

**Port of Hood River Commission
Meeting Minutes of October 2, 2012 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, Mellissa Halseth and Liz Whitmore

Absent: None

Media: Ben McCarty, Hood River News

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

a. Modifications, Additions to Agenda: Add Action Item for revision to Double Mountain Lease; revised Lot 3 DDA amendment; revised Naito Development Purchase and Sale Agreement; remove Urban Renewal report; add Discussion Item of response to letter in the Sept 26 edition of the Hood River News to Port Commissioners.

Cable Park Work Session Discussion: President Davies handed the meeting over to Vice Chair Hoby Streich so that he could explain his idea for an esplanade at the Nichols Basin. Davies explained that he and Mayor Arthur Babitz have crafted an idea to change the direction of the cable park to a positive one. The plan is to use Urban Renewal funds to build an esplanade and pedestrian pathway along the Nichols Basin and not construct the cable park. There would be money borrowed from future tax revenue, but the hotel needs to be built for tax collection. Davies stated that he has three goals: 1) Provide an economic benefit for Lot 1; 2) Enhance water access; and 3) Water quality and riparian enhancement. His view is for the community to pull together to make something happen. President Davies then resumed chair of the meeting. Mayor Babitz filled in on the next steps that could be taken. He stated that he did not think this plan required any Urban Renewal Agency plan amendments, but that it possibly could and would be minor changes. Babitz explained that Urban Development was about economic development. His opinion is that this plan could remove any controversy. Babitz stated the Port and the Urban Renewal Agency would need to direct staff to prepare a plan. Also the Port would need to decide quickly what will be done with Lot 1 partitioning and the body make a decision on how the property will be divided. Heather Staten stated that her approach has always been opposed to the cable park but supports improvements on land including the hotel. This proposal lets the Port take control of their destiny. Staten thanked the Naito family for all of their time and money spent on the public process. Steve Naito said that he is supportive of the new plan but has concerns. He stated that he has been in touch with Brett Foster who represents the Friends of the Waterfront. Naito stated that the application for the cable park will not be pulled until Foster presents all of the concerns from the Friends of the Waterfront group. Naito hopes to have concerns addressed by next week. Naito explained the cable park is still highly desirable and that the esplanade and improvements along the basin could still happen. If the lawsuit between Naito Development and Friends of the Waterfront is dropped Naito Development will fully support upland development. Commissioner Streich said that the plan will be presented to the Urban Renewal Agency October 9. McElwee will attend the meeting to answer any questions. Commissioner Duckwall presented the board and staff with a written report of his visit to Wake Nation in Cincinnati, OH. All commissioners that attended the park will prepare written reports for staff within a week. McElwee requested that the staff analysis of the cable park be put on hold in light of the new developments. Davies requested that Steve Naito stay in close contact with Port staff so that they could resume work in direction of either plan.

2. PUBLIC COMMENT: Carlos Cornieles, Kite the Gorge Kiteboarding School, requested that if the Commission goes forward with improving the water's edge around Nichols Basin that they also look into improving the east side of the basin as well to make the Spit a more desirable place.

3. CONSENT AGENDA:

- Approve Minutes of September 18, 2012 Regular Session Meeting
- Approve Addendum No. 1 to Lease with John & Julie Benton
- Approve Termination of Lease with A & O Sports in the Jensen Building
- Approve Lease with A & O Sports for Breezeway Space 7 at the Jensen Building
- Approve Lease with Leonidas Montenegro for Breezeway Spaces 1,2 and 3 at the Jensen Building
- Approve Execution of ACH Authorization by Commission Treasurer
- Approve Accounts Payable to Coburn Electric in the Amount of \$8,582.19; Copper West Properties in the Amount of \$16,995 for a Total of \$25,577.19

Motion: Move to approve Consent Agenda

Move: Duckwall

Second: Shortt

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

MOTION CARRIED

4. Commissioner, Committee Reports:

- Urban Renewal – The September 20 meeting was cancelled.
- Marina Ad-hoc Committee – Davies reported on the September 25 meeting. Each member had conducted a dock walk before the meeting and reported on safety issues. The worst areas appear to be the Float Plane dock and Boathouses. Mellissa Halseth, Marina Manager will be preparing a scope of work to identify the necessary repairs. There was discussion of repurposing the Float Plane dock to allow seasonal moorage to small power boats. Also the committee believes that Port staff should manage subleasing and take a more active role. Commissioner Shortt asked that the committee discuss monthly vs. annual rates. Commissioner Streich asked staff to contact FAA regarding separation on Float Plane dock.

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

- Schedule – There was consensus to keep the November 6 meeting as scheduled. Staff will check availability on possible dates for Fall Planning. A draft agenda is anticipated to be in the October 16 packet for review and suggestions.
- Staff & Administration – Two Toll Collectors have been hired. Ball Janik prepared an update on state lobbying efforts.
- Waterfront Recreation – The Rotary Wine and Pear Festival has requested use of the Event Site for their annual event at the end of April.
- Waterfront Development – The Lot 3 DDA is challenged with an unforeseen utility easement with Century Link. Construction on the lot is expected to begin in October.
- Airport – K & E Excavation have submitted their first payment request of \$750,000.
- Bridge/Transportation – The annual Snow & Ice meeting is scheduled for October 25. HNTB is preparing a final draft of the Bike/Ped study for the bridge.

6. REPORTS, PRESENTATIONS AND DISCUSSION ITEMS:

- Parks & Rec Master Plan – Mark Zanmiller gave a presentation of the updated master plan which has been updated to reprioritize projects. One goal is to provide connectivity that is safe and clean.
- 2013-15Kiteboarding, Windsurfing and SUP RFP – Liz Whitmore, Waterfront Coordinator. All school concessionaires will be required to submit a proposal to be considered for the 2013-15 period.

Mark Worth spoke through public testimony regarding the RFP process and placement of schools. Worth stated that it is critical to his business to maintain a presence at the Event Site. He is also concerned that if the hotel is constructed by the basin that it will affect access to the Spit. Worth also requested that the Commission reconsider the transferability of a school business.

Whitmore explained that the evaluation committee could include 1 Commissioner, 1 Staff, 1 Recreational Kiteboarder, 1 Recreational Windsurfer and 1 Parks & Rec or Community Education

representative. Davies asked that personal information be brought to the table for evaluation. The food vendors will be submitting a separate RFP.

- Maritime Floats – McElwee explained that he had recently made an offer to purchase the three Maritime floats on Port property. There are two in Nichols Basin which are valuable because they are in the water and one on land next to the Maritime Building that would have a great cost in moving. The Commission made the following motion:

Motion: Move to Authorize Executive Director to Negotiate the Purchase of the Maritime Floats

Move: Duckwall

Second: Shortt

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

MOTION CARRIED

- September 26, 2012 Edition of Hood River News Letter to Port Commissioners – Davies stated that there was a guest editorial that made sweeping accusations of the board. Discussion centered around the possibility that the Port and City could jointly write a letter to the newspaper about the positive momentum of development around Nichols Basin.

7. ACTION ITEMS:

a) Approve Amendment to Lot 3 DDA Extending the Closing Date: Extends the closing date near the end of October to insure there is adequate time to resolve final issues that may arise prior to or during closing.

Motion: Move to Approve Amendment to Lot 3 DDA Extending the Closing Date

Move: Duckwall

Second: Shortt

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

MOTION CARRIED

b) Approve Purchase and Sale Agreement with Naito Development, LLC for Interstate 84 Parcel: Steve Naito stated that this agreement was not acceptable to Naito Development, LLC.

MOTION TABLED

c) Approve Personal Services Contract with Richard Brown Architects for Suite 103 in the Halyard Building: Staff is currently in lease negotiations with a tenant for Suite 103. This contract would allow plans and specifications be developed for tenant improvements that would be included in the lease.

Motion: Move to Approve Personal Services Contract with Richard Brown Architects for Suite 103 in the Halyard Building

Move: Duckwall

Second: Shortt

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

MOTION CARRIED

d) Re-approve Lease with Double Mountain Brewery in the Maritime Building to Include Indemnity Language: A new paragraph on indemnity has been inserted in Section 8 of the lease.

Motion: Move to Approve Personal Services Contract with Richard Brown Architects for Suite 103 in the Halyard Building

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

MOTION CARRIED

8. COMMISSION CALL: Streich inquired as to when fencing and gates will be placed at the Orchard Road project to restrict access. Staff will discuss timing with the contractor. Shortt commended Mayor Babitz and Commissioner Davies for trying to pull the community together with their idea for Nichols Basin. McBride will be absent from the October 16 meeting. Duckwall stated that he and Davies had a bad flight to Wake Nation in Cincinnati, OH due to very bad weather. He stated he felt the cable park was very quiet. Davies stated that he feels the Port's staffing is at the highest quality level ever.

9. EXECUTIVE SESSION: Regular Session was recessed at 7:04 p.m. and the Commission was called into Executive Session under ORS 192.660(2)(e) Real Property and ORS 192.660(2)(h) Legal Counsel. The Commission was called back into Regular Session at 7:41 p.m. There was no action taken as a result of Executive Session.

10. ADJOURN: President Davies adjourned the meeting at 7:41 p.m.

Respectfully submitted,

Mellissa Halseth

ATTEST:

Jon Davies, President, Port Commission

Rich McBride, Secretary, Port Commission