



PUBLIC MEETING: Port Commission Meeting

DATE: Thursday **November 17, 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 6:00pm
  - a. Pledge of Allegiance
  - b. Roll Call
    - i. President Groves
    - ii. Vice-President Lorang
    - iii. Commissioner Caldwell
    - iv. Commissioner Stipan
    - v. Commissioner Bump
  - c. Modifications, Additions and changes to the Agenda
    - i. GM wants to include GM report at 7.a
  - d. Declarations of Potential Conflicts of Interest
- 2) Public Comment (Speakers may be limited to three (3) minutes)
- 3) Discussions
- 4) Presentations
  - a. Strategic Business Plan Consultant
- 5) Commissioner and Sub-Committee Reports
  - a. C Bump: Nothing
  - b. C Stipan: Says happy thanksgiving to everyone and knows that next week will come fast. On Dec 2, he is going to play guitar and sing in Stevenson. On the 3<sup>rd</sup>, is the CL Christmas lighting and will be singing from 6-8. On the 4<sup>th</sup> is the Santa social and is from 3-5, he will be playing carols and introduce Santa, and turn on the tree. He started a new job and said it was interesting being let go.
  - c. C Caldwell: Thanks the maintenance crew because this time is a hard time of the year due to the winds and putting up the lights. She includes that Mayor Cramblett had back surgery recently as well. She points out that the staff has been able to get 9 new pieces.
  - d. VP Lorang: Nothing
  - e. P Groves: Had Sternwheeler Committee meeting, there was several discussions and will let GM report on that. We had a EDSC meeting and trying to figure out how to pay for the parking lot due to the price going up. He says unfortunately that the time it took from the city to approve it set us back. He is going to talk to Ryan Windsheimer that ODOT was interested in the parking lot and see if they have money for it as well. He is meeting with Nate Stice next week and knows he is worried about employment but will be closing on stuff soon. It's important for the Port because we are adding infrastructure incase, we want to put Tiny Homes. C Caldwell asks how much it went up by, P Groves says it's looking around 700,000-800,000. He says GM has been working on projects including an art project with some people looking at Flex 6 and

asks if it would need to be rezoned. GM says it would probably need to be rezoned but may be possible for a staging area. She continues that they are looking at having just a parking lot on Port property if they can get the land from SDS. She says for them to be here in town would help for them to have the views. C Caldwell points out that if they were to have the land by the fire station, they could turn the other side of the road into the parking lot. VP Lorang adds that it would be hard due to a lot of rock in the way. P Groves gives an update about the pFriem expansion, they have the frame up but have worked slow due to the wind. He says it looks like they are close to putting on the insulation. He adds that Ixtapa is still interested in the café and are pushing for it and gave them a drawing of the space. GM, P Groves, and Mayor Cramblett met with ACL about the docks and are sure they are going to close it soon. They will be able to have other boats docked when they are not there and will make sure they pay around \$50 per head for the museum. Talked with BKI doing the electrical upgrade and have been with the City for a while. P Groves heard they are going to go up to 37 megawatts at the Bonneville Substation. In the town, we currently use 10-11 megawatts. Johnson says they are getting the scope of work figured out especially with the cost of work and materials going up. He had a great chance of discussing the future of the Port and the park, saying if the Port is willing to contribute funds, then it can help make sure that it is done well. P Groves says he was pleased to hear they want to put a major loop into the park. He says that he isn't sure what the name of the road is, GM says Industrial Way, and that wires are already there for the power. C Caldwell asks if it goes all the way down. P Groves says that they are trying to connect it to existing power on one side of the road by doing a loop. C Stipan says he thinks about Omaha, NE, with the UP guys and see if they would donate something to this since they run through the middle and asks if it would be possible to make a phone call. Johnson says they are supposed to bring back the parking lot idea from a couple months ago. P Groves says it includes a parking lot and bus stop; it has been presented in a major way to them.

- 6) Consent Agenda (\*\*\*)Consent Agenda may be approved in its entirety in a single motion. Items are considered routine. Any Commissioner may take a motion to remove any items from the Consent Agenda for individual discussion).
  - a. Approval of minutes for Commission Meeting from November 3, 2022
  - b. Ratification of bills in the amount of \$280,167.51
  - c. Approval of payroll for 11.4 \$38,551.59

**VP LORANG MOTIOS TO ACCEPT CONSENT AGENDA AS STATED; C CALDWELL SECONDS; UNANIMOUS 5-0**

- 7) Business Action Items
  - a. Repeal Resolution 2005-8 and Resolution 2005-9
    - i. GM says these resolutions are the current procurement rules and from time to time, is good to update them. She worked with attorneys to modernize them and the new policy had one more addition made to it from the last time it was presented, the protest procedures. GM is asking the Commission to repeal

those previous motions and approve the new procurement policy. C Stipan asks to make the motion

**C STIPAN MOTIONS TO REPEAL THE RESOLUTIONS 2005-8 AND 2005-9 AND ADOPT THE NEW PROCUREMENT POLICY IN ITS ENTIRETY; VP LORANG SECONDS; UNANIMOUS 5-0**

b. Adopt Procurement Policy

c. Select Sternwheeler Engine Vendor

- i. P Groves points out that the price went up. GM says that the deadline for the new bids was yesterday and have gone out to specify the brand name and received 2 quotes. The consultant's suggestion is to select Peterson CAT as the provider of the engines. VP Lorang asks if it includes the keel coolers, GM replies yes. P Groves asks if this is the bid of \$262,199.06. This offer is good for 60 days and the delivery will take 60 weeks. P Groves says it shouldn't exceed it, GM replies yes. C Caldwell asks if we must put it back out, GM says we already did after specifying and received these. C Caldwell asks if at this point we will be able to get them ordered.
- ii. GM says that we heard from another manufacturer and the feedback was that there are other options but that their engines are potentially better. We expected to hear that due to people wanting to sell their engines, it was from the original round of quotes. P Groves says that when they had this discussion, with Laura Westmeyer, that we can do this and wants to make sure that the answer is people won't come back and sue. GM says we made sure of that by providing a protest week and need it to run out by then to order them in case someone wants to get with their attorney to protest. GM says we are looking at the Monday after Thanksgiving. The other company that reached out was Pacific Power Group and they make Volvo engines. C Caldwell asks to repeat what she said, GM repeats that they are Volvo engines and compared them to semi-truck engines. P Groves asks what if they protest, GM says they must give what grounds they are protesting on, the attorneys need to look it over. If someone has a legitimate protest, they need to look at it and potentially go out again if there was grounds to the protest. P Groves says he is asking this due to a letter from Curry Marine and them stating that the current engines are Cummins and asks why we aren't choosing that and wants to ask more questions to the attorney. GM says before we award the contract, we have to put out a notice of intent to purchase these engines but won't purchase until after the protest week expires. We must see what the protests may be and if there are any, then attorneys can get involved because Westmeyer was here and walked toe Port through allowable statues for the Port to specify brands and if someone has a different statue, she will need to look it over. and will need to look it over due to the Commission being told they are allowed to do this. P Groves agrees.

**C STIPAN MOTIONS TO SELECT THE RECOMMENDED VENDOR PETERSON CAT AND GO FOR THE QUANTITY OF TWO MARINE ENGINE SETS AND TWO KEEL COOLERS FOR \$262,199.06 AND NOT TO EXCEED THAT, TO BE DELIVERED IN 6 WEEKS; C CALDWELL SECONDS; MOTION PASSED 4-1**

- iii. VP Lorang is against the recommendation and says he has been opposed to it since this beginning. He continues to say that investing millions when we had a perfectly good vendor to pay for it without using Port resources, and it wasn't the right direction and will see if this proves to be a mistake.
- d. Select Strategic Business Plan consultant
  - i. GM says that the Commission desires to update the SBP and heard a presentation from MossAdams after a solicitation, only received one response after going out for it to get more proposals. GM has contacted the references from them and received positive feedback. Specifically, high communication, high availability, flexibility, and organization. The consultant proposes to complete this for \$65,000. She is looking for an action to appoint MossAdams as consultant to update or develop the Port SBP.

**C CALDWELL MOTIONS TO APPOINT MOSSADAMS AS THE STRATEGIC BUSINESS PLAN CONSULTANT NOT TO EXCEED \$65,000; C STIPAN SECONDS; UNANIMOUS 5-0**

- e. Appoint consultant for Sternwheeler Refit Work
  - i. GM says Mark Troutman has been retained to advise the Sternwheeler Subcommittee. He has done work as technical expert on the types of engines needed and the work that needed to be done as well as researching options that would work. He showed he has connections in the marine world as well as understanding the mechanical pieces. P Groves says that he has a business doing this. The Subcommittee recommends the Port accepts the proposal to retain him for potential work. Expected to cost between \$12,000-\$16,000, also factors in detailed electrical control work and whatever oversight is required for extent of work. Budget needs to be adjusted still and recommends using contingency for this. P Groves asks if we can use ARPA funds for this instead, GM says that we can do it as deals with the repower. P Groves thinks it would be best so we can keep contingency in place.

**C CALDWELL MOTIONS TO APPOINT MARK TROUTMAN AS THE CONSULTANT FOR THE STERNWHEELER RETROFIT WORK TO NOT EXCEED \$16,000 FROM ARPA FUNDS; C STIPAN SECONDS;**

**C CALDWELL AMENDS MOTION TO APPOINT MARK TROUTMAN FOR THE STERNWHEELER RETROFIT WORK NOT TO EXCEED ARPA FUNDS AND DIRECT GM WITH ATTORNEY TO EXECUTE A SCOPE OF WORK FOR THIS; C STIPAN SECONDS; Passed 4-1**

- f. Approve Merina+Co Agreement for Financial Consulting Services
  - i. This firm was offering to help complete audit items and offered coaching or teaching, to be available moving forward. P Groves says he remembers him being suggested by SDAO and wants to know if he can investigate how the Port can get off of bridge revenue. GM says that MossAdams has a strong financial background and do lots of financial planning and hopes they can

look into the SBP in a larger basis than accounting. She says they are better at that for the SBP, hearing that from other feedback. P Groves asks if they are going to come in and look at our financials, GM says they are going to come look at where funding is coming from, what does it look like and what does it look like for the Port to survive. They will look at what we want to get done in the next 5 years. P Groves says that he would like to utilize Mr. Moody but mainly wants someone to come look at our situation, not forensic auditor, and come back to the Commission about directions they suggest we should move into. GM asks for more clarification; P Groves says for them to determine what would be best for us to do for the next 4-5 years, like finances and see what the important things are to be looked at. GM agrees and says that MossAdams, for example, could look at potential fundings sources and those ideas can come from the Commission to help direct us. P Groves knows that getting off tolls would be best and need to know what to do for it, VP Lorang says to not spend money we don't have. He continues that knowing the depth of your pocket and knowing how you're going to generate money that you're spending. P Groves says we will be paying for the refit over time and to make comments that it was going to be free is an empty statement. He says what we are doing is putting us in a better situation by using free money instead of using Port budgeted money. He says hypothetically, if they go back to AWI, they won't be taking the money out of our pocket over 25 years, which is what we need to be looking at here. C Stipan says that everything seems to be expensive, and suddenly, this Merina+Co company now wants 5 grand. GM says it's an on-call kind of service, if they exceed it, they will come back to the Commission. P Groves says he appreciates what GM wrote in her report as it has come up in previous discussion about how our finances need work. He wants to make sure we get that work such as reconciliations. C Stipan asks who recommends this company, P Groves says SDAO did. C Stipan says he looked them up on Yelp and there are bad reviews and continues that he tried to call, and no one answered. He said he called again an hour later mentions that no one was available, even after calling several more times throughout the day. P Groves says that SDAO recommended it, and Tommy Brooks did too. C Stipan says that everyone has good reviews. GM says that she talked with them and the reason they are highly regarded is because they are versed in working with Special Districts. There isn't anything saying that we can't back out if we don't like their work. C Caldwell says that we have had issues with finances for a couple years at least, and that it was recognized by a previous accountant, who wrote a letter about her concerns about the Port's integrity in our finances. Brooks looked at it and her feeling is that she wants to go with the recommendation of Knudson and wants Merina+Co to come through and look at our finances. VP Lorang says we are going through an audit and understands that P Groves and C Caldwell spoke to the auditors and pointed them in certain directions. She continues that Knudson's recommendation from SDAO and have Rob Moody do a thorough review of all finances to bring back to the Commission and GM to see what to do now, especially now

that we have a new accountant to be able to coach and mentor. She thinks he needs to see the finances and if there are any recommendations he brings back, then we can improve the accounting system. She says that as a Commission, the financials are the most important responsibilities and that it hasn't been working well lately. She thinks we should stay with the plan, SDAO's recommendation. VP Lorang continues that we are going through an audit and C Caldwell as well as P Groves spoke to the auditor and pointed them in specific directions. They looked through our stuff for a forensic audit but have found nothing. They also paused the audit a couple times because apparently P Groves brought up forensic audit, and due to the pause for a forensic audit, it has driven up cost while finding nothing. If the auditors find something, they will bring it, but it has shown nothing from the past or currently. P Groves says he got a document from the auditors asking if he had any issues and adds that all the Commissioners should have gotten the same email. GM says it would've been sent from the beginning of the audit. This audit is a snapshot in time from 2021, and he worked with Roy Rogers on a professional level, so he knows him. As a Commissioner, if he has questions about finances or about anything else that is bothering him, he has a right to ask them. C Stipan says he didn't have any idea about this company until today when he called them and that nothing in the universe told him differently. He reiterates about calling and Yelp review, but says he trusts Brooks' recommendation because he likes the idea of the GM being able to use a coach. VP Lorang says that unfortunately, few happy customers post positive reviews on Yelp. P Groves says that there are certain things that are their responsibilities and financials is one of the. They are trying to keep the cost down for us. Melissa Warren asks if this is an audit for the auditors because they haven't found anything, GM says it's a consultant to help with questions, to help us. C Caldwell says they're not there to find dirt but to make sure everything in finances are handled properly. Warren asks isn't that why we are paying Pauly Rogers \$20,000, C Caldwell replies it's a portion of the finances. Warren replies that every other audit company has come in and spent two weeks with the Port looking through everything while Pauly Rogers hasn't. P Groves says GM has said in the first meeting with the SDAO rep that we are behind in some financial stuff and in her report that there are some reconciliations that need to happen, Warren says we are working on it. GM says these are normal parts of the process and Knudson says if you are late on the audit, to hire someone to help, but the Port didn't have more work to do on the audit itself, it was on the auditor who was late. The current accountant is catching up on it now that she is here. P Groves says that when someone starts looking at this, to see what they say. GM says it would be good to have Rogers come present. P Groves says that in past minutes, GM and himself had a discussion about the lateness of the audit and told GM he would contact Rogers personally and find out what was going on. C Caldwell asks what he said back to P Groves, P Groves said he talked to Rogers and continues that they are shorthanded and that's why it's late.

**C CALDWELL MOTIONS TO APPOINT MERINA+CO FOR FINANCIAL SERVICES TO NOT EXCEED \$5,000 TO BE MOVED FROM CONTINGENCY TO CONTRACT PROFESSIONAL SERVICES; C BUMP SECONDS; UNANIMOUS 5-0**

- g.** Action to Elect 40% Employer Contribution option for the Paid Leave Oregon program
  - i.** P Groves wants to hear from staff and asks if we have 25 employees right now. Warren says we have this year but currently we have 21. Warren says we have to apply legally by Nov 30. P Groves asks if part-time or employees we share count towards it, Warren says she isn't sure about the shared employee but asked if "bodies" count, has not received an answer yet. Warren continues that if we are going to ask for grants to help with the 40% fee, or if you choose to not pay it, if we go over 25 employees, we have to pay it back. GM continues that the shared employee wouldn't count because it's a contracted service, P Groves asks about the part-time. GM says if you have a body at any time of the year on payroll, it counts. Warren says she hasn't gotten a straight answer yet. P Groves says he isn't opposed to it. VP Lorang asks if it's optional, Warren says it is if we are under 25 but the state wants 100% of the .1%, which means the employee would pay the whole .1%. She looked at the figures from 2021 and says it's like the transient tax, only a couple dollars per pay period. She says the paid leave is better due to the benefit being better when it comes to the rest of families, but benefits are 60% the same for the long term. She says we don't need both because we can't use both and it's \$6,000 down the drain. P Groves asks for GM recommendation, she answers that since we have another week for answers, she wants the Commission to be comfortable with the recommendation to pay the 40% contribution and stop the short-term disability, unless we find information saying otherwise and learn the STD is required, we won't proceed. P Groves says it is okay with him for the GM to determine it. Warren says we tried to reach out to John Davies, P Groves replies he talked with Davies earlier that day. C Stipan thinks we should approve of it so it can be on record and if something comes up by next week, then they can carry it over. Another cap for employees and the Port. GM says it changes benefits but in a positive way and costs less, she wants the Commission to approve of the method of pursuing it but will report back to them if they find out this is something we can't do.

**C STIPAN MOTIONS TO ALLOW GM TO PROCEED ELECT THE 40% CONTRIBUTION OPTION FOR THE PAID LEAVE OREGON PROGRAM; VP LORANG SECONDS; UNANIMOUS 4-0**

**C Caldwell abstains from voting due to Potential Conflict of Interest**

- h.** GM Report
  - i.** GM says that the work will start in spring or summer. Separate comment, last year we continued to operate through Christmas day in the toll booth and remembered it being a positive experience from the Commission and citizens. P Groves says that it used to be easy for them to do without the BreezeBy but knows people have complained about having to pay if you have BreezeBy. GM

says it was a security safety, as well due to someone being there close in case something happens, as well as traffic incidents. P Groves agree to have it open, C Stipan thinks it's good for the ambiance. GM will proceed with having it open. Gorges paid off the remainder of their note, P Groves asks where the money is going, she replies into the bank. She clarifies that it is going into the OR Short-Term fund, they provide an interest into the funds and is up at 2.85%. Auditor has been actively working on finalizing on 2021 audit. They haven't asked for anything more for a while and have sent out letters to those that owe the Port money still to confirm it with our records and is taking staff time to help with it. Expect a presentation from the audit in Dec when they wanted to try and finish by Nov 15. Requested an extension for it and was granted it. She recommends having Roy come and present. She feels with the delays and staff shortages, he will be inclined to come. C Caldwell says it may be better in January, GM will work with him. In staffing, Sydney will be leaving from the Port and has caught on with everything very fast. Excited for her but will miss her. Mihaela Rusnac will be at the next Commission meeting to meet, as far as where she is in orientation, she isn't very far due to having to start with accounting right away. Rob Moody is available for support. Will be discussing a proposal in Flex 6 tonight, some interest from a fish manufacturing making pellets that promote forest growth with shad fish. Dried and ground up to a paste, and then made into pellets. It will be funded by a federal grant and the operational costs will be included, no proposal yet. Art performance center, who loved Flex 6, are in early site selection process. Appraisal came back with the estimated cost of the boundary adjustment. P Groves asks about the price for the land, across the street, the price for the SDS was \$170,000 an acre and the estimate for the 2.4 acres was \$500,000 an acre. P Groves says they estimated an approved, paved piece of property with utilities at \$144,000 an acre and asks GM to explain. GM says they look at past sales and between proposals, comparing land with comparable sales not with improvements. They are looking at other land that has sold for how much, but with Flex 6 it is included with the building. P Groves says he looked around and found that things in the price range were much smaller and older buildings, he asks how they came up with this price. GM says without comparable land in the area, the range of the numbers is established by seeing how they would assess on a different basis. P Groves says Donn did an appraisal on the pFriem building with comparisons of the employees and building. GM says it probably doesn't help with the building being empty. P Groves says if we sell the building, he wants to best price possible. GM say we are not required to sell it for a specific cost but usually not at appraisal costs. P Groves says that the prices of land and houses have tripled and don't sit vacant for very long but is worth more. Flex 6 HVAC units are freezing again and working with engineer to replace the warranty and hopefully get an extension. Need to find a solution to it even when it hasn't been as cold as it can be. P Groves asks what's on them, GM says it's ice. She says it they haven't been defrosting themselves due to them freezing faster than they can defrost.




Last year, they adjusted the settings but will have to see why it's like this again this year. It's concerning that if frozen, they can destroy themselves. P Groves asks if they are still under warranty, GM says hopefully but hopefully can argue it, warranty ends in June. Budget is \$772,866, will meet internally to discuss funding options and potentially phasing utilities out and do some work as they go on. Majority of anticipated costs are ore with the sewer and expected the bathroom/shower facility to be cheaper, but the drain and sewer costs add up. Funding options is a way to go, not having a drainage option is not an option due to it being required by the City. P Groves thinks it's good we are doing it for the property as well as the bio-swell to come out for a regular rate. Sternwheeler Subcommittee reviewed ACL proposal and had questions for them such as operation and employees. Subcommittee wrote down some questions and GM will send them out when it comes closer to the time for deciding but will help for gaps of understanding. Working on current dock agreement and would like to see if be finalized before the lease agreement is done. Lease agreement has been worked on by tribal, attorneys, and P Groves, and thinks they have completed a more final review of what our response is to the lease. The attorney is going to finalize make some comments for ACL. Once we have it and ACL is ready, we will need to understand what is being proposed and potentially counter it as well. Pat McCormick created a media statement for the Port and wants the Commission to look over it and if they have comments, this should be the response to the media. When they have next steps, they should pursue media outlets to relay the message to do the best to explain it to communities for why this is the solution and why it works. P Groves asks if McCormick made recommendations, GM says it was this statement in response to any media. She explains that it would be more of a wider press release, and McCormick will add to it such as whatever the operation will look like. P Groves asks if there was a reported from KGW to help with our story, GM replies yes and it would talk about ACL coming to in run the boat and the new docks. GM continues that there as a thank you from the ODOT consultant that works with the tribes, thanking the Commission for choosing the trail they agreed with. Nov 18, cemetery tales, offices closed on 24<sup>th</sup> and 25<sup>th</sup> for Thanksgiving. Christmas in the Gorge on Dec 3<sup>rd</sup>, to begin at the school marketplace, people will receive scavenger hunt passports to then enter a giveaway. Gorges led an organized effort with other restaurants to create a drink and food menu for the specific day, was great to see people circulating. The creativity of the restaurants was good to see in November. Port Christmas Party on 8<sup>th</sup>, Dec 13<sup>th</sup> EDSC, Dec 15<sup>th</sup> Commission. Far enough from Christmas to keep it. P Groves said he went out for Cyclocross and says that he knows it's hard for the Port, but it was a parking lot free-for-all, and had someone using a car plugin in the parking lot. He says we need to make sure we can get emergency services in there when needed. GM says that we put up displays and have lost them to theft of extension cords and looking for solutions. Potentially looking to hire someone for the period of the lights being up. Feb

9-12<sup>th</sup> is SDAO conference, Commissioners are encouraged to go, let Port know to set it up. GM says you can choose what to do, cheaper to register ahead of time, hopefully next week. VP Lorang asked where it is going to be this year, Warren says it's at Sun River and there is potential for them to sell out. GM delivered the Commission identified specific things to report on and wants to ask if there is anything else she needs to report on in the future, P Groves says he thinks they cover a lot of territory already.

- 8) Executive Session under ORS 192.660(2)(e) Real Property Negotiations and ORS 192.660 (2)(f) Discussion of Exempt Public Records
  - a. Into Executive Session at 8:02 pm
  - b. Out of Executive Session at 9:27 pm
    - i. Roundhouse
      1. Will work out a plan for another meeting
    - ii. Emerald Systems
- 9) Adjournment at 9:28 pm

Port of Cascade Locks



Port Commission President

Jess Groves



Port Commission Secretary/Treasurer

Joëinne Caldwell

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