

**Waterfront Recreation Committee
Minutes
April 18, 2005**

Attending: Members Michael Schock, Lori Stirn, Dennis Shypertt, and Ann Frodel; Commissioners Hoby Streich and Sherry Bohn; Staff Members: Dave Harlan, Mike Doke, Linda Shames and Linda Hull

Absent: Richard Sassara, Steve Gates

- 1) Sherry Bohn opened the meeting at 3:05 p.m. with introductions.
- 2) **Financial Overview:** Executive Director Dave Harlan introduced Linda Shames, the Port's Finance Manager, to explain the financial aspects of the waterfront assets. Shames explained the Port District's tax base is about \$38,000. This tax revenue supports the Commission requirements by statute: liability insurance, audit, legal counsel, etc. There are NO tax dollars supporting any waterfront asset and that is why the Port implements user fees. Ann Frodel asked if the leased properties paid tax? Yes, the leased properties are all on the tax roll; open space is not taxed.

Shames explained that Ports are eligible for many grants for capital projects. The Oregon State Marine Board actually gives grants for public facilities and operations. Boater registration fees are used for these grants (user fees). Low interest loans and revenue bonds are another mechanism that Ports can use for funding mechanisms; however, positive cash flow is required to obtain them.

Shames also told the committee that the "cost centers" are identified in clusters for self-sustainability. The Marina Park, for example, was designed to have enough commercial build-out to support the park and marina. The Commission at that time did not want the amenities to be a drain on revenue. However, building plans stopped in 1994 due to an initiative to prohibit new construction in that area. One or two more buildings would have paid for the park amenities, which were built first.

Shames then went on to explain how depreciation numbers have always been controversial in accounting—they can make an asset look better if it's not counted and vice versa. However, it is a requirement for all government entities to account for it as an expense as of 2004 although Ports have historically done so. This is because assets get "used up" over time and there must be a way to reserve funds for replacement. The Port's Strategic Plan calls for a 30% reserve of cash to allow for this and it is always shown on the Balance Sheet, which is one of the many documents audited each year in the Port's Annual Financial Statements. The strategy for the Port is to have overall development sustain public amenities. Should the Port compete with the Parks & Recreation district for tax funds? Should the voters decide if they want to support parks by approving bonds?

3) **Facilities: Issues and Fees:**

EVENT SITE/SPIT/HOOK:

- Harlan said the maintenance crew was working on the restoration of the beach area above the waterline at a cost of about \$18,000. Michael Schock asked if CGWA volunteers could be asked to help with the project so that fees wouldn't have to be raised to \$5 to pay this work? It would also lend to more vested interest in the people who use the site if they labored to maintain it. CGWA volunteers are very experienced on working on water access sites. Shames said the state has new rules on volunteers for public agencies regarding Workers' Compensation coverage and competing for public works' jobs. Lori Stirn validated that statement and said it is a gray area right now for all public agencies. Schock said he would contact Diane Barkhimer from CGWA to see if next year they would have the ability to plan a work day to assist in the annual maintenance. Commissioner Bohn stated even with volunteer help, fees may have to be raised in the future anyway. This instance, there was a time crunch because the engineer's report was received on March

29 and the work had to be started now due to the availability of the Port's crew with all their other spring/summer jobs. Harlan said the Port wanted everything done for the U.S. Windsurfing National events planned for this summer. Bohn said the Commission was remiss in not thinking of using local volunteers when it asked staff to get the work done as soon as possible and they would consider that option for future projects.

- Harlan explained a new ticket booth is being constructed and will be located in the northeast corner of the parking lot. This will alleviate backups in the intersection as well as allow better line of sight for monitoring activities and parking. The parking before the booth will accommodate vendor, staff, and 20-minute parking. Frodel wanted to know if there was a way annual pass people could bypass the booth and not have to wait in line; Harlan didn't think there was room for 2 lanes. Shypertt asked who enforces the parking in the red zone; Harlan said the city police are authorized to enforce our ordinance.
- The Spit road was improved this month at a cost of \$12,000. The issues remain regarding safety of the people in the area from the lines and dogs out of control. The sandbar continues to grow and change daily, but the dredging suggested at the last meeting will not happen due to prohibitive costs. The Corps of Engineers would only assist if it threatened the navigation channel. Both the Spit and the Hook roads were graded early this year at the suggestion of the committee. Frodel asked how many kite schools operated last season; Doke said 4, plus the 3 windsurfing schools have a kite component.
- Fees were discussed for the sites. Doke said with the added road improvement and more portable toilets, the committee should consider placing a fee on The Spit. It would also be a good way to monitor people going out to the area that should not be there due to safety concerns; i.e., families with kids. Michael Schock made a motion, and Ann Frodel seconded it, to encourage the Port Commission to charge a \$2 daily fee for The Spit and to have the booth person educate the non-kiting public about safety issues. It was agreed that the Event Site annual pass should be valid at both locations.

CRUISESHIP DOCK:

- Harlan said a structural analysis is in the budget for next fiscal year to evaluate the damage the large cruiseships are doing to the commercial dock. Shypertt said he has a video that shows the docking maneuvers contributing to the problem. Dockage numbers remain the same this year; however, the Columbia Queen may be stopping occasionally. Discussion was held regarding the need to have that dock available if the merchants in town are not benefiting from the stops. It was suggested the DBA and the Chamber work with the cruiselines to get more passengers to shop here. As discussed last meeting, the passengers rarely have time to "shop" Hood River on their own and transportation into and around the city remains problematic.

MARINA PARK AREA:

- The Marina moorage fees had a CPI adjustment made at the beginning of the year. Harlan reported the Mid Columbia Marina building will be vacated shortly and that there is a lot of local interest in the property. The Commission has asked staff to advertise its availability regionally. Because have been the fuel dock operators, the Port will have to take over that responsibility. The building has kitchen facilities and potential for a small restaurant.

4) **Next Meeting:** to be determined this fall

Meeting was adjourned at 5:05 p.m.