

NEWS

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FOR IMMEDIATE RELEASE
Contact: Andrea Klaas

Date: February 11, 2019

Port of The Dalles Commission to Hold Meeting

The Port of The Dalles Board of Commissioners will hold a Work Session starting at 5:30PM on Wednesday, April 13, 2019 at the Port Administration Office, 3636 Klindt Dr., The Dalles, OR. The Regular Board of Commissioners Meeting will follow the Work Session. The regular Commissions Meeting will begin at 7:00PM. The Port Commission will dine at the Port Office during the Work Session.

The meeting will address the main topics as follows (tentative agenda attached):

1. Staff Reports
2. Committee Representative Reports

###

**March 13, 2019 Meeting Agenda
Port Office**

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. AGENDA CORRECTIONS or ADDITIONS

D. VISITOR BUSINESS (For items not already on the agenda – 10 minutes)

E. PORT CALENDAR/EVENTS

F. ACTION ITEMS:

1. February 13, 2019 Regular Meeting Minutes
2. February 2019 Financial Reports

G. REPORTS

1. Staff Report
2. Reports of Committees
 - Chamber of Commerce – Griffith
 - Dufur – Wallace
 - Wasco County EDC – Ursprung
 - Urban Renewal - Coburn
 - Community Outreach Team – Weast/Klaas

H. EXECUTIVE SESSION *(as allowed by ORS 192.660 (2) (e) (f) (h) (i). This will include discussion of real property transactions, legal rights and duties of a public body with regard to current litigation and privileged legal communication. Media representatives are instructed not to report or disclose matters discussed in executive session.*

I. ACTION REQUIRED FROM EXECUTIVE SESSION DISCUSSION

J. COMMISSION CALL

1. President
2. Other Commissioner business

March 2019

| February 2019 | | | | | | | March 2019 | | | | | | | April 2019 | | | | | | | | | | |
|---------------|----|----|----|----|----|----|------------|----|----|----|----|----|----|------------|----|----|----|----|----|----|---|---|---|---|
| S | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M | T | W | T | F | S | | | | |
| | | | | | 1 | 2 | | | | | | 1 | 2 | | | | | | 1 | 2 | 3 | 4 | 5 | 6 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | | | | |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | | | | |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | | | | |
| 24 | 25 | 26 | 27 | 28 | | | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 28 | 29 | 30 | | | | | | | | |
| | | | | | | | 31 | | | | | | | | | | | | | | | | | |

- US Holidays
- ALK work
- Holidays

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|----------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-----------------|----------|
| 24 | 25 9:00 AM PDD normal electric process repair | 26 12:00 PM Julie Lunch | 27 | 28 12:00 PM Carbon Hearing in The Dalles | 1 | 2 |
| 3 | 4 | 5 8:30 AM Bret Boutler | 6 1:00 PM Forest collaborative 6:15 PM Reservation at Ambar Capitol Hill | 7 7:00 AM Chamber Econ. Dev Committee 10:00 AM KODL Coffee Break | 8 | 9 |
| 10 Daylight Saving Time | 11 8:30 AM KIHR Radio | 12 | 13 Appoint Budget Officers 10:00 AM Roger Kline 1:00 PM Turf workshop 5:00 PM Port Meeting | 14 | 15 | 16 |
| 17 St. Patrick's Day | 18 1:00 PM OR InC audit committee meeting 5:30 PM Gorgeous night out - Salem | 19 | 20 Holi | 21 12:00 PM COT | 22 COT in DC | 23 |
| 24 COT in DC | 25 3:15 PM Reservation at Ambar Capitol Hill | 26 2:00 PM Urban Area Policy Workshops Update and next workshop dates | 27 | 28 12:00 PM Julie Lunch | 29 | 30 |
| 31 April Fools Day | 1 | 2 10:30 AM SDAP Board/SDS Trust Inq. Meeting | 3 SDAP Board/SDS Trust Inq. Meeting | 4 10:00 AM IF & Salem | 5 | 6 |

April 2019

| March 2019 | | | | | | | April 2019 | | | | | | | May 2019 | | | | | | | | | |
|------------|----|----|----|----|----|----|------------|----|----|----|----|----|----|----------|----|----|----|----|----|----|---|---|---|
| S | M | T | W | T | F | S | S | M | T | W | T | F | S | S | M | T | W | T | F | S | | | |
| | | | | | 1 | 2 | | | 1 | 2 | 3 | 4 | 5 | 6 | | | | | | 1 | 2 | 3 | 4 |
| 3 | 4 | 5 | 6 | 7 | 8 | 9 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | |
| 10 | 11 | 12 | 13 | 14 | 15 | 16 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | | | |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | | | |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 | 28 | 29 | 30 | 26 | 27 | 28 | 29 | 30 | 31 | | | | | | | | |
| 31 | | | | | | | | | | | | | | | | | | | | | | | |

- US Holidays
- ALK work
- Holidays

| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
|-----------------------|-------------------------|---------|--------------------------------------------------------------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------|----------------|
| 31 | 1 April Fools' Day | 2 | 3 10:30 AM SDAO Board/SDIS Trust Joint Meeting | 4 ... SDAO Board/SDIS Trust Joint Meeting | 5 10:00 AM IFA Salem | 6 |
| 7 | 8 8:30 AM KIHR Radio | 9 | 10 10:00 AM Roger Kline | 11 | 12 7:00 AM Chamber Econ. Dev Committee 10:00 AM KODL Coffee Break | 13 |
| 14 Palm Sunday | 15 Tax Day | 16 | 17 2:00 PM Urban Area Policy Workshops Update and next workshop dates 5:00 PM Port Meeting | 18 | 19 Good Friday | 20 Passover |
| 21 Easter | 22 Earth Day | 23 | 24 | 25 12:00 PM Julie Lunch | 26 12:00 PM COT 12:00 PM COT | 27 |
| 28 Orthodox Easter | 29 | 30 | 1 | 2 | 3 | 4 |

PORT OF THE DALLES AGENDA ITEM COVER SHEET

Meeting Date: March 13, 2019

Subject: F-1.) Meeting Minutes

- February 13, 2019 Regular Meeting Minutes

Staff Recommendation:

- **Motion to approve the Regular Meeting Minutes as presented**

Fiscal Impact: None

PORT OF THE DALLES COMMISSION
Regular Meeting Minutes
February 13, 2019
Port Office

The Regular Meeting of the Port Commissioners was called to order by President Greg Weast at 7:00PM

ROLL CALL

Present: Greg Weast, Robert Wallace (via phone), Staci Coburn

Staff: Andrea Klaas, Executive Director; Kathy Norton, Director's Assistant; Kathy Ursprung, Marketing & Communications; Angie Wilson, Bookkeeper; Bill Dick, Attorney

Guests: None

PLEDGE OF ALLEGIANCE: Commissioner Wallace

AGENDA CORRECTIONS or ADDITIONS

None

VISITOR BUSINESS (for items not already on the agenda)

None

PORT CALENDAR/EVENTS

Andrea reviewed the February and March, 2019 calendars.

ACTION ITEMS

1. **January 9, 2019 Meeting Minutes accepted as presented.**
2. **January, 2019 Financial Reports were reviewed by Commissioner Coburn and accepted as presented.**

REPORTS

1. *SDAO Conference Recap:* Commissioners and staff reported on Sessions they attended and provided ideas that could benefit Port operations.
2. *Staff Report:* A full report was provided in the Agenda Packet. Gorge Works-applications are picking up. Radio and print media have been promoting the program. The Port and Chamber received a grant for Gorge Works. The chamber will be hiring an intern in May to help with coordination. Beginning to transition Gorge Works over to the Chamber and CGCC; Expansion/Facility Needs-continuing to get inquiries for warehouse space. Working with local facility owners to identify small spaces that may be underutilized; Other-testified before the Oregon Transportation Committee on the importance of a Marine Systems Plan, SDAO legislative days offered insight into some of the upcoming bills and changes in Oregon government, Dufur hosted Senator Ron Wyden to showcase the rolling study hall that is being piloted by Google, Community Outreach planning for March DC trip.

Reports of Committees

- a) Chamber of Commerce: Commissioner Griffith – Absent
- b) Dufur: Wallace – (report provided via phone) School bonds sold, money going towards projects, thanked Port Director Andrea Klaas for attending Dufur events.
- c) Wasco EDC: Ursprung – Two new Committee Members, Ag/Megan Thompson, Grain&Cattle/Bob Krein.

- d) Urban Renewal: Coburn – Finalized Blue Building and Recreation Building sale and agreement on the Griffith Building.
- e) COT: Weast/Klaas – Preparing for March trip

7:25PM - In to Executive Session

EXECUTIVE SESSION *(as allowed by ORS 192.660 (2) (e) (f) (h)) This will include discussion of real property transactions, legal rights and duties of a public body with regard to current litigation and privileged legal communication. Media representatives are instructed not to report or disclose matters discussed in executive session.*

7:25PM – Staff excused for Executive Director Review

7:35PM – Out of Executive Session

DECISIONS FROM EXECUTIVE SESSION

- 1. None

COMMISSION CALL

- 1. President: Commissioner Weast – Nothing
- 2. Commissioner Wallace – Thanked staff Kathy Ursprung and Kathy Norton for all the work they do for the Port. He also recommended a Thank You letter to the PUD when the new Marina electrical system is completed.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE PORT COMMISSION, the meeting adjourned at 7:43PM.

PORT OF THE DALLES:

ATTEST:

Greg Weast, President
Board of Commissioners

Robert Wallace, Secretary
Board of Commissioners

DATE APPROVED:
Prepared by: K.Norton

PORT OF THE DALLES AGENDA ITEM COVER SHEET

Meeting Date: March 13, 2019

Subject: F-2.) Financial Reports

February Financials

Average LGIP Interest rate: 2.75%

General Fund:

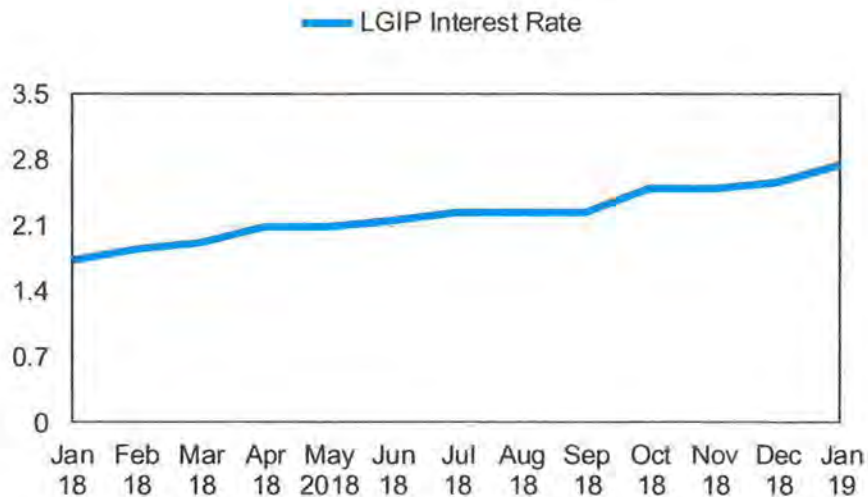
- \$14,798.81 was paid to SDIS for annual liability insurance
- \$11,103.59 was received as miscellaneous incomes from WhitingTurner as reimbursement for property tax that the Port paid
- Reimbursements were paid for SDAO Annual Conference travel

Port Development:

- \$2,749.20 was paid to Bank of America for DC travel for Greg and Andrea to reimburse a personal credit card.

Marina:

- YTD interest received is \$805.32



• **Staff Recommendation:**

- Motion to approve the Financial Reports as presented.

Fiscal Impact:

Port of The Dalles
Balance Sheet by Class
 As of February 28, 2019

| | General ... | Marina ... | Port Devel... | Un... | TOTAL |
|---------------------------------------|-------------------|------------------|---------------------|-------------|---------------------|
| ASSETS | | | | | |
| Current Assets | | | | | |
| Checking/Savings | | | | | |
| CSB Checking | | | | | |
| General Checking | 52,955.31 | 0.00 | 0.00 | 0.00 | 52,955.31 |
| Marina Checking | 0.00 | 4,294.94 | 0.00 | 0.00 | 4,294.94 |
| Port Develop. Checking | 0.00 | 0.00 | 1,964.24 | 0.00 | 1,964.24 |
| Total CSB Checking | 52,955.31 | 4,294.94 | 1,964.24 | 0.00 | 59,214.49 |
| LGIP | | | | | |
| Marina Services | 0.00 | 48,404.19 | 0.00 | 0.00 | 48,404.19 |
| Port Develop | 0.00 | 0.00 | 4,086,228.02 | 0.00 | 4,086,228.02 |
| General | 885,907.32 | 0.00 | 0.00 | 0.00 | 885,907.32 |
| Total LGIP | 885,907.32 | 48,404.19 | 4,086,228.02 | 0.00 | 5,020,539.53 |
| Petty Cash | 203.51 | 28.54 | 55.22 | 0.00 | 287.27 |
| Total Checking/Savings | 939,066.14 | 52,727.67 | 4,088,247.48 | 0.00 | 5,080,041.29 |
| Total Current Assets | 939,066.14 | 52,727.67 | 4,088,247.48 | 0.00 | 5,080,041.29 |
| TOTAL ASSETS | 939,066.14 | 52,727.67 | 4,088,247.48 | 0.00 | 5,080,041.29 |
| LIABILITIES & EQUITY | | | | | |
| Liabilities | | | | | |
| Current Liabilities | | | | | |
| Other Current Liabilities | | | | | |
| Payroll Liabilities | | | | | |
| P/R Taxes Payable- Pers | 685.18 | 0.00 | 0.00 | 0.00 | 685.18 |
| P/R Taxes Payable-State | -81.00 | 0.00 | 0.00 | 0.00 | -81.00 |
| Payroll Liabilities - Other | 351.06 | 0.00 | 0.00 | 0.00 | 351.06 |
| Total Payroll Liabilities | 955.24 | 0.00 | 0.00 | 0.00 | 955.24 |
| Total Other Current Liabilities | 955.24 | 0.00 | 0.00 | 0.00 | 955.24 |
| Total Current Liabilities | 955.25 | 0.00 | 0.00 | 0.00 | 955.25 |
| Total Liabilities | 955.25 | 0.00 | 0.00 | 0.00 | 955.25 |
| Equity | | | | | |
| Unrestricted Net Assets | 765,957.88 | 53,467.29 | 3,011,687.30 | 0.00 | 3,831,112.47 |
| Net Income | 172,153.02 | -739.68 | 1,076,560.18 | 0.00 | 1,247,973.52 |
| Total Equity | 938,110.90 | 52,727.61 | 4,088,247.48 | 0.00 | 5,079,085.99 |
| TOTAL LIABILITIES & EQUITY | 939,066.15 | 52,727.61 | 4,088,247.48 | 0.00 | 5,080,041.24 |
| UNBALANCED CLASSES | -0.01 | 0.06 | 0.00 | 0.00 | -0.05 |

Port of The Dalles
Monthly Activity Report by Fund
February 2019

| | General ... | Marina ... | Port De... | TOTAL |
|----------------------------------------|-------------|------------|------------|-----------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| Transient Moorage | | | | |
| Guests | 342.50 | 0.00 | 0.00 | 342.50 |
| Total Transient Moorage | 342.50 | 0.00 | 0.00 | 342.50 |
| Interest From Earnings | 1,934.79 | 101.89 | 8,601.18 | 10,637.86 |
| Prior Yr Property Tax | 577.82 | 0.00 | 0.00 | 577.82 |
| Misc. Income | 11,257.34 | 0.00 | 0.00 | 11,257.34 |
| lease-land/Facility | 12,375.00 | 0.00 | 0.00 | 12,375.00 |
| Property Tax | 1,537.30 | 0.00 | 0.00 | 1,537.30 |
| Total Income | 28,024.75 | 101.89 | 8,601.18 | 36,727.82 |
| Gross Profit | 28,024.75 | 101.89 | 8,601.18 | 36,727.82 |
| Expense | | | | |
| PERSONAL SERVICES- | | | | |
| Payroll Expenses | | | | |
| Wages | | | | |
| Marketing/Communications | 0.00 | 0.00 | 3,916.66 | 3,916.66 |
| Salary- Exec. Director | 8,333.34 | 0.00 | 0.00 | 8,333.34 |
| Maintenance Supervisor | 1,137.50 | 0.00 | 0.00 | 1,137.50 |
| Admin/Marina Specialist | 3,040.00 | 0.00 | 0.00 | 3,040.00 |
| Total Wages | 12,510.84 | 0.00 | 3,916.66 | 16,427.50 |
| FICA-EMPLOYER | 957.08 | 0.00 | 299.63 | 1,256.71 |
| PERS EMPLOYER | 897.53 | 0.00 | 0.00 | 897.53 |
| WRKRS COMP EMPLOYER | 7.11 | 0.00 | 4.76 | 11.87 |
| Payroll Expenses - Other | 25.07 | 0.00 | 18.50 | 43.57 |
| Total Payroll Expenses | 14,397.63 | 0.00 | 4,239.55 | 18,637.18 |
| Health Insurance | 1,526.23 | 0.00 | 2,274.08 | 3,800.31 |
| Total PERSONAL SERVICES- | 15,923.86 | 0.00 | 6,513.63 | 22,437.49 |
| MATERIAL AND SERVICES- | | | | |
| Transient Moorage Expense | | | | |
| Transient Moorage Utilities | 20.00 | 0.00 | 0.00 | 20.00 |
| Total Transient Moorage Expense | 20.00 | 0.00 | 0.00 | 20.00 |
| Contracted Service | 972.34 | 0.00 | 0.00 | 972.34 |
| Account and Audit | 1,800.00 | 0.00 | 0.00 | 1,800.00 |
| Develop and Comm | 1,353.95 | 0.00 | 40.22 | 1,394.17 |
| Dues, Fees and Subscriptions | 0.15 | 0.00 | 0.00 | 0.15 |
| Insurance-Liability | 11,058.00 | 0.00 | 0.00 | 11,058.00 |
| Legal | 1,520.00 | 0.00 | 345.00 | 1,865.00 |
| Maintenance and Repair | | | | |
| Shop | 302.86 | 0.00 | 0.00 | 302.86 |
| Vehicle Expense | | | | |
| Gas | 65.65 | 0.00 | 0.00 | 65.65 |
| Total Vehicle Expense | 65.65 | 0.00 | 0.00 | 65.65 |
| Total Maintenance and Repair | 368.51 | 0.00 | 0.00 | 368.51 |
| Launch Ramp | | | | |
| Launch Ramp Water | 125.27 | 0.00 | 0.00 | 125.27 |
| Launch Ramp Electric | 32.30 | 0.00 | 0.00 | 32.30 |
| Total Launch Ramp | 157.57 | 0.00 | 0.00 | 157.57 |
| Office Supplies | 123.11 | 0.00 | 0.00 | 123.11 |
| Travel Expense | 2,370.73 | 0.00 | 0.00 | 2,370.73 |
| Utilities | | | | |
| Office | | | | |

Port of The Dalles
Monthly Activity Report by Fund
 February 2019

| | <u>General ...</u> | <u>Marina ...</u> | <u>Port De...</u> | <u>TOTAL</u> |
|-------------------------------------|-------------------------|----------------------|-------------------------|-------------------------|
| Water Office | 50.30 | 0.00 | 0.00 | 50.30 |
| Office Electric | 323.18 | 0.00 | 0.00 | 323.18 |
| Sewer Office | 106.64 | 0.00 | 0.00 | 106.64 |
| Garbage Office | 80.94 | 0.00 | 0.00 | 80.94 |
| Telephone | 324.30 | 0.00 | 17.50 | 341.80 |
| Total Office | <u>885.36</u> | <u>0.00</u> | <u>17.50</u> | <u>902.86</u> |
| Total Utilities | 885.36 | 0.00 | 17.50 | 902.86 |
| Marketing Expenses | | | | |
| Media/Promo | 0.00 | 0.00 | 28.77 | 28.77 |
| Travel | 0.00 | 0.00 | 2,749.20 | 2,749.20 |
| Total Marketing Expenses | <u>0.00</u> | <u>0.00</u> | <u>2,777.97</u> | <u>2,777.97</u> |
| Total MATERIAL AND SERVICES- | <u>20,629.72</u> | <u>0.00</u> | <u>3,180.69</u> | <u>23,810.41</u> |
| Total Expense | <u>36,553.58</u> | <u>0.00</u> | <u>9,694.32</u> | <u>46,247.90</u> |
| Net Ordinary Income | <u>-8,528.83</u> | <u>101.89</u> | <u>-1,093.14</u> | <u>-9,520.08</u> |
| Net Income | <u><u>-8,528.83</u></u> | <u><u>101.89</u></u> | <u><u>-1,093.14</u></u> | <u><u>-9,520.08</u></u> |

Port of The Dalles-GENERAL
Profit & Loss Budget vs. Actual-SUMMARY
 July 2018 through February 2019

| | Jul '18 - Feb ... | Budget | % of Budget |
|-------------------------------|-------------------|---------------------|--------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Grants | 0.00 | | |
| Beginning Fund Balance | 0.00 | 679,404.00 | 0.0% |
| Or. St. Marine Board Grant | 9,800.00 | | |
| Transient Moorage | 1,675.00 | 2,000.00 | 83.8% |
| Map Grant | 0.00 | 9,800.00 | 0.0% |
| Interest From Earnings | 14,056.59 | 12,000.00 | 117.1% |
| Prior Yr Property Tax | 8,549.86 | 10,000.00 | 85.5% |
| Misc. Income | 15,208.28 | 2,000.00 | 760.4% |
| lease-land/Facility | 91,025.28 | 131,000.00 | 69.5% |
| SDAO Grant | 0.00 | 6,000.00 | 0.0% |
| Airport Well | 0.00 | 15,150.00 | 0.0% |
| Marina Loan | 0.00 | 11,621.00 | 0.0% |
| Property Tax | 306,430.07 | 321,134.00 | 95.4% |
| Total Income | 446,745.08 | 1,200,109.00 | 37.2% |
| Gross Profit | 446,745.08 | 1,200,109.00 | 37.2% |
| Expense | | | |
| PERSONAL SERVICES- | 134,616.94 | 191,501.00 | 70.3% |
| MATERIAL AND SERVICES- | 94,701.37 | 173,250.00 | 54.7% |
| CAPITAL OUTLAYS- | 45,273.75 | 180,000.00 | 25.2% |
| Total Expense | 274,592.06 | 544,751.00 | 50.4% |
| Net Ordinary Income | 172,153.02 | 655,358.00 | 26.3% |
| Other Income/Expense | | | |
| Other Expense | | | |
| Transfer to Other Funds | 0.00 | 300,000.00 | 0.0% |
| General Operating Contingency | 0.00 | 50,000.00 | 0.0% |
| Total Other Expense | 0.00 | 350,000.00 | 0.0% |
| Net Other Income | 0.00 | -350,000.00 | 0.0% |
| Net Income | 172,153.02 | 305,358.00 | 56.4% |

Port of The Dalles-GENERAL
Profit & Loss Budget vs. Actual-DETAIL
 July 2018 through February 2019

| | Jul '18 - ... | Budget | % of B... |
|---------------------------------|---------------|--------------|-----------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Grants | 0.00 | | |
| Beginning Fund Balance | 0.00 | 679,404.00 | 0.0% |
| Or. St. Marine Board Grant | 9,800.00 | | |
| Transient Moorage | | | |
| Guests | 1,675.00 | 2,000.00 | 83.8% |
| Total Transient Moorage | 1,675.00 | 2,000.00 | 83.8% |
| Map Grant | | | |
| Launch Ramp | 0.00 | 9,800.00 | 0.0% |
| Total Map Grant | 0.00 | 9,800.00 | 0.0% |
| Interest From Earnings | 14,056.59 | 12,000.00 | 117.1% |
| Prior Yr Property Tax | 8,549.86 | 10,000.00 | 85.5% |
| Misc. Income | 15,208.28 | 2,000.00 | 760.4% |
| lease-land/Facility | 91,025.28 | 131,000.00 | 69.5% |
| SDAO Grant | 0.00 | 6,000.00 | 0.0% |
| Airport Well | 0.00 | 15,150.00 | 0.0% |
| Marina Loan | 0.00 | 11,621.00 | 0.0% |
| Property Tax | 306,430.07 | 321,134.00 | 95.4% |
| Total Income | 446,745.08 | 1,200,109.00 | 37.2% |
| Gross Profit | 446,745.08 | 1,200,109.00 | 37.2% |
| Expense | | | |
| PERSONAL SERVICES- | | | |
| Payroll Expenses | | | |
| Wages | | | |
| Marketing/Communications | 1,958.33 | 10,000.00 | 19.6% |
| Salary- Exec. Director | 62,500.05 | 75,000.00 | 83.3% |
| Maintenance Supervisor | 10,537.50 | 30,000.00 | 35.1% |
| Admin/Marina Specialist | 26,448.00 | 25,000.00 | 105.8% |
| Total Wages | 101,443.88 | 140,000.00 | 72.5% |
| FICA-EMPLOYER | 7,760.43 | 10,000.00 | 77.6% |
| PERS EMPLOYER | 9,523.57 | 11,000.00 | 86.6% |
| Unemployment Payments | 0.00 | 1.00 | 0.0% |
| WRKRS COMP EMPLOYER | 1,953.29 | 2,500.00 | 78.1% |
| Payroll Expenses - Other | 67.25 | | |
| Total Payroll Expenses | 120,748.42 | 163,501.00 | 73.9% |
| Health Insurance | 13,868.52 | 28,000.00 | 49.5% |
| Total PERSONAL SERVICES- | 134,616.94 | 191,501.00 | 70.3% |
| MATERIAL AND SERVICES- | | | |
| Transient Moorage Expense | | | |
| Transient Moorage Utilities | 251.62 | | |
| Total Transient Moorage Expense | 251.62 | | |
| Contracted Service | 8,447.34 | 25,000.00 | 33.8% |
| Account and Audit | 14,800.00 | 10,000.00 | 148.0% |
| Develop and Comm | 4,479.69 | 10,000.00 | 44.8% |
| Dues, Fees and Subscriptions | 18,806.16 | 24,000.00 | 78.4% |
| Insurance-Liability | 11,058.00 | 15,000.00 | 73.7% |
| Legal | 8,205.40 | 5,000.00 | 164.1% |
| Maintenance and Repair | | | |
| Weed Control/landscaping | 5,586.14 | 15,000.00 | 37.2% |
| Shop | 1,270.74 | 4,100.00 | 31.0% |
| Office | 1,638.08 | 6,400.00 | 25.6% |
| Vehicle Expense | | | |
| Repair | 145.61 | | |

Port of The Dalles-GENERAL
Profit & Loss Budget vs. Actual-DETAIL
 July 2018 through February 2019

| | Jul '18 - ... | Budget | % of B... |
|-------------------------------------|-------------------|--------------------|--------------|
| Gas | 876.01 | | |
| Vehicle Expense - Other | 0.00 | 1,500.00 | 0.0% |
| Total Vehicle Expense | 1,021.62 | 1,500.00 | 68.1% |
| Maintenance and Repair - Other | 0.00 | 0.00 | 0.0% |
| Total Maintenance and Repair | 9,516.58 | 27,000.00 | 35.2% |
| Launch Ramp | | | |
| Garbage | 399.60 | | |
| Supplies | 333.62 | 9,000.00 | 3.7% |
| Cleaning Service Launch Ramp | 0.00 | 8,400.00 | 0.0% |
| Launch Ramp Water | 1,020.21 | 1,400.00 | 72.9% |
| Launch Ramp Electric | 232.19 | 1,200.00 | 19.3% |
| Launch Ramp - Other | 0.00 | 0.00 | 0.0% |
| Total Launch Ramp | 1,985.62 | 20,000.00 | 9.9% |
| Office Supplies | 3,057.46 | 7,250.00 | 42.2% |
| Office Equipment | 0.00 | 3,000.00 | 0.0% |
| Staff Development/Enhance | 0.00 | 5,000.00 | 0.0% |
| Travel Expense | 7,205.85 | 10,000.00 | 72.1% |
| Utilities | | | |
| Marina | 0.00 | 1,000.00 | 0.0% |
| Industrial | | | |
| Industrial Water | 363.70 | 2,000.00 | 18.2% |
| Total Industrial | 363.70 | 2,000.00 | 18.2% |
| Office | | | |
| Water Office | 1,268.80 | 2,000.00 | 63.4% |
| Office Electric | 1,382.99 | 1,800.00 | 76.8% |
| Sewer Office | 853.12 | 1,200.00 | 71.1% |
| Garbage Office | 628.76 | 1,000.00 | 62.9% |
| Telephone | 2,390.28 | 3,000.00 | 79.7% |
| Office - Other | 0.00 | 0.00 | 0.0% |
| Total Office | 6,523.95 | 9,000.00 | 72.5% |
| Total Utilities | 6,887.65 | 12,000.00 | 57.4% |
| Total MATERIAL AND SERVICES- | 94,701.37 | 173,250.00 | 54.7% |
| CAPITAL OUTLAYS- | | | |
| Land Acquisition/Development | 0.00 | | |
| PDF- Facility Improvements | 4,978.35 | | |
| Marina Expense | | | |
| Water System Improvement | 0.00 | 150,000.00 | 0.0% |
| Facility Improvements | 37,949.55 | | |
| Total Marina Expense | 37,949.55 | 150,000.00 | 25.3% |
| Building Improvements | 2,345.85 | 30,000.00 | 7.8% |
| Total CAPITAL OUTLAYS- | 45,273.75 | 180,000.00 | 25.2% |
| Total Expense | 274,592.06 | 544,751.00 | 50.4% |
| Net Ordinary Income | 172,153.02 | 655,358.00 | 26.3% |
| Other Income/Expense | | | |
| Other Expense | | | |
| Transfer to Other Funds | 0.00 | 300,000.00 | 0.0% |
| General Operating Contingency | 0.00 | 50,000.00 | 0.0% |
| Total Other Expense | 0.00 | 350,000.00 | 0.0% |
| Net Other Income | 0.00 | -350,000.00 | 0.0% |

Port of The Dalles-GENERAL
Profit & Loss Budget vs. Actual-DETAIL
July 2018 through February 2019

| | <u>Jul '18 - ...</u> | <u>Budget</u> | <u>% of B...</u> |
|------------|----------------------|-------------------|------------------|
| Net Income | <u>172,153.02</u> | <u>305,358.00</u> | <u>56.4%</u> |

Port of The Dalles-PDF
Profit & Loss Budget vs. Actual-SUMMARY
 July 2018 through February 2019

| | Jul '18 - Feb 19 | Budget | % of B... |
|---------------------------------|----------------------------|--------------------------|----------------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Grants | 16,000.00 | | |
| Begining Fund Balance | 0.00 | 2,910,307.00 | 0.0% |
| Interest From Earnings | 65,951.76 | 53,841.00 | 122.5% |
| Interest From Contracts | 3,128.66 | 5,000.00 | 62.6% |
| matching grants | 0.00 | 250,000.00 | 0.0% |
| Misc. Income | 5,000.00 | | |
| Land Sales | 1,307,228.90 | 805,000.00 | 162.4% |
| City Of Dufur Water System Loan | 0.00 | 39,310.00 | 0.0% |
| Total Income | <u>1,397,309.32</u> | <u>4,063,458.00</u> | <u>34.4%</u> |
| Gross Profit | 1,397,309.32 | 4,063,458.00 | 34.4% |
| Expense | | | |
| PERSONAL SERVICES- | 54,931.93 | 123,173.00 | 44.6% |
| MATERIAL AND SERVICES- | 39,602.39 | 151,000.00 | 26.2% |
| CAPITAL OUTLAYS- | 73,538.67 | 3,410,000.00 | 2.2% |
| Total Expense | <u>168,072.99</u> | <u>3,684,173.00</u> | <u>4.6%</u> |
| Net Ordinary Income | 1,229,236.33 | 379,285.00 | 324.1% |
| Other Income/Expense | | | |
| Other Income | | | |
| transfer from other funds | 0.00 | 300,000.00 | 0.0% |
| Total Other Income | 0.00 | 300,000.00 | 0.0% |
| Other Expense | | | |
| Other financing use | 0.00 | 0.00 | 0.0% |
| Transfer to Other Funds | 0.00 | 0.00 | 0.0% |
| Other Debt Service | 152,676.15 | 150,000.00 | 101.8% |
| General Operating Contingency | 0.00 | 50,000.00 | 0.0% |
| Total Other Expense | <u>152,676.15</u> | <u>200,000.00</u> | <u>76.3%</u> |
| Net Other Income | -152,676.15 | 100,000.00 | -152.7% |
| Net Income | <u><u>1,076,560.18</u></u> | <u><u>479,285.00</u></u> | <u><u>224.6%</u></u> |

Port of The Dalles-PDF
Profit & Loss Budget vs. Actual
 July 2018 through February 2019

| | Jul '18 - Fe... | Budget | % of B... |
|---------------------------------|---------------------|---------------------|--------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Grants | 16,000.00 | | |
| Beginning Fund Balance | 0.00 | 2,910,307.00 | 0.0% |
| Interest From Earnings | 65,951.76 | 53,841.00 | 122.5% |
| Interest From Contracts | | | |
| V&G | 3,128.66 | | |
| Interest From Contracts - Other | 0.00 | 5,000.00 | 0.0% |
| Total Interest From Contracts | 3,128.66 | 5,000.00 | 62.6% |
| matching grants | 0.00 | 250,000.00 | 0.0% |
| Misc. Income | 5,000.00 | | |
| Land Sales | | | |
| V&G | 2,943.90 | | |
| Land Sales - Other | 1,304,285.00 | 805,000.00 | 162.0% |
| Total Land Sales | 1,307,228.90 | 805,000.00 | 162.4% |
| City Of Dufur Water System Loan | 0.00 | 39,310.00 | 0.0% |
| Total Income | 1,397,309.32 | 4,063,458.00 | 34.4% |
| Gross Profit | 1,397,309.32 | 4,063,458.00 | 34.4% |
| Expense | | | |
| PERSONAL SERVICES- | | | |
| Payroll Expenses | | | |
| Wages | | | |
| Marketing/Communications | 29,374.95 | 42,000.00 | 69.9% |
| Salary- Exec. Director | 4,166.67 | 25,000.00 | 16.7% |
| Maintenance Supervisor | 487.50 | 5,000.00 | 9.8% |
| Admin/Marina Specialist | 0.00 | 15,000.00 | 0.0% |
| Total Wages | 34,029.12 | 87,000.00 | 39.1% |
| FICA-EMPLOYER | 2,603.24 | 8,000.00 | 32.5% |
| PERS EMPLOYER | 0.00 | 7,000.00 | 0.0% |
| WRKRS COMP EMPLOYER | 40.97 | 120.00 | 34.1% |
| Payroll Expenses - Other | 67.00 | | |
| Total Payroll Expenses | 36,740.33 | 102,120.00 | 36.0% |
| Health Insurance | 18,191.60 | 21,053.00 | 86.4% |
| Total PERSONAL SERVICES- | 54,931.93 | 123,173.00 | 44.6% |
| MATERIAL AND SERVICES- | | | |
| Land Sales | | | |
| Land Sales Closing Cost | 0.00 | 10,000.00 | 0.0% |
| Land Sale Commissions | 0.00 | 20,000.00 | 0.0% |
| Total Land Sales | 0.00 | 30,000.00 | 0.0% |
| Contracted Service | 15,965.00 | 35,000.00 | 45.6% |
| Account and Audit | 0.00 | 10,000.00 | 0.0% |
| Develop and Comm | 649.99 | 2,500.00 | 26.0% |
| Dues, Fees and Subscriptions | 1,130.10 | | |
| Legal | 6,409.54 | 20,000.00 | 32.0% |
| Maintenance and Repair | | | |
| Weed Control/landscaping | 2,519.00 | | |
| Shop | 50.98 | | |
| Total Maintenance and Repair | 2,569.98 | | |
| Office Supplies | 0.00 | 2,000.00 | 0.0% |
| Utilities | | | |
| Industrial | | | |
| Industrial Water | 0.00 | 1,500.00 | 0.0% |

**Port of The Dalles-PDF
 Profit & Loss Budget vs. Actual
 July 2018 through February 2019**

| | Jul '18 - Fe... | Budget | % of B... |
|---------------------------------|---------------------|-------------------|---------------|
| Total Industrial | 0.00 | 1,500.00 | 0.0% |
| Office | | | |
| Telephone | 241.98 | | |
| Total Office | 241.98 | | |
| Total Utilities | 241.98 | 1,500.00 | 16.1% |
| Marketing Expenses | | | |
| Media/Promo | 3,261.78 | 30,000.00 | 10.9% |
| Travel | 9,374.02 | 20,000.00 | 46.9% |
| Total Marketing Expenses | 12,635.80 | 50,000.00 | 25.3% |
| Total MATERIAL AND SERVICES- | 39,602.39 | 151,000.00 | 26.2% |
| CAPITAL OUTLAYS- | | | |
| Engineering/Consultants | 0.00 | 100,000.00 | 0.0% |
| Land Acquisition/Development | 1,332.67 | 3,000,000.00 | 0.0% |
| PDF- Facility Improvements | 0.00 | 10,000.00 | 0.0% |
| Partnership Projects | 72,206.00 | 300,000.00 | 24.1% |
| Total CAPITAL OUTLAYS- | 73,538.67 | 3,410,000.00 | 2.2% |
| Total Expense | 168,072.99 | 3,684,173.00 | 4.6% |
| Net Ordinary Income | 1,229,236.33 | 379,285.00 | 324.1% |
| Other Income/Expense | | | |
| Other Income | | | |
| transfer from other funds | | | |
| General Fund | 0.00 | 300,000.00 | 0.0% |
| Total transfer from other funds | 0.00 | 300,000.00 | 0.0% |
| Total Other Income | 0.00 | 300,000.00 | 0.0% |
| Other Expense | | | |
| Other financing use | 0.00 | 0.00 | 0.0% |
| Transfer to Other Funds | 0.00 | 0.00 | 0.0% |
| Other Debt Service | 152,676.15 | 150,000.00 | 101.8% |
| General Operating Contingency | 0.00 | 50,000.00 | 0.0% |
| Total Other Expense | 152,676.15 | 200,000.00 | 76.3% |
| Net Other Income | -152,676.15 | 100,000.00 | -152.7% |
| Net Income | <u>1,076,560.18</u> | <u>479,285.00</u> | <u>224.6%</u> |

Port of The Dalles-MARINA
Profit & Loss Budget vs. Actual-SUMMARY
July 2018 through February 2019

| | <u>Jul '18 - Feb...</u> | <u>Budget</u> | <u>% of Budget</u> |
|-------------------------|-------------------------|-------------------------|---------------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| Beginning Fund Balance | 0.00 | 53,594.00 | 0.0% |
| Interest From Earnings | 805.32 | 991.00 | 81.3% |
| Total Income | <u>805.32</u> | <u>54,585.00</u> | <u>1.5%</u> |
| Gross Profit | 805.32 | 54,585.00 | 1.5% |
| Expense | | | |
| MATERIAL AND SERVICES- | 1,545.00 | 4,000.00 | 38.6% |
| Total Expense | <u>1,545.00</u> | <u>4,000.00</u> | <u>38.6%</u> |
| Net Ordinary Income | <u>-739.68</u> | <u>50,585.00</u> | <u>-1.5%</u> |
| Net Income | <u><u>-739.68</u></u> | <u><u>50,585.00</u></u> | <u><u>-1.5%</u></u> |

Port of The Dalles
Account QuickReport
As of February 28, 2019

| Type | Num | Name | Memo | Paid Amount |
|-------------------------------|-------|-------------------------|---------------------|-------------------|
| CSB Checking | | | | |
| General Checking | | | | |
| Check | EFT | Brokers National Lif... | | -59.50 |
| Bill Pmt -Check | 23758 | Angie Wilson | | -785.00 |
| Bill Pmt -Check | 23759 | Bohns Printing | | -85.84 |
| Bill Pmt -Check | 23760 | City Of The Dalles. | | -282.21 |
| Bill Pmt -Check | 23761 | Class Act Catering ... | | -99.30 |
| Bill Pmt -Check | 23762 | Friend & Reagan, P... | progress billing #2 | -1,800.00 |
| Bill Pmt -Check | 23763 | Greg Weast | | -481.45 |
| Bill Pmt -Check | 23764 | Hattenhauer Energy... | | -65.65 |
| Bill Pmt -Check | 23765 | Home Depot Credit ... | | -285.58 |
| Bill Pmt -Check | 23766 | kathleen Norton | | -187.34 |
| Bill Pmt -Check | 23767 | PUD | | -375.48 |
| Bill Pmt -Check | 23768 | Sawyers True Value | | -54.55 |
| Bill Pmt -Check | 23769 | SDIS | | -14,798.81 |
| Bill Pmt -Check | 23770 | The Dalles Disposal | | -80.94 |
| Bill Pmt -Check | 23771 | Verizon | | -161.53 |
| Deposit | | | Deposit | 1,200.00 |
| Paycheck | 23772 | Andrea L. Klaas | | -2,974.00 |
| Paycheck | 23774 | Kathy J Ursprung | | -1,353.17 |
| Paycheck | 23773 | Kathleen M. Norton | | -1,163.19 |
| Bill Pmt -Check | 23775 | Angie Wilson | | -187.34 |
| Liability Check | EFT | Oregon Department... | 0504064-4 | -518.00 |
| Liability Check | EFT | United States Treas... | 93-6001833 | -1,909.98 |
| Bill Pmt -Check | 23776 | Andrea Klaas | | -185.60 |
| Bill Pmt -Check | 23777 | Class Act Catering ... | | -103.70 |
| Bill Pmt -Check | 23778 | David Griffith | | -145.00 |
| Bill Pmt -Check | 23779 | Dick, Dick & Corey, ... | | -1,520.00 |
| Bill Pmt -Check | 23780 | Gorge Networks | | -162.77 |
| Bill Pmt -Check | 23781 | Staci Coburn | | -167.04 |
| Bill Pmt -Check | EFT | Cardmember Servic... | | -2,355.25 |
| Liability Check | EFT | Pers | 02501 | -944.76 |
| Check | EFT | Pers | | -897.53 |
| Deposit | | | Deposit | 22,774.84 |
| Paycheck | 23782 | Andrea L. Klaas | | -2,974.00 |
| Paycheck | 23785 | Kathy J Ursprung | | -1,353.18 |
| Paycheck | 23783 | Gerald L. Rundell | | -858.34 |
| Paycheck | 23784 | Kathleen M. Norton | | -958.99 |
| Liability Check | EFT | Oregon Department... | 0504064-4 | -577.00 |
| Liability Check | EFT | United States Treas... | 93-6001833 | -2,111.44 |
| General Journal | AW | | | 2,274.08 |
| General Journal | AW | | | 4,239.55 |
| General Journal | AW | | payroll | -5,187.38 |
| General Journal | AW | | payroll | 1,182.83 |
| General Journal | AW | | payroll | 0.00 |
| General Journal | AW | | payroll | 4,004.55 |
| Total General Checking | | | | -12,534.99 |
| Marina Checking | | | | |
| General Journal | AW | | | 0.00 |
| Total Marina Checking | | | | 0.00 |
| Port Develop. Checking | | | | |
| Bill Pmt -Check | 22595 | Staples Credit Plan | | -28.77 |
| Bill Pmt -Check | 22596 | Bank Of America | 4879 | -2,749.20 |
| Bill Pmt -Check | 22597 | Dick, Dick & Corey, .. | | -345.00 |
| Bill Pmt -Check | 22598 | Kathy Ursprung | | -17.50 |
| Bill Pmt -Check | EFT | Cardmember Servic... | | -40.22 |
| General Journal | AW | | | -2,274.08 |
| General Journal | AW | | | -4,239.55 |
| Total Port Develop. Checking | | | | -9,694.32 |
| Total CSB Checking | | | | -22,229.31 |
| TOTAL | | | | -22,229.31 |

PORT OF THE DALLES AGENDA ITEM COVER SHEET

Meeting Date: March 13, 2019

Subject: G-3.) Staff Report

Gorge Works:

- At the close of applications, we had 50 applicants for Gorge Works, 13 more than last year. These represented 241 discrete applications (applicants applied for multiple positions), compared to 126 last year. More than half of those applicants have already been selected for interviews. The selection process continues through March with hiring decisions due April 7.
- Completed a follow-up report (attached) and survey tools on the program as a requirement of the East Cascade Works grant.
- Interviewed applicants for the grant-funded Gorge Works Coordinator intern.
- Will represent Gorge Works at The Dalles High School Career Fair March 20.

Marketing:

- Website search engine has been optimized.

Food LAB:

- Matthew Buck has completed his first round of stakeholder interviews and delivered completed report "Summary of Stakeholder Interviews" for your review and discussion. The report follows. There are several questions Mr. Buck asks at the beginning of this report that we may want to discuss to give him some direction.

Projects on Port property:

- Columbia Gorge Vet: construction continues. Planning a spring opening.
- Google: Construction continues. Planning to be complete this fall.
- V&G: Project has new architects and engineers and plans have been resubmitted to the State for approval. Anticipating a spring start to this project.
- Marina
 - Electrical upgrade well on its way. The marina will be closed March 11- March 29 while the transformers are being installed and electrical cables are being installed.
 - Hage Electric is coordinating with DevCo mechanical on the installation of the new sewer pumps. It is ideal to do this during this closure so no one flushes a toilet while the system is being worked on.
 - Angie is having the sewer lines pressurized and dye tested at this same time and will repair any identified leaks.
 - The PUD will be contacting boathouse owners to connect them the new system.

Project Inquiries:

- Two leads from the State.
 - A manufacturer looking for 60,000-80,000sqft building with 40-60 acres of land
 - A manufacturer looking for 345,000sqft building on 34 acres of land

- Recycling facility that needs 5,000+sqft of covered space within 10 miles of The Dalles

Other:

- Outreach Team Spring trip March 25-28. The traveling team is : Greg Weast, Rich Mays, Marta Cronin, Darcy Long-Curtiss, Andrea Klaas. Dan Spatz and Kathy Norton are scheduling. Kathy Ursprung is updating the team book. Lisa Farquarson is gathering the chocolate covered cherries.
- IGA with Columbia Gorge Community College is drafted. Dan Spatz is presenting to the CGCC board. A copy follows.
- Met with representatives of City of The Dalles, MCEDD and Regional Solutions on brown fields inventory and potential grant-funding. The Port is being asked to be a partner in this effort.
- Lockheed Martin will be gathering samples from the test well behind the Port shop March 14-15
- Carolyn Meece, our State Business Development Officer, is changing regions to the Bend area. Business Oregon plans to have a new person hired by the end of May.
- The Port of Hood River is conducting a survey of river users that cross under the Hood River bridge. Angie will be communicating with the marina tenants and Andrea has given the consultant a list of businesses in The Dalles to talk to.
- Klindt Cove Kiwanis Park – The irrigation and landscaping installation was to begin March 4, 2019. Due to the weather the start date was changed to March 11, 2019 and now again to March 18, 219. When this phase of the park development is completed the irrigation will be ready, initial landscaping will be completed with the design to allow for future additions, and the open area will be hydro-seeded. This project is funded by a State Parks Grant and a PUD Economic Development Grant.

UPCOMING MEETINGS / EVENTS / DATES:

- April 10, 2019: Port Commission Meeting – Port Office, 7:00PM

Gorge Works Internships

Successes and Challenges of a First-year Community-based Internship program

Kathy Ursprung - February 22, 2019



Introduction

Like much of the rest of the nation, the Columbia Gorge is struggling to find qualified job candidates with good work habits. At the Port of The Dalles, we frequently hear from industrial employers offering well-paying jobs with benefits and career potential, who say they still struggled to attract good candidates—even when willing to train on the job.

As an economic development organization whose main role in the community is to develop and market industrial lands with the goal of bringing good jobs and economic investment to the community, the Port hasn't typically played a role in workforce development. However, another part of our role is retention and expansion of existing businesses, so as we heard the same lament from more and more Port Industrial Area businesses, we began exploring ways we could work to improve the situation.

Around the same time, McMinnville Economic Development Partnership was working with the Oregon Talent Council to develop a replicable version of their successful program. The Port of The Dalles had already begun stakeholder meetings on the issue in the community, including businesses and educators. As a result, in June 2016 we were poised to be the first area to host a "Works" training program. From that meeting we were able to pull together a steering committee and begin filling in the details of the Gorge Works Community-Based Internship Program.



Andy Alvarez, left, is completing his degree at Central Washington University. Hannah Kempf is completing her degree at Grand Canyon University. Both are 2019 applicants for Gorge Works.

Kaleena Rodda, left, completed her degree in IT/Network Security and is currently employed at her host site. Miron Kosovan used experience gained at his Host Employer to qualify for a job in the wind industry. He is currently working in Iowa.

Steering Committee Shapes the Program

Business support for Gorge Works has been strong from the beginning. Right away, we recruited 10 employers to serve as the program's steering committee, reasoning that the program had to be driven by employers, because without employers we would have no program.

The steering committee determined recruitment should be broad-based and include anyone 18 and older. Local high school and community college students should be key recruitment populations, as well as individuals who are under-employed and looking to enhance their opportunities.

Current participation in an academic program is not required for most of the internships. The idea is that applicants should have relevant training or experience related to the position — unless on-the-job training is offered. For example, career technical education courses at a high school or community college, hobbies, or past work experience, can serve as the basis of qualification for many of the internships.

Project-based internships are encouraged as central experiences; however, flexibility to meet the specific needs of the businesses is required. Some of the flexibility options discussed included part-time positions and shared positions, as well as extending or adjusting hire periods.

Our goal in the pilot year of the program was to recruit a minimum of five interns for the first summer 9-week paid internships. Since a key demographic for the program was identified as graduating high school students, we scheduled the start of the program right

CAREERS START HERE

Well-paying skilled career opportunities are available here in the beautiful Columbia Gorge.

Explore your career options through a Gorge Works internship!

WORK EXPERIENCE PLUS

- Build work and life skills
- One application, multiple choices
- Personal and professional development training & work release
- Network with Gorge Works peers
- Connect with Gorge employers

Gorge Works alumni are connected by the Gorge Works Board!

Nine-week internships start in June 2019.

Details: info.gorgeworks.com or call Kathy Ursprung at the Port of The Dalles, (503) 298-4148.

APPLY BY FEBRUARY 15, 2019
GORGWORKS.COM

PAID INTERNSHIPS SUMMER 2019

GORGE WORKS

Explore Your Future

A program of **PORTCO**

after the end of the school year in the Gorge. We encouraged hosts to stick to this schedule so that each intern could benefit from the group Professional Development Workshops held each Wednesday morning.



Celeste Hill-Thomas of Mid-Columbia Medical Center teaches Project Management at a Gorge Works Professional Development Workshop.

The workshops were led by local business professionals and community leaders who volunteered their time for the program. They presented on topics including Workplace Expectations, Ethics, Civic Engagement, Project Management, Volunteerism, Personal Finance, Work-Life Balance, Self-Care, Job Search, and Finding Your Career Path. Interns also had the opportunity to tour

businesses during some of the workshops and meet hiring managers.

Program Outcomes

The Steering Committee provided the start of the Host Employers corps, but other businesses were also enthusiastic about the program. We were able to recruit nine Host Employers offering 12 internships. We were also successful in recruiting 37 applicants.

Initial hires for the summer of 2018 totaled six. Unfortunately, one dropped out due to illness and another quit for undisclosed reasons shortly after the program started. Workshop attendance of the four who continued was consistent and interns expressed positive feelings about the value of their work experience.

Two interns attained full-time jobs as a direct result of their internships. One earned her university degree in Information Technology and Network Security. Since her internship she has been employed by her Host Employer in a position in her field. The other had just completed his Electro-Mechanical Technician associate's degree at Columbia Gorge Community College. Working with his Host Employer gave him the experience he needed to

qualify for a position in the wind energy industry. He is currently working in that field in Iowa.

The two other interns are in the process of obtaining their university degrees. Both have applied for internships with the 2019 Gorge Works summer program.

Challenges

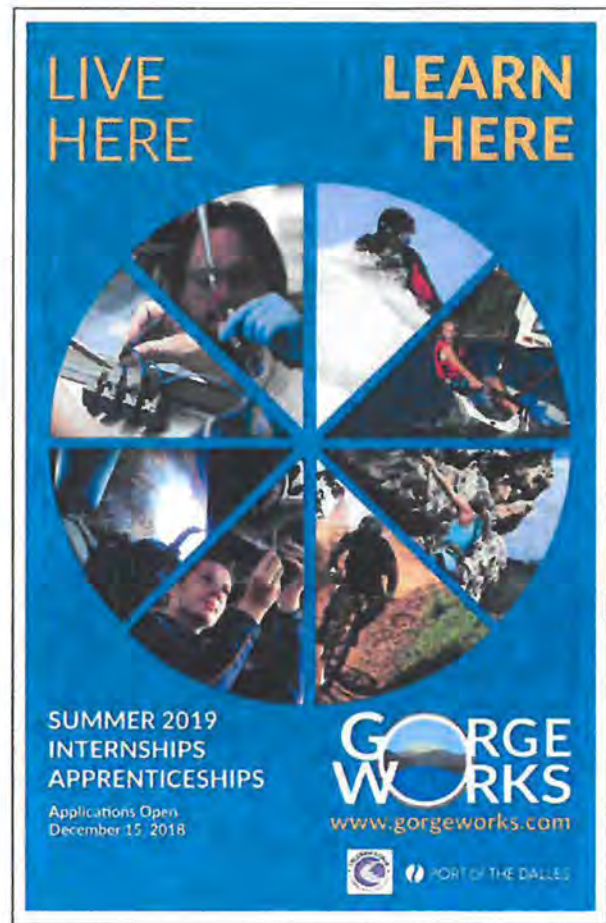
A number of factors accounted for filling only half of the positions offered by Host Employers.

Lack of marketing alignment: Initially, this program was visualized as focusing largely on new high school graduates with Career Technical Education training, based on what we had initially been told about the needs of industrial employers at the Port Industrial Area. Instead, the internships were much more diverse and we had to switch our approach midstream and less effectiveness in reaching suitable audiences.

Poor quality applications and applicant follow-through: Review of application materials showed that fewer than a third were responsive. Many did not include a resumé, cover letter or both. The number of applications that were poorly constructed (bad grammar, punctuation, other errors or apparent lack of effort) was also high. When we saw this trend emerging early in the application process, we scheduled help workshops and notified candidates identified as deficient, but few responded.

Generally, college students displayed better skills in their application materials than high school students, but even some of those were substantially substandard. We surmised that there was a general lack of workforce preparedness and understanding of expectations among the high school level applicants.

We also know of one high school graduate who was offered an internship, but did not call or respond to the offer, leaving the employer without adequate time to hire another.



Poor employer follow-through and responsiveness: Several of our potential Host Employers were either extremely slow or did not follow through on interviewing of applicants. Two also lost applicant packets in their email and did not inform us of the fact. One employer concluded that interns who applied for more than one of the internships weren't truly interested in *her* particular internship. In another case, the supervisor who



Drop-in resumé and cover letter help sessions drew more attendance during the 2019 application period than schedule workshops in 2018.

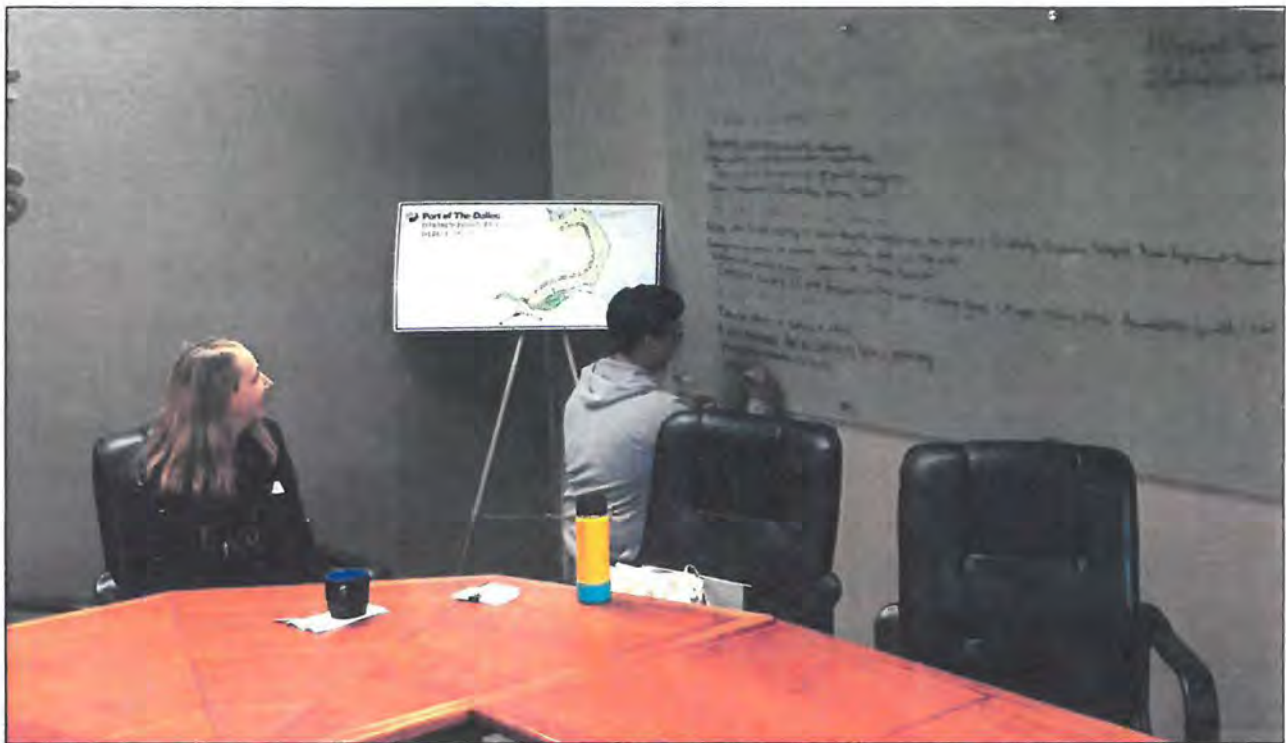
would have mentored the intern ended up going out on family leave.

After initial contact with Host Employers, communication often became challenging. We had intended to hold several Host Employer meetings to discuss program details, but found that most employers were either too busy or simply did not respond to communications. Thus far, email has been the best way to communicate, but responsiveness remains low. However, that didn't seem to prevent our interns from having a positive experience in 2018.

Remedies

We are now midway through the 2019 preparation year and have made a number of different alterations in response to last year's challenges, and plan to make more as the process continues. Here are some of the things we have changed:

- Met face-to-face with as many prospective Host Employers as possible to lay out how the program works and what is expected. While this was mostly the case last year, we increased that effort this year to assure that hosts are fully comfortable with the details.
- Attended Washington manufacturing career fair to connect with represented employers.
- Increased continuing communication via email, for both the applicants and the hosts, particularly during the hiring season, to assure that hosts know where they should



Andy Alvarez writes thoughts on the board designed to help him decide on a future career, while presenter Stephanie Kalez of Worksource Oregon looks on.

be in the process and nothing has slipped, and interns know how the process is progressing.

- Worked more closely with Columbia Gorge Community College to assure students know about this opportunity. Gorge-wide career fair hosted at CGCC helped Gorge Works connect with many high school and college students. As a result, CGCC students were much better represented in the applicant pool. We also recruited one host as a result of the event.
- More emphasis on the competitive nature of the program, both for applicants and for hosts.
- More diverse recruitment participation at the high school level. This year we sought out more interaction and input from teachers, some of whom were willing to recommend that their students apply. We also customized presentations to suit the interests of the students, participating in mock interviews, providing resumé assistance, and generally being more interactive in our approach.

- Posted internships on college sites earlier in the process. More than one third of our applicants came through the Handshake system that serves many of the colleges and universities in Oregon and Washington.
- Revised marketing materials to better reflect the diversity of the available internships.
- Scheduled drop-in application assistance for internship candidates.
- Extended the application period into February. This gave time for awareness to build after the holiday season.
- Increased paid marketing and earned marketing in last two weeks of application period to include traditional media and increased social media.

We also:

- Removed information about what internships applicants applied for from the application packets.
- Simplified the applicant screening process. This year we discarded last year's matrix and instead used direct comparison of skills and coursework directly to the job description.

- Plan to modify Professional Development to shorten presentations and include more networking time with employers at interns' request.



Hannah Kempf holds an Insitu Scan Eagle unmanned aerial vehicle during her Community Relations internship at Insitu.

2019 Outcomes So Far

Our goals for the 2019 program include the following:

- Increase number of internship opportunities.
- Increase quality and diversity of applicant pool.
- Increase number of applications overall.

- Improve application process for host sites.
- Improve application process for applicants.
- Improve communications with both applicants and hosts.

After completing the Host Employer and Applicant recruiting periods, Gorge Works has significantly increased both the number of internship opportunities and the number of applications overall.

GORGE WORKS INTERNSHIPS AND APPLICANTS

| | Internships | Applicants |
|------|-------------|------------|
| 2018 | 12 | 37 |
| 2019 | 20 | 50 |

The 50 2019 applicants represented a total of 241 discrete internship applications, compared to 126 in 2018.

What isn't fully reflected by the increase in numbers is the significant increase in the quality of applications. Applicants were more responsive to the kinds of internships they applied for (mechanics, front office jobs, STEM, etc.) and generally had higher levels of training and skills. Preparation of their materials was also greatly improved overall and we had very few incomplete applications. We received fewer high school applications than last year, but those we did receive gave the impression of being much better prepared to enter the workforce. We felt more confident in providing more applications to our hosts.

We hope the additional changes planned for later in the year will also result in improvements for both our applicants and our hosts.

The Port of The Dalles: Food LAB
A Summary of Initial Stakeholder Interviews

March 5, 2019

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The Port of The Dalles: Food LAB
A Summary of Initial Stakeholder Interviews

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Executive Summary

Introduction: The Consultant was retained by the Port of The Dalles to complete a feasibility study for a proposed “Food Lab.” This report offers a summary of interviews completed as part of initial discovery. It represents a first step in a longer process that will run to October 2019.

Questions for Consideration: A number of questions emerge from the initial interviews that will be worth further exploration and discussion:

- **Food LAB: Lab? Incubator? Hub?**

Stakeholders had very diverse opinions about how the proposed project could be focused, what needs it could serve, and what combination of infrastructure and services it might offer. There are also questions about what concepts would be acceptable or viable on Port property. Is Food LAB a blank slate? How will key decision-makers be weighting proposals? Concepts referenced have included:

- Food Retail and/or a Restaurant/Wine Bar
- Meeting and Office Space
- Teaching and Demonstration Kitchen
- Product Research and Testing Lab
- Shared Use Commercial Kitchen
- Dedicated Customized Production Spaces
- Secondary Processing for Meat Under USDA License
- Grain Milling
- Bottling/Packaging Lines
- Cold Storage, Dry Storage, Bonded Warehousing
- Co-Packing Services
- Distribution Hub

- **Wide Focus or Narrow Focus?**

There is a split between stakeholders recommending a wide focus (to support food businesses of all types) and a narrower focus (to offer more targeted support for one or more industries). However, there are also numerous references to the importance of an anchor tenant for the long-term success of the facility. The ability to recruit that anchor tenant may have bearing on the question of focus.

- **Incubate New Businesses or Help Existing Businesses Scale?**

There is a split between stakeholders wanting to incubate new business or product concepts (to be graduated out to separate production facilities) and those advocating for production space or specific infrastructure and services to help existing business achieve greater profitability and scale.

- **Compete or Collaborate?**

There are questions about how the proposed Food LAB will interface with other regional facilities and service providers. There are also concerns that the Port will replicate infrastructure and services, and compete with or miss opportunities to build synergy with other efforts.

- **Investments at the Port and/or in the Community?**

There are questions whether the Port's interests stop at the property line or whether the Port might directly or indirectly support investments beyond that line to leverage the potential of the proposed Food LAB. Such opportunities might include:

- Remodeling the Columbia Gorge Community College commercial kitchen as a test kitchen supporting larger scale production efforts at the Port.
- The development of a USDA mobile slaughter unit that could feed into a brick and mortar artisanal USDA meat processing center at the Port.
- Investment in larger scale cold storage and warehousing facilities that could support businesses at the Port and in the broader region.

- **What Investment? For How Long? For What Return?**

Concerns are raised about Port's ability and willingness to fund operation of the Food LAB over time. One stakeholder suggests that the Port may not be willing to subsidize operations for more than a year. Another suggests that achieving self-sufficiency will take at least 2-3 years with the right manager, and longer without. Clarity about this issue and how the Port is thinking about return on investment will be important for planning and the business model ultimately pursued.

- **Who is Going to Run It?**

Multiple stakeholders call out the critical role that the right manager plays in a project of this type. Some even imply starting with that right person and building around their skills and experience. It's not too early to be thinking about recruitment and who the Port might tap to develop and run the Food LAB. Failure to identify a qualified manager has stalled several similar efforts.

- **How to Increase Stakeholder Engagement and Support?**

Interviews with stakeholders revealed a lack of knowledge and some confusion about the project. The Port may want to focus some energy on public relations efforts to increase transparency, understanding and engagement. Be clear about values, big picture goals, a description of the process that is currently underway, and how people can be involved.

How to Approach These Questions: Reading the attached summary of stakeholder comments will provide additional context and detail for the questions raised. It may be valuable in the near term for Port staff and commissioners to think about and discuss the issues addressed. Be cautious, however, about trying to draw conclusions or make any decisions at this stage. There will be a concerted effort over the next several months to gather additional information to substantiate the statements made and the opinions offered in the interview process. For now, focus on exploring the range of perspectives and getting familiar with issues that may have to be decided in the future.

Next Steps: The Consultant will be working to complete a regional farm/food business profile and a summary of larger food and beverage industry trends for submission in April. An study of existing food business infrastructure and comparable projects in the region is scheduled for delivery in May.

Interview Process and Subjects

The Consultant interviewed representatives of the Port of The Dalles, and was provided a list of additional stakeholders including representatives of community and economic development organizations, and farm, ranch and food business owners. Five stakeholders recommended for interviews did not respond to contacts or were not available to participate. The Consultant sought out two additional informants independently. Ultimately, interviews were completed with a total of 21 people, lasting between 25 and 60 minutes each.

Port Representatives

| | |
|----------------|-------------------------------------|
| Andrea Klaas | Port of The Dalles |
| David Griffith | Griffith Motors (Port Commissioner) |
| Kathy Ursprung | Port of The Dalles |
| Robert Wallace | Wy'East RC&D (Port Commissioner) |
| Staci Coburn | Duckwall Fruit (Port Commissioner) |

Community and Economic Development Stakeholders

| | |
|-----------------|--------------------------------------------------|
| Amanda Hoey | Mid-Columbia Economic Development District |
| Carolyn Meece | Business Oregon |
| Dave Stone | Food Innovation Center |
| Erick H. Garman | Oregon Department of Agriculture |
| Hannah Brause | Washington State University Extension |
| Rick Leibowitz | Columbia Gorge Small Business Development Center |
| Sarah Sullivan | Gorge Grown |
| Suzanne Burd | Columbia Gorge Community College |

Farm and Food Business Stakeholders

| | |
|-------------------------|---------------------------------------------------|
| <i>Ben Zimmerman</i> | <i>Small i Farm</i> |
| <i>Brian McCormick</i> | <i>Clastic Fruit LLC and Idiot's Grace Winery</i> |
| <i>David Brewer</i> | <i>Emerson Dell Farm</i> |
| <i>Jeanne Carver</i> | <i>Imperial Ranch</i> |
| <i>Jenny Hogan</i> | <i>NuCulture Foods, Inc.</i> |
| <i>Ken Bailey</i> | <i>Orchardview Farms</i> |
| <i>Krissy Biernacki</i> | <i>Blue Skies Bakery</i> |
| <i>Mary Sandoz</i> | <i>Sandoz Farms</i> |

Comments by farm and food business stakeholders are presented in italics below.

NOTE: A Guide to Reading the Stakeholder Interview Summary

Comments have been rendered anonymous and may not be verbatim quotes. Not all interviews were recorded and comments were frequently rendered from written notes. Comments were edited for length, for clarity, to add context from the longer conversation, and to remove common artifacts of speech – such as false starts to sentences – that might make reading difficult. Some details or colloquial expressions were removed or changed to avoid identifying the speaker. In this process, the Consultant may have inadvertently changed the meaning of the comment and misrepresented speaker's opinion.

What's your understanding of the Food LAB proposal?

I'm not familiar with it.

I don't know anything about it.

I have answered a few surveys, but haven't been too involved.

I was part of some of the initial conversations. We talked about different things, but I don't understand what the current proposal is.

Is this supposed to be a retail space . . . like a glorified farmers market?

I'm not up to snuff with "Food Lab." I'm not sure what that means. There has been conversation about starting a co-op (cooperative grocery) and having local foods available. Then there was an idea of having a teaching kitchen. People have talked about food hubs and local products that could be offered to local restaurants. A lot of talk, but nothing's happened yet.

My question is, "Is it a Food Hub or a Food Innovation Lab?"

I know the Port had a RARE (AmeriCorps volunteer) doing research, but their process was very mysterious. I don't know what they did other than interview a bunch of people . . . and I don't know what their hopes are other than "Hey, let's do something in The Dalles around food."

As I understand it, the Port is trying to set up to facilitate people getting involved in new ventures . . . food products or whatever. Offer a space to get started on a new business. It's a nice idea, but hard to know how feasible it is until you get into it.

We feel a little bit out of the loop. Why is the Port doing this? What is the burning question the Port is trying to answer?

What opportunities are there for value-added food products in the Gorge?

Several years ago an economist came through and gave a presentation suggesting that instead of shipping raw products, we should create value-added products and jobs here. That stuck with me. What can we create here?

The Gorge has a lot to offer . . . The Dalles in particular . . . but we sell ourselves short. We have cherries, pears, wheat, fish . . . there's lots of wonderful work being done here . . . but people aren't aware. We don't do enough to promote ourselves (our local businesses).

We have a great location . . . at the center of production for a lot of agricultural crops. Locally there are cherries, pears and apples. To the North and East there are all kinds of other crops. We can think about crops grown within a 100-mile radius that might be brought in for processing. We have to maximize the value of existing crops . . . what's here . . . and think about what could be raised. We have access to urban areas. It's not that far to Portland, Seattle, or Boise. If we can figure out the transportation, what's marketable?

If there is anything I'd like to see in The Dalles, it's more innovation. The Dalles started with ranching and wheat . . . and now we have Google and the tech industry. What can be enhanced in our area? I'd like to think that there is something we can do with apples other than make cider and apple butter. I've got to believe that there are opportunities here. I think there must be some opportunity with custom grains to link to the craft brewing industry.

We are missing opportunities for value-added agriculture. The winery industry has taken off. What else can we capture?

Trying to get people to buy local is a slow learning process in The Dalles. People would rather drive to Fred Meyer . . . someplace close to where they do their other shopping . . . but I think there is opportunity. For heaven's sake, yes. I see others at the farmers market with hot sauces, jams, canned cherries and pie filling, and pickles. So many opportunities . . . bread . . . so many things. They sell very well at the farmers market. I think if you had a year-round store to sell all the local products, value-added, fresh fruits and vegetables, meat, everything, it would do very well. If you have everything together, I believe people would shop for those local items before they go to Safeway . . . but we have some work to do promoting "buy local" and encouraging people to keep the money in the local community.

Sometimes I think if you build it, they will come. A lot of people consider value added. Farmers or entrepreneurs that want to do something. They have a recipe or a product, want to do something that feels good, but don't have a space. It can start in a home kitchen, but it's hard to scale up to something that produces an income. If you can make it more turnkey, more people would take that step. I think people are always trying to find a way to add an income stream or turn a few more dollars from row space (of crops planted). But I don't perceive that there are lot of people scrambling to do it now. They may be dismissing it as too much hassle to do on their own. I do feel like there is that spirit here in the Gorge – wanting to support local producers and

local products, support the Gorge, and know where your products are coming from. I think there are lots of value-added niches for local producers to fill.

I'm interested in value-added agriculture to create jobs here. The existing crops, like cherries, have good avenues to market . . . but it can't all be fresh export. There are times where certain grades of fruit can't be used. There are crops that some year have little value, not enough value, no value. If we look at land . . . land and inputs are increasing in cost . . . growing a low value commodity crop doesn't make sense anymore. So we have to think about transitions to new crops or higher value products to get more value from the land.

There is untapped opportunity. Freeze-drying vegetables . . . canning . . . things like that. Local farmers haven't pursued ways to get more value out of their crops. There are some people who see opportunities, but have barriers . . . the cost of equipment or regulatory issues. Distribution is also a challenge.

I think it could blossom. You have companies here like Sweaty Teddy's making hot sauce. Moms with jams and jellies. Lots of wineries that need lab stuff. Bakeries that need lab and label work. It's kind of endless.

You already have some great local products . . . pears made into dried fruit in snacks. Salsas, nut butters, other specialized local products. There's a lot of interest in maintaining the ability to trace where ingredients come from . . . all natural . . . traceable from field to package.

Follow the existing models. Look at what's happening with wine, with microbrews, with artisan cheeses, with organic vegetables. . . There's a lot of opportunity. There's a lot of interest in local food. People want to eat healthy and know where their food is coming from. We are well positioned to serve population centers from The Dalles.

We had a guest from Germany who visited the orchards and said, "You really need to make schnapps!" We never got started. We didn't know how to do it.

I would say that there are opportunities for additional value-added food production in the Gorge. Not only for small start-up business, but also R&D and new market research for existing businesses that want to look at new opportunities, but don't have space or equipment to do that where they are.

We have such a variety of food production in the Gorge. The possibilities are endless with the right support. It takes entrepreneurship, but I do believe we have that. I've talked to people who want to do it. There is interest in the community. But they need assistance . . . on the practical side . . . on the business side . . . and they need a space to do it.

I'm sure there are some (opportunities). It can start out in two ways – either a big company with resources or individuals with a bright idea to work it from the ground up. There are several farmers in the area already doing some things . . . selling in the farmers markets and such. For us, (value-added) isn't a big enough deal. We concentrate on what we're doing (selling fresh

product) and let other people pick up those pieces. In terms of innovation, we do what we can to expand on what we have by ourselves.

We send all this wheat to Asia to make noodles. Why aren't we making the noodles here?

I think there are opportunities. I have some wariness about certain kinds of value-added. I think people should be eating more fresh foods. But there is a lot of (raw agricultural) product here. Some years more than we can use or sell. When I look at where investments are being made, though, it all seems to be in the interest of intoxication. Wine. Beer. Cider. Maybe I need more of a European mindset, seeing those things as a food product.

I work with a number of breweries and wineries. A lot of those start out selling locally, but their goal is to be bigger and sell outside the region. I think we are going to see some retraction . . . tightening up . . . in the near term . . . but the opportunity for growth for the smaller breweries is good. It's expensive to get to the next level though . . . beyond the keg and into bottling. We hear a lot about the need for refrigerated storage and maybe shared canning/bottling facilities.

Whatever it is, you need to be able to sell it. You have to start with a market. Find that business person. Bring them to the table and build a plan together. If I thought about what would have helped us back at the beginning, it would have been a processing partner who could help identify and cultivate the market.

There's a supply (of agricultural products in the Gorge) that someone could do something with. The raw product is here. We could be supportive if there was something that somebody wanted to do. If they wanted to try something. We could sort off (fruit) and be a supplier for somebody that wanted to make jams, jellies, or dried products. But as far as investing ourselves, we have plenty to do with what we are doing. We're not really looking for a project.

We lease land to a young farmer that is selling in the farmers market and grew a larger crop of carrots for Blue Bus (pickles). For us, that's really interesting. We have an interest in serving more local foods in our winery.

One of my neighbors has a vineyard and also leased some ground to someone to grow blueberries. They weren't able to harvest for (fresh) market this year, but there was a lot of usable fruit. There has to be something to do with that other than just let it go to waste.

I would really love to see somebody processing fruits and veggies for schools. Things like squash. Just simple cutting, bagging – and maybe freezing – so that things are easier for schools to use. I would love to have more processed foods . . . more canned foods. Things like dried, smoked, or canned fish. There was a huge facility that was built in Bingen for that. I think it's abandoned now. I don't know why. I think there is an opportunity here for quality freeze-dried foods for camping. That could be very successful here with the outdoor sports focus. There is a real push for more local, innovative meat processing. I think there might be more hemp production in Sherman County soon (which creates opportunity for products like hemp milk).

It seems like there are a lot of makers here. Obviously, there is a huge brewing group. But businesses in the Gorge are looking for support. Distribution is a huge issue for people . . . also sales and marketing. People need to be aware of and connected with what's going on in Portland. That's where the distributors are. That's where the customers are.

There was some talk of doing local milling. Some folks are interested in grains in the area. That could potentially piggyback on a Food Hub project. Milling for human food . . . breads and pastries . . . but also cleaning and prepping animal foods. Selling feed to local chicken, cow and pork producers. People tied in with bakeries in Hood River have talked about this. There's a farmer (in the region) thinking about doing it on his property. He wants to buy bulk grains and grind his own feed to keep his feed costs down and sell to his neighbors. There would be a lot of buy-in for locally made feed at the right price point.

A year ago . . . two years ago . . . they were thinking about meat processing. There is an absence of USDA processing in the region. We're underutilizing production of beef . . . that's partly lack of focus on our part marketing things . . . but there are also other opportunities like high-end pet food (made out of liver and heart) that our processor isn't interested in doing for us now.

There are opportunities coming from changes in our cropping system. We are introducing crops in our planting rotation . . . like a pea that we want to grow . . . that we don't have an established market for yet. How could we add value to those? Could we do a dried pea snack cracker that could be marketed regionally? I'm not a food guy. It would take some hand holding for me to do it. There has to be the right food scientist, who can help someone with a raw ingredient. If I go in with that cracker idea, I need someone to help get the right texture.

We can grow a lot here. There are also opportunities to shift to new crops to meet needs. I think about the example of seed crops in Jefferson county. They have grown to become the largest supplier of carrot seed in the US.

There's a lot of money in The Dalles. There are people with ideas. Apples. Cherries. Grapes. Berries. Cider. Jams. Jellies. BBQ sauces. Fermentation. Dairy. Grains. Quinoa! Smoked products. I don't know who smokes things for people around here. Look at the microbreweries developing in the Gorge. Look at the wineries. Cider. Kombucha. Marijuana. That is going to be massive . . . and the OSU Food Innovation Center can't touch cannabis.

When I look at what we have in the Gorge . . . and the existing businesses we're engaged with . . . some of the challenges they have had are related to distribution. There is opportunity for existing business. There is room for them to grow . . . though sometimes they have to look outside their existing area to do that.

There's a number of businesses . . . people with good ideas . . . that don't have the capacity or background to take a really amazing product and make it work commercially. Some pieces are there. The Small Business Development Center can help with business plans. The Food Innovation Center can help with packaging and legal requirements for labeling. There are some existing businesses that have started that might be willing to partner.

Look at existing products . . . Is there something else to do with the tree fruit? There are those opportunities to turn culls into fruit leather. Wheat . . . that's a big product in the region that could have more value added. Look at opportunities to be in other business supply chains. Could someone in grains be an ingredient supplier? Or aggregate to do business on a larger scale. If you are sending wine to China, it can't be small. Can you aggregate wine from a number of Columbia River wineries and make up one container load together? Merge efforts. Do things to be bigger.

Fermentation is an opportunity. There are several different companies doing sauerkraut and kimchi. Kombucha, too.

Weighing the opportunities . . . who could benefit most? People who are being negatively affected by dwindling opportunities to trade overseas. We are not moving pears to China like we usually do. The trade wars are affecting people's abilities to place product. People are looking for opportunities for direct market sales or to diversify. They are doing small scale cider production and opening tasting rooms for cider. The emerging industries . . . like wine grapes. Getting up into Prosser, there are a lot of wine grapes going in. What happens with those grapes? Are they going to sell to existing wineries or start their own labels? And the livestock producers not having USDA is a huge impediment. Folks in livestock production are driving hours to get to a USDA facility. It's very limiting. Beef, sheep, swine, chickens. There's interest in a co-op forming around a mobile slaughter unit. That USDA label is critical to sell to restaurants.

Where there is opportunity is in the microbrew industry. We have a cluster of microbreweries that could probably get to distribution if they had a canning/bottling line. They could get to distribution with shared equipment. They would also need some technical assistance. Two that stand out are Free Bridge and Sediton Brewing. Which one is going to get to the regional or national market first? The answer depends on who can invest in the bottling line and who can connect with the right distribution. Some vineyards may be in the same situation. There would be job creation from that.

What needs could this project serve?

We want to draw capital investment, create jobs, promote a positive public image for The Dalles, and improve community well-being.

The Community College had a community kitchen. The demand maybe wasn't as high as they wanted. I heard a rumor that Google took it over. There are new crops being planted in Hood River. Those farmers don't have facilities (to store and process). It seems like we are capable and we may as well seize the opportunity ourselves. There is expertise to be gained. We might as well do it instead of letting it happen in California. (An incubator) is not a need for (my business) though. Our production system is purpose built. It's already happened for us.

I think there are opportunities for collaboration with Columbia Gorge Community College, their commercial kitchen and possible food and beverage industry training. The College is not a good location for businesses to operate. Their commercial kitchen is underutilized. There is no storage. There is poor access for trucks. But things could start there, that might grow over here.

It has to be broader than Wasco County. It has to include Sherman, Gillem, Hood River . . . take a regional view. We have to be comfortable working across the river.

I'm sure there are people who need space, but it's more about business services and education. If you have an idea . . . have a product . . . you've probably been making it somewhere. We didn't need space at the beginning. We created our own space. My husband was a builder. We did it on our own property. So we wouldn't use a kitchen . . . but we would use a packaging facility.

I can think of people that might take that (entrepreneurial) leap. I'd love to see them succeed. It can't just be a space that somebody rents. There are folks here that need additional support and direction. Not hand holding, but ideas, opportunity, and education. How to build what they want to build. Starting a small business, that's one thing. Years later, is it still successful? Are they hiring staff and opening up new lines of business? I would take pride in seeing people able to work towards their goals . . . not just providing them space, but coordinating some form of business development services . . . until they are ready to leave to find their own space. Even if they fail, they can learn something from that and try something else next time. It's not a waste to get that education.

There is a shortage of space in Hood River already. Businesses that want to expand will have to start looking elsewhere.

In the Gorge, people are so spread out. If we had had to go to The Dalles to start our business, we wouldn't have done it.

I don't know of anything (a food hub) could do for us. They could never bring us a market for (our product) better than what we already have.

Successes are shared. When people hear that someone else has done it, it builds their confidence. Make sure (the Food LAB) is open to any reasonable idea, and that things are taken care of from a food safety standpoint.

Cooperative efforts can help those that are small. It helps to combine with other growers. If you can't afford your own storage or delivery, it helps. Scale is key. A project like you're describing isn't going to serve the larger growers though.

It needs to be reflective of the community and our culture. Our heritage. It needs to fit.

It would be nice to have some visibility for retail products from the Gorge.

If you look at the WIC Farm Direct and SNAP Match programs, people get help buying fresh fruits and vegetables. The problem is these people do not know how to cook. We have all these fresh fruits and vegetables at the market – and they only eat things that come out of a can or a box. We need a focus on proper eating and nutrition. Starting with the kids. Those kids are not skinny. Their parents aren't skinny. They don't know how to eat. . . and they end up in the hospital. We need a teaching kitchen or cooking demonstration space. I go to classes myself. I want to learn how to make the best pie crust or learn a new pumpkin soup recipe. But it has to be affordable. The people who need this most don't have a lot of money.

The only thing that would help would be a competitively priced USDA processing facility. The research has been done again and again. Go to OSU and pick their brains on that. You have to know the scale and volume that will make it economically feasible. Processing of meats would be the number one thing, but I don't think there is the volume to make it feasible (in a short enough time period), unless there is someone with deep pockets willing to make it happen. Maybe someone like Olympic Provisions. They have been very successful. They have the knowledge, the background, the skill set. A company like that could go to the Port and say we have so much business that we need to expand. We've already got customers and contracts. We need a stakeholder like that on the purchasing side . . . an anchor tenant that knows they have an end market.

Could they do lab testing? We send out a lot of things for testing outside the area.

The biggest need that folks have locally is capital to keep going. They are having a rough time surviving year to year. Individual growers may be looking for a value-added opportunity that they could get more margin out of. Most need help for them to come up with the ideas. You can't just wait for them to come up with it. And you need to get people together on a project, not everyone on their own trying to do their own small project.

We wholesale to grocery stores and restaurants. Right now, we are self-distributed, but we are scheduled to start working with (a regional distributor). We are definitely also starting to think about outsourcing production and packaging.

Delivery to Portland is really challenging for businesses in the Gorge. Everyone is driving to market themselves. Are there opportunities to cooperate and combine trips? Can we get economy of scale, and reduce costs and the time commitment?

My product is not shelf stable without fairly involved processing, and commercial canning equipment is pretty expensive for a small entrepreneur. Access to an autoretort would allow me to scale, but I made some inquiries and it was \$80,000-\$100,000 for delivery and installation. Having access to that equipment would be valuable generally for Gorge based businesses. It opens up opportunities for a Gorge based baby food company, for example.

We (smaller food businesses in the Gorge) need storage space to allow people to buy in bulk and lower costs. I would like to order pallet loads of cans and jars, but I don't have capacity to accept and store pallet deliveries.

We know there are challenges getting to market. Challenges with labor. Challenges with cold storage for vegetables, meat and beer, and bonded warehouses for wine and spirits.

I'm based in Hood River and I'm targeting markets in Portland. So why would I go east (to The Dalles) to go west (to Portland)? It depends on what the facility offered. If it made financial sense. It would be worth going 20-30 minutes to The Dalles if someone can handle distribution and go the hour plus to Portland for me. I probably wouldn't shift my processing there unless it offered storage and it made sense to do everything there. I would need a bay where all my ingredients and hard goods are stored.

On the farm side . . . cold storage space . . . dry space for overwintering . . . is an issue for small farmers . . . but I don't see (a facility) tying in well with my business, unless there was aggregation and distribution for produce specifically.

I get calls all the time "Do you co-pack?" I don't . . .

There is a real need for processing in the meat industry. The number of USDA facilities accessible to small producers is dwindling. Cattle slaughter schedules are booked. Ranchers are driving long distances. There is a need for lamb processing. There's a need for pork . . . and there are opportunities for high value processed products there. But we can't do that at scale in the Scenic Area. We can't do meat processing within city limits. There are zoning issues.

A mobile slaughter unit plus a secondary processing site would be ideal. (Humane) on-farm slaughter is a priority for our customers. There has not been an option for USDA mobile slaughter. To have (the clean carcass) go into a facility where it would be aged and cut, would be less expensive, use less water, and produce less waste. We would have to get set up to compost (the offal) on farm, but we can do that. Other ranch families would definitely take advantage. I can think of three other families that are going down the Gorge with animals on a weekly basis now. Also from Goldendale . . . there are a lot of animals getting hauled out from there. There is only one mobile operation now . . . he is busy . . . backed up for months. USDA would add value. You can do anything with the product. But there would still be opportunities with just a state license as well.

Most things we'd be bringing in would be a dry product. Grain or beans that need to be cleaned and milled in some fashion. It could happen at a fairly small scale. There was (a company) looking at building a grain facility at (another location). Not so much at the food product level. More receiving, cleaning, bagging. Not really focused on the end product. Focused on wholesale product. Bakeries want flax. We want to be able to sell them a 50-pound bag. We don't have the capacity now. We need a facility to clean and separate products. I've thought about building my own. We could do it at The Dalles, but I don't know if the Port has the land for much bin capacity.

Suppliers don't want to bring trucks out into the Gorge. UNFI won't work with people unless they are a certain scale. Some businesses will go to Cash and Carry to get their ingredients. It's crazy! Help people get access to suppliers and form cooperatives to get ingredients more cheaply. There are enough customers out here now (if we band together).

Entering distribution – growing from small to medium – there are a lot of unknowns.

Look at the people already in that (entrepreneurial) space. People already doing innovative products. Early stage businesses growing and expanding.

One of the Food Security Coalition working groups – food infrastructure – has had some pretty wide-ranging discussions and stakeholders have elevated priorities including meat processing, a food hub, and cold storage.

My clients' biggest needs are cold storage and shared distribution. Shared cold storage, shared refrigerated distribution, consolidating refrigerated shipments to larger markets . . . that would help existing businesses that are already distributing.

Refrigeration is a big issue.

Right now, we have a very distinct need on the meat side, but it's very difficult to site. With grain, there is probably a better opportunity to engage the co-op.

I think there is a need for processing of locally raised meats. A couple of places have USDA inspections, but they are far away, they are way overpriced, and they don't offer the quality that artisan butchers are capable of. I know it's a process getting USDA. I don't know enough about the zoning issues to say that slaughter or meat processing are impossible in The Dalles. I know ranchers that would be interested in a USDA mobile slaughter unit with a brick and mortar facility for secondary processing. You would be able to pull a local support for that.

The first thing that comes to mind is an inexpensive space to test products, get permits, learn how to use equipment, and get ready to roll.

In our region, it's big guys and small guys. We don't have a lot of "Agriculture of the Middle." The big guys have opportunities for value added products. A lot of our larger growers – for

example, the orchardists – are not diversified. For the small guys, there are opportunities to scale and for aggregation. Having a commercial kitchen and equipment share . . . particularly in The Dalles along 84 at the Port . . . that seems like a good place for something like that.

A Food LAB, a food incubator, and a foodhub are all different. I would not go with a Food LAB concept. Doing food science requires maintaining a very expensive payroll. An incubator would probably be welcome. There are also other food hub efforts out there – like Ecotrust’s REDD – that could be connections and could be leveraged.

I think the (Columbia Gorge Community) College is better situated for some of the technical aspects of product development. They have an existing facility that the Port could collaborate to enhance. If they (the Port) are looking at (the Food LAB) as a lab, don’t do it. If it’s another concept . . . a place to grow out a business . . . maybe. Focus on things the College can’t do.

If you could partner with an existing business and get a commitment to use a percentage (of the facility), that might be a better way to do it. A larger business looking for a space to do some R&D, could use it as an anchor tenant and help defray initial cost and operations.

Whatever you build, it needs to be able to be washed down. It needs floor drains at certain spacings. A shell building or a built-to-spec building would have that. It’s very expensive to retrofit. Those specific needs would have to be addressed up front.

There might be a way for someone from the Small Business Development Center or the Department of Agriculture to be available to entrepreneurs that work there. The Food Innovation Center could have someone out there once a month to put on a seminar. The Oregon Entrepreneur Network could come out once a month. So it’s not only a manufacturing space, but also a meeting and community space.

The whole equipment piece . . . Do you just put in the basics? Stoves, countertops? Have people bring in their own equipment as needed? Each different kind of food uses different equipment.

I like the idea of a retail component – it could draw people in – but it would require a lot of open hours and that means staff cost. Maybe utilize a farmers market approach instead during the start-up phase.

What we’re finding right now is that there is a need for commercial kitchen space and co-packing facilities. Is the Port interested in investing in infrastructure and machinery? Companies need a place to rent . . . a place to make their product . . . that is licensed and meets food safety requirements.

We need cold storage – especially for fruits and vegetables. That requires variable temperature zones for different crops and separation for things like onions that can’t be stored with other crops. We have been talking (with farmers) for years about building a facility, but in the interim

a lot of farmers have gone DIY (do it yourself) using old train cars. It would be important to reassess who now actually has their own cold storage.

Dry storage would be helpful.

We hear that there's a need for cold storage, but (The Port) is not interested in doing that. We don't have enough industrial land. We need to find a higher value use for that land. But we do hear that need (for storage) from every sector. Could it be built (on a limited scale) here and then relocated (developed somewhere else on a larger scale) in the future?

There are folks talking about ramping up local grains . . . and I know (one farmer) is considering opening a small mill.

I wonder about space for greenhouses for high-value crops – something like micro-greens or mushrooms – something grown in volume for a guaranteed market.

I'm not sure there is demand for a product development or testing lab. If it was specifically focused on the beer, wine and cider industries . . . maybe.

I'm not sure Hood River is at capacity, but it is getting unaffordable.

I could see an affordable maker space with the Port as a landlord working out. One thing I liked when I visited the REDD (Ecotrust in Portland), was how all those little companies that are getting off the ground have space to box up nut butter . . . and they also have space to put a computer and have a little office.

The kitchen at (Columbia Gorge Community) College is kind of minimal. Like a home use kitchen. Nothing huge. There are commercial ovens. Mixers. Slicers. Blenders. A smaller dish washer. A walk-in cooler. It's a good place to test things out. The Port would have a more professional facility – modular – with a steam jacketed kettle, filling stations, and way pack stations. That's what I could see the Port having. More industrial dish washing. Something that could handle a couple crates of glassware at a time and let you wash a 40-gallon kettle every half hour. I would also want to push the Port into cold storage and a pick pack system to pallet consolidated shipments. Maybe a refrigerated vehicle for distribution.

Keep "modular" in mind. Some things are common, like a need for space for basic ware washing. For example, if you have someone making cherry jam, they may have some of their own equipment. They may have their own kettle. If they use a commercial kitchen, they need space for sanitation . . . washing jars before filling them . . . and access to an automated washing system that can handle the clean up when they are done.

You may be looking at the Gorge as a physical location (for the facility). But keep in mind that companies from Eugene, Medford, and further afield are looking for co-packing and may be willing to relocate their operations. Entrepreneurs go to the places where the resources are.

We've seen a potato product developed at the Food Innovation Center that is now being co-packed in Houston. It's crazy. There are organizations that you could consult – like Business Oregon and the Regional Solutions team -- that can help connect you with potential users. It's not just Oregon. Consider working with Washington companies as well. Idaho. Montana. Even Alaska. Look at the PNW as a potential market. If you do that, I think you could fill that facility quickly. Invite people from all the regional economic development centers out for tours. Eliminate the state lines. Reach out to the Washington Department of Agriculture, the Idaho Department of Agriculture. Economic development groups in both states. Make it a regional project rather than an Oregon project.

What is your vision for the finished Food LAB?

I have no preconceived notions (about the Food LAB) . . . but I imagine a beautiful facility made with cross laminated timber. Lots of people. Employees. A classroom. Businesses getting technical assistance from the Small Business Development Center and the Food Innovation Center. People learning how to use new equipment . . . new techniques . . . new technologies. I think about capturing a niche . . . becoming the supplier of some key product or ingredient.

We want to continue to support agriculture of all types. You have commodity crops and fresh pack, which are high value some seasons and no value other seasons. Can we diversify? Have more regular income? Create more jobs?

This area is a hub. A lot of spokes come in. A lot of people travel through to go someplace. I don't want the river to be a barrier. We should be open to working with Washington.

How diverse could it be? If you have a commercial kitchen, it could be open to so many folks. I don't think it should get too specialized to serve only one industry or another.

I'm interested in something that could be a center for a particular industry.

What evolves out of this must have some economic value or economic potential. But in my mind, there are no rules about what it has to accomplish. The Port of Hood River used their conference room . . . they had 4-5 entrepreneurs there just talking. Out of that came a computer parts business. Sometimes you think you need a great big edifice . . . and here's a business being launched at a conference table in a borrowed room. You have to find those entrepreneurial souls that need a nudge.

There is a growing upper middle-class demographic in the Gorge. You've got high tech coming in. Maybe combine the food hub concept with destination retail or a restaurant. I could imagine a retail space, maybe a wine bar – something that would be a destination – and then meeting space, a kitchen for research, the hub, and some arrangement for collaborative shipping.

I would rather see a facility that served a few different purposes. Is there an opportunity for a really cool, small maker space and a year-round market . . . like a mini Pike's Place Market? We talked to the Port of Hood River about this idea. Booths and people displaying their wares . . . but also small spaces where people are making cheese or making pickles. I'm honestly not sure I picture that at the Port of the Dalles. It's kind of weird down there. Not a place to hang out. It's industrial. I could see a small distribution hub . . . some place people can bring their stuff to ship it out.

Whatever the Port does, it can't just target the local market. We tried to sell (our product) to restaurants in The Dalles. They just wanted the lowest price. It's a completely different story in Portland. They have a clientele that is looking for that product, that understands it. We were able to work with the chefs to set prices.

I do think it's an export model . . . not a local foods thing . . . with shipping to Portland or other large cities in the region. It has to be open for different kinds of users. Flexible. It has to provide local economic value . . . jobs. It has to be something with buy-in from local producers. There needs to be a plan to fill the different roles. Are there people that can help with certifications?

I imagine a commercial kitchen, maybe a canning and bottling line (that is shared by breweries, cideries, wineries, etc.). Refrigeration. Large coolers. Cold storage. Some of the equipment necessary . . . fork lift and pallets . . . loading ramps . . . for distribution. Some aggregation with one truck heading into Portland with multiple people's value-added products. A co-op managing that. Going back to the idea of (secondary meat processing), something with USDA certification would be really valuable. I see opportunity for a classroom where you could do master food preservers, offer demonstrations, and continuing education training. Maybe there is a local mill. Cereal producers are also struggling because of trade issues. Malting barley for the many, many breweries we have in the area!

We're thinking about ways to help move businesses to the next level. The Mid-Columbia Development District has a Recipe for Success program. We have small food producers popping across the region. Folks who are doing kombucha, pickles, sauerkraut . . . It's cottage industry. The question is how to get from cottage to commercial? What do people need? Is it a (better) recipe? Technical assistance? Production space?

I imagine people using the space as an incubator. A space that meets all food safety requirements to try and work through issues and challenges . . . until they grow to a size that they can find something on their own. I imagine people sharing the space. It's bright and open . . . organized and clean. Some spaces people are using now are dark and feel like a basement. Take advantage of the location near the water. Let the light in.

That is just going to depend on what develops. It will be totally different depending on what products you are talking about. Different kinds of fruit run on different lines. Maybe there is a piece or two of equipment in common, but you can't just have one line and run everything on it. It's even more different if you want to include grain products. So it depends on your user base.

I think about (Food LAB) as an incubator. I want to see people graduate out into their own facilities. I'm not interested in building out customized kitchens. It's too expensive. If you build it just for them, how do you ever get those people out of there?

I want to see accessible cold storage. Dry storage for wine and case goods is a huge need. Insulated. Insured. Most of us are sending our wine to the Willamette Valley or even to Seattle. We need bonded warehousing. Wineries. Breweries are also hungry for cold storage. Storage is what we would want. It could be scalable. People are talking about shared facilities. That's a real conversation that's happening now.

I see a space where existing crops are looked at for potential for further processing and finished goods. Technical staff that know how to create a recipe and a finished product. Food safety.

What does the packaging look like? Some sort of marketing assistance. Identification of new markets. What does the customer want? How to sell it. I imagine an open space, big windows, high ceilings . . . industrial like a large bakery . . . the processing equipment . . . the smell of food being processed. A Food Innovation Center lab type setting and a commercial kitchen, with grinders and blenders.

You need something that is easy for people to plug into. I want to have a place where there is a large locker or bay where I could have most of my stuff. Have a commercial kitchen or production area. My process is pretty straightforward. I don't need a lot of equipment to produce, but I do need packing, labeling, boxing, and a smooth transition to distribution. I need help with inventory management, getting orders streamlined, and products into a van to get where they are going.

I can envision a collaborative space. Personally, I don't need an office space . . . but it would be great to have potential for collaboration with other entrepreneurs that could offer strategic advice and connections to customers. Connections to resources. Many people don't have a lot of small business management education. It's honestly not something I have sought out . . . probably to my detriment. Small entrepreneurs have an independent streak. I know I would benefit from workshops or consulting with someone . . . and I haven't done that. I want to figure things out myself . . . but I like the idea of having access to seminars or classes, or just someone on staff who could be tapped for questions or advice.

I'd like to see a large bank of freezers. Walk-in coolers. Climate controlled dry storage. It's hard to know whether someone would take products to The Dalles to be stored. There is a need for it . . . but it's double edged . . . they want it, but they want it right where they are at. But if there is also a distribution aspect, it's a one-stop drop.

It would be great to have a space like the (El Pajaro Commercial Kitchen Incubator) Innovation Center in (Watsonville) California. They have an amazing kitchen. You can rent out space, a cage, to store supplies and equipment. They have 3-4 people in there doing projects at a time. When I saw it, I thought, man, the Gorge needs something like this.

I could see something very similar to the Food Innovation Center in Portland . . . just getting people launched and up on their feet. A simple lab up front, commercial kitchen, and separate facilities for different kinds of processing . . . a gluten-free space . . . a line for wet goods . . . whatever. It has to be Whole Foods Friendly. That's critical. Align with ESHA Research out of Salem and their nutritional labeling program. There is so much need for that. Could you get them to offer a person to sit in this facility one day a week? Maybe host different people from different companies or agencies weekly or monthly? Help get people through audits. Help them write their HAACP plan. Do shelf-life testing. Offer a place to produce it, and warehouse it. A commercial kitchen. Overflow storage space for seasonal production. Refrigerator and freezer space. A loading dock.

My vision would be creating product from ingredients that exist in that region. I see the space occupied by a relatively larger and successful company producing in the facility. But sprinkled in there are smaller spaces where entrepreneurs can come and go. You maybe have a stepped

process. A company comes to Portland and works with the Food Innovation Center on development. Then they go out to The Dalles to start production. There's a graduated program. A commercial kitchen shared space . . . and then larger facilities leased to be their dedicated production space. Being able to scale in place would be huge. Maybe there is an opportunity . . . with space available to grow into . . . to start with 1 or 2 kitchen spaces. Then once you have a wait list, build out phase 2 with additional dedicated production spaces.

Wouldn't it be awesome to have milling and custom production facilities? So you could tell someone involved with Mid-Columbia Producers (grain cooperative), "Hey, drop a load of your grain off, and we'll make some cookies and put your name on the package."

In our beef business, we try to keep it simple . . . selling halves and wholes. We didn't want to get into inventory management . . . but now we're exploring on-line sales. So we'd have frozen product coming in, which would get packaged and shipped. The processing could still happen elsewhere, but we'll need cold storage. Space for rent. A packaging line. I could put up a walk-in freezer here at the farm, but it's still a lot of boxes to prepare and ship.

Consistently, we see that people don't design enough cold storage space in their facilities. That ties into a lot of needs in the Gorge now. If you're designing something new, build (the initial envelope) larger than you think you need so there is room to grow into. Build with the ability to sanitize in mind. Think about site security. Whether you are in a flood zone. Things that the Food and Drug Administration will look at.

Usually, once a company grows out of a commercial kitchen, they have to go to a co-packer. It takes expertise to run a co-packing facility successfully. We have a list of co-packers that we could share. You could do interviews with them to understand the needs and how to run (a co-packing facility). But, hypothetically, say a business has a dry product in stand-up bags. They may have the ability to produce it . . . but they may be looking to save on labor and costs by outsourcing steps in their process. The transition to co-packing can be gradual. You can hand over just certain parts of the process. Companies may still want to source their own ingredients. The owners may still want to be involved in production. Maybe they just use the co-packer for packaging and labeling? Let entrepreneurs take on or give up as much as they want.

What gives you confidence this project can succeed?

There's a lot of attention on the Gorge now. There is also a lot of money here. Technology businesses are coming here . . . looking at quality of life . . . the kinds of restaurants the community supports . . . the quality of education. If you look at the growth of the wine industry, it was supported by all the other infrastructure. Tourism. Wind surfing. Energy. Train tracks.

The Dalles is very strategically located on 84 with access to the I-5 corridor . . . access to rail and barges . . . 6 hours distribution time not only to Portland, but also to Seattle and Boise. And access to natural resources . . . access to farm goods and livestock.

It's very compact geography. We can get to Portland . . . and we can grow a lot of different crops here.

We have a lot of food products in the region. . . and people with that maker mentality.

We have a lot of new farmers and farmers that are looking for opportunities for diversification. We live in an area where people are interested in buying local.

Always in any community, there are a ton of entrepreneurial people. They have ideas, but there are significant barriers to doing it at a small scale – to testing that idea – without investing \$100,000 dollars first. What the Port facility could provide is a means to test the idea for a few thousand dollars instead of \$100,000. It could reduce the risk of trying something.

There are probably enough interested people who want to do something to better themselves. The question is if there is enough capital to get them over the hump. The risks of failure in the first 1-3 years are high. . . and it's more expensive to grow a small business than it is to start it. That gets back to the importance of business planning. Coming in with a new product is not easy. Pressure is always on to reduce costs and maintain quality. If you can't keep up with the competition, you're at risk.

Backing from the Port is important. It will inspire people that this is a real opportunity.

The need for co-packing is real. The location is not a huge hindrance. People from Portland will drive 100 miles to co-pack. It's not out of reach. Driving a little over an hour to produce your product? Piece of cake.

There is an entrepreneurial spirit over there. They have some bigger players – like the cherry orchards. They have some interesting partner funding opportunities with Google over there.

I think you could get grants to work with agricultural products locally . . . and women owned businesses . . . you could leverage that.

The bones are all there. The concept is there. The involvement of the Port legitimizes it. We would endorse it now. It's a need that we see. Proceed with caution, but do proceed.

What are your concerns about the project?

There's the idealized image of what we could do – with people who grew up in the area and who could come back – but it's ideal, not actual. If they are looking at something specifically to serve businesses in The Dalles, there is a lesser concentration of enterprises there that have been looking at expansion.

With what we do have already in our agricultural base . . . most things are pretty large scale.

Do we have enough users to make it viable? Facilities in Portland draw from all of Oregon. Do we have enough entrepreneurs locally? Are farmers willing to experiment? People are going to have to change. Are they willing to do that?

What kind of population is needed to support a facility like this? From a numbers stand point, how exactly can we make this work so it's not a drain on resources? We have to make sure it's a model that people can really use. People in this area struggle already financially. They may have dreams, but it's a big leap. It's one thing to change jobs. It's another to figure out how to do something yourself . . . to build something.

I'm skeptical that a food hub can help. . . Many people have come to us over the years . . . government agencies that want to put their finger in the pot and make things better for us. . . a million different people that get funding to "help" farmers and ranchers. Our experience is that those that have the will don't wait for help. They figure it out. They piece it together.

Sometimes . . . trying to do this . . . you are out there on your own. You don't have a community of support. I'm not trying to be negative, but there have been so many attempts before. I've been interviewed before . . . a million times. You got to have a community. Otherwise, who do you have besides us and a few folks in Hood River?

Some of the politics in The Dalles are challenging. I have found some of my interactions with local government very difficult. There is a lack of transparency about the Port's vision or plan for this. I also think there is some hostility between Hood River and The Dalles. Maybe it's competition for funding. Things like that get tricky in a small community.

(Developing new value-added enterprises) will require a focused business effort, with farmers to supply the raw product. You're not likely to be the operations guy, the grand marketer, the packaging designer . . . all those things at once. You have bring the people with the money and the ideas and the product and the expertise together.

A lot of my interactions with farmers . . . once you've grown it, at the end of the season, you don't have a lot of energy to process it and build that additional business. If it happens, it will have to happen through partnerships.

It was a scary step to go into my own facility. If you could put it on a white board, here are the steps, it will take this much money . . . would you still want to do it?

This is such a unique area . . . with each town being separated by miles, by the river, by mountains. I worry about a facility in The Dalles. Most of the (more diversified) producers in the Gorge are in Hood River County and the Trout Lake area . . . not so much in The Dalles. They have cherry growers and wheat growers.

Our neighbors are not entrepreneurial. They have a full life just managing their farms and this landscape. There is no time. You've got lambing, calving, and spring planting. You have to maintain roads and buildings. Then it's time to harvest. Value-added is a separate business on top of your farm job. The smaller people . . . the husband or the wife already work side jobs off the farm. They dream of working full time on the farm. Value-added agriculture is a hard business. It's one challenge after another. It is a fiercely competitive business. My advice is, you shouldn't do it.

I don't know. Can you get enough people to make it happen? Are they going to be steady? Look at the community. All of these little farmers are being eaten up. Look at Hood River . . . the young people get into (farming or a food business). They have great ideas. They are going to change the world . . . and after 2-3 years they've closed up. We survive because we don't take out loans. If we can't pay for it, we don't do it.

I'm concerned about the concept of centralizing something in a place where people may not travel. There is other infrastructure in The Dalles that has not been used, like the commercial kitchen at the Community College. If people are really serious about a product, they tap into Portland. The Dalles just seems really out there. The hip business foodie scene is oriented to Portland.

For fruit, it feels played out – and that's discouraging. We had lots of conversations about dried fruit – and there was a drying facility that has been owned or operated by four people I can remember. The costs to run it were just too high. There was a fruit bar company – a few niche things. I don't have a sense that there is a lot of appetite out there for new things. People are more focused on efficiency getting fresh product to market.

Specialty meats processing . . . slaughter . . . is tough to do.

People here are getting into innovation and technology. They are excited by the presence of Google and expecting further expansion of tech. That tech mindset makes me think of super foods, functional foods, energy foods. It's also a barrier to some forms of business development, like a slaughterhouse. That is considered a "dirty" operation. It can't be dirty ag (agriculture). It needs to be clean. The Dalles prohibits slaughter within city limits. Waste water processing is a major challenge. So there's a question of where to put it. Yes, slaughter is a real need. But that might be something that will have to be figured out somewhere else.

There is probably not a lot you can do with meat, unless you want to go to packaged, prepared, seasoned, ready to heat and eat dishes. Table ready products. There are some people doing that

with seafood on the coast (Fish People working with Equilibrium Capital). But the level of expertise necessary to do it might be too high.

Money talks. There's got to be some big grant or something that allows this to happen. What would fit the needs of the sheep, pig and beef growers? A USDA processing facility. It would cost millions. The number of animals that would have to be butchered in the area (to make it pencil out) would be huge. It would take a miracle of money dropping out of the sky.

We've been involved in a lot of conversations over the years. Personally, I would suggest investing in something that already exists and expanding that. Take the farmers market, it's been growing. More people are coming. Let's expand that to a winter market that's open a couple of times a month. Build on that. A lot of these ideas are too grandiose. They are too big to reach. Instead of having all these separate conversations about doing something new, we should combine together to grow something that already exists.

It can't be too niche. It's got to be sustainable. It has to feed people in way they want to eat . . . and at a price that they can afford. My fear is that it would be just more packaged food. Does the world need another energy bar? Another energy drink?

I have concerns about pollution on Port properties. There's a perception issue if nothing else. That worries me.

Cost is always a question. Is there an annual fee? Is there an hourly charge? How do you get enough people to make it affordable? What kind of percentage would the facility charge to store and process goods, or to access other services? How would that affect profitability?

I worry about high upfront cost and high operating costs. I worry about it having minimal capabilities or not meeting requirements for licensing – and having to say to people, “Sorry, you can't do that here.” It needs to be a one-stop facility with help from A to Z.

Will it be a facility that's always struggling to get the next grant to stay in business, or that is constantly reinventing itself to stay in business? From experience with other projects, it is always a bit of a crapshoot, whether programs will be available year to year. It's important to keep a consistent offering for the long term.

I think that the Port is going in the wrong direction, trying to recreate something that already exists at the (Columbia Gorge Community) College. They are going to end up competing, when they should be cooperating.

It needs to be designed to pass a third-party audit. When Amazon bought out Whole Foods, they crushed all the local people. Only the people with a third-party audit got in. That's a lot of money to spend and a lot of work to maintain. People have no clue what a HAACP plan is (for food safety). Recall within 2 hours? The paperwork involved? The Mom and Pop people don't understand that at all.

We live in an area that is super “trust-fundian.” There are a lot of people thinking, “Hey, let’s start a business.” They have an idea. They have money. But they don’t know how to go from A to Z. They start up, run it for a while, go bankrupt or get bored. I’ve bought a bunch of (used) equipment from (people like that).

(A facility) needs anchor tenants.

If you want to focus on meat producers, or fermented foods, or beverages . . . one facility can’t serve all those needs.

Distributors don’t come to The Dalles. I deal with issues just getting my pallets moved.

Last night, someone at a Farm to School event said, “We need more local food in Wasco County.” And the farmers there said, “We don’t go to The Dalles.” That issue has to be solved.

With a new facility, who manages it is a critical question.

Without a manager, it doesn’t fly. It needs someone with some background in food product development and business management.

You have to find the right person to run (the facility). Start with that person. A computer. A white board. All the rest is just equipment and goods. It has to be accredited. Designed right. Products coming out have to be “Wholefoods Compliant.” People would have to follow rules.

Time and money. The dedication of the crew and what it would take to keep it rolling. There’s a runway with something like this. With (the right person) involved, then we’re already way far down the road. The runway is maybe 2-3 years. If it’s a pure start-up, though, then we’re talking 5-10 years. But you’re going to have to pay for that person. Fair pay for (someone qualified to run that facility) is probably \$80,000-\$100,000.

There is a real need for technical assistance. It used to be you could call an ingredient company and be connected with someone that had a lot of technical experience. You can’t do that anymore. There has been so much consolidation in the ingredient industry. You can’t buy a box. You have to buy a pallet.

Most growers are in the commodity wheat market. That would be my concern. Is there really demand for the facility? Is there enough of an entrepreneur base? Most of the dry land guys are just trying to figure out how to keep doing what they are doing. It’s really a people question. We’re capable of producing a lot, but it comes back to human capital and the energy and desire to build something from it.

(As a farmer, becoming an entrepreneur) requires someone taking over the day to day operations, so some someone else can exercise vision and energy, and do the entrepreneurial part.

Most businesses fail in that first 5 years. When they are small, they do pretty well. In the jump to medium scale, we lose a lot of businesses.

The biggest thing is running out of cash. Even successful businesses can have a down year. Even with a good business model, run out of cash and you're out of business. It happens all the time to people with good products. Banks can help finance things, but they are less willing to back start-ups. The interest rates are higher and availability is lower. And in that period where you are "pre-cashflow," competitors can maybe just lower their prices for a while and wait you out.

If there is a commitment from the business side to use the space, the Port does have the resources to construct a flexible-use building that could be publicly owned. My optimism says that we have other existing community assets that are underutilized that (the Port) could also leverage or invest in to achieve its goals, but I think it's unlikely that they will.

There needs to be more discussion at the Commission level about direction, involvement, and the resources we can commit. I'm curious to see how it can intertwine with what the college is doing. The numbers will be important. Making the best use of the resources we have. Thinking about the trade-offs. I think self-sufficiency is important. It would be hard to see something that isn't at least break even. That may take recruiting a key tenant that helps cover utilities and takes care of basic responsibilities. You can have land. You can build a building. But how are you going to pay on-going costs every month? Sharing with a tenant can help cover those operating costs.

I have the sense that the Port would not be able to manage (the project) long term.

The Port can build and own a facility. But the Port is not going to subsidize operations into perpetuity . . . maybe for a year. It has to be something that can be self-sufficient.

How is it going to be funded? Both the initial funds and operations into the future? Where is the funding going to come from for the first 10 years of operations?

A lot of times, the start-up funding is the easy part. The longer-term maintenance and operations tends to be the harder part. There needs to be an on-going effort. If you get 10 businesses in there and 5 of them fail, there need to more businesses ready to come in behind them (in the pipeline). That marketing effort needs to continue all the time.

Don't under-estimate the managerial component. It takes more time than anyone ever thinks it will.

The challenge is how to make (the facility) pencil out financially. They may have a dream, but it might not pencil out. Where do you make your money?

Over-scaling is a big risk factor . . . developing this too big vs. doing what's needed now. What if you install a bottling line that needs 4 brewers using it to be profitable and you only have 2? Stage your investments.

The misconception is: Build it and they will come. (Other projects have been) guilty of that. These studies are absolutely critical before you dive in, especially with questions about sustainability.

I have some hesitation around our economic trajectory . . . what the next year looks like for the state and national economy. It's probably a good time to do a lot of analysis and study before committing to anything.

I'm a skeptic when it comes to shared use facilities. Every business has different needs. You end up investing in equipment that doesn't get used to capacity. When you own a piece of equipment and there are shared users, you have training costs, there's a higher level of wear and tear . . . a higher level of misuse . . . and you have to have a higher budget for cleaning and maintenance.

Having worked with small business incubators my whole life, the incubator often becomes a subsidy for businesses that can't make it otherwise. The people using it will be people who are there because it's cheaper. Most of the people working in commercial kitchens . . . none of them are a success story with a business that now has 5 employees. It's the difference between them making \$15,000 a year and making \$30,000 a year because they didn't have to buy their own equipment. They will never grow. The people who are visionary – the real entrepreneurs – are never going to use this facility. They are going to figure it out on their own.

Not knowing what size and scale would be, the hub itself is not likely to be a major employer. There is someone to do the scheduling, janitorial staff, security, etc. The real opportunity for job creation and impact in the region is anything that helps existing local businesses scale up, even if those jobs are not at the Port.

What existing assets or potential partnerships are there?

The Small Business Development Center and the State of Oregon have great business developers. The Port has their own business development expertise. For any business to be successful, they need access to resources . . . and capital . . . loans and grants. If you want to attract new businesses, provide support: Business. Administrative. Financial.

(Entrepreneur 1, entrepreneur 2) and I get together. We work with some of the same stores. We have some of the same contact people. That's the missing piece. The networking and information sharing. There are a lot of producers selling to the same stores. It would be great if there was an opportunity for food entrepreneurs to get together . . . like what Gorge Grown has done with farmers. Help people to network. Help them to access resources. Gorge Grown and the Food Innovation Center put on a conference a few years ago and it was the most valuable thing that has happened in the Gorge for business owners. It was really good to hear other food entrepreneurs speak and be able to network.

Partner with the community college system. Portland Community College has a 9-week "Recipe to Market" program developed with support from Sarah Masoni at the Food Innovation Center.

The Small Business Development Center class on running a business is very helpful. Many food entrepreneurs are good with a product, but they don't know the business side of it. You don't really get how much time it will take. There's just no way you can do it one person on your own. It's way more work to run the business than it is to make the product. That's why there are a lot of husband and wife teams. One person is the maker and the other is the business manager.

The challenge is figuring out what direction the Port wants to go. We have some common interests. We do have some support resources that they would want access to provide to businesses there. But what it looks like and who it serves? Not entirely clear.

We could certainly partner so anybody that walks through their door knows what we do and how to access our services.

We haven't taken advantage of the Food Innovation Center, but it sounds like it would be super helpful. We having been trying to figure all that out on our own. Product development. Packaging. Shelf life. Nutritional labels. We weren't fully aware of the services available and have never been there. But we're ready to consult with them now. We're thinking about growth and going beyond the confines of the space we have now. When you are starting, all that stuff comes at you randomly. We need shelf life? Ok, we'll figure that out. Whole Foods wants a recall plan? OK, we'll look at the internet. A lot of us just deal with things one thing at a time.

We could certainly partner if there were technical courses we could provide there. It would be a great way to marry two non-competing ideas. Ports don't do training, but if they have a facility, we could offer training there.

You do need to focus on connecting with potential partners. There are other private businesses considering aggregation. You want to avoid duplication.

There are a lot of businesses trying to connect with markets that are supportive of local goods. Really make it cost effective and easier to expand and access those markets. Connect with existing local food and value-added distribution businesses. Leverage the existing distribution in the area. Engage them in the project. Make it easier for existing distributors to pick up and distribute locally made goods both in the Gorge and the Metro area.

Talk to Azure standard. They have a lot of this stuff figured out already and a big distribution center in the Port of Morrow.

Are you connected with people at the Port of Morrow? Get to know them. They have some massive food processing going on there . . . and they are running out of space. They are doing R&D on products and don't have the co-pack space. Be sure to include them in your discovery and research.

Have the conversation early with entrepreneurs. Do lots of surveys and listening sessions. We could help you organize meetings and bring folks in . . . for the discovery and for marketing (to potential users) later.

We could serve as a promotional partner. We would certainly leverage our contacts to make sure people are aware of and utilize the resources. If there was cold storage or a distribution center, we could partner in writing grants for that or maybe even help staff it in some way.

What are the unanswered questions?

What will bring value to the local area? Create an economic stimulus? Offer job potential?
What will reduce environmental impact, increase efficiency, and increase the value of products coming off of agricultural lands?

People have a lot of respect for the Port, but who are they going to partner with for finance and business development? Who is going to help support anyone going through the program? And provide marketing expertise? Who is going to be there to help ensure people have a better than average chance of succeeding?

What would be the best business model? Is it operated by a producer association? By the Port? Is it a group of businesses?

I want to understand the model and how it works. The types of ways people might use the facility. How it works financially. How long people do stay and use it? Do they outgrow it? Do we have to kick them out? Who drives the schedule? And the marketing. How is it advertised? How are new people attracted? Who's responsible for delivering the educational components?

Cost is a real barrier for users. So what is the cost to a person coming through the door? Are we thinking about this like a subsidy or an angel investment?

That co-op that tried to form had a lot of interest initially. Hundreds of people. Then it dwindled and dwindled as we thought about the money. We needed coolers. We need this and that. I don't know where the money comes from. Who writes the grant? Who pays for it? We couldn't wait (for that group to figure it out) and ended up just investing in (our own business) instead.

Could we leverage wheat grower dollars? Some groups have commodity check-offs and could buy-in. For example, if we pursued malted barley, could state or county associations buy into it as a new opportunity for their members?

We have been hearing hints of things in the farm bill. If we're going to do a facility here, is there also loan potential?

How do you know you're successful? How do you know these businesses are leaving better off than they were?

Could we extend to think about investing in portable processing equipment for use on farm? For example, a press for canola oil?

Is there anything else to know?

Land-use is tough in Oregon. A number of facilities have had to relocate because of land use restrictions. For example, on EFU (Exclusive Farm Use) land, farmers can only process their own product. They can't bring in product from other farms.

One of the hardest pieces for us is having employees. Training is intensive with production . . . and it's hard to stop production to train. We've had good luck with retention, but when one good person leaves, it's very challenging.

There is a huge need for consultation services about equipment. For people scaling up, they need help evaluating equipment needs, buying equipment, and setting up and operating the equipment. People putting in equipment don't know anything about codes for commercial equipment. Very few people in the Gorge know about commercial codes. It was very hard to find an electrician who could work with 3-phase equipment. It would be great to have tours of facilities to see equipment in place. It would be great to have tours to visit equipment suppliers.

It would be cool to do a Gorge tour for buyers. Inviting some of the big grocers . . . like New Seasons or Whole Foods . . . those grocers we are all trying to work with . . . inviting them out and having a food tour. There are a lot of vendors here. There's incredible regional beauty. It's really cool. All of us have interesting back stories. There are interesting locations to visit. Plenty of farms.

The influence of Google is intriguing. Can you lure hip businesses to provide amenity value for people working at Google? I don't have a sense of how many people the Google facility employs. We could try to find out how many people that work there actually live in The Dalles.

(A facility at the Port of The Dalles) could sit right on the pathway. Look at what Google and LinCare have done . . . maybe partner with them. Take advantage of having work and residential right there on the river. There could be families with kids walking right by. You could have some kind of interactive learning program on that trail right there. The Blue Zones project might have some involvement to support learning and education. Google has the coolest water station outside their facility . . . and a bike repair stand. Give the local community an avenue for involvement.

Will it always be a food product? Maybe we should think about (processing of agricultural products) beyond human food products.

About 1/3 of the population here is Latino. Latino families came here years ago to pick fruit and they've stayed. But I don't know a single fruit-picker that has become an orchardist. There are not many Latino business owners. I'd like to think we can do something about that.

INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT is made and entered into by and between the COLUMBIA GORGE COMMUNITY COLLEGE, an Oregon community college, hereinafter referred to as "College", and PORT OF THE DALLES, a special district of the State of Oregon, hereinafter referred to as "Port", and together referred to herein as "Parties", regarding a partial bridge financing loan to facilitate development and construction of a skills center and housing complex project (hereinafter, "Project") to be located on the College's campus at The Dalles (which is within the Port's district) to help meet the needs of work force training and technical education. The Project will specifically enhance education and training in welding, construction and other trades, including electrical and electrician training. These skill sets are needed in the local work force to further improve the economy and economic development within the Port's district. The overall funding of the Project will be financed by College through general obligation bonds and by matching grant from the State of Oregon. The initial partial bridge financing contemplated by this agreement will be used by College to make bond payments and provide interim expense money incurred in the Project, until such time that College is receiving tuition/program money relating to the Project, the enterprise zone payment contributions from City of The Dalles and Wasco County, or money/income from other sources. These latter identified income sources will be used in part, to pay the debt obligations owed by College to Port as provided for in this agreement and in the loan document and promissory note contemplated herein. The Port has authorized a financing package for College of either (1) a loan of 1.5 million dollars at 4% per annum interest to be paid in full with interest not later than four years from loan date, or (2) a loan of 1.5 million dollars at 3.5% per annum interest to be paid in full with interest not later

than three years from loan date. The Port will budget the funds to make the loan to College in its 2019-2020 fiscal budget year. College shall choose only one of the two above referenced options of possible loan package terms being offered by Port not later than April 1, 2019. Thereafter the anticipated loan agreement and promissory note documents will be executed by the Parties incorporating those chosen specific terms. Those chosen terms will be the final terms (incorporated after the fact) of this intergovernmental agreement, providing for loan financing between these governmental entity Parties, for the mutual benefit of both Parties. Revenue to College from the general obligation bonds, tuition/program money received, and enterprise zone payments from City of The Dalles and Wasco County received, and other sources of income and assets is pledged by College to Port and will be used to pay off the partial bridge loan from Port to College in accordance with the loan terms above referenced.

WHEREAS, the Port started a regional internship program, Gorgeworks, to meet the needs of businesses who are looking for a skilled workforce and the College and Port are already entity “partners” in this endeavor and the Project will help facilitate this training; and

WHEREAS, the Port and the College already work closely to meet the needs of existing Port businesses and in the recruitment of new businesses by offering customized training (i.e., wind tech program, electronics, computer controlled equipment and now by virtue of the Project, electricians and other skilled trades); and

WHEREAS, manufacturing and trades are the foundational businesses of the Port's district within the City of The Dalles and County of Wasco and have allowed our region to weather economic downturns. It is important that we are able to train workers and keep our businesses health; and

WHEREAS, by having housing available for students, College is diversifying the economy and creating an educational trade sector. Students will travel to The Dalles for the education bringing outside money to the community for the general economic development of the community, including within the Port's district thereby meeting an important Port goal; and

WHEREAS, College is initiating a 7.6 million dollar bond obligation to match the State of Oregon's 7.3 million dollar contribution by grant to construct the Project and make it ready to operate; and

WHEREAS, Wasco County and City of The Dalles have committed to dedicate future enterprise zone payments to this Project in the amount of 3.5 million dollars; and

WHEREAS, ORS 190.420 provides that any power or powers, privileges, or authority exercised or capable of exercise by a public agency in the State of Oregon may be exercised jointly with any public agency in the state to the extent the laws permit such joint exercise or enjoyment, and that public agencies in Oregon may enter into agreements with one another for joint or cooperative action. The Project fulfills and enhances the mission of both College and Port. The authority of each is empowered through this intergovernmental agreement. The College's authority to construct and operation educational buildings and student housing and to operate them is within its statutory authority. The Port's authority under the following statutes are: ORS 777.065, ORS 777.105, ORS 777.112, ORS 777.113, ORS 777.210, ORS 777.230, ORS 777.240, ORS 777.250, ORS 777.258, ORS 777.271, ORS 777.273 enable the Port entering into this intergovernmental agreement and taking the actions herein described; and

WHEREAS, the College and Port concur that it is important for the development of the industrial capacity within the Port district and to its community constituents that the Project be

developed, constructed and operated at the College's campus within The Dalles, and that the Project, among other things, will lead to significantly improving community based infrastructure. It will improve, if not meet the jointly identified need for locally trained and available industrial workers including electricians. The completed Project facilities will be used, in part to accommodate that training and matriculation. The Port's constituency includes developers and contractors in need of hiring trained workers to construct and develop industrial and commercial improvements within Port's district, leading to economic growth and jobs creation in the community, both a crucial element of the mission of the Port; and

WHEREAS, the College and the Port agree that College is obtaining the bridge funding from Port in the form of a loan as herein provided, which will provide at least a share of the bridge financing for Project; and

WHEREAS, the College pledges to utilize its sources of income including tuition/program money, enterprise zone payment contributions from the City and County, bond funding and general fund monies and other assets if needed to retire the College debt to Port of the loan contemplated by this intergovernmental agreement and College's repayment will be made in full with interest in accordance with loan terms;

NOW, THEREFORE, it is mutually agreed by both parties that:

Section 1. Port will loan the sum of \$1,500,000.00 to College to assist with the bridge financing for the benefit of the Project above referenced. The Port has authorized a financing package for College of either: (1) a loan of 1.5 million dollars at 4% per annum interest to be paid in full with interest not later than four years from loan date; or (2) a loan of 1.5 million dollars at 3.5% per annum interest to be paid in full with interest not later than three years from the loan date.

College shall choose only one of the two sets of terms of the loan package being offered above not later than April 1, 2019, and thereafter the anticipated loan agreement and promissory note documents will incorporate those respective chosen terms. This bridge loan financing provided by the Port to College will provide initial funds for the purpose of developing and constructing the Project on The Dalles campus of the College. The Port will make loan funds available to be provided to College within the month of July, 2019.

Section 2. The College will use the sources of tuition/program money, enterprise zone payment contributions from City of The Dalles and Wasco County, general obligation bond proceeds. Proceeds from the grant from the State of Oregon, if allowed, as well as other general funds and other assets available to it to pay off the bridge loan to the Port. The College pledges its full faith and credit to pay off this loan to the Port as agreed and as an important priority matter to the College and as part of this Intergovernmental Agreement.

Section 3. The College will commit new sources of income, if any, to pay off the loan from Port to College for the Project, in addition to the sources of revenue and income identified in Section 2 above along with general funds and other assets of the College to assure timely and full payment of the loan to the Port as herein contemplated and agreed.

Section 4. With the exception of the above "Section 1" terms, which will be later chosen as provided in this intergovernmental agreement, the original loan agreement document and original promissory note, copies of which are marked Exhibit A and Exhibit B respectively, attached hereto and incorporated herein by reference, will be executed by the Parties in substantially the same form the exhibit copies attached, with the specific "Section 1" terms as later chosen, filled in where appropriate, which execution by the Parties shall occur at or near the time the loan funds are

provided to College by Port.

Section 5. The term of this agreement will be until such time the College has paid back the \$1,500,000.00 with accrued interest and fees, if any, which should be paid, no later than a maturity date which will be provided in the anticipated loan agreement and promissory note documents referenced in Section 1 of this Agreement. However, the agreement will not be considered terminated or expired beyond the maturity date above referenced if the loan has not been paid back in full, principal and accrued interest, and fees, if any. If the loan has been paid earlier than the identified maturity date, then the term of agreement expires. There will be no penalty for early payoff of the loan, should College pay off the loan, including principal and all accrued interest, and fees, if any, to Port earlier than the stated and agreed maturity date set forth in the loan agreement and promissory note documents.

IN WITNESS WHEREOF the parties have caused this instrument to be signed by their duly authorized representatives as of this _____ day of March, 2019.

COLUMBIA GORGE COMMUNITY COLLEGE PORT OF THE DALLES

By _____
Dr. Marta Yera Cronin, President

By _____
Greg Weast, President

Attest: _____
Lee Fairchild
CGCC Board of Education Chair

By _____
Robert Wallace, Secretary

Attest: _____
Andrea Klaas, Executive Director

Approved as to form:

Approved as to form:

College Attorney

William G. Dick II, Port Attorney

PORT OF THE DALLES AGENDA ITEM COVER SHEET

Meeting Date: March 13, 2019

Subject: G-4.) Reports of Committees

a) Chamber of Commerce – Griffith:

b) Dufur – Wallace:

c) Wasco EDC – Ursprung:

d) Urban Renewal – Coburn:

e) COT – Weast/Klaas: