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

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**Regular Session**

**PRESENT: Commissioners:** Ben Sheppard, Hoby Streich, Mike Fox, and Heather Gehring (arrived 5:05 p.m. via Zoom). **Legal Counsel:** Kristen Campbell. **From Staff:** Debbie Smith-Wagar, Daryl Stafford, John Mann (arrived 5:15 p.m. via Zoom), Greg Hagbery, and Patty Rosas. **From HNTB:** Michael Shannon, Kary Witt (via Zoom) **Guests:** Arthur Babitz, Carl See (via Zoom), Tara Kamp (via Zoom),

**ABSENT:** Kristi Chapman, Kevin Greenwood, Genevieve Scholl

**MEDIA:** None

1. **CALL TO ORDER:** President Ben Sheppard called the meeting to order at 5:00 p.m.

a. **Modifications or additions to the agenda:** None

b. **Public Comment:** None

2. **CONSENT AGENDA:**

a. Approve Minutes from March 7, 2023 Special Work Session and Regular Session

b. Approve Contract with Merina and Company for Consulting Services Not to Exceed \$25,000

c. Approve Amendment No. 3 to Contract with HNTB for Project Management Services Related to the Bridge Replacement Project

d. Authorize Notice of Intent to Award and Negotiations with ECONorthwest for Lower Mill Site Market Analysis and Feasibility Study, Not to Exceed \$45,000

**Motion:** Approve consent agenda

**Move:** Hoby Streich

**Second:** Mike Fox

**Discussion:** None

**Vote:** **Aye:** Ben Sheppard, Mike Fox, Hoby Streich

**Absent:** Kristi Chapman, Heather Gehring

**MOTION CARRIED**

3. **INFORMATIONAL REPORTS:** None

4. **PRESENTATIONS & DISCUSSION ITEMS:**

a. **FY21-22 Financial Audit Report** – Debbie Smith-Wagar, Financial Director, introduced Tara Kamp who is a partner with Pauly-Rogers and Company, and is the Port of Hood River’s (“Port”) financial statement auditor. Kamp summarized the governing body letter and added that the audit report results were excellent. An unmodified opinion on the basic financial statements has been issued. They found no exceptions or issues requiring comment, except as noted on page 52 of the report. Also, no separate management letter was issued and no difficulties were encountered in performing and completing the audit.

b. **Operational Center Analysis for Fiscal Year Ended June 30, 2022** – Smith-Wagar commented that the Port’s Revenue Fund lumps everything together into one fund, making it difficult to determine which operational centers were covering their costs and which ones were not. The purpose of the analysis is to attempt to determine the operational centers that were covering their costs and which ones were generating a loss as well as determining where tolls were backfilling deficits. Smith-Wagar presented two Fund Analysis reports. One report contains information using a group

system which has rental properties grouped by land use zoning. The other report is grouped per Commissioner Mike Fox's proposal. Smith-Wagar is seeking direction from the Commission for the upcoming planning session on April 4.


Commissioner Fox provided a brief overview of his proposal. The proposal defines a strategy to eliminate the Port's reliance on current bridge tolls and increase funding of Port operations. A discussion ensued regarding the concept of the proposal. The Commission directed staff to review the proposal and provide a recommendation on April 4.

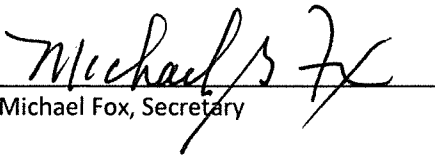
- c. **Washington State Transportation Commission Replacement Bridge Traffic & Revenue Study –** Mike Shannon, HNTB Project Manager, introduced Carl See, WSTC, to provide a presentation on the status of the Hood River Bridge Traffic & Revenue Study. The purpose of the study is to develop a planning level traffic and revenue analysis and resulting toll funding capacity, across multiple scenarios to support future funding decisions for the Bridge Replacement Project ("Project").

See presented two final tolling scenarios. Per Bi-State Working Group (BSWG) direction the scenarios incorporated a toll funding range of \$75 - \$125 million. The scenarios apply a \$2 differential to Scenario "A" and apply escalation on video rates to Scenario "B". Pre-completion toll rates apply the BSWG Scenario 3 (\$1.75/\$3.50) to Scenario "A" and apply BSWG Scenario 5 (\$2.00/\$3.00) to Scenario "B". Both scenarios apply a toll rate increase upon bridge opening in FY31. A discussion followed regarding the final tolling scenarios. Shannon highlighted the importance of issuing a toll increase this year. Commissioner Fox noted that the BSWG has requested a schedule to implement a toll increase and is considering a toll recommendation for the Commission.

5. **EXECUTIVE DIRECTOR REPORT:** A written report was provided in the packet.
6. **COMMISSIONER, COMMITTEE REPORTS:** None
7. **ACTION ITEMS:** None
8. **COMMISSION CALL:** None
9. **CONFIRMATION OF DIRECTIVES:**
  - a. Review Commissioner Fox's proposal and provide a recommendation on April 4.
10. **EXECUTIVE SESSION:** President Ben Sheppard recessed Regular Session at 6:12 p.m. to call the Commission into Executive Session under ORS 192.660 (2)(e) to conduct deliberations with persons designated to negotiate real property transactions and ORS 192.660 (2)(h) to consult with legal counsel regarding current litigation or litigation likely to be filed and ORS 192.660(2)(f) to consider information or records that are exempt from disclosure by law, including written advice from legal counsel.
11. **Possible Action:** The Commission was called back into Regular Session at 6:46 p.m. No action was taken as a result of Executive Session.
12. **ADJOURN:** The meeting was adjourned by unanimous consent at 6:47 p.m.

**ATTEST:**

  
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Ben Sheppard, President

  
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Michael Fox, Secretary

