Lee stated that the Don McDermott would make a presentation during new business.

IV. Items from the Floor:

a. General Public: Colleen MacLeod, Union County Commissioner & 1968 Cascade Locks Graduate stated that the first Oregon Rural Congress will be held Aug 21 & 22nd, at the pavilion in Marine Park. MacLeod thanked the Port for offering the pavilion and hosting the breakfast. MacLeod stated that so far there are about 190 registrations (20 County's, 13 Cities, Federal & State Legislators). MacLeod stated that the town should be bustling with people. MacLeod stated that the conference will focus on solutions to the challenges and impacts that face rural Oregon in four major categories: Natural Resources, Economic Development, Telecommunications & Human Services.

GM Daughtry thanked Ms. MacLeod for bringing the conference to Cascade Locks, it's sure to be an economic boost for the town.

b. Commission:

Commissioner Janik stated that she attended the School of Rock Concert stating that it was a great event and that she hoped the Food Bank donations were successful. GM Daughtry stated that Darrel Driver was planning to attend a Commission Meeting with a report.

Commissioner Lee stated that he attended a meeting with the Warm Springs Tribe regarding the Lease.

Commission President Lee stated that when he was in the Port office yesterday the Oregon State Marine Board was meeting with Marina Manager Kris Bengtson. Commission President Lee stated that they were doing an evaluation of the Marina for the Clean Marina program such as "How to handle a spill, runoff, recycling and hazardous waste". Commission President Lee stated that they also looked at the boat launch and restroom area. Commission President Lee stated that the Port scored 100% for compliance.

Staff Bengtson stated that the "Clean Marina Program" is a volunteer program through the Oregon State Marine Board. The goal of the program is to protect and improve local water quality of Oregon waters by reducing pollution from marinas. Staff Bengtson stated that Glenn Dolphin (OSMB) will be at the October Commission meeting to speak about the program.

Commission President Lee asked about the milfoil treatment in the marina. Staff Bengtson stated that the first application was for milfoil, and seems to have been a success, the second application was applied for "common weed" and we should see the results in a few days. The milfoil application should last for a few years, whereas the common weed application will have to be done on a yearly basis. Bengtson stated that she also discussed other applications such as the beach, sternwheeler dock, and the Port's coves. They stated that they could do an assessment of the areas and suggest a treatment plan.

c. **Government Officials:** Nothing to report.

v. **Consent Agenda** (Consent Agenda may be approved in its entirety in a single motion. Items are considered to be routine. Any Commissioner may make a motion to remove any item from the Consent Agenda for individual discussion).

a. **Approval of Minutes: July 17th, 2008**

b. **Approval of Bills dated August 21st, 2008 in the amount of \$125,984.19**

c. **Approval of July 2008 payroll in the amount of \$57,244.01**

Commissioner Janik asked about the bill to SLR International Corporation. GM Daughtry stated that SLR represents the Port's interest in the environmental review of the SDS property.

Commissioner Janik asked about the "Employee Recognition Luncheon". Staff Bengtson stated that Staff Melissa Warren is heading up a new program, every month we celebrate birthdays, work anniversary's and projects completed. The first one was the park "trunk line" and this past week we celebrated the completion of the "pump out station" in the marina. Staff Albaugh stated that we also have a guest speaker, such as Dan Yates from the Portland Spirit and Bill Symes from the CGRA.

COMMISSIONER CALDWELL MADE A MOTION TO APPROVE THE CONSENT AGENDA. COMMISSIONER JANIK SECONDED THE MOTION. Motion passed unanimously by Commissioners Lee, Janik & Caldwell.

VI. Old/New Business

a. **Report from Don McDermott - John L. Scott Real Estate**

Mr. McDermott reported on the progress of marketing some of the Port's property, stating that there will be a ¼ page ad in the Gorge buyers guide and that signs are currently in production, the land is listed on the rmls website. He stated that he is working with GM Daughtry on getting some brush trimming/walkways to the point property in the Industrial Park. He stated that he has three leads currently. The Commission reminded him that there biggest criteria with the land is job creation.

GM Daughtry reported on the company that he had contacted regarding relocating to Cascade Locks, "Castelli" they stated that they will have to pass on relocating to Cascade

Locks based on two reasons. First, a number of their existing employees were very hesitant to move and second, he was concerned about the impact that the Warm Springs project would have on labor availability.

Daughtry stated that he told him that the DEIS indicated that there is sufficient labor to meet market demand and that their company was offering fulltime non-seasonal manufacturing jobs which are highly prized. I told him that I appreciated his call and said that if the relocation becomes a strictly financial decision that the Port would put together the most aggressive package to recruit them to Cascade Locks.

Commission thanked Mr. McDermott for coming to the meeting.

b. Approval/Discussion on contract with Ball Janik LLP:

Daughtry stated that the contract with Ball Janik LLP (lobbyist) is up for renewal. Daughtry stated that Hal Hiemstra and staff continue to do a great job for the Port and City. Daughtry stated that he relies strongly on their advice. Daughtry stated that one of the things they work on for the Port is appropriations, i.e. Sail Park, & Marine Park underpass project. Daughtry stated that currently the biggest item is the Casino/Resort, which is one of the reasons the rate is going up. Ball Janik LLP is a key player in Washington DC and has a lot of insight, connections, and a tremendous success ratio. They are able to help us navigate through this process. Daughtry stated that they have requested a \$1000/month increase; currently we pay \$60,000 this would take it to \$72,000/year. Daughtry stated that he has discussed this with Commissioner Lee and they feel that the increase is directly related to all the work being done regarding the Casino/Resort project. Daughtry stated that he does not for-see this continuing year after year.

Commission President Lee stated that Ball Janik also write off expenses/hours. GM Daughtry stated that they document their hours in detail and we have a not to exceed amount and they don't stop working when they hit that amount, the writes offs have been over \$100,000 in the last two years.

Commission President Lee stated that he has been involved with the lobbying effort for the past three years and has worked closely with Hal & Ball Janik, and thinks the firm is one of the most highly respected in Washington DC. Commission President Lee stated that all the dollars we spend are multiplied greatly in return for our expenditures. Commission President Lee stated that he has been to DC and watched Hal in action and knows the Port & City would not even get into some of the government offices without his connections. Commission President Lee stated that he feels as long as the Port is involved in Federal or State funding, we need to have Ball Janik working for the Port.

GM Daughtry stated that the Port and City have an intergovernmental agreement to share in the costs of the contract, currently \$60,000/yr with the Port paying 70% and the City 30%. GM Daughtry stated that in the beginning the City was only looking for money for the Southbank project and the Port had multiple projects. Daughtry stated that what's happened over the years is that the majority of the time is spent on the Casino/Resort project and the ECLI. Daughtry stated that he approached the City Administrator about splitting this 50/50. Daughtry stated that he thinks that the City is under alot of financial strain, and Bernard pushed back hard, he didn't want to participate at that level, and he

suggested cutting back services. Daughtry stated that he thinks this is not the time to be cutting back on services, and what services would you cut back. Daughtry stated that Hal and Ball Janik would continue to work on projects full steam and continue to write off the expenses, which would eventually create negative good will. GM Daughtry stated that the City Administrator reported that the City could participate in an amount of \$2200/month. GM Daughtry stated that he would like to recommend that the Port accept the offer. The Port would pay the difference in the contract price, so we don't have to lower the services, at least for the next year with the understanding that we will renegotiate with the City next year so they at least pay their share of services, or we go it alone. Daughtry stated that he doesn't believe that going it alone is in the best interest of the community, working together with the City is the best use of the Ball Janik service. GM Daughtry stated that he is disappointed they could not reach the agreement of a 50/50 split with the City. Because this contract is focused on the East Cascade Locks Interchange and the Resort/Casino project which benefits both parties equally.

COMMISSIONER JANIK MADE A MOTION TO APPROVE THE CONTRACT WITH BALL JANIK LLP AS PRESENTED FOR THE YEAR JULY 1ST 2008-JUNE 30TH, 2009 CONDITIONAL ON AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF CASCADE LOCKS FOR COST SHARING IN AN AMOUNT OF \$2200/MONTH. COMMISSIONER CALDWELL SECONDED THE MOTION. Motion passed unanimously by Commissioners Lee, Janik & Caldwell.

GM Daughtry stated that he spoke with Rian Windsheimer (ODOT) and he said that they have been in discussions with the BIA and have agreed to consider an option that would allow East Cascade Locks Interchange to remain open. Daughtry stated that they will be discussing this at the level one IAMP meeting next week.

GM Daughtry stated that during a telephone conference call with the WS Tribes, we made it very clear to them that the closure of East Cascade Locks Interchange could potentially stop this project and they will lose the support of the community. GM Daughtry stated that we need the WS Tribe and the BIA to step up and request a variance, we've been talking about this with them for two years and we need closure on this issue.

- c. Approval on the purchase of a pressure washer from LANDA Northwest in an amount of \$ 8,595** (already approved by commission by phone consensus on 8/5/08).

GM Daughtry stated that this pressure washer will be used on the bridge. Staff checked with the ODOT Bridge crew and they said it was an adequate size. Staff Bengtson facilitated an approval via phone calls to Commission. Staff would like a motion during the regular meeting for the record.

COMMISSIONER CALDWELL MADE A MOTION TO PURCHASE THE PRESSURE WASHER FROM LANDA NORTHWEST IN AN AMOUNT OF \$8595. COMMISSIONER JANIK SECONDED THE MOTION. Motion passed unanimously by Commissioners Lee, Janik & Caldwell.

- d. Staff Reports:
Pat Albaugh: Finance Department**

- **July Overview:** On the whole, July was a positive month with revenues exceeding expenses. This is the time of year where revenues are highest.
- **July Balance Sheet:** The Balance Sheet reflects the increase in available funds and improved financial condition of the Port. Available funds have increased and debt has declined.
- **July Operating Statements:** Bridge revenue was down again compared to the same month last year. That makes five months in a row that bridge revenues were down compared to the previous year. This is looking more like a trend than a blip caused by adverse weather. This fiscal year we budgeted an increase in revenues of 1%. A 4-5% decline in revenues represents between \$60,000 and \$70,000 less in revenue than planned.

Albaugh stated that our revenues are dropping and expenses are going up. Albaugh stated that we need to be careful and start having some spending discipline, so that when there is an opportunity (business) we can go out and build a \$3 million dollar building.

- **Audit Update:** The 2006-2007 fiscal year audit is complete with a couple small adjusting entries.

Albaugh stated that due to the slow audit performance the last couple years it is difficult recommending Arens & Assoc. for this fiscal year audit (2007-08). Unfortunately, the timing for issuing an RFP now is really poor. Albaugh stated that he has been discussing this with other auditors. The consensus is we will have a better response with better pricing if we issue an RFP this winter for the next fiscal year. Auditing firms have their schedules set for this audit year so the responses will be few and expensive. Albaugh stated that he believes it would be in the long-term best interest of the Port to use Arens & Associates for this fiscal year and issue an auditing RFP for next fiscal year.

COMMISSIONER LEE MADE A MOTION TO APPROVE THE CONTRACT WITH ARENS & ASSOCIATES FOR FISCAL YEAR 2007-2008 AUDITING SERVICES IN AN AMOUNT NOT TO EXCEED \$17,500, STATING THAT THE AUDIT MUST START BY OCTOBER 1ST, 2008 AND BE COMPLETED BY DECEMBER 31ST, 2008 OR THE PORT COMMISSION WILL CANCEL THE CONTRACT. COMMISSIONER CALDWELL SECONDED THE AGREEMENT. Motion passed unanimously by Commissioners Lee, Janik & Caldwell.

Other items:

- Received estimate for services involved in creating a Cascade Locks Trail Master Plan. \$29,850
 - Advocates for a comprehensive trail plan including trail alignment, flagging and mapping, stakeholder meetings, review of environmental and social opportunities and constraints, and implementation recommendations.

Commission would like to continue with plan. GM Daughtry stated that he has turned this project over to Staff Albaugh and requested 30-60 days to research funding partners.

- Other items the server crashed, we purchased another, and were only offline for a few days.

Dale Davis: Maintenance Department

- Purchased new uniforms for crew.
- New pressure washer should be here at the end of the month, they will supply training.
- Getting bids for new air tools for bridge spot removal.
- Two maintenance crew got into poison oak at the bridge.

Commissioner Lee stated that the Port staff will be washing and doing some spot painting on the bridge, he was wondering if staff had been thinking about how the areas we can't reach will be handled. GM Daughtry stated that they will be watching how the ODOT bridge crew handles the bearing replacement, perhaps getting some information from them and how it works, we will have to contract out some of the work, but not quite sure what part's yet. Commissioner Lee wondered if there were grants available for some of this work. GM Daughtry stated that the Port of Hood River did get funding for the deck replacement. Commissioner Lee suggested that we should be cautious about what tasks we take on and that perhaps some of them may be better to contract out. GM Daughtry stated that he agrees and we are evaluating as we go along.

Commission President Lee recessed the meeting at 8:37 pm. Commission President Lee returned to the regular meeting at 8:40 pm.

- House 3 upstairs project continues, work on floors next week.
- Working to update pesticides/herbicide control programs.

GM Daughtry thanked Darla Davis and Pat Powers for helping to set up the pavilion for the conference and supplying the quilts.

RARE Report: Julia Babcock

RARE Babcock thanked the Port Commission for the opportunity of working for the Port, this is her last meeting.

- OSMB 2008 Grant
 - Continuing to work with the Corp on permitting.
- Milfoil Treatment
 - Success, treatment for the common weed today.
- ODFW Grant: Fish Cleaning Station
 - ODFW Staff will recommend approval to board. Commission meets 10/10/08 for final decision.
- SHPO Grant
 - House 3 Porch, Amy will be finishing in couple weeks.
- School of Rock Concert
 - Did not get to attend, heard it was great.

Commission President Lee thanked Julia for all the great work she did while at the Port.

- e. **GM Report:** GM Daughtry on vacation abbreviated report.
- Continuing to work with WS Tribe on lease/sale agreement and ECLI variance.
 - Working with Scott Keillor (Port's Planning Consultant) on Herman Creek & Industrial Park planning.
 - ODOT Bridge bearing replacement October 2008
 - Continuing to work on finalizing the HUD appropriation.
 - Need to set up a joint meeting with the City regarding the Marine Park underpass project.
 - Michael Ray had been assigned to step in for Kristen Stallsworth while she is off on maternity leave.

- f. **Monthly Calendar:** Review

Commission President Lee adjourned the meeting at 9:03 pm.

Submitted by Kristi Bengtson