

Port of Cascade Locks

The Port of Cascade Locks Commission Meeting was held December 10, 2009 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 7:04 pm.
- II. **Roll Call:** Commissioner Lee, McLean, Woosley, Caldwell and Groves.
- III. Others Present: GM Chuck Daughtry, Attorney Jerry Jaques, Kristi Bengtson, Pat Albaugh, Dale Davis, Anna Tompkins, Don & Gydia Haight, Rick Cyphers from Onstott, Broehl & Cyphers CPA, Kevin Reed, Jim Pace & Robert Foster from Pacwest Commercial Real Estate, Inc.
- IV. **Modifications, Additions to Agenda:** Commissioner Lee stated that Camera Operator Betty Rush had a family emergency and that the meeting would not be televised.
- V. **Items from the Floor:**
 - a. **Presentation by Port Auditors Onstott, Broehl & Cyphers CPAS:**

Rick Cyphers reviewed the audit ending June 30, 2009. (Complete audit is available at the Port office.)

Mr. Cypher's stated the following: We have audited the accompanying financial statements of the Port of Cascade Locks as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the Port of Cascade Lock's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the US. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In our opinion, the financial statements are fairly presented in all material respects as of June 30, 2009; it is an unqualified opinion which is a "clean opinion".

Mr. Cypher's also stated that they look for fraud, that they design there audit to detect fraud and perform specific procedures looking for fraud. He stated that they did not detect any fraud during the audit.

Mr. Cypher's stated that staff & management were good to work with and very cooperative and feels the controls are being followed.

Mr. Cypher's stated that in planning and performing the audit, they consider the Port's internal control over financial reporting, looking for deficiencies either significant deficiencies or material weakness's. A control deficiency exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions to prevent or detect misstatements on a timely basis. He stated that they did not

see anything that would be considered either a material weakness or significant deficiencies.

Mr. Cyphers stated that the controls have been put in place and tested and we did not find any areas of concern. Mr. Cyphers thanked the staff and management for being cooperative and providing information on a timely manner. He stated that he encountered no difficulties, and found the financial information that the Commission receives throughout the year to be reliable and accurate.

Commission thanked Mr. Cyphers for the report.

b. Presentation by Pacwest Real Estate: (Information received from Mr. Reed is available for viewing at the Port Office).

Kevin Reed (Pacwest Commercial Real Estate) introduced members of his team – Jim Pace and Robert Foster. Mr. Reed started the presentation by talking about his background. Mr. Reed stated that they were in town on other business and discovered the property at the Industrial Park. Mr. Reed talked about a proposal for the Port to consider. The proposal is for the Port's property in the Industrial Park. The property located on the lower bench and Upper Peninsula.

Mr. Foster discussed concepts for the property with drawings of a potential development. Mr. Foster stated that Pacwest would like to work for the Port, taking this concept to potential developers; they believe they will find a developer.

Discussion on Port's Mission and the need to create jobs, not speculation. Mr. Reed stated that in his meeting with Mr. Daughtry he understands what the Port wants including sustainable jobs, economic growth for the community, a business plan and development plan. He stated that he understands that the Port will not sell the land on speculation. He stated that he believes that a bigger development will spin off to other business growth within the community.

Commission thanked the team for coming to the meeting.

c. General Public: N/A

d. Commission: Commissioner Caldwell stated the Christmas lights look great, thanks to the staff. Commissioner McLean asked about the roadway lights to the bridge. Dale Davis stated that those lights had to be shut off in order to light the Christmas lights on the Bridge.

Commissioner Groves asked if we really needed a facilitator for the Strategic Planning Meeting. GM Daughtry stated that he felt a facilitator is a good idea the facilitator will meet with staff and commission prior to the meeting to setup a process and keep us focused and on track.

Commissioner Woosley stated that she appreciates the good audit and thanked Staff Albaugh and feels the Commission can trust that the work is getting done and done right.

Commissioner Lee and GM Daughtry discussed a meeting with the Forest Service regarding the Land Swap, which is included in the Wilderness Bill. Some of the issues being faced are a problem with a clear title on the Wyeth property, land valuation, owl habitat, and water rights on the Pacific Crest Park land. Working with the Forest Service to clear up these issues. Commissioner Lee and GM Daughtry stated that they believe the first steps are to get the water rights completed on the Pacific Crest Park property and figure out the problem with the title, if the Port does not have clear title, we will not have to do the EIS because it's not our land.

e. Government Officials: N/A

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

- a. **Approval of Minutes: Regular Meeting November 19, 2009.**
- b. **Approval of Bills dated December 10th, 2009 in the amount of \$ 62,664.26.**
- c. **Approval of November 2009 payroll in the amount of \$ 53,487.74.**

COMMISSIONER MCLEAN MADE A MOTION TO APPROVE THE CONSENT AGENDA. COMMISSIONER CALDWELL SECONDED THE MOTION. Motion passed unanimously by Commissioners Lee, McLean, Woosley and Caldwell.

Commissioner Groves abstained from voting because he has a bill on the list.

VII. Old/New Business

a. Staff Reports:

Pat Albaugh: Finance Department:

- Auditors were good to work with, appreciated a new set of eyes on the financials.
- Reviewed draft November Financial report. Albaugh stated that it is anticipated that additional November expenses will be received, as it is early in the month. Final November financials will be compiled later in December.

At this time November looks to be a slightly negative month with expenses slightly exceeding revenues for the month. No additional large November expenses are anticipated but there are several smaller invoices that have yet to be received.

Operating revenues are currently higher than budgeted. Capital expenditures and contracted services are the only line items above budget at this point. The rest of the operating expenses are below budget but not enough to offset the overage of capital and contracted services.

The seasonality of revenues is clearly displayed with operating revenues declining by more than \$28,000 in November compared to October.

- New telephone contract signed and equipment should be installed next week, will save the Port about \$700/month.
- Updating accounting system.
- Working on paperwork to receive progress funding from HUD Funding (sailpark).

Dale Davis: Maintenance:

- Focused on installation of Christmas lights. Thanked his crew for the hard work in getting all the lights up. Still working on the mock BOG display.
- Car hit bridge, no significant damage.

Anna Tompkins – RARE:

- **Historic Building Preservation:** Received *Preserving Oregon* grant \$20,000 match to repair west wall of Museum. Project will be very involved and may require removing wall all the way to studs and frame. Work will begin early next year and is expected to take about four months to complete. The goal is to work through the winter/spring so the project will be complete for the Museum to open in May.
- **Newsletter:** Winter Newsletter complete, will send out to all members of the community, businesses and organizations affiliated with the Port. Electronic copy is available on the Port website. Also continuing to update the website.
- **SDAO Safety Grant:** This is a matching grant to improve safety on property. We will apply for a security camera and installation on the bridge to enhance the toll takers' visibility of the entire span to the Washington side.
- **Mountain Bike Trail Plan (CLIMB):** Waiting on FS to determine tasks the Port can complete while waiting for NEPA review to begin. Setting up a meeting to establish an understanding of the next steps to proceed in this process.
- **Community Activities:** Volunteering Thursday's "Rec Night" with Karen Peck.
- RARE Activities: Dec 7- Megan Smith (Rare Coordinator will do a site visit.)
- If all goes well I will not be in the office from Dec 29 to Jan 11, but in S. Korea for a wedding.

Kristi Bengtson-Administration:

- Marina rates for 2010 will increase by 3%.
- SDAO Conference (Special Districts Association) February 5-7th.

b. GM Report-Chuck Daughtry:

NESTLE:

- City & Port have increased contract by \$2,000 with Larry Toll of Tenneson Engineering of The Dalles to advise the City on water issues involving Nestle. Cost to be shared 50-50 with City.

BEACH IMPROVEMENTS

- Forwarded comments raised by local fisherman to our consultant. Have continued discussions with Ralph over his concerns. Setting up meeting with Columbia River Intertribal Fisheries to discuss project. Engineers are proceeding with submission of a permit request in January, 2010.
- Discussed local fisherman objections with Bill Symes of the CGRA. Depending on outcome of Fisheries, we may need to look at different options.

MARINE PARK ENTRANCE PROJECT

- No news from Kristen Stallman on discussion within ODOT and SHPO.

MISCELLANEOUS

- CL Fire Chief Jeff Pricher performed burn on pile. About 25% of pile is dirt and didn't burn.
- Sent letter and spoke with the owner of Hood River Juice Company to discuss possibility of locating business in Cascade Locks. Sent information about Port property to Mr. Ryan. Toured facility in Hood River and will be meeting with Bill Fashing next week to discuss project.
- Bridge Maintenance – Received 2009 Bridge Inspection. Reviewed synopsis (exhibit a) with commission. Dale and I met with the bridge maintenance manager at the Port of Hood River. Gathered information on how they perform maintenance and staffing. We will explore opportunities to share expenses with the Port of Hood River on contracted maintenance.
- Strategic Planning session tentatively scheduled for January 22nd and 23, 2010 at the Community Center. The Port Commission will be utilizing the services of Special Districts Association of Oregon to facilitate our process. We are planning for an evening session on Friday, January 22nd and a day session on Saturday, January 23rd.
- Prepared Intergovernmental Agreement with City on Water Pipe Issue has been forwarded to the City Administrator for his review and comments.
- Requested dates of IAMP meetings from the City.
- Spoke with Jay Waldon, attorney for Schwabe Williamson & Wyatt and former President of the Port of Portland Commission. Jay will be meeting with John Kitzhauber on December 16th, 2009 to discuss the status of the Warm Spring's project and to convince Mr. Kitzhauber not to turn this into a campaign issue as he runs for governor.
- The City will need to renew the Enterprise Zone designation early next year. Bill Fashing is coordinating. The Port will need to issue a letter of support to the State for continuing the Enterprise Zone.
- PNWA Mission to Washington – February 28th through March 4th, 2010. We need to start planning for this important trip. Please contact Kris if you are interested in going.
- Sent follow up email to Senator Metsger concerning our joint Port/City meeting on ECLI.
- Staff Christmas Luncheon scheduled for December 16th.
- Working with Michael McElwee, Executive Director, Port of Hood River, on the Internal Operations Committee of the Oregon Public Ports Association. We are focusing on the creation of a mission statement for the OPPA, a list of priority issues, and a review of ORS 777 statutes that

created Ports in Oregon. A primary goal of the Committee will be to suggest changes in the ORS that will allow Ports more latitude in our mission to create jobs and economic development. One of my tasks will be to develop a booklet of basic legal guidelines for Port District officials.

- The West Columbia Gorge Chamber is organizing a tour of Cascade Locks for the representatives of the cities of Wood Village, Fairview and Troutdale for sometime this January.
- Received complaint from Bear Mountain Forest Products concerning potholes in the UPRR right of way entrance into the Port's Business Park. Contacted the UPRR maintenance staff and requested that they repair the right of way.

Commissioner Lee stated that he would like to encourage at least two City Council members to be involved with the IAMP meetings.

IX. Recess/Adjournment: Commission President Lee adjourned the Regular Meeting at 9:31 pm.

Community member Don Haight asked if he could speak.

Commission President Lee reopened the meeting at 9:31 pm.

Mr. Haight stated that if the Pacwest team has any horsepower and connections this could be great for the community.

Commissioner Lee adjourned the Regular Meeting at 9:35 pm.

Submitted by Kristi Bengtson