

# WILLAMETTE FALLS LOCKS AUTHORITY

Authority Meeting  
February 28, 2024 – 2:00-3:30 PM  
Meeting Minutes  
(Minutes: Pat Vivian and Sandy Carter)

## **Authority Board Members Present:**

Russ Axelrod [*Geologist, former West Linn Mayor*]  
Mary Baumgardner [*President, West Linn City Council*]  
Sandy Carter [*Willamette Falls Heritage Foundation*]  
Robert Kentta [*Confederated Tribes of Siletz*]  
Christine Lewis [*Metro Council*]  
Denyse McGriff [*Mayor, Oregon City*]  
Chris Mercier [*Vice Chair, Confederated Tribes of Grand Ronde*]  
Mini Sharma Ogle [*PGE*]  
David Penilton [*Clackamas County Tourism*]  
Tootie Smith [*Chair, Clackamas County Board of Commissioners*]

## Legislative ex officio members:

Rep. James Hieb [*House District 51*]  
Rep. Jules Walters

## Staff:

Reed Wagner [*WFLA Executive Director*]  
Keith Hobson [*Marina and Co*]  
Georgia Langer [*Metro*]

## **Others Present:**

Martha Pellegrino [*Confederated Tribes of the Grand Ronde*]  
Doug Riggs [*City of West Linn*]  
Tracy Schwartz and Laura Hicks [*USACE*]

## **1. Welcome, Agenda Review, Accounting Update and Minutes Approval**

1a. Welcome, Agenda Review. Chair Christine Lewis called the meeting to order and reviewed the agenda. A quorum was present. The meeting minutes from the January 2024 Board meeting were unanimously approved, including listing Russ Axelrod as a geologist and former Mayor of West Linn.

1b. Accounting and Treasurer's Report. Executive Director Reed Wagner reported that Treasurer Denyse McGriff would prefer to see reports in a single form that budget to actuals for the total budget year. There was no objection to consolidating these two forms so the request should be implemented, Chair Christine Lewis said.

The Board isn't spending as much as expected, Reed reported. The business plan will show incoming revenues in multiple years, which can be used to establish a budget for the coming year based on revenues promised to the Authority to cover its operating costs. Reed and Christine will work together on a business plan and Denyse will be involved as it relates to the budget.

Reed called for volunteers to form a budget committee and prepare a budget proposal. Christine added that this process is required by state law. There was discussion of who might serve on the committee, which will meet twice a month starting in March or April. Christine Lewis, Mary Baumgardner, Denyse McGriff and Rep. James Hieb offered to serve.

Chair Tootie Smith made a motion to accept the treasurer's report as presented in today's meeting packet. Mary Baumgardner seconded the motion, which passed unanimously.

## **2. Director's Report**

2a. Audit. The RFP for the audit contract closes today, with at least one submission received, Reed reported. The audit will cover 2022-2023 and be done in fall 2024. Proposals for a full audit will be reviewed by March 15. The audit will be shared with state partners. Denyse offered to review it and Tootie noted there will probably be findings.

2b. Budget Calendar. Reed will publish a calendar of budget committee meetings, which will be held in June with the budget approved before July 1, 2024. Keith Hobson pointed out that one of the budget committee meetings must be open to the public. Public input could be included at the end of a regular meeting, Christine said.

She asked how the WFLA budget calendar aligns with other public corporations. Reed discussed the Oregon State Fair, The Port of Portland and OHSU; he said that some of these boards start its budget process as early as September-October of the previous calendar year, Reed said. Their board members, who are not elected, in some cases also serve on the budget committee. Budgeting is one area where there are inconsistent provisions in the statute that created the Authority, Reed noted. This needs to be addressed by the Legislature in the next session.

2c. Financial Policy and Procedures Manual. Keith Hobson gave a presentation on the draft financial policies included in today's meeting packet and welcomed feedback. Each chapter can be independently reviewed and its policies implemented before the total financial policies is

complete. He proposed a two-step process, with each chapter presented and approved at consecutive WFLA Board meetings.

Today he covered Chapters 1, 4 and 5 to be approved at the March Board meeting. These chapters cover financial policies only; implementation details are in the manual itself.

- *Chapter 1* gives an overview of the manual and doesn't need to be adopted.
- *Chapter 4* covers the legal requirements of procurement, including the Executive Director's role and authority. Procurement details are covered in the manual itself.
- *Chapter 5* gives key provisions for delegation of authority. Its purpose is to ensure that expenditures are appropriate and to avoid misuse of funds, theft or fraud. The most problematic areas tend to be travel expenses and non-travel meals.

Chapter 4 designates an executive committee of the Board to review contracts, Christine said. She wants to maintain that process unless there are concerns about delegating authority. Keith said delegation is consistent with common practice and is meant to take pressure off the Board.

It's important to have a policy regarding meals, Tootie said. Clackamas County has a policy of no alcohol while traveling. The use of P-cards should be limited. The main problem with P-cards is failure to collect documentation for expenses, Keith said.

Tootie also asked who signs paychecks. The possibility of having multiple people sign checks will be discussed over the next few months.

Christine noted that travel expenses will probably be limited to Reed's membership in professional organizations such as the Pacific NW Waterways Association. In future, Board members might need to travel to Washington D.C. for lobbying purposes.

There's a \$2,500 limit per transaction while in travel status, or \$10,000 per month, but the Board could raise it, Keith noted. The policies need to include purchases like a Zoom subscription and software such as QuickBooks.

2d. Procurement Manual Update. Keith and legal counsel have reviewed this and provided a red-line version. Keith said his edits are mainly clerical, but there are four areas with substantive changes:

- In *Section 1.3*, he proposed a change from the whole board to an executive committee. He suggested the red-line changes be stricken and the language kept as is.

- A *small procurement exemption* allows a noncompetitive process for contracts of less than \$10,000, which is consistent with public contract code. That exemption was recently increased to \$25,000, so Keith suggested increasing it in the manual as well.
- In *Section 5.2* regarding non-architectural and procurement contracts, the Board is electing to follow procurement rules. Stating that it's an election keeps the option open for the Board to follow its own rules in future.
- *Section 6.3* gives specific rules on how qualification works. Agencies are expected to select without considering price in the first review. Keith modified this section according to those rules as a safeguard against unethical contractor behavior.

Russ requested that a footer or header with the date of this version be included in the revisions. He wanted assurance that environmental contracts are covered under Engineering and Design; Reed said they are usually considered part of design or engineering.

Robert Kentta said the contracting language should address whether activities are exempt from SHPO review. We need to engage SHPO in crafting language about maintenance and improvements; references should be made in the text to ensure this isn't overlooked. Reed will cross-reference these policies when he updates the document.

Sandy Carter questioned the language about policy and practices at the top of page 5 under Section 1.5 that says, "Discovery of this contracting process could result in liability." That came from existing rules regarding who has the authority to sign contracts, Keith said.

2e. Website Review and Discussion. Georgia Langer introduced the new website she has designed for the Authority, incorporating the logo from the Willamette Falls Locks Commission site hosted by Oregon Solutions. The new website ([willamettefallslocks.org](http://willamettefallslocks.org)) provides materials for past meetings, historical photos, a timeline, future plans and a list of partnering agencies in the Locks restoration effort.

Christine asked Board members to review the draft website and send their comments to Reed, copying all Board members.

Georgia announced that the contract to complete the historic property management manual is out for bid and will be open until March 10. Tracy Schwartz was present today to answer questions. She said the contractor will be hired by April. The scope of work is posted online at [sam.gov](http://sam.gov). On Monday Tracy sent Board members an email to schedule a biennial check-in meeting, which will be held sometime in early to mid-April.

### **3. Decisions**

3a. Budget Calendar. Russ Axelrod made a motion to approve the 2024-25 proposed budget calendar as presented. The motion was seconded by Denyse McGriff and passed unanimously.

3b. Procurement Manual Update. Russ made a motion to approve Resolution 24-02 to update the Willamette Falls Locks Authority procurement manual as presented. The motion was seconded by Chair Tootie Smith and passed unanimously.

### **4. Wrap Up and Adjourn**

The next WFLA Board meeting will be March 27. Because that's during spring break, the meeting will be set up for virtual attendance for those who are traveling.

A legislative tour of the Locks will be scheduled soon. Reed will coordinate with Mini Sharma Ogle, PGE.