

Port of Cascade Locks

The Port of Cascade Locks Commission Business Meeting was held Thursday, March 3, 2016, at the City of Cascade Locks Council Chambers, Cascade Locks, OR 97014.

- **Meeting called to order/ Pledge of Allegiance:** Commission President Groves called the meeting to order at 6:01 pm.
 - **Roll Call:** Commissioners Groves, Caldwell, Lipps, Lorang, and Stipan were present.
 - **Others Present:** GM Paul Koch, Port Attorney Tommy Brooks, Secretary Sally Moore, Marketing and Development Manager Holly Howell, Accounting Specialist Melissa Warren, Maintenance and Construction Manager Todd Mohr, Clerk-Receptionist Brittany Berge Meghan Horan, Gorgeous Green, Dave Prosser, Zach Prosser, camera operator Betty Rush, Patrick Mulvihill, Hood River News, Ken Royer, Deanna Busdieker, Casey Roeder, Bonnie Heemier, Jon Heemier, Susan Winner, Nick Hogan, Amber Ruiz, Karen Troeger, Deanna Busdieker, Steve Gast, Nicole Crites, Ken Davis, Ray Cless and Donna Mohr.
 - **Modification, Addition & changes to the agenda: None**
 - **Declaration of Potential Conflicts of Interest:** Commissioner Lipps declared a direct conflict of interest on item 6a as he is co-owner of Thunder Island Brewing. He stated he would excuse himself from the meeting when that item came up. Commissioner Caldwell declared a conflict of interest on Item 5c as her husband works at the toll booth.
1. **Interview with applicant for Budget Committee** – GM Koch stated that Donna Mohr submitted a letter of interest and applied for a position on the Budget Committee. Donna was a Port Commissioner until June 2015. The Commission did not ask her any of the interview questions as they felt Donna was well qualified. CP Groves stated he felt that Donna was qualified as he worked with her for 4 years on the Commission. GM Koch stated that Myra Walker had submitted a letter of interest as well. He stated he would set up an interview with her. She has been on the Budget Committee before. Commissioner Lipps wanted to ensure that there was no conflict of interest as her husband Todd Mohr is the Port Maintenance and Construction Manager for the Port.
COMMISSIONER CALDWELL MADE A MOTION TO APPOINT DONNA MOHR TO THE BUDGET COMMITTEE FOR 3 YEARS FROM 2016-2019. SECONDED BY COMMISSIONER LORANG. The motion was unanimous. 5-0.
 2. **Community Discussion regarding the company Gorgeous Green, a Cannabis growing business opportunity** - GM Koch stated this was a continuing conversation to bring the Commission up to date, and not a decision making process. Economic Development Manager Don Mann gave the Commission a timeline of this endeavor and brought them up date on discussions he has had with this company. Meghan, Horan, and Zach Prosser, co-owners of Gorgeous Green gave a presentation and answered questions from the Commission. Meghan stated they would like to start a grow operation in Cascade Locks. She presented her business model. Port Attorney Brooks stated

that if and when the Port decides to go into a transaction, he would be able to provide more information. He stated the law has changed and marijuana is legal. He added that this is an educational opportunity for everyone and is really new and things continue to change, including the banking law where growers have no access to banks. The reason there is uncertainty is, it is legal under most of the State statutes, but remains a Federal crime. There is uncertainty on how to navigate this until the Commission knows the direction of Gorgeous Green, stated Brooks. Meghan stated that their business plan shows they are environmentally friendly company. They grew up in Skamania County and feel a part of the community. They are to grow recreational marijuana. They will only grow and the product will not go into the community; it will go to the Portland – Salem area. The public will not be able to enter the building. She stated Measure 91 legalized recreational marijuana in November 2014. She stated the company is very sensitive to others opinion about marijuana. The grow plan calls for 1500 sq. feet of “cannabis canopy”, just like a forest. They would like to increase another 1500 sq. feet every year until they have reached capacity. They will start with family wage jobs with full benefits, needing five employees. By full capacity they will need 10-20 employees. They would like to give back to the community; perhaps in the form of a scholarship. Meghan stated they will abide by all Oregon Liquor Control Commission (OLCC) laws. They would spend \$200 a month on water as they will use a water reclamation program. No action was taken.

- 4) **Public Comment (Speakers may be limited to three (3) minutes - CP Groves** opened the floor, stating this was not a decision making process. Citizen Kenneth Davis asked about police response time in CL. The City only has law enforcement for 24 hours a week. He would like to see some of the tax revenue from Gorgeous Green apply to hiring full time law enforcement. He stated he was in favor of Gorgeous Green coming to town. Citizen Ambre Ruiz stated that the City needs more police presence and sometimes police response times are up to 45 minutes. Citizen Ray Cless stated that during the fire in CL, August 2016, police from the entire Gorge were there immediately. A citizen named Josh stated the community looks out for one another.

5) **Special Presentations and Reports (By outside resources and staff)**

- a. **Discussion with Executive Team regarding employee salaries for 2016-17 budget year. Item 5c moved to 5a.** GM Koch presented the current salary ranges and a draft proposed policy for 2016-17 and explained each group's wages. There was a brief discussion increasing salaries next fiscal year by either Cost of Living or just raises at 1.5% to 3.5%. There has been \$25,000 set aside for any wage increases in 2016-17. Department Managers discussed their ideas. M&C manager Todd Mohr stated his crew are not making a living wage, and with the economy doing better, he is afraid he will lose his crew. He does not see a way for his crew to progress. He figured at age 69-73, and with a 3% yearly increase, his crew would make around \$19.00 an hour. CP Groves stated the job of the Commission is to be fiscally responsible. Commissioner Caldwell asked if his crew had any special trainings. Mohr stated that there some free trainings available to increase skills and certifications. Commissioner Lipps suggested documenting the crew's certifications and courses. It makes a lot stronger case. Commissioner Lipps stated that hiring another person at a lesser wage to do the

more menial tasks may make sense. Mohr said the reality is clean up of a winter storm takes all hands on deck, and stated the limited crew does complex and simple tasks often on the same day; and at this point there are only two on staff. Interviews will be done next week to hire a Maintenance person to do gardening and park upkeep. Presently the crew will start upgrades in the Flex Building. GM Koch said the policy states to review salaries and wages yearly. Last year, the Commission did not want to do merit pay. Economic Development Manager Holly Howell summed up her idea; that all Department Heads came together and said there were four items important items: They are as follows: 1. There is good team. 2. There is a legitimate fear of losing the good staff, 3. The Port should look at market rate wages in this area, 4. Employees should have a reasonable expectation of knowing what they can expect, or they may feel they are in a dead end job. CP Groves directed staff to explore step increases, COLA and criteria for raises. No action was taken.

- b. **Presentation of preliminary report on buildings and yurts** – M&C Manager Todd Mohr and Secretary Sally Moore gave a preliminary report on the research done on estimated costs for buildings, cabins and yurts. Mohr stated the insurance company informed the Port that the burnt RR building was not insured, and added there is needed space for Maintenance. Vehicles remain outside. The new Christmas decorations to be ordered will be temporarily stored at the City until a space to store them can be found. In the Pavilion: the goal is raise revenue. He showed concept drawings for a service kitchen. The focus would be on weddings and receptions. The staff at the Best Western BW came down they can serve up to 100-200 people, by bringing down the food, serving it, cleaning up and taking away all of the garbage. He feels they would be great partners. Todd went to the Best Western to see how they function. They stated they could cater food to the Pavilion from the BW here. AWI was always interested in a full functioning kitchen. However, they feel they are unable to recoup costs at the Pavilion any longer. The Pavilion price is the cheapest in the Gorge. They suggested west of fir tree and use as a reception area as well. Commissioner Lipps suggested “zooming” out to look at other uses in the Park. Mohr stated weddings would bring in more revenue. Staff Howell said the relationship with the AWI has hindered the Port doing weddings. Accounting Specialist Melissa Warren gave a history of why the Port is not in the Wedding Business. The Portland Spirit has done this for many years after the Port stopped doing catering on the Sternwheeler. The Port Sales office was closed and many staff were laid off, before the Boat was leased out and they started taking over the wedding business. AWI no longer wants to do weddings under \$10,000. Staff was directed to look at projections for increase in revenue. Howell stated they still have control of the Port calendar to do weddings and it’s complicated. CP Groves stated the initial goal was to build an improvement; a service kitchen. Lipps how much projected money will it generate? He asked to see projected costs and return of revenue. Sally Moore handed out brochures on how the Yurts are made. Staff researched three companies: Rainer, Colorado and Pacific Yurts. She explained how they are made. A basic yurt starts at \$16,000. This does not include heat or electricity. Snow and wind load ratings are good. They are anchored in the center. There are many options available to add amenities to the Yurts. They have a 5-7 year warranty. There is a concern about mold and mildew with the rain in CL stated Mohr. The forest service buys their yurts from Pacific Yurts

stated Lorang. Mohr stated he would recommend put a heating system in the floor. Rentals would be about \$40-60 a night. CP Groves directed staff to project the revenue and rate of return. Mohr likes the cabins and feels they are more cost effective. They would be good for 25 years if maintained properly. No action was taken.

- c. **Update regarding toll increases – In this discussion only item,** GM Koch stated the toll report has proposed draft the policy change. There was a discussion of different scenarios how toll increases could happen. One option is to remove the discount from the ticket books. Another is that locals would be defined in the geographical area West of Hood River to North Bonneville. The Commission may propose to raise bike/peds to \$1.00. He said an option is to phase in increasing tolls over the next few years. The Commission may make increases effective July 1, 2016 or September 5, 2016. The Port is looking at charging tourists \$2.00 per crossing. Koch discussed the steps to adopt and implement the plan. Toll booth supervisor Jean Pearson and GM Koch will meet with the toll takers to get their ideas. There would be 2-3 meetings in Stevenson and Cascade Locks over the next month. GM Koch stated that in the State mandated 10 BOG Maintenance and Preservation plan the costs are estimated at \$14 million dollars over the next ten years. This will keep the weight limit at 80,000 lbs. In order to afford all of this, the tolls will have to increase. There may be grants and federal support to maintain the bridge. Commissioner Lorang stated there are new requirements for seismic upgrades and studies will be done next year. The heavy trucks take a toll on the deck; and it is in constant need of welding. Heavy trucks and cars are causing more damage on the deck by speeding. 15mph on the bridge is the recommended speed to keep the bridge healthier. Commissioner Caldwell asked about local truck carriers and toll rates. GM Koch stated all trucks would face an increase, or they could design a way for the local carrier to get a special rate. GM Koch stated the Port may start having truckers handle their coupon books as this takes up so much time at the toll booth. Commissioner Caldwell stated she felt that all drivers should have the benefit of buying the coupon books. Skamania County Chamber Director, Casey Roeder said from a tourism stand point that toll increases will hurt the Gorge as a region. 75% of people coming to the Gorge are from Washington and Oregon. She stated they will bypass the bridge and Stevenson, and go to Hood River. Tourism is key to Cascade Locks and Stevenson. She agreed that an increase is needed, but is not in favor of doubling or tripling the toll. CP Groves stated that all businesses have to raise their prices and that a \$2 toll is not a big deal. He added that many businesses have to raise prices to be able to be sustainable. He realizes the locals need to pay less as many people cross the bridge more than once a day. Citizen Stevenson City Administrator Nick Hogan stated \$1.25 to \$1.50 is reasonable and that \$2.00 would have a negative impact on tourism. Citizen Virginia stated there is a history of bad management at the Port and asked where the toll money goes. CP Groves stated the bridge is the sole source of revenue for the Port; and that there was a resolution that a certain amount of money goes for bridge maintenance, and administrative costs. The rest goes for economic development. The Port has created additional revenue sources such a sales and leases of Port properties. Commissioner Caldwell stated that \$250,000 a year is designated for maintenance and operation of the bridge. Susan Winner stated she does the sailing events in the summer; and she stated trying to

explain all of this could be very confusing, and added she would like a simplified toll increase. John McSherry, Director of the Port of Skamania County, stated he crosses the bridge 4-6 times a day; and the employment sector is large in Skamania County; a lot commute and cross the bridge daily. A higher toll will negatively impact employees in Stevenson. He suggested letting anyone buy a coupon book. There are many windsurfers coming to the river daily that will buy a book. CP Groves stated the bridge is being used more and more with a huge increase in tourism. Bonnie Heemeier, owner of Bloomsbury said a large increase will adversely affect tourism and small business. Portland and Hood River citizens are a large part of her business. She feels the region will be split up and asked if there are any other options that will be easier. CP Groves stated the bridge has to maintain itself just like all businesses. Bonnie asked if an increase could be minimal. GM Koch asked if \$1.25 or \$1.50 would be ok and asked Bonnie if she had any other ideas. She did not. Citizen Jon Heemier stated many truck drivers use SR 14 to eliminate some road tax. He suggested taxing a non-local truck to eliminate more traffic on SR 14. Commissioner Lorang stated many drivers want to eliminate the weigh station in CL and that is why they will cross the bridge and drive through Stevenson. There is a truck by pass road that was built in Stevenson. Jon Heemeier, a citizen of Stevenson stated that he had questions and observations. He stated the proposed rate system is disproportionate and suggested looking at it on a percentile basis. He wonders what the customer profile is. He said the Tacoma Narrows Bridge is \$7. CP Groves stated the BOG is not subsidized by ODOT or WSDOT. Jon suggested getting coupon books online. The Port is looking at toll technology allowing a "Breeze By". GM Koch stated. He added the Port is partnering with the HR Bridge and will follow their new technology. CP Groves stated that when the bridge was closed for trucks; cities as far away as Yakima were financially affected. It is more important to keep trucks on the bridge. GM Koch stated in 2013 when the 8 ton limitation the trucks went elsewhere. ODOT and WSOT reported that SR 14 were adversely affected as well. Stevenson business were negatively affected as well. CP Groves stated there have been no toll increases for cars since 2002. There will be a public meeting in Stevenson regarding tolls in in a few weeks. CP Groves thanked the public for all of the great ideas and comments. Commissioner Lipps asked staff to look at the numbers for the months of increased tourism and to explore increase options based on that number of traffic patterns throughout the year. No action was taken.

The Commission recessed at 8:03pm. The Commission resumed Regular Session at 8:10pm.

- d. **A Verbal report regarding attending the SDAO conference – Was tabled.**
- e. **A discussion on Port property strategy and opportunities site map – Commissioner Stipan was excused at 8:50pm. –** The Economic Development sub-committee reviewed the site map in the Business Park in order to update to reflect the sales, leases and adjustments since first created. This color code map identifies properties by a color coding system. Holly reviewed these sold/lease and possible sales/leases properties individually with the Port. There was a consensus to use this map as tool to guide and track all Port properties. Commissioner Lipps stated he is not up to date on all property discussions. CP

Groves stated he will meet with him to update him on all properties being discussed for sale, trade or lease. CP Groves stated there are no ongoing negotiations. The Economic Development sub-committee meets and brings all recommendations to the Commission meetings. This was tabled until Commissioner Lipps is brought up to date. Holly stated the next discussion needs to be about establishing rates of properties.

6) **Commission Business Action Items – Items A and B were Switched.**

a. **Action to approve the Purchase and Sale Agreement with Thunder Island Brewing** – Commissioner Lipps excused himself and left the meeting as this was a direct conflict of interest. GM Koch stated he sent the Commission the final draft via email. Port attorney Brooks stated that there are no changes in the draft received. When signed, it will kick off the 90 day due diligence period for TIB by signing this agreement. They have the option to apply the credit to the Earnest Money. He added that one was the permitting was expanded. The Actual closing may change due to permitting.

COMMISSIONER LORANG MADE A MOTION TO APPROVE THE PURCHASE AND SALE AGREEMENT WITH THUNDER ISLAND BREWING AND APPROVE THE PRESIDENT TO SIGN IT. SECONDED BY COMMISSIONER CALDWELL. The motion was unanimous. 4-0.

b. **Action to adopt the proposed changes in the Strategic Business Plan**
The Commission sub-committee reports reviewed chapter VII: Priorities & Projects and review changes, revisions and additions to the plan. (Exhibit 1). Staff brought these changes to the Commission with a recommendation as presented by staff.

COMMISSIONER LORANG MADE A MOTION TO ADOPT AND REVISE THE RECOMMENDATIONS FOR THE CHANGES MADE IN THE STRATEGIC BUSINESS PLAN. SECONDED BY COMMISSIONER CALDWELL. The motion was unanimous. 5-0.

7) **Commissioner and Commission sub-committee reports: None**

8) **Adjournment: President Groves adjourned the meeting at 9:55pm.**

Port of Cascade Locks:



Jess Groves, President
Port Commission

Attest:



Joenne Caldwell, Secretary
Port Commission

DATE APPROVED: 4-21-16
Prepared by: Sally Moore

**PORT OF CASCADE LOCKS
STRATEGIC BUSINESS PLAN REVISIONS
CHAPTER VII: PRIORITIES & PROJECTS**

Priority 1: Bridge of the Gods

- 1.1) Maintain a ten -year maintenance and operations plan, including a funding plan to keep bridge functioning at the 40 ton / 80,000 pound legal load limit, to maximize the lifetime of the bridge, to include seismic upgrades.
- 1.2) Schedule and lobby for major grant application packages for state and federal bridge dollars.
- 1.3) Leverage Homeland Security Department grant dollars to develop and implement Port Security Master Plan, to include enhanced cameras along the bridge and riverfront.
- 1.4) Adopt long range plan to improve bridge capacity and safety for non-motorized users: pedestrians, bicycles, and equestrians.
- 1.5) Plan for toll rates to keep pace with operations budget.
- 1.6) Plan for toll collection technology upgrades, following Port of Hood River implementation.
- 1.7) Plan for an eventual complete bridge replacement.

To Be Encouraged By Others

- Utility providers will collaborate with Port for routing of utilities across the Bridge of the Gods, including fiber optics and natural gas, in exchange for annual lease fees.

Priority 2: Business (Industrial) Park

- 2.1) Maintain a revised phased Business Park (and Infrastructure) Master Plan to support business development, including but not limited to: new subdivision lot lines, full utilities build-out, and public access along riverfront.
- 2.2) Construct phased infrastructure improvements, as identified in the Business Park Master Plan, beginning with the completion of NE Columbia Gorge Way to serve new industrial lots.
- 2.3) Facilitate secondary emergency access and utility easement across the railroad into the Industrial Park.
- 2.4) Identify transportation solutions for trucking access into the Business Park, including solutions at Frontage Road, westbound on-ramp at Exit 47, and a grade-separated entrance into the Business Park.
- 2.5) Revise City Zone Code Language and re-zone Port property to allow for an appropriate mix of industrial, commercial, and recreational uses.
- 2.6) Sell or lease industrial lots as a catalyst for industrial development and job creation, through continued marketing of Business Park properties.
- 2.7) Plan to build leasable industrial building space in the Business Park, likely lot #2 once a tenant is identified.
- 2.8) Explore potential partnerships with adjacent property owners, including SDS, Warm Springs Tribes, Snyders, Bear Mountain Forest Products, and the Heuker Family.

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- 2.9) Continue to collaborate with firms to bring in jobs and community investment, including Nestle Waters North America, data centers, and others.
- 2.10) Convene regional partners on Herman Creek Cove habitat improvement project.
- 2.11) Maintain and improve existing recreation facilities – Blackberry Beach, the jetty, Herman Creek Cove boat ramp, easy climb trail, disc golf course, and existing access roads.
- 2.12) Identify and expand Port water rights.
- 2.13) Develop long-term plan for full I-84 interchange at the Business Park.

To Be Encouraged By Others

- Construction of new industrial facilities for job creation and local investment.
- Improved frontage road alignment for truck traffic to the Business Park.
- Development of exit 47 from I-84 and/or full interchange on I-84.
- Grade separate entrance to the Business Park.
- Interchange and access improvements if, as, and when, necessary and feasible/advisable.
- Creation of new recreational and resort/conference facilities, including sports center, amphitheater, and marina.
- Development of Government Rock by the Warm Springs Tribes.

Priority 3: Herman Creek Lane

- 3.1) Fill Flex Building #1 with lease tenants, including necessary tenant improvements.
- 3.2) Plan, budget, bid, and construct Flex Building #2 once tenant is committed.
- 3.3) Remove grey house / structure with appropriate abatement and septic measures in place.
- 3.4) Coordinate with City on several small boundary line adjustments around the public road, sewer plant, and city well head, to include possible Port easement across the city property.
- 3.5) Continue old shop building remodel analysis, with roof replacement as the top priority.
- 3.6) Plan and design Flex Building #3.
- 3.7) Partner with private industry to re-commission rail spur.
- 3.8) Support City’s efforts to secure “whistle free community quiet zone.”
- 3.9) Upgrades of existing treatment plant or other innovative technology as required to meet any future business needs.

Priority 4: Downtown / Town Center

- 4.1) Complete property sale to support the permanent development of Thunder Island Brewing in the downtown core of Cascade Locks.
- 4.2) Complete the negotiation, rezone, clearing, purchase, and marketing of the County property east of the new fire hall.
- 4.3) Complete the transfer of Venture Street property to the City of Cascade Locks.
- 4.4) Continue to market the Hillside (Parkview) Parkview property across from the East Wind.
- 4.5) Work with City to identify revisions to the Downtown Plan and parking standards to be more business friendly.
- 4.6) Continue to support existing downtown businesses through a Cooperative Marketing, etc.
- 4.7) Support community enhancement programs including blue bike rack program, lamp post banners, Christmas lighting, public art, or sidewalk planters.

To Be Encouraged By Others

- Reuse of the Old Fire Hall as an active business space.
- Streetscape improvements and upgrades on WaNaPa, including crosswalk enhancements.
- Development of a downtown trail hub at Overlook Park.
- Community efforts including new and upgraded businesses and new housing starts.

Priority 5 - Marine Park

- 5.1) Continue negotiations, design, and funding for 800 foot Marine Park Beach expansion.
- 5.2) Develop safe pedestrian and bicycle overcrossing from WaNaPa into the Marine Park to connect park to downtown businesses and better facilitate visitor parking and use.
- 5.3) Develop Marine Park Master Plan, to address irrigation, pedestrian circulation, parking, and improvements to rental facilities.
 - 5.3.1) Construct pavilion improvements including ADA entry, service kitchen, and chair/table storage.
 - 5.3.2) Improvements to Thunder Island event site and wedding platform.
- 5.4) Develop plan for incubator space, maintenance storage, railroad warehouse property, explore yurts and other revenue generating concepts.
- 5.5) Review Union Pacific Railroad leases and negotiate for future improvements, park access, and parking opportunities.
- 5.6) Implement signage and wayfinding for the Marine Park, including addressing the buildings.
- 5.7) Continue to market Marine Park for special events and private event facility rentals.
- 5.8) Support the growth of the Sternwheeler Columbia Gorge and associated business to benefit both partners, including the Locks Waterfront Grill, gift shop, and Explorer day excursions.
- 5.9) Support ongoing CGRA programs for competitive and instructional sailing from the Marine Park.
- 5.10) Develop a plan to enhance or replace the Oregon Pony Building.
- 5.11) Complete seawall structure to the Thunder Island foot bridge.
- 5.12) Explore opportunities to partner with and expand cruise boat visitations in the historic locks to benefit the local economy.

To Be Encouraged By Others

- Additional river-based tourism, transportation, and recreation activities.
- Ongoing improvements and growth of the Sternwheeler Columbia Gorge.
- Growth & professionalization of the Columbia Gorge Racing Association.
- Encourage the Museum to be a stable non-profit entity.

Priority 6- Moody Road

- 6.1) Conduct Timber Cruise to determine economic benefit of logging all or part of property.
- 6.2) Explore land clearing and preparation for public trailhead parking, with possible transit stop.
- 6.3) Continue to work with USFS and stakeholders on a 25- mile multi-use CLIMB trail.
- 6.4) Future annexation and zoning of new Port property.
- 6.5) Sale and/or lease of Port property for appropriate development.
- 6.6) Re-envisioning and support for Tramway project partnership.

Priority 7: Other

- 7.1) Explore acquisition of the State airport property.
- 7.2) Explore opportunity with Hood River Sand & Gravel Property acquisition.
- 7.3) Improve relationship with businesses located on Mt. Hood Highway 35, including Cooper Spur and Mt. Hood Meadows.
- 7.4) Support the City efforts to bring fiber optics to Cascade Locks.
- 7.5) Strengthen strategic regional advocacy partnerships, including One Gorge, Gorge Commission, Tribes, Friends of the Gorge, and agencies.
- 7.6) Investigate and support local environmentally-sensitive power generation, including wind, solar, and hydro.
- 7.7) Support enhancing key viewing areas within the city limits by removing/trimming trees along I-84 corridor.
- 7.8) Support Natural Gas to Cascade Locks.