

A Look Ahead

by Ben Sheppard,
Port Commission President



The past year has been one of significant change at the Port of Hood River. Much progress has been made on new projects and initiatives that will benefit our local

economy. I'm happy to share a renewed sense of excitement and commitment to the work we do.

The significant progress made toward bridge replacement in the past year has really energized our Commission and staff. We see timelines shortening and certainty increasing for this project that everyone in our region agrees should be completed as soon as possible. None of the project's federal funding requests were successful last year, but we are undeterred and will continue the march forward. We are grateful for the work of our community partners on the Bi State Working Group and Washington legislators, especially Senator Curtis King, for their work in securing a \$75 million commitment for the project from the Washington legislature. On the Oregon side, Sen. Daniel Bonham and Rep. Jeff Helfrich are working hard to advocate for matching funding.

As responsibility for the bridge replacement project transfers to the Hood River White Salmon Bridge Authority on July 1 of this year, the Port's primary focus will be the work of budgeting and planning for a future without the bridge as a primary revenue source. This is certain to bring more significant changes ahead. We ask all Port District constituents to remain engaged in the public process as we chart this course.

We expect a very busy season on the Hood River waterfront once again in 2023. I wish you all a very fun – and safe – year ahead.

Washington State Legislature Programs \$75 Million to Replace Hood River White Salmon Bridge

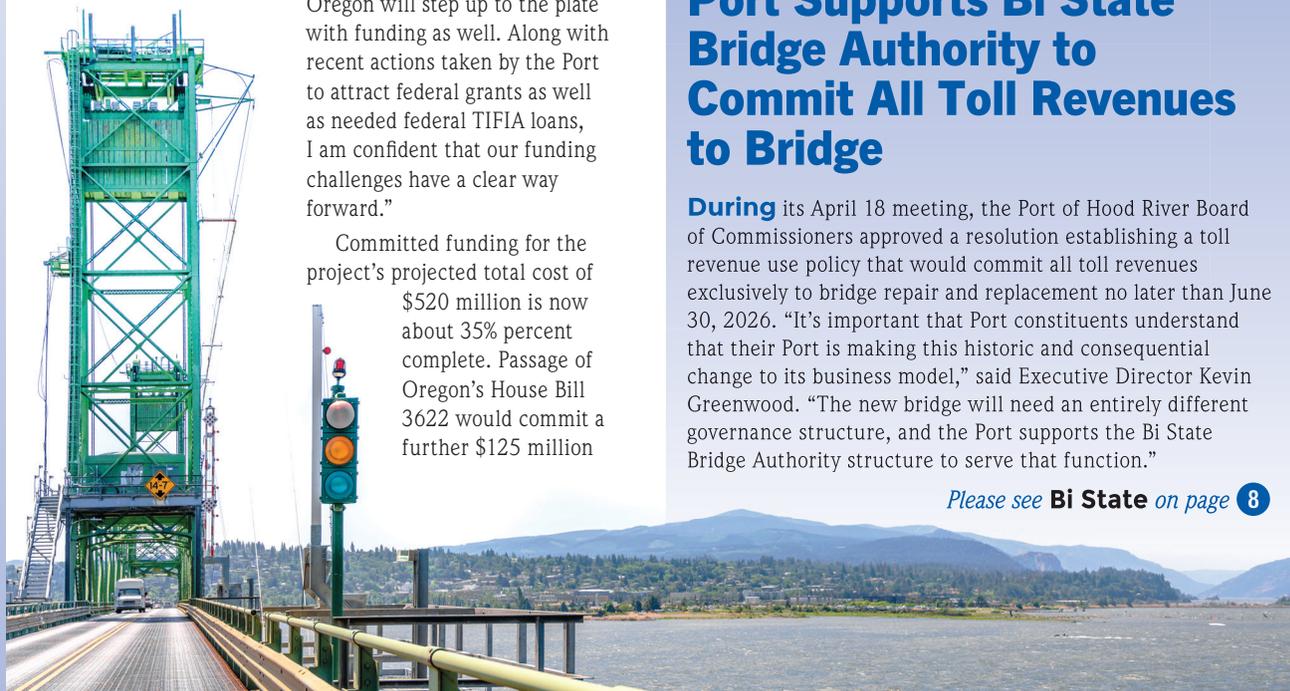
On Saturday, April 22, Senate Bill 5200 cleared both chambers of the Washington state legislature. This capital budget bill includes the release of \$75 million in Move Ahead Washington transportation funding specifically to replace the aging Hood River-White Salmon Bridge, which carries about 4.5 million vehicle trips per year. It also calls for an additional \$50M in future funding, bringing the Washington total to \$125M on the project. The Legislature's action comes 100 years — nearly to the day — after the original bridge association announced plans for the current bridge on April 12, 1923.

After the vote, Senator Curtis King commented, "I am very pleased that we were able to return the \$75 million bridge funding back into the next three biennia, including \$15 million in 2023-2025. Our hope is that the Oregon Legislature will be able to provide additional funding for this project. We will continue to do all we can to ensure the project moves forward in a timely manner."

When Governor Jay Inslee signs the bill into law, the replacement project will draw significantly closer to full funding. Mike Fox, Port Commissioner and Co-Chair of the Bi State Working Group, said, "The efforts made by Washington State in releasing \$75 million for the new Hood River-White Salmon bridge is another major milestone in our journey towards replacement of our bridge. I know I speak for the entire Bi State Working Group in acknowledging how much we appreciate Sen. King's commitment and support for this project, and we trust that

Oregon will step up to the plate with funding as well. Along with recent actions taken by the Port to attract federal grants as well as needed federal TIFIA loans, I am confident that our funding challenges have a clear way forward."

Committed funding for the project's projected total cost of \$520 million is now about 35% percent complete. Passage of Oregon's House Bill 3622 would commit a further \$125 million



"Our hope is that the Oregon Legislature will be able to provide additional funding for this project. We will continue to do all we can to ensure the project moves forward in a timely manner."

-Washington State Senator Curtis King

to the project. Funding from both states, combined with the local commitment through toll revenue-backed financing, will position the project to receive up to \$200 million in federal grants, fully funding the project.

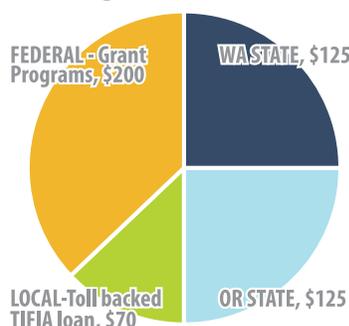
The commitment of state and federal funding benefits residents on both sides of the bridge and others who frequently pay the toll to cross. This funding reduces the impact on toll payers by reducing the amount that would need to be financed through a low-interest, government-backed loan repaid by bridge tolls.

The current bridge opened on Dec. 9, 1924, with an automobile toll of 75 cents — about \$13 today, adjusted for inflation. Today the passenger-car toll is \$2, with a \$1 discount for BreezeBy electronic toll pass customers.

The project's committed funding is now complete enough for the project team to pursue a contract for design and to fund construction of "early works" projects — various kinds of surveying and other data-gathering that precede design and construction. These steps will keep the project on its projected timeline, which has the replacement bridge completed and operating in 2029.

Please see **Bridge** on page 8

Funding Sources in Millions



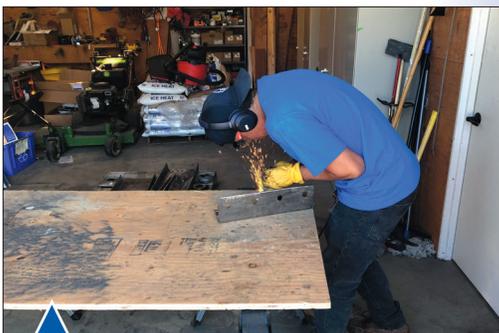
Port Supports Bi State Bridge Authority to Commit All Toll Revenues to Bridge

During its April 18 meeting, the Port of Hood River Board of Commissioners approved a resolution establishing a toll revenue use policy that would commit all toll revenues exclusively to bridge repair and replacement no later than June 30, 2026. "It's important that Port constituents understand that their Port is making this historic and consequential change to its business model," said Executive Director Kevin Greenwood. "The new bridge will need an entirely different governance structure, and the Port supports the Bi State Bridge Authority structure to serve that function."

Please see **Bi State** on page 8



Bridge



Port Facilities Department staff completed the Bridge Lateral Brace project, one of the repair efforts required by ODOT to restore the bridge's load limits. After successful completion of this and other tasks, the load limits were restored in April.

- A four-day closure of the bridge that was scheduled for May 19-22 has been postponed due to fabrication delays for the wire ropes that were to be replaced for the bridge's lift span. The work will likely take place in the fall this year, after the conclusion of harvest.
- The Port Commission has resolved to dedicate all bridge toll revenue exclusively to bridge repair and replacement by June 30, 2026. This major change in the Port's business model will affect all areas of Port operation.

Airport

Live Cam Viewer

Airport FBO Live Cam



New Cameras were installed for public use and security, viewable on the Port's website at <https://portofhoodriver.com/live-cam-viewer/>

- Electrical infrastructure issues have been addressed and the new fuel tank will be up and running soon.
- The Port purchased the Bow Hangar from Western Antique Aeroplane and Automobile Museum (WAAAM).
- The North Apron expansion project was completed.

Buildings

- The Port issued an RFP for architecture and civil engineering services for utility installation, an extension of E. Anchor Way and relocation of N. 1st Street.
- A proposal was approved for a market analysis for Lower Mill Redevelopment Site, funded in part by a grant from Business Oregon.
- The Port completed the installation of a new storm line in front of the Maritime Building to coincide with future improvements the City intends to make.
- The Marina Park Building #1 deck was refurbished.
- Marina Park Building #2 got a new roof and the exterior was painted.

Waterfront

- The Commission has approved a phase-out of boathouses in the Marina. Boathouse tenants were given five years notice of non-renewal of their leases that will time out on January 1, 2026.
- The second rigging area at the Hook has been completed, funded mostly by a Travel Oregon Grant along with contributions from the Columbia Gorge Wind and Water Association (CGW2) and the Port.

- The new Marina boat ramp dock float replacement has been completed. This project was funded by a grant from the Oregon State Marine Board with a contribution from the Port.



A new waterfront recreation concession was added last summer, Wylde Wind and Water, located on the dock at the Event Site. Local SUP world champion **Fiona Wylde** (pictured above) is offering kids summer camps for SUP and wing foiling. She is also teaching water safety programs for the Head Start program and local schools.



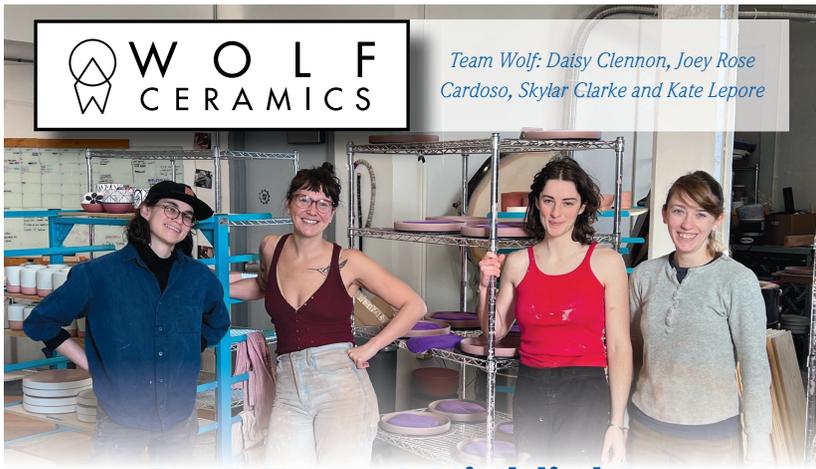
The **fish wheel** on the sandbar is owned by a local Native American tribal member and was once used to fish for shad. Federal treaty rights allow the owner of the device unfettered access to the shores of the Columbia River for fishing. It is not abandoned or derelict therefore in no violation of maritime law. With the help of local recreational users, the owner was able to move the device to a location away from the kiting launch point and is now working on disassembling it.



Conceptual design renderings of new bridge and Highway 14 roundabout



Be a part of the discussion about funding for a new bridge at 2 open houses and an online forum beginning May 31st - details on Page 8



Team Wolf: Daisy Clennon, Joey Rose Cardoso, Skylar Clarke and Kate Lepore

Port Tenant Highlight

A graduate of the Oregon College of Art and Craft, Sarah Wolf is the founder and creator of Wolf Ceramics. The Port started working with Sarah and her talented team back in 2018 to find a right-sized studio space for their growing ceramics business. As the business has grown, Sarah has built a team working together to hand throw, glaze, pack and ship ceramic orders all around Oregon and throughout the country.

“Renting from the Port of Hood River has been great! They were so supportive of my business during our move into the Big 7 Building. They made improvements to the space and were clearly driven by a desire to support small businesses, economic growth, and job creation. They’ve been responsive and flexible, and clearly really want to see their tenants succeed. Thank you to the Port!” – Sarah Wolf

Providing incubator space for small businesses is one way the Port helps to generate economic development in the Mid-Columbia Region. We are excited for Sarah and her team who are doing great work here in Hood River.

Pilot Project Will Test All-Electronic Tolling During Off-Peak Hours

The Port launched a two-month pilot project to test the Hood River-White Salmon Interstate Bridge’s toll system capacities for cashless tolling during the off-peak hours of 10:00 p.m. – 6:00 a.m. beginning Monday, May 1. BreezeBy customers will be unaffected by the project and should continue to pass through the toll plaza as usual.

Customers who would normally pay their toll with cash or credit card will have two options to pay tolls:

- **PAY ONLINE:** Go to <https://csc.portofhoodriver.com/paytoll> and select Pay Tolls Before Invoice (within 7 days of crossing) option, or
- **PAY BY MAIL:** An invoice will be mailed to the address on the vehicle registration about a week after the crossing with instructions on payment method options.

Both payment options will have no additional ancillary fees added to the amount due for any crossings during these hours. Normally, an ancillary fee of \$3 is added to the toll amount for pay by mail customers to cover the cost of DMV record look up, postage, paper, and printing costs. The Port Commission has opted to not charge ancillary fees for toll invoices issued during the pilot project for crossings between 10:00 p.m. and 6:00 a.m. due to the small number of cash-paying customers during this period and the need to collect accurate traffic and toll data. Toll amounts are calculated based on the vehicle type and number of axles. ●

PAY TOLL - PAGAR PEAJE

ONLINE OR BY MAIL
EN LINEA O POR CORREO

BY MAIL - POR CORREO
Invoice will be mailed to address on DMV registration within 14 days.
Factura sera enviada al domicilio registrado en Motores y Vehiculos dentro de 14 dias.

ONLINE EN LINEA → 

<https://csc.portofhoodriver.com/paytoll>

This sign will appear at toll booth window between 10pm-6am during May and June

Retirement Milestones



John Mann

After a 33-year career in construction and project management in the Gorge, John Mann began working for the Port of Hood River in 2014 as the Facilities Manager.

Looking back on the many projects completed under his watch, John highlights the completion of the Waterfront Trail, the restoration of the bridge’s lift span mechanical and electrical systems, and transitioning costly bridge lift services that were formerly outsourced to being done in-house through a rigorous training and development program for Port Facilities Department staff as those he is most proud of.

“Crawling around on that old structure has been one of the highlights of my life,” said John. “I will miss the day-to-day problem solving and being a part of this exceptional team. I will always be grateful for my time serving our community and the great things we have done.”



Hoby Streich

Hoby Streich was first appointed to the Port Commission in 2002 to fill the seat vacated by Bob Nichols and was re-elected to his position in each of the five elections held since then. His 21-year term is one of the longest ever served by a Port Commissioner, second only to John Weber, who served from 1972 to 1995.

Hoby also served on the City of Hood River’s Urban Renewal Advisory Board from 2003 to 2020, serving as Chair from 2012 to 2015. He highlights the inclusion of construction of downtown public restrooms during the State Street urban renewal project as something he’s proud to have helped make a reality.

Another highlight during Hoby’s service was the completion of the Hood River Waterfront Trail pedestrian access way – a key feature of the Port’s unique approach to waterfront development that incorporated mixed uses of industrial, light industrial, commercial, and recreational use in a relatively small development area. “We had the foresight to know it was important to strengthen all the uses on the waterfront that would create jobs and grow our local economy,” Hoby says. “This was not the norm and it’s paid off for Hood River in big ways.” Everyone at the Port wants to thank Hoby for his remarkable term of service and wish him well on all his coming endeavors.

PORT OF HOOD RIVER 2022 ANNUAL REPORT

Message from Executive Director Kevin Greenwood



I was hired as executive director of the Port in October 2022 after serving as the bridge replacement project director since 2017. Though I have been familiar with the replacement effort, it has been enlightening to learn about all the other services and facilities that the Port of Hood River offers the public. I have slowly been taking tours, introducing myself to Port tenants, learning more about the highly popular parks and waterfront Event Site, taking an air tour from the Ken Jernstedt Airport, and doing a couple of shifts in the toll booth.

I've witnessed so much dedication from all our employees and board members to provide a high quality of life and healthy economic development throughout the Mid-Columbia region.

Without question, the Port is entering a new phase of its 90-year history. In the last 12 months, the Port has transitioned to an entirely new leadership team. The Port has a new executive director (myself), finance director (Debbie Smith-Wagar), bridge replacement director (Michael Shannon) and general counsel attorney (Kristen Campbell). In the next two months, our facilities director (John Mann) will be retiring, as well as the Port's long serving commissioner (Hoby Streich). Commissioner Ben Sheppard, elected in 2017, will now be the most tenured commissioner.

In addition to the leadership transitions, the Port will be transitioning off bridge toll funding for all non-bridge activities by June 30, 2026. Over the past five years, the Port typically used \$1M of the \$6M in annual bridge toll revenue to maintain the waterfront parks and recreational areas, the Ken Jernstedt Airport, and port administrative services. The Port will now need to generate new revenue from new sources, build partnerships with other local government agencies, and reduce expenses to meet the 2026 goal. I believe we can do it.

The other big news is the momentum developing around bridge replacement. There is quite a bit of information about the funding for the new bridge in this newsletter, including preparation for a toll increase later this fall that will be needed to fund the new bridge. If you would like to learn more about the project's financial needs and how tolls will be utilized, please attend one of the two open houses scheduled for May 31 in White Salmon and June 7 in Hood River.

As you can see, there are many changes coming and already underway at the Port. I look forward to working with Port staff, commissioners, and the community to transition through to this new phase. I believe that the Port can continue to be a valuable partner in providing waterfront recreation, aviation-related services, and continue to create jobs and support retention and expansion of local businesses throughout the district. I look forward to meeting you soon.

Kevin M. Greenwood,
Port Executive Director

2022 YEAR IN REVIEW

JANUARY

- The Port accepted a \$32,000 grant from the FAA Airport Rescue Grant program for airport operational expenses.
- The Port approved issuance of a statement of support for the Bi State Bridge Authority legislation in the Oregon and Washington legislatures.



■ Patty Rosas was promoted to the new Contracts Administrator position. Patty manages all Port legal agreements and public records retention practices.

■ Melissa Manzo accepted a full-time position as Office Specialist providing front-line customer service and administrative support for the office and toll booth operations.



FEBRUARY

- An environmental site investigation at the Jensen Building was completed with a No Further Action letter received from Oregon DEQ.
- Facilities Department staff replaced the limit switch on the north end of the lift span after metal expansion from an extreme heat event damaged the device.
- The Live Load Testing and Field Verified Load Rating Report prepared by BDI, Inc. was completed and results were reported to the Commission.
- The Bridge was closed to vehicle traffic for approximately five hours beginning at midnight on Friday, February 25, as Port crews made required repairs to the bridge's lift span rocker bearing.

MARCH

- The OneGorge Advocacy Group prepared gift bags and produced an informational video for presentation to Oregon and Washington legislators to raise awareness of Gorge priorities. Senator Chuck Thomsen and Rep. Gina Mosbrucker helped distribute gift bags in the capitols.
- With the easing of COVID restrictions for indoor meetings, the Port Commission resumed in-person public meetings with a Zoom hybrid option.
- The Port Commission authorized a contract with Massana Construction Inc. for fabrication, construction and delivery services associated with the Boat Ramp Launch Floats and Repair project.

please see [Year in Review](#) on page 5

PORT COMMISSIONERS

The five board members of the Port of Hood River are called Commissioners and are elected to five designated positions by the voters of the Port of Hood River District. Each Commissioner serves a four-year term of office which begins July 1 of the year elected.



Ben Sheppard
Position #1
President
Commissioner since 2017



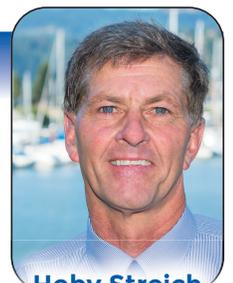
Heather Gehring
Position #2
Treasurer
Commissioner since 2021



Mike Fox
Position #3
Secretary
Commissioner since 2021



Kristi Chapman
Position #4
Vice President
Commissioner since 2019



Hoby Streich
Position #5
Commissioner
since 2002

2022 Year in Review



Port funds new wood prop for HR Soaring tow plane

■ Hood River Soaring received a new wooden propeller for its tow plane, purchased with Port funding to support noise reduction. The company provides glider rides, instruction and related services.

■ Yolanda Ramos joined the Port team as a part-time customer service representative.

■ The Port Commission heard a presentation from the Hood River County Energy Council and authorized a funding request of \$10,000 for FY 2023.

APRIL

■ The Port Commission held its Spring Planning Work Session on April 5. Discussions related to finances, long-term fiscal sustainability and 10-year financial planning took place the first part of the session. The second part focused on key issues for the Bridge, Bridge Replacement, Lower Mill, the Airport, and Waterfront.

■ The Port submitted two large grant proposals to support construction of the Anchor Way extension and relocation of N. 1st Street in preparation for future development of Lot 1. Both requests were unsuccessful, but progress continues on this important road and utility infrastructure project.

■ Construction of the new rigging area at the Hook was completed, funded by a grant from Travel Oregon and support from the Columbia Gorge Wind and Water Association (CGW2).

■ A local community group organized a clean-up of the Spit and areas of the Sandbar on April 23rd.

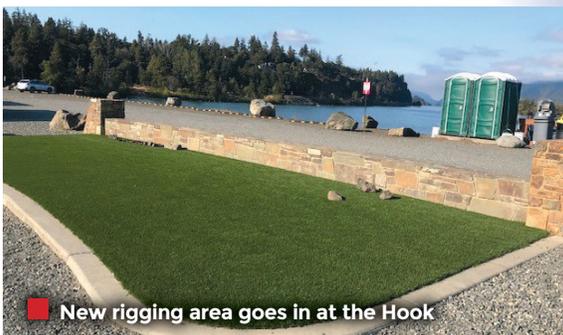


■ Cruise ships restarted docking in Hood River in early April, continuing until early November.

■ Marcela Diaz was promoted to Office Manager/Finance Specialist.

MAY

■ The Port's Budget Committee, comprised of five volunteers who are residents of the Port District, met on May 3 to discuss and provide recommendations to the Commission for its FY 22-23 budget.



New rigging area goes in at the Hook



Michael Shannon of HNTB Corporation

■ The Port accepted a \$5 million Coronavirus State Fiscal Recovery Fund Grant to support bridge replacement planning and engineering.

■ The Port issued a Notice of Intent to Award and entered negotiations with HNTB Corporation for project management services for the bridge replacement project. The Replacement Bridge Management Contract firm will represent the Port and Region's interests in managing both the engineering/design and construction contracts. Michael Shannon, FE assumed the role of Project Director.

■ The Port submitted a \$195 million grant application to the U.S. Dept. of Transportation Multimodal Projects Discretionary Grant program for bridge replacement.

■ Port facilities department staff completed a repair to the rip rap bank near the waterfront trail.

■ The speed limit on the Bridge was lowered from 25 mph to 15 mph based on engineers' recommendations to help mitigate damage to the bridge deck and supports.

■ Waterfront concessions and schools started setting up and most were open for business by mid-May, looking ahead to a busy season.

JUNE

■ A contract with Wiss, Janey, Elstner Associates was approved for inspection of the bridge's wire ropes.

■ The bridge was closed to all vehicle traffic for three days on June 24-26 for the approach ramp rehabilitation project, which involved grinding, installation of a waterproof membrane, and repaving of the approach ramps on both sides of the river. The closure caused significant traffic problems throughout the region but was critical to ensure the bridge remains safe and operational until a new bridge can be built.

■ The Port accepted a \$500,000 grant from the State of Oregon for the E. Anchor Way extension project.



Bridge approach ramp rehabilitation



ODOT fracture critical inspections



JULY

■ After 16 years of distinguished service, Port Executive Director Michael McElwee retired on July 8. "It has been an honor and a privilege to serve the Port of Hood River and this community over the past 16 years," McElwee said. "The Port has a remarkable legacy supporting

both the economy and quality of life of this community. I am grateful to have played a part." McElwee has served as the Port's Director since July 2006.

■ Port Deputy Director Genevieve Scholl was appointed to serve as Interim Executive Director until a new permanent Executive Director is hired.

■ Representatives of the Bi State Working Group (Kevin Greenwood and Commissioner Fox of the Port, accompanied by White Salmon Mayor Marla Keethler, Hood River Mayor Kate McBride, and Klickitat County Commissioner Jacob Anderson) joined Port lobbyist Summit Strategies on a trip to Washington D.C. to advocate for the replacement bridge project.

■ ODOT fracture critical inspections on the bridge were performed July 25-29.

■ Port Commission officers were affirmed for Fiscal Year 2022-23. They are Ben Sheppard, president; Kristi Chapman, vice president, Mike Fox, secretary, and Heather Gehring, treasurer.

■ Many major events took place in July: Kiteboard for Cancer (July 8-10), Downwind Champs (July 16), and Gorge Challenge (July 22-24), and Hood to Coast Windy Relay (July 23)

AUGUST

■ A local favorite, Port-owned public art piece was stolen from its pedestal August 1. The frog sculpture titled "The Thinker," is the work of Walla Walla artist Ralph Trethewey and was originally installed as part of Art of Community's annually rotating Big Art project.



Stolen frog from Nichols Basin beach to be replaced

2022 Year in Review continued

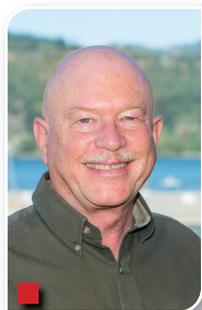


Facilities Supervisor Ryan Klapprich

- Ryan Klapprich was promoted to the position of Facilities Supervisor.
- New security cameras were installed and security upgrades made at the Port office, toll booth, marina, and preparations were made for new cameras at the airport.
- A new AV gas fuel tank was installed at the airport, but electrical infrastructure problems delayed start up.
- Port facilities department crews performed wetland mitigation work at the Lower Mill redevelopment site, providing a significant cost savings for the project and bringing the brownfield conversion project to completion, with industrial-zoned lots now shovel ready for development.
- On August 24, the Port and its partners in the Bi State Working Group hosted a federal and state lobbying strategy discussion and familiarization tour for the bridge replacement effort.

SEPTEMBER

- The Port accepted a grant offer from the FAA Airport Improvement Program in the amount of \$100,000 for Automated Weather Observing System (AWOS) improvements at the airport.



- Port staff worked hard to prepare airport facilities for the annual Fly-In hosted each year by WAAAM.
- The Port of Hood River received notification of the retirement of long-term Port general legal counsel Jerry Jaques after 43 years of service. Issuing an RFQ for a new general counsel was approved.

- Volunteers for the Hood River Soil and Water Conservation District gathered on August 30 to hand pull and dispose of Puncturevine at several waterfront locations. Puncturevine is a particularly nasty invasive with very sharp, spiked seed heads that can cause injury and even puncture bike tires.
- The Port purchased a large hangar from WAAAM and issued a Request for Interest to assess the best commercial use of the building.



Crews removed puncturevine at Waterfront Park



New Port Executive Director Kevin Greenwood

OCTOBER

- Kevin Greenwood was hired as the new permanent executive director of the Port on October 1. “We are very fortunate to have had such a strong internal candidate for the ED position in Kevin,” said Port President, Ben Sheppard. “His strong port management background, coupled with his depth of understanding of our efforts to replace the bridge and his diligent leadership of that effort over the past five years were all highly valued in this process. As the port evolves over the next decade, we feel Kevin is the right person to lead that effort.”
- The Commission received a report from bridge engineer Mark Libby with HDR Engineering on the results of the recent fracture critical inspection and the load limit.
- The Commission directed staff to issue a Request for Developer Interest (RFDI) for property on the North Apron.
- The Commission authorized a contract with Hamilton Construction Company for the bridge wire ropes replacement project in an amount of \$1,119,250. This project will require a four-day full closure of the bridge.
- Bridge Replacement project partners in the Bi State Working Group hosted a tour and information session for Oregon and Washington legislators in Hood River.

NOVEMBER

- A contract with James Dean Construction for a stormwater system improvement project on west Portway Avenue was approved in the amount of \$313,061.
- Commissioner Heather Gehring was nominated for a second term of service on the Hood River Urban Renewal Agency board as one of two Port representatives.



Bi State Working Group tour and info session



Stormwater mitigation at Lower Mill site

- The Commission held a special work session on November 15 to brainstorm and discuss new initiatives and development projects on the waterfront, the airport, and the Lower Mill development site.

DECEMBER



- The Port announced the selection of Kristen Campbell and firm Campbell Phillips Law as the Port’s new general counsel, following the retirement of Jerry Jaques.



- The Port announced the hiring of Debbie Smith-Wagar as its new Finance Director. Smith-Wagar has served as a consultant to the Port finance department for four years and had over 25 years of municipal accounting experience.

- The Washington State Transportation Commission deployed a survey as part of its Traffic & Revenue Study for the replacement bridge, and HNTB launched a second survey to inform the decision of where to locate the future headquarters of the Bi State Bridge Authority. Thank you to everyone who responded to the surveys!

- Utility license agreements were finalized with NW Pipeline, CenturyLink, and Spectrum Communications for utility access on the bridge.

PORT MEETINGS	PORT DIRECTORY
<p>Regular Port Commission meetings are held on the 1st and 3rd Tuesday of each month. The Boardroom is located at 1000 E. Port Marina Drive. The Port welcomes your questions, comments and suggestions.</p>	<p>Commissioners Ben Sheppard Kristi Chapman Mike Fox Heather Gehring Hoby Streich</p> <p>Executive Director Kevin Greenwood</p> <p>Contact (541) 386-1645 • porthr@gorge.net portofhoodriver.com Production - Pageworks Design, Inc.</p>



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Financial State of the Port

The Port of Hood River's current financial condition is summarized in this overview of financial performance and activities for the fiscal year ending June 30, 2022. Two government-wide statements report the Port's Net Position and changes from prior years, both helpful measures of the Port's financial health. Net Position is the difference between assets and liabilities. Government-wide financial statements of the Port are divided into two categories:

Governmental funds – The Port maintains two governmental funds: the General Fund and the Bridge Repair and Replacement Fund. The General Fund records transactions related to policy making and strategic planning based on the Port's mission and values, and support services. The Bridge Repair and Replacement Fund is a Special Revenue Fund used for capital improvements, planning, inspections, repairs and replacement activity associated with the bridge, as well as debt-related activities.

Business-type funds – Business type activities are used to distinguish operating revenues and expenses from non-operating items. The Port maintains an enterprise Revenue Fund which records fees and receipts from: bridge tolls; leased property; marina boat slip and airport hangar rent; and recreational events, parking and programs.

TABLE 1 - Net Position as of June 30, 2022

	Governmental Activities		Business-Type Activities		Total All Funds	
	Revenue Fund					
	2022	2021	2022	2021	2022	2021
Current Assets	\$ 8,561,542	\$ 3,405,205	\$ 12,735,155	\$ 10,296,292	\$ 21,296,697	\$ 13,701,497
Restricted Assets	-	-	286,300	286,300	286,300	286,300
Leases Receivable	-	-	6,711,075	-	6,711,075	-
Capital Assets	7,172,861	6,352,457	33,288,398	34,813,072	40,461,259	41,165,529
Total Assets	15,734,403	9,757,662	53,020,928	45,395,664	68,755,331	55,153,326
Total Deferred						
Outflows of Resources	60,514	131,505	953,106	832,282	1,013,620	963,787
Current Liabilities	5,000,000	-	2,644,359	1,695,777	7,644,359	1,695,777
Long-Term Debt	-	-	1,928,534	2,097,534	1,928,534	2,097,534
Net Pension Liability	71,284	275,249	1,122,756	1,744,724	1,194,040	2,019,973
Total OPEB Liability	2,953	6,869	46,510	42,201	49,463	49,070
Total Liabilities	5,074,237	282,118	5,742,159	5,580,236	10,816,396	5,862,354
Total Deferred						
Inflows of Resources	53,393	1,705	7,552,020	10,785	7,605,413	12,490
Net Position						
Net Investment in Capital Assets	7,172,861	6,352,457	31,190,864	32,546,538	38,363,725	38,898,995
Restricted - Debt Service	-	-	286,300	286,300	286,300	286,300
Unrestricted	3,494,426	3,252,887	9,202,691	7,804,087	12,697,117	11,056,974
Total Net Position	\$ 10,667,287	\$ 9,605,344	\$ 40,679,855	\$ 40,636,925	\$ 51,347,142	\$ 50,242,269

TABLE 2 - Governmental and Business-type activities for the fiscal year ending June 30, 2022

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues						
<i>Program revenues</i>						
Charges for services - Tolls	\$ -	\$ -	\$ 6,020,430	\$ 5,688,565	\$ 6,020,430	\$ 5,688,565
Leases, rents and fees	-	-	3,560,154	3,140,056	3,560,154	3,140,056
Operating grants	561,397	1,351,336	577,698	107,000	1,139,095	1,458,336
Capital grants	-	-	77,537	2,549,283	77,537	2,549,283
<i>General Government Revenues</i>						
Property taxes	88,955	87,601	-	-	88,955	87,601
Interest earnings	21,174	18,835	90,301	47,356	111,475	66,191
Other sources	-	-	(244,425)	360,555	(244,425)	360,555
Transfers	2,886,135	2,070,880	(2,886,135)	(2,070,880)	-	-
Total Revenues	3,557,661	3,528,652	7,195,560	9,821,935	10,753,221	13,350,587
Expenses						
<i>Governmental Activities</i>						
General government	592,903	630,323	-	-	592,903	630,323
Bridge repair and replacement	1,902,815	2,317,250	-	-	1,902,815	2,317,250
Interest on long-term debt	-	-	85,053	91,641	85,053	91,641
<i>Business-type Activities</i>						
Toll bridge	-	-	2,450,852	2,279,940	2,450,852	2,279,940
Industrial	-	-	1,666,437	1,602,534	1,666,437	1,602,534
Commercial	-	-	277,628	277,641	277,628	277,641
Waterfront Industrial	-	-	241,704	276,238	241,704	276,238
Waterfront Recreation	-	-	638,439	674,055	638,439	674,055
Marina	-	-	324,372	320,458	324,372	320,458
Airport	-	-	930,408	668,577	930,408	668,577
Administration	-	-	372,339	431,958	372,339	431,958
Maintenance	-	-	165,398	178,922	165,398	178,922
Total Expenses	2,495,718	2,947,573	7,152,630	6,801,964	9,648,348	9,749,537
Increase (decrease) in Net Position	1,061,943	581,079	42,930	3,019,971	1,104,873	3,601,050
Beginning Net Position	9,605,344	9,024,265	40,636,925	37,616,954	50,242,269	46,641,219
Ending Net Position	\$ 10,667,287	\$ 9,605,344	\$ 40,679,855	\$ 40,636,925	\$ 51,347,142	\$ 50,242,269

Statement of Net Position

Net Position serves as a useful indicator of a government's financial position especially when viewed over multiple time periods. The Port's Net Position on June 30, 2022 was \$51,347,142, representing a \$1,104,873 increase over the prior year.

Table 1 depicts an increase in total assets of \$13,602,005, primarily attributable to receipt of a \$5,000,000 BUILD grant from the US Department of Transportation for the bridge replacement effort. Leases added \$6,711,075 lease receivable to assets. Capital outlay increased by \$820,404 related to capital improvements to the existing bridge to keep it safe and functioning while the bridge replacement effort continues.

The largest portion of the Port's Net Position, at 75%, are invested in capital assets (e.g. bridge, land, buildings, and equipment) and reported net of accumulated depreciation less any outstanding related debt. The Port uses these capital assets to provide services to the public; thus, they do not represent resources available for future spending. A Restricted Net Position of \$286,300 represents cash and investments that are legally restricted for debt service related to the marina flex lease debt and a taxable general revenue bond. Finally, the remaining \$12,697,117 is unrestricted, meaning it is available for meeting the Port's ongoing obligations. The decrease in unrestricted net position of \$1,640,143 from last year is attributable to the use of cash and investments for the capital projects incurred during the year.

Statement of Activities

As with the statement of Net Position, the Port reports financial activities by its two distinct fund types: Governmental and Business-type. Table 2 illustrates the Port's total Net Position increased by \$1,104,873, or 2.2%, compared to the prior year.

Governmental Activities – The Net Position for governmental activities increased \$1,061,943, or 11.1%, from the prior year. This increase is primarily due to higher inter-fund transfers from the enterprise fund to the governmental funds for bridge planning and reimbursements from a State of Oregon grant which funded the final environmental impact studies for bridge replacement efforts.

Financial highlights of governmental fund activities for the year include:

- Higher interfund transfers by \$815,255
- Lower capital improvements as compared to prior years on the existing bridge.

Business-type Activities - Business type activities generated a \$42,930 increase in the Port's Net Position. The financial results for this year include a \$331,865 increase in toll revenues (5.8%) over the prior year. Lease revenues from industrial and commercial properties increased \$327,768. Recreation revenue increased by \$32,843. Marina and Airport tenants incurred a rate increase that amounted to \$59,715 over the prior year. Operating grants increased by \$470,698, mostly from reimbursement from the American Rescue Plan Act for tolling losses that occurred during the pandemic. Capital grants decreased by \$2,471,746 due to the Airport north apron construction being completed in the summer of 2021.

The Revenue Fund showed a \$42,945 improvement in interest earnings, while Other Sources decreased \$604,980 due mostly to lower levels of other revenues and market value of investments. Operating expenses were slightly higher by \$350,666 due to payroll, benefits and depreciation contributing to this higher level of costs. Higher levels of payroll and capital improvements in the General Fund and Bridge Repair & Replacement Fund, respectively, drove the change in Transfers by \$815,550.

Financial Analysis and Outlook:

The Port is involved in a variety of activities that contribute to the economic health and vitality of the community. The major source of funds for Port operations continues to be the toll bridge, accounting for 63% of operating revenues, excluding grants. Lease and fee revenues showed higher revenues, with a 95% occupancy rate at year's end.

The Port receives property taxes that account for 1% of total revenues. Capital grants continue to play a vital role in how the Port develops its properties, including the airport and waterfront. The Port receives a marina operating grant from the Oregon State Marine Board. It continues to develop light industrial properties that may result in new tenants and jobs, while undeveloped land at the waterfront (Lot 1) holds future opportunities.

The Port looks at its business units in the following categories: *Bridge, Leased Properties, Undeveloped Property, Recreation, Marina, Airport and Economic Factors.*

Request for Information – A full Financial State of the Port with more detail can be found online at portofhoodriver.com. If you have questions about this report or would like additional information, please contact the Port of Hood River at porthr@gorge.net or (541) 386-1645. ●

Bi State *continued from page 1*

Earlier this year, on February 21st, the Commission passed approval of a Commission Formation Agreement for the Hood River White Salmon Bridge Authority which is expected to assume all responsibility for replacement of the bridge. All six parties to the Agreement, the cities of Hood River, White Salmon, and Bingen, Hood River and Klickitat counties, and the Port of Hood River have signed and approved that the new Hood River White Salmon Bridge Authority will begin on July 1, 2023.

One of only two tolling agencies in Oregon, the Port has owned and operated the Hood River-White Salmon Interstate Bridge since 1950. Historically, toll revenues have supported the operation and maintenance of the bridge, capital upgrades to the bridge and tolling system infrastructure, and other activities including economic development and waterfront parks and open spaces.

“The Port Commission will, in the shortest timeline possible, reduce costs and find other revenue sources to cover non-bridge expenses or right size and share responsibilities for the public services provided,” said Port Commissioner Kristi Chapman. “It’s an historic challenge for our communities.”

While the Port will continue to own and operate the existing bridge until the new bridge opens, the Commission intends to take an aggressive path away from reliance on toll revenue. With a very low property tax rate of only 3.32 cents per \$1,000 in Assessed Value, the Port has a significant challenge ahead in funding parks and open spaces that, without toll revenue, would typically be funded by property taxes or other forms of tax revenue. “The Port Commission and staff will be working to identify and implement, in all areas of operation, ways to reduce reliance on toll revenue on a steep trajectory toward zero by the end of June 2026, if not sooner,” said Port Commission President Ben Sheppard. “A concerted, rigorous, and transparent effort to identify and maximize cost efficiencies in port administration and operations will be underway throughout the coming year.” Periodic reports on progress toward this objective will be provided by the Port’s Finance Director Debbie Smith-Wagar at least twice a year.



PORT OF HOOD RIVER

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Tolling Open Houses

Funding the New Bridge

May 31, 4:30–7 p.m. White Salmon Library

June 7, 4:30–7 p.m. May Street Elementary

May 31–June 14 Online forum open

A toll increase is needed to build the necessary reserves that will help fund the new bridge. The Bridge Replacement Bi-State Working Group is considering two tolling options in order to issue a recommendation to the Port of Hood River. This is your chance to weigh in on the options and shape future tolls. The in-person events will be bilingual (English/Spanish), drop-in style events where you can review informational displays and get answers from project staff.

Visit hoodriverbridge.org for more information.

Bridge *continued from page 1*

The Hood River-White Salmon Bridge connects agricultural producers to ocean ports, and gives local residents daily access to jobs, childcare, school and medical services. Replacement is crucial because experts have estimated the current bridge to have reached the end of its service life, with little chance of surviving an earthquake. The Federal Highway Administration recently rated it at 6 out of 100 for sufficiency. Its narrow lanes, weight restrictions, lack of shoulders, difficult barge navigation, and lack of biking and walking access limit its safety and capacity.

Find more information at hoodriverbridge.org.



Representatives of the member agencies of the new bridge authority: Ben Sheppard, Port of Hood River Commission; Jennifer Euwer, Hood River County; Paul Blackburn, City of Hood River; Catherine Kiewit, City of Bingen; Jacob Anderson, Klickitat County. Not pictured: Marla Keethler, City of White Salmon.