



PORT OF HOOD RIVER COMMISSION
MEETING AGENDA
Tuesday, June 18, 2019
Marina Center Boardroom

5:00 PM Regular Session

1. Call to Order
 - a. Modifications, Additions to Agenda
 2. Public Comment (5 minutes per person per subject; 30-minute limit)
 3. Recognition of Retirement of Rob Arnold (*John Mann, Michael McElwee*)
 4. Recognition of Retirement of Commissioner Brian Shortt (*Hoby Streich, Michael McElwee*)
 5. Consent Agenda
 - a. Approve Minutes of June 4, 2019 Regular Session (*Maria Diaz – Page 3*)
 - b. Approve Amendment No. 2 to Contract with HRT Security Services (*Michael McElwee – Page 7*)
 - c. Approve Amendment No. 2 to Contract with Stafford Bandlow Engineering for Bridge Lift Span Engineering Services (*Michael McElwee – Page 11*)
 - d. Approve Amendment No. 2 to Master Services Agreement with HDR Engineering for Bridge Engineering Services (*Michael McElwee – Page 15*)
 - e. Approve Amendment No. 4 to Lease with Wy'East Labs in the Timber Incubator Building (*Anne Medenbach – Page 19*)
 6. Reports, Presentations and Discussion Items
 - a. Connect VI Project Report (*Anne Medenbach – Page 23*)
 - b. Lease Rate Methodology and Lease Template Review (*Anne Medenbach – Page 25*)
 - c. Bridge Replacement Project Update (*Kevin Greenwood – Page 49*)
 7. Director's Report (*Michael McElwee – Page 57*)
 8. Commissioner, Committee Reports
 9. Action Items
 - a. Approve Resolution No. 2018-19-3 Adopting the Approved Budget for Fiscal Year 2019-2020 (*Fred Kowell – Page 75*)
 - b. Approve Resolutions No. 2018-19-4 Approving the Budget Transfer for Fiscal Year 2018-2019 (*Fred Kowell – Page 79*)
 - c. Approve New Lease Policy, Including Lease Rate Methodology and Lease Template (*Anne Medenbach – Page 85*)
 - d. Approve Amendment No. 1 to Task Order 5 with Century West Engineering for Services Related to the ConnectOregon VI Project Not to Exceed \$83,555.41 (*Anne Medenbach – Page 87*)
 10. Commission Call
-
11. Executive Session under ORS 192.660(2)(e) Real estate negotiations and ORS 192.660(2)(h) Consultation with legal counsel regarding current litigation or litigation likely to be filed and ORS 192.660(2)(i) To review and evaluate the employment-related performance of the chief executive officer.
 12. Possible Action
 13. Adjourn

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

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

*Port of Hood River Commission
 Meeting Minutes of June 4, 2019 Work Session and Regular Session
 Marina Center Boardroom
 5:02 p.m.*

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

**5:02 P.M.
 Regular Session**

Present: Commissioners John Everitt, Brian Shortt, Ben Sheppard, David Meriwether; Legal Counsel Mike Fitzsimmons; from staff, Michael McElwee, Fred Kowell, Kevin Greenwood, Genevieve Scholl, Anne Medenbach, Daryl Stafford, and Maria Diaz.

Absent: Hoby Streich

Media: Emily Fitzgerald

1. CALL TO ORDER: Vice President Brian Short called the regular session to order at 5:02 p.m.

a. Modification, Addition to Agenda:

1. Add FORTH Presentation to Discussion Items
2. Move Executive Director Review Process to the last Discussion Item

2. Open Public Hearing on Approved Budget for Fiscal Year 2019-2020

3. PUBLIC COMMENT:

a. None

4. CONSENT AGENDA:

- a. Approve Minutes of May 21, 2019 Regular Session
- b. Approve Land Use Agreement with Columbia Area Transit for Bus Shelter at the Barman Property
- c. Approve Accounts Payable to Jaques Sharp in the Amount of \$9,108.00

Motion: Move to Approve Consent Agenda

Move: Meriwether

Second: Sheppard

Discussion: None

Vote: Unanimous

5. REPORTS, PRESENTATIONS AND DISCUSSION ITEMS:

a. Kelly Yearick, Program Manager for FORTH presented via phone their proposal for an EV car sharing and charging station plan for Hood River. Yearick briefly reported about FORTH mission and achievements, she then continued with an overview of her report. Yearick informed this Clean Rural Shared Electric Mobility Project is to demonstrate, test, and refine a model for successful Electric Vehicle car sharing in rural communities and counties. Yearick noted the Project envisions five EVs stationed within the City of Hood River and seeking Port consideration of commitment for a single- or double-parking spaces on Port’s property for the duration of the project or 3 years.

b. Financial Report- Financial Director Fred Kowell presented the Financials for the Ten Months ended April 30, 2019. Kowell noted a drop to the Bridge traffic and Revenue from previous years. He noted June, July and August to be key months to see if the elasticity of the toll increase will have more of a permanent impact. Kowell moved on to Expenditures to Budget and noted no changes to Personnel Services and actuals to be at 83% through the budget year. Kowell reported that that Material and Services is in line with the budget with just a couple of exceptions; two industrial properties and Marina Office having higher utilities cost, he noted favorable variance in regards to revenues and Marina Park is experiencing higher than budget maintenance over the winter. Kowell informed a budget transfer will be needed at year end to compensate for this variance. Kowell noted General Fund running slightly higher. Kowell moved on to Revenue and noted Bridged Revenue is 7% lower than previous year due to bridge traffic. He noted leases for industrial properties and commercial properties are in line with Budget and Marina and Airport slightly above budget. Kowell reported the Operating Revenues budget at \$7,307,500 with \$5,062,366 in total Operating Expenses, leaving \$2,245,134 in Operating income. Kowell also reported \$761,381 in

Total Other Resources and noted Capital Projects and Debt Services totaled \$4,063,899 leaving a negative Net Cashflow of \$1,057,384 through the ten months. Kowell noted that the takeaway is that the budget will come close to even or slightly negative for the year end Cashflow.

c. Lease Market Rate Study and Tenant Impact Report- Anne Medenbach presented the completed Market Rate Study and implications of the proposed Lease Rates. Medenbach first demonstrated the current cost of the Base Rent and Additional Rent vs Proposed Base Rent and Proposed Additional Rent for Port Buildings along with the % increase for Proposed Base Rate for each property. Medenbach secondly reported the Market Base Rate Study and noted Propose Base Rent increase is still under Market Rate across all Port properties. There was general discussion in regards to the difference on Market Rate and Proposed Base Rate increase. Medenbach requested Commission input to determine strategy in regards to Leases. Medenbach noted she will come to next meeting seeking for approval for the Lease Strategy, individual tenants rates, and recommended strategy for each tenant. Lastly Medenbach presented with draft Lease template and noted that Legal Counsel has reviewed and final Lease Template will be presented at a future meeting.

d. Bridge Replacement Project Update- Kevin Greenwood, Project Director, provided a bridge replacement project update for the period of May 23-31, 2019. Greenwood first noted discussion during Port staff meeting in regards to internship opportunities as part of the Port's Community Service Initiative and informed he would be putting together a job description for an intern that would work on putting together a comprehensive history of the Bridge. He noted the goal is to have this comprehensive history report serve as background document for NEPA. Greenwood presented WSP invoice noting that WSP will increase level of detail reported on invoice moving forward. General discussion on WSP invoice and task changes. Greenwood noted he would be doing a Rotary Presentation on June 6, 2019 and invited Commissioners to attend. Greenwood informed lobbying contracts will be looked into and bring report to meeting in July.

e. Executive Director Annual Review- Commissioner Shortt, speaking on behalf of the Personnel Committee, highlighted the current Executive Director Performance Review form was over 12 years old and noted a revised form has been developed. Shortt highlighted the job description that was included in the original 2006 recruitment flyer (included in the packet) is a well thought out and could be incorporated into the updated form. McElwee noted he will be forwarding his updated self-evaluation form to general counsel for direct distribution to each Commissioner for completion. McElwee informed completed evaluations should be returned to counsel and will be presented on July 18, 2019 during Executive Session.

6. Director's Report: Michael McElwee noted new Commissioner Kristy Chapman will be sworn in July. He noted Kevin Greenwood will be presenting at Rotary. McElwee noted he will be out of the office in June. He informed Senator Merkley Town Hall on June 15, 2019 at Wy'East Middle School at 3pm. McElwee explained the progress with the Marina electrical issues. He noted all boathouse inspections have been completed by Gorge Electric and GFI breakers have been installed for all boathouses. McElwee pointed Port staff has been working with Columbia Area Transit to discuss roles and responsibilities for the bus stop at the Barman property site. McElwee noted that the County Museum's irrigation system is broken, and lawn is in bad shape and due to Hood River County budget cuts, possible funding to fix irrigation will not be in order. McElwee seeking Commission input for repair of irrigation system. Commission has general consensus to authorize staff to fix the irrigation system and for 1 year no charge for water service. McElwee noted bid documents for the Connect IV project are nearly completed. However, the permit from the USACE may not be in hand until the end of the year, bringing significant challenges due to grant requirements for completion of this project. McElwee sought Commission direction on the July meeting schedule; consensus that the meeting be on July 9, 2019.

7. COMMISSIONER, COMMITTEE REPORTS:

a. Anne Medenbach reported update for the Connect IV progress and the new Lease Strategy was discussed during the Airport Advisory meeting.

8. ACTION ITEMS:

a. Approve Amendment No. 2 to Contract with Jack Lerner Computer Support Not to Exceed \$35,000

Motion: Approve Amendment No. 2 to Contract with Jack Lerner Computer Support Not to Exceed \$35,000
 Move: Meriwether
 Second: Everitt
 Discussion: None
 Vote: Unanimous

b. Approve Lease with Cloud Cap Technology at the Wasco Building

Motion: Approve Lease with Cloud Cap Technology Inc. at the Wasco Building.
 Move: Sheppard
 Second: Meriwether
 Discussion: Subject to legal-council to tie to Market on first renewal option.
 Vote: Unanimous

c. Approve Intent to Award and Contract for Big 7 Building Reroof Project Barring No Protests

Motion: Approve Intent to Award and Contract for Big 7 Building Reroof Project
 Discussion: Anne Medenbach informed Commission no bids available to present to commission.
 Vote: No action taken.

d. Appoint Port of Hood River Commission representative to Bridge Replacement EIS Working Group

Motion: Appoint Port of Hood River Commission representative to Bridge Replacement EIS Working Group
 Discussion: General discussion to wait for all commissioners to be present during future meeting to give Commissioners choice for representation.
 Vote: No action taken

9. Budget Recommendation from Staff and Budget Hearing for Adopted Budget FY 2019-20- Fred Kowell requested addition of four items to the Approved Budget before adoption. These amounts are below the 10% of the appropriation level of the Approved budget.

- Increase seasonal maintenance budget by \$30, 000 following Budget Committee discussion with Maintenance Department and other Port stakeholders
- Add \$65,000 to CIP for a generator that will be backup for the Port Office and Shop when there is an electrical outage.
- Increase CIP for Lower Mill by \$136,000 for the road project
- Increase professional services Administration by \$18,000 for programming on credit card migration to integrate into Breezeby and Office financial system

Consensus by Commissioners to add all four items to the Approved Budget

10. COMMISSION CALL: None.

11. EXECUTIVE SESSION: President Streich recessed Regular Session at 7:20 p.m. to call the Commission into Executive Session under ORS 192.660(2)(e) Real Estate Negotiations, ORS 192.660(2)(h) Consultation with legal counsel regarding current litigation or litigation likely to be filed.

12. POSSIBLE ACTION: None.

13. ADJOURN: 7:20 p.m.

- Motion:** Motion to adjourn the meeting.
- Move:** Sheppard
- Second:** Meriwether
- Discussion:** None
- Vote:** Unanimous

MOTION CARRIED

The meeting was adjourned at 7:20 p.m.

Respectfully submitted,

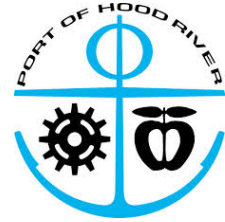
Maria Diaz

ATTEST:

Brian Shortt, Vice President, Port Commission

John Everitt, Secretary, Port Commission

Commission Memo



Prepared by: Michael McElwee
Date: June 18, 2019
Re: HRT Security Contract Amendment No. 2

At the October 16, 2018 meeting, the Commission approved a three-month contract with HRT Security Services (“HRT”) to provide surveillance, monitoring, and enforcement services during overnight hours at six locations on the waterfront. The short-term contract was intended allow staff to determine whether this service is appropriate and can be successfully implemented.

Staff determined that HRT provided a valuable service and had improved safety and property protection for the Port’s public assets. At the February 5, 2019 meeting, the Commission approved Amendment No. 1 to continue HRT’s services through June 30, 2019.

Staff now recommends extending HRT’s services through June 30, 2020 at the monthly cost of \$2,100 or a total annual cost of \$25,200. This amount is included in the FY 19/20 Approved Budget.

RECOMMENDATION: Authorize Amendment No. 2 to Personal Services Contract with HRT Security Services not to exceed \$25,200.

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**AMENDMENT NO. 2
TO PERSONAL SERVICES CONTRACT**

This Amendment No. 2 to the Personal Services Contract ("Contract") is entered into this **day of June 2019** by and between HRT Security Patrol Services dba Hood River Security ("Contractor") and the Port of Hood River ("Port"), an Oregon Special District.

RECITALS:

WHEREAS, Contractor and Port entered into a Contract dated October 16, 2018 for security patrol services on a portion of the Port's waterfront properties ("Project"); and

WHEREAS, Port and Contractor executed Amendment No. 1 on February 5, 2019 extending the contract period through June 30, 2019; and

WHEREAS, Port seeks to continue HRT's patrol services through **June 30, 2020**.

NOW THEREFORE, Port and Contractor agree to increase the contract amount by **\$27,300** and extend the time frame for completion of work until June 30, 2020.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be duly executed the day and year first above written.

HRT Security Patrol Services
dba/ Hood River Security

Port of Hood River

Kenton Chandler
Owner

Michael S. McElwee
Executive Director

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Commission Memo

Prepared by: Michael McElwee
Date: June 18, 2019
Re: Hood River Bridge Lift Span - SBE



On January 23, 2018 the Commission authorized a contract with Stafford Bandlow Engineering ("SBE") for the engineering of the upgrade to the Bridge skew system and replacement of the span drive motors. On December 18, 2018 the Commission authorized Amendment No. 1 to the SBE contract in the amount of \$35,000 for additional work required to complete the plans and specifications.

The original contract anticipated that a contract amendment would be executed to cover engineering services during and after project installation. These services included shop drawing review, bench testing and on-site commissioning including skew calibration, and preparation of the as-built drawings and O&M Manual. Installation and field testing took place over several days and required multiple trips to the job site from SBE offices in Pennsylvania.

The attached contract amendment would cover all the engineering services provided and represent the final cost of the project.

RECOMMENDATION: Authorize Amendment No. 2 to contract with Stafford Bandlow Engineering for Bridge Lift Span Engineering Services not to exceed \$37,734.42.

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**AMENDMENT NO. 2
TO PERSONAL SERVICES CONTRACT**

This is Amendment No. 2 to the Personal Services Contract ("Contract") entered into on January 29, 2018 by and between Stafford Bandlow Engineering ("Contractor") and the Port of Hood River ("Port"), an Oregon Special District.

RECITALS:

WHEREAS, Contractor and Port executed Contract to design and engineer a new skew system and motors for the Hood River Interstate Bridge lift span, ("Project"); and

WHEREAS, the Contract anticipated an amendment to cover engineering services during project construction including shop drawing review, bench testing and on-site commissioning including skew calibration, and preparation of the as-built drawings and O&M Manual; and

WHEREAS, all terms of the Contract will remain in effect, except as amended hereby;

NOW, THEREFORE, Port and Contractor agree to increase the maximum consideration of the contact to , \$182,734.42 an increase of \$37,734.42.

IN WITNESS WHEREOF, the parties hereto have caused Amendment No. 1 to be duly executed.

DATED: June 18, 2019

Stafford Bandlow Engineering

Port of Hood River

Paul Bandlow, P.E., President

Michael S. McElwee, Executive Director

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Commission Memo

Prepared by: Michael McElwee
Date: June 18, 2019
Re: Bridge Master Engineering Contract



On June 16, 2015, the Commission approved a master personal services agreement (“MPSA”) with HDR Engineering (“HDR”) to carry out various known and as-needed engineering tasks related to the Hood River–White Salmon Interstate Bridge. On June 27, 2017, the Commission approved Amendment No. 1 to the MPSA extending the agreement through June 30, 2019.

HDR has provided satisfactory engineering services under the current MPSA through various task orders which are separately authorized by the Commission. Staff seeks Commission approval to extend the MPSA for an additional two years; through June 30, 2021.

RECOMMENDATION: Authorize Amendment No. 2 to the contract with HDR Engineering, Inc. for bridge engineering services.

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AMENDMENT NO. 2 TO PERSONAL SERVICES MASTER SERVICE AGREEMENT

WHEREAS:

Port of Hood River and HDR Engineering, Inc. entered into a Personal Services Master Service Agreement dated June 17, 2015 ("Agreement") and amended on July 21, 2017.

The parties desire to amend the Agreement in order to extend the original term of the Agreement for an additional two years, and inclusive of previous amendment changes;

NOW, THEREFORE, the parties do hereby agree:

The Agreement and the terms and conditions therein shall remain unchanged other than the sections listed below.

Section 3 shall be replaced with the following:

TERM OF AGREEMENT: The term of this Agreement shall begin on the date this contract is fully executed and shall terminate on June 30, 2021 or when the Services have been completely performed to the Port's satisfaction, whichever first occurs, or otherwise by mutual written agreement of the parties or by the exercise of the termination provisions specified herein.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year written below:

Port of Hood River

HDR Engineering, Inc.

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

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Commission Memo

Prepared by: Anne Medenbach
Date: June 18, 2019
Re: Wy'East Labs Lease Amendment No. 4



Wy'East Laboratories has been a tenant in the Timber Incubator building since 2013. They are a good tenant and current in their rent payments. They are in the middle of designing and building a new facility and need up to two more years on their current lease.

Staff has negotiated an increase in lease rate to market with an agreement to install two ceiling fans. This follows the new Lease Policy regarding ensuring Port revenue targets are met. This Amendment does not follow our lease policy in that the new lease will not be in the new lease format. Therefore, the Additional Rent structure will remain the same.

RECOMMENDATION: Approve Lease Amendment No. 4 with Wy'East Laboratories Inc. at the Timber Incubator building.

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ADDENDUM NO. 4 TO LEASE

Whereas, the Port of Hood River ("Lessor") and Wy'East Laboratories, Inc. ("Lessee") entered a lease of 5,000 square feet at 3875 Heron Drive, Suite 100 and 200, Odell, Oregon, effective July 1, 2013 ("Lease"); and,

Whereas, Lessee Addendum number 2 extended the lease through June 30, 2018; and

Whereas, Lessee Addendum number 3, extended the lease through June 30, 2019, and

Whereas, Lessee is in the process of constructing a building and would like two more years in which to do so; and

Whereas, Lessor agrees to install up to two ceiling fans in the leased premises; and

Therefore, Lessor and Lessee agree as follows:

1. The Lease term shall be renewed and the Lease shall remain in effect through June 30, 2020.
2. The lease rate shall increase to \$0.65 per square foot per year, effective as of July 1, 2019 through June 30, 2021.

Except as modified by Addendum No.1, Addendum No. 2, Addendum No. 3 and this Addendum No. 4 to Lease, all terms and conditions of the Lease shall remain in full force and effect.

DATED THIS _____ DAY OF _____ 2019.

By: _____
Michael S. McElwee, Port of Hood River, Executive Director

By: _____
Jeannette Kreft-Logsdon, President, Wy'East Laboratories, Inc.

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Commission Memo



Prepared by: Anne Medenbach
Date: June 18, 2019
Re: Connect VI Project Update

Staff provided the last Connect VI project update to the Commission on May 21, 2019. Commission direction at that time was to bid the project as soon as USACE permits were secured and to split the project to do all but paving this year. The paving would then be bid with the FAA paving job in 2020. The Commission requested an update on the progress at tonight's meeting.

Per the ODOT grant agreement, staff's understanding at the time was that the project needed to be complete in five years or three years from a bond sale. As there had been no communication about a bond sale occurring, it was assumed that the project had until 2021 to complete. On May 29, ODOT informed staff that a bond sale had occurred on April 5, 2017. This means that the Port has three years from that date to complete the project, or April 5, 2020. Staff confirmed that:

- The Port should have all work completed by April 5. It doesn't have to be invoiced or sent to ODOT for reimbursement by that date, just completed by the Contractor.
- If the work runs over the April 5 date and is anticipated to over run more than 90 days, an additional change order request will need to be made.
- ODOT must have 85% of all of the project work complete by that April 5, date. There is an allowance for 15% to go beyond that.

USACE has not yet completed their EA review but is focused on doing so by the first part of July. During their review, they will be asking the Port for information and potentially more studies. Staff has provided everything they have requested to date, and so far, USACE maintains their anticipated July timeline, however, staff may have an update to this by the 18th. Permits for DEQ and DSL portions of the wetlands are also moving forward with anticipated dates of July or August.

Century West is waiting for response from Pacific Power & Light to a request for information on the electrical system, expected in the next week. All other permits are anticipated to be in hand, including the DEQ 1200-C permit, in July. This means that if USACE permits are received or close to being received, the project could bid in July. However, timeframes for USACE are uncertain and permits could take much longer.

Based on this information, the Commission has some options regarding how to bid the project. Per the ODOT Connect VI Project Manager, as long as the Port is making a concerted effort to complete the work within the timeframe, they will likely approve the Change Order Request for an extended date, reimbursing for the project expenses per the grant, noting

that the Port should move forward with a Change Order request as soon as possible to get approval for the revised timeframe.

The options for a bidding timeframe are as follows:

1. Bid all but the paving as soon as permits are in hand or ensured. Bid paving in February 2020 with the FAA project.
2. Wait to bid the entire project with the FAA project in February.
3. Bid the entire project as soon as permits are in hand. Give contractor until June 30, 2020 to complete all work.
4. Cancel project, return grant monies, pay approximately \$300,000 in project costs incurred to date.

Staff has prepared the table below to summarize the pros and cons of each option.

Option	Pros	Cons
1.	<ul style="list-style-type: none"> - A significant amount of work could be completed during the winter. (65%) by April 5 deadline. - Progress would be made per the grant obligations. - Good pricing for gap season project. - Combine paving with FAA project to reduce cost 	<ul style="list-style-type: none"> - Project split with two different contractors. One does <u>grading</u>, one does paving, leaves lots of room for conflict. - Adds uncertainty due to FAA grant cycle - Potential weather issues - Adds complexity with FAA bid
2.	<ul style="list-style-type: none"> - The work would get done with the FAA with no weather risks. - Good pricing for project based on quantity. - Easy bid and management process with one contractor. 	<ul style="list-style-type: none"> - Late and run the real chance of not getting it done until Oct. - May not get COVI approval for the change order as can show now work until next year.
3.	<ul style="list-style-type: none"> - A significant amount of work could be completed during the winter (65%), by April 5 deadline. - Progress would be made per the grant obligations. - Good pricing for gap season project. - Would likely be approved by ODOT - Early paving likely to be done on time. - Jet A available for 2020 season. - No Contractor conflict 	<ul style="list-style-type: none"> - Higher pricing as late year bid. But may be good pricing as contractors get annual docket filled early. - Potential weather issues.
4.	<ul style="list-style-type: none"> - No risk of project timelines being missed - Port saves \$300,000, County saves \$200,000 - Frees up Staff time 	<ul style="list-style-type: none"> - Work doesn't get done - Missed opportunity to complete 30-year project - ODOT likely will not give another grant - No Jet A or development on North side - Port would be out \$300,000 in design/engineering work.

Staff recommends moving forward with Option 3. This pushes the project schedule as much as possible, shows progress, keeps the project under Port and ODOT control with no outside entity influences (FAA), keeps one contractor through the project and is the cleanest way to bid. Proposing this general approach to ODOT through a Change Order will allow the Port certainty of approval before bidding.

If the Board approves this direction, staff will submit the Change Order request to ODOT this week with a project completion date of June 30, 2020.

RECOMMENDATION: Discussion

Commission Memo



Prepared by: Anne Medenbach
Date: June 18, 2019
Re: Lease Rate Methodology & Lease
Template Review

On June 4, 2019, the Commission reviewed the draft Lease Template and an overview of current lease rates and additional rent. Also presented was a market rate analysis with a comparison to existing Port building lease rates.

Staff has since evaluated each tenant lease and provides the affected documents for Commission review:

- Tenant Impact Analysis; detailing the proposed changes to each tenant.
- Transition Timeframe; noting lease renewal options and final expirations.
- Final Lease Policy including the Lease template and Rate Methodology.

Staff seeks Commission direction specifically regarding the proposed Rate Methodology, which outlines the process for determining appropriate rates for buildings and tenants.

Approval of the Lease policy is an action item on this meeting's agenda. If the Policy is approved, implementation will begin with letters and face-to-face meetings with each tenant.

RECOMMENDATION: Discussion.

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Lease Transition Timeframe

	SF	Current Term expiration						Final Lease expiration						
		Q 3/4 19	Q 1/2 20	Q 3/4 20	Q 1/2 21	Q 3/4 21	Q 1/2 22	Q 3/4 22	Q 1/2 23	Q 3/4/23	Q 1/2 24	Q 3/4 24	Q 1/2 25	Q 3/4 29
Big 7														
Electronics Assemblers	20031											20031		
Gorge Net	4031									4031				
Gorge Net	917	917												
Big y fly	4074				4074									
Real Carbon	3800	3800												
Soniq Aerospace	2841											2841		
Jensen														
Tofurky	29795	29795												
RBS Batten	10934			10934										
ServePro	5940				5940									
Northwave	2042					2042								
Rob Arnold	451													
HRD	38474											38424		
Pfriem	19846												19847	
Cloud Cap	14857	14857												
Timber Inc.														
Wyeast	5000	5000												
Oregon Brine	2500		2500											
Chief Consulting	2500			2500										
Marina Park														
Chamber	2627						2627							
Hearts of Gold	1400	1400												
CRA	482							482						
Aletta Wilson	313										313			
Cookie Gilpatrick	197						197							
DMV														
DMV	1200	1200												
Walden B	523			523										
Walden C	181			181										
Total Square footage	174956	56969		16638		14880		482		4344		61296		19847
% of Square footage		33%		10%		9%		0.3%		2%		35%		11%
														100%

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Port of Hood River
2019 Lease Policy

The Lease Policy is intended to provide a basis for decisions regarding the Leasing and management of Port owned buildings. Through consistent application, the Port can better meet both business targets and public policy goals as they pertain to Port assets. While the Policy provides a framework, the Port maintains its flexibility to negotiate each deal individually depending on the unique aspects of each deal.

Goals

1. Seek to recover all operating costs as defined in the Lease.
2. Seek to create a reserve account which can cover depreciation as well as future Capital Improvements.
3. Strive to achieve a minimum 4% annual return on cost.
4. Endeavor to fully implement the Policy by 2024 consistent with current Lease expirations.
5. Consider implementing a lease structure for incubating new businesses that will eventually “graduate” to the proposed Lease Template.

Lease Template

For future lease negotiations, staff shall utilize the Lease Template (Attachment ‘A’). Although each lease or renewal will be negotiated individually, all negotiations shall take place within the framework of the Lease Template and shall seek to achieve the terms outlined below:

1. Recovery of Operating Costs
 - a. Clearly define Port and tenant maintenance obligations.
 - b. Clearly define square footage allocations using a load factor.
 - c. Ensure that reconciliations fit current financial process.
 - d. Strive to include all non-reimbursables in the Base rate.
 - e. Include all existing and consider potential operating costs.
2. Recovery of Depreciation
 - a. Ensure that capital improvement replacement responsibilities are clearly outlined.
 - b. Strive for a reserve amount that is sufficient to cover Port capital improvements within 3-year timeframe.
 - c. Create a separate reserve account for all leased buildings (aggregate).

- d. Analyze large capital improvements on a cost/benefits basis and ability to recoup costs through rate escalations.
3. Achieve 4% return on all costs, excluding capital
 - a. Strive to include all costs are accounted for in initial rate set.
 - b. Base 4% profit on Gross rents and maintain it through annual CPI base rent adjustments
 - c. Strive to have rates that are consistent with market comparables.
 4. Update standard clauses regularly to allow for longevity of the Lease document.
 - a. Ensure insurance coverages are adequate and flexible.
 - b. Strive to have standard lease clauses conform with industry standards.
 - c. The standard lease term will be 5 years with up to 5 years of renewal options.
 - d. At each renewal, an in-house market rate comparison shall be conducted to ensure rates are consistent with the Market. If required by the tenant a third party study will be carried out with no less than 3 comparable properties supporting the rate.

Staff shall consider utilization of the Lease Template attached as Exhibit 'A'.

Lease Negotiations

Staff shall take the following steps in negotiating new leases:

1. Expiring Leases.
 - a. Provide tenant with new Lease Template prior to lease expiration.
 - b. Implement new rates immediately for tenants experiencing a less than 10% total annual increase, including CPI.
 - c. Rates for those with over a 10%, including CPI, increase will be phased in based on tenant needs and staff recommendations.
2. New Leases
 - a. The new lease will be fully implemented for new tenants and/or new buildings.
3. Missed Lease Renewal Notification Periods
 - a. If one renewal option exists when notification period is missed, Tenant will be allowed to continue under the existing lease until such time as that lease expires. When that lease expires, tenant will go directly to full implementation of the new Lease with no rate phasing.
 - b. If more than one renewal option exists, then at the time of expiration, the Tenant will sign a new lease with the Port. The first term will equal the existing renewal option length and rate total. Any additional renewal terms will be at

the new lease rate. Or the Tenant can choose to not include additional renewal terms.

4. Staff shall consider utilization of the Lease Rate Methodology attached as **Exhibit 'B'**.

Exhibits:

- A. Lease Template
- B. Lease Rate Methodology

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**Exhibit A
LEASE**

THIS LEASE is entered into at Hood River, Oregon by and between **PORT OF HOOD RIVER**, an Oregon municipal corporation, hereinafter referred to as "Lessor," and _____, an Oregon _____ [sole proprietorship; partnership; corporation; limited liability company], hereinafter referred to as "Lessee."

- 1. Leased Premises Description.** In consideration of the covenants of the parties, Lessor Leases to Lessee approximately _____ square feet of space in Lessor's building commonly known as the _____ Building ("Building") located at _____, Oregon ("Leased Premises"). The Leased Premises are identified in the attached "Exhibit A."

Building Name:
Building Address:
Lessee Suite/Description:
Leased Premises SF:

- 2. Term.** The Lease shall be binding when both parties sign the Lease. The Lease Term shall be for the period effective on _____ and continuing through _____. If not in default under the Lease, and if Lessee pays Lessor all Rent Lessee owes or may be responsible to pay under the Lease, Lessee has the option to extend the Lease for _____ extension term(s) of _____ year(s) each, through _____, provided Lessee gives Lessor written notice of Lessee's intent to renew the Lease for the additional term while the Lease is in effect. To be effective, Lessee's notice to renew must be received by Lessor no later than 90 days prior to the Lease termination date.

Effective Date:
Lease Expiration Date:
Renewal Options:
Renewal Notice Requirement:

- 3. Allowed Use.** Lessee shall use the Leased Premises for _____. The Leased Premises shall not be used for any other purposes without the written consent of Lessor, which may be granted or denied in Lessor's discretion.
- 4. Rentable Area Load Factor.** Each Building tenant, including Lessee, is responsible to pay for their share of Building Operating Expenses related to Building Common Areas; include interior Building space which is not available for lease to a third party and that is shared by Building tenants and shall include, but is not limited to: entry areas, hallways, stairwells, mechanical, IT, electrical and janitorial closets, shared restrooms and elevators. As shown in Exhibit AA "Load Factor" is calculated to determine Building tenant payments for Building Common Area Operating Expenses.

Load Factor Formula: The total Building square footage is _____ SF. The Building Common Area square footage is _____ SF. The total Building square footage divided by the total Building square footage minus the Building Common Area square footage equals the Load Factor %. The (Building Name) Load Factor is _____%.

Rentable Area square footage is the Leased Premises square footage (___SF) plus the Load Factor area square footage (_____SF). The Rentable Area square footage will be used to calculate Rent.

5. Rent

The rents Lessee owes Lessor shall be and consist of Base Rent (“Base Rent”), plus Additional Rent (“Additional Rent”). For purposes of this Lease, Base Rent and Additional Rent are referred to collectively as “Rent”.

5.1 Base Rent. Beginning on the Effective Date, Base Rent shown below, and shall be payable in equal monthly installments in advance on the first day of each and every calendar month during the Term of this Lease, except to the extent otherwise specifically provided elsewhere in this Lease. However, if the Lease does not begin on the first day of a month, rental for the first month shall be prorated to reflect the actual number of days in that month that the Lease is in effect and shall be payable immediately.

<u>Suite #</u>	<u>Rentable Area Square Footage</u>	<u>Rate per s.f. per month</u>	<u>Monthly Base Rent</u>

5.1.1 Renewal Term Base Rent. At the start of every renewal term, the Base Rental rate shall be set at the Market rental rate for Comparable Premises in the City of Hood River. No less than 2 comparable property rates shall be required to support the rate.

5.1.2 Consumer Price Index (CPI). Starting on the first anniversary of the Effective Date, and occurring annually thereafter, including any extensions of this Lease, Base Rent will be adjusted by adding to the monthly base rental amount payable during the previous 12-month period a percentage increase equal to the previous twelve months base rent amount times the percentage change in the Consumer Price Index for the Western Region Class BK, or a similar U.S. Government inflation index selected by Lessor (CPI) for the most recent 12-month period for which a published CPI is available. However, in no event will the annual increase be less than 1 percent or more than 5 percent.

5.2 Additional Rent. Additional Rent shall be all other sums of money that shall become due from and payable by Lessee to Lessor under this Lease, including without limitations, Operating Expenses as defined in Section 5.3.1 and Taxes and Assessments as defined in Section 5.3.2.

5.3 Additional Rent Calculation.

<u>Rentable Area (Square Footage)</u>	<u>Estimated rate per s.f. per month</u>	<u>Monthly Estimated Additional Rent</u>

5.3.1 Operating Expenses. Operating Expenses shall include all costs for the operation, repair and maintenance of the Building, Building Common Areas and Building Exterior Areas whether designated for a particular Building tenant or which benefit some or all Building tenants. Operating expenses may include but are not limited to:

5.3.1.1 All costs and expenses incurred by Lessor in maintaining and repairing the Building, the Building Common Areas and Building Exterior Areas, including but not limited to:

5.3.1.1.1 General Building Exterior Areas maintenance and repairs of paved areas including; resurfacing, painting, restriping, cleaning, sidewalks, curbs, snow removal, storm systems, drainage systems and sweeping;

5.3.1.1.2 Maintenance and repair of landscaping including plantings, irrigation and sprinkler systems, general landscaping maintenance;

5.3.1.1.3 Services for Building Common Areas such as janitorial, fire suppression, security and door locking system, elevator and HVAC maintenance;

5.3.1.1.4 General maintenance and repair of Building systems including plumbing, lighting and fixtures, siding and trim, flooring, HVAC, Roof and fixtures and garbage service.

5.3.1.1.5 Property management and administration fees required to enable the building to be tenanted and maintained.

5.3.1.2 All costs and expenses incurred by Lessor for utility usage and that is not separately metered and payable by Lessee or another Building tenant, including but not limited to: electricity, gas, water, telecommunications and internet provided in suite, as well as Building Exterior Areas, and Building Common Areas.

5.3.1.3 Operating Expenses shall not include (a) Lessor's capital expenditures, determined pursuant to Generally Accepted Accounting Principles as interpreted by Lessor, consistently applied, made in connection with Property or any equipment therein or thereon, except for those (i) required to comply with laws enacted after the date of this Lease, or (ii) made for the primary purpose of reducing Operating Expenses (b) attorneys' fees incurred in enforcing the terms of any lease; (c) any amount paid to an entity or individual affiliated with or otherwise related to Landlord which exceeds the amount which would be paid for similar goods or services on an arms-length basis between unrelated parties; (d) any cost of selling, exchanging or refinancing the Building or common areas and any tax increase caused by a revaluation of the Premises by virtue of a sale by Landlord; (e) Landlord's general administrative and corporate overhead not directly attributable to management or operation of the Building, and (f) costs for services normally provided by a property manager where the operating costs already include a management fee.

5.3.2 Taxes and Assessments. Lessee shall pay its proportionate share of all current assessments, real estate taxes, other taxes, fees and other charges levied or imposed by any governmental body against the Leased Premises, the Building, Common Areas and Building Exterior Areas and the property on which those sit, ,

whether or not now customary or within the contemplation of the parties. Payment of the taxes shall be made as an Additional Rent charge. Lessee's proportionate share of any taxes shall be based only on that portion of the taxes which is allocated to the Leased Premises including the load factor during the Lease Term. Lessee shall pay directly all taxes levied on or with respect to Lessee's personal property located on the Leased Premises.

5.3.3 Annual Adjustment/Reconciliations. Within a reasonable time following the end of each Lessor fiscal year ending June 30 ("Fiscal Year") during the Term, Lessor shall furnish to Lessee an itemized statement prepared by Lessor, setting forth Lessee's total Rent, including Additional Rent, for the preceding Fiscal Year, the estimated amount of Lessee's share of future Additional Rent for the upcoming Fiscal Year, and the Rent payments made by Lessee, including Additional Rent, during the prior Fiscal Year ("Itemized Statement"). Should Lessee's prior Fiscal Year Additional Rent payments exceed the actual Additional Rent owed, Lessor shall credit Lessee that over payment amount to apply to the next Fiscal Year Additional Rent amount. Should Lessee's prior Fiscal Year Additional Rent payments be less than actual Additional Rent owed, Lessee shall pay Lessor for such deficiency in a lump sum within thirty (30) days after receipt of the Itemized Statement.

The upcoming Fiscal Year Additional Rent payable by Lessee will be based on the preceding Fiscal Year actual expenses allocated to Lessee and any new or higher costs or expenses allocated to Lessee which Lessee will owe based on Lessor's forecast of the future Fiscal Year expenses, which shall be reflected in the Itemized Statement. The new monthly Additional Rent amount will be sent to Lessee by Lessor in the annual Itemized Statement. Lessor shall adjust the Additional Rent monthly payment amount beginning every July 1 of the Term, which Lessee shall pay monthly in advance on the first day of each month during the Fiscal Year. The updated Additional Rent payment payable by Lessee for July and any other month that begins after the Itemized Statement is sent by Lessor to Lessee shall be due within ten (10) days after the date Lessor sends the Itemized Statement to Lessee.

6. Building Common and Building Exterior Areas. Building Common Areas and Building Exterior Areas are provided by Lessor for the joint use or benefit of Building tenants, including Lessee, their employees, customers, suppliers and other invitees. Building Common Areas and Building Exterior Areas are identified in the attached "Exhibit B". Use of available Building Common Areas and Building Exterior Areas shall be subject to like, non-exclusive use on the part of other Building tenants. Lessee agrees that its usage of such Building Common Areas and Exterior Building Areas shall not interfere with or be inconsistent with the similar rights of other Building tenants. All Building Common Areas and Exterior Building Areas shall be subject to the exclusive control and management of Lessor. Lessor shall have the right from time to time to establish, modify and enforce equitable rules with respect to all Building Common Areas and Building Exterior Areas, which Lessee agrees to abide by. Lessee understands and agrees that other tenants may occupy the Building.

6.1 Building Exterior Areas include: public parking areas, access roads, driveways, entrances and exits, landscaped areas, and sidewalks, excepting those parking spaces that may be designated for use by particular Building tenants. As shown in Exhibit B

6.2 Building Common Areas include interior Building space which is not available for lease to a third party and that is shared by Building tenants and shall include, but is not limited to: entry areas, hallways, stairwells, mechanical, IT, electrical and janitorial closets, shared restrooms and elevators. As shown in Exhibit A

7. Parking. Lessee may park vehicles in Building Exterior Areas designated by Lessor for vehicle parking. [As part of this Lease Lessee may also park vehicles in _____ designated parking spaces located _____. Lessor shall have no obligation to monitor parking or enforce parking restrictions associated with Lessee’s designated parking spaces.]

8. Maintenance and Repair.

Any maintenance and Repair item that is not considered a Capital Expenditure is an Operating Expense as defined in section 5 of this Lease. Lessor Obligations are maintenance and repair items that will be carried out by the Lessor and paid as an Operating Expense by the Tenant through Additional Rent.

8.1 Lessor Obligations. Lessor shall maintain the Building except for tenant leased premises, which are the responsibility of Building tenants, and shall maintain the Building property including: (i) Building Exterior Areas (ii) Building (exclusive of the Premises), and (iii) any Building Common Areas, (including stairs, corridors, restrooms, exterior and interior windows, plumbing and electrical equipment serving the Building, roof and elevators), except for equipment specifically servicing the Premises (“Lessee’s Equipment”), in reasonably good order and condition except for damage occasioned by the act of the Lessee or Lessee’s invitees, which damage shall be repaired by Lessor at Lessee’s expense.

8.2 Lessee Obligations. Lessee shall at all times during the Term at Lessee’s sole cost and expense, keep the Premises in good order, condition and repair. This obligation shall include, without limitation, the obligation to maintain, repair as necessary: floor coverings, wall coverings and paint, casework, ceiling tiles, HVAC exclusively serving the Premises, Window coverings, light bulbs, ballasts and fixtures, locks and hardware and all tenant Improvements.

9. Insurance

9.1 Lessee Hold Harmless Agreement. Lessee agrees to indemnify and save Lessor, Lessor’s Port Commissioners, officers, employees and agents harmless from any claims by any persons, firms, or corporations arising from business conducted on the Leased Premises or from anything done by Lessee at the Leased Premises, and will further indemnify and save Lessor harmless from all claims arising as a result of any breach or default on the part of Lessee under the terms of this Lease, or arising from any willful or negligent act or omission of Lessee’s agents, contractors, employees, or licensees in or about the Leased Premises, and from all costs, counsel fees, and liabilities incurred in any action or proceeding brought thereon; and in case any action or proceeding is brought against Lessor by reason of any such claim, Lessee, upon notice from Lessor, covenants to resist and defend such action or proceeding by counsel.

9.2 Lessee Insurance. On or before the effective date of the Lease and thereafter during the Lease Term, Lessee shall maintain insurance and provide Lessor with current certificates of insurance, including an additional insured endorsement, ensuring coverage of:

(a). Commercial General Liability insurance covering the insured against claims arising out of Lessee's operations, assumed liabilities under this Lease and use of the Leased Premises. The combined single limit shall not be less than One Million Dollars (\$1,000,000) per occurrence with a Two Million Dollar (\$2,000,000) aggregate limit. Lessee agrees to keep the policy in effect for the duration of the Lease Term. The policy shall name Lessor as additional insured, and expressly include Lessor's Port Commissioners, officers, employees, and agents as additional named insured. The policies shall state that the coverage is primary and will not seek any contribution from any insurance or self-insurance carried by Lessor and shall contain a clause that the insurer will not cancel or change the insurance without first giving Lessor at least fourteen days prior written notice. The insurance shall be provided by an insurance company registered to do business in the State of Oregon, or by a company approved by Lessor.

(b). Property Damage insurance covering (a) all furniture, trade fixtures, equipment, merchandise and all other items of Lessee's property on the Leased Premises and all alterations and other improvements and additions to the Leased Premises whether owned or constructed by Lessee or Lessor pursuant to the Lease. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the guaranteed replacement costs new value without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies.

9.3 Building Damage or Destruction. Lessor shall maintain property insurance covering the Building, Exterior Building Areas and Building Common Areas providing protection against "all risk of physical loss". If the Leased Premises or Building are partially destroyed (more than 25%) by fire or other casualty, Lessor may decide to repair the Leased Premises or Building, or not, in Lessor's sole discretion. Lessor shall notify Lessee in writing of Lessor's intent regarding repair within 30 days after the date of the damage. If Lessor notifies Lessee that Lessor does not intend to repair the damage the Lease shall terminate effectively at the date of the damage. If Lessor notifies Lessee that Lessor intends to repair the damage the Lease shall continue and Lessor shall return the Leased Premises or Building to as good a condition as existed prior to the damage, in a prompt manner reasonable under the circumstances. If Lessee's use of the Leased Premises is disrupted during Lessor's repairs a reasonable portion of the Rent shall be abated during the disruption. In no event shall Lessor be required to repair or replace Lessee's property including Lessee's fixtures, furniture, floor coverings or equipment. In no event shall Lessee be entitled to recover damages from Lessor related to destruction of the Leased Premises or Building or related to repairs undertaken by Lessor.

10. Lessor Funded Tenant Improvements. The Tenant Improvement allowance is _____ per Square foot of Leased Premises. The Lessor/Lessee has agreed to make such improvements which are to be outlined in a future agreement that will become part of this Lease. If Lessee requests Lessor to make Leased Premises improvement changes that will increase the construction cost or improvement project soft costs beyond the Tenant Improvement

Allowance, and if Lessor in Lessor's discretion agrees to make changes, Lessor and Lessee will promptly execute a written agreement describing the changes and agree how the costs will be paid prior to such costs being incurred.

11. Tenant Alterations. Lessee shall not make any alterations, additions, or improvements ("Alterations") in, on or to the Leased Premises or any part thereof without the prior written consent of Lessor which Lessor may agree to, with or without conditions, or deny in Lessor's discretion after receiving a Lessee request to make Alterations Lessor will consider the following, among other issues: (i) the Alterations are nonstructural, do not impair the strength of the Building or any part thereof, and are not visible from the exterior of the Leased Premises; (ii) the Alterations do not affect the proper functioning of the Building heating, ventilation and air conditioning, mechanical, electrical, sanitary or other utilities, systems and services of the Building; (iii) Lessor shall have reviewed and approved the final plans and specifications for the Alterations; (iv) Lessee pays Lessor a fee for Lessor's indirect costs, field supervision or coordination in connection with the Alterations equal to five percent (5%) of the actual cost of such Alterations or such other sum as Lessor determines if Lessee agrees; (v) Materials used are consistent with existing materials in the Leased Premises and Building and comply with Lessor's Building standards; and (vi) before proceeding with any Alteration, which will cost more than \$10,000, Lessee obtains and delivers to Lessor a performance bond and a labor and materials payment bond for the benefit of Lessor, issued by a corporate surety licensed to do business in Oregon each in an amount equal to one hundred twenty five percent (125%) of the estimated cost of the Alterations and in form satisfactory to Lessor, or such other security as shall be satisfactory to Lessor.

12. Fixtures and Personal Property. Lessee shall not suffer or give cause for the filing of any lien against the Leased Premises or Building. Lessee shall promptly notify Lessor of, and shall defend, indemnify and save harmless, Lessor from and against any and all construction and other liens and encumbrances filed in connection with Alterations, or any other work, labor, services or materials done for or supplied to Lessee.

At the expiration or earlier termination of the Lease Term Lessee shall remove all furnishings, furniture, equipment, other personal property and trade fixtures from the Leased Premises in a way that does not cause damage to the Leased Premises. If Lessee fails to remove any personal property, this shall be an abandonment of such property, and Lessor may retain Lessee's abandoned property and all rights of Lessee with respect to it shall cease; provided however, that Lessor may give Lessee written notice within 30 days after the Lease expiration or termination date electing to hold Lessee to its obligation of removal. If Lessor elects to require Lessee to remove personal property and Lessee fails to promptly do so, Lessor may affect a removal and place the property in storage for Lessee's account. Lessee shall be liable to Lessor for the cost of removal, transportation to storage, storage, disposal, and other costs incurred by Lessor with regard to such personal property.

13. Condemnation. If more than twenty- five percent (25%) of the Leased Premises and/or Building shall be taken or appropriated under the power of eminent domain or conveyed in lieu thereof, Lessor shall have the right to terminate this Lease. If the Lease is terminated, Lessor shall receive all income, rent award or any interest thereon which may be paid or owed in connection with the exercise of such power of eminent domain or convey in lieu thereof, and Lessee shall have no claim against the agency exercising such power or receiving such conveyance, for any part of

such. If Lessor elects not to terminate the Lease, Lessor shall receive any and all income, rent award or any interest thereon paid or owed in connection with such taking, appropriation or condemnation.

14. Signs. Lessee shall not erect or install any signs, flags, lights or advertising media nor window or door lettering or placards visible from outside the Leased Premises or visible from the Building Common Areas or Exterior Common Areas without the prior written consent of Lessor, which Lessor may grant or deny in Lessor's discretion. Lessee agrees to maintain in good condition any signs or displays which are allowed.

15. Leased Premises Condition; Lessor Access. Lessee has inspected the Leased Premises and accepts them in AS IS condition. . Lessee shall return the Leased Premises to Landlord in good, broom clean condition, ordinary wear and tear condition at the termination of this Lease. Any cost to bring the Leased Premises back to acceptable condition shall be the sole responsibility of the Lessee.

Upon termination or expiration of this Lease, Lessor shall inspect the Leased Premises and shall either accept the condition AS IS, or require Lessee to remove personal property and/or repair the Leased Premises to a condition that is acceptable including reasonable wear and tear. Any cost to bring the Leased Premises back to acceptable condition shall be the sole responsibility of the Lessee.

Lessor shall have the right to enter upon the Leased Premises at all reasonable hours after 24 hours oral notice (without notice to protect public health and safety in an emergency) to inspect it or to make repairs, additions or Alterations to the Leased Premises or any property owned or controlled by Lessor. E-mail from Lessor to Lessee (or Lessee's on-site manager if any) may serve as notice of inspection of the Leased Premises. If Lessor deems any repairs reasonably required to be made by Lessee to be necessary, Lessor may give notice that Lessee shall make the same within 30 days (immediately in an emergency involving public health and safety), and if Lessee refuses or neglects to commence such repairs and complete the same in a timely manner, Lessor may make or cause such repairs to be made. If Lessor makes or causes such repairs to be made Lessee agrees that it will, within 30 days, pay to Lessor the cost thereof and pay Lessor's related costs.

Lessor shall provide up to 5 access keys to the Leased Premises or up to 5 access cards. Additional keys or lost keys may be purchased from Lessor for \$20 per key. Additional access cards may be purchased from Lessor for \$25 per card. If Lessor is managing a key system which requires issuance of a rekey Lessee shall be responsible for the cost associated with Lessor issuing a rekey.

16. Entire Agreement; Amendments. This Lease contains the entire agreement of the parties with respect to the Leased Premises. No prior agreement, statement, or promise made by any party to the other not contained herein shall be valid or binding. This Lease may not be modified, supplemented or amended in any manner except by written instrument signed by both parties.

17. Quiet Enjoyment. From the date the Lease commences Lessee will have the right to use the Leased Premises consistent with this Lease without hindrance or interruption by Lessor or any other persons claiming by, through or under Lessor, subject, however, to the terms and

conditions of this Lease. The foregoing notwithstanding, Lessee agrees that Lessor may make improvements to the Building and adjacent areas which may cause noise or otherwise temporarily disrupt Lessee's quiet enjoyment of the Leased Premises.

- 18. Waiver.** One or more waivers of any covenants or conditions by either party shall not be construed as a waiver of a subsequent breach of the same covenant or condition, and the consent or approval by Lessor to any act by Lessee requiring Lessor's consent or approval shall not be construed as consent or approval to any subsequent similar act by Lessee.
- 19. Assignment.** Lessee agrees not to assign or in any manner transfer this Lease or any estate or interest therein without the previous written consent of Lessor, and not to sublet the premises or part or parts thereof without like consent. Lessor will not unreasonably withhold its consent.
- 20. Default.** Time is of the essence of performance of all the requirements of this Lease. If any Rent or other sums payable by Lessee to Lessor shall be and remain unpaid for more than ten (10) days after the same are due and payable, or if Lessee shall fail to comply with any term or condition or fulfill any obligation of the Lease (other than the payment of Rent or other charges) within fourteen (14) days after written notice to Lessee specifying the nature of the default with reasonable particularity, or if Lessee shall declare bankruptcy or be insolvent according to law or if an assignment of Lessee's property shall be made for the benefit of creditors or if Lessee shall abandon the premises, then in any of said events Lessee shall be deemed in default hereunder. In the event of a default the Lease may be terminated at the option of Lessor. If the Lease is terminated, Lessee's liability to Lessor for rents and damages shall survive such termination and Lessor may re-enter, take possession of the premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Lessor under applicable law.
- 21. Holdover.** If Lessee does not vacate the Leased Premises when the Lease term expires, Lessor shall have the option to treat Lessee as a Lessee from month to month, subject to all the provisions of this Lease except the provisions for term and renewal, and at a rental rate equal to one hundred and fifty percent (150%) of the daily prorated amount of the Rent for the last period prior to the date of expiration. Lessor may choose to lower the rental rate and will notify Lessee of such choice in writing once Lessee is Holding over. Failure by Lessee to remove fixtures, furnishings, trade fixtures, or other personal property which Lessee is required to remove under this Lease shall constitute a failure to vacate to which this paragraph shall apply. If a month-to-month tenancy results from holdover by Lessee under this paragraph, the tenancy shall be terminable at the end of any monthly rental period on written notice from Lessor given to Lessee not less than 10 days prior to the termination date specified in Lessor's notice. Lessee waives any notice which would otherwise be required by this Lease or by law with respect to month-to-month tenancy.
- 22. Notices.** Whenever under this Lease a provision is made for notice of any kind, it shall be deemed sufficient if such notice to Lessee is in writing delivered personally to Lessee's registered agent if any, to the person signing the Lease, or to Lessee's on site manager if any who at the date of this Lease is _____, or sent by certified mail with postage prepaid to the address indicated on the signature page of this Lease; and if such notice is to Lessor, delivered personally to the Executive Director, 1000 E. Port Marina Drive, Hood River, OR 97031 or sent by

certified mail with postage prepaid to the address indicated on the signature page of this Lease. Notice shall be deemed given on the date of personal delivery or if mailed, two business days after the date of mailing.

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

24. Authority to Execute. The persons executing this Lease on behalf of Lessee and Lessor warrant that they have the authority to do so.

DATED this ____ day of _____, 20---

Lessee:		Lessor:	Port of Hood River
Signed:	_____	Signed:	_____
By:		By:	Michael McElwee
Its:		Its:	Executive Director
Address:		Address:	1000 E. Port Marina Drive Hood River, OR 97031
Email/phone:		Email/phone:	(541) 386-1645

Exhibit A
LEASED PREMISES

Exhibit B
COMMON AREAS

Exhibit B

Lease Rate Methodology

June 18, 2019

The Lease Rate Methodology is the component of the Lease Policy that outlines a lease rate selection method for current and future Port leases. While each lease is a negotiation, this methodology provides a frame work that is consistent between property assets.

1. Keep current with Market rates

- a. Port Staff will have up to date knowledge of and track market rates for each property type.
- b. Every 3 years or during or after market shifts, the Port will undertake a third-party market rate study to evaluate the current rates.

2. Evaluate Condition and Amenities

Port buildings will be evaluated regarding where they should be in the market i.e. above, below or level. The following factors will be evaluated in the analysis:

- a. Building Condition- based on standard appraisal methods, interior and exterior: Poor, Fair, Good, excellent
- b. Exterior Building Amenities- parking, landscaping, loading docks, bays or doors, building material and type
- c. Interior Amenities- ceiling height, elevator, windows, utility capacity and efficiency, HVAC type
- d. Use type- industrial vs office ratios, Warehouse vs production space (i.e. floor drains)

3. Rate Setting

Based on the evaluation of the above factors, each building will be given a rate that is reasonable in comparison with the market. That rate can go up or down depending on the space and its specific build out and negotiations with the tenant. Additional factors that will be considered in the rate shift are:

- a. Operating expenses- building with high operating expenses will either cap the operating expense OR reduce the base rental rate to compensate in order to keep the building within a reasonable market range.
- b. Large, scheduled improvements- if a large remodel is anticipated, then that should be reflected in the lease rate structure, i.e. utility efficiency which lowers operating costs, amenity improvement or condition improvement.



Hood River – White Salmon

BRIDGE REPLACEMENT PROJECT

Project Director Report

June 18, 2019

The following summarizes Bridge Replacement Project activities from June 1-13, 2019.

PROJECT SCOPE CHANGE LOG

Included in your packet is a Project Scope Change Log that WSP has developed to track scoping adjustments – both positive and negative – to the project. The Project Director and NEPA advisor then review the log before collaborating with WSP to find solutions that ensure accuracy and efficiency. There have been scope “savings” or reductions that have helped make up the difference when a higher priority need is identified. In March, for example, budget authority was moved from the engineering category to the permitting category to account for the Coast Guard’s requirement for a more robust Navigation Impact survey. The following items will be taken into account when a Cost to Complete is developed this summer:

- Extra requested meetings by ODOT/FHWA
- Increased technical report review periods
- Addition of Baseline Scan Report requested by ODOT for Sec. 106 work
- Additional engineering concepts for EC-1 and EC-3
- Additional meetings with CRGNSA staff

The good news is that the most recent detail schedule shows that we’re still on track for an end of 2020 Record of Decision.

FINAL ENVIRONMENTAL IMPACT STATEMENT (FEIS) PROGRESS

What follows is a brief summary of EIS progress, a more detailed report is attached.

- Six of 11 private property owners on the Washington side have submitted approvals for WSP survey teams to access property. No denials were received. Project Director will continue to reach out to non-respondents. Surveys include site reconnaissance and periodic shovel testing.
- Steering Committee met in person for first time, fostering deeper collaboration. Anticipate quarterly follow ups.
- Supplemental Draft EIS outline expected this week.
- Coast Guard has approved 80’/90’ clearance envelope.
- Transportation task nearing completion. Long-term travel forecast finalized this fall.

- Continuing to develop methodology for addressing tolls in the Environmental Justice technical report.
- Application being prepared for geotechnical work this November.
- Reviewing technical reports as they come in.

OTHER ITEMS

- Project Director invited to participate in a land use planning podcast to discuss the complicated nature of planning for a bi-state bridge. Podcast will focus on bi-state projects, uniqueness between Oregon and Washington planning efforts, brief history of the bridge and the importance of public involvement.
- High-level 5-year Project Budget FY17-22 will be presented in July upon completion of FY19-20 budget adoption.
- July Update included in packet is being distributed through region.
- Developing job description and scope for summer intern to develop a comprehensive report on the history of the Hood River Bridge.
- Rotary Presentation was well received. Commissioners Shortt and Meriwether attended.
- Will begin receiving statements/invoices from DOTs in early July for May work.
- Development of lobbying scopes and contracts for Commission considering in July/August.

MEETING/OUTREACH SCHEDULE

- Hood River Rotary Presentation, June 6th
- ODOT/FHWA NEPA Coordination Bi-Monthly Meeting, June 13th
- KHR *Mid-Columbia Today Show* - Bridge Update, June 17th
- *Pints and Planning* Podcast Taping, Oregon Chapter of the American Planning Association (OAPA), June 17th
- OneGorge, June 19th
- WSP Monthly Project Team Meeting, Portland, June 21st
- Project Director out of office, June 24-28.
- ODOT Cultural Resources Monthly Meeting, June 27th
- ODOT/FHWA NEPA Coordination Bi-Monthly Meeting, June 27th
- ODOT/FHWA NEPA Coordination Bi-Monthly Meeting, July 11th
- Oregon Public Ports Association (OPPA), Salem, July 18th

Hood River Bridge Replacement Project Scope Change Log

Updated 5/22/2019

Date	Task No.	Task Name	Scope Change	Budget Impact	Port/Advisor	Notes
Jan-May 2019	1.1	Project Mgt & Coordination	Extra project management effort required to respond to higher number of client RFIs, document monthly schedule changes, document forecasted work in a separate format than the invoice, rebaselined projected costs, coordinate with ODOT staff.	Increase	Angela/Kevin to closely monitor. Consider reducing frequency of meetings or phone calls instead of in-person meetings. Continue to coordinate with ODOT on number of requested meetings. Review at time of July/August annual financial review.	
	1.3	Consultant Team Coordination Mtgs	Additional meetings needed to maintain team coordination of activities to meet a tight schedule; 2 per month instead of the contracted 1 per month	Increase	Consider reducing number of monthly meetings or in-person meetings while technical report production is underway.	
	1.5	Risk Management	Risk management plan is updated monthly at the request of the client; contracted at one update quarterly	Increase	Once major schedule/cost risk items have been closed, return to quarterly. Create management reserve with close-out tasks.	
	2.1	PI Plan & Task Coordination	Add one presentation to the Port Commission	Increase	Reallocated in 3/18/2019 authorization; include in 2019 contract amendment	
	2.6	BRAC (now WG) Mtgs	Level of effort per meeting is higher than scoped; reduce from 10 to 6 meetings and 1 meeting with WA agencies	None	Reallocated in 3/18/2019 authorization; include in 2019 contract amendment Shift \$ within PI task with reduced 2.7 scope.	
	2.7	Stakeholder Working Groups	Delete scope	Reduce	Shift \$ within PI task with reduced 2.7 scope.	
	2.12	Status Reports	Reallocate among consultant team	None		
	5.1	Environmental Coordination	Level of effort to coordinate task is higher than scoped	Increase	Discuss with ODOT on higher number of meetings; address with shift of funds from close-out tasks with surplus.	
	5.2	Agency Coordination	Add 2 1-hour teleconferences per month with ODOT and FHWA to coordinate NEPA activities	Increase		
	5.3	Methodology Memo	Add an extra review/revision cycle for FHWA and cooperating/participating agency reviews	Increase	Discuss with ODOT on higher number of meetings; address with shift of funds from close-out tasks with surplus.	
	5.4	Technical Reports	Add an extra review/revision cycle for FHWA to all technical reports Add standalone recreation technical report	Increase		
	5.6	Cultural/NHPA Section 106	Add one 1-hour teleconference per month with ODOT cultural/historic staff to coordinate Section 106 compliance activities Add the Baseline Scan Report requested by ODOT	Increase	Discuss with ODOT on higher number of meetings; address with shift of funds from close-out tasks with surplus.	
	6.5	Civil	Design roadway connections for EC-1 and EC-3, which are outside the TS&L assumptions, and associated stormwater treatment design Delete Task 6.5.3 Erosion Control - not needed at this stage of design	TBD	Discuss with ODOT and FHWA possibly screening out EC-1 and EC-3 without spending time on design refinements. Shift savings to Environmental task.	

Hood River Bridge Replacement Project Scope Change Log
 Updated 5/22/2019

Date	Task No.	Task Name	Scope Change	Budget Impact	Notes
	6.6	Bridge	Reduce scope to match reallocation for task 8.3	Reduce	Reallocated in 3/18/2019 authorization; include in 2019 contract amendment
	6.8	Photo Simulations	Possibly need to increase number of simulations to address NSA coordination	TBD	Consider compliance language in SDEIS with a few simulations but not adding more.
	8.3	USCG Permitting	Increase effort to conduct a high level river user survey and prepare a navigation impact report	Increase	Reallocated in 3/18/2019 authorization; include in 2019 contract amendment
	8.4	CRGNSA Permitting	Add 2 extra meetings with Gorge Commission; revise scope to change pre-app memo to a coordination memo	Increase	Consider CGMP design-level compliance language in SDEIS and reduce number of future meetings with Gorge Commission.



MEMO

TO: Kevin Greenwood, Hood River Bridge Replacement Project Director, Port of Hood River
FROM: Angela Findley, WSP
SUBJECT: Projected Work – Through July 15, 2019
DATE: June 11, 2019

The following work is projected to occur from June 15-July 15:

TASK 1. PROJECT MANAGEMENT

- Client progress meeting on June 21
- Invoice for May activities
- Coordination with Port, Consultant Team and other agencies
- Prepare cost to complete

TASK 2. PUBLIC INVOLVEMENT

- Schedule Community Outreach Event #3 and Environmental Justice Event #2

TASK 5. ENVIRONMENTAL

- Coordinate with ODOT, WSDOT and FHWA on technical reviews, cultural resources, tribal coordination and all other facets of NEPA compliance
- Present project overview at an ODOT/National Marine Fisheries Service meeting on June 20; begin preparing the biological assessment
- Collect and address comments on the Methodology Memoranda from cooperating/participating agencies; integrate into the technical reports
- Submit “Group 3” draft environmental technical reports to ODOT and WSDOT for review; submit “Group 1” and “Group 2” reports to FHWA
- Revise the Cultural Resource Area of Potential Effects (APE) and Methodology Memo, to address ODOT’s second round of comments; coordinate with ODOT to submit to the Oregon and Washington State Historic Preservation Offices and tribes
- Finalize the outline for the Supplemental Draft EIS
- Begin preparing Administrative Draft #1 Supplemental Draft EIS



TASK 6. ENGINEERING

- Submit bridge hydraulics technical report for Port review; revise and finalize.
- Refine roadway and stormwater design associated with the roadway approaches to the bridge, including pedestrian/bicycle connections, to support the environmental technical work
- Refine bridge design to support photo simulations
- Prepare draft photo simulations
- Prepare architectural sketch renderings of the bridge from the pedestrian's view

TASK 7. TRANSPORTATION

- Finalize Transportation Technical Report to address FHWA review

TASK 8. PERMIT ASSISTANCE

- Submit the draft Navigation Impact Report to the USCG for review
- Prepare draft permit application for the in-water work associated with geotechnical exploration; address review comments by the Port.



EIS UPDATE

BRIDGE REPLACEMENT PROJECT

JULY 2019



In December 2003, a draft environmental impact statement (EIS) was published as part of a bi-state collaborative effort. This draft EIS was the first step in complying with the National Environmental Policy Act (NEPA). Currently, the Port of Hood River (Port) is advancing the project to complete the EIS effort and position the project for future funding and construction.

What's new on the project?

- Finalizing the transportation technical report.
- Finalizing environmental methodology memo to address comments from tribes and agencies participating in the NEPA process.
- Submitting environmental technical reports for Port, ODOT, and WSDOT review and addressing review comments.
- Preparing a biological assessment to evaluate the potential effects of the project on listed and proposed species and critical habitat in compliance with the Endangered Species Act.
- Coordinating with tribes and the State Historic Preservation Offices on the project's area of potential effect to be studied for the project; holding meetings with the tribes.
- Developing a range of architectural concepts for the replacement bridge.
- Preparing photo simulations of what the replacement bridge would look like.
- Submitting the navigation impact report to the US Coast Guard for review.
- Completing a bridge hydraulics study.

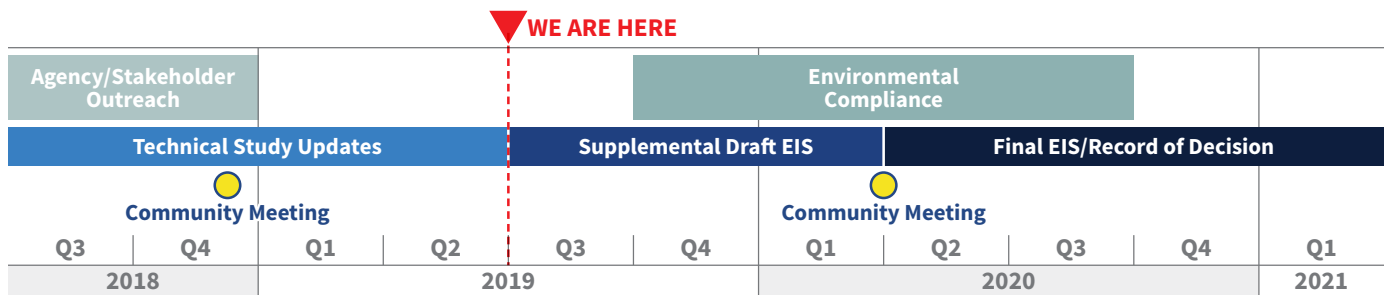
What are the next steps?

- Continue addressing review comments on environmental technical reports and submit reports to FHWA for review
- Continue preparing the biological assessment, including conducting fieldwork.
- Submit draft photo simulations to ODOT and the Port for review.
- Begin preparing the Supplemental Draft EIS and Section 4(f) Evaluation.
- Finalize the navigation impact report to address US Coast Guard comments.

How would bridge replacement benefit the Columbia River Gorge communities?

The Hood River Bridge provides a critical connection for residents and visitors to the Columbia River Gorge National Scenic Area. One of only three bridges spanning the Columbia in this region, the bridge is a critical rural freight network facility for agriculture, forestry, heavy industry and high-tech companies with freight originating throughout the northwest. The existing bridge is nearing the end of its serviceable life and is obsolete for modern vehicles with height, width, and weight restrictions and is also a navigational hazard for marine freight vessels. The bridge has no sidewalks or bicycle lanes for non-motorized travel and would likely not withstand a large earthquake.

If project funding is secured, the new bridge would provide a safe and reliable way for everyone to cross or navigate the Columbia River—by car, truck, bus, bicycle, on foot, or on the water. A new bridge would support a thriving economy and livable communities.



To learn more about the project, please visit us at:
www.portofhoodriver.com/bridge

PROJECT CONTACT

Kevin Greenwood, Project Director
 ☎ 541-436-0797
 @ kgreenwood@portofhoodriver.com

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Executive Director's Report

June 18, 2019

Staff & Administrative

- The Executive Director's annual review will conclude in Executives Session at the June 18 meeting.
 - The Commission typically holds one regular meeting in July. Staff recommends scheduling that meeting on July 9. If necessary actions require a subsequent meeting, a second meeting could be added on July 23, however, Commissioner Meriwether would be unable to attend.
 - Genevieve and I met with Commissioner-Elect Kristi Chapman on June 13 to begin the orientation process. Ms. Chapman will be sworn in at the July 9 meeting.
 - Summer intern Tyler Mann started work on June 10. Mr. Mann will be assisting CFO Fred Kowell with the identification of opportunities to expand the Breeze-By tolling system.
 - SDAO is offering one-day Board of Directors Training at various locations in July and August. See attached for details and let Genevieve know if you would like to attend.
 - Find attached the Week 20 Oregon Legislative Report provided by Thorn Run Partners.
-

Recreation/Marina

- The Marina electrical issue appears to be resolved. Gorge Electric has completed all boathouse inspections. GFI breakers have been installed for all boathouses and C Dock South. The system is holding at all GFI pedestal breakers.
- The electrical issue at the Marina Restroom block has also been resolved.
- The main door to the Marina has been experiencing trouble and will not open from the outside. Reese Security is scheduled to fix the problem on Friday, June 14. The door will remain unlocked until the repair takes place.
- Proceeds from waterfront parking kiosks totaled \$9,077 for the year through June 12.
- Oregon & Washington Departments of Fish and Wildlife and Columbia River Inter-Tribal Fish Commission have scheduled a capture and relocation effort of the sea lion, to take place June 17/18 in the Marina Basin. (See letter attached). Oregon State Police, Hood River City Police, and the Hood River County Sheriff Department are aware of the operation and are invited to participate. Port staff will host the group at noon on Monday at the Port Office for a briefing on darting operations. The entrance to the Marina may be temporarily closed if the animal is present.

- A vehicle went over the bank at the Hook on June 13. The driver had been speeding prior to the incident. Port staff, Hood River Police, and Guzman Towing all responded.
- A new running relay event has been scheduled for October 19, 2019 to take place at the Marina Green, with 900+ expected participants.
- The Chamber of Commerce's annual Roy Webster Cross Channel Swim has relocated to Cascade Locks. Event coordinators cite expensive accommodations in Hood River for the move. This event has taken place for 75 years in Hood River with as many as 550 people participating every year in an early morning swim of the Columbia every Labor Day.
- A reminder that two ongoing IGA's are in place with the Hood River County Sheriff Department that relate to summer activity of the Marine Deputy:
 1. Per the 2015 agreement, the Port pays \$5,200 to Hood River County for Marine Deputy Patrol two days each week. In addition, the Port does not charge for Boat House Moorage.
 2. Per the 2017 agreement, the Port pays for fueling the Marine Deputy Patrol Vessel at the Fuel Dock from June 15-September 15 to increase on-water patrol time.
- A kayak was stolen from Frog Beach in the morning of June 12, and we have received reports of stolen kiting equipment as well. Daryl has informed our various concessionaires that they should inform customers of the possibility of theft during the summer months. This has been an increasing concern over the past several summers and invariably leads to discussion of mitigation efforts, including installation of security cameras.
- Attached is the June Marina Committee update and an updated list of Waterfront Events, provided by Waterfront Manager Daryl Stafford.

Development/Property

- The Columbia Gorge Express bus resumed summer operations on Friday, June 14. The service offers three daily round trips to Cascade Locks and Hood River.
- Facilities Dept. staff has repaired the irrigation system on the Hood River History Museum grounds. Museum staff was very appreciative. I discussed the Commission's decision to operate the Museum's irrigation system this year and re-visit the issue next spring with County Administrator Jeff Hecksel. It will likely take a month at least to green up the lawn with the system getting operational so late.
- Attached is the Port's letter of support for Forth's EV car sharing proposal.
- We have experienced fairly severe staffing challenges this month in the Facilities Department, stemming from a medical leave, a light duty status, and the effort to complete the bridge steel project early. Summer help will be coming on board the week of June 17th and that should help significantly.
- The irrigation and landscaping project is complete at the Wasco building. FLI landscaping finished the work and it looks very good. The tenant is pleased, and staff will continue to monitor the plantings through the summer.

Airport

- Comments were received for the USACE permit process from three airport neighbors, the DEQ, USFW, and two tribes. Consultants and staff have sent responses to the agencies and should have the neighbor letters out next week. These will be also sent to USACE. No public meeting is required for this process.
- Pacific Power discovered a damaged electrical meter that serves the T hangars. This meter has been damaged for 20 years, but Pacific Power is now requiring the Port to replace it or face shut off. Gorge Electric is working on a solution.

Bridge/Transportation

- Deck maintenance welding took place the week of June 10. Traffic backups were typically around 15 minutes in duration, although on a few occasions northbound traffic backed up to the I-84 off-ramps and we received complaints. Replacement of about 400 l.f. of damaged guardrail took place while flagging operations were underway.
- I attended the Hood River Bridge EIS Executive Team Meeting in Portland on June 12th attended by Rian Windsheimer, ODOT Reg. 1 Administrator; Phil Ditzler, FHWA Oregon Div. Administrator; and several members of the Project Team to discuss the status of the NEPA process. There was agreement to meeting quarterly and for the DOT regional administrators and FHWA to attend the next EIS WG meeting in the fall.
- Staff carried out an early-morning bridge lift on June 7. It was a full height lift to check operation of lift span navigation lights and all are working correctly. Hage Electric attended to inspect the recent work. Staff is recommending entering into an on-call services contract with Hage because of their robust knowledge of the new skew and motor electrical systems.

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From: [SDAO Member Services](#)
To: [Genevieve Scholl](#)
Subject: Board of Directors & Management Staff Training - Register Today
Date: Monday, June 10, 2019 2:45:33 PM

Board of Directors Training Event Banner



Dear Genevieve,

You are invited to join SDAO for the Board of Directors & Management Staff Training!

TRAINING INFORMATION

Join attorney Eileen Eakins and SDAO Consulting Services Administrator George Dunkel for this comprehensive overview of laws affecting special districts. It is essential training for newly elected board members and newly appointed management staff, but even experienced board members and staff will benefit from a review of the varied and often complex laws governing Oregon's special districts. A summary of the 2019 Legislative Session including bills affecting special districts will also be provided.

Topics will include:

- Powers and Protections
- Roles and Responsibilities
- Finances
- Public contracting
- Ethics
- Public Meetings
- Public Records
- Liability and Exposure

DATES/LOCATIONS

- August 6: Oregon Medical Association | Tigard
- August 7: Best Western Agate Beach Inn | Newport
- August 13: Eagle Crest Resort | Redmond
- August 21: Inn at the Commons | Medford
- August 22: Village Green Resort | Cottage Grove

TIME

8:30 am - 4:30 pm. Doors will open at 8:00 am.

COST

The cost for SDAO members is \$75. Course materials and a boxed lunch will be provided. Each district is eligible to **use the code BDREG** at time of registration to receive their first registration at no cost. *Due to limited scholarships, we cannot guarantee this discount and are offering it on a first come, first served basis.*

**This course is Best Practices eligible

REGISTRATION

Visit the [event website](#) to register.

If you no longer want to receive emails from Member Services, please [Opt-Out](#).



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From: [Miles Pengilly](#)
To: [Michael McElwee](#); [Kevin Greenwood](#); [Genevieve Scholl](#)
Cc: [Daniel Bates](#)
Subject: 2019 Legislative Session - Week 20 Recap
Date: Monday, June 10, 2019 9:20:40 AM

Dear Port Team,

The legislative session was laced with excitement this week as two bills failed on the House and the Senate floors in rare unchoreographed moments. In the Senate, HB 2014 (lifting limits on some tort damage caps) failed in a close vote and in the House, SB 543 (allowing the establishment of Children’s Service Districts) was soundly defeated. The Carbon Cap and Trade bill (HB 2020) cleared the Ways and Means Subcommittee on Natural Resources in a party-line vote and was scheduled for full Ways and Means consideration on Friday morning before being pulled from the agenda late Thursday afternoon. The bill will likely see action again next week. The Ways and Means Committee cleared scores of bills this week as the final three-week sprint of session approached.

Next week, the Legislature will consider even more agency budget bills. The Ways and Means Committee will consider a suite of Housing Bills, including HB 2001, that are part of the Democratic leadership’s Housing Affordability agenda. The Joint Tax Expenditures Committee will decide which tax credits to authorize or reauthorize and wrestle with a “technical corrections” bill (HB 2164) to HB 3427, the gross receipts tax bill to over \$2 billion for schools that was signed into law earlier this session. In the coming days, Ways and Means Subcommittees will finish their work and thus narrow the universe of bills that will cross the finish line for this session. The Capitol will pause on Thursday to mourn and celebrate the life of Senator Jackie Winters (R-Salem) in a memorial service.

Highlights from Week 20:

1. **Hood River Storm Line:** TRP checked in with Sen. Thomsen’s office about the storm line capital construction request, but as of Friday there were no updates about the status of the request. TRP will check in with Sen. Thomsen and Rep. Williams again early this week and will let the Port know if there are additional steps that should be taken to advocate for funding.
2. **[HB 2402](#)**, which makes the 2015 increases in state aviation fuel taxes permanent, passed unanimously out on the House Floor on 6/4. In current form, HB 2402 adds criteria for the Department of Aviation to consider when making grant disbursement decisions and authorizes the Department of Aviation to adopt rules to set higher minimum contribution commitment requirements for grants and establish maximum grant amounts. HB 2402 now moves to the Senate Floor for a vote.

-

3. [HB 5039](#), the general fund budget bill for ODOT, received a Work Session in the Ways and Means Transportation and Economic Development Subcommittee on Thursday, 6/6 and now moves to the Full Ways and Means Committee for a vote.

Best,
Miles

Miles Pengilly
Senior Legislative Associate
Thorn Run Partners
mpengilly@thornrun.com
(503) 816-9129

Portland Office:
610 SW Alder Street
Suite 1008
Portland, Oregon 97205
www.thornrun.com

Sea Lion U835

From: Jeffries, Steven (DFW) <Steven.Jeffries@dfw.wa.gov>
 Sent: Wednesday, June 12, 2019 10:03 AM
 To: colin.m.gillin@state.or.us; Pasi, Coral J (DFW); Wright, Bryan; Michael L Brown; Johnson, Elliot (DFW); Bobby Begay (begb@critfc.org); Barker, Trever E (DFW)
 Cc: Sheanna M Steingass; Lee, Kessina (DFW); Wickersham, Jeffrey R (DFW); Daryl Stafford; Hatch, Doug; Robert Anderson - NOAA Federal; Brittany Berge; Jonker, Sandra A (DFW); Tweit, William M (DFW); Pearson, Scott F (DFW); Anderson, Benjamin L (DFW)
 Subject: U835

We are still moving towards a U835 darting operation on 6/17 and 6/18 based in Hood River where he was present over the weekend in the marina using his favorite dock. He was also reported by fishers in Hood River killing salmon over the weekend as well. ODFW has set up camera on the dock and at the Cascade Locks boat ramp where he has also been seen so we have relatively real time surveillance of his known hauling locations except the dock at the Drano boat ramp.

For Monday, we'll meet at noon at the Port of Hood River office (Daryl Stafford is the contact) for a briefing on darting operations. Crews will be from WDFW (Jeffries, Pasi, Johnson and Barker) with our 22' whaler (901), ODFW (Wright, Gillin, Brown and Valentine) with their 22' whaler (R6) and CRITFC (Begay and crew) with their 26' Pacific Boat (CRITFC 4). Depending on U835's behavior we will go over darting and recovery scenarios for a removal in the Hood River marina or other locations if he's shifted to Cascade Locks (Brittany Berge is the contact) or Drano. Assuming U835 cooperates, plan on darting operations on Monday afternoon to dusk and Tuesday morning to afternoon/dusk. We will be done late Tuesday as we lose staff and our vet to other activities.

WDFW will bring a long seine net we use for seals if we need to block the marina entrance as well a short tangle net. We will have some floats, a transfer cage, bull poles and netless landing net for lassoing. ODFW is responsible for letting OSP/Hood River PD and HR Sheriff know we are planning operations (they are welcome to come the noon briefing at the Port) and Colin to provide our vet supplies and darting needs.

WDFW and ODFW have rooms at the Best Western for Monday and Tuesday so we can base there. I suggest we remain flexible and if U835 is using Hood River marina, Drano boat ramp or Cascade Locks we work from Hood River and go get him elsewhere.

Steve

Steven Jeffries
 Washington Department of Fish and Wildlife
 Marine Mammal Investigations
 7801 Phillips Road SW
 Lakewood WA 98498

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Port of Hood River

Providing for the region's economic future

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Jeff Allen, Executive Director
Forth
2035 NW Front Avenue
Portland, Oregon 97209

June 5, 2019

RE: Port of Hood River Cost Share Letter of Commitment for Forth's proposed Rural EV Carshare Project in Hood River, OR

The Port of Hood River ("Port") is pleased to partner with Forth to demonstrate and refine a model of sustainable electric vehicle car sharing that serves rural communities and provides practical, affordable, new mobility options to drivers in the Hood River community, including low-income residents.

The Port believes that the demonstration project proposed by Forth – providing electric vehicles at affordable housing sites in Hood River, as well as other venues where government, townspeople, local businesses and visitors can access round-trip car share rentals, will offer many benefits to the Hood River community while yielding valuable information that advances the viability of rural EV car sharing. The Port believes that, through this demonstration program, community members can benefit from a new, clean, shared economical and energy efficient driving option while increasing awareness of the practicality and affordability of electric vehicles. In addition, this project will help the Port and the Hood River community meet the goals and strategic vision of the Hood River County Energy Plan, adopted in 2018, by transportation electrification through shared mobility.

The Port of Hood River is the primary economic agency within Hood River County. The Port owns and operates the Hood River-White Salmon Interstate Bridge, the Ken Jernstedt Airfield, the Hood River Marina, numerous recreational facilities, and multiple light industrial and commercial properties.

The Port is pleased to provide this letter of commitment to Forth, indicating our cost share commitment of **\$7,320** over the three-year project, if the project receives funding from the U.S. Department of Energy. Our in-kind cost share commitment consists of the contribution of two parking spaces on the Hood River Waterfront for three years, valued at **\$3,240**, and staff time to coordinate project activities for three years, with a value in the amount of **\$4,080**. This represents less than 1% of the total project cost.

The Port is pleased to participate in this project to demonstrate, refine, and disseminate a model for electric vehicle car sharing in rural communities, which can enhance the quality of life for diverse community members, improve air quality, expand transportation electrification and bring its energy efficiency benefits to rural communities. We look forward to working with Forth and other project partners on this exciting initiative.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael S. McElwee".

Michael S. McElwee
Executive Director

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From: [Daryl Stafford](#)
To: [Daryl Stafford](#)
Subject: Marina Committee June Update
Date: Thursday, June 13, 2019 12:45:51 PM
Attachments: [image001.jpg](#)
[image004.png](#)

June 13, 2019

Hello Marina Committee and Honorary Attendees,

Happy Summer! This warm weather has been amazing. The Marina has kicked into high gear, it has been wonderful to see all of the returning tenants.

The next Marina Committee meeting is scheduled for the 3rd Thursday in August (8/15/19). Save the date

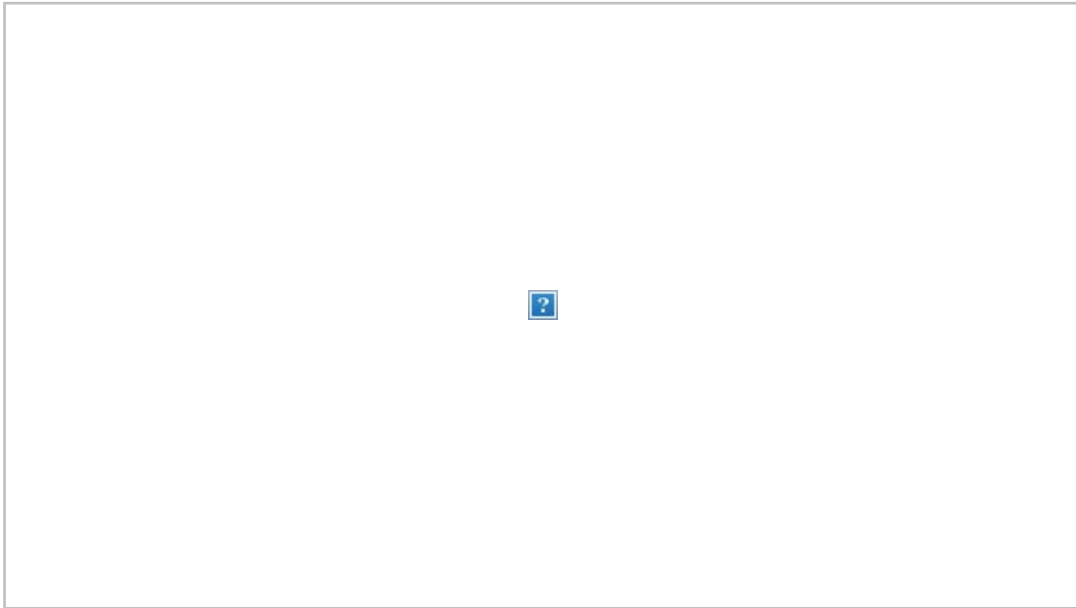
Recent Marina Goings On:

We have had quite a spell of things not working around the Marina. Port Staff has had their hands full troubleshooting and repairing the Boat House electric issues, South C-Dock electric issues, HRYC Building Electrical, the Marina Door locking mechanism and “Leo” our resident Sea Lion.

- **Electric-** We are really hoping we have turned the corner.
 - Boat Houses- GFIs have been installed at each individual Boat House Dock Pedestal. If the power trips, it should be just for that unit, not for all of the Boat Houses. Each tenant now has the ability to reset their breaker. Each owner has worked individually with Gorge Electric to get their Boat House in compliance. Gorge Electric did a really good job on this project, it wasn't easy. The majority of tenants are now able to run most appliances. Whew!!!
 - South C-Dock- GFIs have been installed at each pedestal and the safety ring that monitors the return ground fault outflow of electricity has been replaced. Power seems to be holding. Once again, Gorge Electric did a great job.
 - Marina Restrooms- The main power line from the panel to the building became faulty and needed to be replaced. It would no longer run the 220 (hot water, hand dryers, etc.) The project required digging it up, running a new wire through conduit and rewiring the interior system. Port Staff addressed this immediately to reinstate the amenities to tenants.

- **Sea Lion-** “Leo” has become quite disruptive, aggressive and causing damage to the Shell dock. He is at the height of breeding season with no girlfriend in sight, therefore he is pretty darn grumpy when bothered. Kids trying to take selfies with him are at risk. Leo bit the Sheriffs boat last weekend when he was trying to get him off the dock. Port Staff has requested help from other agencies to relocate him.

Oregon & Washington Departments of Fish and Wildlife and Columbia River Inter-Tribal Fish Commission have scheduled a Sea Lion capture and relocation effort to take place June 17&18 in the Marina Basin. (See letter attached). OSP/Hood River PD and HR Sheriff Department are aware of the operation and are invited to participate. Port Staff will host the group at noon on Monday at the Port Office for a briefing on darting operations. The entrance to the Marina may be temporarily closed if the Sea Lion is present. We are keeping our fingers crossed that they are able to locate and capture him on the days that they are here, as they will not have another opportunity to get to the Gorge until August.



- **Marina Door to the Docks-** The door quit opening from the outside. Tenants could get out, but no getting back in. We had to temporarily disable the system. Reese Security responded within 1 day and replaced the card reader that had become faulty. We are back in business.

Now for Better News:

- **HRYC- Opening Day Celebration-** HRYC, Gorge Junior Sailing and the HRVHS Gorge Sailing Team will be hosting an Open House and BBQ **June 22** from 11am-5pm. (See attached flyer) Please encourage fellow boaters to attend. It should be a super-fun family day at the Marina. Several Tenants will be offering rides in Keel Boats, along with Jr. Sailing and the High School Sailing Team taking people out on the 420s. Feel Free to share the flyer on social media and with any friends you think might enjoy attending. I hope you can make it!!! We will keep the door to the Marina unlocked and open for this event.

HRYC Monday Night Community Sailing- HRYC and the High School Gorge Sailing Team will be hosting the ever-popular Monday Night Community Sailing located at the South Basin Dock. It's an awesome opportunity for our Community to check out sailing in a supervised safe environment for free. (donations to the HRVHS Sailing Team are accepted) Lars does an amazing job with his kids and his good energy will make this an awesome event. The first Session is Monday July 8, 2019. More information is available on their website and through Community Ed.

http://www.hoodriveryachtclub.org/content.aspx?page_id=22&club_id=527653&module_id=17133

HRYC Adult Sailing Lessons- New for this year HRYC is teaming up with HRCSD Community Education to offer Sailing Lessons for Adults. We are excited to have this program to offer to adults wanting to learn to sail or sharpen their skills. Lars will also be heading up this program, with members from the HRVHS Sailing Team (past and present) teaching the lessons. More info on the HRYC website. Lessons start on July 9, 2019.

To register:

https://hoodriver.cr3.rschooltoday.com/public/getclass/category_id/54/program_id/2/subcategory_id/15

HRYC Family Fun Friday Series- Julio Parades is heading up a social Family Race (kind of) Night every other Friday starting June 14, 2019. First boat out of the harbor at 6:30. Sounds like fun. Details TBA.

http://www.regattanetwork.com/event/18179#_registration+reg

- **Gorge Junior Sailing-** Great News GJS is back!!! Yay!!! Kids lessons start July 8 and run through August 16, 2019. This program was dearly missed last summer. Port Staff is pleased to have them return and look forward to working with the new program directors Will Lyons and Audrey White. They are absolutely DELIGHTFUL. Please share their information with any parents interested in having their kids be part of this program. <http://gorgejuniorsailing.org/> gorgejuniorsailing@gmail.com

Update from the Port Office:

- **Commissioner Shortt is Retiring-** Brian Shortt has been the Marina Committee for the last 8 years and has shared a wealth of knowledge about the Marine Industry with Port Staff. Starting July 1st, Kristi Chapman will be taking his seat on the Commission. We are not sure who will take his place on the Marina Committee.

The last month I spent a good amount of time with Commissioner Shortt discussing Policy and Long-Term Planning. We worked on several financial scenarios (unofficial) for expansion of the Marina in the future. He made a presentation to the rest of the Commissioners at our June 4th Meeting, sharing many of his opinions and visions. (See Attached-Presentation Outline)

This presentation did not drive any immediate policy changes, it was one Commissioner’s opinion. It was very well done and prompted the other Commissioners to ask quite a few questions regarding the Marina. We can discuss as a group at our meeting in August.

That’s all for today.

I hope to see you out on the water. / / / /

Best Regards,

Daryl

Daryl Stafford
Marina & Waterfront Manager
Port of Hood River
541-386-0972
waterfront@portofhoodriver.com
www.portofhoodriver.com



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Master Event Calendar	Updated 6/3/2019				
Event	Location	Start Date	End Date	Time	Total Days
Shelter Films	DMV Lot	6/4/2019	6/6/2019	24 hours	3
Wrestling OBSC	Marina Beach	6/8/2019		9am-2pm	1
CGW2- Swaps	Jensen Parking Lot	6/15/2019		6am-1pm	1
Gorge Cup Windsurf Races	Event Site	6/15/2019	6/15/2019	8am-5pm	1
Pfriem Waterfront Series	Waterfront Park	6/21/2019		5-10pm	1
ABK Windsurfing Camp	Marina Beach	6/24/2019	6/28/2019	9-5	5
Vortex Paddle Series	Marina Beach	6/27/2019	6/27/2019	8am-5pm	1
Pfriem Waterfront Series	Waterfront Park	6/28/2019		5-10pm	1
Gorge Cup Windsurf Races	Event Site	6/29/2019	6/29/2019	8am-5pm	1
Windance Kite Demo	Event Site	6/29/2019	6/30/2019	8am-5pm	2
Fireworks- Lions Club	SPIT	7/4/2019		24 hours	1
CGW2- Swaps	Jensen Parking Lot	7/6/2019		6am-1pm	1
Gorge Cup Windsurf Races	Event Site	7/6/2019	7/6/2019	8am-5pm	1
ABK Windsurfing Camp	Marina Beach	7/8/2019	7/12/2019	9-6	5
Gorge Junior Sailing Program	Marina	7/8/2019	8/16/2019	8:30am-6pm	16
HRYC- Monday Night Community Sailing	Marina	7/8/2019	8/12/2019	5-7pm	8
HRYC-Adult Sailing Lessons	Marina	7/9/2019	8/15/2019	8am-6pm	16
KB4C- (Kiteboard for Cancer)	Event Site	7/11/2019	7/14/2019		3
Pfriem Waterfront Series	Waterfront Park	7/12/2019		5-10pm	1
ABK Windsurfing Camp	Marina Beach	7/15/2019	7/19/2019	9-7	5
Gorge Downwind Paddle Champs	Waterfront Park	7/15/2019	7/19/2019	7am-8pm	5
World Class Academy (WCA) Slider Jam-	Marina Beach	7/18/2019	7/21/2019	8am-5pm	4
Gorge Cup Windsurf Races	Event Site	7/20/2019	7/20/2019	8am-5pm	1
Slider Project Hood Jam	Marina Beach	7/22/2019	7/27/2019	8am-6pm	6
Pfriem Waterfront Series	Waterfront Park	7/26/2019		5-10pm	1
CGW2- Swaps	Jensen Parking Lot	7/27/2019		6am-1pm	1
Gorge Cup Windsurf Races	Event Site	8/3/2019	8/3/2019	8am-5pm	1
Pfriem Anniversary Party	Waterfront Park	8/3/2019		8am-9pm	1
Gorge Cup Windsurf Races	Event Site	8/4/2019	8/4/2019	8am-5pm	1
Pfriem Waterfront Series	Waterfront Park	8/9/2019		5-10pm	1
ABK Windsurfing Camp	Marina Beach	8/12/2019	8/16/2019	9-8	5
AWSI- (All Wind Sports Industry)	Event Site	8/12/2019	8/16/2019	M-F 8-6pm	5
CGW2- King of the Hook	Hook	8/17/2019		5-9pm	1
Columbia Gorge Paddle Challenge- SIC	Waterfront Park	8/17/2019	8/18/2019	7am-8pm	2
Water Polo Camp-Out	Marina Green	8/23/2019	8/25/2019	24 hours	3
Pfriem Waterfront Series	Waterfront Park	8/30/2019		5-10pm	1
CGW2- Swaps	Jensen Parking Lot	8/31/2019		6am-1pm	1
Soccer- Youth	Marina Green	9/1/2019		3-7pm	

Gorge Kids Triathlon	Waterfront	9/15/2019	9/15/2019	Sunday 8-1pm	1
CGW2- Swaps	Jensen Parking Lot	9/28/2019		6am-1pm	1
Harvest Fest	Event Site	10/6/2019	10/14/2019	8am-9pm	8
Columbia Gorge Marathon	Event Site	10/20/2019		9am-5pm	1
Meadows Ski Bus	Event Site	11/1/2019			

Commission Memo



Prepared by: Fred Kowell
Date: June 18, 2019
Re: Adoption of the Approved FY 2019-20
Budget

The attached Resolution No. 2018-19-3 represents the adoption of the approved budget for fiscal year 2019-2020. There are two formal actions needed: adoption of the budget and imposition of the tax rate.

RECOMMENDATION: BE IT RESOLVED that the Board of Commissioners for the Port of Hood River hereby adopts the budget for fiscal year 2019-2020 in the total of \$42,506,000 and hereby imposes the taxes provided for in the adopted budget at the rate of \$0.0332 per \$1,000 of assessed value of all taxable property within the district.

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Resolution No. 2018-19-3

ADOPTING THE BUDGET

BE IT RESOLVED that the Board of Commissioners of the Port of Hood River hereby adopts the budget for fiscal year 2019-20 in the total of **\$42,506,000** now on file at the Port office, 1000 E Port Marina Drive, Hood River Oregon.

MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2019, and for the purposes shown below are hereby appropriated.

General Fund		Revenue Fund	
Personnel Services.....	\$ 185,200	Personnel Services.....	\$ 2,393,900
Materials & Services.....	\$ 577,850	Materials & Services.....	\$ 3,169,300
Capital Outlay.....	\$ -	Capital Outlay.....	\$ 17,677,500
Transfers.....	\$ -	Debt Servcie.....	\$ 2,550,250
Contingency.....	\$ -	Transfers.....	\$ 3,403,050
Total	\$ 763,050	Contingency.....	\$ 500,000
		Total	\$ 29,694,000
Bridge Repair & Replacement Fund		All Funds	
Personnel Services.....	\$ 276,400	Personnel Services.....	\$ 2,855,500
Materials & Services.....	\$ 2,030,700	Materials & Services.....	\$ 5,777,850
Capital Outlay.....	\$ 488,000	Capital Outlay.....	\$ 18,165,500
Debt Servcie.....	\$ -	Debt Servcie.....	\$ 2,550,250
Transfers.....	\$ -	Transfers.....	\$ 3,403,050
Contingency.....	\$ 500,000	Contingency.....	\$ 1,000,000
Total	\$ 3,295,100	Total	\$ 33,752,150
		Total Appropriations, All Funds	\$ 33,752,150
		Unappropriated and Reserve Amounts, All Funds	\$ 8,753,850
		TOTAL ADOPTED BUDGET	\$ 42,506,000

IMPOSING THE TAX

BE IT RESOLVED that the Board of Commissioners of the Port of Hood River hereby imposes the taxes provided for in the adopted budget:

(1) at the rate of \$.0332 per \$1000 of assessed value for operations and that these taxes are hereby imposed and categorized for tax year 2019-20 upon the assessed value of all taxable property within the district as follows:

CATEGORIZING THE TAX

General Government Limitation

General Fund.....\$.0332/\$1000

The above resolution statements were approved and declared adopted on this 18th day of June 2019.

X _____
Hoby Streich

X _____
Brian Shortt

X _____
John Everitt

X _____
Ben Sheppard

X _____
David Meriwether

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Commission Memo



Prepared by: Fred Kowell
Date: June 18, 2019
Re: Budget Transfer Resolution

Usually towards the close of a fiscal year, an organization will adjust its budget to reflect changes that have occurred since the adoption of the original budget. These changes are reflected between major cost categories (objects) that are defined in our Adopted Budget as Personnel Services, Materials & Services, Capital Outlay and Debt Service. This budget resolution takes into account the changes between cost categories and between asset centers (i.e., Bridge, Marina, Airport, etc.).

For this to be a Budget Resolution Transfer, the overall budget appropriation level must **not** change. That is the case here. Only budgetary appropriation will be transferred from one cost category to another or within a cost category.

It should be noted that in preparing the Adopted Budget for FY 2018-19, I used the most current information at that time, however circumstances change during the year.

The primary changes in this Budget Resolution Transfer are as follows:

- Decrease Marina Office Personnel Services by \$2,600 to shore up the Materials & Services category of the budget due to higher utility and maintenance costs.
- Increase Jensen and Halyard Materials & Services by \$15,000 and \$37,000, respectively due to higher utility costs than originally budgeted. The transfer of appropriation came from the Maritime CIP building project which did not occur in the current year.
- Appropriation increase of \$90,000 to the Lower Mill CIP related to work that was budgeted in FY 2017-18 but finished in FY 2018-19. This infusion is from the Maritime CIP Building project that did not occur in this budget year.
- Appropriation increase of \$100,000 to the Waterfront Industrial Land asset center for CIP. This was due to parking meters budgeted in FY 2017-18 but received in FY 2018-19 and for infrastructure issues related to HRD. The appropriation came from the Maritime CIP Building that did not occur in this current budget year.
- Appropriation increase to the Marina Park Materials & Services of \$17,000 from its CIP for higher than budgeted maintenance costs and utilities.
- Appropriation increase of \$6,000 to the Marina Materials & Services from its CIP related to higher than anticipated maintenance and electrical issues.

- Appropriation increase of \$15,000 to Maintenance Materials & Services for higher vehicle and maintenance costs. This appropriation came from Administrations Materials and Services.
- Transfer \$50,000 from the Bridge R&R Materials & Services to CIP for engineering work on the lift span drive motors.
- Increase Bridge Personnel Services by \$25,000 from Materials & Services as more work was completed by staff than in the budget.

Overall, this Budget Resolution Transfer is a zero impact to the overall appropriation for the Port. I look forward with explaining the changes that occurred or questions that you may have regarding the Budget Transfer.

RECOMMENDATION: Approve Resolution No. 2018-19-4 authorizing the budget transfer for the FY 2018-19 budget.

Resolution No. 2018-19-4

Resolution Transfer

BE IT RESOLVED that the Board of Commissioners of the Port of Hood River hereby approves the Budget Transfers for the fiscal year ended June 30, 2019 as presented below and discussed before the Board.

Transfer of Appropriations between Cost Categories

<u>General Fund</u>	<u>Adopted Budget</u>	<u>Revised Budget</u>	<u>Change Increase (Decrease)</u>
<u>Appropriations</u>			
Personnel Services	\$ 175,400	\$ 175,400	\$ -
Materials & Services	471,950	471,950	-
<i>Total</i>	\$ 647,350	\$ 647,350	\$ -
<u>Revenue Fund</u>			
<u>Appropriations</u>			
Personnel Services	\$ 2,144,800	\$ 2,167,200	\$ 22,400
Materials & Services	3,727,200	3,779,800	52,600
Capital Outlay	8,490,300	8,415,300	(75,000)
Debt Service	2,093,300	2,093,300	-
Transfers	2,770,350	2,770,350	-
Contingency	500,000	500,000	-
<i>Total</i>	\$ 19,725,950	\$ 19,725,950	\$ -
<u>Bridge Repair & Replacement Fund</u>			
Personnel Services	264,000	264,000	\$ -
Materials & Services	2,631,700	2,581,700	(50,000)
Capital Outlay	749,000	799,000	50,000
Debt Service	486,000	486,000	-
Contingency	500,000	500,000	-
<i>Total</i>	4,630,700	4,630,700	\$ -
<u>Appropriations</u>			
Personnel Services	\$ 2,584,200	\$ 2,606,600	\$ 22,400
Materials & Services	6,830,850	6,833,450	2,600
Capital Outlay	9,239,300	9,214,300	(25,000)
Debt Service	2,579,300	2,579,300	-
Transfers	2,770,350	2,770,350	-
Contingency	1,000,000	1,000,000	-
<i>Total</i>	\$ 25,004,000	\$ 25,004,000	\$ -
<i>Total Appropriations</i>	\$ 25,004,000	\$ 25,004,000	\$ -

ADOPTED BY THE BOARD OF COMMISSIONERS this 18th day of June, 2019.

Hoby Streich, President

Brian Shortt

John Everitt

Ben Sheppard

David Meriwether

**PORT OF HOOD RIVER
BUDGET ADJUSTMENTS BETWEEN MAJOR COST OBJECTS
SCHEDULE OF EXPENDITURES AND CHANGES TO APPROPRIATION
FOR THE FY 2018-19**

REVENUE FUND	Cost Center	Personnel Services			Materials & Services			Capital Outlay			Debt Service			Increase/ (Decrease) to Adopted Budget	Notes
		Adopted	Revised	Actual	Adopted	Revised	Actual	Adopted	Revised	Actual	Adopted	Revised	Actual		
<i>Toll Bridge</i>	100	957,900	982,900	792,831	1,780,100	1,755,100	599,877	457,000	457,000	168,654	-	-	-	-	10
<i>Industrial Facilities</i>															
Big 7	200/205	53,300	53,300	38,478	166,700	166,700	133,422	280,000	280,000	-	-	-	-	-	
Jensen Property	302	64,000	64,000	44,970	183,000	198,000	164,019	54,000	54,000	28,154	145,000	145,000	120,785	(15,000)	1
Maritime Building	303	39,600	39,600	30,182	92,600	92,600	59,230	5,010,000	4,768,000	-	-	-	-	242,000	1,2,3,5
Halyard Building	307	62,500	62,500	44,485	259,600	296,600	235,883	10,000	10,000	-	-	-	-	(37,000)	2
Timber Incubator Bldg	702	28,200	28,200	22,485	35,300	35,300	23,420	12,000	12,000	-	-	-	-	-	
Wasco Bldg	800	49,900	49,900	34,906	110,000	110,000	82,960	25,000	25,000	-	-	-	-	-	
Hanel Lower Mill		34,800	34,800	29,027	38,800	38,800	12,831	430,000	520,000	487,387	1,853,800	1,853,800	1,853,771	(90,000)	3
+		332,300	332,300	244,533	886,000	938,000	711,766	5,821,000	5,669,000	515,541	1,998,800	1,998,800	1,974,556	100,000	
<i>Commercial Facilities</i>															
State (DMV) Office Bldg.	501	24,600	24,600	18,676	43,500	43,500	33,622	11,000	11,000	9,621	-	-	-	-	
Marina Office Building	506	38,200	35,600	27,196	46,400	49,000	38,256	13,000	13,000	7,500	-	-	-	-	4
Port Office Building	502	37,400	37,400	25,928	25,600	25,600	19,145	100,000	100,000	-	-	-	-	-	
		100,200	97,600	71,800	115,500	118,100	91,022	124,000	124,000	17,121	-	-	-	-	
<i>Waterfront Industrial Land</i>	300/301	70,900	70,900	45,782	189,400	189,400	132,924	45,000	145,000	124,571	-	-	-	(100,000)	5
<i>Waterfront Recreation</i>															
Eventsite	402	122,700	122,700	83,666	62,800	62,800	41,092	45,000	45,000	-	-	-	-	-	
Hook and Spit	306/505	51,200	51,200	35,704	35,000	35,000	23,306	113,000	113,000	5,840	-	-	-	-	
Marina Park	504	175,300	175,300	128,943	45,900	62,900	50,804	65,000	48,000	-	-	-	-	-	6
		349,200	349,200	248,313	143,700	160,700	115,203	223,000	206,000	5,840	-	-	-	-	
<i>Marina</i>	503	154,400	154,400	118,883	109,000	115,000	90,070	130,000	124,000	-	94,500	94,500	79,560	-	7
<i>Airport</i>	600	152,700	152,700	124,313	131,000	131,000	96,981	1,606,300	1,606,300	197,173	-	-	-	-	
Administration		27,200	27,200	-	265,000	250,000	97,717	20,000	20,000	9,466	-	-	-	15,000	8
Maintenance		-	-	-	107,500	122,500	99,346	64,000	64,000	53,897	-	-	-	(15,000)	8
		2,144,800	2,167,200	1,646,456	3,727,200	3,779,800	2,034,906	8,490,300	8,415,300	1,092,263	2,093,300	2,093,300	2,054,116	-	
Increase/(Decrease) in Appropriation			<u>22,400</u>			<u>52,600</u>			<u>(75,000)</u>			<u>-</u>			
Bridge Repair & Replacement Fund		264,000	264,000	214,138	2,631,700	2,581,700	772,945	749,000	799,000	431,744	486,000	486,000	485,775	-	9
General Fund		175,400	175,400	138,077	471,950	471,950	255,844	-	-	-	-	-	-	-	

Notes to Budget Adjustments:

Changes to appropriations to Cost Center

- Transfer \$15,000 from Maritime CIP to Jensen M&S due higher utilities than budgeted. Maritime CIP building did not occur in FY 2018-19.
- Transfer \$37,000 from Maritime CIP to Halyard M&S for utilities that were more than original budget due to usage greater than prior year. Maritime CIP building did not occur in FY 2018-19.
- Transfer \$90,000 from Maritime CIP for Hanel Lower Mill CIP for project costs budgeted in FY 2017-18 that occurred in FY 2018-19. Maritime CIP building did not occur in FY 2018-19.
- Transfer \$2,600 from Marina Office Personnel Services to M&S to cover for higher than budgeted utility costs.
- Transfer \$100,000 from Maritime CIP to Waterfront Industrial Lands CIP for parking meters budgeted in FY 2017-18 but received in FY 2018-19, and HDR infrastructure issues.
- Transfer \$17,000 from Marina Park CIP to M&S due to higher utility and maintenance than anticipated in original budget.
- Transfer \$6,000 from Marina CIP to M&S due to higher maintenance costs to the Marina than budgeted.
- Transfer \$15,000 from Administration M&S to Maintenance M&S due to higher vehicle and maintenance supplies needed for the year than budgeted.
- Transfer \$50,000 from Bridge R&R M&S to CIP for Stanford Banlow work on motors.
- Transfer \$25,000 from Bridge Revenue fund Materials & Services to Personnel Services due to more work being incurred than budgeted.

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Commission Memo



Prepared by: Anne Medenbach
Date: June 18, 2019
Re: Lease Policy Approval

The proposed new Lease Policy, Master Lease Template, and Lease Rate Methodology are discussion items for tonight's agenda. Staff seeks Commission adoption of the new Lease Policy, including all the following elements:

- Lease Policy
- Master Lease Template
- Lease Rate Methodology

RECOMMENDATION: Adopt 2019 Lease Policy.

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Commission Memo



Prepared by: Anne Medenbach
Date: June 18, 2019
Re: Century West Task Order No. 5,
Amendment No. 1

Century West Engineering (“CWE”) is the engineer on the *ConnectOregon VI* (“COVI”) project. Over the past five months, there have been additional efforts that were not anticipated in the original contract for the following items:

1. The extended wetland mitigation process. Multiple applications and comments from DSL required the redesign of stormwater systems. Due to this redesign, some of the stormwater work shifted to the FAA project, improving efficiency and reducing COVI construction costs.
2. The City of Hood River sewer system and connection locations required additional analysis, design, and permitting due to the final connection location and the required STEP system which is less expensive and more efficient.
3. The electrical plans were changed due to a relocation and redesign of the electrical routing and downsizing of the FBO. The main transformer and distribution center is now closer to the main connection thereby reducing conduit and line runs, reducing cost, centralizing the system and improving efficiency.

The construction costs savings estimate for the above changes is \$75,000.

Century West is now submitting the attached Task Order Amendment for approval, as these additional projects are nearing completion and able to be estimated accurately. The total change amount is \$83,555.41, for a total contract amount of \$291,635.45. There is some contingency in Task No. 4 and No. 5 that may remain, depending on changes required by USACE. Century West has assured staff that there will be no further Amendments.

RECOMMENDATION: Approve Amendment No. 1 to Task Order No. 5 with Century West Engineering for services related to the *ConnectOregon VI* project, not to exceed \$83,555.41.

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Task Order Number 5, Amendment #1**KEN JERNSTEDT AIRFIELD****AVIATION TECHNOLOGY & EMERGENCY RESPONSE CENTER PROJECT****SITE AND CIVIL DESIGN AND BIDDING SERVICES****June 12, 2019**

This amendment is intended to modify the scope and budget for Task Order #5 to include the additional work related to the analysis and design of the following: sewer STEP system, irrigation district waterline, stormwater mitigation site, miscellaneous grading/layout revisions. These items are associated with the plans, specifications and cost estimates for the Aviation Technology & Emergency Response Center (ATERC) project at Ken Jernstedt Airfield in Hood River, OR.

GENERAL

The scope of the project is to provide engineering design and bidding services for proposed improvements at Ken Jernstedt Airfield. Plans, technical specifications, and bidding documents will be prepared for bidding/solicitation of the work. The scope of work that follows describes the above additional scope of services in additional detail.

Construction administration and observation services will be provided under a separate agreement.

PHASE I –DESIGN AND BIDDING SERVICES**Task 1 Project Management**

1. Carry out project administration including, but not limited to monitoring design and project schedules, coordination of project with the Port, monitoring and reporting technical and budget issues to the Port, and preparation of monthly consultant invoices for submittal to the Port.
2. Coordinate the project team and sub-consultants.
3. Conduct in-house quality control for each element of design.

Task 4 Preliminary Design

1. Review Windmaster Area Sanitary Sewer Facilities Plan (WASSFP). Use WASSFP to formulate inventory of existing sewer allocation for Port and surrounding airfield property owners. Develop future flow projections for existing and future Port developments, including the ATERC. Summarize findings in Sewer Analysis memo to be submitted to City of Hood River. Includes coordination and meetings with the Port of Hood River, Tac Aero and City of Hood River.

2. Preliminary analysis and design of various sanitary sewer disposal systems due to the City not allowing connection to the existing sewer system(s) in Air Museum Road or Jeanette Road. Sewer system options evaluated included Septic Tank Effluent Pump (STEP) systems and municipal lift station systems in the vicinity of the ATERC site improvements and in the vicinity of the south airfield development projects. Includes coordination and meetings with the Port of Hood River, Tac Aero and City of Hood River.
3. Layout and design for a commercial STEP system, including a force main extension from the ATERC site approximately 1,600 feet west to Tucker Road. Includes traffic control plans, permit applications and coordination to obtain permit approval from the Oregon Dept. of Transportation for the Utility Permit required to connect to the existing sanitary system in Tucker Road. Includes additional topographic survey within Tucker Road rights-of-way as required by ODOT.
4. Separate storm drainage into two conveyance systems per comments received as part of the JPA permitting process. The additional system is required to provide a bypass of the flow within the existing drainage from the impervious runoff flow from the ATERC site. Required additional preliminary layout, conveyance analysis and coordination with the JPA permitting team.
5. Layout, grading and construction details for the design of the stormwater quality and quantity management system (pond, pollution control manhole, water quality swales) required as part of the JPA permit review. Management system improvements based on conceptual design included as part of the JPA documents. Includes coordination with the JPA permitting team.
6. Layout, restraint design and construction details for the relocation of the existing Farmers Irrigation District main and utility easement extending through the ATERC site. Includes coordination with the Port and Farmers Irrigation District.
7. Revise the Site Electrical plan and civil plans to reflect revised point of connection near the proposed fuel tank location in lieu of the previously anticipated future FBO building. Include additional design efforts for the STEP system power feed. Includes coordination with electrical consultant, Pacific Power and the Port for the revised point of connection and STEP system.
8. Various grading, stormwater and paving alternatives/revisions related to potential phasing options explored due to JPA permitting timelines.
9. Prepare the 1200-C permit application and furnish permit application fees.

Task 5 Final Design

1. Incorporate preliminary design comments and respond as necessary to requests for additional information.
2. Provide final construction documents, including drawings, technical specifications and final quantity calculations, related to the stormwater mitigation, irrigation, and sanitary sewer STEP systems.

Opinion of Probable Cost:

The total proposed not-to-exceed fee for the task items shown above is as follows and per the attached Fee Estimate spreadsheet. Fee will be on a time and materials basis for actual time spent and expenses incurred on the project. If additional funds are required to complete the services defined herein beyond this limit, Century West shall notify the Port of Hood River in writing prior to reaching the authorized limit and will not proceed with work in excess of the limit without the prior written approval.

Total Task 1:	\$ 6,960.00
Total Task 4:	\$ 57,254.00
Total Task 5:	\$ 9,890.00
<u>Total Expenses:</u>	<u>\$ 9,451.41</u>
Phase I Subtotal:	\$ 83,555.41

PHASE II – CONSTRUCTION SERVICES

Construction services are not included. These services will be performed under a separate agreement or work order.

SCHEDULE FOR SERVICES

CWEC shall perform the Services and deliver the related Documents (if any) according to the following schedule:

CWEC has started, and in some cases completed, many of the tasks identified above based on coordination with the Port. CWEC anticipates completion of these tasks by July 3, 2019.

COMPENSATION

The original Task Order #5 was approved for \$208,080.04. With the approval of this Amendment # 1, Task Order #5 will be increased by the amount \$83,555.41 and in return for the performance of the foregoing obligations, Owner shall pay to CWEC the not to exceed amount total of \$291,635.45 for Task Order #5.

IN WITNESS WHEREOF, Owner and CWEC have executed this Task Order.

PORT OF HOOD RIVER
(Owner)

Century West Engineering Corporation
(CWEC)

Signature _____

Signature _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____

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Port of Hood River - Ken Jernstedt Airfield
Task Order #5, Amendment #1 - Site and Civil Design and Bidding Services - Fee Estimate
Aviation Technology & Emergency Response Center Project
CWE Contract # 12399.013.01
CENTURY WEST ENGINEERING CORPORATION
6/12/19

	<i>Principal</i>	<i>Sr. Project Manager</i>	<i>Project Engineer</i>	<i>Engineer-In-Training (EIT)</i>	<i>CADD Technician</i>	<i>Clerical</i>	<i>Total Hours</i>	<i>Total Fees</i>
	\$225.00	\$180.00	\$121.00	\$95.00	\$80.00	\$71.00		
Phase 1 - Design and Bidding Services								
Task 1: Project Management								
Project Administration		12				6	18	\$2,586.00
Coordinate Team and Subs		4	10			2	16	\$2,072.00
Conduct In-House QA/QC		12				2	14	\$2,302.00
Subtotal Task 1:	0	28	10	0	0	0	48	\$6,960.00
Task 4: Preliminary Design								
Sanitary Sewer Analysis & Planning		24	20	32		4	80	\$10,064.00
Sewer System Alternatives		12	20	12			44	\$5,720.00
STEP System Design		32	24	64		2	122	\$14,886.00
Storm Drainage Bypass		4	12	24			40	\$4,452.00
Stormwater Management Facilities		6	20	48			74	\$8,060.00
Irrigation System		4	12	28			44	\$4,832.00
Electrical Plan		2	8	20			30	\$3,228.00
Phasing Alternatives		4	10	24			38	\$4,210.00
1200-C Permit Application Package		2	8	2		4	16	\$1,802.00
Subtotal Task 4:	0	90	134	254	0	0	488	\$57,264.00
Task 5: Final Design								
Incorporate Review Comments		4	8	24		2	38	\$4,110.00
Additional Final Construction Plans, Contract Manual, Engineer's Estimate Support		4	12	32		8	56	\$5,780.00
Subtotal Task 5:	0	8	20	56	0	0	10	\$9,890.00
Century West Expenses								
		<u>Miles</u>	<u>Rate</u>	<u>Each</u>	<u>Markup</u>			
Site Visits/Coordination Meetings for sewer system		138	\$ 0.59	2	1.1			\$177.61
Copies								\$150.00
Oregon DEQ 1200-C Submittal Fees								\$2,130.00
Phase 1 - Task 4 - Survey Subconsultant - Terra Surveying				\$2,500.00	1.1			\$2,750.00
Phase 1 - Task 4 - Electrical Subconsultant - R&W Engineering				\$3,858.00	1.1			\$4,243.80
Subtotal Subconsultants and Expenses								\$9,451.41
Total Hours	0	126	164	310	0	0	30	630
Total Fees	\$0.00	\$22,680.00	\$19,844.00	\$29,450.00	\$0.00	\$0.00	\$2,130.00	\$83,555.41

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