



PORT OF HOOD RIVER COMMISSION
AGENDA
Tuesday, May 19, 2020
Via Remote Video Conference, Marina Center Boardroom

5:00 P.M.
Regular Session

1. Call to Order
 - a. Modifications, Additions to Agenda
 - b. Public Comment

2. Consent Agenda
 - a. Approve Minutes from the March 5 Budget Committee Meeting and Regular Session *(Maria Diaz, Page 3)*
 - b. Approve Amendment No. 1 to Lease with Aletta Wilson in the Chamber Building *(Anne Medenbach, Page 11)*
 - c. Approve Addendum No. 1 to Lease with Columbia River Acupuncture LLC. *(Anne Medenbach, Page 15)*
 - d. Approve Amendment No. 1 to Contract with DKS Associates for Waterfront Transportation Study *(Michael McElwee, Page 19)*
 - e. Approve License Agreement with Carter & Company at the Barman Property *(Michael McElwee, Page 23)*
 - f. Approve Accounts Payable to Jaques Sharp in the Amount of \$15,955 *(Fred Kowell, Page 29)*

3. Presentations & Discussion Items
 - a. Legislative Advocacy Report – Dan Bates, Thorn Run & Brad Boswell, Boswell Consulting *(Kevin Greenwood, Page 33)*
 - b. Recreational Providers Efficiency Study Report – Terry Moore, PSU *(Michael McElwee, Page 35)*
 - c. Recreational Facilities Reopening Discussion *(Michael McElwee, Page 53)*

4. Reports
 - a. Bridge Replacement Update *(Kevin Greenwood, Page 55)*

5. Director’s Report *(Michael McElwee – Page 65)*

6. Commissioner, Committee Reports

7. Action Items
 - a. Approve Resolution 2019-20-7 for the Renewal of Workers’ Compensation Insurance for FY 2020-21 *(Fred Kowell, Page 73)*
 - b. Authorize Partnership with Gorge Grown Food Network and Letter of Support for a Grant Application Associated with a Local Food Enterprise Center *(Anne Medenbach, Page 81)*

8. Commission Call

9. Executive Session under ORS 192.660(2)(e) real estate negotiations and ORS 192.660(2)(h) legal consultation on current litigation or litigation likely to be filed.

10. Possible Action

11. Adjourn

If you have a disability that requires any special materials, services, or assistance, please contact us at 541,386,1645 so we may arrange for appropriate accommodations.

*The chair reserves the opportunity to change the order of the items if unforeseen circumstances arise. The Commission welcomes public comment on issues not on the agenda during the public comment period. With the exception of factual questions, the Commission does not immediately discuss issues raised during public comment. The Commission will either refer concerns raised during public comment to the Executive Director for a response or will request that the issue be placed on a future meeting agenda. People distributing copies of materials as part of their testimony should bring **10 copies**. Written comment on issues of concern may be submitted to the Port Office at any time.*

**Port of Hood River Commission
Meeting Minutes of May 5, 2020 Budget Committee Meeting
Via Remote Videoconference and Marina Center Boardroom
1:30 p.m.**

THESE MINUTES ARE NOT OFFICIAL until approved by the Port Commission at the next regular meeting.

Present: Commissioners Hoby Streich, John Everitt, Ben Sheppard, Kristi Chapman, David Meriwether; Budget Committee members: John Benton, Laurie Borton, Judy Newman, Svea Truax, Larry Brown; from staff, Michael McElwee, Fred Kowell, Genevieve Scholl, Anne Medenbach, Kevin Greenwood, Daryl Stafford, John Mann, and Maria Diaz.

Absent: None

Media: Emily Fitzgerald, Hood River News

1. CALL TO ORDER: President John Everitt called the meeting to order at 1:32 p.m.

2. ELECTION OF OFFICERS:

Motion: Move to elect Laurie Borton as Budget Committee Chair.

Move: Larry Brown

Second: None – Laurie Borton declined the nomination.

Motion: Move to elect John Benton as Budget Committee Chair.

Move: Laurie Borton

Second: Larry Brown

Vote: Unanimous

MOTION CARRIED

President John Everitt turned the meeting over to Chairman Benton, who then confirmed the appointment of Michael McElwee, Executive Director, as Budget Officer.

Motion: Move to elect Judy Newman as Secretary.

Move: John Benton

Second: Larry Brown

Vote: Unanimous

MOTION CARRIED

There was a consensus to have the minutes recorded by staff.

3. PUBLIC INPUT: Chris Robuck, Hood River resident, spoke and submitted written comment urging the Budget Committee to allocate funds in the FY20/21 budget to find solutions to airport noise. Ms. Robuck suggested that funds received from the FAA be designated to addressing the issue of airport noise impacts. Ms. Robuck answered questions from Budget Committee members.

4. BUDGET MESSAGE: There was consensus that McElwee would provide highlights of the Budget Message rather than read the Message verbatim that was included in the Budget packet. McElwee explained that the annual budget is prepared in conformance with financial policies and reviewed the timeline of budget adoption. The Port functions on a fiscal year basis as a Municipal Corporation in the State of Oregon in accordance with ORS 777 and other statutes. The Port operates under three funds: General Fund for general governmental activities, Revenue Fund for business-type activities, and Bridge Repair and Replacement Fund for capital improvements and replacement efforts of the Hood River/White Salmon Interstate Bridge. Additionally, McElwee reviewed the Port's Financial Policies: The Port reserves an amount at least equal to 10% of the Port's depreciable assets. The Port's overall debt service coverage ratio should equal to 2.0 or greater. The Port will pursue a Cash-on-Cash rate of return before debt service that exceeds the average cost of debt for the Port.

McElwee highlighted the uncertainties presented by the COVID19 to the FY 2020-21 budget. McElwee noted that without knowing the direct impacts on Port operations, a limited extent and responsible decisions could only be made at this time due to the pandemic. McElwee noted the proposed budget effectively is presented as a "base case," year-to-year conditions for budget purposes. McElwee opened up the discussion for questions: Newman sought information for the amount of revenue loss from the closure of the bridge. McElwee noted an approximate loss of Revenue from the bridge at \$600k and highlighted requests for rent relieves from tenants. Kowell confirmed the major loss of revenue is from the bridge tolls at \$618,000, with 25% Mon-Fri and 50% on weekend less traffic. Brown asked when Kowell expected to begin bridge tolls. Kowell noted the license plate recognition started at the beginning of May. Chapman asked if Port staff has looked at only operating with known costs with a review in six months. Kowell noted Port is essentially is creating a conservative budge with ways to make a supplemental budget.

McElwee proceeded to review the Asset Areas:

Industrial/Commercial Properties: Overall, vacancy rates in the Port's industrial and commercial real estate portfolio remain very low, around 1%. Lots of unknowns due to COVID19. McElwee note Lower Mills remains in negotiations businesses that continue to be interested in purchases on lots. McElwee noted the Port retained an architect to prepare concept plans for and industrial building that could be built and held for Port's Portfolio. Despite COVID19 conditions, the Port continues to take steps to make the Lower Mill site development ready to meet future business demands. Port continues its ongoing efforts to invest in the maintenance of existing buildings to maintain its functionality and feasibility. Including roof repairs on Big Seven Building, deck painting on the Chamber building, expansion of the conditioned space within the Port Office Building, and other small capital projects. McElwee said the real estate development strategy becomes the essential guiding document for staff effort to focus on acquisitions of properties and development of Lower Mill. McElwee highlighted the Commissions' main focus on acquiring additional property, Lower Mill, and the completion of the traffic analysis for the development of Lot 1. McElwee mentioned the high cost of the Storm Water System that directly impacts the Port.

Bridge/Transportation:

McElwee noted that the Commission had reduced the amount of capital spending for the next few years on the bridge due to the efforts for Bridge Replacement Project. McElwee highlighted the proposed budget included substantial funds for critical evaluation of the span drive rack pinion, live load supports, counterweight trunnions, and wire ropes. McElwee noted the underwater inspection findings identified areas of concern of spalling and degradation near the mudline bringing an important question to the 5-year Capital Plan for the bridge. McElwee highlighted FEIS progress and also highlighted the significant expenditures that have been done for on the bridge for the steel deck, assessment on the North and South approach ramps, and license plate recognition.

Recreation/Marina:

McElwee said Marina proposed budget included small projects that included pedestrian lighting, fencing replacement at the Marina walkway, a new ADA path at the Marina Restrooms, and allocation for ongoing deck repair. Also, allocating for a new picnic shelter in Marina Park due to heavier use in the summer months. McElwee mentioned all events at Waterfront had canceled.

Airport:

McElwee noted two significant capital projects. Connect VI Project, and North Ramp Renovation Project is underway at the airport and will continue to require a considerable commitment to staff time and Port financial contribution. Because of the CARE Act, the FAA announced 100% funding for the North Ramp.

Administration & Management:

McElwee noted budget increase for the 15% increase in medical insurance, CPI(2.5%), and an overall increase in personnel cost. Investment in lobbying and advocacy services, primarily directed at the bridge replacement

efforts. Port received funding for efforts to update the Port's Strategic Business Plan, however, efforts and progress suspended to COVID19. Brown asked if the Port staff has looked at funding under the CARES ACT for employees' furloughs. Kowell responded by saying that the Port is self-insured, and unemployment did not give much of a saving to the Port. Chapman offered information regarding a FEMA program. McElwee noted he would make a note to get more details for any FEMA programs the Port seek for aid. McElwee pointed the request the IBTTA (tolling agencies) has put forward for funding for tolling authorities to congress. The second effort is a letter signed by 85+ representatives along with Kurt Trader for a request for funding to Ports. McElwee concluded by mentioning key point for Bridge Replacement funding, the efforts to continues direct steps for property acquisitions, and lastly, the uncertainties impacts due to COVID19.

4. BUDGET REVIEW: Fred Kowell, Chief Financial Officer, reviewed and discussed the budget with the Budget Committee and Port Commission. Kowell presented proposed budget figures in detail; including, Personnel, Personnel cost and Benefits, Capital Improvements and Revenue projections. Kowell and staff members addressed questions, noted recommended modifications, and comments as the budget was reviewed. Budget Documentation will be attached to the bound meeting minutes.

5. BUDGET DELIBERATIONS: The following recommendations were received from the Budget Committee:

Budget Amendment Recommendations:

1. Add budget allocation for asphalt repairs at the airport road in the amount of \$35,000
2. Add the amount for sales of vehicles under maintenance.
3. The public comment asks for a \$200,000 budget to support the group with regards to the airport noise - Committee did not or approve move forward with requests, but instead put the idea to consider some funding in the future if the group came with a proposed solution and the cost regarding airport noise.

6. ACTION ITEMS:

Motion: Approve current property tax levy of \$0.0332 per \$1,000 of assessed value for FY 2020-2021.

Move: Brown

Second: Newman

Vote: Unanimous

MOTION CARRIED

Motion: Move to approve the FY 2020-2021 budget as amended.

Move: Newman

Second: Brown

Vote: Unanimous

MOTION CARRIED

7. ADJOURN:

Chairman Benton adjourned the meeting at 4:08 p.m.

Respectfully submitted,

Maria Diaz

ATTEST:

John Benton, Chair, Budget Committee

Judy Newman, Secretary, Budget Committee

John Everitt, President, Port Commission

David Meriwether, Secretary, Port Commission

Port of Hood River Commission
Meeting Minutes of May 5, 2020 Regular Session
Via Remote Videoconference and Marina Center Boardroom
4:18 p.m.

THESE MINUTES ARE NOT OFFICIAL until approved by the Port Commission at the next regular meeting.

4:18 p.m.
Regular Session

Present: Commissioners John Everitt, Kristi Chapman, Hoby Streich, David Meriwether, Ben Sheppard; Legal counsel Jerry Jaques; from staff, Michael McElwee, Fred Kowell, Kevin Greenwood, Genevieve Scholl, Anne Medenbach, Daryl Stafford, and Maria Diaz.

Absent: None

Media: Emily Fitzgerald

1. CALL TO ORDER: President John Everitt called the regular session to order at 4:18 p.m. Modifications or additions to agenda:

- a. Remove action item (b) from agenda
- b. Memo for Presentation & Discussion item (a) changes due to new information.

2. PUBLIC COMMENT

- a. Written public comment provided via email included in the packet.

3. CONSENT AGENDA:

- a. Approve Minutes from the March 10 Strategic Business Plan Work Session No. 2, April 7 Spring Planning Work Session, April 7 Regular Session, and April 21 Regular Session
- b. Ratify Change Order with Columbia Contracting for Emergency Guardrail Repair Not to Exceed \$1,657

Motion: Move to Approve Consent Agenda

Move: Chapman

Second: Meriwether

Discussion: None

Vote: Unanimous

4. PRESENTATION AND DISCUSSION ITEMS:

a. Waterfront Recreation Facilities Reopening- Sheppard noted the importance of putting forward a plan for the reopening of the Waterfront. Sheppard commented on the importance of collaboration with the Hood River County and Health Department. McElwee noted that the Port is collaborating with several county agencies, meeting weekly to discuss reopening for recreation and weekly regional meetings. Due to the Governor's new recommendations the group will reconvene next week to discuss the opening process. McElwee noted the Port's webpage addresses particular areas that are open and the areas that remain closed and highlighted challenges with the definition of "open." Staff and Commissioners discussed the idea of reopening with rules that would enforce the use of areas for locals only. McElwee asked Meriwether if there was a request from the County to the State for reopening. The County submitted its application to the Governor's office and the decision is pending. McElwee noted the next EOC meeting is next week and would put together a summary for Commissioners to give input directly to him. Scholl noted the portofhoodriver.com/whatisopen web page on Port's website, noting that is where the Port will post up to date information on recreational facilities statuses and that Joel Ives added a link on the Get Ready Gorge website.

- c. **Financial Report for the 9 Months Ending March 31, 2020** - Kowell reviewed the financial report for the 9 months noting the bridge traffic down since April. Kowell noted the expenditures related to Personnel performing properly, Material & Services over budget in a couple of line items-Halyard Building and Utilities, and under budget in Capital outlay. Kowell noted revenues are not on track due to COVID19 impacts.

5. REPORTS:

- a. Strategic Business Plan, Public Input Report EnviorIssues – accepted without changes.
- b. Bridge Replacement Project – accepted without changes.

6. Directors Report- McElwee commended staff for their hard work during the last few weeks. McElwee noted the changes had been made to the Port's operations and response concerning COVID19. McElwee reiterated the effort to obtain relief funding and the advocacy being conducted by the IBTTA for Tolling Agencies, and a second effort for relief funding to Ports. McElwee mentioned an ongoing Water Resources Development Act with support to state representatives. Medenback noted meeting with parties involved with Phase II of the Connect VI project. McElwee noted ODOT is still reviewing the preliminary load bearing analysis for the bridge. Bridge deck welding project completed. Kowell noted bridge traffic during the week at 23% and weekend at 40%-50% decrease compared to last-year traffic. Kowell discussed the "Catch 22" with ODOT regarding the license plate recognition request for register owner information without a vehicle identification number.

7. COMMISSIONER, COMMITTEE REPORTS:

Medenback noted AAC meeting discussion centered on the ongoing projects and citizens' concerns. Meriwether noted the second round of PPP funding.

8. ACTION ITEMS:

a. Authorize Grant Application to USDOT BUILD Transportation Discretionary Grant Program for \$5 million and Authorize 20% Local Match of \$1.25 million for Bridge Replacement Project

Motion: Authorize Grant Application to USDOT BUILD Transportation Discretionary Grant Program for \$5 million and Authorize 20% Local Match of \$1.25 million for Bridge Replacement Project

Move: Chapman
Second: Meriwether
Discussion: None
Vote: Unanimous

b. Approve Contract with Coffman Engineering for Bridge Engineering Services Not to Exceed \$18,226

Motion: Approve Contract with Coffman Engineering for Bridge Engineering Services Not to Exceed \$18,226

Move: Meriwether
Second: Streich
Discussion: Sheppard asked whether the services were needed due to concerns of HDR work quality and/or scope or impact of the two issues identified. McElwee noted that since both issues had significant budgetary and operational impact, a second engineering opinion was warranted.
Vote: Unanimous

c. Approve Temporary Changes to Staff Compensation Levels in Response to Potential Impacts of COVID-19 on Port Operations

Motion: Approve Temporary Changes to Staff Compensation Levels in Response to Potential Impacts of COVID-19 on Port Operations.

Move: None. Action fails due to lack of motion.

d. Postpone the following FY 10/20 Capital Projects: Airport Box Hanger Design, Footbridge Lighting, Lower Mill Wetland Fill, and Nichols Seawall Slurry Seal for a total deferred Cost of approximately \$225,000 in response to potential impacts of COVID19 on Port's operations.

Motion: Postpone the following FY 10/20 Capital Projects: Airport Box Hanger Design, Footbridge Lighting, Lower Mill Wetland Fill, and Nichols Seawall Slurry Seal for a total deferred Cost of approximately \$225,000 in response to potential impacts of COVID19 on Port's operations.

Move: Streich
Second: Chapman
Discussion: General.
Vote: Unanimous

8. COMMISSION CALL: None.

9. EXECUTIVE SESSION: President John Everitt recessed Regular Session at 6:30 p.m. to call the Commission into Executive Session under ORS 192.660(2)(e) Real Estate Negotiations, ORS 192.660(2)(h) Consultation with legal counsel regarding current litigation or litigation likely to be filed.

10. POSSIBLE ACTION RESULTING FROM EXECUTIVE SESSION:

a. Motion: Approve Amendment No. 1 to Lease with Hood River County Chamber of Commerce for COVID-19 rent relief changes.

Move: Chapman
Second: Meriwether
Discussion: None
Vote: Unanimous

11. ADJOURN 7:00 p.m.

Motion:

Motion to adjourn the meeting

Vote: Unanimous

MOTION CARRIED

The meeting adjourned at 7:00 p.m.

Respectfully submitted,

Maria Diaz

ATTEST:

John Everitt, President

David Meriwether, Secretary

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Commission Memo

Prepared by: Anne Medenbach
Date: May 19, 2020
Re: Addendum No. 1 to Lease Aletta Wilson



During the April 21 Commission meeting, the Commission approved COVID-19 rent relief policy and requested that, before any lease addendums for relief be approved, that staff have a clear understanding of how the tenant had or expected to receive federal or state relief funds, their plans for use of those funds, and whether they had exhausted all options to secure relief.

Aletta Wilson, LMT requests rent relief under the policy. Ms. Wilson has submitted a list of actions she has taken to secure relief and staff's judgement is that she has taken sufficient action to make her request eligible for Commission consideration. The attached Addendum No. 1 to her lease details her request for 100% rent forgiveness for April and 50% forgiveness for May and June. The total forgiven amount requested is \$833.96.

RECOMMENDATION: Approve Lease Addendum No. 1 with Aletta Wilson, LMT.

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LEASE ADDENDUM No. 1

Whereas, the Port of Hood River (“Lessor”) and Aletta Wilson (“Lessee”) entered into a lease of 313 sf at Suite 101, 700 E. Port Marina Drive, effective September 1, 2017 (“Lease”); and,

Whereas, the COVID-19 pandemic has caused the required closure of the Lessee as an unessential business, for an unspecified amount of time due to shelter in place orders required by Governor Brown per Executive Order 20-12 issued March 23, 2020; and,

Whereas, due to the required shut down orders, Lessee has lost all means of income until such time as Governors orders are issued, Personal Protective Equipment (PPE) are available for use and guidance is issued regarding phased opening procedures, Lessee must remain closed; and

Whereas, Lessee has applied for EIDL (Emergency Impact Disaster Loan) funds through the 2020 CARES act but is not eligible for PPP funds, and understands that any assistance that can be used to reimburse Lessor for rent related expenses, must be reimbursed to Lessor in a timely manner and that any and all assistance granted to Lessee will be disclosed in a timely manner to Lessor; and

Whereas, it is understood that the current situation is fluid and that further assessment may be necessary as the expiration of the proposed assistance is near; and,

Therefore, all parties agree to the following changes in the Lease,

Except as modified by this Amendment #1, Lease shall remain in full force and effect.

1. Forgive 100% of Aprils rent totaling \$416.98.
2. Forgive 50% of the Rent payments for the months of May and June of 2020.
3. Utility and tax payments will not be deferred and will be paid monthly as usual.
4. On July 1, total base rent of \$416.98 will be due per the terms of the original lease.
5. The total amount of forgiven rent is:
 - a. Total rent forgiveness = \$416.98+\$208.49+\$208.29= \$833.96

DATED this _____ Day of _____ 2020.

By: _____

Michael S. McElwee, Port of Hood River Executive Director

By: _____

Aletta Wilson, Lessee

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Commission Memo



Prepared by: Anne Medenbach
Date: May 19, 2020
Re: Addendum No. 1 to Lease with Columbia
River Acupuncture

Columbia River Acupuncture (CRA) has applied for rent relief as a tenant of the Port. They have provided details of all actions taken thus far to secure economic relief and it is staff's judgement that their request is eligible for Commission consideration. CRA received \$17,000 in PPP and are using 25% of the forgivable portion for rent. They are operating at 50% of their typical service levels. They have requested 2 months (June and July) of 50% rent deferral to be paid back starting August 1, 2020 over a 12-month period.

RECOMMENDATION: Approve Lease Addendum No. 1 with Columbia River Acupuncture, LLC.

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LEASE ADDENDUM No. 1

Whereas, Port of Hood River (“Lessor”) and Columbia River Acupuncture LLC (“Lessee”) signed a lease for 438 sf at Suite 100, 700 E. Port Marina Drive, effective September 1, 2017 (“Lease”); and,

Whereas, the COVID-19 pandemic has caused Lessee to cease operations as an unessential business for an unspecified period per the Governor’s Executive Order 20-12 issued March 23, 2020; and,

Whereas, Lessee has lost and will lose income until revised Governor orders are issued that allow Lessee to resume normal business operations; and,

Whereas, Lessee has requested Lessor to defer 50% of Lessee’s monthly rent payment obligations for two months and to extend the Lease term through August 2021: and,

Whereas, Lessee may apply for governmental financial assistance that may be used to pay rent; and,

Whereas, the current pandemic situation is fluid and Lessee may request future additional rent relief, which Lessor may consider;

Therefore, Lessor and Lessee agree the Lease is amended as follows:

1. 50% of Lessee’s monthly rental payments of \$744.96, payable for the months of June and July 2020, in the sum of \$744.96 (2 months rent=\$1,489.92 x 50% = \$744.96) are deferred and payable as stated in paragraph 3. Provided however, Lessee shall repay Lessor deferred rent sooner to the extent Lessee receives government assistance funds which may be used to pay rent as stated in paragraph 4.
2. Utility and tax payments will not be deferred and will be paid monthly as usual.
3. On August 1, 2020, the total deferred rent amount then payable will be divided by 12 and that amount (\$62.08 per month if no government funds have been applied to deferred rent) will be paid to Lessor on the first day of each month beginning August 1, 2020 through July 1, 2021. Deferred rent shall be paid in addition to the regular monthly rental payments Lessee owes.
4. If Lessee applies for governmental assistance that can be used to pay rent Lessee shall promptly notify Lessor of the application. If Lessee receives government funds that can be used to pay rent Lessee shall promptly notify Lessor and pay the amount received up to the total deferred rent amount owed.
5. The Lease term is extended through August, 2021.

Except as modified by this Addendum #1 the Lease shall remain in full force and effect.

DATED this _____ Day of _____, 2020.

By: _____
Michael S. McElwee, Executive Director,
Port of Hood River

By: _____
Susan Froelich, Member, Columbia River
Acupuncture LLC

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Commission Memo



Prepared by: Michael McElwee
Date: March 19, 2020
Re: Amendment No. 1 to Contract with DKS Associates

The Port entered into a Contract with DKS Associates, Inc (“DKS”) on January 15, 2020 to carry out an update of traffic conditions on the Hood River Waterfront. The contract term expired on May 1. The project schedule was delayed due to impacts of COVID-19 on both DKS and Port operations.

The attached contract amendment would extend the project timeframe until September 1, 2020. Although the work will be completed in June, additional contract time would allow for limited data gathering in the summer months if needed, if a subsequent contract amendment is approved.

RECOMMENDATION: Approve Amendment No. 1 to Personal Services Contract with DKS, Associates, Inc. for waterfront traffic analysis.

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AMENDMENT NO. 1
TO PERSONAL SERVICES CONTRACT

This Amendment No. 1 to the Personal Services Contract ("Contract") is entered into this **19th Day of May 2020** by and between DKS Associates, Inc. ("Contractor") and the Port of Hood River ("Port"), an Oregon Special District.

RECITALS:

WHEREAS, Contractor and Port entered into a Contract dated January 15, 2020 for transportation system analysis services associated with the Hood River Waterfront ("Project"); and

WHEREAS, the Contract term expired on May 1, 2020 and additional time and data gathering will be needed to complete the Project;

NOW THEREFORE, Port and Contractor agree to extend the timeframe for completion of the Project until September 1, 2020.

IN WITNESS WHEREOF, the parties hereto have caused Amendment No. 1 to be duly executed the day and year first above written.

DKS Associates, Inc.

Port of Hood River

John Bosket
Principal

Michael S. McElwee
Executive Director

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Commission Memo



Prepared by: Michael McElwee
Date: March 19, 2020
Re: Use Agreement – Barman Site

In September 2019, I approved a License Agreement for the storage and staging of construction materials on the Barman Site by Carter & Company (“Carter”), the contractor working to re-build the I-84 Hood River Bridge. The project duration is expected to be about 18 months. The agreement stipulates a \$500/mo. payment to the Port.

The Executive Director’s authority to enter into such an agreement is limited to a maximum of six months duration per the Port’s Real Estate Policy. Carter is seeking an extension of the agreement for the duration of construction. The attached agreement would allow continued use of the Barman Site through June 30, 2021.

RECOMMENDATION: Approve License Agreement with Carter & Company for use of the Barman Site.

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LICENSE AGREEMENT GRANTED BY PORT OF HOOD RIVER

T0: Carter & Company, Inc. (CCB# 103592)

1. **Agreement:** Subject to the terms of this License Agreement (“Agreement”) the Port of Hood River (“Port”) grants to Carter & Company, Inc. (“Licensee”) permission to use a portion of Port property commonly known as the Barman Property located at the s/e quadrant of N. 2nd Street and Riverside Ave. (“License Area”) generally shown on the map attached hereto marked Exhibit A. This License is for activities described in Section 2 below associated with the I-84 Hood River Bridge Construction Project (“Project”).
2. **Allowed Uses**
Licensee may utilize the License Area for storage of Project construction materials, parking for Licensee vehicles and equipment and perimeter fencing.
3. **Special Conditions**
The following are limitations and conditions for the use of License Area:
 - Licensee shall not place any materials, equipment, vehicles or fencing within twenty feet (20ft.) of the existing bus stop and adjacent art feature on N. 1st St. or within twenty feet of the art feature located near the southerly boundary of the License Area.
 - Licensee shall place a minimum 1” depth of ¾ inch minus crushed gravel on any portion of the License Area where motorized vehicles or equipment will be stored or travelled upon.
 - If any damage to Port property occurs from Licensee’s own activities or those of any Licensee employees, subcontractors, suppliers or invitees, wherever located, Licensee shall restore or repair any such damage within one week to Port’s satisfaction.
 - Licensee shall not perform maintenance or repair work on vehicles or equipment in the License Area.
 - Licensee shall only access the License Area through existing curb cuts where yellow bollards are located.
 - Licensee shall keep weeds and grass below 4” height throughout the License Area except within 20ft of the bus shelter and art work which are maintained by others.
4. **License Fee:** Licensee shall notify the Port each month when Licensee uses the License Area and shall pay the Port \$500 for each month or portion of any month that the Licensee uses the License Area. The License Fee shall be paid on the first of any month after a month when the Licensee uses the License Area.
5. **Term:** The rights granted and obligations required by this Agreement shall be in effect from June 1, 2020 through **June 1, 2021** (“License Term”). The term may be extended by mutual agreement of both parties if a subsequent Agreement is executed by both parties. The Port reserves the right to terminate this license for any reason after providing Licensee with at least sixty (60) days prior notice of termination. Notice to Licensee shall be deemed given one day after the Port mails notice of termination to Licensee to Licensee’s address stated below postage prepaid by regular or certified U.S. Mail. If Licensee breaches any provision of this License, and if within seven days after the Port sends written notice to Licensee of the violation

Licensee fails to cure the violation to the Port's satisfaction, the Port may immediately terminate this License. Termination of this Licenses shall extinguish all rights granted to Licensee hereunder as of the termination date. After the License term ends or is terminated Licensee shall immediately thereafter remove all Licensee's materials, equipment, vehicles and fencing from the License Area and restore the License Area to its original condition, excepting any gravel that has been placed there which shall remain on the License Area.

6. **Laws:** Licensee shall comply with all federal, state and local laws, codes, regulations and ordinances applicable to its occupancy or use of Port property, and shall comply with all Port ordinances, rules or requests regarding use of the License Area during the License Term.
7. **Insurance:** Permittee agrees during the License term to pay for and maintain a comprehensive business liability insurance policy with a company or companies satisfactory to the Port with insurance limits of a minimum of \$1,000,000, and to provide the Port with proof of such insurance prior to using the License Area and when requested by the Port. Licensee shall hold the Port, its employees, agents and Commissioners harmless from and indemnify them against any claims or liability for damage to persons or property in any way related to Licensee's occupancy or use of Port property.
8. **Covenants:** Licensee, its employees, subcontractors, suppliers or invitees shall not do anything which damages the License Area or any other Port property, including spilling of any motor oil or fuel within the License Area, damage to concrete walkways, curbs, lawn areas or underground irrigation systems. If any such damage occurs, Licensee shall carry out repairs within two weeks of notification by the Port. Prior to the expiration of the License Term, Licensee shall leave the License Area in the condition that existed at the start of the License Term.
9. **Attorney Fees:** In the event of litigation by either party to enforce its rights hereunder the prevailing party shall be entitled to recover its reasonable attorney's fees from the losing party incurred prior to trial, at trial or on appeal.
10. **Signing Authority:** Each person signing this Agreement on behalf of the Port and Licensee represent and warrant they have the right to do so.

Dated: _____

PORT OF HOOD RIVER

By: _____

Executive Director

1000 E. Port Marina Drive
Hood River, Oregon 97031
mmcelwee@portofhoodriver.com
(541) 386-1138

Dated: _____

CARTER & COMPANY, INC.

By: _____

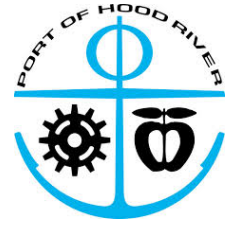
Title: _____

4676 Commercial St. SE #203
Salem, Oregon 97302
colby@carter-co.com
(503) 371-4582



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Commission Memo



Prepared by: Fred Kowell
Date: May 19, 2020
Re: Accounts Payable Requiring Commission Approval

Jaques Sharp	\$15,955.00
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Attorney services per attached summary

TOTAL ACCOUNTS PAYABLE TO APPROVE	\$15,955.00
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JAQUES SHARP

— ATTORNEYS AT LAW —

205 3RD STREET / PO BOX 457
HOOD RIVER, OR 97031
(Phone) 541-386-1311 (Fax) 541-386-8771

CREDIT CARDS ACCEPTED

HOOD RIVER, PORT OF
1000 E. PORT MARINA DRIVE
HOOD RIVER OR 97031

Account No:

Page: 1
May 06, 2020
PORTOHAM

Previous Balance	Fees	Expenses	Advances	Payments	Balance
TURTLE ISLAND INCORPORATED (Lease)					
150.00	0.00	0.00	0.00	-150.00	\$0.00
MISCELLANEOUS MATTERS					
JJ					
1,625.00	2,935.00	0.00	0.00	-1,625.00	\$2,935.00
PROPERTY PURCHASE					
0.00	100.00	0.00	0.00	0.00	\$100.00
AIRPORT T-HANGER LEASE FORMS (2012-2013)					
275.00	0.00	0.00	0.00	-275.00	\$0.00
EXPO SITE DEVELOPMENT (Key Development; Pickhardt)					
2,785.00	0.00	0.00	0.00	-2,785.00	\$0.00
LEASE ODELL BUILDING (Oregon Brineworks, LLC)					
795.00	0.00	0.00	0.00	-795.00	\$0.00
LEASE (Real Carbon; Michael Graham)					
1,240.00	0.00	0.00	0.00	-1,240.00	\$0.00
LEASE (PFriem Brewing)					
0.00	150.00	0.00	0.00	0.00	\$150.00
BRIDGE REPLACEMENT 2016 (ODOT/WDOT)					
275.00	0.00	0.00	0.00	-275.00	\$0.00
CRUISE SHIP DOCK AGREEMENT					
100.00	0.00	0.00	0.00	-100.00	\$0.00

Previous Balance	Fees	Expenses	Advances	Payments	Balance
TOLLING SYSTEM UPGRADE (Kapsch Traffic Com Corp)					
0.00	975.00	0.00	0.00	0.00	\$975.00
BRIDGE TOLL ENFORCEMENT					
1,525.00	4,650.00	0.00	0.00	-1,525.00	\$4,650.00
STORM LINE SINK HOLE (Hood River Distillers area)					
75.00	650.00	0.00	0.00	-75.00	\$650.00
PROPERTY)				
2,875.00	1,200.00	0.00	0.00	-2,875.00	\$1,200.00
T-HANGAR LEASE DEFAULTS					
0.00	1,790.00	0.00	0.00	0.00	\$1,790.00
YAKAMA TOLLS (Yakama Nation)					
930.00	0.00	0.00	0.00	-930.00	\$0.00
VIRUS ISSUES					
150.00	275.00	0.00	0.00	-150.00	\$275.00
ARON FAEGRE PERSONAL SERVICES CONTRACT					
0.00	340.00	0.00	0.00	0.00	\$340.00
AIRPORT/NORTH APRON REHABILITATION PROJECT					
0.00	2,815.00	0.00	0.00	0.00	\$2,815.00
PROPERTY PURCHASE					
475.00	75.00	0.00	0.00	-475.00	\$75.00
<u>13,275.00</u>	<u>15,955.00</u>	<u>0.00</u>	<u>0.00</u>	<u>-13,275.00</u>	<u>\$15,955.00</u>

**THIS STATEMENT REFLECTS SERVICES PROVIDED AND PAYMENTS
RECEIVED THROUGH THE 30th OF APRIL UNLESS OTHERWISE STATED**

Commission Memo



Prepared by: Kevin Greenwood
Date: May 19, 2020
Re: Legislative Advocacy Report

The Port had another robust government relations effort for fiscal year 2019-20. In addition to giving elected and key agency officials updates on the NEPA process related to bridge replacement, much effort was made to advocate for a federal USDOT grant application as well as positioning the project for more significant capital funding. In addition, Thorn Run and Summit Strategies were active in informing the Port on COVID relief efforts, Water Resource legislation, airport issues, and other port development opportunities.

Earlier this year, our lobbying team met in Hood River to layout a long-term strategy for completing funding and statutory requirements for bridge replacement. Looking ahead to our bridge replacement efforts in FY20/21, the Port must be positioned to advocate for the project in a sustained and effective way in Olympia, Salem, and Washington DC. Brad Boswell and Dan Bates will attend the meeting to discuss the highlights. FY20-21 contracts for all three lobbying firms will be before the Commission in June.

SUMMIT STRATEGIES, Hal Hiemstra, Washington DC.

Summit Strategies has provided federal support since 2015 primarily on bridge-related efforts. With Washington DC focused almost entirely on COVID, Summit will also be providing guidance assisting port tenants and loss of bridge toll revenue.

- Provide position papers and congressional updates on issues of importance
- Monitor appropriations process and identify possible opportunities
- Continue to meet with USDOT staff to provide updates on project
- Continue outreach efforts with FHWA/USDA/Others for funding and innovative programs to complete financing
- Facilitate lobbying trips to Washington DC
- Monitor FAST Act Reauthorization and Congressional Infrastructure funding
- Assist with federal funding applications including obtaining letters of support
- Water Resources Development Act – Hood River Mouth Habitat Restoration Study
- Ken Jernstedt Airfield – Wetland Permit Advocacy
- Light Industrial Infrastructure funding opportunities

BOSWELL CONSULTING INC., Brad Boswell, Olympia, Wash.

Boswell has represented the Port in Olympia since 2017. His relationship with Yakima Sen. Curtis King, the senior Republican on the Senate Transportation Committee, has proved to be helpful as this project continues to be a priority for King's district. FY20-21 includes Long Session.

- Monitor \$5-million transfer line item in the Supplemental Transportation Budget
- Monitor possibility of 2021 transportation bill and position HRB as a priority project

- Outreach and education of key elected officials and agency staff for tolling policy changes
- Engage appropriate personnel within the I-5 replacement work group and relevant tolling policy bodies
- Monitor and participate in Bi-state Working Group as an opportunity to provide feedback between the gorge and Olympia

THORN RUN PARTNERS, Dan Bates, Salem, Ore.

Thorn Run was key in the 2017 legislative session resulting in the funding to complete the FEIS/ROD. They will continue to monitor opportunities to find funding to match Washington state in an effort to keep forward progress. FY20-21 includes Long Session.

- Continue to provide briefings on NEPA status
- Monitor opportunities for Port reimbursement programs due to COVID
- Build support for transportation package
- Build opportunities to partner with the State of Oregon for bridge replacement
- Evaluate opportunities for funding through lottery funding as match for new Washington state contributions
- Monitor I-5 bridge efforts and bi-state governance progress
- Waterfront storm line emergency funding
- Ken Jernstedt Airfield – COIV construction funding
- AET tolling implementation

As the FEIS/ROD nears completion in 2021, it will be critical that issues and opportunities in Olympia, Salem and Washington DC that keep the project moving forward are adequately monitored.

RECOMMENDATION: Information and Discussion.

Commission Memo

Prepared by: Michael McElwee
Date: March 19, 2020
Re: Recreation Providers Efficiency Study



At the September 10, 2019 regular meeting, the Commission approved an Inter-Governmental Agreement with Portland State University to conduct an assessment of opportunities for collaboration among public sector park and recreation providers in Hood River County. The work focused on collaborative opportunities with the Hood River Valley Parks & Recreation District as a test case.

The effort was carried out by Terry Moore and Mike Gleason of the Initiative for Exceptional Governance (IEG) at the PSU Center for Public Service and is complete. The final report is attached. Both Mr. Moore and Mr. Gleason will attend the meeting remotely and present the report's key findings for Commission consideration.

RECOMMENDATION: Information and discussion.

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TECHNICAL MEMORANDUM

TO: Michael McElwee, Port of Hood River
Mark Hickock, Hood River Valley Park and Recreation District

FROM: Terry Moore and Mike Gleason
Center for Public Service, PSU

RE: Assessment of the potential for collaboration to provide operational efficiencies in the delivery of park and recreational services *Final Report*

DATE: 26 March 2020

Summary

The Port of Hood River (the Port) the Hood River Valley Park and Recreation District (the District) asked the Center for Public Service (CPS) at Portland State University to conduct an “assessment of opportunities for collaboration among public sector providers of park and recreation facilities and services in Hood River County.”

CPS reviewed the plans and budgets of the agencies, and met with their directors and operation and maintenance (O&M) managers. Its evaluation of that information, and its conclusions about opportunities for collaboration are contained in this final report. Key conclusions:

- The Port and District have opportunities for net gain from collaboration. In most cases, however, reaping the gains require some organizational changes that may not be easy. Once there is a clear decision and motivation to implement the kind of changes described in this report, the effort may not be great. But the effort to get to that point proves insurmountable for some organizations.
- This report defines four levels of collaboration: (1) Staff-level, ad hoc collaboration, (2) Contracting, (3) Confederation, and (4) Consolidation. The first is informal; the other three require formal agreements.

Though the first is easy to do, it may not yield much in cost savings. There is the possibility of a great “aha” moment, but the more likely benefit is to set up agency relationships that make the more difficult levels of collaboration possible.

This report focuses on two of the bigger opportunities for collaboration that could yield significant benefits. The best and first opportunity for collaboration is *administrative practices*. The whole category of internal services is replete with possible saving. In this category it is also likely that the benefits will be proportionally distributed between the two operations. The benefits derive from cost savings for things like joint procurement , insurance, accounting, legal services, health cost, payroll, audits, forecasting , recruitment, and training. Our ballpark estimate that, given a firm commitment by the commissions and staff of the two agencies to pursue a joint procurement agreement, a one-time cost of on the order \$10,000 could yield annual cost saving of on the order to \$60,000.

The second big opportunity is grounds, equipment, and building maintenance.

- In the absence of an impending crisis, it will be hard to jump from “little collaboration” (e.g., some quarterly discussion by agency managers about items of mutual interest) to confederation or consolidation. The four different levels of interagency collaboration described in this report are different in terms of complexity and commitment. They are usually incremental and often sequential: more difficult (but more beneficial) collaboration builds on the success of simpler efforts.
- If the Port and District decide to pursue some level of collaboration, this report recommends some incremental steps:

- Experiment; encourage staff to try. It is common for organizations to diffuse the rewards for success and to concentrate the penalties for failure. In that type of environment, experimentation is risky.
- Involve all levels of staff in the change.
- Move to the next level of collaboration when everybody feels that the step is a good for everybody concerned. Every agency must win, and none can lose. Winning and losing is defined by the respective agency. Higher levels are probably not necessary until agencies are contemplating significant and long-term capital and operating commitments. Operation management can be changed and co-coordinated without consolidation of the governing body. The same is true of joint financial efforts like bond issues and operating levies.

I. Introduction

Five public agencies provide most of the urban park and recreation facilities in Hood River County: the Hood River Valley Park and Recreation District (HRVPR; the District), the Port of Hood River (the Port), the City of Hood River (the City), the Hood River County School District (the School District), and Hood River County (the County).

As part of their ongoing discussions, the directors of the District and the Port hypothesized that because multiple public-sector agencies provide park and recreation facilities and services in the County, and have overlapping boundaries, there are probably opportunities to make service delivery (operations and maintenance) more efficient (reduce costs). That idea is alluded to, but not assessed in any detail, in the *2019 Parks, Recreation & Open Space Plan, Draft*.

On behalf of the Port and the District, the director of the Port (Michael McElwee) contacted Terry Moore, a consultant on public-policy issues, for his opinion about the hypothesis and about how to proceed. That discussion led to a request from the Port and District for a proposal from the Initiative for Exceptional Governance (IEG) in the Center for Public Service at Portland State University, where Moore is director. After discussion and revision, that proposal eventually led to an Intergovernmental Agreement (IGA) for an “assessment of opportunities for collaboration among public sector providers of park and recreation facilities and services in Hood River County.” Work began in October 2019.

This technical memorandum is the assessment stipulated in the IGA. Like most work done by or for a public agency, it is a public document. But in this case it is written primarily for a technical audience: staff at the Port and the District. It is an exploratory document examining possibilities, not a policy document with fully formed recommendations. Though sponsored by the Port and District, and focused on their operations, the directors of both agencies recognized in advance of the assessment one of its conclusions: that collaboration on parks and recreation O&M will be more effective the larger the scale of operation, and that adding the City, County, and School District to the discussion and assessment should occur if the assessment finds some promising possibilities for just the Port and District.

This document has three sections in addition to this *Background*:

- II. Framework for the Assessment. How we thought about the question of operational efficiencies; what data we had available; what methods we used for our evaluation.
- III. Assessment of Potential for Operational Efficiencies. Summary tables of information about operations; our assessment of implications for potential efficiencies.
- IV. Conclusions and Next Steps. Options for further collaboration by the Port and District on operational efficiencies.

Three appendices provide additional detail on Port and District assets (Appendix A), assessing collaboration opportunities (Appendix B), and implementation of collaboration initiatives (Appendix C).

II. Framework for the Assessment

The scope of the work in the IGA says that IEG will build from work already done for the Port and District, principally the District's Draft Plan. The first IEG product for this effort was a memorandum describing the methods to be used in more detail. The Port and the District Directors approved that memorandum on October 21.

The rest of this section is consistent with and builds on the framework and methods in that memorandum. It has three parts:

- Background. How the purposes of this study affect the framework and methods of assessment.
- Concepts pertinent to the evaluation. How IEG recommends thinking about the issues (the framework) and the implications for an assessment of problems, opportunities, and potential policy changes (the assessment methods).
- Assessment methods. How we structure the analysis in Section III.

II.1 Background

The District recently completed a report called *2019 Parks, Recreation & Open Space Plan, Draft* (the Draft Plan). The District began discussing the Draft Plan with other agencies and the public in the Fall of 2019). IEG's review of the Draft Plan found it to be a very good high-level assessment. It covers all the pertinent aspects of parks facilities and operations in Hood River County. It is well organized, well written, and has logical interpretations and conclusions. The Draft Plan and supporting appendices give a good list and description, with some assessment, of collaboration techniques and financial tools.

The Draft Plan's description of *potential* efficiencies led staff at the District and Port look for some more information that would flesh out the possibilities. Since the topic of interest is collaboration, deciding on how to collaborate obviously requires collaboration. Thus, the District and the Port worked on this project jointly through an IGA with IEG. If the District and Port find that the results of this exploratory assessment suggest some useful directions for efficiency gains through collaboration, they may engage other providers of park and recreation services in a discussion about the advantages of collaboration.

The scope of work for this study does not include revisiting the data and conclusion of the Draft Plan. It assumes and builds from its high-level conclusions about the potential benefits of inter-agency collaboration. It accepts and uses information in the Draft Plan related to public preferences; vision and goals; and existing facilities and programs, and their conditions.

This assessment adds value by (1) the way it organizes and uses the information in Draft Plan and other relevant documents, (2) the conceptual framework and data it adds, and (3) providing more detailed data and opinions from O&M staff at the agencies.

The District has a larger agenda that this assessment is but a small part of. Like many other local governments (but more so than most because of its historical funding structure), the District is balancing its budget by, in large part, deferring lifecycle maintenance on existing facilities. Moreover, it has plans for potential capital improvements that—though reasonable in terms of types, quality, amounts, and locations recreation services provided—are well beyond what its budget and projected development charges can cover. The District expects, therefore, to be having a conversation with voters in the next year about ways to fix that problem. That conversation will inevitably include questions about whether the District could solve its financial problems by using its existing funds more efficiently. This assessment, and the additional analyses it suggests, can help answer those types of questions.

That said, the Port and the District are but two of five local governments that provide most of the parks and recreation facilities and services in Hood River County. This assessment does not examine the operations of the City of Hood River, Hood River County, or the Hood River School District. Efficiency gains from collaboration and consolidation will be greater if the scale of the operations is greater. An

optimal solution will require looking at the facilities and programs offered by all five jurisdictions: on the cost side, it is hard to exploit economies of scale if one lacks scale. The District's updated Master Plan (*Multi-Jurisdictional Parks, Recreation & Open Space Plan*) is a significant step in that direction. This assessment makes an additional step by providing some detail that broader Plan did not.

II.2 Concepts pertinent to the evaluation

The expected value of collaboration in the provision of facilities is that the current parks and recreation facilities and services offered by the Port and the District can be provided at a lower cost (or, stated differently, that more or better facilities and services can be provided at the current cost). Either way, those statements are fundamentally about *efficiency*. Several concepts related to efficient delivery of public services are fundamental to this study:

1. **Capital vs Operations and Maintenance (O&M).** The basic distinction between capital and O&M is well accepted and understood. Capital comprises the buildings, facilities, grounds, and equipment that an organization uses to produce its services and products. O&M comprises the employees, operating overhead, and incidental equipment, fixtures, and furnishings that keep the capital functional and deliver the services and products that are the reasons for the organization's existence.

To work efficiently, however, these two functions require different financial and management systems. The blending of these systems is the art of management. A first step is a complete inventory of the capital stock. There is a fuzzy boundary between the two that gets set (or should get set) by practical policy. The distinction between capital and O&M is a first-order policy decision: without it, a capital inventory cannot be created. Typically, in a public organization, capital is any item that has a useful life greater than one year, and has a residual value at the end of its useful life. Everything else is operations or maintenance.¹

Capital in the public sector is expected to produce a service, not a profit (the ultimate private-sector objective). In the private sector, if capital is not paying for itself in a very short time, it needs to be sold. In the public sector once a piece of capital is purchased it is expected to last forever. There are water systems in Europe that have been in continuous use for over 1,000 years. Once the public sector owns a park, it is hard to get out the park business. Thus, (1) the lifecycle cost of capital are more important in the public sector than the private sector, so (2) preventative maintenance is an imperative obligation of public management.

Unlike in the private sector, in the public sector a purchase of capital is a continuous future expense. That *capital* expense needs to be planned for in the *operating* budget, now and into the future. Since the public sector is typically trying (because of legal mandate, formal policy, historical precedent, prudent politics, or goodwill) to deliver services to some standard, cutting cost by increasing productivity is preferred to cutting them by reducing service. In summary, the public sector emphasizes reducing operational cost; the private sector emphasizes maximizing profit. These are different objectives and need different types of information to be pursued effectively.

O&M is where the services and products are produced, and the capital for production is maintained. Work systems need continuous improvement, just as capital needs continuous maintenance. That means continuous evaluation. Without that effort, the long lifecycle of public capital will push the organization in the direction of repeating old work habits. New problems

¹ There is no engineering principle, for example, on how long a building should last until replacement, what level of maintenance will be done, or whether certain types or levels of maintenance are best attributed to capital or maintenance. Those are policy decisions that each service provider must make, based on consideration of legal requirements, best practices, historical operation, user preferences, and more.

will be fit into old organizational systems, which will be likely to increase the operating cost and underutilize the capital. If an organization becomes aware of these tendencies and designs non-threatening change programs, then efficiency can take a big leap.

For the purposes of this study, we want to assure that the concepts and definitions of capital and O&M used by the Port and District are similar (or, if not, that the differences are understood and accommodated).

2. **Productivity of Capital.** Productivity is a function of the quality three main factors. The first two are correlated with the age of capital:
 - Quality of the capital: quality almost always declines as parts wear out, but the rate depends on the quality of the initial capital and the philosophy and practices by which it is maintained.
 - Age of the capital: independent of the quality of maintenance, capital becomes obsolescent over time because of changes in demand or technology.
 - Management policy and practice (the quality of management).

These three factors interact. Excellent quality on two can be offset by poor quality on the third.

Embedded in the concept of “productivity of capital” is the concepts of “productivity of labor” and the substitution of capital for labor. Labor in service organizations is usually the dominant category of operating cost. Technological advances (computers and computer software, telecommunications, automated or semi-automated machinery, and more) can reduce the number of labor hours that go into accomplishing a specific task.

3. **Scale.** Economies of scale are achievable, to some degree, at any level by careful and creative management of capital and O&M. But economies of scale are easier to find when there is more capital and larger operations. The Port and the District each have several parks and recreation facilities, but those of the City, County, and School District would probably more than double the number and acres of developed or semi-developed recreation area.

An implication is that though this study focuses on potential overlaps and efficiencies for the Port and District, it should address (at the conclusion and in less detail), the potential for greater economies if these other service providers were included.

The concept of *collaboration* (within a local government, or across local governments) embraces all three of the economic concepts above:²

- On the capital side, a primary objective of collaboration should be to reduce the cost of capital assets while ensuring fulfillment of an organization’s mission. On the operational side, collaboration should seek to ensure the best possible set of operating practices. “Best” is a multi-dimensional judgment, and will be defined differently in each organization. It is about striking a balance between efficiency and efficacy. Stripped of jargon, it is about getting the most bang for the buck, given a fixed number of bucks and some agreement on what “bang” is.
- There are different ways to approach collaboration. At one extreme, the District and Port could merge: one organization could assume ownership of and responsibility for the revenues and expenditures related to all parks and recreation capital assets (and related O&M activities). At the other end of the spectrum, the District and Port might simply agree to have some staff meet occasionally to discuss common O&M issues. In between are hundreds of possibilities for

² In this study *collaboration* is used specifically to mean “informal or formal agreements *across agencies* to share work to gain efficiencies.” Though efficiency can all be improved by employee collaboration *within a single agency* (both within and across *departments*), this study does not address collaboration at that level.

one-time and on-going operational changes, large and small. Big structural changes are more complicated, more expensive, and take more time. But as the scale of consolidated operations increases, so do the likely efficiencies from the economies of operating at that scale.³ For many reasons, the challenges for large-scale consolidation are hard for local governments to surmount. Despite the demonstrable cost savings, it happens, but rarely.

- Large-scale change usually happens incrementally. It results from a process of continuous improvement. It is the method of search and the method of change that is important, not the arrival of the perfect solution. Changes in one system will cause unforeseen changes in other related systems—a part of continuous improvement. Changes in organizational design and work content are easiest when they are part of an overall work program, not a new activity focused on solving one problem. The quest is for organizational solutions, not organizational villains.

Because this study is about potential efficiencies from inter-agency collaboration on parks and recreation operations, one might casually infer that all the efficiency gains will be on things specific to those operations. It is likely, however, that there are potential gains on more general administrative activities (often called central services) like accounting, purchasing, finance, information technology, and fleet services. As an example, if one jurisdiction has state-of-the-art inventory and purchasing software run by its finance department (not its parks and recreation department), it might make sense for another jurisdiction to contract for that service.

II.3 Assessment methods

The methods IEG used for the assessment derived from the concepts above, consistent with the budget. The key steps:

1. Create a proper theoretical framework for the assessment: how should the public sector think about efficiencies in service delivery? IEG's work on that topic is summarized in the previous section.
2. Create consolidated tables with information about the facilities, equipment, labor, and work activities that the Port and District use for providing park and recreation services.. IEG started with facilities because they determine what O&M activities the Port and District must offer (and the labor and equipment required to provide those services), and hence serve as a primary indicator of potential efficiencies.
3. Review, consolidate, and compare O&M and budget data for the Port and District to identify the scope and scale of O&M activities, specifically those that both organizations perform (overlap).
4. Based on a review of the facilities and compiled performance data, identify (based on professional opinions of the consultants and agency staff) the best potential opportunities for Port and District collaboration that could improve quality and/or reduce costs.
5. Provide some suggestions of how the Port and District might flesh out these opportunities in a subsequent analysis.

³ There is plenty of discussion the literature of public and business economics about potential diseconomies of scale. That literature applies primarily to operations that are larger than those of any local government in the Hood River area.

III. Assessment of Potential for Operational Efficiencies

This assessment has two sections:

- Summary and assessment of key data that informed this evaluation
- List and evaluation of potential opportunities for collaboration

III.1 Operational data: summary and gaps

At the start of this evaluation (late September 2019), IEG sent the Port and the District a memorandum describing five categories of data desired for the analysis:

1. Overview of service providers. Services, operating relationships, and maps of jurisdictional boundaries and facilities.
2. Facilities and programs. Facilities (primarily) and programs (secondarily) drive the need for O&M. List and descriptions of facilities, value of inventory, any notes about the kinds of O&M they require.
3. Financial information. Budgets (10-year history) if possible. Detail on O&M, however it is consolidated; any O&M studies, either internal or external. Revenue sources, by type; history of changes in sources; any compression issues re tax base.
4. Opportunities for consolidation and cost saving. Any work that has already been done related to this issue (e.g. the HRVPR Strategic Plan)
5. Any other studies in the archives. E.g., studies of “comparable” parks districts or facilities; studies that other jurisdictions have done that are similar to this study

In October the Port and District provided their responses to the request. IEG then reviewed all the studies and attempted to summarize key data in tables. The list of O&M activities that emerged from those studies was similar to a list created by the Port Director and referenced in IEG’s memorandum of September 30, and is reflected in the summary tables that follow in this section.

That preliminary work led, as it always does, to several questions about the data: definitions, interpretation, and potential inconsistencies. IEG met with the Port and the District in November to discuss the data and clarify those and related issues. Appendix A to this report has tables summarizing the assets of the Port and the District. Our summary assessment is that there are five important differences that the Port and District must pay attention to in the design and implementation of any collaboration effort:

- **Differences in the quality of capital.** The port authority has had a clear mission, and a set of appropriate funding sources for many years. The board and management have utilized best practices for capital investment, repair and maintenance of major capital assets. They have a skilled maintenance team and practice a preventative maintenance. Even though some of their assets are old and obsolescent, the capital is still in good operating condition. It appears that they have achieved optimization on the life cycle cost associated with major and minor capital assets.

By contrast the history of the park district is much different. The Park district was created to take over a major capital asset that had not been maintained to optimize the life cycle cost. The pool and its many sub-systems have suffered from heavy use, and sub part maintenance from its inception and the tax levy and user fees are not adequate to support a preventive maintenance program, and there has been very little available for system upgrades or catch up on deferred capital maintenance. To make matters more desperate, many years ago the board agreed to add to the problem by accepting park land as an additional work obligation with no increase in any income. This required management to rob Peter to pay Paul and accelerated the maintenance

and capital problems. The Pool is at the end of its life cycle and is obsolete. Any money spent on its repair and maintenance is marginally prolonging the date at which the State of Oregon will require its closure due to health and safety issues.

- **Differences in equipment inventory and availability.** The Port authority has a large array of equipment, that is in good order. They have a very good and well organized equipment yard and maintenance buildings. They have many employees with specialized skills to use this equipment and to maintain and inventory part and supplies. The Parks district has none of this, and there is no way that they can afford to develop this infrastructure. This will require some form of shared use agreement
- **Differences in pay, grade and job classification.** Because of the before mention organization and structural funding problems it has been impossible to use a market based recruitment program as a sustainable effort. The board has been able to attract very competent and dedicated employees and management , but they have done so at much lower pay and benefits than the relevant market. This may seem like a bargain , but in the long run it is a recipe for organizational collapse. Public employees are public servants, not public slaves. They should be paid a relevant market wage for both efficiency and equity reasons. In the long run there is no bargain for the tax payer for underpaid employees. In addition the range of job duties required of this small and underpaid staff is not consistent with their classification . Part of this is normal in a smaller organization, but at the current extreme the public is not benefiting from specialized skill that flow out of a proper classification of work. This leaves a large gap between the labor utilization and pay differential vis-a-vie the Port and Park District. This can be mitigated, but will require some close examination, and some thoughtful negotiations
- **Differences in organizational scale and scope of duties.** Large organization , by there, very nature operate differently than smaller ones. Operational and management practices can be dealt with on a much more informal basis. Direct interpersonal contact is normally much higher in a smaller organization so mission , vision and values can be demonstrated by management behavior and still have the desired effect of keeping the organization coordinated and efficient. The Port and the District have different mission. The Port has a broad mission involving transportation, economic development, and parks and recreation. The District is a more focused organization and smaller in scale. These conditions suggest that the District will gain more benefit from an equal effort than the Port, but that does not have to be an insurmountable impediments to collaboration.
- **Differences in management practices, particularly with regard to maintenance and asset management.** As referenced in number 1 above there has been no opportunity for the Parks district to engage in any form of preventive maintenance. The maintenance system consist of fixing the most pressing problem. The parks department has no other way to operate. PM takes life cycle analysis and a consistent set of maintenance strategies . Without the money to do the repair on a timely basis there is no need for the management system

A description of assets is a good place to start an evaluation. But a full analysis must go further—it must consider information, often qualitative, about standards and work flow. The approach is simple to explain but takes time to implement. The typical steps:

1. Begin examination of work, using the employees involved and some technical research that is skilled in work analysis and organizational change
2. Map and price major work systems, with the help of the above team
3. Choose which systems should be changed first. This is a team decision; the management decision is to let the team decide
4. After examination, make some changes in the operational systems and implement.

5. Measure impact of changes and involve team in evaluation. Do not make changes without team support
6. Adjust the systems change after reevaluation
7. Choose a new system to examine and change.

Such an implementation means new up-front costs for planning, training, and changing organizational habits.

Appendix B provides a *hypothetical* example of that analysis for “landscape maintenance,” an obvious area of common work for the Port and the District. IEG created the example, in part, to support our interim discussions with the Directors of the Port and the District about (1) our preliminary assessment, and (2) our conclusion that definitive answers to questions about operational efficiencies required more detailed information than what was provided (and probably than what was available), so some decisions were needed about how to conclude the analysis.

Mid-way through this project (November) staff from IEG, the Port, and the District discussed the available data and the degree to which the Port and District wanted to commit to more detailed analysis of their operations now and later. The conclusion was that the best way to proceed would be to treat this project as a demonstration evaluation that would:

- Assist the agencies in a preliminary assessment of the difficulties and value of pursuing collaboration, and deciding whether further work on collaboration would be worth the effort.
- Keep the level of analysis and cost modest until the agencies had reviewed the results of the preliminary assessment. Thus, this assessment evaluates potential collaboration opportunities qualitatively: based on the data in the previous tables and on the collective experience of agency staff and consultants, make and rank a list of potential collaboration opportunities (Section III).

III.2 Assessment of opportunities for Port / District collaboration

The situation

IEG’s assessment started by learning the obvious. But the obvious is important to decisions about whether and how to proceed with collaboration.

- The Port has a strong O&M program. It is supported by Bridge revenues, which have been solid because (a) there is a solid and growing demand for trips across the Columbia River, and (b) being the only bridge for 20 miles in either direction gives the Port a quasi-monopoly power to raise rates to meet revenue requirements. The Port has a size that provides internal economies of scale and scope, It has a manager and staff using the practices of continuous improvement. If the IEG assignment had been to find how the Port could operate more efficiently internally, our best answer probably would have been “Ask the Facilities Manager.”
- The District, in contrast, is in a tough position and doing what it can with what it has. A long history of a poor revenue situation that was built in at its incorporation and exacerbated by statewide property tax laws is at the heart of its problems. The scale of operation is relatively small. To keep services without cutting budget, it has made the common decision to defer optimal lifecycle maintenance in the hopes a better financial situation in the future. That deferral manifests itself in older equipment and small staff (1 - 1.5 FTE for O&M), which means little ability for training, redundancy, and continuous improvement.

In short, this is not a situation where two financially stable agencies with good operational capacity are looking to see whether they can get even more efficient via collaboration. The situation as described, without any further analysis, suggests that the benefits of collaboration are likely to be greater for the District than for the Port. That is a point we keep in mind and try to address in the rest of the assessment.

Classifying and assessing opportunities for collaboration

This memorandum (and Appendix B) has previously noted that the Port and District have at least one common park and recreation activity (Landscape Maintenance / Mowing) that whose unit costs will decrease as scale increases and operational changes are made to respond to that increased scale. Is that one example the only likely activity of the Port and District that will deliver cost savings, or are there others? What do the concepts in Section II, the data in this section, and the example the Appendix B suggest would be activities that might deliver non-trivial cost savings? And what type of collaboration is most likely to be successful and cost-effective? This section address those questions.

Section II makes the case that the term “collaboration” can cover a large range of activities that differ substantially in complexity, difficulty, risk, cost, and potential benefits. One can imagine a mega-matrix that has as *rows* all the O&M activities that the Port and the District have in common, and as *columns* all of the different categories of collaboration techniques that might be used to gain efficiencies. This memorandum does not create that matrix (insufficient data, too much work, too cumbersome), but (1) the tables in the Appendix B provide one version of the range of activities (rows), and (2) the text that follows provides a way to categorize levels of collaboration (columns).

We start with some broad assumptions that derive from our experience and the literature:

- The benefits of inter-agency collaboration can be viewed as either more or higher quality service delivery, or lower cost for the current level of delivery. These are two sides of the same coin: lower cost is a benefit if service is not degraded.
- What is easy to implement will more often (certainly not always) have lower cost and provide fewer benefits than what is hard to implement.
- The previous point implies a continuum of collaboration activities: from small , simple, easy, and short-run; to big, complex, hard, and long-run. At the hard end of spectrum there is a lot more uncertainty, which is one of the key factors that make it hard.
- In public policy, an ideal list of categories or options has three to seven items. More makes the supporting analysis and public debate too confusing.

Based on those assumptions, and our knowledge of the range of institutional and organizational solutions that have been used to increase collaboration, we divide the spectrum of collaboration activities into four categories along the dimension of small/simple/ easy/short-run to big/complex/hard/long-run. The first is informal and is unlikely to require formal action by commissioners or formal agreements; the other three do require such formality.

- **Staff-level, ad hoc collaboration.** This level of involvement is characterized by informal verbal agreements. These agreements can be among political leaders or senior management. They are non-binding, and thus unenforceable in a court action. They usually involve sharing work space, equipment, or labor to work on common goals and operations. They do not alter an institution’s formal organization or mission. Example: quarterly meetings of the maintenance staff of two different organizations to discuss current opportunities for cost savings.
- **Contracting.** Just as an agency can contract for work with a private company it can do the same with a public agency. A written formal contract stipulates how two or more agencies will exchange work, equipment, money, or obligation to perform a service. A contract is a binding legal document with penalties for non-compliance. It does not alter the organizational form , governance, or management. Example: the Port has one—Cascade Locks will contract with the Port to provide back-office services for tolling the Bridge of the Gods.
- **Confederation.** Contracting may cover something as small as an agreement to do bathroom maintenance. Confederation is might be more appropriate if a full suite of services were to be jointly financed and provided. Confederation is memorialized in an intergovernmental

agreement. That agreement must be approved by each agency's governing board. It can impact both form and function of the agencies, particularly with regard to some agreed to output or service. It can create a completely new, wholly-owned agency with its own income, expenses, management, and governance. It does not necessarily alter the structure of the parent organizations. Example: some type of intergovernmental agreement for a regional water supply, or for park maintenance).

- **Consolidation.** This action eliminates one agency and re-charters another. It requires agreement of the governing bodies and the electorate. It re-assigns assets, budget, management, and governance. Example: merging the park and recreation operations of several jurisdictions into a new and larger park district.

Decisions about collaboration are improved if one pays attention to the systems that will be affected by those decisions. Collaboration may reduce the cost of work by affecting any or all of the following three organizational elements:

- Structure of operations (work flow and the advantages of scale)
- Management agreements
- Organizational policies

Applying that structure of collaboration opportunities to the specifics of the Port and District, we see a relatively clear hierarchy of collaboration opportunities (ranked from easier to harder, which is only roughly from least return to greatest return):

1. **Informal and low-cost.** For example, a quarterly cross-staff meetings to talk about potential efficiencies. Staff we interviewed at the Port and District see advantages to this small step and are willing to take it.
2. **Formal: small and simple.** For example, a simple IGA that allows the District to call on Port staff expertise and help at a preferred hourly rate.
3. **Formal: bigger and more work to set up.** For example, an agreement for one agency to provide an on-going list of services for the other (e.g., for the Port to be in charge of certain aspects of O&M in District parks).
4. **Formal: big and longer-run.** For example, joint purchasing agreements, possibly including city, county, school.
5. **Formal: too big, controversial, and uncertain to be working on now.** For example, some form of consolidation.

Though the first bullet is easy to do, it may not yield much in cost savings. There is the possibility of a great "aha" moment, but the more likely benefit is to set up agency relationships that make the more difficult levels of collaboration possible.

The rest of this section focuses on two of the bigger opportunities for collaboration that could yield significant benefits. These cannot be achieved by informal collaboration: there required some type of written agreement that documents the mutual understanding of who does and gets what.

We think best and first opportunity for collaboration is administrative practices (the fourth bullet above). The whole category of internal services is replete with possible saving. In this category it is also likely that the benefits will be proportionally distributed between the two operations. The benefits derive from cost savings for things like joint procurement , insurance, accounting, legal services, health cost, payroll, audits, forecasting , recruitment, and training.

It is not, however, just a simple a matter of incorporating one operational unit for another. These systems are foundational to the ongoing capacity of each agency to function. Changes in these functions

would have to be mutual changes and would require many hours of trial and error, as well as careful management oversight.

It is demonstrably true that an organization that takes its managerial obligation to continuously and systematically work on efficiency will operate on a more optimal cost curve than one that doesn't. Start by accepting our documentable assertion that there are inherent economies in joint procurement. Say that results in a 5% reduction in general procurement cost. Joint general procurement for the Port and District park O&M is currently in the range of \$1,250,000 per year. A 5% saving would be \$62,500 dollars per year, compounded into future years. It might take a team of five people two to four weeks of off and on time to develop such a process and agreement, plus some management time. There are a lot of variables around estimating the time needed and the cost, but with a clear Board / Management directive to a motivated task team, we think the total cost could be as low at \$5,000 to \$10,000. The one-time cost of \$10,000 deliver \$60,000 of savings for every year into the future. Even if our cost estimate is 100% low and our cost-savings estimate is 100% high, there are still net cost savings.

The second best opportunity for collaboration is in grounds, equipment, and building maintenance (bullet 3 above). Both agencies have responsibility for large public spaces, public buildings, and maintenance equipment. Both commit a significant portion of their budget to support these responsibilities. The work elements, the work scheduling, and the equipment are all the same.

The scale and quality standards of each organization, however, are quite different. In addition, the efficiency in this area will disproportionately benefit the District. Funding constraints in the District have resulted in a level of services that is significantly different between the two agencies. This will require some careful analysis and some Board involvement to implement. Initial pay-backs may be small; it is the long-range benefits over time that makes this area so potential rewarding.

It is in this area that the bigger picture emerges. If steps in this area can be successfully achieved, then the stage is set for a larger, and more beneficial co-production possibility involving many more agencies.

For any of the options above, how should the two agencies proceed to become more efficient and take advantages of operational co-production? The first step, which is often the most difficult, is now about done: have an outside observer examine if any further work should be undertaken and if so how to proceed. The second step would be for the two managers to notify their respective governing bodies that they intend to work on this effort as part of a strategic intervention to improve operational efficiency. This is a good opportunity to place the issue in front of the public, and by necessity will require a published work plan of future actions. It also designates the two managers as co-leaders of a joint change agenda.

As part of that second step, there will need to be a work plan. Section III above (Page 9) lists seven typical tasks.

One element of the work plan would be for the two managers to form a joint working committee consisting of key players to recommend to the managers what are the possibilities for harvesting low-hanging fruit, and a time frame for achieving the first element. They should also develop a more comprehensive list, in order of priority, based ease of implementation and overall benefit. Regarding priorities, the standard advice of evaluating options against criteria applies. Logical criteria are more important than heavy quantification and statistical analysis. Our advice on a simple starting place for those criteria:

- Potential cost saving

 - Amount of overlap (Port and District)

 - Amount of current budget (Port and District)

- Staff acceptability

Administrative ease (legal, compatibility with central systems)

Operational acceptability (workers think it will increase productivity; not worried about layoffs)

Political acceptability

Demonstration value

Qualitative assessment of elected official and interest group opinion

The team will need resources to carry out its work. They will need a team leader, and some training along the lines of production analysis and group decision making. They should operate by consensus with the overarching goal of improving the joint operation. This should be a joint working committee and not a winner or loser examination. Both sides must win; no one should lose. It should be made clear that this is not about laying people off, or massive reorganization. It should also be made clear that this is not an exercise in “doing more with less.” This is a mutual search for better practices that will help people to do their jobs better and easier.

The search for best practices is just that: a search. The search needs to include assessing who else has done this and can we learn from them. This requires a literature search, and an organization search. Then comes a formal review, which starts with documenting your own process. Out of the documentation come a systems map that can now be compared to other agencies, and can be examined for possible improvements. Improvements should be tested and examined for necessary change. The people affected by the change need to be part of the examination, and have an opportunity to effect the necessary changes. Only after these steps should the change be implemented. The team can now move on to the next most challenging opportunity.

It is at this point that the question comes up as to how much are we going to spend and how much are we going to save in the budget. The answer cannot be developed in the abstract. It will be developed as part of the systems analysis undertaken by the change team.

We believe that all five of the opportunities listed above would deliver operational efficiencies *if they could be efficiently implemented*. But there are some common obstacles to efficient implementation. If large enough in a particular situation, the risk is a cost of *trying* to implement, with no benefits because implementation never happens. We address that issue in the context of the Port and the District in the next section.

Implementing collaboration

Whatever level of collaboration the Port and District might choose (with the possible exception of the first level), it will not happen without a Commission or management directive to make it happen. Even then, the implementation could fail because of certain circumstances. What should the Port and the District think about with respect to implementation?⁴

The central question for this study was whether opportunities exist for the Port and the District to gain some efficiencies by co-production of some of their services. The short answer is: Yes, such opportunities exist. Taking advantage of them, however, requires some changes in operational procedures by both agencies; those changes usually have costs before they have benefits.

Each agency has its own operating culture. These cultures derive from factors like the history of the organization, its mission, the resources available to achieve the mission, management philosophy and practices, character of the mission, and the nature of the governing board. The ability to collaboratively exploit economies of scale requires some level of harmony between the cultures. It does not require

⁴ For additional ideas about things to do to increase the success of implementation, see Appendix C.

that the two agencies become the same, but it does require mutual respect, and a willingness to modify some operating practices to achieve a mutual benefit.

That may sound easy, but it often proves impossible to implement. Employees and management in a well-run organization should have a sense of pride and ownership with respect to the culture. It has a history that is passed on from employee to employee. New employees are shown by the more senior employees “how we do things around here.”

Organizational change is a challenge, and often produces a lot of unforeseen consequences. The challenges probably double when managers try merging two organizational cultures. Both agencies tend to believe that they do it right, and the other agency just needs to fall in line.

The likelihood that one agency will have more to gain than the other can increase doubts by one agency at the moment of the first difficulty (“Why are we doing this?”). To answer that question, the agencies’ managers should focus on the longer term-impacts benefits as opposed to this year’s budget savings. There is an intrinsic value for any organization to be pushed out of its comfort zone, particularly when it is in pursuit of a goal of greater efficiency. It forces an internal analysis on a key question: “Can we do this better?” which in turn, requires a documentation of what is being done now. Most organization practices have such long-term legacy that they have become habitual and not subject to serious and thoughtful analysis . Collaboration introduces work teams to a concept of thoughtful change as an organizational habit in and of itself. This can lead to much larger long-term benefits in operational efficiency.

Another benefit is the public awareness that the agencies are committed to serious efforts to try and use the public’s money carefully. There is a visceral public feeling that their hard-earned money is being wasted by governmental agencies. Demonstrable attempts at working on efficiency can go a long way to elevate that feeling. A reputation for efficiency is invaluable when an agency goes to the public for authority to change a tax base or gain a bond. That reputation is also an important recruitment advantage, since good employees want to take pride in their work effort. Word gets around quickly about how an agency is viewed by its constituency .

A third benefit occurs when going out to the market for contract work or general procurement. The local venders will see a joint agreement as a larger market and will sharpen their pencils to gain access to a multi-agency bid. A reputation for efficacy will also make the venders more thought full about the cost of their bid. It only takes a small percentage advantage in bids, year after year to add up to big savings in the cost of doing business. And, finally a series of joint organization success can build a foundation for large efforts that include more agencies. Not only will it make it interesting for other agencies to inquire about joint efforts, it will make your agency much more capable of taking full advantage of those opportunities. The biggest potential for efficacy is in larger scale operations. It allows for increased automation and specialization. From the public’s view point, it makes no sense to have five different agencies independently working on open space and parks. Doing it and saying it are however two entirely different activities.

IV. Summary and Next Steps

The previous discussion is not just academic—it has some practical implications for thinking about how to approach interagency collaboration:

- The Port and District have opportunities for net gain from collaboration. In most cases, however, reaping the gains require some organizational changes that may not be easy. Once there is a clear decision and motivation to implement the kind of changes described in this report, the effort may not be great. But the effort to get to that point proves insurmountable for some organizations.
- Start from where you are and move incrementally. In the absence of an impending crisis, it will be hard to jump from “little collaboration” (e.g., some quarterly discussion by agency managers about items of mutual interest) to confederation or consolidation. The four different levels of interagency collaboration described in this report are different in terms of complexity and commitment. They are usually sequential: more difficult (but more beneficial) collaboration builds on the success of simpler efforts.
- Don’t be afraid to experiment; encourage staff to try. It is common for organizations to diffuse the rewards for success and to concentrate the penalties for failure. In that type of environment, experimentation is risky.
- Involve all levels of staff in the change.
- Move to the next level of collaboration when everybody feels that the step is a good for everybody concerned. Every agency must win, and none can lose. Winning and losing is defined by the respective agency. Higher levels are probably not necessary until agencies are contemplating significant and long-term capital and operating commitments. Operation management can be changed and co-coordinated without consolidation of the governing body. The same is true of joint financial efforts like bond issues and operating levies.

Commission Memo



Prepared by: Michael McElwee
Date: March 19, 2020
Re: Recreational Facilities Reopening Discussion

The Port has collaborated extensively with other public agencies to plan for careful reopening of its waterfront recreational properties. The next significant decision point is the opening of the Event Site. Staff seeks additional discussion and Commission input about the proper conditions and implementation steps for reopening the Event Site.

General Conditions:

- Governor Brown issued Executive Order 20-25 implementing a phased approach to reopening Oregon's economy on May 14.
- State has issued specific guidelines for operations of various business sectors.
- Hood River County received approval for entering Phase One Re-opening May 15.
- State Parks and access sites in Gorge are still closed in both states.
- Skamania County Commission has authorized opening some recreational sites.
- Public agencies considering potential actions in advance on Memorial Day Weekend on May 25.

Current Status of Waterfront

- Port: Event Site closed. All restrooms closed. All trash receptacles pulled. All other sites open. Signage throughout stating, "Crowds Lead to Closures".
- City: Waterfront Park closed. Restroom closed.
- Growing recreational use on warm weather days and weekends. High water conditions now and should persist through June – limited Sandbar.
- Schools and Cruise Ship Dock vendors unsure of opening.

Recommended Event Site Opening Approach

Plan for opening week May 20. Use cones to mark off every other parking space to limit capacity. Enforce no launch/land and install robust signage restricting launch/land and social distancing. Install portable toilets until demand is demonstrated. Enforce parking. Monitor daily and close site (following day) if crowding occurs. Maintain outward messaging that "Gorge is Closed" until regional sites are open.

RECOMMENDATION: Discussion.

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Hood River – White Salmon

BRIDGE REPLACEMENT PROJECT

Project Director Report

May 19, 2020

The following summarizes Bridge Replacement Project activities from May 1-13, 2020:

NEPA PROCESS. Critical path memo and monthly update from WSP attached.

USDOT “Better Utilizing Investments to Leverage Development” BUILD GRANT. Most of my activity this period has been in preparing the 30-page grant application that was due yesterday (May 18).

- Obtained new letters of support, including one from the Oregon Transportation Commission.
- Worked with Klickitat County on joint application requirements. Klickitat County will take the lead on the Engineering Selection Committee (ESC) and the Technical Advisory Committee (TAC). The Port and others will serve on these committees, the lead role helps to differentiate their co-applicant status.
- Pursued other items of interest for the grant application, including obtaining scrap metal value of old bridge (>\$500k), maps from ODOT’s US30 bike/ped path, and a recap of the recent DEA load rating analysis on the current bridge.

GOVERNMENT AFFAIRS CONTRACTS. Finalized contracts for commission approval review in June.

BI STATE WORKING GROUP. Consensus items from last meeting attached. Steve Siegel is available to meet late May. Calendar invite for next meeting has been distributed.

MEETING SCHEDULE

- Bi-Monthly NEPA Coordination, May 14
- Thorn Run Partners Check In, May 19
- Project Status Meetings, May 20
- Cultural Resources Coordination, May 22
- Bi-Monthly NEPA Coordination, May 28
- Thorn Run Partners Check In, June 2
- Klickitat County Transportation Committee, June 3

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MEMO

TO: Kevin Greenwood, Hood River Bridge Replacement Project Director, Port of Hood River
FROM: Angela Findley, WSP
SUBJECT: Status of Critical Path Activities and Projected Work through June 15
DATE: May 13, 2020

CRITICAL PATH ACTIVITIES

Progress and challenges to completing critical path activities are described below.

1. AGENCY/TRIBE INVITATION LETTERS – COMPLETE

2. AGENCY/TRIBE REVIEW OF METHODOLOGY MEMORANDA – COMPLETE

3. ENDANGERED SPECIES ACT (ESA) COMPLIANCE

PROGRESS:

- Negotiations are underway to come to an agreement on the construction duration to stipulate in the Biological Assessment. ODOT and NMFS liaisons initially agreed to a schedule, but within a week backed off their decisions. WSP consulted with our national bridge expert to review and offer suggestions on compressing the schedule without adding substantial risk (e.g., cost) to the construction effort. WSP is confirming ODOT's assumptions in their proposed construction duration.
- Draft 2 of the Biological Assessment is expected to be submitted for FHWA, ODOT and NMFS liaison review within 2 weeks of agreement on the construction duration and associated in-water work window seasons affected.

CHALLENGES:

- ODOT is not in agreement with the proposed construction duration to include in the Biological Assessment.
- One week added to the schedule to continue negotiating with ODOT on the construction duration and number of in-water work windows to assume in the Biological Assessment (Line 226 in the schedule dated 5/13/2020).

SCHEDULE RISKS:

- **Moderate risk** associated with meeting expectations of multiple agencies within the overall EIS schedule.



SCHEDULED COMPLETION DATE: ~~1/5/2021~~ 1/12/2021

- Successor task: Final EIS (final review draft)

4. COMPLIANCE WITH SECTION 106 OF THE NATIONAL HISTORIC PRESERVATION ACT

PROGRESS:

- ODOT reviewed the eligibility and findings of effect forms for the Hood River Bridge and the “Hood River Loops” segment of the Historic Columbia River Highway; WSP is finalizing the forms.
- Eligibility forms are being prepared for the residential properties surveyed on April 7.
- A fieldwork plan (research design and testing plan) is being developed to target additional survey work recommended by the first survey results as well as work by another firm in the study area.
- Ethnographic study results were submitted by two of the three tribes who were contracted to perform this work; third tribe is expected to submit its summary by May 15.

CHALLENGES:

- Consulting individually and collectively with four Tribes with treaty fishing rights on the Columbia River to discuss potential impacts to the White Salmon Treaty Access Fishing Site and treaty fishing rights is requiring more time than anticipated. ODOT has contacted all four treaty tribes and has met with (Umatilla) or will schedule (Yakama, Warm Springs and Nez Perce) individual meetings. This effort has slowed down as a result of COVID-19; ODOT is reaching out to tribes to determine if tribes will hold meetings via video-conference (e.g., Zoom). The Port is identifying opportunities to engage tribal fishers at local events.
- An extra month was added to the schedule for the tribes to review the fieldwork plan from mid-May to mid-June 2020 (Line 305 on the schedule dated 5/13/2020).

SCHEDULE RISKS:

- **High risk:** Obtaining responses from the tribes and scheduling meetings has also delayed the schedule. Past delay and any continued delay have a high risk of further delaying the SDEIS production schedule.

SCHEDULED COMPLETION DATE: ~~4/16/2021~~ 5/17/2021

- Successor task: Final EIS (final review draft)

5. SUPPLEMENTAL DRAFT EIS PUBLICATION DATE

PROGRESS:

- Two administrative drafts of the SDEIS were prepared in the summer/fall of 2019. The current state of the SDEIS is roughly 60 percent complete; the remaining 40 percent includes incorporating the Biological Assessment, Section 106, and tribal consultation.
- Work on the SDEIS is restarting in May to begin incorporating the following:
 - Biological Assessment is substantially meeting FHWA, ODOT and NMFS liaisons’ acceptance. **Expect resolution by mid-May.**
 - Historic property and archaeological surveys (Round 2) are completed and findings are documented and approved by ODOT. **Expect resolution by end of June.**
 - Section 4(f) Technical Report is prepared and approved by ODOT. Report will be developed concurrently with historic property work. Request to unlink the Section 4(f) review by FHWA



from their review of the SDEIS will be requested; if accepted, this will avoid additional delay in the SDEIS. **Expect response from FHWA in early May.**

- Tribal consultation on cultural resources and treaty fishing rights/Treaty Fishing Access Site have advanced to a point where resources are identified and associated impacts are analyzed. **Expect tribal consultation to restart in June.**
- Three tribes are conducting ethnographic studies that will inform the cultural resources analysis and will be incorporated into the SDEIS. Results from two tribes received in mid-April; other tribe is expected mid-May.

CHALLENGES:

See challenges identified in Milestones 3 and 4.

SCHEDULE RISKS:

- **High risk:** SDEIS restart is dependent on high risk factors associated with ESA. FHWA will not review the SDEIS until this information is incorporated although a request to unlink the Section 4(f) Report will be conducted. The anticipated restart of the SDEIS is early May, which is a 4.5-month delay from the schedule in the latter part of 2019.

SCHEDULED COMPLETION DATE: **11/13/2020**

- Successor tasks: Public Review Period, Final EIS Footprint Set, and Final EIS/Record of Decision

6. CONFIRM NAVIGATION CLEARANCE – COMPLETE

7. FINAL EIS FOOTPRINT SET

Not started, successor task to the SDEIS publication.

SCHEDULED COMPLETION DATE: **1/28/2021**

- Successor tasks: Final EIS/Record of Decision

8. PUBLISH FINAL EIS/RECORD OF DECISION

Not started, successor to SDEIS publication and FEIS footprint set.

SCHEDULED COMPLETION DATE: **7/22/2021**

- Successor tasks: Close out EIS project



PROJECTED WORK FOR NEXT 30 DAYS

The following work is projected to occur from May 15 to June 15.

TASK 1. PROJECT MANAGEMENT

- Coordination with Port, Consultant Team and other agencies
- Invoice for April activities
- Update schedule and critical path status
- Begin 2020 cost-to-complete budget review.

TASK 2. PUBLIC INVOLVEMENT

- Prepare monthly update for July issue.

TASK 5. ENVIRONMENTAL

- Coordinate with ODOT, WSDOT and FHWA on technical reviews, cultural resources, tribal coordination and all other facets of NEPA compliance
- Complete negotiations regarding the construction duration and associated in-water work windows with FHWA and ODOT.
- Submit draft biological assessment (BA) within 2 weeks of resolution of construction schedule for FHWA and ODOT review.
- Submit plan for additional archaeological fieldwork for tribal review.
- Prepare draft Determination of Eligibility/Intensive Level Survey Forms for the residential properties with views of the bridge.
- Continue work on the Administrative Draft #2 Supplemental Draft EIS.

TASK 6. ENGINEERING

- Support the Supplemental Draft EIS production by addressing Requests for Information regarding design.
- Revise the conceptual construction schedules to support the biological assessment, as needed.
- Provide geotechnical support to address requests for information by the US Army Corps of Engineers regarding the permit for geotechnical investigations. This requires relocating several bore locations to avoid restricted easements.
- Shoot baseline photos and begin a new photo-simulation from the Treaty Fishing Access Site (dependent on Governor Inslee's directives for COVID-19).

TASK 7. TRANSPORTATION (TASK COMPLETE)

TASK 8. PERMIT ASSISTANCE

- US Army Corps of Engineers issued permit for in-water work associated with geotechnical exploration on six borings; address requests for information needed for the additional six borings.



EIS UPDATE

BRIDGE REPLACEMENT PROJECT

JUNE 2020

In December 2003, a draft environmental impact statement (EIS) was published as part of a bi-state collaborative effort. This draft EIS was the first step in complying with the National Environmental Policy Act (NEPA). Currently, the Port of Hood River (Port) is advancing the project to complete the EIS effort and position the project for future funding and construction.

What's new on the project?

- Submitting an archaeological fieldwork plan to the Oregon State Historic Preservation Office and Washington Department of Archaeology and Historic Preservation for additional investigations that supplement the work conducted in Fall 2019. Expect authorization in late June.
- Documenting impacts to viewsheds toward the bridge from potential historically significant residences that are eligible for listing on the National Register of Historic Places to submit to the Oregon State Historic Preservation Office and the Washington State Department of Archaeology and Historic Preservation.
- Coordinating with ODOT on the assumed construction schedule to include in the revised draft biological assessment; submit to FHWA, ODOT, and liaisons to the National Marine Fisheries Service for technical review. The biological assessment documents Project impacts to threatened and endangered species and habitat and associated proposed conservation measures.
- Obtaining permits for geotechnical investigations on land and in the water to support design advancement.
- Due to the coronavirus pandemic, consultations with the Native American tribes are on hold.

What are the next steps?

- Conduct additional archaeological investigations in areas where more information is needed.
- Consult with Native American tribes on cultural resources, access to the Columbia River, fishing activities, treaty rights, and any other interests identified by the tribes that relate to the Project.
- Continue to consult with the Columbia River Inter-Tribal Fish Commission (CRITFC) and other federal, state, and local agencies, as needed.
- Advance the draft Supplemental Draft EIS with new historic, cultural, tribal, and biological information gained during the past few months.

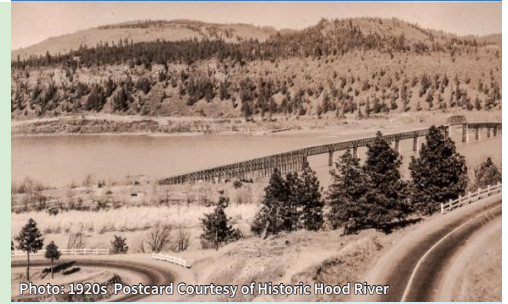
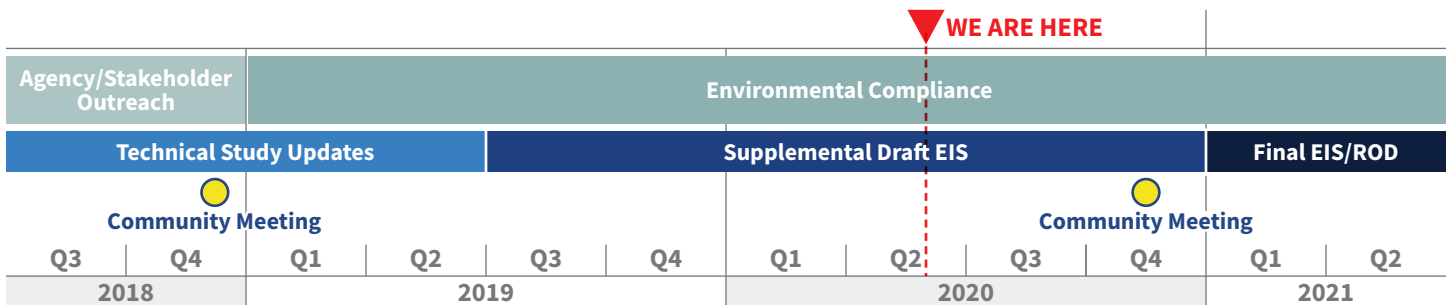


Photo: 1920s. Postcard Courtesy of Historic Hood River

How would bridge replacement benefit the Columbia River Gorge communities?

The Hood River Bridge provides a critical connection for residents and visitors to the Columbia River Gorge National Scenic Area. One of only three bridges spanning the Columbia in this region, the bridge is a critical rural freight network facility for agriculture, forestry, heavy industry and high-tech companies with freight originating throughout the northwest. The existing bridge is nearing the end of its serviceable life and is obsolete for modern vehicles with height, width, and weight restrictions and is also a navigational hazard for marine freight vessels. The bridge has no sidewalks or bicycle lanes for non-motorized travel and would likely not withstand a large earthquake.

If project funding is secured, the new bridge would provide a safe and reliable way for everyone to cross or navigate the Columbia River—by car, truck, bus, bicycle, on foot, or on the water. A new bridge would support a thriving economy and livable communities.



To learn more about the project, please visit us at:

www.portofhoodriver.com/bridge

PROJECT CONTACT

Kevin Greenwood, Project Director

☎ 541-436-0797

@ kgreenwood@portofhoodriver.com

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AGENDA/MINUTES

Bi-State Bridge Replacement Group Video Conference

May 1, 2020 / 9:00am – 10:00am

Video Conference Credentials Sent via Email

Members: Marla Keethler (Mayor), City of White Salmon; David Sauter (Commissioner), Klickitat County; Rich McBride (Commissioner), Hood River County; John Everitt (President), Port of Hood River; Kate McBride (Mayor), City of Hood River; Kristi Chapman (Commissioner), Port of Hood River - *alternate*. Betty Barnes (Mayor), City of Bingen - *absent*;

Staff/Consultants: Michael McElwee (Executive Director), Port of Hood River; Kevin Greenwood (Project Director), Port of Hood River

- | | | |
|----|---------------------------------|-------|
| 1. | Discuss Approach Moving Forward | 9:00 |
| 2. | Discuss BUILD Grant Application | 9:55 |
| 3. | Adjournment | 10:00 |

* * * * *

NOTES/CONSENSUS/ACTION ITEMS FROM May 1st Meeting

Purpose of this meeting was for the BSWG to discuss the general direction and approach of the committee, the work schedule with Steve Siegel, and support of a joint grant application for BUILD.

Consensus is that Siegel clearly understands the material. There is some concern about the level of detail being shared or if the information could start with most likely options and add detail from there. Interest in seeing if the schedule could be sped up to meet every two or three weeks in shorter meetings. Port currently has approved scope and contract with Siegel which will need to be reviewed if there are significant changes.

There was also some interest in formalizing the committee via a series of Inter Local/Governmental Agreements to ensure that continuity exists even if there are hard decisions to work through.

One approach discussed was to boil the most likely governance structures down to one or two and study the elements of those structures. Perhaps a review of the determining criteria would be appropriate for this group. Staying positive is important. There was skepticism of P3 by some especially the expected rate of return while keeping the tolls low, but interest in learning more as well.

Reviewing questions typical of an RFI would be helpful. Are there people in the region that we can tap into their expertise on large infrastructure projects? Mike Fox' name was mentioned.

Port will distribute joint letter similar to INFRA application for agency signatures. Klickitat County may be a joint-applicant.

POST MEETING NOTE – Brad Boswell noted that Sen. King would like to hear how the BSWG is progressing and could be made available in the next week or two.

ACTION ITEMS:

1. Staff to discuss WG's direction with Siegel and forward updated meeting/scope schedule
2. Begin formalizing BSWG using ILA/IGAs.
3. Summarize governance criteria and show two most likely options (including one for deciding upon P3)
4. Learn more about P3 approaches
5. Invite Sen. King for a legislative update

-###-

Commission Memo

Prepared by: Michael McElwee
Date: March 19, 2020
Re: ED Report



The Executive Director's Report will be presented verbally at the meeting. The attached COVID-19 Port practices policy update will be a topic of discussion.

RECOMMENDATION: Information.

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Port of Hood River
COVID-19 Contagion
Safe Work Practices

Initially Prepared: 3.16.20

Updated: 5.10.20

D R A F T

This following summarizes the current status of Port operations and described actions to be taken by the Port in response to the Coronavirus (COVID-19) pandemic. It was originally prepared based on the practices advised by the Center for Disease Control and Prevention (CDC), Governor's Order 20-12 issued on May 23, 2020, and other sources as applied to Port activities. On May 7, Governor Brown announced a phased process for re-opening Oregon Counties whereby Oregon counties would be eligible for entering Phase One of the re-opening process on May 15 and issued detailed guidance for various sectors of the Oregon economy. This Safe Work Plan has been updated to reflect this new guidance as well as recommendations from other sources that are appropriate for Port operations. It is intended to be a working document and updated as conditions allow or require.

I. OPERATIONAL STATUS

The following summarizes the current status of Port operations:

Communication & Coordination

- Port management regularly monitoring recommendations of state and local health officials.
- Staff participating in:
 - twice-weekly conference calls of the Emergency Operations Center (EOC).
 - Twice-weekly conference calls of the Joint Information Center (JIC).
 - weekly conference calls of the Local Administrators Recreation Coordination Committee
 - weekly calls of the Mid-Columbia Economic Resilience Team
- Inventory of PPE on hold and available for donation to local PPE Task Force.
- Inventory of paper products available for donation to local food security organizations.

Toll Facilities

- Tolling operations resumed on May 1. Limited to All Electronic Tolling (AEC).
- Toll staff on leave with pay.
- Some toll staff conducting license plate verification in back office.
- Work commencing on a work plan to re-open the toll booth for cash transactions in June.

Office & Administration

- Port office closed to the public.
- Some staff working in office daily to maintain basic administrative functions.
- Other office staff teleworking to the extent job responsibilities allow.

- All meetings held via Zoom.

Facilities Department

- All facilities staff are working regularly with distancing restrictions.
- General maintenance tasks being carried out.
- Projects which cannot be accomplished using social distancing practices are on hold.

Recreational Properties

- Event Site and all restrooms are closed. “Crowds Lead to Closures” signs installed. All trash cans and doggie bag stations removed.
- All other areas are open, including water access, subject to monitoring for crowding and social distancing.
- Port web site is updated regularly to communicate specific recreation site access status at <https://portofhoodriver.com/whatisopen/>

II. SAFE WORK PRACTICES

The following summarizes employee practices that shall remain in effect until further notice:

GENERAL

- The Executive Director shall serve as the Port’s COVID-19 Safe Work Practices Coordinator. Any suggested changes or implementation concerns should be brought to the attention of the Executive Director for any necessary response of action.
- Employees should stay close to home, avoid overnight trips and limit non-essential travel.
- All employees should practice good hand hygiene, avoid touching their face and maintain physical distancing of at least six feet with non-family members.
- A cloth face covering shall be provided by the Port to all staff. Face coverings should be worn when entering or exiting the Port Office and in any situation where any meeting occurs and 6 ft. social distancing cannot be maintained. Face masks do not need to be worn at an employee’s work station.
- Employees shall report any Port activity that appears not in keeping with these practices or any guidance or directive from any public health authority to the Executive Director. The ED shall review the activity, consider appropriate response measures and report back to the reporting employee as to actions taken, if any.
- Construction job sites should follow OHA guidance. Any Staff accessing job sites should also be following social distancing protocols.

- The name and contact information of any non-Port person who comes onto Port premises shall be kept for potential contact tracing.
- All staff should strive to practice patience, grace and positive reinforcement with the public and other employees during this time of generally high stress and anxiety.
- The Safety Committee will convene regularly to identify detailed actions or practices related to Port operations that could reduce COVID-19 transmission risk. Any such recommendations shall be forwarded to the Executive Director for possible implementation.

WORKPLACE ACCESSIBILITY

- Employees should stay home if they do not feel comfortable coming to work for any reason related to COVID-19. Sick leave does not need to be used for such absences.
- Employees shall consult with their supervisor and telework when their job responsibilities allow.
- Employees who come into the office are encouraged to return home when their work tasks are completed.
- Employees who telework shall be supported with technological support by the Port to the extent reasonably possible.
- Employees who telework shall inform their supervisor at least one day in advance if they wish to access the office. Supervisor shall ensure that proper distancing measures can be implemented. A regular work schedule may be established.
- No work-related travel outside of the Gorge is permitted unless authorized by an employee's supervisor.

GENERAL HEALTH MONITORING & REPORTING

- Employees that experience any symptoms of colds or flu or other acute respiratory illness (ARI) must not come to work or go home immediately until they are free of symptoms for at least 24 hours.
- Employees must notify their supervisor as soon as possible after ARI symptoms are noticed and provide a description of their work activities over the prior seven days.
- Employees who experience ARI symptoms should consult their physician and determine if COVID-19 testing is warranted.

- Employees who are tested and confirmed to have COVID-19 shall inform their supervisor immediately. Port management shall inform other employees of a possible exposure. CDC and Oregon Health Authority guidance will be followed to conduct a risk assessment of potential exposure and advise next steps, which may include voluntary self-quarantine as directed by Hood River County Health Department officials.

OFFICE/ADMINISTRATION

- No members of the public shall be allowed to enter the office unless under special circumstances (e.g. public meeting) and only if approved by the Executive Director.
- Access to the office shall be limited to those staff whose job responsibilities require access.
- No more than four employees shall be at workstations in the front office at any one time. Up to 5 people may be present in the East wing.
- Office staff shall adhere to the 6 ft. social distancing recommendation to the maximum extent possible. This includes distance between workstations.
- General surface cleaning/sanitizing shall be conducted by Facilities staff at least twice per week before or after regular business hours.
- Employees shall wash their hands frequently with soap and water for at least 20 seconds, cover their noses and mouths with a tissue when coughing or sneezing (or an elbow or shoulder if no tissue is available).
- Hand Sanitizer, tissue and antiseptic wipes shall be provided at all workstations and in all common areas of the Port offices. Employees shall wipe their work surfaces and tools (phone, mouse, etc.) with antiseptic wipes or disinfectant at least twice per day.

FACILITIES DEPARTMENT

- Facilities staff should work solo whenever possible and maintain social distancing to the maximum extent possible when working in teams.
- Projects or tasks that do not allow social distancing should be postponed if at all possible.
- To the maximum extent possible, each employee should only operate a specific truck, ensure that there is only one in the cab and do not share tools.

TOLLING FACILITIES

- Employees carrying out license plate verification tasks shall clean the work surfaces before and after use. Staff should use Port-supplied gloves at all times when handling cash or coins.

III. Compensation & Benefits

At their May 5, 2020 regular meeting, the Commission considered a recommendation from the Personnel Committee to require all full-time employees to take one un-paid day off per month for the next two months. That recommendation was not approved by the full Commission. Therefore, the following policies remain in place:

- All Exempt employees shall continue to receive their normal pay amount.
- All Non-Exempt employees shall continue to be paid based on hours worked including overtime. If work hours are limited or work tasks can be completed in less than 40 hours per week, pay amounts shall be based on a 40-hour week.
- All Part-Time employees shall be paid based on their normal hours whether working or not.
- Employees shall not be required to use sick leave for COVID-19 related absences.

Approved: _____

Michael McElwee, Executive Director

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Commission Memo



Prepared by: Fred Kowell
Date: May 19, 2020
Re: SDIS Workers' Compensation Renewal – FY 2020-21

The Special Districts Association of Oregon (SDAO) provides Workers' Compensation insurance through their insurance arm, Special District's Insurance Services (SDIS).

This insurance renewal provides workers compensation insurance for staff and Board members as well as certain volunteers. SDIS is requesting a resolution that allows for volunteer coverage through their renewal process.

The Port does have seasonal volunteers that have been coming to the waterfront on an annual basis to assist the Port in monitoring the waterfront. This renewal will incorporate their volunteer work. This coverage looks at unpaid volunteers and allows a certain amount of coverage if such need arises.

RECOMMENDATION: Approve Resolution 2019-20-7 for the renewal of Workers' Compensation insurance for FY 2020-21.

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PORT OF HOOD RIVER
Resolution No. 2019-20-7

**RESOLUTION EXTENDING WORKERS' COMPENSATION COVERAGE
TO VOLUNTEERS OF THE PORT OF HOOD RIVER**

WHEREAS, the above district elects the following:

Pursuant to ORS 656.031, workers' compensation coverage will be provided to the classes of volunteer workers as indicated below (checked "Applicable") and listed on the attached Volunteer Election Form(s).

Board Members Applicable Not Applicable

Public Officials on unpaid boards will be covered only for administrative and clerical functions while performing their authorized duties as elected officials.

Public Safety Volunteers Applicable Not Applicable

Public Safety Volunteers are covered at the assumed monthly wage indicated on the attached Volunteer Election Form(s)

Other Volunteers Applicable Not Applicable

Non-public safety volunteers and board members volunteering for duties other than administration and clerical functions will use the attached Volunteer Election Form(s) to keep track of their hours and have their assumed payroll reported in the correct Class Code for all their types of work using Oregon minimum wage.

A roster of active board members and volunteers will be kept monthly for reporting purposes and submitted to SDAO quarterly or more frequently upon request.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Port of Hood River to provide Workers' Compensation coverage as indicated above.

ADOPTED by the Board of Commissioners of the Port of Hood River on this 19th day of May 2020.

John Everitt

Ben Sheppard

Dave Meriwether

Kristi Chapman

Hoby Streich

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Board and Volunteer Election Form

District Name: Port of Hood River

Board Members listed for Class Code 8742B will be covered only for administrative and clerical functions at board/committee meetings. If board members are performing functions other than administrative or clerical duties they must also be listed on the Volunteer Roster and payroll must be reported in the Other Volunteers section to be eligible for coverage.

Unpaid Board of Directors					
Column (1) x Column (2) x Column (3) = Column (4)					
Class Code	Job Duty	(1) No. of Board Members	(2) No. of Meetings Annually	(3) Reimbursement per Meeting (\$40 minimum)	(4) Total Estimated Assumed Payroll (\$2,400 minimum)
8742B	Board of Directors				

Public Safety Volunteers listed for Class Code 8411 use an assumed monthly wage of no less than \$800 per volunteer per month (regardless if one day or 31 days are volunteered) for contribution payment and calculation of benefits. This assumed monthly wage may be increased at the district's discretion in increments of \$100, up to a maximum of \$2,400.

Public Safety Volunteers				
Column (1) x Column (2) = Column (3)				
Class Code	Job Duty	(1) Est. No. of Volunteer Months*	(2) Assumed Monthly Wage (\$800 min.)	(3) Total Estimated Assumed Payroll
8411	Ambulance Driver			
8411	Ambulance Technician			
8411	Crime Prevention Unit			
8411	Sheriff			
8411	Emergency Medical Technician			
8411	Explorer Scout			
8411	Fire Chief/Asst. Fire Chief			
8411	Firefighter			
8411	Police Officer			
8411	Police Reserve			
8411	Probation Officer			
8411	Search and Rescue			
8411	Sheriff's Posse			
8411	Quick Response			
8411JF	Junior Firefighter (Cadet)			
8411A	Support, Non-Firefighting: # Vol _____ x # Hrs _____ x # Months _____ x Hourly Wage _____ =			

*Estimate the number of volunteer months for each position and enter the total on the appropriate line in Column (1). Some volunteers are not active every month, i.e., one volunteer firefighter may be active five months out of the year, two volunteer firefighters may be active 12 months out of the year, and five volunteer firefighters may be active only one month out of the year. Thus, the number of volunteer firefighter months would be 34.

Board and Volunteer Election Form

District Name: PORT OF HOOD RIVER

Other Volunteers listed for all Class Codes other than Board Member (8742B) and Public Safety Volunteers (8411) use an assumed payroll computed at Oregon minimum wage using actual hours worked and reported in the appropriate Class Code with a "V" added to the end.

SDAO's ability to provide workers' compensation coverage for volunteers is directly related to each entity's ability to keep verifiable records of the names and hours worked by participants. Claims adjusters will verify coverage at the time a claim is filed.

Other Volunteers						
Column (1) x Column (2) x Column (3) x Column (4) = Column (5)						
Class Code	Job Duty	(1) Est. No. of Vol. per month	(2) No. of Hours per month	(3) No. Of Months per year	(4) OR Min. Wage	(5) Total Estimated Assumed Payroll
0042V	Landscaping - V					
0050V	Grove Caretaking Operations - V					
0106V	Tree Pruning, Spraying - V					
0113V	Fish Hatchery and Drivers - V					
0124V	Tree Planting - V					
0251V	Irrigation Works - V					
2702V	Forest Fire Fighting Special Employee - Doctor - V					
4361V	Photography - V					
4511V	Analytical Chemist - V					
5183V	Plumbing - V					
5403V	Carpentry NOC - V					
5445V	Wallboard Install w/in Bldg - V					
5474V	Painting - V					
5479V	Insulation Work NOC & Drivers - V					
5506V	Street and Road Construction – Paving/Repaving/Drivers- V					
5507V	Street and Road Construction-Subsurface Work- V					
5606V	Contractor/Executive Supervisor - V					
5645V	Window/Door Installer - V					
6217V	Excavation NOC - V					
6229V	Irrigation Systems Construction - V					
6306V	Sewer Construction - V					
6319V	Gas & Water Main Construction - V					
6400V	Metal Fence Erection - V					
6834V	Boat Building and Repair - V					
6836V	Marina - V					

Board and Volunteer Election Form

District Name: Port of Hood River

Other Volunteers						
Column (1) x Column (2) x Column (3) x Column (4) = Column (5)						
Class Code	Job Duty	(1) Est. No. of Vol. per month	(2) No. of Hours per month	(3) No. Of Months per year	(4) OR Min. Wage	(5) Total Estimated Assumed Payroll
6876V	Divers – V					
7024V	Vessels NOC (If Any) - V					
7090V	Boat Livery/Boats Under 15 Tons - V					
7153JV	Railroad Operations (If Any) – V					
7335JV	Dredging (If Any) – V					
7360V	Freighthandler NOC – V					
7370V	Drivers/Attendants - V					
7380V	Chauffeurs and Helpers NOC - V					
7382V	Bus Company and Drivers - V					
7403V	Aircraft Operation - V					
7520V	Waterworks Operations - V					
7539V	Electric Power - V					
7580V	Sewage Plant Operations - V					
7610V	Radio or TV Broadcasting - V					
7720V	Police Officers- V					
8006V	Store - Dry Goods - V					
8010V	Wholesale and Retail Stores - V					
8017V	Store - Retail - V					
8018V	Wholesale NOC - V					
8227V	Municipal Maintenance Yard - V					
8232V	Lumber Yard - V					
8385V	Bus Company - Garage - V					
8601V	Engineer or Architect - V					
8720V	Insurance Inspection & Valuation - V					
8742V	Director/Sales/Collectors - V					
8810V	Clerical Office Employee - V					
8820V	Attorney - V					
8824V	Nursing Home Health Care - V					
8825V	Nursing Home Food Service - V					
8826V	Nursing Home Other Services - V					
8832V	Clinic - V					
8833V	Hospital - Professional EE's - V					

Board and Volunteer Election Form

District Name: Port of Hood River

Other Volunteers						
Column (1) x Column (2) x Column (3) x Column (4) = Column (5)						
Class Code	Job Duty	(1) Est. No. of Vol. per month	(2) No. of Hours per month	(3) No. Of Months per year	(4) OR Min. Wage	(5) Total Estimated Assumed Payroll
8835V	Nursing – V					
8868V	School Professional Employee - V					
9014V	Buildings Operation by Contractor- V					
9015V	Buildings Operation by Owner- V					
9016V	Kiddie Ride Operators - V					
9040V	Hospital - All Others - V					
9052V	Rooming House/Boarding House - V					
9061V	Club NOC- V					
9063V	YMCA/YWCA - All Employees - V					
9064V	Child Day Camp - V					
9079V	Restaurant NOC - V					
9101V	School -All Other Employees - V					
9102V	Park NOC – All Employees – V	2	360	2	\$12	17,280
9154V	Theatre Employees NOC - V					
9182V	Athletic Team - Operation - V					
9220V	Cemetery Operations - V					
9349V	School Cafeteria/Kitchen EE's - V					
9366V	Hospital - Cafeteria - V					
9402V	Street and Sewer Cleaning - V					
9410V	Municipal County Employee NOC - V					
9516V	Radio, TV, Video & Audio Equip. - V					
9519V	TV/Radio Install and Repair - V					

Commission Memo



Prepared by: Anne Medenbach
Date: May 19, 2020
Re: Gorge Grown Grant Application

Gorge Grown is applying for a USDA planning grant to develop a plan for a future Local Food Enterprise Center. Gorge Grown has requested that the Port of Hood River consider being the local public entity partner for the request. Business Oregon, the SBDA and Oregon State University have signed on as partners at a state level.

The grant amount is between \$100-250,000 and would be awarded September 30, 2020. The project period could last up to two years. The requirements for the Port would be to provide staff support for up to 1 hour per week for one year. A 25% grant match has already been secured and there is no monetary requirement of the Port beyond staff time.

The attached Project Summary provides an overview and specific project objectives. Staff request Board consideration of the Port either acting as a partner or providing a letter of support. Also attached is a draft letter of commitment as a Partnering Organization letter and a draft Letter of Support.

Local food networks are vital to our agriculture industry and to our local residents. The application is due on May 22nd.

RECOMMENDATION: Authorize partnership with Gorge Grown Food Network and letter of support for a grant application associated with a Local Food Enterprise Center.

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Regional Food System Partnerships Program

A USDA grant opportunity

Gorge Grown Project Summary

A thriving regional food system is one that supplies a substantial portion of the food consumed in the region, provides profitable markets for producers, creates and sustains food sector jobs, and contributes to the vitality of the regional economy. Through the proposed project, Gorge Grown Food Network and Project Partners will explore the scope and viability of a Columbia Gorge Local Food Enterprise Center to serve as a hub for the development and support of sustainable local food businesses in the Columbia River Gorge.

The project team envisions the potential to address the nutritional needs of local residents by supporting agricultural producers, producing value-added products, distributing local produce throughout the region and especially to its isolated and far-flung corners, and developing retail outlets to support local food sales.

Through years of collaborative discussion and on-the-ground observation of a growing and shifting local food system in the Columbia River Gorge, project partners are poised to enter a structured planning phase in the development of a flexible, multi-layered Local Food Enterprise Center. This facility could have the potential to host shared-use spaces for aggregation, value-added processing, distribution, and sale of local products, co-located office space for community service providers and nonprofit organizations engaged in food system programming and food business support, and multi-use community event space.

Project Objectives:

Objective 1: Support the development, coordination and expansion of direct producer-to-consumer marketing; local and regional food markets and enterprises; and value-added agricultural products

Objective 2: Connect and cultivate regional food economies through public-private partnerships

Objective 3: Support the development of business plans, feasibility studies and strategies for value-added agricultural production and local and regional food system infrastructure.

With the support of USDA-AMS Regional Food Systems Partnership funding, project partners will complete a comprehensive development plan for a future Local Food Enterprise Center to be located in the Columbia River Gorge. The project team anticipates this process to include the following elements:

- Engaging diverse collaborators, stakeholders, business advisors, and potential supporters in the purpose of designing a Local Food Enterprise Center development plan;

- Assessing community readiness for development of a Local Food Enterprise Center and determining the resources and services to be offered to best support local food producers;
- Conducting community surveys to determine reasonable first or intermediate steps that could be taken to support the development of the Local Food Enterprise Center; and
- Identifying obstacles and gaps in resources and exploring options for addressing existing barriers to launching a Local Food Enterprise Center and local food access;



Letter of Support

Regional Food Systems Partnerships
USDA Grant Opportunity
USDA-AMS-TM-RFSP-G-20-0009

To whom it may concern,

The Port of Hood River is an economic development agency operating in the agriculturally vibrant Hood River County, Oregon. This letter serves as our stating intent to support Gorge Grown's efforts to plan and develop a Local Food Enterprise Center here in the Columbia River Gorge. The Port would act as a partner in this important effort to support food security and producer-to-consumer connections with local agricultural producers.

Gorge Grown is an active and essential driver of our local food system here and has created a network that supports local residents and producers. The RFSP planning grant for a Local Enterprise Food Center is a great opportunity for this organization and its partners to expand the local food system and assist in solving food instability while supporting local agricultural businesses.

The Port of Hood River is happy to support this effort and would request that this funding be awarded to this much needed activity.

Sincerely,

Michael McElwee
Executive Director
Port of Hood River

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Port of Hood River

Providing for the region's economic future.

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1000 E. Port Marina Drive • Hood River, OR 97031 • (541) 386-1645 • Fax: (541) 386-1395 • portofhoodriver.com • Email: porthr@gorge.net

PARTNER ORGANIZATION LETTER

Sarah Sullivan, Executive Director
Gorge Grown Food Network
203 2nd Street,
Hood River, OR 97031

Dear Ms. Sullivan:

The Port of Hood River is an economic development agency operating in the agriculturally vibrant Hood River County, Oregon. This letter serves as our stating intent to support Gorge Grown's efforts to plan and develop a Local Food Enterprise Center here in the Columbia River Gorge. The Port would act as a partner in this important effort to support food security and producer-to-consumer connections with local agricultural producers.

We commit to participating in and supporting the 2020 Local Food Enterprise Center for the period of October 1, 2020, through October 1, 2021 by providing up to 1 hour of monthly support service by Anne Medenbach, Port Development and Property Manager, towards the project.

Sincerely,

Michael McElwee
Executive Director
Port of Hood River

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