

PORT OF HOOD RIVER COMMISSION
Tuesday, April 2, 2013
Marina Center Boardroom
5:00 p.m.

Regular Session Agenda

1. Call to Order
 - a. Modifications, Additions to Agenda
2. Public Comment (5 minutes per person per subject; 30 minute limit)
3. Consent Agenda
 - Approve Minutes of March 19, 2013 Regular Session Meeting
 - Ratify Revised Fee Structure for Event Site Parking
4. Commissioner, Committee Reports
 - Urban Renewal Agency – Shortt/Streich
 - Marina Ad-hoc Committee - Davies
5. Director's Report
 - Schedule
 - Staff & Administration
 - Waterfront Recreation
 - Waterfront Development
 - Airport
 - Bridge/Transportation
6. Reports, Presentations and Discussion Items
 - Gorge Innoventure Update – Gary Rains and Bill Fashing
 - Spring Planning Session Agenda
7. Action Items
 - a. Authorize a Contract with EcoNorthwest to Prepare an Economic Impact Analysis of the Port of Hood River Not to Exceed \$32,000
 - b. Authorize an Agreement with Solarc Engineering for Mechanical Engineering Services Associated with Suite #103 of the Halyard Building Not to Exceed \$ 5,400 Plus Reasonable Reimbursable Expenses
 - c. Approve Change Order No. 1 to Contract with Griffin Construction for a New Total Contract Amount of \$153,743
8. Commission Call

9. Executive Session under ORS 192.660(2)(e) Real Property

10. Adjourn

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

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

**Port of Hood River Commission
Meeting Minutes of March 19, 2013 Regular Session
Marina Center Boardroom
5:00 P.M.**

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

Present: Commissioners Jon Davies, Fred Duckwall, Rich McBride, Brian Shortt, Hoby Streich; Attorney Jerry Jaques; from staff, Michael McElwee, Stephen Burdick, Fred Kowell and Mellissa Halseth

Absent: Commissioner Duckwall excused himself from the remainder of the meeting at 5:45 p.m.

Media: None

1. CALL TO ORDER: President Jon Davies called the meeting to order at 5:00 p.m.

a. Modifications, Additions to Agenda: Move Discussion Item Fee Waiver Request to after Public Comment. Move Consent Agenda Item regarding the Cloud Cap Hangar lease to Action Items for clarification. Split remaining Consent Agenda into two with the Minutes from March 5, 2013 as Consent Agenda A and the remainder as Consent Agenda B.

2. PUBLIC COMMENT: JaK, Hood River Water Play, presented the Commission with a plan to move his intermediate windsurfing lessons back to the Marina Beach east of the restrooms. If this was approved this location would combine his Event Site and Hook locations. Staff will prepare a recommendation for the Commission at a later meeting. Stephen Schneider requested use of the Nichols Basin for a Standup Paddleboard club. There would be a membership fee required to use the equipment he would like to store on site. Schneider stated that he did not intend on selling or renting equipment. Staff will discuss with the Waterfront Recreation Committee.

2013 Sailing Program Fee Waiver Request – After incorporating two successful adult sailing courses in 2012, the Gorge Junior Sailing (GJS) program would like to add three to the 2013 season. In 2012 the Commission discussed charging a fee in future years if the course was successful. Jamie Mack, GJS, is requesting a fee waiver for the junior sailing program and a fee reduction for the adult courses. Consensus was \$150 be invoiced to the GJS per course after enrollment is confirmed.

3. CONSENT AGENDA A:

- o Approve Minutes of March 5, 2013 Regular Session Meeting

Motion: Move to approve Consent Agenda A

Move: Duckwall

Second: Shortt

Vote: **Aye:** Davies, Duckwall, McBride, Shortt and Streich

MOTION CARRIED

CONSENT AGENDA B:

- o Approve July 10, 2012 Governance Policy Clerical Edits
- o Authorize Amendment to Contract with America Cleaning Solutions for Additional Janitorial Services at the Maritime Building
- o Approve Addendum No. 2 to the Cloud Cap Technologies Lease in the Wasco Building
- o Authorize Contract with SLCA Consulting Civil Engineers for Engineering Services Associated with Excess Topsoil at the Airport Not to Exceed \$4,800.00 Plus Reasonable Reimbursable Expenses

Motion: Move to approve Consent Agenda as amended (move Cloud Cap Hangar lease to Action Items for clarification)

Move: McBride
Second: Duckwall
Vote: **Aye:** Davies, Duckwall, McBride, Shortt and Streich
MOTION CARRIED

4. Commissioner, Committee Reports:

- Mission to Washington – Commissioner Davies reported on the trip he took to Washington DC with Michael McElwee, Executive Director. Davies and McElwee discussed Lot 1 Infrastructure and the WRDA Bill with Oregon legislators. Other than conveying the Port's priority projects, progress was made gaining relief from the flowage easement in the Nichols Basin. Davies will provide a report and a list of contacts to Commissioners. He stated that Ball Janik was very effective.
- Urban Renewal Agency – Commissioner Streich gave an overview of the March 11 meeting. The board gave their approval to advertise for bids for the State Street improvement project. Bell Design, the selected engineer, gave an estimate of \$5.1 million. The budget was for \$5 million. The board approved the increase to complete the project. An 18 month construction schedule is anticipated.
- Waterfront Recreation Committee – Commissioner McBride reported on the March 14 meeting. There was a review of the High Water Plan for the upcoming season and discussion of the planned food vendor locations. The committee also went over potential parking fee increases as well as an increase in 2014 event fees. The committee was supportive of raising all fees.

5. DIRECTOR'S REPORT: McElwee highlighted the following areas:

- Schedule – McElwee requested that Spring Planning be rescheduled to April 23 to accommodate the bid schedule for the Marina Electrical Upgrade. Commissioners to let staff know if this date will not work for them. Ball Janik has appointed a new representative for the Port's state lobbying services. Consensus was to continue using Ball Janik through the end of the current contract, but to research possible firms for state lobbying in the future. There is a mandatory bidder's walk through for the Marina Electrical Upgrade April 2 at 11AM.
- Staff and Administration – To try to catch the Maintenance Dept up on some of the outstanding work orders and get prepared for the summer park season McElwee may add up to two temporary skilled workers for 60-90 days. Greg Smith, Ambre, has inquired as to whether the Commission would like to see a presentation again on the coal projects. Consensus was that the Commission does not want to get involved with coal transportation. Horizon Christian School has requested use of an empty space in the Timber Incubator building for a batting cage. Consensus was to allow use until space is leased.
- Waterfront Development – The LUBA appeal for Naito Development was closed and will now have to go through the City process again. The City anticipates installing the sewer outfall on the Hook road this summer. McElwee will encourage construction beginning after Labor Day as to not impact tourists. Stu Cato will be reviewing the engineering plans on the Port's behalf. McElwee presented the Commission with a list of potential participants in the Stakeholder meetings associated with Lot 1 planning. McElwee anticipates four separate meetings about 1 hour each at the beginning of Commission meetings. Commissioners to provide feedback to staff regarding the proposed groups and meetings.
- Airport – The Runway Shift project is scheduled to resume April 1, but is weather dependant. There will be a 30 full closure. Staff will inquire with The Dalles Airport as to whether there could be a fee waiver for tie-downs or other Hood River Airport tenants during Runway Shift closure.

6. REPORTS, PRESENTATIONS AND DISCUSSION ITEMS:

- Recreation Site Fees – Staff recommends that fees are raised to reduce the loss on the maintenance of waterfront properties. Commissioner McBride requested that at a later date there be a larger discussion on parking fees for all Port property. Commissioner Shortt would

like the Port to look into improving the Event Site restrooms. The following was an action of this discussion:

Motion: Move to Approve Increase to Recreation Site Fees for Parking and Events with the Passenger Vehicle Daily Pass Remaining at \$5
Move: Davies
Second: McBride
Vote: **Aye:** Davies, McBride, Shortt and Streich
Absent: Duckwall
MOTION CARRIED

- Kiteboarding Guidelines at Marina Beach – Commissioner McBride presented the proposed guidelines from the Waterfront Recreation Committee for the upcoming season. The new approach would add clear signage to the area with specific kiteboarding. Consensus was to move forward with staff monitoring the intended use. Legal Counsel will review Ordinance 22 to see if changes are necessary.

7. ACTION ITEMS:

a) Approve Contract with JWC, LLC to Construct the Facility Improvements in the Marina Center Building Not to Exceed \$22,500: Currently the IT room is shared with the coin machine that counts the coin brought in from tolls. The dust the coin machine creates is bad for the servers in the room and is shortening their lives. To attempt to be in compliance with OSHA standards, staff is recommending a shower be installed in the Maintenance shop for chemical wash down. Staff will arrange training for staff and research additional showers at various Port locations.

Motion: Move to Approve Contract with JWC, LLC to Construct the Facility Improvements in the Marina Center Building Not to Exceed \$22,500
Move: McBride
Second: Shortt
Vote: **Aye:** Davies, McBride, Shortt and Streich
Absent: Duckwall
MOTION CARRIED

b) Authorize the Issuance of: 1) The Notices of Intent to Award to Griffin Construction and to Other Bidders and 2) The Notice to Proceed Subject to No Protests and the Public Improvement Contract in An Amount Not to Exceed \$168,369.00: Staff recommends proceeding with this project by rejecting all alternates and accepting the low base bid from low bidder Griffin Construction. Staff recommends retaining a mechanical engineer to develop firm HVAC plans and specs and then going out for pricing on the HVAC improvements. Short requested staff presents a Return on Investment for the Halyard Building.

Motion: Move to Authorize the Issuance of: 1) The Notices of Intent to Award to Griffin Construction and to Other Bidders and 2) The Notice to Proceed Subject to No Protests and the Public Improvement Contract in an Amount Not to Exceed \$168,369.00
Move: Shortt
Second: Streich
Vote: **Aye:** Davies, McBride, Shortt and Streich
Absent: Duckwall
MOTION CARRIED

c) Approve Addendum No. 1 to the Cloud Cap Technologies Airport Hangar Lease: This was pulled from Consent Agenda B correcting the lease rate for CPI.

Motion: Move to Approve Addendum No. 1 to the Cloud Cap Technologies Airport Hangar Lease

Move: Shortt

Second: McBride

Vote: **Aye:** Davies, McBride, Shortt and Streich

Absent: Duckwall

MOTION CARRIED

8. COMMISSION CALL: McBride told Davies and McElwee that they missed the shortest meeting he had attended since he has been on the board. Davies suggested that a small committee be created for the smaller ports in PNWA to address local issues. Shortt suggested that the local Ports host rotating lunches.

9. EXECUTIVE SESSION: Regular Session was recessed at 7:36 p.m. and the Commission was called into Executive Session under ORS 192.660(2)(e) Real Property. The Commission was called back into Regular Session at 8:25 p.m. There was no action as a result of Executive Session.

10. ADJOURN: President Davies adjourned the meeting at 8:25 p.m.

Respectfully submitted,

Mellissa Halseth

ATTEST:

Jon Davies, President, Port Commission

Hoby Streich, Secretary, Port Commission

Commission Memo

To: Commissioners
From: Liz Whitmore
Date: April 2, 2013
Re: Event Site Parking Fees

Two fees were inadvertently omitted from the table below when reviewed by the Commission at the March 19, 2013 meeting. The Annual Family Pass (discounted rate when purchasing a second annual pass for a family member) and the Annual Oversize Pre-season Pass have been added. Staff is seeking Commission ratification of this action.

Event Site Parking Fees	2007 - 2012	2013
Daily	\$5	\$5
Daily Oversize	\$10	\$15
Annual Pre-season	\$40	\$50
Annual	\$50	\$65
Annual Family*	\$20	\$30
Annual Oversize Pre –season*	\$90	\$125
Annual Oversize	\$100	\$150

RECOMMENDATION: Ratify revised fee structure for the Event Site parking.

Executive Director's Report

April 2, 2013

Staff & Administrative

- A reminder that the Spring Planning Work Session will be held April 23.
- The property tour for the Commission is scheduled for April 10. Steve Burdick will lead a tour for the Budget Committee that afternoon.
- I have discussed the state lobbying situation again with Hal Hiemstra and it is confirmed that Michelle Giguere will be our primary contact in Salem. The main focus of Michelle's work for the remainder of the legislative session will be Senate Bills 246 and 253.
- Senator Merkley will be holding a Town Hall Meeting on April 5 at 3:30 in the Hood River Valley Adult Center.
- Ms. Allison Danko, a student at Whitman College, contacted the Port and expressed interest in serving as an intern for the summer. Ms. Danko has a dual major in Economics and Environmental Sciences. Her program provides funding for 30 hours per week. One opportunity to utilize her services would be the economic impact analysis if approved by the Commission.
- GorgeNet has now installed the new phone system in the Port offices.
- Our seasonal summer positions are now being advertised.

Recreation

- The bid advertisement for the Marina Electrical Project was issued March 23. Bid opening will occur April 18. Staff looked thoroughly at an option to provide 480v 3-phase power. Initially it appeared this approach would save money and bring the benefit of removing the electrical panel in the middle of Marina Green. In the end, the cost was too much and the risk too great. It was necessary to go with 240v power.
- Christa Scheer as informed the Port that she intends to sell the Sandbar Café and asked the Port to enter into a lease to Ms. Susie Dow. Both women may attend the meeting to discuss their request.
- The Oregon State Marine Board has approved the "No-Wake" zone in front of the Event Site. Buoys can now be placed.
- The river gauge is now operational. A print out of the data page on the USGS web site is attached.

Development

- We received a formal protest from an un-successful bidder on the Pocket Fuel project. After review of the bid documents and discussion with Jerry, I have issued the decision attached.
- I met with the City Manager and representatives of CGWA on March 29 to discuss the sewer outfall project. CGWA is interested in improving a launch

site at the end of the Hook. Civil Engineer Stu Cato has agreed to assist the Port in evaluating the overall project.

Airport

- On March 26, the contractor for the Airport Runway Shift Project informed the Port that work will not resume on April 1 as planned. Staff will provide an update on a new construction schedule alternatives on April 2.
-

Bridge/Transportation

- Genevieve Scholl has completed the final draft of the Toll Operations Manual. We will provide a copy for all Commissioners at the meeting. The Bridge is an important part of the Port's operation and any comments of form or content from the Commission would be appreciated.
- Staff will provide an update on the bridge deck cracking issue at the meeting.



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Available data for this site Time-series:

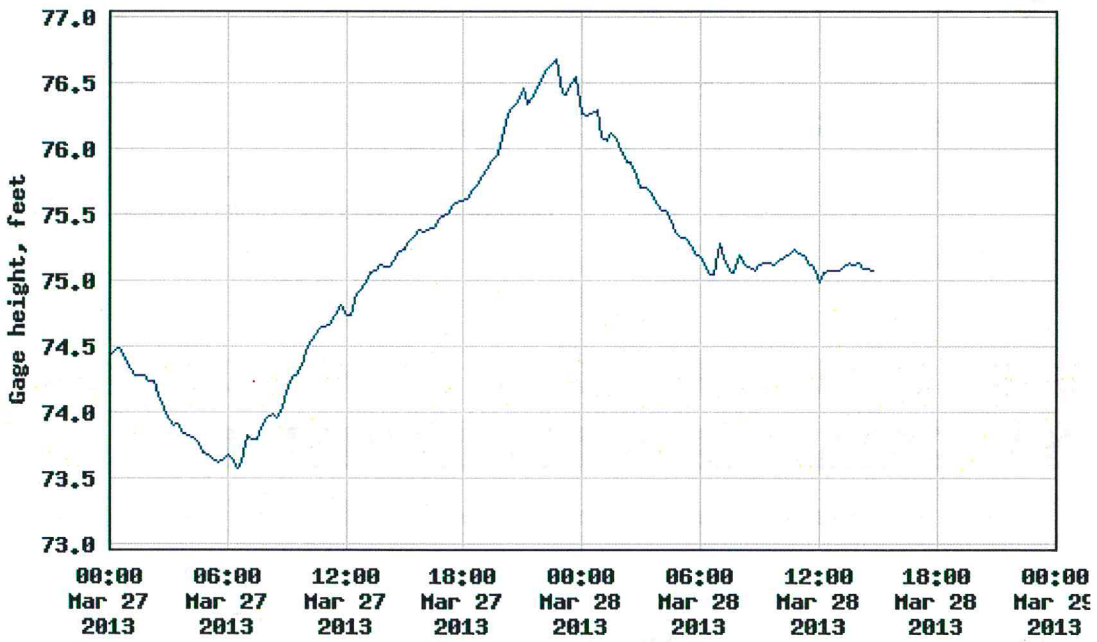
Available Parameters	Available Period	Output format	Days (1)	
<input type="checkbox"/> All 1 Available Parameters for this site <input checked="" type="checkbox"/> 00065 Gage height	2013-03-14 2013-03-28	<input checked="" type="radio"/> Graph <input type="radio"/> Graph w/ stats <input type="radio"/> Graph w/o stats <input type="radio"/> Table <input type="radio"/> Tab-separated	-- or -- Begin date 2013-03-27 End date 2013-03-28	<input type="button" value="GO"/>

[Summary of all available data for this site](#)
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Gage height, feet

Most recent instantaneous value: 75.08 03-28-2013 14:45 PDT

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Bid Award Protest - Decision

To: James H. Confer, Interwest Construction, Inc.

From: Michael McElwee

Date: March 28, 2013

Re: PocketFuel Bid Protest

BACKGROUND: A public bidding process was conducted by the Port of Hood River seeking a contractor to carry out tenant improvements to Suite 103 of the Halyard Building. Bid advertisements were published starting February 11, 2013. Bids were opened at 2:00 p.m. on February 28, 2013. On March 20, 2013 the Port issued a Notice of Intent to Award (NOITA) to Griffin Construction, LLC based on the Base Bid only. Issuance of the NOITA initiated a seven-day period in which bidders could file a formal protest. On March 22 at 10:03 a.m. a written protest was received from Interwest Construction, Inc. (IWC) via e-mail. Such a protest must be considered by the Port's Executive Director (ED) and addressed according to applicable statutes and rules.

Protest Summary: IWC's protest (attached) contained six points. The following is a summary:

- Neither the Base Bid or alternates were listed/defined in the bid documents.
- It is not possible to compare bids to determine what has been included in the Base Bid Alternates; therefore, the bidding process was flawed.
- There are other bids more economical than the low bid if alternates are included.

Evaluation: The ED reviewed the bid documents, including plans and specifications and bids, consulted with legal counsel and discussed the protest with Mr. James Confer of IWC on March 28. The following are key findings:

- The Pricing Submittal Form did not have a section for alternates.
- Alternates were called out on the plans but not clearly. This lack of clarity was compounded because there was no correlation with the Pricing Submittal Form.

- The HVAC design/build is stated on sheet A3.1 as an Additive Alternate.
- Sheet GO.1 stated that add alternates should be provided for specific kitchen equipment and the commercial power strips.
- During the bidding process, a bidder asked if the bid form would be amended to allow for submission of alternates. The answer provided to all contractors in Addendum 1 stated that the form would not be amended and that bidders should include pricing related to alternates on a separate sheet using a specified format.
- Many bidders provided a list of alternate pricing either directly on the Pricing Submittal Form or on an attached sheet. However, because the bidders were seemingly "invited" to provide other alternates a confusing list of alternates when the bids were opened. This meant an accurate comparison of the bids w/alternates was nearly impossible.

The Port's contract rules and bid documents provide two means whereby bidders may protest during the bid process:

- *Solicitation Protest:* Pursuant to OAR 137-049-0260, and the terms of the solicitation document, Bidders may protest the content of the bid specification or contract terms, provided the protest must be received by the Port at least five days before bid opening. If such a protest is received after that deadline the protest shall not be considered. The IWC protest was received by the Port after the bid opening.
- *Intent-to Award Protest:* Pursuant to OAR 137-049-450, and the terms of the solicitation document, protests of a bid award must be filed within seven days of the NOITA. A bidder filing a protest must demonstrate that they are adversely affected or aggrieved. This means the bidder must "claim to be eligible for award of the contract as the lowest responsible and responsive bidder and that any and all lower bidders are ineligible to receive Contract award." The IWC protest was received within this seven day period. The Port selected the low bid based on the lowest Base Bid. Of the nine bids received for Base Bid work, seven were lower than IWC's bid.

Findings: The ED finds the following:

- The bid documents could have been clearer. Specifically, the Pricing Submittal Form could have included a section for pricing a clear list of additive alternates. This would have made bids easier for contractors to prepare and clearer to summarize after bid opening. At minimum, a bidding addendum could have been issued to provide clarification.

- The bid drawings should have had a clear description of add alternates for the kitchen work and HVAC that was tied to the Pricing Submittal Form. The note relative to the HVAC being an add alternate, the largest alternate cost item, was clearly stated on A3.1 however, again, this did not correlate to the Pricing Submittal Form.
- The scope of the work for the Base Bid was relatively clear if all alternates were ignored. The Port rejected all alternates, and based its decision solely on accepting the low bid for the Base Bid work. This meant that comparison of low base bids was reasonably fair as being "apple-to-apples". Based on this approach Griffin Construction was the low bidder.
- IWC did not submit a protest regarding the plans or specs prior to the bid opening. Such a submittal would have allowed the Port to revise and clarify the documents. One bidder did submit a question about whether the Pricing Submittal Form would be modified; the answer provided did indicate how alternates should be addressed and provided clarity on the format to price alternates. Having not submitted a protest prior to bid opening, IWC relinquished its right to protest against the award based on the content of bid specifications or contract terms.
- IWC cannot be considered adversely affected or aggrieved because IWC is not close to being the lowest responsive and responsible bidder. At least seven other bidders would be eligible to receive the Base Bid contact award based on the prices submitted.

The Port should take greater care in preparing its bid documents. Specifically, when alternates are sought, the documents should provide greater clarity to bidders on the scope of each alternate. The Pricing Submittal Form should include a specific list of alternates for pricing. In this case, the base bid documents were clear, and were the basis for bid award.

Decision: For the reasons stated, IWC's bid protest is denied. The award of the Base Bid contract work to Griffin Construction, LLC as low bidder is affirmed.

PORT OF HOOD RIVER
STATEMENT OF OPERATING REVENUES, EXPENDITURES AND OTHER SOURCES AND USES OF FUNDS
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2013

	REVENUE FUND							GENERAL FUND	BRIDGE REPAIR & REPLACEMENT FUND	TOTAL	
	Bridge	Industrial Buildings	Commercial Buildings	Waterfront Land	Waterfront Recreation	Marina	Airport				Administration Maintenance
<u>OPERATING REVENUES</u>											
Tolls	\$ 2,325,613									\$ 2,325,613	
Leases		\$ 696,105	\$ 53,389	\$ 2,300	\$ 3,800	\$ 219,164	\$ 131,178			1,105,936	
Reimbursements		277,006	8,623	1,643	1,542	11,858	15,553			316,225	
Fees, Events, Passes and Concessions					38,820					38,820	
Property taxes								53,369		53,369	
<i>Total Operating Revenues</i>	<u>2,325,613</u>	<u>973,111</u>	<u>62,012</u>	<u>3,943</u>	<u>44,162</u>	<u>231,022</u>	<u>146,731</u>	<u>53,369</u>	<u>-</u>	<u>3,839,962</u>	
<u>Operating Expenses</u>											
Personnel Services	324,060	194,879	48,057	50,385	221,871	51,891	54,576	60	42,585	6,913	995,277
Materials & Services	213,218	483,864	36,008	108,054	39,846	21,643	62,136	79,894	107,011	352	1,152,026
<i>Total Operating Expenses</i>	<u>537,278</u>	<u>678,743</u>	<u>84,065</u>	<u>158,439</u>	<u>261,717</u>	<u>73,534</u>	<u>116,712</u>	<u>79,954</u>	<u>149,596</u>	<u>7,265</u>	<u>2,147,303</u>
<i>Operating income/(Loss)</i>	<u>1,788,335</u>	<u>294,368</u>	<u>(22,053)</u>	<u>(154,496)</u>	<u>(217,555)</u>	<u>157,488</u>	<u>30,019</u>	<u>(79,954)</u>	<u>(96,227)</u>	<u>(7,265)</u>	<u>1,692,660</u>
<u>Other Resources</u>											
Income from other sources	7,454	8,555		(400)	-	-	-	16,577	47	2,579	34,812
Grants	-	-		-	-	9,100	1,002,151	-	-	-	1,011,251
Sale of land	-	-		256,012	-	-	-	-	-	-	256,012
Note receivables	-	13,892		-	-	-	-	-	-	-	13,892
<i>Total Other Resources</i>	<u>7,454</u>	<u>22,447</u>	<u>-</u>	<u>255,612</u>	<u>-</u>	<u>9,100</u>	<u>1,002,151</u>	<u>16,577</u>	<u>47</u>	<u>2,579</u>	<u>1,315,968</u>
<u>Other (Uses)</u>											
Capital projects	-	(115,202)	(95,607)	(286,108)	(8,000)	(13,349)	(1,161,925)	9,600	-	(813,852)	(2,484,443)
Debt service	-	(96,628)	-	-	-	(19,858)	-	-	-	(609,557)	(726,043)
<i>Total Other (Uses)</i>	<u>-</u>	<u>(211,830)</u>	<u>(95,607)</u>	<u>(286,108)</u>	<u>(8,000)</u>	<u>(33,206)</u>	<u>(1,161,925)</u>	<u>9,600</u>	<u>-</u>	<u>(1,423,409)</u>	<u>(3,210,485)</u>
Transfers In/(Out)	(486,431)							(143,595)	138,448	499,818	8,240
Net Cashflow	<u>\$ 1,309,358</u>	<u>\$ 104,985</u>	<u>\$ (117,660)</u>	<u>\$ (184,992)</u>	<u>\$ (225,555)</u>	<u>\$ 133,382</u>	<u>\$ (129,755)</u>	<u>\$ (197,372)</u>	<u>\$ 42,268</u>	<u>\$ (928,277)</u>	<u>\$ (193,617)</u>

PORT OF HOOD RIVER
Schedule of Revenues by Cost Center By Fund
Budget to Actuals
For the Eight Months Ended February 28, 2013

	Revenues			
	Budget	Actual	Variance	66.7%
<u>REVENUE FUND</u>				
<i>Toll Bridge</i>				
Bridge Tolls	\$ 3,301,000	\$ 2,315,613	\$ (985,387)	70.1%
Cable Crossing Leases	8,000	10,000	2,000	125.0%
Other	5,000	7,454	2,454	149.1%
	3,314,000	2,333,067	\$ (980,933)	70.4%
<i>Industrial Facilities</i>				
<i>Big 7</i>				
Lease Revenues	281,000	185,057	(95,943)	65.9%
Reimbursements	68,750	42,440	(26,310)	61.7%
<i>Jensen Property</i>				
Lease Revenues	312,600	206,032	(106,568)	65.9%
Reimbursements	132,500	110,581	(21,919)	83.5%
<i>Maritime Building</i>				
Lease Revenues	120,000	37,223	(82,777)	31.0%
Reimbursements	44,500	10,335	(34,165)	23.2%
<i>Halyard Building</i>				
Lease Revenues	100,189	39,983	(60,206)	39.9%
Reimbursements	31,500	37,737	6,237	119.8%
Note Receivable	6,193	4,272	(1,921)	69.0%
Other		8,555	8,555	#DIV/0!
<i>Expo Center</i>				
Lease Revenues	80,405	110,081	29,676	136.9%
Reimbursements	43,800	32,429	(11,371)	74.0%
Other Financing Sources	2,628,000	-	(2,628,000)	0.0%
<i>Timberline Incubator Building</i>				
Lease Revenues	25,650	32,744	7,094	127.7%
Reimbursements	6,500	8,860	2,360	136.3%
<i>Wasco Building</i>				
Lease Revenues	129,387	84,985	(44,402)	65.7%
Reimbursements	49,000	34,624	(14,376)	70.7%
Note Receivable	14,430	9,620	(4,810)	66.7%
	4,074,404	995,557	(3,078,847)	24.4%
<i>Commercial Facilities</i>				
<i>State Office (DMV) Building</i>				
Lease Revenues	38,123	25,187	(12,936)	66.1%
Reimbursements	3,570	1,790	(1,780)	50.1%
<i>Marina Office Building</i>				
Lease Revenues	47,735	28,202	(19,533)	59.1%
Reimbursements	19,000	6,833	(12,167)	36.0%
<i>Port Office Building</i>				
Lease Revenues	48,516		(48,516)	0.0%
Reimbursements	9,500		(9,500)	0.0%
	166,444	62,012	(104,432)	37.3%
<i>Waterfront Industrial Land</i>				
Lease Revenues	1,200	2,300	1,100	191.7%
Reimbursements		1,243	1,243	#DIV/0!
Land Sale	190,000	256,012	66,012	134.7%
	191,200	259,555	68,355	135.8%

PORT OF HOOD RIVER
Schedule of Revenues by Cost Center By Fund
Budget to Actuals
For the Eight Months Ended February 28, 2013

	Revenues			
	Budget	Actual	Variance	66.7%
<i><u>Waterfront Recreation</u></i>				
Eventsite, Hook and Spit				
Events, Passes, Permits and Concessions	65,500	35,602	(29,898)	54.4%
<i>Marina Park</i>				
Sailing Schools, Showers and Events	30,000	3,218	(26,783)	10.7%
Lease Revenues	5,400	3,800	(1,600)	70.4%
Reimbursements	1,800	1,542	(258)	85.7%
Grant	356,000		(356,000)	0.0%
	458,700	44,162	(414,538)	9.6%
<i><u>Marina</u></i>				
Lease Revenues	164,125	219,164	55,039	133.5%
Reimbursements	7,200	11,858	4,658	164.7%
Grant	6,125	9,100	2,975	148.6%
Other Financing Sources	405,000		(405,000)	0.0%
	582,450	240,121	(342,329)	41.2%
<i><u>Airport</u></i>				
Lease Revenues	151,535	131,178	(20,357)	86.6%
Reimbursements	23,500	15,553	(7,947)	66.2%
Grant	2,205,000	1,002,151	(1,202,849)	45.4%
	2,380,035	1,148,882	(1,231,153)	48.3%
Less: Adjustments to Budget - Spring Planning				
Expo Center Financing	(2,628,000)		2,628,000	
Marina Park Grant	(356,000)		356,000	
<i>Adjusted Budget to Actual Revenues</i>	8,183,233	5,083,357	(3,099,876)	62.1%
<i>GENERAL FUND</i>				
Property taxes	58,836	53,369	(5,467)	90.7%
Transfers from other funds	276,124	138,448	(137,676)	50.1%
	\$ 334,960	\$ 191,817	\$ (143,143)	57.3%
<i>BRIDGE REPAIR & REPLACEMENT FUND</i>				
Transfers from other funds	\$ 1,300,000	\$ 499,818	\$ (800,182)	38.4%



Washington, D.C.



To Jim,

Best regards,
Greg Walden





Port of
Hood River

Providing for the region's economic future.

INDUSTRIAL/COMMERCIAL FACILITIES • AIRPORT • INTERSTATE BRIDGE • MARINA

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

March 19, 2013

The Honorable Ron Wyden
United State Senate
223 Dirksen Senate Office building
Washington, D.C. 20510

Dear Senator Wyden,

On behalf of the Port of Hood River Commission, thank you for the courtesies extended by your staff upon on visit to Washington D.C. on March 4.

We met with Alexandra Hackbarth to discuss our on-going challenges associated with maintaining the Hood River Interstate Bridge in a state of good repair. We appreciate greatly your past efforts to help secure federal funding to modernize the lift span and replace the deck of this 88 year old bridge. Since the bridge is Port owned, the State of Oregon provides no maintenance assistance for this bridge despite the fact that it provides a critical link in the economic health of the mid-Columbia region. While the bridge is functionally obsolete given its narrow lane width, it is crucial that the bridge be maintained in a state of good repair for at least another 25 years since a replacement bridge is not likely to be built any time before that.

We also want to thank you for your continued service to the citizens of Oregon. If at any time your office seeks information about issues within Hood River County or the Columbia Gorge region, please do not hesitate to contact us.

Respectfully,

Jon Davies
Commission President

Michael S. McElwee
Executive Director

cc: Port of Hood River Commissioners
Hal Hiemstra, Ball Janik



Oregon

John A. Kitzhaber, MD, Governor

Department of Transportation
Transportation Development Division
Mill Creek Office Building
555 13th Street NE, Suite 2
Salem, OR 97301-4178

RECEIVED
MAR 28 2013

COPIES TO
COMMISSION

File Code:

March 21, 2013

Port of Hood River
Attn: Machael McElwee
1000 E Marina Dr
Hood River, OR 97031

Subject: Results of ODOT TE-OBPAC Combined Solicitation 2012

Project: Hood River Riverfront Trail Completion Project
TAP or OBPAC Request: \$ 97,000

I regret to inform you that your project was not selected for funding by the Oregon Bicycle and Pedestrian Advisory and Transportation Enhancement Committees.

The Committees carefully reviewed and prioritized 54 applications, requesting over \$48 million dollars. With only \$8.4 million dollars to distribute only 11 projects were funded, and some of those received only partial funding. Many worthy projects went unfunded.

As you may know, this was the last solicitation specifically for TAP (formerly TE) and OBPAC funded projects. In the future, the statewide multi-modal "Enhance Process" will distribute ODOT administered bicycle and pedestrian related funding. We expect the next opportunity to apply will be announced in the spring or summer of 2014.

Sincerely,

Pat Fisher
TAP Manager

Sheila Lyons, PE
Bicycle and Pedestrian Program Manager



Commission Memo

To: Commissioners
From: Fred Kowell
Date: April 2, 2013
Re: Gorge Innoventure Update

Bill Fashing or Gary Rains will attend the April 2 Commission meeting to provide an update on Gorge Innoventure activities. For your reference, page 7 of the lease agreement is attached that provides an outline of annual goals.

RECOMMENDATION: For discussion.

mediation does not occur or does not result in a solution satisfactory to both parties, the dispute shall be resolved by arbitration. Any arbitration shall be in accordance with the rules of the Arbitration Service of Portland then in effect. The parties shall use a single arbitrator mutually agreeable to them. If they are unable to agree on an arbitrator, or a process to select one, either party may apply to the Hood River County Circuit Court to appoint an arbitrator. The award rendered by an arbitrator shall be binding on the parties and may be entered in the Hood River County Circuit Court. The prevailing party in an arbitration proceeding, including any appeal therefrom or enforcement action, shall be entitled to recover their reasonable attorney's fees and costs and disbursements incident thereto.

23. **Authority to Execute.** The persons executing this Lease on behalf of Lessee and Lessor warrant that they have the authority to do so.
24. **Lessor-Lessee Relationship and Lessee Obligations.** Lessor leases the Leased Premises to Lessee on special terms, including free and reduced rent, based on its understanding that Lessee's Average Makeup of Client Companies and Goals Per Year will complement and further Lessor's own mission and goals. Lessee represents the following:
- A. Average Makeup of Client Companies:
 - a. Type of Businesses – Retail and wholesale, manufacturing, distribution, high-tech and ag based
 - b. Beginning size of companies – 1-5 employees
 - c. Sales as they enter the program - \$0-1,000,000
 - d. Average time in Business Accelerator Program – 1.5 years
 - B. Goals Per Year (counting from commencement of lease):
 - a. Work with at least 5 new businesses
 - b. Help these 5 new businesses create at least 10 new jobs
 - c. Deliver at least 8 different events and workshops
 - d. Publicize the Port's mission at all activities, including events and workshops.
 - e. Introduce all client companies to the Port for consideration by them of any available real property.
 - f. Provide, bi-annually, a written report of accomplished and planned efforts to achieve organization goals including businesses assisted, jobs created and events and/or workshops conducted

Port of Hood River

FY 13/14 Spring Planning Session

April 23, 2012 at 12:00 p.m.

Agenda

- 1) Overview (Jon Davies, Commission President)** (5 Min.)
- 2) FY 2012/13 Key Issues (Michael McElwee, Executive Director)** (10 Min.)
Staff overview of key budget and planning issues
- 3) Financial Overview (Fred Kowell, Finance Manager)** (30 min.)
Review current financial condition of the Port and long-term financial model including assumptions and projections.
- 4) Port Facilities (All)** (90 Min.)
Focused discussion of asset areas. Consider planning needs, policy, capital projects, maintenance, and other issues. (See attachment)
 - **Leased Properties**
 - **Bridge**
 - **Waterfront Recreation**
 - **Marina Basin**
 - **Airport**
- 5) Policy/Strategy Areas (All)** (15 min.)
Discussion of various policies bearing on budget or staff priorities
 - Federal/State Lobbying
 - Financial Policies
 - Strategic Plan

(60 min.)

Adjourn Work Session and Open Regular Session

Port of Hood River
FY 12/13 Spring Planning Session
Discussion Outline

KEY ISSUES

- Complete current projects
- Limited funds for new projects
- Respond to Facilities Needs Assessment
- Lot #1 Planning
- Potential for Property Acquisition
- Waterfront Site Assessment (Narratives Project)
- Need to Upgrade Financial Platform

PORT FACILITIES

Leased Properties

- Properties are near capacity and lease payments are current.
- Consider development of new leased properties.
- Capital and maintenance needs of leased properties have been characterized. Need multi-year plan to complete capital maintenance backlog.

Bridge

- Update long-term capital plan. No major capital projects for 2-3 years.
- Near-term emphasis on inspections, capital maintenance & bridge deck.
- Consider role and tasks regarding long-term bridge replacement.
- Evaluate options for increasing transit.

Waterfront Recreation

- The 'Narratives' study can act as "roadmap" of site policies & enhancements.
- Update Ordinance 22.
- Sewer outfall project provides opportunity for Hook enhancements.
- Monitor parking policy and high water plan.

Marina Basin

- Prepare a long-term plan for the Visitor Dock.
- Complete Electrical Upgrade Project.
- Boathouse leasing policies.
- Commercial Area Planning.

Airport

- Complete Orchard Road Vacation/Runway Shift.
- Ordinance 23 Updates.
- FBO Relocation Plan.

POLICY/STRATEGY AREAS

- Ball/Janik Contract—confirm or modify federal and state representation.
- Update Financial Policies
- Strategic Plan Update—complete by end of 2013.

Commission Memo

To: Commissioners
From: Michael McElwee
Date: April 2, 2013
Re: Contract with Eco Northwest for Economic Impact Analysis Services

One question that has come up regularly is how to define the impact that the Port of Hood River has on our local economy. All decisions the Commission makes about policies and investments in industrial development, recreation and transportation all rest, ultimately, on the impact each makes to the economy in our Port District. However, a thorough assessment of the Port's economic impacts has never been made. I recommend that it is time to prepare such an analysis. It is particularly important now as we prepare our new strategic business plan and why this is an item in my approved FY 13 work plan.

OBDD is currently in the process of hiring a consultant to prepare an economic impact analysis showing the aggregate economic impacts of all ports statewide and the impacts of each individual Port within their specific County. OBDD asked that each Port reserve funds to contribute to the study. After considerable thought I believe it is advantageous for the Port of Hood River to contract with our own economic impact consulting firm. This is because the state will not be able to develop an analysis that is specifically tailored to our port's operations and responsive to our needs. I strongly believe that this effort is important enough that we act as the client and direct the work.

I contacted the firm of Eco Northwest ("ENW"), a highly respected regional firm that I have worked with in the past and that has experience locally. At my request they submitted the attached proposal. I am aware of the fact that this is an expensive proposition. However, an economic impact study that allows for thorough and rigorous evaluation of the impacts our Port makes locally and regionally will be very important for the following reasons:

- Provides a more detailed explanation of the role the Port plays in supporting local job creation and private investment to Port district constituents.
- Provides a key input into preparation of our Strategic Business Plan to guide Commission decision-making about strategic goals and objectives.

- Supports the credibility of our federal and state funding requests especially as they relate to Lot #1 and the Hood River Bridge.
- Guides annual budget preparation and decisions relative to property acquisition, asset sales and capital investment priorities.

The Port possesses a significant amount of data that will be important for the analysis including rent roll data for businesses within Port building, estimates of private investment and jobs in new buildings on the waterfront, bridge traffic counts, etc. Recent studies have also been completed about Port activities most notably the Economic Impact of Port Recreational Properties (2009) and the Economic Impacts of the Hood River Bridge (2010). However, we must be prepared to gather a significant amount of additional data for the consultant. To support the consultant's effort I propose to use the intern that is available from Whitman College.

Any analysis prepared by the Port of Hood River consultant would be similar in format to the OBDD study so that we would not need to duplicate efforts. We would also not contribute to that OBDD study. This approach is being used by the Port of Morrow and some other ports.

RECOMMENDATION: Authorize a contract with EcoNorthwest to prepare an economic impact analysis of the Port of Hood River not to exceed \$32,000.

DATE: 28 March 2013
TO: Michael McElwee
FROM: Terry Moore
SUBJECT: PROPOSAL FOR ECONOMIC IMPACT ANALYSIS OF THE PORT OF HOOD RIVER

ECONorthwest is an economics consulting firm that does economic impact analysis throughout the country. Michael McElwee contacted Terry Moore of ECONorthwest (a principal at the firm, author of the report that did an economic evaluation of the Hood River Bridge, and a resident of the Columbia Gorge) to discuss preparation of an economic impact study for the Port of Hood River.

I. Background

Any organization—businesses, government agencies, non-profits—must occasionally revisit its purposes, evaluate its performance, and consider its prospects. The Port of Hood River (Port) believes the time is right for such an assessment.

The Port is currently in the process of updating its strategic business plan. Such plans are stronger when they are based on good information: about past and current performance, internal strengths and weaknesses, external threats and opportunities, and potential and likely future conditions. A common question for an organization is, How do our actions make a difference? That is a question about *impacts*.

Coincidentally, the Infrastructure Finance Authority of Business Oregon, with the Oregon Public Ports Association, is about to begin an economic impact study of the 23 Ports in Oregon. A consultant will be selected in April; work is scheduled to be completed in the first quarter of 2014.¹

Staff at the Port considered its needs and options and concluded that it would be best served by supplementing the state study with a more detailed local assessment of economic impacts. One topic of McElwee and Moore's discussion about that supplemental analysis was how the Port might fulfill its desire for a more detailed economic analysis by integrating with and leveraging information from the state study. The work plan that follows incorporates the expected outputs of the state study into the more detailed assessment of economic impacts that the Port wants to conduct.

II. Approach

Any legitimate analysis of impacts must take a “with and without” perspective. An evaluation of alternative courses of action tries to provide this kind of information: “Here is our assessment about what the conditions in the project area will be like in 10 years if our organization takes no new action [without new action]; here is how and why we expect future conditions to change if our organization takes these propose action [with new actions].” That fundamental approach applies in this project as well. The question about the economic impacts of the Port of Hood River is simultaneously a question about the economic impacts of not having the Port doing what it does.

Removing the Port is not something anyone is considering, much less recommending. Just the opposite: the Port's presumption is that the requested economic impact analysis will provide data that

¹ As part of a competitive bid process, ECONorthwest submitted a proposal to supply those consulting services. At the time ECO delivered this memorandum to the Port of Hood River, the state was beginning its evaluation of proposals; no further information is available to ECONorthwest.

demonstrate the importance of the Port to the regional economy. But that importance can also be described in terms of what is lost by its absence. Moreover, that perspective gives some insights into (1) how the economy actually works and would accommodate to that loss, (2) other benefits that might otherwise be overlooked, and (3) issues the analysis must contend with.

The study the state will do on economic impacts places a heavy emphasis on the use of IMPLAN, an input-output model that calculates economic impacts using well-known and robust data sources for its calculations. IMPLAN data come from the U.S. Economic Census, U.S. Bureau of Labor Statistics, the Internal Revenue Service, and other government statistical sources. IMPLAN approximates how, from where, and on what products and services each local industry spends money. It also estimates the number of employees associated with changes in production levels, their wages and benefits, the number of self-employed proprietors, and their incomes.

The emphasis in economic impact studies on IMPLAN and “multiplier” effects can lead policymakers to the incorrect inference that IMPLAN is all that is needed to do an economic impact analysis. In fact, IMPLAN is an accounting tool that allows analyst to trace the extended impacts of any initial economic activity. But there is a lot of analysis that must occur to estimate what initial economic activity an organization contributes to, in whole or in part.

For example, suppose a new business comes to Port property, builds a \$50-million facility, and operates with 40 employees. IMPLAN can describe how those direct effects ripple out through the regional and state economy. It cannot, however, make a determination of the Port’s contribution to those impacts. Such a determination requires local assessment: did the business come only because of availability Port property and the assistance of Port staff, or did it have lots of options and would have come to Hood River anyway? Answering questions like that require local evaluation.

Thus, the approach we propose is one that focuses on getting data relevant to Port activities that contribute to direct economic activity. There are several categories of economic activity that the Port engages in or otherwise supports, and how those categories might be organized in an impact report. The tentative idea is to organize by the categories of Business Development (land, buildings, businesses), Public Facilities (transportation [bridge, airport, marina], recreation), and Programs (e.g., for economic development and community enhancement). We will work out the details with Port staff in Task 1.

Our effort would be designed to integrate with the state study. By doing that, part of what the Port of Hood River wants from a detailed economic analysis would be provided by the work described in this proposal, and the other part by the state study. The work from this study would supplant or significantly enhance the state study’s efforts on describing the Port of Hood River’s activities, and would be input to the state’s IMPLAN analysis. That arrangement can work whether ECO is ultimately selected as the contractor for the state study or not.

III. Work Plan

The Work Plan that follows incorporates the Approach described above into three tasks that are chronological. The rest of this section provides a brief description of each task.

We have discussed the tradeoffs among scope, products, a range of budgets (\$20,000 to \$75,000) and agreed that the target should be around \$30,000. Though that budget is at the lower end, several things argue that it is adequate to deliver a good product: (1) the Port’s staff will be simultaneously conducting research related to the development of its strategic plan, some of which will be of use in the impact analysis; (2) the Port has several studies about various aspects of its economic activities, and has a good inventory of all its assets, (3) the state will be paying for a consultant to do the IMPLAN part of the impact analysis, so that does not need to be part of this scope, and (4) the Port is in the process of

contracting with a summer intern who is majoring in economics and would be assigned entirely to this project.²

The project team will be: Terry Moore (project director); Beth Goodman, Nick Popenuk, or Anne Fifield (lead researcher, to be determined); Bob Whelan (economic advisor), Tessa Krebs as IMPLAN advisor; Alison Danko (intern).

The schedule that follows assumes that ECO would have a notice to proceed by some time before the end of April. If that notice is delayed, the proposed schedule below would shift back accordingly.

Task 1: Preliminary Investigation

The Port will send ECO studies or links to studies relevant to the assignment. ECO will review those studies and send the Port a general data request. At a kick-off meeting, ECO would meet with the Port's project manager (and other staff as desired) to clarify project objectives, discuss the proposed process and timing, identify existing information and on-going research, and refine the work program and an outline of the final product. Based on that meeting ECO prepare a refined scope of work (for Task 2) and report outline (for Task 3).

Our extensive experience on research on public policy is consistent: it is very unlikely that we or anyone else can develop a work plan now that will hold up for the entire project. We see Task 1 as critical for getting a better and mutual understanding of purposes, audiences, data, methods, potential pitfalls (technical and political), outcomes, and products consistent with achieving those outcomes.

Products:	Refined scope of work; data request; outline of final report and supporting materials
Meetings:	1
Budget:	\$6,000
Schedule:	Done by end of May

Task 2: Data collection and analysis

The bulk of the technical work and project effort occurs in this task. The section above on Approach describes the key activities. In general, ECO will be using standard data sources, reports about Port activities and the Hood River economy, and interviews of business and agency representatives to create a data-based picture of the Port's contribution to the regional economy of the Hood River area. Part of this task will include coordinating with the Port staff working on the Strategic Plan, and with the consultant working on the statewide assessment of ports (especially the IMPLAN component).

The results from IMPLAN analyses are only as good as the data and assumptions that are entered into the model, which is why proper data collection is so important. The most important steps to measuring the full range of economic impacts associated with the Port are to get data regarding the direct economic activity at the Port, and to develop a clear understanding of the connections between those activities and the existence of the Port. In other words, the analysis must fully characterize port and business operations (revenues, employment, income, etc.) and must make estimates about what would happen to those activities and businesses if the Port did not exist.

Products:	Data and analysis to support the draft and final reports
Meetings:	3 in Hood River with Port staff. Interviews
Budget:	\$20,000
Schedule:	Done by mid-August

² Our understanding is that the intern is available after mid-May. Thus, we would conduct Task 1 without intern assistance.

Task 3: Draft and final products

In this task, we package the research conducted in Tasks 2 into a project report that communicates the findings clearly and without jargon. The document will be understandable to audiences who are not economists or experts in port operations. The main report will be relatively short (~20 pages) and will have a 2 – 4 page executive summary. It will be supported by technical material in appendices. Explanatory text will be included to allow a reader unfamiliar with economic impact studies and methodologies to understand their meaning.

ECO will give Port staff a draft report. The Port will give ECO a single, consolidated set of comments in writing (“track change” in Word preferred). ECO will address those comments and create a final report.

ECO will make a presentation regarding the report to an audience and at a place and time that the Port will specify.

Products:	Draft report; final report; presentation
Meetings:	1
Budget:	\$6,000
Schedule:	Done by end of September

Summary of budget and schedule

ECO proposes to conduct the study from May through September, 2013, for a fee of \$32,000.

Role of Port

We assume that the Port will provide meeting space as necessary, identify key stakeholders for interviews and help with introductions, help with any logistical issues related to interviews or meetings, provide data and reports, and review ECO’s interim products.

IV. ECO qualifications related to impact analysis

ECONorthwest has been doing economic analysis in the Northwest for almost 40 years. We are the largest economics firm based in the Northwest. ECO has done extensive work in economic impact analysis, economic forecasting, and economic development. Following is a sample of projects completed within the past three years. For more information see econw.com.

Terry Moore would be ECO's project manager. He has 40 years of experience, with degrees in engineering, planning, and public administration; has worked across the intersection of transportation and economic development; and is an accomplished technical writer, presenter, and meeting facilitator. His philosophy of project management is one of making sure (1) that competent professionals have what they need to work independently, and (2) that independent research efforts do not lose sight of the overall objective and how they fit into final products. For a project like this one, ECO will have only about six people involved, all of whom will be fully informed about objectives, deadlines, and substantive issues. There is always a backup.

Economic and Fiscal Impacts; IMPLAN

Economic Impacts of Intel. (2011)

The Economic and Fiscal Impacts of Facebook's Data Center in Oregon. (2011-2012)

Oregon State University's Economic Impacts. (2012)

The Economic and Fiscal Impacts of Cambia Health Solutions. (2012)

Economic Impacts of OHSU. (2008)

Public Works Program Performance Evaluation. (2005)

Oklahoma City Fiscal Impacts of Growth Scenarios. (2011-2013)

Portland Property Tax Compression Model. (2012)

Port Issues

Port of Portland Industrial Harbor Lands Inventory Update. (2011-2012)

Economic Impacts of State Road 35 Columbia River Crossing. (2010)

Benefit-Cost Analysis of Development Alternatives for a Proposed Port Facility. (2011-2012)

Socioeconomic Impact Analysis of Port of Tillamook Bay Railroad. (2008)

Economic Evaluation of Port of Kennewick Airport Redevelopment Alternatives. (2012-2013).

Economic and Infrastructure Development

Value of Jobs Reports on Portland-Metro Economy. (2010-2012)

Commission Memo

To: Commissioners
From: Steve Burdick
Date: April 2, 2013
Re: Mechanical Engineer for PocketFuel HVAC System

At the March 19, 2013 Port Commission meeting, the Commission accepted staff's recommendations to reject all HVAC add alternates on the PocketFuel space in the Halyard Building, to retain a mechanical engineer to develop HVAC plans and specifications for the space and to reissue a call for bids based on those plans and specifications.

Staff solicited mechanical engineering proposals from three firms:

- Solarc Architecture and Engineering, Inc: The mechanical engineering firm that produced the existing HVAC building plan and the firm that produced the HVAC plan for Real Carbon.
- System Design Consultants, Inc: The mechanical engineering firm that produced the HVAC plans for Pfriem in their present space.
- Corbin Engineering: The mechanical engineering firm on the Architectural and Engineering team for the Pfriem Brewery expansion.

After reviewing the proposals and considering the fees and the desirability of retaining one mechanical engineering firm that has detailed knowledge of the HVAC systems as originally designed, staff is recommending awarding the work to Solarc.

RECOMMENDATION: Authorize an agreement with Solarc Engineering for mechanical engineering services associated with Suite #103 of the Halyard Building not to exceed \$ 5,400 plus reasonable reimbursable expenses.



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ENGINEERING AND ENERGY+ARCHITECTURAL CONSULTING

March 29, 2013

Steve Burdick

Port of Hood River
1000 E. Port Marina Drive
Hood River, Oregon 97031

Re: Proposal for Development of HVAC Bid Documents – Pocket Fuel Tenant Improvement – Halyard Building

Dear Mr. Burdick:

We have reviewed the proposed tenant improvement (TI) project for Pocket Fuel and have further discussed the related HVAC issues with Richard Brown Architects. Following that review, we developed a proposal for a more detailed design/build approach to the HVAC work on the Pocket Fuel TI project. Based on feedback subsequent to that proposal, we have contacted Trane Oregon to discuss their opinions about the core and sheet VAV systems. This proposal responds to the information collected following the submission of the previous proposal.

This revised letter proposal outlines a scope of work and identifies a proposed fee to develop a set of bid documents that can be used to solicit competitive “hard” bids from prospective HVAC contractors.

Understanding of the Existing Conditions

Based on our conversation with Trane Oregon, we have the following understanding of existing conditions that may affect the HVAC work for the Pocket Fuel TI.

- The ACU installed on the Pocket Fuel side of the building is not currently operating because the adjacent tenant did not connect to the system at the time of their TI work.
- The existing VAV terminal units that were initially installed as part of the core and shell project may not have electrical power connections. The specific state of the existing and future terminal units that will be part of the Pocket Fuel TI project remain to be verified by field visit.
- The loads associated with the Pocket Fuel TI may not be large enough to result in stable operation of the ACU without some special accommodation. The actual loads remain to be calculated. As needed, some or all of the following actions will be taken to resolve this issue:
 - Control sequences will be developed that will prevent the mechanical cooling system from operating until minimum acceptable air flow rates and mixed air temperatures are achieved.
 - The VFD will be re-programmed to establish a minimum speed that insures acceptable minimum air flow rate.
 - The adjacent tenant space will be served with some of the conditioned air from the ACU.
 - Post-construction operational setpoint recommendations for minimum air flow rates on the Pocket fuel TUs will be developed and forwarded to the Port for ultimate implementation after the TI work is complete.

Scope of Work

In general, the bid documents are proposed to consist of HVAC drawings and specifications and HVAC-related electrical drawings and specifications that support bidding and construction of the HVAC systems for the Pocket Fuel TI project. HVAC

drawings will include HVAC floor plans that identify the size, number, and location of VAV terminal units required for the Pocket fuel TI project as well as the air distribution system modifications, sizing, and layout. Electrical drawings will include Specifications will be incorporated into the drawings that address materials, control sequences, and submittal/close-out requirements for the bidders.

Specifically, we would develop the following drawings using the architectural floorplans as reference and background.

- M1.01 – HVAC Floor Plan with Schedules and Symbols/Abbreviations
- M1.02 – Specifications, p. 1
- M1.03 – Specifications, p. 2 (as needed)

The specific tasks (and associated fees) to be performed are as follows, through completion of project close-out.

- Conduct site visit to document current conditions, establish appropriate points of HVAC system connection, and meet with tenant representative to review HVAC system needs. Communicate to the Port regarding the need to develop electrical drawings and specifications.
 - MJH: 8 hrs x \$150/hr = \$1200
- Calculate peak cooling loads for the Pocket Fuel space and size ductwork and terminal units.
 - MJH: 4 hrs x \$150/hr = \$600
- Compare minimum allowable flow rates and cooling loads for existing ACU with anticipated performance for the Pocket Fuel space, and use to establish control sequences for change-over between economizer and mechanical cooling mode, and to re-establish minimum VFD speed parameter. Communicate with the Port if additional actions are likely to need to be taken.
 - MJH: 2 hrs x \$150/hr = \$300
- Develop draft drawings/specifications and submit to the Port of Hood River for review and comment. Feedback from the tenant is strongly encouraged.
 - MJH: 16 hrs x \$150/hr = \$2400
- Finalize (and deliver in electronic / pdf format) drawings and specifications in response to review comments, and submit documents in pdf format for use in bidding. Develop and deliver energy code compliance forms for HVAC scope of work.
 - MJH: 4 hrs x \$150/hr = \$600
- Answer bidder questions. (\$150)
- Review equipment submittals [optional]
- Address Requests for Information (RFIs) and other construction period information requests (review of change order requests, etc.) [optional]
- Conduct substantial completion and final completion inspections, and generate punchlists. [optional]

Proposed Fee

Our proposed fees for the non-optional HVAC design and bid document preparation work listed above are \$5,400 including \$300 for reimburseable expenses associated primarily with travel. Michael Hatten will be executing all of the work at an hourly rate of \$150/hour. Fees are proposed to be a maximum not-to-exceed limit with invoicing upon completion of the work. If bidding does not occur on a timely basis, then progress invoicing upon delivery of the documents shall be executed.

Exclusions

Based on conversations with Trane Oregon, there is a possibility that electrical work may need to be defined for purposes of bidding. This proposal excludes the definition of associated electrical work. It assumes that bids for electrical support work can be developed under the original design/build concept using architectural and HVAC documents as a guide.

This proposal also assumes that architectural floor plans for the TI space will be made available to SOLARC in AutoCAD compatible format for use in developing loads and HVAC floor plans.

Schedule and Notice to Proceed

We are ready to get started as soon as possible. We will schedule the site visit upon receipt of written notice to proceed. Email notice is acceptable.

We appreciate the opportunity to develop and present this proposal, and look forward to undertaking this effort as soon as practical. If you have any questions about any details of this proposal, please contact me by phone at 541-349-0966, or email at mikeh@solarc-ae.net.

Sincerely,

SOLARC Engineering and Architectural + Energy Consulting



Michael Hatten, P.E.

Principal

SOLARC's Federal EIN: 93-1317356

Commission Memo

To: Commissioners
Fr: Michael McElwee
Date: April 2, 2013
Re: Pocket Fuel Tenant Improvement - Change Order #1

On March 19 the Commission approved a contract with Griffin Construction Co. ("GCC") for tenant improvements to Suite #103 of the Halyard Building. GCC has a number of value engineering items to reduce the contract. GCC has now submitted Proposed Change Orders ("PCO") for 5 construction items. These are attached and summarized as follows:

- **Reduced Mezzanine (PCO #1)** (\$ 3,799)
Per code, the mezzanine was reduced in size and located to the west wall. The size of this credit was reduced when the City determined that full height walls would be allowed which increased the framing costs.
- **Deletion of Bond (PCO #2)** (\$ 3,747)
Given the size of the project, the Port's experience with the contractor and the low risks, it is acceptable to eliminate the performance bond requirement.
- **FRP Wall Finish (PCO #3)** (\$ 2,500)
The City determined that FRP finish was not required.
- **Gas to Kitchen Equipment (PCO #4)** (\$ 2,580)
Pocket Fuel no longer requires gas for its kitchen.
- **Drywall Finish** (\$ 2,000)
A lower level finish on all drywall is acceptable to the tenant.

Overall, these PCO's constitute Change Order #1 and total \$14,626. The overall contract would be decreased from \$168,369 to \$153,743.

Recommendation: Approve Change Order No. 1 to contract with Griffin Construction for a new total contract amount of \$153,743.



Griffin Construction, L.L.C.

TITLE: PCO #1 Proposed Changes on reconfigured Mezzaine

PROJECT: 13013
Pocket Fuel Tenant Improvements

TO: Attn: Steve Burdick
Port Of Hood River
1000 East Port Marina Drive
Hood River, Oregon 97031
Phone:541-386-5116

PROPOSED CHANGE ORDER

NO. 1

DATE: 03/29/2013

JOB: 13013

ORIG: Owner Request

SUBMITTED: 03/29/2013

COMPLETED:

REQUIRED:

DESCRIPTION

Proposed Changes on reconfigured Mezzaine as per drawing 2 A1.1

Num	Item	Description	Ref	Qty	Unit	Unit Price	Amount
1		Griffin Construction -Labor and Materials for framing and concrete work		1.000		11,300.00	11,300.00
2		Pacific NW Drywall - Labor and Materails for steel stud, drywall and paint		1.000		4,500.00	4,500.00
3		Griffin Construction LLC - Credit of labor and materials		-1.000		18,899.00	-18,899.00
4		Hire Electric Credit labor and materials		-1.000		700.00	-700.00
						Total:	(\$3,799.00)

APPROVAL

By: Sherry Griffin
Sherry Griffin

Date: 3/29/13

By: _____

Date: _____



Griffin Construction, L.L.C.

TITLE:	PCO #2 Delete Bonding requirements	PROPOSED CHANGE ORDER
		NO. 2
PROJECT:	13013 Pocket Fuel Tenant Improvements	DATE: 03/26/2013
		JOB: 13013
TO:	Attn: Michael McElwee Port Of Hood River 1000 East Port Marina Drive Hood River, Oregon 97031 Phone:541-386-1645	ORIG: Owner Request
		SUBMITTED:
		COMPLETED:
		REQUIRED:

DESCRIPTION

Delete the bonding requirements

<u>Num</u>	<u>Item</u>	<u>Description</u>	<u>Ref</u>	<u>Qty</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Amount</u>
1		Deletion of bond		-1.000		2,500.00	-2,500.00
Total:							(\$2,500.00)

APPROVAL

By: Sherry Griffin
Sherry Griffin

Date: 3/29/13

By: _____

Date: _____



Griffin Construction, L.L.C.

TITLE: PCO #3 Deletion of FRP wall finish

PROPOSED CHANGE ORDER

PROJECT: 13013
Pocket Fuel Tenant Improvements

NO. 3

DATE: 03/26/2013

JOB: 13013

TO: Attn: Michael McElwee
Port Of Hood River
1000 East Port Marina Drive
Hood River, Oregon 97031
Phone: 541-386-1645

ORIG: Owner Request

SUBMITTED:

COMPLETED:

REQUIRED:

DESCRIPTION

Deletion of FRP wall finish

Num	Item	Description	Ref	Qty	Unit	Unit Price	Amount
1		Deletion of FRP wall finish		-1.000		2,500.00	-2,500.00
Total:							(\$2,500.00)

APPROVAL

By: Sherry Griffin
Sherry Griffin

Date: 3/29/13

By: _____

Date: _____



Griffin Construction, L.L.C.

TITLE: PCO #4 Deletion of gas to kitchen equipment

PROJECT: 13013
Pocket Fuel Tenant Improvements

TO: Attn: Michael McElwee
Port Of Hood River
1000 East Port Marina Drive
Hood River, Oregon 97031
Phone:541-386-1645

PROPOSED CHANGE ORDER

NO. 4
DATE: 03/26/2013
JOB: 13013

ORIG: Owner Request

SUBMITTED:

COMPLETED:

REQUIRED:

DESCRIPTION

Deletion of gas to kitchen equipment

Num	Item	Description	Ref	Qty	Unit	Unit Price	Amount
1		Deletion of gas to kitchen equipment		-1.000		2,580.00	-2,580.00
Total:							(\$2,580.00)

APPROVAL

By: Sherry Griffin
Sherry Griffin

Date: 3/29/13

By: _____

Date: _____



Griffin Construction, L.L.C.

TITLE: PCO #5 Drywall Finish

PROJECT: 13013
Pocket Fuel Tenant Improvements

TO: Attn: Steve Burdick
Port Of Hood River
1000 East Port Marina Drive
Hood River, Oregon 97031
Phone:541-386-5116

PROPOSED CHANGE ORDER

NO. 5

DATE: 03/29/2013

JOB: 13013

ORIG: Owner Request

SUBMITTED:

COMPLETED:

REQUIRED:

DESCRIPTION

Credit to go to a level two finish on all drywall

Num	Item	Description	Ref	Qty	Unit	Unit Price	Amount
1		Pacific NW Drywall - Credit labor and Material		-1.000		2,000.00	-2,000.00
Total:							(\$2,000.00)

APPROVAL

By: Sherry Griffin
Sherry Griffin

Date: 3/29/13

By: _____

Date: _____