



PORT OF HOOD RIVER COMMISSION

AGENDA

Tuesday, December 6, 2022

Port Conference Room

1000 E. Port Marina Drive, Hood River

1. Call to Order – 5:00 p.m.
 - a. Modifications, Additions to Agenda
 - b. Introduction of Kristen Campbell, Campbell Phillips Law, new Port General Counsel (*Kevin Greenwood*)
 - c. Introduction of Debbie Smith-Wagar, new Port Finance Director (*Kevin Greenwood*)
 - d. Public Comment (5 minutes per person per subject; 30-minute limit)
 2. Consent Agenda
 - a. Approve Minutes from the November 1 Regular Session and the November 15 Special Work Session (*Patty Rosas, Page 3*)
 - b. Approve Addendum No. 3 to Lease with Real Carbon in the Big 7 Building (*Greg Hagbery, Page 9*)
 - c. Approve Amendment to T-Hangar A-11 Lease Agreement with Will Fernyhough at the Airport (*Greg Hagbery, Page 13*)
 3. Informational Reports
 - a. Bridge Replacement Project Update (*Michael Shannon, HNTB, Page 17*)
 4. Presentations & Discussion Items
 - a. Work Session Summary and Work Plan Discussion (*Kevin Greenwood, Page 23*)
 5. Executive Director Report (*Kevin Greenwood, Page 33*)
 6. Commissioner, Committee Reports
 7. Action Items (None)
 8. Commission Call
 9. Confirmation of Commission Directives to Staff
-
10. Executive Session under ORS 192.660 (2)(e) to conduct deliberations with persons designated to negotiate real property transactions.
 11. Possible Action
 12. 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.*

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

Special Work Session

PRESENT: Commissioners: Ben Sheppard, Kristi Chapman (Arrived at 11:06 a.m.), Mike Fox, Hoby Streich, and Heather Gehring. Legal Counsel: Jerry Jaques, Anna Cavalieri, and Kristen Campbell. From Staff: Kevin Greenwood, Genevieve Scholl (Arrived at 11:06 a.m.), Daryl Stafford (via Zoom), Greg Hagbery, John Mann, Ryan Klapprich, and Patty Rosas. Guests: None

ABSENT: None

MEDIA: None

1. **Call to Order:** President Ben Sheppard called the meeting to order at 11:00 a.m.
2. **Introduction, Purpose, and Format of the Brainstorming Session:** Commissioner Sheppard opened the work session and welcomed everyone to the meeting.
3. **Future of the Port:** Commissioner Sheppard asked the question on whether the Port of Hood River (“Port”) should continue after the current bridge has been replaced.

Commission Consensus: Was that the Port should continue after the current bridge is replaced.

4. **Waterfront Development:** Commissioner Sheppard requested an update on Lot 1. Genevieve Scholl, Deputy Executive Director, reported that there is a total of \$1 million in grant funding that needs to be expended by June of 2023, and is dedicated to architecture and engineering expenses. Scholl noted that the Port contracted with Elaine Howard Consulting, LLC to perform an analysis to identify potential opportunities within the Urban Renewal Agency (URA) specific to Lot 1. Scholl also commented on the objective of Anchor Way and 1st Street, which is to prepare Lot 1 for future developments, and added that if 1st Street is constructed at the same time as Anchor Way, that would provide the opportunity for development of commercial buildings along 1st Street on the east side. Commissioner Fox asked if it was possible to use the grant funds on other projects that may have a quicker rate of return. Greg Hagbery, Development and Property Manager, replied that the purpose of the grant was to help solve vehicle circulation issues and will need to verify with Oregon Department of Transportation (ODOT) on the grant requirements. Commissioner Hoby Streich noted that with Board turnover every two years, decisions are often changed, and emphasized the importance of acting fast on decisions that are currently being made by the Board.

Commission Consensus: Was for staff to review ODOT grant requirements and to move forward with a Request for Proposal (RFP) for 1st Street and Anchor Way, with utilities in place on Lot 1. Staff was also directed to prepare for commercial development along 1st Street on the east side, and plan for future development on Lot 1. Community outreach was requested to determine what the community needs are for future development on Lot 1. As well as relocation of the Event Site entrance to 2nd Street.

5. **Airport Development:** Hagbery provided a brief update on airport development and reported that the Request for Development Interest (RFDI) on the North T-Hangar is in process. Also, Federal Aviation Administration (FAA) funding is going to help the Port put in infrastructure to build out on the east side of the taxiway for future development of hangars. FAA funding will not be available until 2024 with construction in 2025. Hagbery noted that there is a bipartisan infrastructure law that gives the Port \$159,000 per year for five years and must be expended within those five years.

Commissioner Sheppard asked the Commission what they want for the airport in the future. Commissioner Fox commented that he would like to see the airport revenue positive with T-Hangars, commercial facilities, and light industrial. Commissioner Fox added that if the airport is never going to generate revenue, then selling it should also be considered. Hagbery noted that the airport should not be seen as a resource to subsidize other asset centers but rather as a value to the community that could financially sustain itself. Commissioner Streich recommended a courtesy car service at the airport that would encourage more tourism in Hood River. Scholl suggested evaluating private business opportunities and partnerships to help increase business activity on Port property and asked if the Commission would like staff to do outreach for private concession ideas.

Commission Consensus: For staff to provide private concession ideas. Jerry Jaques, legal counsel, noted that the Port cannot be in business with a private business. Relationships with private businesses need to be structured to have a separation between the two entities. The Commission requested that legal counsel review the possibility of Private Investment to help the Port finance development. The Commission would also like to see the development of T-Hangars by 2025, as well as legal counsel review for FAA limitations on cash reserves, and staff review of limitations for airport lodging.

Commissioner Streich asked why the Port was not receiving revenue from the Fuel Flowage Fee. Hagbery replied that the Fixed Base Operator (FBO) agreement was on the new fuel tank that has yet to be installed. The old fuel tank does not include a Fuel Flowage Fee. The Commission requested a review of the agreement.

- 6. Lower Mill:** Hagbery provided a brief update on Lower Mill and noted that they are still waiting for the Market Analysis that would provide greater optics on the true value of the property. A previous concept for the parcels was for a full build out of a light industrial complex. It was also discussed to sell three of the four parcels and retain one. Hagbery suggested self-storage that would benefit the community. Commissioner Sheppard noted that a covered and fenced but not enclosed storage yard for boats and RV's is what is needed in the community and could be constructed at a minimal cost.

Commission Consensus: Was for staff to explore the possibility for boat and RV storage as well as self-storage at Lower Mill. The final decision will be made by the Commission once the Market Analysis is complete.

- 7. Other Topics:** Kevin Greenwood, Executive Director, noted that staff will score the list of projects from today's Work Session and present a report at the December Commission meeting showing how each project was scored. Once there is consensus on the list staff can use it to help establish the budget.

Marina: Commissioner Sheppard discussed the potential of future development of commercial buildings at the Marina after the current bridge is replaced; specifically at the Marina Green, DMV and Chamber building. Jaques noted that there is a Port Ordinance restricting the development of the Marina Green, but it could be amended. Commissioner Fox suggested commercial development near the cruise ship dock.

Commission Consensus: Was for staff to begin a planning study for future commercial development of the Marina Green, DMV and Chamber Buildings, as well as a new location for the boat launch. The Commission also requested review of the Marina Green Ordinance.

Maritime Site: Hagbery noted that the Maritime Building is nearing the end of its usable life. Several proposals have been made for redevelopment of the site. Commissioner Sheppard commented that the concept of an RV park on Port property has been mentioned multiple times. Hagbery noted that the City of Hood River (“City”) does not permit RV parks within the city.

Commission Consensus: Was for staff to assess the potential of a boutique RV park. As well as a land lease or paid parking.

Daryl Stafford, Waterfront Manager, commented on whether Parks & Recreation should take over the areas that the Port cannot develop. Greenwood noted that there is some interest in exploring this with Parks & Recreation District, but Parks & Recreation is reconsidering how they would like to approach this issue. Commissioner Fox recommends waiting till the new Port Finance Director is in place to provide a financial report that demonstrates the profit and loss per cost center. Commissioner Fox also expressed concern over Hagbery’s workload and asked if Hagbery had enough support. Greenwood replied that if additional resources were needed, then one option to consider would be to hire a consultant project manager.

Commission Consensus: Was for staff to provide options for project management assistance.

John Mann, Facilities Director, noted that he will soon announce his retirement and staff will need to fill that position as well. Greenwood asked when the Commission would like to review the Commission Formation Agreement (CFA). Commissioner Sheppard replied that when there is an acceptable draft the Commission will need time to review it and then schedule a work session to discuss the CFA. Mann asked if there was an obligation to the Port to reimburse Oregon State Marine Board (OSMB) for grant funding related to the lay down area for the new bridge. Greenwood replied that as they get closer to permitting it is possible that OSMB will request that the Port finds an equal amount of recreational property somewhere else in the vicinity and added that staff is looking at ways to resolve this issue.

8. Confirmation of Commission Directives: Affirmed.

President Ben Sheppard adjourned the meeting at 1:44 p.m.

SIGNED:

Ben Sheppard, President

ATTESTED:

Mike Fox, Secretary

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

Regular Session

PRESENT: Commissioners: Ben Sheppard, Kristi Chapman, Hoby Streich, and Heather Gehring. Legal Counsel: Jerry Jaques, Anna Cavalieri, and Kristen Campbell. From Staff: Kevin Greenwood, Genevieve Scholl, Daryl Stafford (via Zoom), Greg Hagbery, John Mann, Ryan Klapprich, and Patty Rosas. Guests: None

ABSENT: Mike Fox

MEDIA: None

1. CALL TO ORDER: President Ben Sheppard called the meeting to order at 1:45 p.m.

- a. **Modifications or additions to the agenda:** None
- b. **Public Comment:** None

2. CONSENT AGENDA:

- a. Approve Minutes from November 1, 2022 Regular Session
- b. Approve Amendment No. 5 with Fred Kowell for Financial Consulting Services for an amount not to exceed \$10,000
- c. Approve Accounts Payable to Jaques Sharp in the Amount of \$24,550
- d. Approve Contract with Campbell Phillips Pc for General Counsel Services
- e. Approve Purchase of Kubota BX2380RV Tractor
- f. Approve Contract with HDR Engineering for Pier Analysis

Motion: Approve consent agenda

Move: Kristi Chapman

Second: Heather Gehring

Discussion: None

Vote: Unanimous

MOTION CARRIED

3. COMMISSION CALL:

- a. Commissioner Streich noted that under ORS 198.90 Commissioners can be compensated up to \$50 per day. The Port provides \$100 per month and deducts \$50 for every meeting that is not attended. Commissioner Streich requested that this policy be addressed and restructured. Commission consensus was for staff to provide a proposal for a new compensation policy for Commissioners.
- b. Kevin Greenwood, Executive Director, thanked Jerry Jaques and Anna Cavalieri for their service. A monument will be placed at the Waterfront to commemorate Jerry Jaques' the 43 years of service as the Ports general counsel.

4. ADJOURN:

Motion: Adjourn the meeting

Vote: Unanimous

MOTION CARRIED

The meeting was adjourned at 1:50 p.m.

SIGNED:

Ben Sheppard, President

ATTESTED:

Mike Fox, Secretary

Commission Memo



Prepared by: Greg Hagbery
Date: December 6, 2022
Re: Real Carbon Inc. - Lease Addendum No.3

Real Carbon Inc. has been a tenant of the Port since 2011 and has been in the Big 7 Building since 2015. They lease R&D space for their work in the aviation technology industry. Real Carbon notified the Port that they will be relocating their business to Camas, Washington and were granted a six (6) month extension to their lease in June of 2022. Unexpected delays in relocation have kept Real Carbon from being able to meet their desired deadline for relocation. Real Carbon has requested an additional lease extension for a six (6) month period, terminating May 31, 2023.

RECOMMENDATION: Approve Addendum No. 3 to Lease extension with Real Carbon, Inc. at Suite 101 of the Big 7 Building.

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ADDENDUM NO.3 TO LEASE

Whereas, the Port of Hood River (“Lessor”) and Real Carbon Inc, (“Lessee”) entered into a lease of Suite 101 in the Big 7 Building (“Building”) located at 616 Industrial Street, Hood River, Oregon (“Leased Premises”), effective January 1, 2021 (“Lease”); and,

Whereas, Lessee Addendum number 1 extended the lease through June 30, 2022

Whereas, Lessee Addendum number 2 extended the lease through November 30, 2022

Whereas, Lessee requested a six month lease extension through May 31, 2023 to coordinate relocation of business to Camas, Washington.

Therefore, Lessor and Lessee agree as follows:

1. The Lease term shall be renewed and the Lease shall remain in effect through May 31, 2023.
2. Lessee shall have the option to terminate this extension at any time with 30-day notice to Lessor.

Except as modified by Addendum No.1, Addendum No. 2, and Addendum No. 3 to Lease, all terms and conditions of the Lease as shall remain in full force and effect.

DATED THIS _____ DAY OF _____ 2022.

By: _____
Kevin M. Greenwood, Port of Hood River, Executive Director

By: _____
Michael Graham, Real Carbon Inc.

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Commission Memo



Prepared by: Greg Hagbery
Date: December 6, 2022
Re: T-Hangar A-11 Will Fernyhough

The past two years, the Port has allowed Hood River Soaring, a 501(c)3 non-profit corporation that provides glider rides, instruction, and services at Ken Jernstedt Airfield, to sublease T-Hangar A-11 from Lessee Will Fernyhough while he is away during the winter.

This Amendment No. 1 specifies that Mr. Fernyhough will agree to charge Hood River Soaring no more than the prorated amount of annual rent and will maintain annual insurance coverage. Additionally, Hood River Soaring shall provide proof of insurance that satisfies the current T-Hangar Agreement requirements.

RECOMMENDATION: Approve Amendment No. 1 to T-Hangar A-11 Lease Agreement with Will Fernyhough.

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SUBLEASE

Whereas, the Port of Hood River ("Lessor") and Will Fernyhough, ("Lessee") entered into a lease of T-Hangar A-11, January 1, 2022 ("Lease"); and,

Whereas, Lessee has a one year renewal option commencing January 1, 2023, and;

Whereas, Lessee does not occupy the T-Hangar during the winter months and seeks Lessor permission for use of the T-Hangar by the Hood River Soaring, an Oregon non-profit corporation, ("Sublessee") from November 1, 2022 through April 30, 2023, and;

Whereas, Section of 9 of the Lease prohibits subleasing without express written approval of the Lessor, and;

Therefore, the Parties agree to the following,

1. Lessee permits use of the premises by Sublessee between November 1, 2022, and April 30, 2023 ("Sublease").
2. Sublessee will vacate the premises at the end of the Sublease and will leave the hangar in as good as condition as the commencement of the Sublease.
3. Sublessee is bound to the terms of the Lease during the allowed Sublease.
4. Notwithstanding Sections 1 and 7, the Sublease is authorized to conduct aircraft rental, charter and flight instruction during the term of this Sublease.
5. Sublessee will provide Lessor proof of insurance that satisfies the current T-Hangar Lease Agreement requirements.
6. Lessee agrees to charge Sublessee no more than the prorated annual amount (1/2 of the annual rent).

Except as modified by Sublease, Lease shall remain in full force and effect.

DATED THIS _____ DAY OF _____ 2022

By: _____
 Kevin M. Greenwood, Executive Director
 Port of Hood River
 1000 E. Port Marina Dr.
 Hood River, OR 97031
 (541) 386-1645 | kgreenwood@portofhoodriver.com

By: _____
Will Fernyhough
12301 NE 10th Pl. Suite 300
Bellevue, WA 98005
(425) 753-4479 wsf@willfern.net

By: _____
Hood River Soaring
Steve Morrow, President
PO Box 1441
Hood River, OR 97031
Scmorrow26@gmail.com



Project Director Report
December 12, 2022

The following summarizes Replacement Bridge Project activities from Nov 14th to Dec 12th, 2022:

PROJECT MANAGEMENT

- *RBMC team is continuing to meet with WSP, ODOT and Federal Highway Administration (FHWA) related to the NEPA/FEIS process and Treaty Tribe MOA's.*
- *The RBMC is working through comments on Amendment 2 with the PORT and ARUP. The amendment covers a Funding/Finance/Tolling including increased Grant Support and Advocacy, Cultural resources work related to Geotechnical Exploration on tribal lands, Development of Treaty Tribe Fishing Memorandum of Agreement (MOA's) with the four treaty tribes and increased communication outreach for the project.*
- *Grant Tracking for WA, ARPA, Build Grants will be on going each quarter.*
- *Continued Legislative Outreach*

FUNDING FINANCE & TOLLING

- *Washington State Transportation Commission (WSTC) T&R Analysis*
 - *WSTC team will do an update presentation to the BSWG and PORT Commission in December.*
 - *HNTB and the PORT continue to coordinate with WSTC, providing traffic data and historical information as requested. WSTC is performing traffic counts in the area.*
 - *WSTC Technical Working Group meeting was held on Nov 29th. WSTC will present to the BSWG on Dec 12th and an update will be provided to the Port Comm.*
 - *Schedule Milestones:*
 - *Dec 2022 - WSTC will approve up to eight preliminary tolling scenarios for further analysis*
 - *March 2023 – WSTC approves two refined tolling scenarios for further analysis*
 - *May 2023 – Draft Study findings and recommendations presented to WSTC*
 - *June 2023 – Final Report of findings and recommendations presented to WSTC and submitted to Washington State Legislature*

PENDING GRANT FUNDING UPDATES

- *Raise Grant (2023)*
 - *Notice of Funding Opportunity (NOFO) issued : 11/30/22*
 - *Application Due: 2/28/23*
 - *For Rural Applications Min \$1M/Max \$25M (\$750M available to the program)*
- *Multimodal Project Discretionary Grant (MPDG)*

- *Mega Project is still pending*
- *Rural is still pending*
- *Anticipated award by end of 2022*
- *Bridge Infrastructure Program (BIP)*
 - *50% match required (other state grants/appropriations and bonds count)*
 - *Obligation date: September 30, 2025 (within 18-month period)*
 - *Amount requested: \$100M*
 - *Anticipated award by end of 2022*

EXECUTED GRANT FUNDING UPDATES

- *Build20*
 - *Grant Awarded 9/23/22*
 - *Funding: \$5M – Federal Share, \$1.25M Local Match (Washington Grant) – Total \$6.25M with an Expenditure Deadline of 12/31/2024*
 - *Total Submitted for Reimbursement: \$0*
 - *Total Reimbursement received to date: \$0*
 - *Remaining Funds: \$5 million*
 - *Coordinating meeting was held with FHWA on 11/8, FHWA is working on internal questions on the process. We have submitted application on 11/28/22 to become certified within FHWA system.*
Next reimbursement submittal pending coordination with FHWA
- *ARPA (Oregon Grant)*
 - *Grant Awarded 5/12/22*
 - *Funding: \$5M with an Expenditure Deadline of 12/31/26*
 - *Total Submitted for Reimbursement: \$179,074.35*
 - *Total Reimbursement received to date: \$0*
 - *Remaining Funds: \$4,820,925.65*
 - *1st Quarter reimbursement submitted for \$71,250.07 and 3rd Quarter reimbursement submitted for \$107,824.28 on (09/10/2022)*
Next reimbursement submittal January 2023
- *WA SB 5165 Grant*
 - *Grant Awarded 2/2/22*
 - *Funding: \$5M with an Expenditure Deadlines of 6/30/23 (\$3M) and 6/30/23 (\$2M)*
 - *Total Submitted for Reimbursement: \$384,693.39*
 - *Total Reimbursement received to date: \$384,693.39*
 - *Remaining Funds: \$4,615,306.61*
 - *3rd Quarter reimbursement submitted for \$322,210.34 (covers from 4/1/22 to 9/30/22). Received reimbursement payment on 11/23/22.*
Next reimbursement submittal January 2023.

GOVERNMENT AFFAIRS UPDATE

- *One on one Oregon Legislative briefings have concluded, we were able to meet with the following members:*
 - *Oregon*
 - *Representative McLain (D-Hillsboro)*
 - *Representative Lewis (R-Silverton)*
 - *Lindsay Baker, Assistant Director, Government and External Relation at ODOT*
 - *Senator Hansell (R-Athena) and Jake Pelroy*
 - *Representative Sanchez (D-N/NE Portland) and Jon Pugsley*
 - *Angela Donley, Policy Advisor for Senate Majority Leader Wagner*
 - *Matt Garrett, Climate, Energy and Transportation Policy Advisor to Gov. Brown*
 - *Jason Trombley, Legislative Director for House Majority Leader Fahey*
 - *Senator Steiner Hayward (D-NW Portland/Beaverton), Tatiana Amrein, and Ellie Forness*
 - *Tony Lapiz and Jenn Baker, Legislative Director and Chief of Staff for Speaker Rayfield*
 - *Senator Findley (R-Vale)*
 - *Representative Sosa (D-Hillsboro)*
 - *Representative Scharf (R-Polk County)*
 - *Senator Gorsek (D-Troutdale) and Jason Hitzert*
 - *Senator Beyer (D-Springfield)*
 - *Luke Harkins, Chief of Staff for Representative Gomberg (D-Central Coast)*
 - *Representative Pham (D-NE/SE Portland)*
 - *Representative Smith (R-Morrow)*
- *Oregon meetings have concluded for this year. Follow up meetings will be scheduled as committees are assigned late this year for early 2023.*
- *Final coordination meeting is scheduled for 12/2 with Hal H to finalize agenda for Washington DC trip in Dec*
- *The next trip to Washington DC has been set for Dec 6th – 8th. (Comm Fox, Mayor Keethler, Comm Anderson, Mike S)*

BI-STATE BRIDGE COMMISSION PROGRESS

- *The 3rd Draft of the Commission Formation Agreements (CFA) has been distributed for review. Steve S has been working through comments from the PORT's legal team.*
- *Public input will be solicited in WA and OR on the Primary Place of business determination. The online survey will be sent this week, Once this input has been received and evaluated the BSWG will determine the next steps.*
- *Local Govt nominations/appointments process is under discussion at the counties.*
- *Legal reviews by each member of the future BSBC are critical to the process.*

FINAL EIS/RECORD OF DECISION

- *Environmental Impact Statement technical reports are available at <https://cdxapps.epa.gov/cdx-enepa-ll/public/action/eis/details?eislid=314171>*

- *Update from Carol Sneed with ODOT indicated that ODOT has moved the completion date from the end of Nov to the end of Dec. Stating they have been impacted by activities on another project that are under construction.*

TREATY TRIBE MOA'S

- *A Semi-weekly meeting has been set up with ODOT and FHWA specific to advancing the Treaty Tribe MOA's. A collaboration space has been created on the Project Portal site. A tribal Cultural Training was held by Akana on 11/29 for the RBMC team in preparation for ongoing coordination with the Treaty Tribes.*
 - **Yakama Nation (YN).**
 - *The draft MOA was completed and all ODOT comments resolved and the draft was sent to FHWA for review on 11/3/22. FHWA responded on 11/22 with no comments. A draft of the Yakama MOA was submitted to ODOT on 11/30 for submittal to the Yakama Nation*
 - **Nez Perce**
 - *An email has been sent to David Cummings our new point of contact, to have a kick off meeting prior to the distribution of a Draft MOA*
 - **Umatilla (CTUIR).**
 - *A meeting was held on 10/24/22 with Joe Pitt the new legal contact for CTUIR to introduce the project and team that will be working with him to finalize the MOA. Joe was very open to the submittal of a draft agreement. HNTB is drafting an MOA for Joe's review using the Yakama MOA as a template.*
 - **Warm Springs.**
 - *ODOT managing this relationship. FHWA has sent the draft letter to Warm Springs requesting Govt. to Govt. consultation on the MOA.*

DELIVERY METHOD

- *Delivery Method Industry Forum was held on Nov 7th. The presentation and attendance list are in the meeting packet. We had over 80 participants from both the contracting community and designers.*
- *12 Industry one on one meetings were held with interested contractors and designers to obtain lessons learned and considerations while making the delivery method determination.*

GEOTECHNICAL

- *The draft Geotechnical subsurface exploration plan has been developed and submitted to ODOT for review and coordination with potentially impacted tribes for cultural resource monitoring. Land borings will begin on the Oregon side followed by Washington land borings and then moving to in water borings in the Spring of 2023.*
- *Coordination with the tribes will work through ODOT but it is likely the PORT will be asked to fund the tribal monitoring costs.*

OTHER ITEMS

KEY STAKEHOLDER MEETINGS

Date:	Subject:
11/15	Halmar/ASTM - Contractor
	Sundt - Contractor
	Traylor Bro - Contractor
	Guy F. Atkinson - Contractor
11/15, 11/29	Treaty Tribe MOA Coordination (ODOT/FHWA)
11/16	Hamilton Construction – Contractor
	HDR – Designer
	Skanska – Contractor
	Walsh – Contractor
	Kiewit - Contractor
11/17	NEPA/Cultural Resources Coord (FHWA/ODOT)
11/21, 11/28, 12/5	WSP Check in
	RBMC Check in
	Communication Check in
11/22, 11/29	PORT Staff Mtg
11/22	RBMC Survey Coord
11/22	COWI - Contractor
	Tribal/Regulatory Coord
11/28	American Bridge - Contractor
11/29	RBMC Tribal Cultural Training
	STV - Designer
	WSTC T&R Study Task Force Mtg
	David Evans and Associates - Designer
11/30	US Army Corp Engineers/ US Coast Guard Coord on Permits
	FFT/Communications Workshop
12/5	2023 Raise Grant Kick Off

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Commission Memo



Prepared by: Kevin Greenwood
Date: December 6, 2022
Re: Work Session Summary

Below is a summary of the ideas and concepts discussed at the Commission Work Session on November 15. Since that time, staff has met with city officials regarding zoning compatibility and evaluated high level cost and revenue assumptions. There are six projects identified that can begin quickly. Others are contingent upon other milestones being met or have higher risk.

THEMES FROM THE NOVEMBER 15, 2022 WORK SESSION

1. Consensus that the Port should continue to exist after the new bridge is operational.
2. Approach each cost center with the premise that there will no longer be bridge toll revenue to support it.
3. Port should focus on projects that generate positive net income to make up the loss of toll revenue.
4. Keep and lease current port-owned properties to generate revenue.
5. The net loss in revenue without tolls will certainly be over \$1M annually.
6. Set a goal of getting the airport revenue neutral in three years.
7. Incorporate solar or other green energy concepts into design.
8. Utilize \$1M grant funds for Lot 1 development for infrastructure and seek other grant funding to keeping port direct costs as low as possible while still moving forward.
9. Study sites for determining best return.

OBJECTIVES FOR MEETING THOSE THEMES

1. Establish public outreach to understand needs of businesses.
2. Investigate zoning change possibilities.
3. Clarify limitations tied to previous grants and agreements.
4. Establish financial reports that adequately track administrative/overheads costs to each asset center.
5. As projects are identified, assess staffing need in order to ensure success of projects.
6. Determine what kind of cash reserves can be held to support FAA funded airports.
7. Explore use of city lodging tax receipts to help pay for exhibition hall/indoor facility.
8. Evaluate charging practices to maximize market value for services.

CRITERIA CONSIDERATION

Staff considered cost of implementation, potential annual net income, time to regain investment, risk of implementation, leveraging of grant funds and achieving goals stated in the Port's Strategic Business Plan (SBP)

PROJECTS FOR CONSIDERATION:

WATERFRONT DEVELOPMENT

1. **Phase 1: Anchor Way/N. First St. – move forward with A&E RFP (Design Grant will define overall infrastructure costs)**

Cost to implement: less than \$1M to complete AE/Design. Port received \$1M in grant funding from two sources. Balance of project would be \$5.6M to install road and utility improvements.



Potential annual net income: AE/Design on own won't generate revenue, but completes a key milestone for subsequent phases

Time to regain investment: dependent on subsequent phase

Schedule: Develop RFP for AE/Design services – 6 months; design completion/RFP for construction issued – 6 months; construction complete – 1 year.

Risk of implementing: low risk. Conversation with city indicated that there is support behind the effort.

Other: necessary before any construction on Lot 1 can occur. Increases overall dollar value of parcels. Enhances vehicular circulation.

2. **Phase 2: Develop small boutique shops/food cart pod/Boat House (7,000sf max) along First St/Nichols Basin**

Cost to implement: start with small (1000-1500sf) commercial buildings. Construction cost \$180-\$200/sf

MARITIME SITE

1. RV Park

Cost to implement: \$1M for planning and construction.

Potential annual net income: qualitative discussions with peer ports have indicated that RV parks have been positive cash flow asset centers.

Schedule: Current tenant lease agreement expires June 2024.

Risk of implementing: high. Currently the zoning at the Maritime site is zoned Light Industrial which does not allow for RV Parks.

Other: Though the city thought the Maritime zoning would be difficult to change for this use, there was some interest in an RV Park located on Commercially zoned property around the Marina. This could be a component of Marina phasing study.

2. Paid Parking/Hook Overflow

The city was receptive to additional parking at the maritime site.

LOWER MILL

1. Conduct Market Study on Hanel Mill

- a. RV/Boat Storage
- b. Self-Storage

Cost to Implement: Feasibility study would cost about \$50k, but the state has agreed to look at a 75% grant.

Potential for net income: planning effort necessary to focus capital investment.

Schedule: two months to complete which would focus attention on construction opportunities. Could begin by early February.

Risk of implementing: low

Other: By 2Q of 2023, the Commission could give direction on a project to be developed on site.

AIRPORT

1. South T-hangars

Cost to Implement: Costs for site improvements and access would be minimal. Staff is researching construction costs for T-Hangars.

Potential for net income: Average rent \$4,600 * 12 units = \$55,200 / year

Schedule: 12-18 months

Risk of implementing: low due to long wait list for T-hangars.

Other: There are a series of FAA grants due in 2023 and 2025 that would be used to install an apron and additional T-hangars on the north side.

2. North Apron RFDI – land lease

Cost to implement: No direct capital cost.

Potential for net income: Net income would be through a ground lease and could vary depending on the number of hangars constructed.

Schedule: 3-month response period from time of issuance. 3-month respondent interview period. 3-month Commission decision period.

Risk of implementing: low

3. North Apron Commercial Hangar – Port financed construction

Cost to implement: Professional costs estimate from March 2022, \$7.5M

Potential for net income: \$180K annually

Risk of implementing: High. Staff generated proformas show a 20+ year timeframe before positive return

Other: Over \$2M in pre-construction costs to develop site but offset by state grants (\$1.365M).

4. Fuel Flowage agreement with FBO

Cost to implement: none.

Potential for net income: \$15-30k? Port will charge FBO a flowage fee of five cents (\$0.05) per gallon of fuel sold. The flowage fee will increase by one cent (\$0.01) for each twenty thousand (20,000) gallons sold, up to but not to exceed (\$0.08) per gallon

Schedule: lease is current through August 2023, so adjustment could not be made until then.

Risk of implementing: medium based upon other costs in lease to tenant. Additional risk of losing entity to operate the function. The Port is not positioned to manage overall fuel sales and there is not a large number of other candidates to take on the services. When RFP for FBO services was issued the Port received one submittal.

5. Airport concessions (cars/tours)/Yurts for travelers

Cost to implement: Maybe \$100k+ per year to either hire someone to manage and build the relationships, or less if the service is contracted.

Potential for net income: After expenses of either having an employee or a concessionaire manage the program, probably not a significant source of net income for port.

Schedule: 6-12 months to study, issue RFDI, prepare contract and mobilization.

Risk of implementing: medium. Though it wouldn't generate a huge amount of positive net income, there could be some staff time to pull an RFP together or develop the relationships to pull something together. Liability insurance for Port could be extremely high.

Other: Port could issue a RFDI to see if a company like MountNBarrel MTB could coordinate to see if there's a business model that would provide the service. There could be some challenge in finding a spot in the immediate area for yurts, but that could add some net income with approvals.

MARINA

1. Planning Study

- a. Phase 1 – Pre-bridge (west and north portion)
 - i. DMV gravel parking (new structure)

- ii. Chamber & DMV buildings (phasing of demo and new construction)
- b. Phase 2 – Post-bridge (marina green and bridge landing)
 - i. Future boat launch (permanent) location
 - ii. Marina Park obligations

2. Open space land exchange (Maritime for Marina Green) – convert Marina green into RV park.

- a. Clarify limitations and potential penalties tied to previous grant funding for green spaces/Marina operations

Cost to implement: \$50-75k to include all phases including architectural process for administrative building replacement.

Potential for net income: none initially but would allow for phasing of income generation most likely after bridge replacement. The likely first construction project would be building for administrative/ancillary businesses.

Schedule: Should start in 2Q 2023 and finish by end of the year. Project would include schedules and processes for subsequent construction.

Risk of implementing: low for the study effort

Other: Much of this could be done as a component of bridge replacement. Doubtful that the bridge project would be able to pay for an entire building, but there would be some percentage of construction that the replacement effort would offset.

3. Cruise Ship docking/customer support

Cost to implement: \$35k for study that would consider impacts at the hook, but also to evaluate other waterfront locations more centrally located to waterfront business center. Study costs might be paid for by cruise line.

Potential for net income: likely low. Even if a cruise line were to pay for a more developed docking facility, any concessions or customer facilitation would be along the same lines of the airport opportunity.

Schedule: Could start planning effort at any point.

Risk of implementing: ownership of current docking site at Marina needs confirmation.

Other: Could be of more benefit to cruise ship visitors and a concessionaire, but minimal benefit to Port's bottom line.

PROJECTS NOT DISCUSSED DURING WORK SESSION, BUT SHOULD BE CONSIDERED DUE TO NET INCOME POTENTIAL

1. Consider Converting paid parking away from kiosks to exclusively mobile payment like the Port of Cascade Locks

Cost to implement: Would need to pursue quotes to transition, but we are spending significant amount to maintain kiosks and current service contracts for payment processing and ticket issuance.

Potential for net income: though we invested quite a bit, we could increase the net income by using parking apps for parking and do away with kiosks.

Schedule: Staff will start identifying options in January.

Risk of implementing: medium. The Port invested in parking system but due to changes in technology and vendor acquisition, there's a lot of competition in the market.

Other: Staff will begin reviewing this in more detail and brings options back to the Commission in 2023.

2. BreezeBy customer communications review and update – LPR system application for non-violator instances should be evaluated. Customer billing template needs updated. System improvements should be deployed.

STAFF RECOMMENDATIONS FOR CURRENT/NEXT FISCAL YEAR

1. North Apron RDFI

Best opportunity to gauge private interest in land lease of developed property. Can be issued in January 2023.

2. Market Study on Hanel Mill

Likely state grant makes this a minimal expense. Can begin in February with follow up construction priorities two months after.

3. Lot 1 Phase 1: Anchor Way/No. First St.

Grant Funding obligated for 25% of project. Can begin writing AE/Design RFP and issuing in next few months. Necessary step for any future development of Lot 1 and provides an opportunity for smaller development along Nichols Basin. Construction to follow.

4. South T-hangars

Can start generating quotes immediately. Due to wait list for hangars this would be a fairly quick way to start generating positive net income.

5. Marina Planning Study

A critical component of the bridge replacement effort, this study would likely be eligible for reimbursement by bridge replacement grants since most development issues are directly related to impacts from the bridge. Study would be phased for pre-construction and post-construction. Would include an analysis on location for admin relocation. Could be started quickly.

6. Paid Parking Meter Upgrades

The kiosks and technology are quickly becoming old and parts are difficult or expensive to find. In order to maintain positive net income from paid parking, it should be a priority to re-evaluate. Likely a staff time investment to generate quotes for replacement.

7. Fuel Flowage agreement FBO

Adjustment not available until August 2023.

STAFF RECOMMENDATIONS FOR SUBSEQUENT YEARS/FUTURE CONSIDERATION

1. Lot 1 Phase 2: Develop shops/food carts/boat storage

This will be a higher priority once the Anchor/First project is underway. Potential for net income is high.

2. Airport Business Opportunities (cars/yurts)

Significant staff time to develop business relationships to ensure quality. If licensed to private company, may not be a significant fee to port due to labor. Would need to discuss yurt locations with FAA and County.

3. Cruise Ship Dock/Business Support

Not a significant source of income for Port.

4. North Apron Commercial Hangar

Expensive construction costs may be hard to get return on port-owned project. RDFI will shed better light on demand for space.

5. Phase 3: Lot 1 Master Plan

Will be started during construction of Anchor/First

6. Paid Parking/Hook Overflow

Current tenant lease in place until June 2024. City was receptive to paid parking at Maritime site.

7. BreezeBy Customer Upgrades

May be time to evaluate License Plate Recognition (LPR) costs/policies and start trial testing at night.

8. Maritime Site RV Park

Current tenant lease in place until June 2024. Zoning issues would require public process for conversion. Suggested looking at Commercial area around marina.

RECOMMENDED ACTION: Discussion only, but staff would like some direction on prioritization.

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Executive Director's Report
December 6, 2022

ADMINISTRATION – KEVIN GREENWOOD, EXECUTIVE DIRECTOR

- *We are excited to announce that Debbie Smith-Wagar, CPA, will be the Port's new Finance Director. Smith-Wagar has served as a consultant for four years and has 25 years of municipal accounting experience. She was selected based upon her knowledge of Port operations, awareness of the need for automated financial reporting, experience in establishing time tracking, and excitement to train the Port's financial staff. She will start full-time January 2nd. (Photo to right)*
- *Please save the date for next Friday, December 9th to join us for an all staff end of year/holiday celebration here in the conference room from 11AM – 1PM.*
- *Staff has submitted for legal counsel review a proposed amendment to the Port's Governance Policy to set Commissioner compensation to a flat rate monthly salary. This action will take the form of a Resolution. Compensation limits for Special Districts are set by ORS 198.90 and staff is researching comparable rates among districts. We hope to have approval of such Resolution to go into effect January 1.*
- *The SDAO annual conference will take place February 9-12 in Sunriver. Commissioner Streich and the Exec. Director are registered to attend. If any other Commissioners are interested in attending, please contact Genevieve as soon as possible because the registrations and rooms fill up quickly.*
- *Genevieve and Marcela have provided support for the Washington State Transportation Commission (WSTC) Traffic and Revenue (T&R) study and HNTB/JLA's survey for the Bi-State Bridge Authority (BSBA) headquarters location. The multiple project partners are working together very well.*
- *Lead Toll Collector Linda Hirata provided me a full tour and training of the toll booth operations on November 17.*
- *Genevieve and I met with Shane Shavgur and Harish Bandaru at PSquare on November 18th to discuss the Port's electronic tolling system infrastructure and PSquare's recommended changes to the systems server location, migrating to a cloud-based platform.*
- *NW Pipeline long term Utility License Agreement has been finalized. Many thanks to Anna Cavaleri for helping to complete that process before the change of general counsel.*



- *Received request from Confederated Tribes of Umatilla Indian Reservation (CTUIR) for a toll exemption. The Yakama and Nez Perce have similar exemptions. Request has been forwarded to Kristen Campbell for review.*
- *Oregon Business Ports Division is contacting all Ports in Oregon to develop a master capital improvement plan. The Bridge Replacement effort continues to be the Port's chief priority. Other projects identified through the Commission work session will also be submitted after approval.*

FINANCE – JANA SCOGGINS, DEPUTY FINANCE MANAGER

- *Work continues on the audit, including all financial statements, notes and disclosures for the whole year. A new rule for reporting lease schedules is being address by Debbie Smith-Wagar under her current consulting contract.*
- *Jana Scoggins, Deputy Finance Manager has been primarily working on the audit, and the following additional tasks:*
 - *Final Audit Work*
 - *Financial Statements, Notes and Disclosures*
 - *Port's Employees Wage Spreadsheet Updates*
 - *Monthly Reconciliation of Port's Activities (BreezeBy, Unregistered Toll Accounts, Early Payments, Parking, Marina, Airport, Leases, Collections for Tolls and Parking, Payroll Taxes, Public Employees Retirement System (PERS) Reconciliations, etc.)*
 - *Monthly, Semi-Monthly and Daily Activities - AP, AR, Cash Receipts and Payroll*
 - *Building Reports in Great Plains*
 - *Gearing Up for the Year End Work - W2s, 941 Tax Reporting & Reconciliation, Part Time Sick Leave Accrual, 1099 forms, Year End IT Updates and 2023 Tax Tables Uploads*
 - *2023 Payroll Updates - Employee Handbook and Oregon Paid Leave Program*
 - *U.S. Census of Governments, Survey of Local Government Finances*
 - *U.S. Road Usage Survey*

RECREATION/MARINA – DARYL STAFFORD, WATERFRONT MANAGER

Marina-

- *Tenants were emailed and sent letters last week with notification of the 2023 Rates. Statements will get sent out at the end of the month for the annual billing.*

Events-

- *The group that puts on Harvest Fest has contacted the Port expressing interest in hosting a new event called Ciderfest at the Event Site on April 8th. Details TBA.*
- *All other large events that have previously been hosted on the Waterfront are planning on returning for 2023.*

Waterfront-

- *Annual Season Parking Passes are now on sale on the Port's website for the 2023 season. Orders are starting to trickle in.*
- *Staff continues to get messages from concerned kites about the status of the fishwheel, and how it poses a real safety hazard. At this point it looks like it may be here to stay, as the owner has not made efforts to remove it.*

DEVELOPMENT/PROPERTY – GREG HAGBERY, DEVELOPMENT & PROPERTY MANAGER

- *Staff met with Michael Held of Oregon Business Development Department to discuss potential for grant funding to support numerous future projects.*
 - *A grant request will be prepared and submitted in the next few weeks to fund the Market Analysis for the Lower Mill.*
 - *A grant request will be submitted to fund the Marina Future Development Master Plan shortly after*
- *Staff met with Abigail Elder, Hood River City Manager and Dustin Nilson, Director of Planning & Zoning. Several topics from the recent Round Table Discussion were discussed. Staff received valuable guidance on the feasibility of and pathways forward for various projects.*
- *An RFP is being developed for a Janitorial Services contract to clean the Jensen Building, Marina Park #1 & #2 and Big 7.*
- *FEMA has issued updated Flood Zone maps which will affect multiple Port owned properties. Staff is still in the process of reviewing and assessing the overall impact.*

- *Negotiations with Mount Hood Railroad for access easement have progressed well.*

AIRPORT – GREG HAGBERY, DEVELOPMENT & PROPERTY MANAGER

- *Negotiations with Hood-Tech/TacAero for long-term Lease Agreement in SDS Hangar continue. Several improvements need to be achieved prior to occupancy.*
- *Facilities installed a temporary fence along the North Apron to keep a privately owned vehicle from parking on the apron/building pads*
- *Internet service has been connected at the FBO. Contractors can now properly connect cameras.*
- *Staff is working with the Department of State Lands, US Army Corp of Engineers and Ecological Land Services to develop an enhanced approach to wetland maintenance and monitoring.*
- *The FBO Report for last month is attached.*

BRIDGE/TRANSPORTATION – JOHN MANN, FACILITIES DIRECTOR

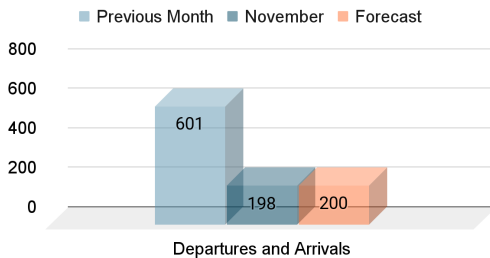
- *HDR Progress Reports on bridge maintenance and ODOT load posting restoration included.*
- *Winter storm last week tested our snow moving capacity and so far no complaints.*

-###-

Airport Activity:

November flight operations were significantly lower than forecasted. Much of this had to do with the cold weather and unfavorable flight conditions. Anticipate a plateau in flight operations throughout the winter season.

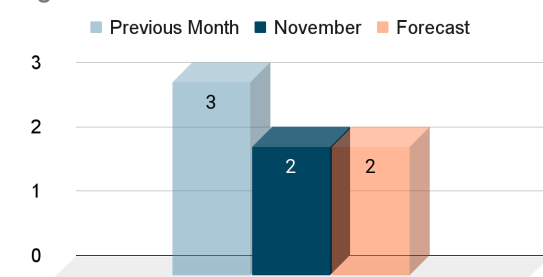
Aircraft Operations



Night Flights:

2 R&D night flights conducted. Anticipate continued R&D flights throughout December. No large night events scheduled.

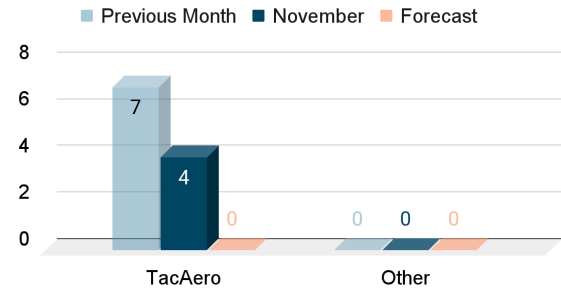
Night Events



Flight Training: 4 training flights were conducted at 4S2 in November. No heavy traffic pattern work was conducted. Anticipate approximately no training events in December. No courses have

been scheduled at 4S2.

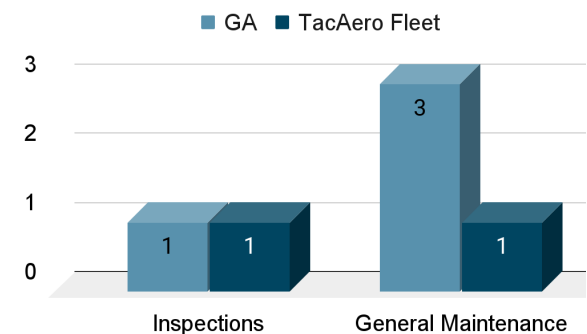
Flight Training Events



Maintenance Activity:

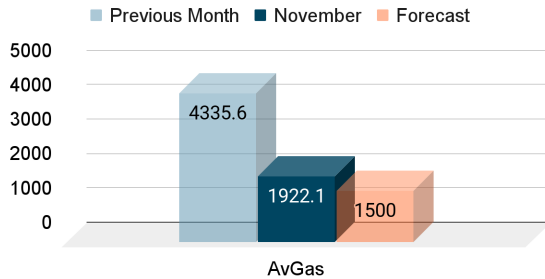
The 4S2 maintenance shop is continuing to see business as more local customers realize there are new maintainers on station. Anticipate continued work throughout the winter.

Maintenance Operations



Fuel Sales: Fuel sales have decreased due to the onset of winter-like conditions during November. Despite the decrease, sales are still within projected averages for this time of year.

Fuel Sales (Gallons)



Fuel Flowage Fees:

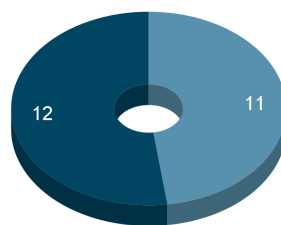
The new fuel tank has been placed at 4S2 and plumbed. Awaiting electrical hookups. When complete and online, the tank will be filled and flowage fees will begin.

Tie Down Activity:

- 23 total spots.
- 52% utilization for November averaged.
- \$175 collected in November.

Tie Down Utilization

- Available Tie Downs
- Rented Tie Downs Long Term



Noise Feedback:

No noise complaints taken by the FBO in November.

Pilot Feedback:

No pilot feedback was supplied to the FBO in November.

Airport Surfaces:

	Condition	Notes.
Rwy 7/25		
Grass Strip		
N. Ramp		
S. Ramp		
S. Gravel		
Taxiways		

Facilities:

	Condition	Notes.
N. Hangars		
S. Hangars		
FBO		
MX Hangar		
Ops Hangar		
Collins Hangar		
Blue Hangar		

Lighting:

- No issues noted with airport

Other:

- No other issues noted.

Progress Report

Project:	POHR Task Order 11 Load Posting Restoration		
Period:	October 23, 2022 – November 26, 2022		
To:	Kevin Greenwood Port Executive Director		
From:	Mark Libby, PE Project Manager		
HDR Job. No.:	10291047	Invoice No.:	1200480683

Dear Mr. Greenwood:

This brief report provides an overview of the project physical completion, schedule, budget, and deliverable status for your information and billing justification for the invoice period listed above.

Project Status and Current Period Activities:

- Task 1 – Project Management & Administration96%
 - Project invoicing, billing, and project administration.
 - Attend Commission meeting on 11/01/2022.
 - QC Review of supplemental load rating submittal
- Task 2 – Structural Analysis of Deficient Sections..... 100%
 - This task is completed.
- Task 3 – Load Testing Program..... 100%
 - BDI charges for analysis and report updates. This task is completed.
- Task 4 – Supplemental Load Rating99%
 - Compile and finalize supplemental load rating submittal
 - Supplemental Load Rating files submitted to ODOT on 11/22/2022
- Task 5 – Rehabilitation Design & Bid Documents.....96%
 - Field verification of chord splice plates in Span 3.

Schedule:

- Tasks 2 and 3 are completed as of March 2022.
- Amendment 4 is approved, executed 4/21/2022, and beginning Tasks 3 and 4.
- OR Lateral Bracing plans submitted 6/15/2022.
- Wrapping up supplemental analysis week of 8/05/2022, then compiling reports and QC.
- Revised results in Span 3 based on new information about splice plates from inspection photos received 10/11/2022; truss strengthening no longer required.
- Supplemental load rating files submitted to ODOT on 11/22/2022.

Budget:

- This task order has expended approximately 96% of current funding. The percentages shown above are reset for the amended budget.
- Task 4 is running over the estimated budget amount due to complexity of the gusset plate analysis and checking. Task 5 is expected to remain well below the estimated budget.

Services Anticipated in the next Pay Period:

- Correspond with ODOT about submitted files.

[End of report]

Progress Report

Project:	POHR Task Order 10 On-Call Engineering		
Period:	October 23, 2022 – November 26, 2022		
To:	Kevin Greenwood Port Executive Director		
From:	Mark Libby, PE Project Manager		
HDR Job. No.:	10246336	Invoice No.:	1200480685

Dear Mr. Greenwood:

This brief report provides an overview of the project physical completion, schedule, budget, and deliverable status for your information and billing justification for the invoice period listed above.

Project Status and Current Period Activities:

- Task 1 – Technical Services & Professional Advice78%
 - Environmental outreach to USACE and ODFW.
 - Sufficiency rating information.
 - Review of inspection reports for paint conditions.
 - Updates to 30-yr CIP spreadsheet for next cycle input.
- Task 2 – Project Management & Administration78%
 - Project invoicing, billing, and project administration.
 - Develop scope and fee for Task Order 13 – Bridge Maintenance Repairs.

Schedule:

- FY2022-2023 phase has begun.
- 2022 ODOT bridge inspection performed in July.
- Draft 2022 bridge inspection report received 9/2/2022.
- Review comments on 2022 inspection report sent to Port staff on 9/15/2022; comments and questions to ODOT sent on 9/16/2022.
- Response from inspection team received on 10/11/2022.
- 30-yr CIP spreadsheet date ranges updated for next cycle.

Budget:

- This task order has expended approximately 78% of the current funding.
- Cost percentages have been adjusted to incorporate the AM#2 budget.

Services Anticipated in the next Pay Period:

- General support as requested.
- Additional review of paint conditions; potential task order scope.

[End of report]