

WILLAMETTE FALLS LOCKS AUTHORITY

Authority Meeting
April 24, 2024 – 2:00-3:30 PM
Meeting Minutes

Authority Board Members Present:

Russ Axelrod [*Geologist, former West Linn Mayor*]
Mary Baumgardner [*President, West Linn City Council*]
Sandy Carter [*Advocates for Willamette Falls Heritage*]
Robert Kentta [*Confederated Tribes of Siletz*]
Christine Lewis [*Metro Council*]
Mini Sharma Ogle [*PGE*]

Excused Absences:

Denyse McGriff [*Mayor, Oregon City*]
Chris Mercier [*Vice Chair, Confederated Tribes of Grande Ronde*]
David Penilton [*Clackamas County Tourism/MERC Commission*]
Unexcused Absences
Tootie Smith [*Chair, Clackamas County Board of Commissioners*]

Legislative ex officio members present:

Rep. James Hieb [*House District 51*]
Will Worth for Rep. Jules Walters [*House District 37*]

Staff:

Reed Wagner [*WFLA Executive Director*]
Georgia Langer [*Metro*]

Others Present:

Keith Hobson [*Keith Hobson Consulting*]
Martha Pellegrino
Ramona Perrault [*Metro*]
Doug Riggs [*City of West Linn*]
Lt. Robert Powell [*retired Coast Guard/member of the public*]
McKenzie Worthington [*SD 19 – Pres. Wagner*]
Bob and Donna Hansen
Rick Jacobson

1. Welcome, Agenda Overview, Accounting Update and Minutes Approval

1a. Agenda Overview. Chair Christine Lewis called the meeting to order and noted that a quorum was not yet present for voting, so meeting minutes approval was slightly delayed.

1b. Accounting and Treasurer's Update Officer Keith Hobson recapped the subcommittee's work session that took place two weeks ago. Hobson also discussed the budget committee notice which was publicized via newspapers and the WFLA website. Copies of the proposed budget were distributed. The full Board will be asked to approve the budget at the June meeting. Russ Axelrod asked if the cost of an audit is part of the proposed 2024-25 budget. There was discussion (to be continued under section 2a below) of the \$25,000 quote, which Axelrod suggested is too high. Chair Lewis said the Board is working to negotiate the price down.

Executive Director Reed Wagner reported that most of the costs in the current fiscal year are contract fees for legal and financial services. A member of the public, Lt. Robert Powell, asked how much has been spent to date. Wagner responded that it is less than \$125,000 in overall expenses.

ACTIONS:

(1) Mary Baumgardner nominated Denyse McGriff as budget committee chair, seconded by Chair Christine Lewis. Assuming Denyse agrees to serve (she was unable to be present today), the budget subcommittee unanimously approved her nomination.

(2) Mary Baumgardner made a motion to approve the fiscal year 2024-25 budget, seconded by Chair Lewis. The subcommittee unanimously approved the proposed budget, noting the full Board can make adjustments as needed.

1c. March Minutes Approval. With the presence of six Board members, a quorum was established for review of the March meeting minutes. Reed reported that Secretary Sandy Carter had sent out a revision with no substantive changes. Russ Axelrod had questions about section 2e, Multi-Year Budget Outlook, which Sandy reported she had already clarified in her version of the minutes. There was agreement to postpone approval of the March meeting minutes until the Board meets again in May. Sandy said her edited version will be sent out before May for prior review.

1d. Total Year to Date: Budget to Actuals, and Approval of Treasurer's Report. Actual expenditures were \$110,193 for the current fiscal year vs. a total budget of \$220,000; spending has been lower than projected. There were no questions.

ACTION: Mini Sharma Ogle moved to approve the treasurer's report. Seconded by Mary Baumgardner and approved unanimously.

2. Director's Report: Business Item Updates

2a. First Draft of 2024-25 Budget. Reed Wagner reported. At the last meeting, the Board requested a more current estimate of the cost of improvements since KPFF reported to the Commission in 2018. KPFF has told Reed it would cost about \$6,900 for them to update their estimate to 2026 numbers. Reed asked the Board what it wants to do.

Rather than spending that money now, Russ Axelrod suggested talking to the Corps about the percentage increases they've seen in their engineering budget and use that information to escalate the 2018 estimate. Chair Lewis asked Rep. Hieb how exact the number needs to be for purposes of the long legislative session. He said a more accurate figure would be desirable, but he can inform legislators the Authority will use a ballpark figure to be updated later.

There was discussion of whether to pay KPFF now to update their estimate when construction won't happen for two more years, and whether more than one estimate is needed. Several Board members said they were comfortable with calculating an escalated cost based on the 2018 quote. If the cost is underestimated, it could shortchange the ask, Mary and Sandy cautioned.

The 2018 report uses data from a 2010 inspection, which will be 16 years old by the time construction begins, Reed said. There were suggestions to reach out to the Corps, PGE and ODOT for information. Rep. Hieb said adjusting the KPFF quote for inflation might be sufficient for legislative purposes. The Board will decide at its next meeting whether to pay KPFF \$5,000-\$7,000 to update its estimate.

2b. Auditing Proposal. Chair Lewis asked if Board members had any questions about the 2024-25 budget. Discussion focused on the \$25,000 line item for an audit of the WFLA account, which has about 10-15 transactions per month. Only one bidder responded to the RFP. The financial directors of Oregon City and West Linn have both told Reed auditing is expensive now due to a shortage of auditors. Reed suggested that there should probably be an audit if they are asking for federal and state funding next year, adding that the options are to accept this bid or make a counter-proposal.

Keith Hobson said there are two basic questions: Do you accept the budget with that line item in it, and do you accept the proposal? Russ Axelrod said he was comfortable approving the 2024-25 budget with a \$25,000 line item for auditing, knowing the Board will negotiate. Keith shared that Marion County hasn't sent a check recently but made a one-time contribution in 2022, which wasn't reflected in the 2022-23 budget but appears in the 2023-24 budget. Reed noted that they might be willing to contribute again if asked. Reed noted that it's time to develop a fundraising plan that includes current partners and state and federal sources.

2c. Financial Policies and Procedures Manual. Keith Hobson reported. The Board has expressed interest in speeding up approval and adoption of policies covered in individual chapters. They

approved Chapters 1, 4 and 5 in February and adopted chapters 1 and 4 in the March meeting. Chapter 5 was scheduled for adoption today. Chapters 3 and 6 were scheduled for review today and adoption at the next Board meeting.

Keith asked the Board for its comments on Chapters 3 and 6, to be followed by adoption of Chapter 5. There was discussion of whether to require dual signatures on checks. Keith stated that email approval could be used instead, or fiscal control could happen before checks are written. The Board considered a policy of being alerted if the amount exceeds the limit of the contract or exceeds a set amount. Keith said he could easily edit the manual to reflect the Board's decisions on this.

Christine Lewis wondered whether the banking section should include procedures to protect funds from phishing and invoicing scams, perhaps in a separate section under banking fraud protection. Keith said he will add bullets to the procedures section in Chapter 3 addressing this.

Regarding Chapter 5, Russ Axelrod suggested using uniform language saying that alcohol use will "not be reimbursed" throughout the document; Christine agreed. Sandy pointed out a grammatical error on the first page of chapter 5: "Authority's" should be possessive, not plural.

ACTION: Russ Axelrod made a motion, seconded by Robert Kentta, that Chapter 5 be adopted with these two minor changes. The motion passed unanimously.

As of today, the Board has adopted Chapters 1, 4 and 5. At the next meeting, the Board will be asked to adopt Chapters 3 and 6. It was noted the Board is only adopting the policies in these chapters, with procedures to be refined later.

2d. Update on Site Visit. Mini Sharma Ogle reported. No dates have been established yet, but it will probably be late May, according to Chair Lewis. A PGE staff person has been assigned to work with Reed and the Corps and on setting up the tour.

3. Wrap Up and Adjourn

A member of the public, retired Lieutenant Robert Powell, submitted written comments for the record at the close of today's meeting.

The next WFLA Board meeting will be May 22 at the Community Room of the Oregon City Public Library.