



PORT OF HOOD RIVER COMMISSION
MEETING AGENDA
Tuesday, April 7, 2020
Via Remote Video Conference, Marina Center Boardroom

5:00 P.M.
Regular Session

1. Call to Order
 - a. Modifications, Additions to Agenda
 2. Public Comment - Staff will read aloud any public comment received via phone or email.
 3. Consent Agenda
 - a. Approve Minutes of March 17, 2020 Regular Session and March 24 Special Session (*Maria Diaz, Genevieve Scholl, Page 3*)
 - b. Approve Lease with Oregon Brineworks in the Timber Incubator Building (*Anne Medenbach, Page 13*)
 - c. Approve Addendum No. 2 to Lease with Real Carbon in the Big 7 Building (*Anne Medenbach, Page 29*)
 - d. Approve Maintenance Contract Renewal with Kapsch TraffiCom USA Not to Exceed \$46,319 (*Fred Kowell, Page 37*)
 - e. Approve Amendment No. 7 to Contract with Steve Siegel for Consulting Services Related to Bridge Replacement (*Kevin Greenwood, Page 45*)
 - f. Approve Accounts Payable to Jaques Sharp in the Amount of \$13,275 (*Fred Kowell, Page 49*)
 4. Presentation & Discussion
 - a. COVID-19 Rent Relief Policy Discussion (*Anne Medenbach, Page 53*)
 - b. N. Apron Project Bid Results and Grant (*Anne Medenbach, Page 57*)
 5. Reports
 - a. Bridge Replacement Update (*Kevin Greenwood, Page 61*)
 6. Director's Report (*Michael McElwee – Page 65*)
 7. Commissioner, Committee Reports
 8. Action Items
 - a. Approve Contract with Livermore Architects and Engineering for Architectural Design Services Related to Lower Mill Redevelopment Not to Exceed \$26,900 (*Anne Medenbach, Page 75*)
 - b. Approve Amendment No. 2 to Goods and Services Agreement with Duncan Solutions for Implementation of AET Tolling System, Subject to Legal Review (*Fred Kowell, Page 85*)
 - c. Approve Resolution No. 2020-5 Authorizing the Charge of an Ancillary Fee and Late Fees for Tolling to Recover Costs for All Electronic Tolling (*Fred Kowell, Page 95*)
 9. Commission Call
-
10. Executive Session under ORS 192.660(2)(e) real estate negotiations and ORS 192.660(2)(h) legal consultation on current litigation or litigation likely to be filed.
 11. Possible Action
 11. 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 March 17, 2020 Regular Session
Marina Center Boardroom
5:00 pm.

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

5:00 pm.
Regular Session

Present: Commissioners John Everitt, David Meriwether, Hoby Streich, from staff; Michael McElwee, Genevieve Scholl, Anne Medenbach, Daryl Stafford, and Maria Diaz.

Present Via Video Conference: Commissioners Ben Sheppard and Kristi Chapman; Legal counsel Jerry Jaques; from Staff, Ann Medenbach and Kevin Greenwood

Absent: Daryl Stafford

Media: None

1. CALL TO ORDER: President John Everitt called the regular session to order at 5:10 pm. Modifications to agenda:

- a. Change meeting minutes from March 03, 2020, under Action Item (b), and remove Commissioner Chapman from the vote as she was not present.
- b. Add three items under Presentation and Discussion:
 1. Toll Policy During COVID 19 Emergency- Memorandum handout
 2. Conducting future Port Meetings- Michael McElwee
 3. Challenges to Port Tenants- Ann Medenbach

2. PUBLIC COMMENT

a. Steve Bryant- Hood River resident expressed his concern that it is unreasonable that the BreezeBy customers will have to pay while cash customers will be allowed to pass without paying the toll. Bryant expressed an understanding of Port's predicament and recognized the pressures.

3. CONSENT AGENDA:

- a. Approve Minutes of March 3, 2020 Regular Session the following correction: Change meeting minutes from March 03, 2020, under Action Item (b), and remove Commissioner Chapman from the vote as she was not present.
- b. Approve Accounts Payable to Jaques Sharp for the amount of \$9,910.00

Motion: Move to Approve Consent Agenda

Move: Meriwether

Second: Streich

Discussion: None

Vote: Unanimous

4. PRESENTATION AND DISCUSSION ITEMS:

a. Yakama Nation Toll Waiver Policy- McElwee discussed the Yakama Nation letter for request for Hood River Bridge Toll Exemption. McElwee noted outside counsel has reviewed the letter and has determined the Yakama Nation has legal right to travel through the Hood River Bridge without a toll. McElwee stated a letter to the Yakama Nation would be drafted, affirming acknowledgment of their rights as well as indicating the future toll policy. McElwee noted Yakama Nation was comfortable providing Port's staff time for the process. McElwee sought input with the intent to finalize the letter and toll waiver policy approval. McElwee answered Commissioner Sheppard's question whether the treaty applied more

nations noting that the agreement applies to the Yakama Nation and two other tribal entities. Commissioner Chapman emphasized this agreement with the tribe could be beneficial to the Bridge Replacement project.

b. Bridge Replacement Update- Greenwood gave an update noting an additional contingency request in the contract with ODOT. Greenwood reminded the Commission of the \$285k contingency under the WSP contract, and \$350k with ODOT's contract, and highlighted the Ports Director's authority to release contingency. Greenwood explained to Commissioner Streich the Federal Highways request, although challenging, to have ODOT Cultural Resource lead the process is essential to how the tribes react. Greenwood noted the project team is meeting with WSP and OTAC about positioning the NEPA process so that when ready to go with a 15% design that there's a good transition for engineering services. Greenwood noted he would recommend OTAC to write up RFQ for engineering. Greenwood highlighted the PNWA Mission to Washington DC trip, and the unique sense of bipartisan cooperation for capital improvements and infrastructure funding. Commissioner Meriwether commended Greenwood and Commissioner Chapman for a great report regarding the Mission. Commissioner Chapman added that during the meeting with the intergovernmental bridge-group discussion to move along with the Bridge Project was essential for possible economic stimulus. Greenwood highlighted a press release would be going out, explaining the purpose of the Intergovernmental Bridge Group.

c. Toll Policy During COVID 19 Emergency- McElwee reported that due to the growing concerns regarding COVID-19, a decision was made to stop all cash handling contact at the toll booth and all related cash handling. McElwee noted this decision resulted in a high response from BreezeBy customers, with the primary concern of fundamental fairness since electronic tolling was continuing while cash was suspended. Commissioner Chapman raised concerns in the process during the decision making, asking why was the Commission not first notified. President Everitt responded noting the decision-making process was within the Port Directors' operational decision making in response to employee and public health and safety concerns, while tolling decisions about BreezeBy, which is poses no transmission threat, is up to the Commission. Chapman recommended revising protocol for communication when situations like this arise so that Commissioners are ready to respond to constituent questions and concerns with the correct, most up-to-date information.

Fred Kowell reported steps that are being taken by Port are comparable to all agencies in the IBTTA, who are holding regular conference calls for tolling agencies nation-wide. Kowell said the similar actions are the separation/distancing from employees, handwashing, advising the public of online services, and closing the front office to the public. Kowell also noted agencies around the country are reporting a decrease in traffic except for commercial traffic at 50% higher. Kowell said the Port of Hood River's tolling is different compared to other agencies in that the Port's license plate recognition is not fully available, and the average age for collectors is higher than most agencies. Kowell reported the operational and non-operational aspects of the tolling system. Kowell highlighted the time frame of 1-2 months it would take to bring the non-operational elements to be functional. Kowell noted a quicker approach is available at a higher cost for the Port. Commissioners and staff discussed issues related to tolling fairness for all public, Port's financial responsibilities, and staff safety. Consensus to implement a seven-day suspension of all tolls. During the week-long suspension, the Port intends to consult with environmental health specialists to assess the cash-pay toll area and cash handling systems and protocols, address potential risks, and implement measures to mitigate those risks.

d. Conducting Future Port Meetings- McElwee discussed the potential teleconference method of conducting future public meetings. McElwee noted the present session as a crucial meeting to hold during these critical times. McElwee noted the proposed platform allows Commissioners to telephone in or connect with an audio/video enabled computer or mobile device, and allows the public to participate by continuing to leave the Port's office as the physical location, and publishing a live stream of the meeting. Consensus to continue conducting meetings through teleconferencing.

e. Challenges to Port Tenants- Anne Medenbach reported on her discussions with Port tenants about their expected impacts from the COVID-19 pandemic. Medenbach reported ten tenants responded regarding layoffs, the policies to work from home for employees, whether they are closing down entirely, and what their most significant impacts would be. Medenbach noted reports registered business closure, 90% layoffs of employees, and some business conducted as usual. Medenbach reported she provided tenants with links to resources. Medenbach noted that some tenants have already expressed a need for rent abatement and use of any Port lobbyist work to push employee and employer assistance.

5. REPORTS: NONE

6. Directors Report- McElwee reported the City of Hood River has decided to close public offices to the public. McElwee noted the challenge ahead to provide ample discussion to the 10-year model during the Spring Planning on April 7. McElwee noted contract for \$500 through the end of June with Carter and Company Inc, to allow the staging of construction materials and vehicles on the Barman lot has been signed. McElwee highlighted that David Evans, an engineering firm acting a sub-contractor to the ODOT, is currently engaged in load rating the bridge. McElwee noted the importance of the analysis and could potentially result in a reduction in the legal weight limit raising essential challenges.

7. COMMISSIONER, COMMITTEE REPORTS: Commissioner Meriwether noted two updates from the Urban Renewal board meeting. The first update was appointing Clint Harris as a new member of the board. The second was the board's ask to pursue recommendations of staff and advisory members to transition and separation from GreenWorks to MIG. Commissioner Streich clarified that the scope of work had not changed. He noted the original RP (Recommended Proposal) was not well written, making the actual work not possible to be completed with the proposed budget. Commissioner Chapman noted the takeaway from Mission to Washington DC was to continue to move forward with a clear collaboration message. Greenwood highlighted having two elected officials together during the Mission to Washington DC was the most effective advocacy to the project.

8. ACTION ITEMS:

a. Approve Resolution No. 2019-20-4 Authorizing Issuance of Bond to Refinance Debt Related to the Purchase of the Luhr Jensen Building

Motion: Approve Resolution No. 2019-20-4 Authorizing Issuance of Bond to Refinance Debt Related to the Purchase of the Luhr Jensen Building

Move: Meriwether
Second: Streich
Discussion: Clarification questions to staff.
Vote: Unanimous

b. Approve Amendment No. 1 to Task Order 9 with HDR Engineering for Bridge Engineering Services

Motion: Approve Amendment No. 1 to Task Order 9 with HDR Engineering for Bridge Engineering Services

Move: Streich
Second: Meriwether
Discussion: None
Vote: Unanimous

c. Approve Contract with Liz Olberding for Architecture Design Services Related to Port Building Shop Remodel.

Motion: Approve Contract with Liz Olberding for Architecture Design Services Related to Port Building Shop Remodel

Move: Meriwether
Second: Streich
Discussion: None
Vote: Unanimous

d. Approve Contract Steve Siegel for Bridge Replacement Governance Evaluation

Motion: Approve Contract Steve Siegel for Bridge Replacement Governance Evaluation

Move: Sheppard
Second: Streich
Discussion: Clarification questions to staff.
Vote: Unanimous

8. COMMISSION CALL: None.

9. EXECUTIVE SESSION: President John Everitt recessed Regular Session at 7:45 pm 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.

10. POSSIBLE ACTION: None.

11. ADJOURN 7:45 pm.

Motion:
Motion to adjourn the meeting
Vote: Unanimous
MOTION CARRIED

The meeting adjourned at 7:45 pm.

Respectfully submitted,

Maria Diaz

ATTEST:

John Everitt, President

David Meriwether, Secretary

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5:00 pm.
Regular Session

Present, via teleconference: Commissioners John Everitt, David Meriwether, Hoby Streich, Ben Sheppard, Hoby Streich. From staff; Michael McElwee, Fred Kowell, Genevieve Scholl, Anne Medenbach, Daryl Stafford, Kevin Greenwood, and Maria Diaz. Legal counsel Jerry Jaques.

Absent: None.

Media: Emily Fitzgerald, Hood River News

1. CALL TO ORDER: President John Everitt called the regular session to order at 5:11 pm. Modification to agenda:

1. Add sub-topics to Executive Director's summary report.

2. STAFF REPORT

a. Operational matters - Michael McElwee presented a staff report on the COVID-19 pandemic impacts on Port operations. He noted that BreezeBy tolling was suspended beginning on midnight March 20, that suspension currently set to expire on the 27th. McElwee reported that the Port offices are now closed, and for those Port employees whose work can be performed at home, those employees are equipped and able to do so. He noted transactions that need to be made at the office are now taking place via a drop box outside the front door. He noted the Governor's Executive Order 20-12, issued on the 23rd with specific rules for social distancing. Toll staff are for the most part not working, although some are working in the office on split shifts. The Facilities Dept. crew are also working split shifts, with only one staff person working on site at a time. Jana and Marcela continue to work from the office for A/P and A/R functions. Daryl is working from home managing Marina and Waterfront functions.

b. Policy matters – staff that are not able to work, are able to utilize sick leave to continue to get paid. When sick leave is exhausted, the Port will be able to authorize additional sick leave hours. McElwee noted the Port is self-insured for unemployment, which affects decisions related to furlough. On March 18, the Families First Act was signed by President Trump that may also have an impact on furlough decisions.

c. Rent abatement – Anne has received some requests from tenants for rent abatement. Staff will develop a recommendation for a potential policy. Commissioner Meriwether asked whether lost rent revenue would be reimbursable by FEMA. Fred Kowell responded that at this time, that lost revenue is not understood as being reimbursable, but each stimulus package contains several new programs so staff will continue to monitor any opportunities to recover lost revenues.

d. Projects – Guardrail repairs tentatively scheduled for April 6-10. Connect VI project at this point appears to be a go. N. Apron Rehabilitation bids are due March 31. Nichols Dock has been fabricated, but delivery is not expected for some time. Event Site Dock repairs and inspections continue – John Mann has requested that one beam be completely replaced. As a consequence, we may need to reposition the concessionaires and regardless, staff anticipates delays due to the unfolding pandemic. Commissioner Everitt asked for clarification on the Connect VI project, since the Oregon legislature adjourned without approving the additional funding request. Anne Medenbach answered that the project components funded by that request were removed from the contract scope.

e. Inter-agency coordination: EOC started Monday the 16th and McElwee and Scholl are participating, the JIC meets on Tuesdays and Scholl is participating as the Port's PIO. Scholl coordinated the purchase of

closure signs for Port, City, County and HRVPRD and they are all being installed now. General discussion on tourism impacts ensued. Commissioner Meriwether clarified that he is working as a business liaison for the EOC, not as a representative of the Port. Anne Medenbach noted the regional coalition working on business recovery initiatives through MCEDD, meeting on Fridays. Anne will connect David to that group.

f. Supplies donations – McElwee reported that the County is propping up a donation system for PPE. There was direction received to connect directly with community health agencies for all the other supplies like toilet paper, paper towels, wipes, etc – we are making donations to One Community Health, FISH Foodbank, and the homeless and food securities agencies.

g. Governance and Public Meetings – Video conferencing with live stream has been enabled. Spring Planning will take place April 7 via videoconference. McElwee’s recommendation is to focus on the 10-Year Model and the FY20-21 budget, with fewer Key Issues for discussion. He noted that the Regular Session agenda is more full than usual for this meeting. Budget Committee members will be able to join the meeting via teleconference. McElwee noted the public access requirement of a physical location available for any member of the public to attend and observe the meeting. Staff will report on any state guidance or changes on public access to meetings during the pandemic.

h. Bridge operations and tolling – Guidance received from the County is, based on the Governor’s directive to preserve all PPE for medical purposes, and non-essential, non-medical uses should be avoided. Traffic volumes on the Bridge are down. License plate recognition system can be operated for Oregon-registered vehicles is ready now. For all out-of-state registered vehicles, however, the inter-agency agreements with the registrant states are not yet available. Staff requests Commission direction on fairness in tolling, capital and repair and maintenance needs, bridge replacement efforts, utilization of reserves to continue operations, personnel considerations, and public messaging. McElwee listed some waivers and flexibility of requirements for public records and public information currently being considered by the state. Fred Kowell presented a spread sheet that illustrated the impacts of different tolling and toll suspension scenarios. Kowell noted that suspending all tolls through April would result in an approximate revenue loss of \$644,000. Kowell explained in detail the costs to bill via the License Plate Recognition system, if the Port were to contract with Duncan Solutions for all out-of-state vehicle registration records, noting that each “hit” or look-up of a certain vehicle’s registration costs \$1.10, plus about \$1.23 cents each for pass-through costs, plus a per crossing cost to P-Square and a 57 cent violation cost for late charges, adding up to an ancillary fee of \$3.00 per crossing. Fred noted that the system was set up for violators, i.e., run-throughs. This would of course be a different use, as all non-BreezeBy payments would be via this system. Commissioner Sheppard asked how much we need to charge for the toll to implement License Plate Recognition. Fred answered the total would be \$5 – the \$2 toll plus the \$3 fee. Commissioners Everitt and Sheppard both urged a fair system for all, meaning toll all users or none. Commissioner Chapman asked about the toll takers and whether they would have continued employment once we implement the All-Electric Tolling system. Fred responded there is work needed even with the AET system. Commissioner Meriwether noted that Port of Cascade Locks is continuing their BreezeBy tolling, requesting cash payers use the honor system to make payments. Commission discussion ensued. Fred asked for confirmation of Commission consensus to add the ancillary fee to the cash toll amount. General discussion/debate among the Commissioners. Commissioner Meriwether asked about the implications for bonding capability and debt covenants and other impacts for the lost revenue. Fred suggested the schedules for the larger CIP projects be pushed back. Commissioner Streich asked about the BreezeBy system’s new account maximum capacity. The Commission discussed the month-long period available for public outreach and information about these changes being implemented. Consensus was to begin tolling again May 1, leave BreezeBy toll as it is, implement ancillary fee for non-BreezeBy

transactions, and step up public outreach to encourage Gorge residents to get on BreezeBy. General discussion on the need for a sped-up schedule to the next toll increase may be another possibility.

3. ACTION

Motion: Move to suspend all tolls through May 1st and at that time collect on all allowed formats and continue to respond as appropriate to the COVID-19 pandemic.

Move: Meriwether

Second: Sheppard

Discussion: Scholl asked for clarification on the basis of the decision being equitable tolling for each user group, not an economic relief measure.

Amended Motion: Move to suspend all tolls through May 1st, or such time that collection of non-BreezeBy tolls is possible, and at that time collect on all allowed formats and continue to respond as appropriate to the COVID-19 pandemic.

Vote: Unanimous

The Commission continued to discuss important public messages going forward and potential federal relief packages.

4. ADJOURN 6:39 pm.

Motion:

Motion to adjourn the meeting

Vote: Unanimous

MOTION CARRIED

The meeting adjourned at 6:39 pm.

Respectfully submitted,

Genevieve Scholl

ATTEST:

John Everitt, President

David Meriwether, Secretary

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Commission Memo



Prepared by: Anne Medenbach
Date: April 7, 2020
Re: Oregon Brineworks, LLC Lease

Oregon Brineworks, LLC has been a tenant in the Timber Incubator Building since 2014. They manufacture pickled goods for distribution throughout the northwest, including pickles, beats, sauerkraut, kvass and other specialty products. They employ between 5-8 people.

Oregon Brineworks would like flexibility in their lease as they are growing. The negotiated term is one year with two 2-year extensions. They may be looking for expanded space within the next 2-3 years and wanted the lease term to reflect that.

The new lease is recommended and will increase their overall payments by \$175 per month. This is due to a reduced base rent (from \$0.68/sf to \$0.65/sf) and an increase in additional rent from \$0.11/sf to \$0.22/sf.

RECOMMENDATION: Approve Lease with Oregon Brineworks LLC. In the Timber Incubator Building.

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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 **Oregon Brineworks, LLC** an Oregon 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 2,500 square feet of space in Lessor’s building commonly known as the Timber Incubator Building (“Building”) located at 3875 Heron Drive, Odell, Oregon (“Leased Premises”). The Leased Premises are identified in the attached “Exhibit A.”

Building Name:	Timber Incubator
Building Address:	3875 Heron Drive, Odell OR
Lessee Suite/Description:	400
Leased Area:	2,500sf
Rentable Area:	2,500sf

- 2. Term.** The Lease shall be binding when both parties sign the Lease. The Lease Term shall be for the period effective on **April 1, 2020** and continuing through **March 31, 2021**. 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 renew the Lease for **two (2)** extension term(s) of **one (1)** year each, through March 31, 2023 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 ninety (90) days prior to the Lease termination date.

Effective Date:	April 1, 2020
Lease Expiration Date:	March 31, 2021
Renewal Options:	Two (2) renewal options, each for a term of One (1) year
Renewal Notice Requirement:	Ninety (90) days

- 3. Allowed Use.** Lessee shall use the Leased Premises for processing and storage of food grade raw materials, packaging and shipping supplies, storage of processing equipment, packing of non-hazardous food grade products, office space for management and warehouse personnel, and related purposes. 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. 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”.

- 4.1 Base Rent.** Beginning on the Effective Date, Base Rent shown below shall be payable in equal monthly installments in advance on the first day of each 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>
400	2,500	\$0.65	\$1,625.00

4.1.1 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 Rent 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 BC, 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 (1%) or more than 5 percent (5%).

4.2 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 4.3.1 and Taxes and Assessments as defined in Section 4.3.2.

4.3 Additional Rent Calculation.

<u>Rentable Area (Square Footage)</u>	<u>Estimated rate per s.f. per month</u>	<u>Monthly Estimated Additional Rent</u>
2,500	\$0.22	\$550.00

4.3.1 Operating Expenses. Operating Expenses shall include all costs for the operation, repair and maintenance of the Building, Building Common Areas, and “Building Exterior Areas” which are located on Lessor property adjacent and related to the Building, whether designated for a particular Building tenant or which benefit some or all Building tenants. Operating expenses may include but are not limited to:

4.3.1.1 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:

4.3.1.1.1 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;

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

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

4.3.1.1.4 General maintenance and repair of Building systems including plumbing, lighting and fixtures, siding and trim, flooring, HVAC, roof and fixtures and garbage service; and/or

4.3.1.1.5 Property management and administration fees required to enable the Building to be used by tenants and maintained.

4.3.1.2 All costs and expenses incurred by Lessor for utility usage 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.

4.3.1.3 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 Building, Building Common Areas or Building Exterior Areas 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 Lessor 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 and Building Common Areas and any tax increase caused by their revaluation by virtue of a sale by Lessor; (e) Lessor's general administrative overhead not directly attributable to management or operation of the Building, Building Common Areas and Building Exterior Areas and (f) costs for services normally provided by a property manager where the Operating Expenses already include a management fee.

4.3.1.4 Additional rent charged to tenant may not exceed an annual increase of 4%.

4.3.2 **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, 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 directly pay all taxes levied on or with respect to Lessee's personal property located on the Leased Premises.

4.3.3 **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.

4.3.4

5. Building Common Areas 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.

5.1 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.

5.2 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.

6. Parking. Lessee may park up to four (4) vehicles in Building Exterior Areas, including in the designated parking spaces located in front of the Leased Premises door. Lessor shall have no obligation to monitor parking or enforce parking restrictions associated with Lessee's designated parking spaces.

7. Maintenance and Repair.

Expenses of any maintenance or repair activity that is not considered a Capital Expenditure is an Operating Expense described in section 4.3.1 of this Lease. A portion of the cost of Lessor

maintenance and repair activities related to Lessee's occupancy of the Leased Premises shall be payable by Lessee as Additional Rent.

7.1 Lessor Obligations. Lessor shall maintain the Building except for the Leased Premises and other tenant occupied leased areas which are the responsibility of Building tenants, and shall maintain the Building Exterior Areas, and Building Common Areas, including stairs, corridors, restrooms, exterior and interior windows, plumbing and electrical equipment serving the Building, roof and elevators, except for equipment owned or leased by Lessee and other building tenants, in reasonably good order and condition except for damage occasioned by the Lessee or Lessee's licensees or invitees, which damage Lessee shall promptly repair or may be repaired by Lessor at Lessee's expense in Lessor's discretion, in which case Lessee shall promptly reimburse Lessor. Lessor shall cause water and electric services to be provided to the Building. However, in no event shall Lessor be responsible or liable for an interruption or failure in the supply of any utilities to the Building or Leased Premises or for inconvenience or costs incurred by Lessee resulting from Lessor maintenance.

7.2 Lessee Obligations. During the Lease Term, Lessee shall at Lessee's sole cost and expense, keep the Leased Premises in good order, condition and repair. This obligation shall include, without limitation, the obligation to maintain and repair when damaged, not functioning or worn beyond ordinary wear and tear: floor coverings, wall coverings and paint, casework, ceiling tiles, HVAC exclusively serving the Leased Premises, window coverings, light bulbs, ballasts and fixtures, locks and hardware and all tenant improvements. Lessee shall promptly pay bills for Lessee's utility services provided directly to Lessee and shall reimburse Lessor for utilities services paid for by Lessor as Operating Expenses.

8. Insurance

8.1 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.

8.2 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 policy 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.

8.3 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.

9. Lessor Funded Tenant Improvements. If Lessor has agreed to make or pay for tenant improvements to the Leased Premises prior to or during the Lease Term, a description of the improvements, costs and Lessee's obligation to pay for such improvements shall be set forth in a separate written agreement that will be an amendment to and become part of this Lease.

10. 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 payments. 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 the

condition when leased or as improved in good, broom clean condition except for ordinary wear and tear at the termination of this Lease. Any cost to bring the Leased Premises back to an 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 an 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 satisfactory to Lessor 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 five (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 Leased

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 Leased 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 Rent and damages shall survive such termination and Lessor may re-enter, take possession of the Leased 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 (2) 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: Oregon Brineworks LLC

Lessor: Port of Hood River

Signed: _____

Signed: _____

By: Brian Shaw

By: Michael McElwee

Its: Manager

Its: Executive Director

Address: 1890 Markham Road
Hood River, OR 97031

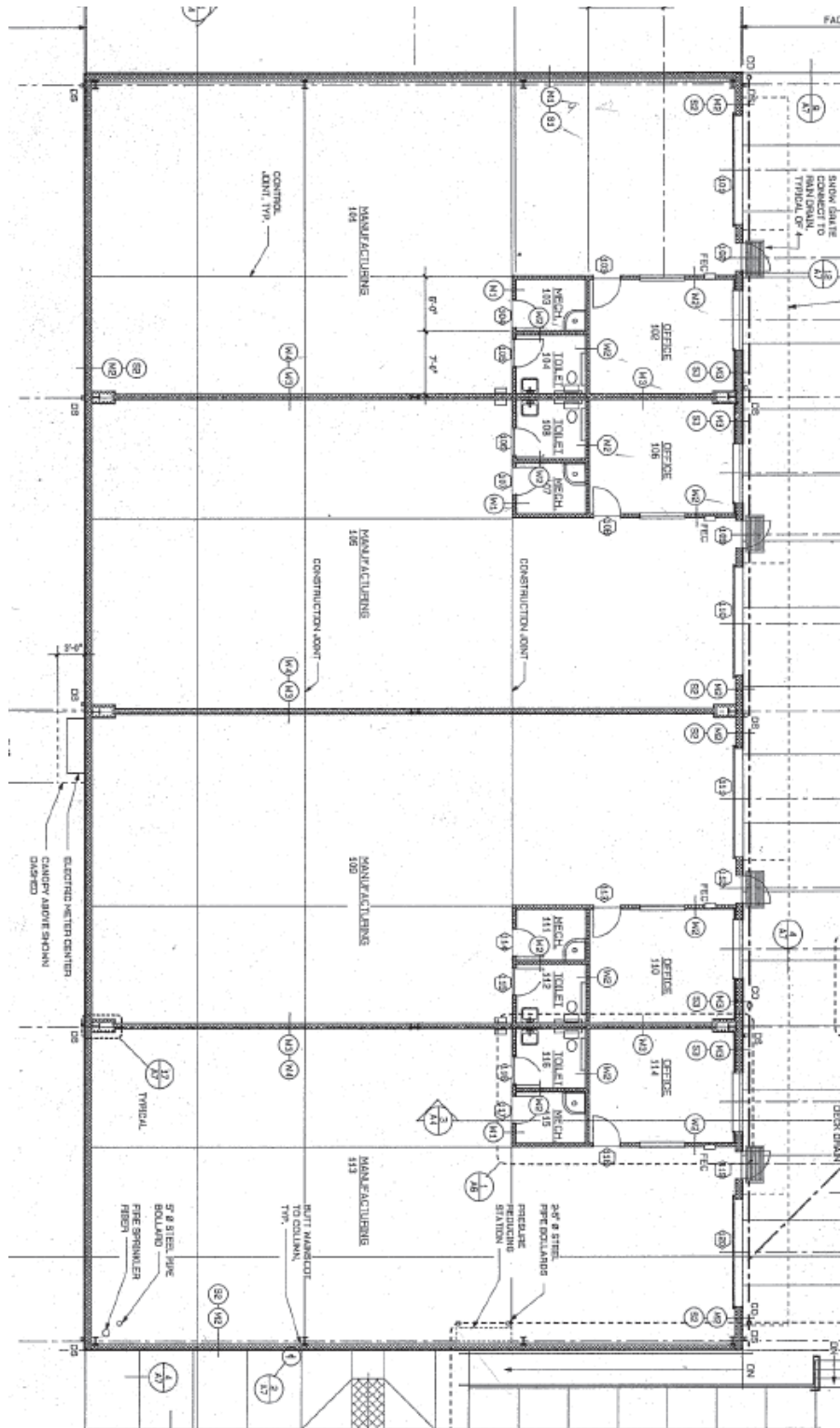
Address: 1000 E. Port Marina Drive
Hood River, OR 97031

Email/phone: (541) 490-3253
brian@oregonbrineworks.com

Email/phone: (541) 386-1645
porthr@gorge.net

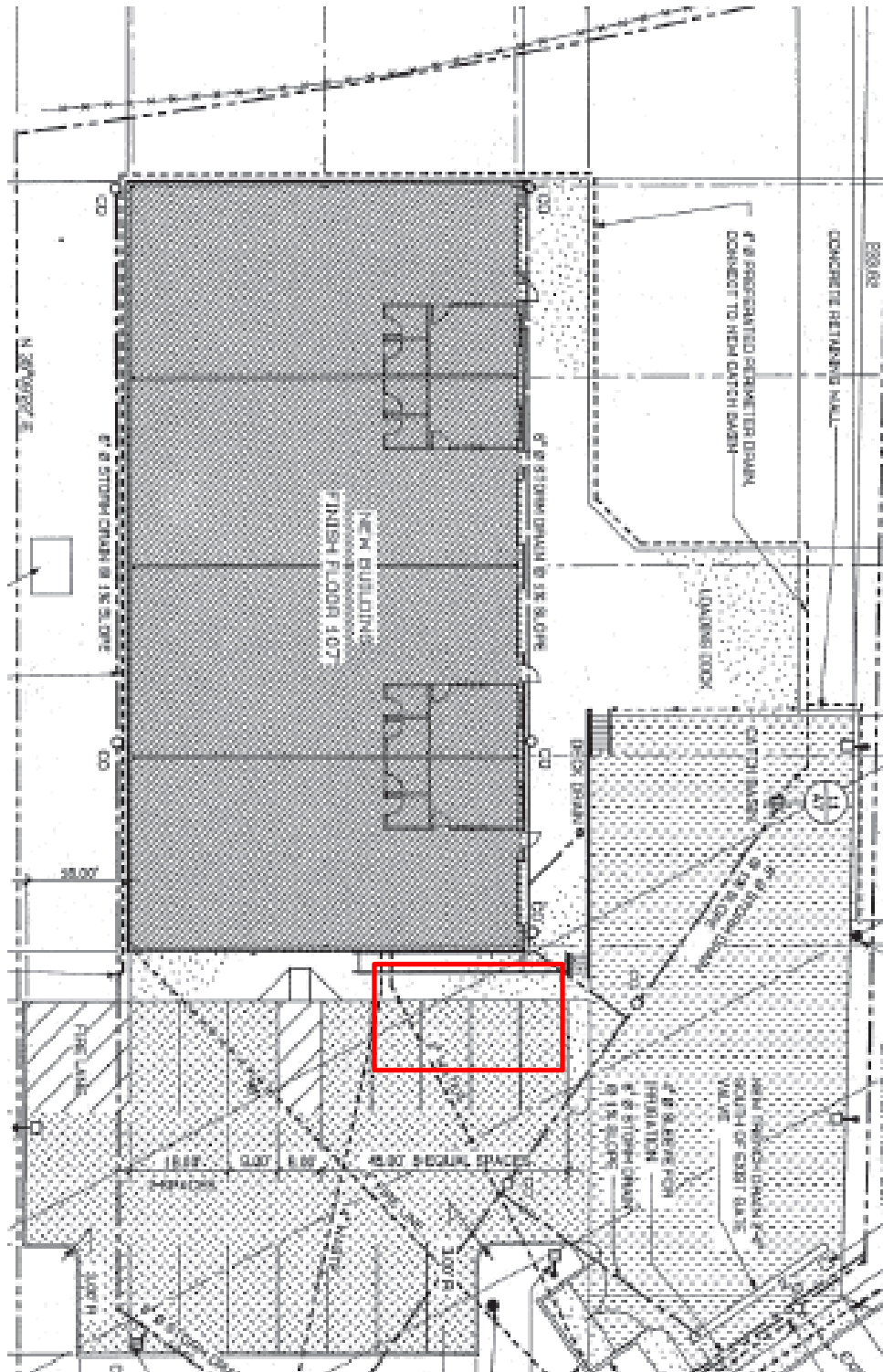
Exhibit A
LEASED PREMISES

Exhibit
AREAS



B
COMMON
AND

BUILDING EXTERIOR AREAS



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Commission Memo



Prepared by: Anne Medenbach
Date: April 7, 2020
Re: Real Carbon Inc. Lease Addendum No. 2

Real Carbon has been a tenant in the Big 7 Building since 2016 and in the Halyard Building before then. They manufacture carbon components for the aerospace industry and employ approximately 10 people. Their lease expired as of February 1 and they have been in holdover status since that time.

This second addendum to the lease brings their lease into the new terms of the leasing strategy adopted by Port in 2019. A new lease with Real Carbon was not drafted at that time, as there were allowances in the old lease that whatever new additional rent fees or rent structures put in place during the term would be incorporated into the existing lease and its terms.

The result of the new lease policy application increases the total rent paid monthly by \$255.00. This includes an application of the load factor, a reduction in lease rate from \$0.77 to \$0.60/sf and an increase in Additional rent from \$0.21 to \$0.34/sf.

RECOMMENDATION: Approve Addendum No. 2 to Lease with Real Carbon Inc. in the Big 7 Building.

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SECOND ADDENDUM TO LEASE

Whereas: on February 8, 2016, the Port of Hood River, an Oregon municipal corporation (“Lessor”), and Real Carbon, Inc. an Oregon Corporation (“Lessee”), entered into a lease for the premises known as Suite 101 in the Big 7 Building located 616 Industrial Street, Hood River, Oregon (“Lease”); and,

Whereas, the First Addendum to Lease executed on April 1, 2019, amended and reinstated the Lease, to remain effective through January 31, 2020; and,

Therefore, Lessor and Lessee agree the Lease has remained in effect after January 31, 2020 and is now in effect, and is amended as follows:

- A. The Lease term continues for an additional two (2) years, effective as of February 1, 2020 (“Effective Date”) and terminating as of January 31, 2022, and;
- B. The language in Section 3 of the Lease is deleted and replaced by the following language:

3. 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”.

3.1 Base Rent. Beginning on the Effective Date, Base Rent shown below shall be payable in equal monthly installments in advance on the first day of each 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>
101	4,332	0.60	\$2,599

3.1.1 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 Rent 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 BC, 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.

3.2 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” consisting of 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. A “Load Factor” is calculated to determine Building tenant payments owed for Building Common Area Operating Expenses, which is added to Base Rent.

Load Factor Formula: The total Building square footage is 42,103 SF. The Building Common Area square footage is 5,123 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 Big 7 Building Load Factor is 12%.

Rentable “Area square footage” is the Leased Premises square footage (SF) plus the Load Factor area square footage (532 SF). The Rentable Area square footage used to calculate rent is 4,332 SF.

3.3 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 3.3.3 and Taxes and Assessments as defined in Section 6 as amended hereinbelow

3.4 Additional Rent Calculation.

<u>Rentable Area (Square Footage)</u>	<u>Estimated rate per s.f. per month</u>	<u>Monthly Estimated Additional Rent</u>
4,332	\$0.34	\$1,472

3.4.1 Operating Expenses. Operating Expenses shall include all costs for the operation, repair and maintenance of the Building, Building Common Areas, and “Building Exterior Areas” which are located on Lessor property adjacent and related to the Building, whether designated for a particular Building tenant or which benefit some or all Building tenants. Operating expenses may include but are not limited to:

- 3.4.1.1 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:
 - 3.4.1.1.1 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;
 - 3.4.1.1.2 Maintenance and repair of landscaping including plantings, irrigation and sprinkler systems, general landscaping maintenance;
 - 3.4.1.1.3 Services for Building Common Areas such as janitorial, fire suppression, security and door locking system, elevator and HVAC maintenance;
 - 3.4.1.1.4 General maintenance and repair of Building systems including plumbing, lighting and fixtures, siding and trim, flooring, HVAC, roof and fixtures and garbage service.
 - 3.4.1.1.5 Property management and administration fees required to enable the Building to be used by tenants and maintained.
- 3.4.1.2 All costs and expenses incurred by Lessor for utility usage 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.

3.4.1.3 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 Building, Building Common Areas or Building Exterior Areas 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 Lessor 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 and Building Common Areas and any tax increase caused by their revaluation by virtue of a sale by Lessor; (e) Lessor's general administrative overhead not directly attributable to management or operation of the Building, Building Common Areas and Building Exterior Areas and (f) costs for services normally provided by a property manager where the Operating Expenses already include a management fee.

3.4.1.4 Additional rent charged to tenant may not exceed an annual increase of 4%.

C. The language in Section 6 of the Lease is deleted and replaced by the following language:

6. 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, 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 directly pay all taxes levied on or with respect to Lessee's personal property located on the Leased Premises.

6.1 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.

- D. The second paragraph of Section 8 "Liability Insurance and Hold Harmless Agreement" shall be deleted and replaced with the following:

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 policy 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 Lessee's 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 constructed by Lessee 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.

- E. Section 9 "Fire Insurance and Waiver of Subrogation" shall be deleted and replaced with the following:

9. Building Damage or Destruction. Lessor shall maintain property insurance covering the Building, Exterior Building Areas and Building Common Areas. 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; provided that Lessor will promptly commence and diligently pursue such work to completion so as to avoid unreasonable interference with Lessee's use and enjoyment of the Premises. If fire or other casualty damages all or any of the Leased Premises or related Building Common Areas and Building Exterior Areas or facilities, easements or appurtenances, or any access thereto such that the remainder is not reasonably suitable for the continued efficient and economic use of the Leased Premises by Lessee, Lessee shall have the option to terminate the Lease upon written notice to the Lessor effective upon the date of such loss or damage. Notwithstanding any other provision of this Lease, neither party will be liable to the other for any loss or damage caused by water damage or any of the risks covered by an "ALL RISK" special form insurance policy (or the actual coverage carried by such party, whichever is greater), and there will be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.

Except as modified by this Second Addendum to Lease, all terms and conditions of the Lease as amended shall remain in full force and effect.

Lessee, Real Carbon, Inc.

Lessor, Port of Hood River

By: _____
Michael Graham

By: _____
Michael S. McElwee
Executive Director

Date _____

Date _____

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Commission Memo



Prepared by: Fred Kowell
Date: April 7, 2020
Re: Kapsch Renewal Service Contract

This is the annual maintenance service contract with Kapsch for service and warranty of the Kapsch equipment in the toll plaza lanes. With the installation of the Kapsch transponder reader, antennas, and lane equipment, we also received a service contract that will expire at the end of May 2020. This contract will renew for a period from June 2020 to May 2021.

Having a service/warranty agreement allows the Port to respond to a hardware failure immediately by having the hardware configured to communicate with our current back office. Not having a service agreement could be significant financially, just with the response time it takes to get the hardware on-site and having an average of 10,000 to 13,000 trips a day crossing our bridge.

Although this has been approved over the last several years, staff recommends bringing it back for consent each year for Commission review and comment.

RECOMMENDATION: Approve maintenance service contract with Kapsch TraffiCom USA not to exceed \$46,319.

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April 1, 2020

To: Port of Hood River
 Fred Kowell
 1000 E. Marina Drive
 Hood River, OR 97031

Subject: Port of Hood River Maintenance
 Contract: Port of Hood River Contract for the Purchase of Goods & Services

Kapsch TrafficCom USA, Inc. (“Kapsch”) is pleased to offer this proposal to furnish the Port of Hood River (“Customer”) for the subject project as detailed below in the “Work Included” section, and including referenced attachments.

This proposal and all related materials attached or appended hereto are proprietary and confidential to Kapsch, and submitted solely for the recipient’s internal evaluation purposes. Disclosure to any third parties is prohibited without the express written consent of Kapsch, as described further herein.

1. PRICING AND PAYMENT TERMS

The Kapsch price to provide the materials and services described in the ‘Work Included’ section of this proposal is as follows:

Current Contract Term	Extension Contract Term
June 2019 - May 2020	June 2020 - May 2021
\$ 44,970.00	\$ 46,319.00

- A. The price quoted is valid for 90 days and subject to Kapsch’s terms and conditions as expressed herein. No other terms and conditions apply unless expressly agreed to in writing by Kapsch.
- B. The above quoted price **does not** include any bonds, taxes, permits or duties that may be applicable to the proposed scope of work. Delivery is FOB site (this may be removed if not applicable or stated with any conditions as necessary).
- C. All pricing is in US Dollars.
- D. Net 30 days upon receipt of invoice from Kapsch

Payment Terms will be mutually agreed upon following contract execution and documented in writing.

2. WORK INCLUDED

The following section outlines the scope of materials and services (“Scope of Work”) included in this proposal.

A. General

The proposed scope of work is applicable to the following project sites:

- Port of Hood River, OR

B. Scope Description

1. Preventative Maintenance of Electronic Toll Collection Equipment
 - a. In lane hardware
 - b. Loop Detection
2. Maintenance Support Center
 - a. Time and Materials Corrective Actions

C. Assumptions

3. None.

3. WORK NOT INCLUDED

The following listing of "Work Not Included" is intended as further clarification regarding Kapsch's proposed offering.

- A. Providing service, repair or troubleshooting of any field related equipment.
- B. Performing any configuration, programming and start-up of any related devices unless noted above in the "Work Included" section.
- C. Furnishing any hardware or any additional software unless stated otherwise in the "Work Included" section.
- D. Performing any services in the capacity of a licensed Professional Engineer unless specifically stated otherwise in the "Work Included" section.
- E. Providing any submittal data, drawings, manuals, reports, test data or record documentation other than the deliverables listed above in the Work Included section. Installation of any equipment unless stated otherwise in the Work Included section.
- F. Testing of any equipment not listed above in the Work Included section.
- G. Any other system not expressly stated in Work Included Section.

4. TERMS AND CONDITIONS

- A. **Terms and Conditions:** This proposal, if accepted by Customer, will form the basis of an Agreement, which shall incorporate this proposal scope letter, the terms and conditions attached hereto.
- B. **Term and Schedule.** The term of this Agreement shall be for a period of twelve (12) months from execution unless otherwise terminated in accordance with the specific terms and conditions of this Agreement. The Agreement may be extended by prior written agreement by the parties. This proposal is predicated upon Kapsch being afforded a reasonable duration to perform its scope of work, and shall be based upon a mutually agreed upon schedule.
- C. **Exchange of Confidential Information is effective –** signed outlined in Attachment 2.

Kapsch appreciates this opportunity to submit this proposal. Should you have any questions regarding our proposal, please contact the undersigned at 602-317-7175 or lauri.brady@kapsch.net

Yours Truly,
Kapsch TrafficCom USA, Inc.



Lauri Brady
Director, Sales and Business Development

cc: Dave Gumpel, JB Kendrick, Janet Eichers

Acceptance of Scope of Work:

Kapsch TrafficCom USA, Inc.

Port of Hood River

By: 

By: _____

Name: Lauri Brady

Name: _____

Title: Director, Sales and Business Development

Title: _____

Date: April 1, 2020

Date: _____

**Kapsch TrafficCom USA, Inc. ("Kapsch")
Standard Terms and Conditions
Port of Hood River**

1. **Payment.** Payment terms are Net-30 from receipt of approved invoice. Charges are exclusive of, and Customer is responsible for, any customs, import duties, federal, state, and local taxes (except tax on Kapsch income) unless otherwise agreed in writing. This Agreement may be suspended by Kapsch without notice if payment of any undisputed invoice is sixty (60) days in arrears or it may be terminated by Kapsch without notice if payment of any undisputed invoice is ninety (90) days in arrears.
2. **OWNERSHIP/LICENSE:** Designs, drawings, specifications, reports, computer software and code, photographs, instruction manuals, and other technical information and data (hereinafter "Work") provided by Kapsch hereunder, whether conceived and developed prior to or during the performance of work, and all proprietary right and interest therein and the subject matter thereof shall be and remain the property of Kapsch except as otherwise expressly agreed in writing by Kapsch. Kapsch hereby grants a royalty-free, limited, non-transferable license to Customer to use Work delivered by Kapsch to Customer solely for the purposes specifically expressed hereunder. Customer warrants that it is an authorized licensee directly or indirectly, of any intellectual property that will be supported under this Agreement.
3. **Confidentiality/Non-Disclosure.** Client acknowledges and agrees that all materials in any form supplied by Kapsch hereunder, including this proposal letter, are proprietary and confidential to Kapsch ("Kapsch Materials"). Client may not disclose Kapsch Materials to any third party without the express written permission of Kapsch. Client shall use Kapsch Materials solely for the purposes expressed herein, and shall use the same degree of care to protect Kapsch Materials as it would employ with respect to its own information that it protects from publication or disclosure, which shall be no less than commercially reasonable care.
4. **Warranty.** Kapsch warrants that it shall provide any services under this Agreement in good faith and workmanlike manner. Kapsch warrants any materials delivered shall conform to applicable specifications for a period of one year after delivery. Upon written notice of a defect, Kapsch shall at its option repair or replace the defective material. This warranty covers defects arising under normal use, and does not cover defects resulting from misuse, abuse, neglect, repairs, alterations or attachments made by Customer or third parties not approved by Kapsch, problems with electrical power, usage not in accordance with product instructions, or any interfaces with systems, equipment, firmware or software not developed by Kapsch. Kapsch reserves the right to investigate claims by Customer as to defects. Customer shall pay costs to investigate invalid claims and for any repair or replacement shown by investigation not to be covered by warranty. Products supplied but not manufactured by Kapsch shall be subject to the warranty provided by the original manufacturer, which Kapsch shall pass through to the Customer.

THE WARRANTIES SET FORTH IN THIS PROVISION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING

WARRANTIES OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OR TRADE.

5. **Indemnification.** Each party (the "Indemnifying Party") shall indemnify the other (the "Indemnified Party") against those liabilities imposed upon the Indemnified Party with respect to all third party claims for loss of or damage to property and injuries to persons, including death, to the extent that such liabilities result from negligence or any willful misconduct of the Indemnifying Party. The foregoing mutual indemnification shall not apply to either parties liability to either parties employees under applicable Worker's Compensation laws. The foregoing indemnification shall not be deemed a waiver of any defense to which either party may be entitled under applicable Worker's Compensation laws. The Indemnified Party shall give prompt notice of any such claim and the Indemnifying Party shall have the right to control and direct the investigation, preparation, action and settlement of each such claim.
6. **Limitation of liability.** NOTWITHSTANDING ANYTHING ELSE CONTAINED IN THIS AGREEMENT, EXCEPTING COMPLIANCE WITH THE CONFIDENTIALITY PROVISIONS HEREIN, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY OTHER PERSON FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION, ANY LOSS OF USE OR PRODUCTION, OR ANY LOSS OF DATA, PROFITS OR REVENUES, OR ANY CLAIMS RAISED BY CUSTOMERS OF CUSTOMER, REGARDLESS OF THE FORM OF ACTION (WHETHER FOR BREACH OF WARRANTY, BREACH OF CONTRACT OR IN TORT) AND WHETHER ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR NOT. KAPSCH'S LIABILITY IS LIMITED TO CUSTOMER'S ACTUAL DIRECT DAMAGES, AND SHALL NOT EXCEED THE TOTAL OF ALL AMOUNTS PAID BY CUSTOMER UNDER THIS AGREEMENT.
7. **Default termination.** If either party fails or neglects to perform any of its material obligations under this Agreement and such failure continues for a period of thirty (30) days after written notice, the other party shall have the right to suspend or terminate this Agreement.
8. **Assignment.** Neither Party shall assign or otherwise transfer its rights or obligations hereunder, in whole or in part, without the prior written consent of the other Party, such consent shall not be unreasonably withheld. If consent is given, the rights and obligations hereunder shall be binding upon and enure to the benefit of the assignee.
9. **Insurance.** Kapsch will maintain in force through the entire term of this Agreement, insurance policies covering Workman's Compensation, Employers Liability and Commercial General Liability. Prior to commencement of the work, Kapsch will provide the Customer certificates of insurance. Such certificates shall evidence that the insurance is in effect and show the Customer named as an additional insured.
10. **Force majeure.** Kapsch shall not be responsible for failure to perform any responsibilities or obligations hereunder due to causes beyond its reasonable control or the control of its suppliers.
11. **Notices.** All notices under this Agreement shall be in writing and shall be deemed to have been given and properly delivered if duly mailed by certified or registered mail to the other Party at its address as follows, or to such other address as either Party may, by written notice designate to the

other. Additionally, Notices sent by any other means (i.e. facsimile, overnight delivery, courier and the like) are acceptable subject to confirmation of both the transmission and receipt of the Notice.

Port of Hood River	Kapsch TrafficCom USA, Inc.
1000 E. Marina Drive Hood River, OR 97031 Attn: General Counsel	8201 Greensboro Drive, Suite 1002 McLean, VA 22102 Attn: General Counsel

12. **Independent contractor.** It is expressly understood that Kapsch is an independent contractor and that nothing in this Agreement shall be construed to designate Kapsch or any of Kapsch's principals, partners, employees, consultants or subcontractors, as servants, agents, partners, joint ventures or employees of Customer.
13. **Laws and safety.** All services performed hereunder shall comply with all applicable federal, state or provincial and local laws, regulations and orders, codes, including, without limitation, all relating to occupational health and safety.
14. **Disputes and Governing Law.** Each Party shall issue written notice to the other of any dispute hereunder within ten (10) days of when it becomes aware, or should have become aware, of the matter or source of dispute. Upon receipt of such notice, the Parties' executive management teams shall work together in good faith to negotiate a resolution. If the Parties cannot reach a resolution that is mutually agreeable within thirty (30) days subsequent to receipt of such notice, the aggrieved Party shall have the right to seek legal resolution within the court system. The Parties may at this time also agree to pursue resolution of the disputed subject matter through binding arbitration. This Agreement shall be governed by the laws of the Commonwealth of Virginia, excluding its conflict of laws provisions.
15. **Entire agreement.** No waiver, change, or modification of any term or condition of this Agreement shall be effective unless in writing and signed by authorized representatives of the parties. The provisions hereof constitute the entire agreement between the parties with respect to the subject of this Agreement and supersede those of all previous formal and informal maintenance agreements between the parties with respect to after-sale support of Kapsch systems.
16. **Survival.** The parties' obligations under the Confidentiality, Warranty, Indemnity, Limitation of Liability, Ownership, Disputes and Governing Law provisions hereunder shall survive completion, delivery or any termination hereof.

Commission Memo



Prepared by: Kevin Greenwood
Date: April 7, 2020
Re: Siegel Consulting Contract
Amendment No. 7

Last month, the Commission approved a separate contract with Steve Siegel to complete the Stage I evaluation of governance structures for the replacement bridge. Separate from that work, the Port has also had a standing contract with Siegel to advise and assist with other underlying financial and political aspects of the NEPA process, aside from the governance discussion.

The original NEPA-related contract was approved in July 2016 and has been amended six times. The sixth amendment was approved in October 2018. Mr. Siegel's advice and work produced during this time has been very helpful especially on the timing and cost estimates for establishing planning level schedules and approaches.

The Port currently has an open balance of \$54,000 on this contract, but the term of the agreement needs to be extended. It seems reasonable that the project team will continue to rely on Siegel through June 2021.

Amendment No. 7 does not add budget capacity, but solely extends the term of the Contract to June 2021. Services provided by Siegel through this Amendment will be reimbursed from the \$5 million grant from the State of Oregon identified in the 2017 Transportation Bill.

RECOMMENDATION: Approve Amendment No. 7 to contract with Steven Siegel Consulting for consulting services related to bridge replacement.

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**ACKNOWLEDGEMENT OF AND AMENDMENT NO. 7
TO PERSONAL SERVICES CONTRACT**

This Acknowledgement of an Amendment No. 7 to Personal Services Contract ("Contract") is entered into this **8th day of April, 2020** by and between Steven M. Siegel ("Contractor") and the Port of Hood River, an Oregon Special District ("Port").

RECITALS:

WHEREAS, Contractor and Port entered into a Contract dated July 12, 2016 for bridge replacement, strategic planning and financial analysis services associated with future replacement of the Hood River Bridge and contract amendments through Amendment No. 6 ("Contract"); and

WHEREAS, Amendment No. 6 covers work related to additional advising services on FHWA requirements, regulations and protocols; facilitate and review tolling operations, traffic, and revenue analyses; provide technical and strategic advice on setting a direction for a legislative agenda regarding financing; prepare detailed work plan for the post-NEPA effort; participate in conference calls or work sessions with the Commission, or other participating local agencies; and review of key documents prepared for NEPA compliance; and

WHEREAS, the Contract term needs to be extended through June 30, 2021 to allow Contractor to provide additional Contract services;

NOW, THEREFORE, Port and Contractor agree that the Contract including Amendment No. 6 has been and now is in effect and the term of the Contract is extended through June 30, 2021.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 7 to be duly executed effective the day and year first above written.

Steven M. Siegel

Port of Hood River

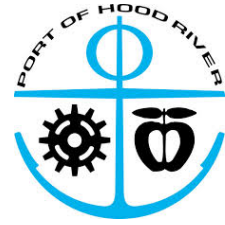


3787 S.W Lyle Court
Portland, Oregon 97221
(503) 274-0013
siegelconsulting@aol.com

Michael S. McElwee
Executive Director
1000 E. Port Marina Drive
Hood River OR 97031

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Commission Memo



Prepared by: Fred Kowell
Date: April 7, 2020
Re: Accounts Payable Requiring Commission Approval

Jaques Sharp	\$13,275.00
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Attorney services per attached summary

TOTAL ACCOUNTS PAYABLE TO APPROVE	\$13,275.00
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JAQUES SHARP

— ATTORNEYS AT LAW —

205 3RD STREET / PO BOX 457
HOOD RIVER, OR 97031
(Phone) 541-386-1311 (Fax) 541-386-8771

CREDIT CARDS ACCEPTED

HOOD RIVER, PORT OF
1000 E. PORT MARINA DRIVE
HOOD RIVER OR 97031

Page: 1
April 01, 2020
Account No: PORTOHAM

Previous Balance	Fees	Expenses	Advances	Payments	Balance
MCELWEE EMPLOYMENT CONTRACT					
44.00	0.00	0.00	0.00	-44.00	\$0.00
TURTLE ISLAND INCORPORATED (Lease)					
880.00	150.00	0.00	0.00	-880.00	\$150.00
Mt. Hood Railroad					
44.00	0.00	0.00	0.00	-44.00	\$0.00
MISCELLANEOUS MATTERS					
JJ					
726.00	1,625.00	0.00	0.00	-726.00	\$1,625.00
GRANT-Airport Improvements (FAA)					
22.00	0.00	0.00	0.00	-22.00	\$0.00
AIRPORT T-HANGER LEASE FORMS (2012-2013)					
0.00	275.00	0.00	0.00	0.00	\$275.00
EXPO SITE DEVELOPMENT (Key Development;Pickhardt)					
0.00	2,785.00	0.00	0.00	0.00	\$2,785.00
LEASE ODELL BUILDING (Oregon Brineworks, LLC)					
0.00	795.00	0.00	0.00	0.00	\$795.00
LEASE (Real Carbon; Michael Graham)					
0.00	1,240.00	0.00	0.00	0.00	\$1,240.00
BRIDGE REPLACEMENT 2016 (ODOT/WDOT)					
0.00	275.00	0.00	0.00	0.00	\$275.00

HOOD RIVER, PORT OF

Account No:

Previous Balance	Fees	Expenses	Advances	Payments	Balance
CRUISE SHIP DOCK AGREEMENT 924.00	100.00	0.00	0.00	-924.00	\$100.00
BRIDGE TOLL ENFORCEMENT 0.00	1,525.00	0.00	0.00	0.00	\$1,525.00
STORM LINE SINK HOLE (Hood River Distillers area) 0.00	75.00	0.00	0.00	0.00	\$75.00
ODOT IGA - I-84 BRIDGE REPLACEMENT 682.00	0.00	0.00	0.00	-682.00	\$0.00
██████████ PROPERTY ██████████ 1,556.00	2,875.00	0.00	0.00	-1,556.00	\$2,875.00
T-HANGAR LEASE DEFAULTS 4,922.00	0.00	0.00	0.00	-4,922.00	\$0.00
I-84 Construction Storage License 88.00	0.00	0.00	0.00	-88.00	\$0.00
YAKAMA TOLLS (Yakama Nation) 0.00	930.00	0.00	0.00	0.00	\$930.00
VIRUS ISSUES 0.00	150.00	0.00	0.00	0.00	\$150.00
PROPERTY PURCHASE ██████████ 22.00	475.00	0.00	0.00	-22.00	\$475.00
<u>9,910.00</u>	<u>13,275.00</u>	<u>0.00</u>	<u>0.00</u>	<u>-9,910.00</u>	<u>\$13,275.00</u>

THIS STATEMENT REFLECTS SERVICES PROVIDED AND PAYMENTS RECEIVED THROUGH THE 31st OF MARCH UNLESS OTHERWISE STATED

Commission Memo



Prepared by: Anne Medenbach
Date: April 7, 2020
Re: COVID-19 Rent Relief Policy

The COVID-19 pandemic is creating significant impacts to most business sectors in Hood River and throughout the Gorge. Many of the Port's tenants are experiencing hardship due to these impacts already have or are expected to soon request rent relief from the Port.

The attached draft proposed COVID-19 Rent Relief Policy aims to serve the businesses that support our community and Port operations. Base Rent and Additional Rent combined make up one of the largest expenses a tenant pays per month. By giving tenants relief now, the Port can help them remain intact and able to come out of this crisis on more solid footing. Staff recommends that the Port's main goal in this respect should be to support businesses as much as possible so that they remain solvent, layoffs are delayed or curtailed, buildings remain fully occupied, and these vital community relationships remain in place.

Each business situation is different during this time, with varying degrees of distress for each business. The proposed Policy aims to frame options that can be tailored to individual business needs. The Port still needs to maintain base incomes through Additional Rents, when at all possible (utilities, taxes, insurance, basic maintenance), however, the Port could withstand Base Rental deferment or forgiveness if warranted.

Staff would present rent relief plans to the board for consideration and approval on a case-by-case basis, framed by the Policy.

RECOMMENDATION: Discussion.

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COVID 19 PORT TENANT RENT RELIEF POLICY

DRAFT: April 3, 2020

This policy sets forth the requirements and process by which the Port of Hood River (“Port”) will consider temporary rent relief for Tenants impacted by the COVID-19 pandemic. Tenants are defined as Lessees in the Port’s commercial and industrial properties, Marina and Airport leases.

Evaluation Process

1. Tenants must submit a written request for rent relief for a specified time frame, which may include a start date prior to the date of the request, and request relief from other specific terms of their existing lease with the Port, if any.
2. Tenant requests shall provide a brief description of the following:
 - a. Impacts to Tenant’s business incurred or expected as a result of the COVID-19 pandemic which may include:
 - i. Layoffs
 - ii. Loss of business
 - iii. Forced closure
 - iv. Supply chain interruptions
 - v. etc.
 - b. Tenant’s expected steps to address impacts.
 - c. Requests Tenant has made or will make to obtain loans, grants, or tax incentives through the CARES Act and other government assistance programs.
 - d. Any other issues or challenges that Tenant believes bear upon a relief request.

Options for Rent Relief

Depending on the Tenant’s situation and anticipated duration of relief needed, the following relief options will be considered on a case by case basis:

1. Temporarily defer Base Rent payments for a defined period with deferred rent to be repaid according to a specified repayment plan.
2. Temporarily defer Base Rent for a defined period with deferred rent to be amortized over the remaining lease term.

3. Extend a lease term to accommodate later deferred rent repayment.
4. Consider other relief options that are appropriate under the circumstances.

Rent Relief Conditions

Unless warranted by extraordinary Tenant circumstances, the following conditions will apply to any rent relief granted:

1. Tenant shall continue to pay Additional Rent amounts, as defined in Tenant's lease, monthly during the lease term and any rent relief period.
2. If rent relief is granted, Tenant shall notify Port in writing if federal or state funds will be received by Tenant to apply to rent, notify Port when such funds are received and promptly pay Port all rent relief funds received to reimburse Port for deferred rent.

Implementation Process:

1. Property or Marina Manager reviews Tenant's written request and discusses with Tenant if necessary.
2. Property or Marina Manager prepares draft lease amendment and recommends action to be reviewed by Executive Director and Chief Financial Officer.
3. Property or Marina Manager discusses draft lease amendment with Tenant.
4. Lease amendment is brought to the Port Commission for consideration and possible action at a regular or special Commission meeting.
5. If approved by the Commission, a lease Amendment is executed.

Reporting

1. Monthly during the COVID-19 emergency the Chief Financial Officer shall update the Commission on the financial impacts of Rent Relief actions taken under this Policy.
2. Staff will seek to identify ways to assist Tenants in other ways including recommending additional resources or business assistance programs from state or Federal sources.

Commission Memo



Prepared by: Anne Medenbach
Date: April 7, 2020
Re: North Apron Bid Results and Grant

The North Apron Rehabilitation Project bid process closed on March 31st. This project is funded by the FAA and completes the wetland mitigation started in the COVI project. It also expands and rehabilitates the existing paving to meet the COVI project to the north.

Three companies submitted bids on the work and the results are as follows (full bid tabulation attached):

Tapani Inc.	\$2,192,808.00
Crestline Construction Inc.	\$2,443,289.88
Beam Excavating Inc.	\$2,659,238.00

The original budget was \$1,977,778. The lowest bid came in at \$2,176,972. The FAA grant, submitted on April 1, 2020 is for the entire amount of the lowest bid, plus the Construction management fee of \$205,547. The entire grant package including pre-design, design, construction and construction management will be \$2,556,192. This is a 90%/10% split between FAA/Port. The total Port match is \$255,619.20.

A notice of intent to award will be published on April 8th, the protest period will be over on April 14th and the approval of the contract will be brought to the Commission on April 21st.

RECOMMENDATION: Informational.

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Bid Tabulation

Ken Jernstedt Airfield North Apron Rehabilitation Project

Bid Opening at 2:00 PM– Port of Hood River Boardroom – Tuesday, March 31, 2020

BIDDER	Base Bid	Bid Alternate #1	Bid Alternate #2	Total bid including alternates	Bid proposal	Contractor Registration Form	Bid Bond	Power of Atty	Certification of non segregated	EEO Statement	Restrictions to Federl projects	Bidders certification	Letter of intent	Buy American cert	Bidders list	Subcontractors disclosure
Tapani Inc.	\$1,979,230.14	\$197,741.86	\$20,836.00	\$2,192,808.00	x	X	X	X	x	x	x	x	x	x	x	x
Crestline Construction	\$2,085,493	\$335,711.88	\$22,085	\$2,443,289.88	x	x	X	X	x	c	x	x	x	x	x	x
Beam Excavating Inc.	\$2,131,630.25	\$501,153.75	\$26,454.00	\$2,659,238.00	X	x	x	X	X	x	x	x	x	X	x	x

These bid results are preliminary only. They do not represent final results.

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Hood River – White Salmon

BRIDGE REPLACEMENT PROJECT

Project Director Report
April 7, 2020

The following summarizes Bridge Replacement Project activities from March 13 – April 3, 2020.

BIOLOGICAL ASSESSMENT UPDATE. WSP’S biologist, Dan Gunderson, is feeling more confident on completing the negotiations for the In-Water Work Window (IWWW). The current discussion centers on increasing the IWWW to start on October 1 through March 15. The environmental clearance would identify a total of 8 years with contractors likely doing it faster by utilizing additional form travelers to install the concrete box segments (see photo to right). Mitigation would be negotiated when permits are applied for closer to construction.



A form traveler used for installing concrete box segments. Use of form travelers is considered out of water work.

LAND USE TECHNICAL REPORT. We are continuing to refine the list of parcels necessary for either full or partial acquisition. It is critical that effected Port properties be identified for acquisition, if necessary.

HISTORIC PROPERTIES SURVEY. Impressively, the project team received a good number of Right of Entry (ROE) forms for Level 2 historic structure surveys. The property owners will be contacted by AECOM in advance of their arrival. Homes effected are primarily in the Riverview neighborhood of Hood River and on the White Salmon ridge. All have views of the bridge and other historic characteristics. This work should be completed April 7-8,

ARCHAEOLOGICAL SURVEY. New sub-contractor is under contract and will complete the Level 1 site update form, survey report, and recommendations for a parcel of interest in White Salmon. Based upon the findings, additional Level 2 work may be required by FHWA/ODOT. Next level survey work could cost \$75k.

TRIBAL AGENCY UPDATE. Nez Perce is approximately 90% complete with their ethnographic survey. The last 10% involves site survey work which has been put on hold due to COVID-19.

USACE FEEDBACK. Army Corps has questions on two boring sites before completing the IWWW permit for geotechnical boring work. WSP is looking at whether there are any underwater easements that could affect the site of pier locations for the preferred alternative.

BRIDGE ENGINEERING SELECTION PROCESS COST ESTIMATE. We have obtained a cost estimate, scope and schedule from Otak for facilitating the RFP/RFQ process for selecting a bridge engineering firm. This will take four months and cost about \$22k. Engineering services should not be selected until after the Supplemental Draft EIS (SDEIS) is issued and the 45-day comment period comes back with minor

comments. Some engineering can begin as the NEPA process winds up with the completion of the FEIS/ROD.

TRAFFIC AND REVENUE TOLL POLICY DISCUSSION. Project Director had a conversation with Rick Gobeille of Stantec to discuss potential next steps. The Tolling Policy exercise takes 3-6 months and would cost \$25-50k. It would make sense to do this in the first half of 2021 after the SDEIS comment period and before a Level 2 T&R. This work would include reviewing a range of policies with examples before workshops as a basis for developing the workshop discussions. A white paper summarizing the policy discussion is the main deliverable and would be used as background for the Level 2 work. The Commission and/or Working Group would be required to commit time to this effort.

BI-STATE WORKING GROUP. Steve Siegel has already prepared a couple months worth of information for the Working Group. The next meeting is scheduled for April 24 and will be conducted via Zoom. A press release announcing the WG activity has been held due to publishing changes and the COVID-19 disruptions.

GOVERNMENT AFFAIRS UPDATE. The Port Government Affairs teams are summarizing this past session and identifying goals for the next as contracts expire in June. New contract proposals will be shared with the Commission for inclusion in next year's budget.

OTHER ITEMS

- February Invoice Summary attached.

MEETING/OUTREACH SCHEDULE

- Region 1 ACT Meeting, Port of Cascade Locks, April 6
- Bi-Monthly NEPA Coordination, April 9
- Project Status Meeting, April 15
- Bi-Monthly NEPA Coordination, April 23
- Bi-State Working Group, April 24
- Cultural Resources Coordination, April 24



INVOICE

WSP USA
851 SW 6TH AVE
SUITE 1600
PORTLAND, OR 97204
503-478-2800
503-274-1412

KEVIN GREENWOOD
PORT OF HOOD RIVER
1000 EAST PORT MARINA DRIVE
HOOD RIVER, OR 97031

Invoice Date: March 24, 2020
Invoice No: 944276
Project No: 80550A

Company Legal Name: WSP USA Inc.
Company Tax ID: 11-1531569

Project Name: Hood River Bridge Replacement
Project Manager: Angela Findley
Customer Order No: 2018-01
Invoice Description: Invoice 19 PE 29Feb20

Services provided from February 01, 2020 to February 29, 2020

**Summary of Costs
by Top Task**

Task Number	Task Name	Contract Value	Current Invoice	Previously Billed	Total Billed To Date	Contract Balance	Percent Invoiced	Physical % Complete
0	Direct Expenses	\$42,406.93	\$15.40	\$29,986.42	\$30,001.82	\$12,405.11	70.75%	75.00%
1	Project Management	\$432,561.10	\$12,862.34	\$263,987.19	\$276,849.53	\$155,711.57	64.00%	64.75%
2	Public Involvement	\$256,595.91	\$156.36	\$142,258.85	\$142,415.21	\$114,180.70	55.50%	60.06%
3	Project Delivery Coordination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%
4	Tolling/Revenue Coordination	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0.00%
5	Environmental	\$1,250,249.74	\$28,885.76	\$862,542.59	\$891,428.35	\$358,821.39	71.30%	66.10%
6	Engineering	\$496,229.60	\$20,112.08	\$339,378.12	\$359,490.20	\$136,739.40	72.44%	74.28%
7	Transportation	\$129,277.02	\$0.00	\$129,168.35	\$129,168.35	\$108.67	99.92%	100.00%
8	Permit Assistance	\$152,690.70	\$1,280.68	\$142,994.61	\$144,275.29	\$8,415.41	94.49%	97.96%
9	Contract Contingency	\$387,989.00	\$0.00	\$0.00	\$0.00	\$387,989.00	0.00%	0.00%
Totals		\$3,148,000.00	\$63,312.62	\$1,910,316.13	\$1,973,628.75	\$1,174,371.25	62.69%	61.62%

Outstanding Invoices

	Number	Date	Days Out	Balance
	935166	2020-02-19	34	72,249.44
Total				72,249.44

I hereby certify that the charges invoiced are true and correct and include only such charges as were directly incurred in the performance of the work on the project, have not been previously submitted, and are in accordance with the terms and conditions of the Agreement.

Angela Findley
Project Manager

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Administrative

- A reminder that key upcoming dates for the Commission meetings:
 - April 21 – Strategic Business Plan Work Session @3:30 p.m.
 - May 7 – Budget Committee Meeting @ 12:00 p.m.

Genevieve has reached out to all Budget Committee members to confirm their availability and technological capabilities for participation in the Zoom platform.

- A reminder that Commissioners must file a Statement of Economic Interest with the Oregon Government Ethics Commission by April 15. Ethics Commissions staff continue to work and are taking telephone calls to assist you at 503-378-5105.
- The following summarizes current Port operations in response to the COVID-19 pandemic to date:
 - Most office staff are working remotely. Some staff in the office on limited and staggered shifts, primarily for AP/AR, phone message response and payroll. I am in the office each day.
 - Toll staff on paid leave, except for single employee shifts to verify LPR system data.
 - Limited facilities staff, generally working solo on targeted projects.
 - Weekly staff meetings via Zoom. All project meetings are conducted via Zoom or conference call.
 - Michael and Genevieve participating in bi-weekly Emergency Operations Center (EOC) call. Genevieve participating in weekly Joint Information Center (JIC) calls.
 - Anne participates in the MCEDD-led Bi-state Economic Resiliency Team – their most recent COVID-19 economic impact report is attached.
 - Some surplus summer supplies acquired by the Port (primarily T.P. and paper towels) are being distributed to local food security agencies, e.g. Food Bank.
 - Waterfront restrooms will remain closed for foreseeable future.
 - Event Site gate is closed. Hook, Spit, and Swim Beach gates and the Waterfront Trail itself remain open. “Area Closed” signs have been installed throughout waterfront for public gatherings.
- Long time toll staff member Roger Benn retired as of April 3. We will recognize Roger’s excellent service when regular meetings resume in the future.
- Economic stimulus legislation will be forthcoming from the federal government in the next few months focused on infrastructure – highways, transit, water, broadband, USACE (WRDA), air, etc. Hal Hiemstra is monitoring this legislation and reports that specific transportation projects will not be included, but significant infrastructure funding may be

added and distributed through existing FHWA and state DOT programs and formulas.

Recreation/Marina

- The new Nichols Basin Dock Ramp is still in the Mantle Industries yard in Blaine, Washington. Delivery is delayed indefinitely.
- Repairs to the Event Site Vendor Dock are on-hold indefinitely. The materials have been purchased. The move-in day for concessionaires will not occur until May 1 at the earliest but potentially much later. Normally they start set up on April 1. It is possible that no schools will operate this summer. Currently all Concessions are on hold for set up.
- Installation of the mooring bollards for America Cruise Lines (ACL) vessels are expected to be carried out by Port crews. That work is now on hold indefinitely. It is also not yet clear when or if ACL will be landing at the Port this year. All cruise ship docking reservations through June (26 stops) have been canceled July and August (13 stops) are doubtful.
- Daryl prepared the summary table below to show lease payment delinquencies at the Marina and Airport.

	2020 Marina		2020 Airport
Projected Revenue	\$ 655,600.00		\$ 126,540.00
Paid to date 3.26.20	\$ 627,630.00		\$ 109,513.00
Amount Outstanding	\$ 27,970.00		\$ 17,027.00
% delinquent	4.26%		13.46%

The Airport has 4 tenants remaining in non-payment, 1 tenant has made a partial payment. The Wait List has 24 people. Out of 36 tenants, 7 have failed to submit their 2020 lease agreements and provide required documents. Three airport tenants have not resolved issues of compliance with the 2020 Lease terms and are facing eviction. The Marina has 8 tenants remaining in non-payment, 9 tenants have made partial payment. The Wait List has 15 people. Out of 160 tenants, 44 have failed to submit their 2020 Lease Agreements.

- As is to be expected, many waterfront events are being cancelled or postponed. Daryl prepared the following summary:
 - Large Events
 - KB4C- (July- 1000 people) cancelled
 - AWSI- (August- 500 people) cancel as scheduled, may rescale and host a different smaller version if possible
 - Downwind Paddle Champs (July- 1000 people) pending

- Insitu Picnic (July- 1200 people) cancelled
- Small Events- Everything through June has been cancelled
- Picnic Shelter- May reservations cancelled, temporarily not accepting new reservations

2020 Events:

Start	End	Event	Location	Est. People	
2/28/2020	6/1/2020	HRHS Gorge Sailing Team	SB Dock	30	cancel
3/2/2020	5/28/2019	Lacrosse	Marina Green	100	cancel
3/7/2020	3/7/2020	Oregon Brewery Running Series	Waterfront	250	cancel
4/18/2020	4/19/2020	24 Hour Paddle for Cancer	Event Site	20	cancel
4/18/2020	4/18/2020	Chamber Cider Fest Parking	Event Site	200	cancel
5/1/2020	8/15/2020	JR. Sailing Program	SB Dock	200	cancel early events
6/27/2020	6/28/2020	Windance Demo	Event Site	100	
7/8/2019	7/8/2019	Insitu Picnic		1200	cancel
7/9/2020	7/12/2020	KB4C- Kiteboard for Cancer	Event Site	900	cancel
7/13/2020	7/18/2020	Gorge Downwind Champs	Waterfront Park	1200	
7/25/2020	7/25/2020	Oregon Classic Relay	Marina Green	500	cancel
8/10/2020	8/14/2020	AWSI- All Wind Sports Industry	Event Site	500	not sure
10/9/2020	10/11/2020	Harvest Fest	Waterfront	8000	

Anticipated Revenue Loss March 1- July 31, 2020

		2019	2020
2019	Events	\$ 4,650	\$ -
2019	Picnic Shelter	\$ 950	\$ -
2019	Cruise Ships	\$ 4,800	\$ -
		\$ 12,419	

Development/Property

-
- Subsurface testing at the Jensen Building site has been rescheduled for April 27-28.
 - ODOT's I-84 Hood River Bridge Project continues. There has been no impact to Port properties or operations.

- Wiring for the 2nd generator is underway by Hage Electric. Completion and testing are expected to occur by April 15.
- The city of Hood River engineer has prepared a draft report regarding formation of a waterfront Local Improvement District. It appears that City has completed meetings with all property owners. Staff has no information yet about when the process for LID formation will commence.
- The asphalt pile at the corner of 2nd & Portway Ave. was removed by a private contractor during the week of March 30 (see photo to right). The total cost was \$5,875. The asphalt was excavated and stockpiled as part of the Jensen West Parking Lot project.
- The Big 7 roof bid process was cancelled due to a change in the specifications. Coffman Engineering is working on revised specs that include details for roof deck section replacement and installation of brackets on the north wall to meet seismic standards.
- Anne continues to keep in contact with Port tenants as well as other businesses regarding pertinent stimulus information and to better understand how the Port can help.



Airport

- Most T-Hangar tenants that were in violation of their leases are either working to comply or have vacated their premises.
- Anne met with the Noise Department at the Port of Portland regarding the noise issue and obtained their advice.
- The north apron FAA project closed on March 31st and three bids were received. This is a Discussion topic on the meeting agenda.
- Staff submitted the AIP grant application to the FAA on April 1 requesting an amount of \$2,556,192.
- Tapani Inc. began work on the COVI project (photo to right) on March 31 and anticipated being complete by April 8th. Staff has been on site daily and will continue to check in



through the duration of the project. Work will stop after this first phase and pick up again once conditions allow for grading and excavation work to begin. COVID-19 protocols are being followed on site per the Governor's Executive Order 20-12 and Tapani has adopted its own procedures that follow those protocols. Century West engineers are on site 1-2 days per week and at critical points, as is staff from Farmer Irrigation District.

Bridge/Transportation

- Guard rail repairs from the extensive damage that took place last December will now occur the week of April 6-10. The work will take place between 7:00 a.m. and 3:00 p.m. and require single lane closures. Port staff will provide flagging.
- No status information has been received from ODOT regarding the load rating analysis being carried out by David Evans & Associates.
- The Commission has decided to suspend tolls through the end of April or sooner if the license plate recognition system can be operational for all motorists. Fred is currently testing with Oregon DMV this week and most likely go live on April 6. He is also working with Duncan Solutions for the non-Oregon, Non-Breezeby license plate lookups. This is an action item on the agenda.

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Economic Impact Report

Date: March 27, 2020

To: Mid-Columbia Bi-State Economic Resiliency Team

From: Michael Held, North Central Regional Development Officer, Business Oregon;
Elizabeth Keenan, Regional Coordinator, Mt. Hood and the Columbia River Gorge
Regional Tourism Alliance

Subject: Economic Impacts, March 16-27, 2020

The following COVID-19 business impact report for the Mid-Columbia Region is an aggregation of feedback gathered from local and regional economic development practitioners during the period of March 16-27, 2020. Information was gathered via email and a Google Form.

Please note, this report summarizes information gathered over the last eleven days, primarily from Oregon, representing an incomplete snapshot in time of the economic conditions within the Mid-Columbia Economic Region. Information may already be dated and inaccurate as on-the-ground conditions are changing minute-by-minute. Further, the policy-level recommendations contained herein is simply an aggregation of business feedback and not an endorsement by any associated parties. This weekly report is designed to help inform discussion and decision making.

Business Impacts Summary

Breweries

- Major issues include layoffs at multiple breweries (4 reported) between 25-75% of employees: cash flow needs, debt easement needs, and many still recovering from 2017 fires and Eagle Creek impacts

Hospitality/Recreation

- City of Hood River closed its motels, hotels, short-term vacation rentals, hosted home shares, bed and breakfasts, RV parks and campgrounds until April 14. This would bring occupancy rates down to 0%
- USFS closed all National Forest lands in the Columbia River Gorge National Scenic Area (both sides of the river) as well as the Mt. Hood National Forest. This includes a complete closure of Multnomah Falls
- City of Hood River lodging down 40-50%
- Reported that US Coast Guard has canceled Port of Call/cruise ships at the mouth of the Columbia River (Astoria) through June 1st; other cancellations may continue through summer/fall
- Timberline restaurant closed, hotel open –ski areas closed on 3/23
- Mt Hood Meadows closed operations on 3/22
- Ski Bowl closed
- Vista House closed
- Mt Hood Inn resort closed until May 1
- Shiloh Inn – 28 room cancellations as of March 17
- The Dalles Inn – nearly all March reservations cancelled (no # yet)
- Lodge 902: major event canceled – lost money on cancellation
- Best Western Hood River Inn – 200 reservations cancelled for March alone
- Friends of the Gorge suspended all guided hikes and stewardship events

- Cherry Festival in Mosier and Cherry Festival in The Dalles postponed, maybe cancelled
- Westcliff Lodge: Summer weddings slowly being cancelled
- American Empress Cruise Line cancelling Kick-off season tours
- Hub World: 50 group bus tours cancelled
- ~300 unemployment claims just on March 16 & 17
- Long term recreation impacts – Forest Service reporting massive drop in PCT permits and hundreds of requests changing permits – hiking is not encouraged on PCT at this point.
- Companies still leveraged from previous loans associated with Eagle Creek Fire and Winter 2017 impacts – will make it difficult to take on traditional lending.

Skamania County

- 15 businesses have responded to Chamber outreach; 180 total employees; 129 total layoffs
- \$625,190 is the financial impact of 9 businesses. Other businesses not giving figures, just stating “down 70% from last year”, “zero cash flow”, “no income for 2 months”, “devastating”
- 5 events have been canceled - \$35,000 in lost revenues from those events
- Hotel cancellations: 90% - 100% of reservations have been canceled; All room reservations have been canceled through the end of May and as far out as 13 weeks.

Emerging Issues and Challenges (Short Term)

- Food Supply Chain Issues; from food manufacturers to food security professionals there are concerns essential services are maintained including food producers, manufacturers, distribution, logistics, etc.

Business Recommended Solutions and Resources Requested

- The State and or Federal government simply must find a way to directly inject liquidity into the hands of small businesses in Oregon. The State and or Federal government also must assume the risk that some of these funds will not be paid back. The situation we are currently in calls for bold action and the State and Federal government to assume some risk to help our small business community survive.
- Small business community need some certainty that underwriting and asset requirements are to be relaxed so we can all access the funds that are available.
- Get some clarity on how we can access funds that are available when we have no income to prove a likely candidate to repay a loan.
- Small businesses, especially farms, were already struggling before. Any assistance for small businesses helps. Bail outs for small business need to be the focus. There needs to be robust loan, tax credits, regulatory allowances and flexibility for those that don’t have the corporate resources to ladder up exact asks.
- Businesses will need working capital to get back up and running. Suppliers may be working on cash only basis, and this working capital needs to be flexible.
- Unemployment insurance increases due to the burdens of the COVID 19 virus impacts will need to be addressed next year in order to keep cost burdens down for businesses getting back on their feet.
- Food system supply chain industries such as: producers, packaging, freight, manufacturers, distribution play a critical role in helping maintain the domestic food supply, helping keep retail store shelves stocked while people are preparing their meals at home as restaurants close their doors. If a shelter in place order were to be issued, we request that food chain industries be designated as “essential businesses” and be allowed to conduct business as usual, as long as health department recommendations for limiting viral spread can be maintained.
- To this end, agricultural labor was short before the pandemic, a great need for seasonal labor will occur within the next months. Allowances for loosening of labor laws (need examples) will need to be in place as well as keeping the H2A programs moving.

- Keeping freight and the movement of goods across state and country borders is essential.

Employee Assistance:

- As employees are forced to stay home for several reasons due to COVID-19, it becomes increasingly difficult for small employers to maintain paid sick time beyond 40 hours. We request that the state approve measures to economically support employees in a way that allows them to remain employed at their current company and remain on their current health insurance benefits while not at work.\
- Employees need to be able to maintain stable households. Mortgage assistance or temporary relief, eviction moratoriums and rent abatement or assistance will be necessary to keep families stable and able to recover quickly.
- Employee Assistance while at home to the coronavirus: As employees are forced to stay home for several reasons due to COVID-19, from self-quarantine to a shelter in place order or from school closures, it becomes increasingly difficult for small employers to maintain paid sick time beyond 40 hours. As an employer who cares about our workforce, our ability to hire new employees, and our long-term business viability, we request that the state approve measures to economically support employees in a way that allows them to remain employed at their current company and remain on their current health insurance benefits while not at work.
- Extended OFMLA: If any state legislation or executive order requires employers to pay for extended OFLMA benefits so employees can remain home to self-quarantine, shelter in place or due to school closures as a result of COVID-19, we request reimbursement to employers for these paid benefits. These would be additional and unplanned expenses to employers that will threaten long-term business viability and future jobs.
- Expanded support for workers and tax relief - extending unemployment benefits faster, to a higher level, and for a longer duration of time, and of course, receiving government help so that the burden of this assistance does not fall squarely on employers.
- Commercial rent and debt relief needed.
- Keep WorkShare operating in Oregon in case business slowdowns. Keep people employed with benefits.
- Waive the waiting week for WorkShare and Unemployment benefits. Get money into working people's hands.

Strategies and Solutions Deployed by Local Economic Organizations

- Tenants need help covering payroll and operational expenses
- Ports looking at policies to provide payment relief for tenants; are inquiring as to if state/federal resources can backfill support (operational or recovery grants from state/feds). Ideas so far include; pay-as-you go lease agreements, extend lease terms, forgivable rent
- Workforce impacts, revenue impacts and operation funding for Ports

Requests of Recovery Council

- Seeking more information and distillation about financial assistance from federal and state government; specifically identify those resources most applicable to ports
- Seeking more information from the state about public meeting law/statutorily required deadlines (e.g. budget)
- Once resources hit the street, interest in a 2nd conversation to understand resources made available

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Commission Memo



Prepared by: Anne Medenbach
Date: April 7, 2020
Re: Livermore Architects and Engineering

At the September 17, 2019 work session, the Board set direction for development projects, including the Lower Mill redevelopment project. The first step for this project is to engage an architecture firm to prepare a basic building design and cost estimate. With these drawings, staff can market the property for pre-leasing. If there is pre-leasing interest, after Commission approval the Port would prepare construction drawings and specifications for project bidding.

Two architecture firms provided proposals for the basic building design and cost estimate work:

Livermore Architects and Engineering Inc. \$26,900

Liz Olberding \$47,664

Both were very good proposals with different approaches. The Olberding contract would have utilized additional sub-contractors to make a more detailed design, while Livermore will provide basic design with in-house specialties. Livermore Architects and Engineering Inc. has done a number of these types of projects for the Port. Staff recommends moving forward with them for this contract.

The board should expect to review design concepts about six weeks from contract execution.

RECOMMENDATION: Approve contract with Livermore Architects and Engineering Inc. for architectural services at the Lower Mill not to exceed \$26,900.

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**Personal Services Contract
For Services Under \$50,000**

1. This Contract is entered into between the Port of Hood River ("Port") and **Livermore Architecture and Engineering Inc.** ("Consultant"). Consultant agrees to perform the Scope of Work described in attached Exhibit A to Port's satisfaction for a maximum consideration not to exceed **\$26,900.00 for all tasks combined**. Port shall pay Consultant in accordance with the schedule and/or requirements in attached Exhibit A.
2. This Contract shall be in effect from the date at which every party has signed this Contract through **July 1, 2020**. Either Consultant or Port may terminate this Contract in the event of a breach of the Contract by the other. Port may terminate this Contract for any reason by giving 15 days written notice to Consultant at Consultant's address listed below. If Port terminates this Contract, Consultant shall only receive compensation for work done and expenses paid by Consultant prior to the Contract termination date.
3. All work products of the Contract, which result from this Contract, are the exclusive property of Port. Port shall have access to all books, documents, papers and records of Consultant which relate to this Contract for purpose of making audit, examination, excerpts, and transcripts for a period of three years after final payment.
4. Consultant will apply that skill and knowledge with care and diligence to perform the work in a professional manner and in accordance with standards prevalent in Consultant's industry, trade or profession. Consultant will, at all times during the term of the Contract, be qualified, professionally competent, and duly licensed to perform the work.
5. Consultant certifies that Consultant is an Independent Consultant as defined in ORS 670.600 and shall be entitled to no compensation other than that stated above.
6. Consultant shall indemnify, defend, save, and hold harmless Port, its Commissioners, officers, agents, and employees from all claims, suits, or actions of whatsoever nature resulting from or arising out of the activities of Consultant or its sub-Consultants, agents or employees under this Contract. Consultant shall provide insurance in accordance with attached Exhibit B.
7. This Contract may be executed in any number of counterparts, and any single counterpart or set of counterparts signed, in either case, by all parties hereto shall constitute a full and original instrument, but all of which shall together constitute one and the same instrument.
8. This Contract shall be governed by the laws of the State of Oregon and any litigation involving any question arising under this Contract must be brought in the Circuit Court in Hood River County, Oregon. If any provision of this Contract is found to be illegal or unenforceable, this Contract shall remain in full force and effect and the provision shall be stricken.
9. Consultant shall adhere to all applicable federal, state, and local laws and regulations, including those governing its relationship with its employees.
10. This Contract contains the entire agreement between Consultant and Port and supersedes all prior written or oral discussions or agreements. Any modification to this Contract shall be reduced to writing and signed by the Consultant and Port. Consultant shall not assign this Contract or subcontract its work under this Contract without the prior written approval of Port.
11. The person signing below on behalf of Consultant warrants they have authority to sign for and bind Consultant.

Livermore Architects and Engineering Inc.

Port of Hood River

Signed:

Title:
Date:
Address: 1500 SW Ave., Ste. 240
Portland, OR 97201
Phone/Email: 503-892-3002

Signed:

Title: Michael McElwee, Executive Director
Date:
Address: 1000 E. Port Marina Drive, Hood River,
OR 97031
Phone/Email: (541) 386-1645/ porthr@gorge.net

**Personal Services Contract
Exhibit A**

I. SCOPE OF WORK:

Pre-Design:

Conduct background research and review existing documentation, previous project documentation, commissioned studies, related local studies, and literature.

Conduct a kickoff meeting to establish expectations, goals, and responsibilities of the design and engineering team.

Develop a design schedule.

Conduct a programming exercise to establish the project requirements such as potential types of tenants, functional areas, room sizes, transportation needs, circulation, and construction type.

Design:

Develop two design options for the project.

Conduct a code review. The code review will cover the local zoning code, building code, and accessibility requirements.

Reviews: After the development of the two options, we will conduct a review meetings with the Port of Hood River. Prior to the meeting, the Port will be given drawings and documents to review. We will collect all comments from the Port and document them in meeting minutes. The drawings will be updated based on the comments before finalizing the design.

Cost estimates will be developed for both the options.

Concept Design:

Livermore Architecture & Engineering, Inc. (LAE) will interview the owner and staff and develop programming requirements for the buildings. The requirements will be summarized in a Basis of Design document. Using this information, we will develop preliminary layouts. The design will be reviewed against applicable zoning and building code requirements. The preliminary layouts will be reviewed with the owner and comments will be incorporated into the design. Our cost estimating consulting will develop cost estimates based on the revised drawings.

We have allocated time for (2) meetings. The first meeting will be a kick-off meeting with the owner to discuss the project and initial findings. The second meeting will be used to present and discuss the proposed design options.

II. DELIVERABLES AND TIMEFRAME:

The deliverable(s) covered under this Contract shall be:

- Site Plan
- Code Review Plan
- Floor Plan
- Building Elevations

- (1) Building Section
- 2 options to choose from for final design
- Cost estimates for 2 options
- Up to four renderings
- Up to 2 meetings

The due dates for the deliverable(s) shall be: July 1, 2020

III. CONSIDERATION:

Hourly rates under this Contract shall coincide with the rate schedule below.

PROFESSIONAL FEES

- Principal \$150.00
- Principal Architect \$135.00
- Senior Project Manager \$120.00
- Project Manager \$110.00
- Structural Designer I \$120.00
- Structural Designer II \$100.00
- Architectural Associate \$95.00
- Clerical \$65.00

REIMBURSABLE EXPENSES

- Plots – 24x36 \$8.00 each
- Plots – 11x17 \$3.00 each
- Photo Copies \$.10 each
- Mileage \$.55 per mile
- Plots, Out-of-House Cost plus 10%
- Miscellaneous Expenses Cost plus 10%

All tasks combined under this contract shall not exceed \$26,900.00

IV. BILLING AND PAYMENT PROCEDURE:

The Consultant shall submit to the Port for payment an itemized invoice in a form and in sufficient detail to determine the work performed for the amount requested. The invoice shall contain at a minimum:

- Invoice date
- Contract project title
- Record of hours worked and a brief description of activities
- Billing rate applied
- Description of reimbursable items

Invoices may be submitted monthly, or at such other interval as is specified below:

The Port shall process payment in its normal course and manner for Accounts Payable, net 30 days.

**Personal Services Contract
Exhibit B**

INSURANCE

Consultants, please send this to your insurance agent immediately.

During the term of this Contract, Consultant shall maintain in force at its own expense, each insurance noted below:

- 1. Workers' Compensation insurance in compliance with ORS 656.017, which requires subject employers to provide Oregon workers' compensation coverage for all their subject workers. (Required of Consultants with one or more employees, unless exempt order ORS 656.027.)

Required and attached OR Consultant is exempt

Certified by Consultant: _____
Signature/Title

- 2. Commercial General Liability insurance on an occurrence basis with a limit of not less than \$1,000,000 each occurrence for bodily injury and property damage and \$2,000,000 general aggregate. The Liability Insurance coverage shall provide contractual liability. The coverage shall name the Port of Hood River and each of its Commissioners, officers, agents, and employees as Additional Insured with respect to the Consultant's services to be provided under the Contract.

Required and attached Waived by Finance Manager _____

- 3. Automobile Liability insurance with a combined single limit of not less than \$1,000,000 each occurrence for bodily injury and property damage, including coverage for owned, hired, or non-owned vehicles, as applicable.

Required and attached Waived by Finance Manager _____

- 4. Professional Liability insurance with a \$1,000,000 per claim and \$1,000,000 in the aggregate for malpractice or errors and omissions coverage against liability for personal injury, death or damage of property, including loss of use thereof, arising from the firm's acts, errors or omissions in any way related to this Contract.

Required and attached Waived by Finance Manager _____

- 5. **Certificate of Insurance.** As evidence of the insurance coverage required by this Contract, the Consultant shall furnish acceptable insurance certificates to the Port at the time Consultant returns the signed Contract.

The General Liability certificate shall provide that the Port, its Commissioners, officers, agents, and employees are Additional Insured but only with respect to the Consultant's services to be provided under this Contract.

Endorsement CG 20 10 11 85 or its equivalent must be attached to the Certificate. The Certificate must contain a standard 30 day notice of cancellation clause which guarantees notification in writing to the Certificate Holder (Port of Hood River). Insuring companies or entities are subject to Port acceptance. If requested, complete copies of the insurance policy shall be provided to the

Port. The Consultant shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

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Commission Memo



Prepared by: Fred Kowell
Date: April 7, 2020
Re: Duncan Solutions - Amendment No. 2

During the March 24 Special Meeting, the Commission discussed the need to enter into a new contract with Duncan Solutions for implementation of All Electronic Tolling (AET), due to the time constraints going through the State of Washington, Department of Licensing. Though the cost is much more than it would be working directly with the Department of Licensing, the coronavirus pandemic restrictions on operations at our toll facility, it is apparent that it is financially more viable to move quickly with Duncan Solutions now to enable a quicker end to the toll suspension. At some later date, the Port can revisit building the interface with the Department of Licensing.

With this change of direction, the Port would now be using Duncan Solutions for collection of tolls from all Non-Oregon, Non-Breezeby customers. Their fee for looking up a license plate is \$1.10. With this cost and our internal costs to bill a registered owner, there will be an additional ancillary fee of \$3 to the non-Breezeby customer. The customer may at any point choose to open a Breezeby account to avoid the higher toll and ancillary fee.

Duncan Solutions currently provides all license plate registration information for the parking tickets submitted by the Port, as well as all collections for parking tickets. This addendum to that contract expands their services to include the electronic interface for our tolling system which will include the name, address, and other vehicle information related to the registered owner of the license plate.

RECOMMENDATION: Approve Amendment No. 2 to Goods and Services Agreement with Duncan Solutions for implementation of All Electronic Tolling for Non-BreezeBy toll transactions, subject to legal review.

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Goods and Services Agreement AMENDMENT No. 2

THIS AMENDMENT to the Goods and Services Agreement is made and entered into by and between The Port of Hood River (the “Client”) and Professional Account Management, LLC (“PAM”).

WHEREAS, the Client and PAM entered into the Goods and Services Agreement on or about April 10, 2018 (the “Agreement”) for which Client contracted with PAM to manage the processing and collection of Client’s parking citation accounts and debts (“Parking Services”); and

WHEREAS, the Client and PAM desire to amend the Agreement and have PAM perform for the Client toll license plate recognition enforcement and collection services (“Tolling Services”), and these Tolling Services shall be in addition to the Parking Services.

NOW THEREFORE, the parties hereto agree as follows:

1. Scope of Services – Tolling Services

The Tolling Services shall be performed in accordance with Attachment A – Scope of Services, with compensation and fees in accordance with Attachment B – Pricing. Both Attachments A and B are attached hereto and incorporated by reference. The term of the Tolling Services shall be as identified in Attachment A.

The Tolling Services addressed in this Amendment and in Attachments A and B are separate and distinct from the Parking Services that PAM has and will continue to perform for the Client. For the avoidance of doubt, the Tolling Services shall be subject to only the body of the Goods and Services Agreement, this Amendment, and Attachments A and B to this Amendment. Any other documents that may form part of the Agreement as it relates to Parking Services (including Schedules A – D) are not applicable to the Tolling Services.

2. Miscellaneous

This Amendment may be executed in one or more counterparts, which may be exchanged by electronic transmission (including by email), each of which will be deemed an original, but all of which together constitute one and the same instrument. Except as amended and/or modified by this Amendment, all other terms of the Agreement shall remain in full force and effect, unaltered and unchanged by this Amendment. Whether or not specifically amended by this Amendment, any of the terms and provisions of the Agreement are hereby amended and/or shall be interpreted to the extent necessary and so as to give effect to the purpose and intent of this Amendment. Nothing in this Amendment shall in any way amend, alter, or modify the Parking Services.

IN WITNESS WHEREOF, the parties have executed this Amendment.

PORT OF HOOD RIVER

Signature: _____

Printed Name: _____

Title: _____

Date: _____

PROFESSIONAL ACCOUNT MANAGEMENT, LLC

Signature: _____

Printed Name: _____

Title: _____

Date: _____

ATTACHMENT A – SCOPE OF SERVICES, TOLLING SERVICES

(a) DMV Registered Owner Lookup

Upon receipt of transaction data, PAM will utilize its interfaces with the various 51 state DMV agencies to obtain the vehicle registered owner. Specific DMV access would be subject to any requirements or restrictions imposed by certain DMVs (such as completion of state-required paperwork, restriction of release of data to non-public entities, etc.)

Other information regarding this service:

1. Data will be exchanged using PAM's secure FTP site.
2. PAM will provide data format.
3. For states that require additional formal agreements (noted with * on the list below) PAM will supply the necessary state forms required to be completed and executed by the requesting entity and assist with the documentation flow.
4. PAM will supply forms for Nlets ORI/S-ORI access (National Law Enforcement Telecommunication System, Originating Agency Identifier) with either full or restricted access, indicated by an "S"). The Nlets database provides integrated access to multiple state DMVs. Full or restricted access is granted by the Nlets organization based on the requesting agency's law enforcement authority level.
5. Connecticut requires that all notices sent to citizens be reviewed by the DMV prior to access approval.
6. Turnaround times below are approximate and are not guaranteed, based on state agency responsiveness.
7. Not all states release data to non-public entities.

DMV Registered Owner Information			
Approximate Turnaround Times by State			
1– 10 Day Retrieval		Available With Nlets S-ORI	Available With Nlets Full ORI
Alabama	Missouri	Utah	Hawaii
Alaska	Montana		New Hampshire
Arkansas	Nebraska		Pennsylvania
Arizona	Nevada		
California*	New Jersey		
Colorado	New Mexico		<u>Canadian:</u>
Connecticut*	New York*		Alberta
Delaware	North Carolina		British Columbia
Florida	North Dakota		Manitoba
Georgia	Ohio		Ontario
Idaho	Oklahoma		
Iowa*	Oregon*		
Illinois*	Rhode Island		
Indiana	South Carolina		
Kansas	South Dakota		
Kentucky	Tennessee		
Louisiana	Texas		
Maine	Vermont		
Maryland	Virginia*		
Massachusetts	Washington		
Michigan*	West Virginia		
Minnesota	Wisconsin		
Mississippi	Washington, DC		

***Requires state forms to be completed**

(b) Debt Collection

- 1.1. Agreement to Collect. PAM agrees to provide debt collection services to Client in compliance with all applicable laws, regulations, licensing and bonding requirements. To the extent necessary to enable PAM to comply with applicable laws and standards in the collection industry, the Client agrees to the following: (i) to reasonably cooperate with PAM and provide reasonably necessary information it has regarding debts placed for collections, (ii) that debts placed with PAM are accurate and correct to the best of the Client’s knowledge, (iii) that reasonable steps will be taken to report disputes, appeals, validation requests, and defenses of debtors to PAM (including any information regarding the bankruptcy, death, legal disability or other defenses), and (iv) to cooperate with PAM in the event of any changes in law or rules that may impose new or additional obligations on PAM.
- 1.2. Documentation of Accounts/Financial Reporting. PAM will provide monthly, detailed reports of collection activity related to Debts. The reports include the principal amount of the Debt; amounts collected to date including any allowable fees, costs and interest; dispute

information, requests for validation by debtor; agreements by the debtor regarding future payments, bankruptcy, death or legal disability of the debtor, amount of commission retained by PAM, amount remitted to the Client and amount remitted to others under this Agreement.

- 1.3. Insurance and Bond Coverage. PAM will maintain at least the minimum level of insurance and bond coverage required by ACA or state law, whichever is greater, in all jurisdictions in which engaged in collection activity under this Agreement.
- 1.4. Trust Account. PAM warrants that it will maintain a trust account as required by state law while PAM is engaged in collection activity under this Agreement.
- 1.5. Methods and Compliance. PAM uses ordinary and reasonable collection efforts as permitted by law and will at all times comply with the Fair Debt Collection Practices Act (FDCPA), the Fair Credit Reporting Act (FCRA) and all applicable state, federal and local laws and regulations applicable to collections under this Agreement.
2. Legal Process. Client reserves sole right and authority to place Debts in litigation, including Debts subject to a forwarding agreement. Client may authorize PAM in writing to retain an attorney and commence litigation on behalf of Client, subject to separate terms and conditions mutually agreed in writing between the Parties. At no time, nor in any case, does PAM accept any responsibility or liability for any expenses, fees, or damages or any costs or liability related to legal process or use of an attorney to collect Debts.
3. Cost and Fees
 - 3.1. Collection Fee. The cost of collection services described in this Agreement is percentage-based contingent on Debts collected. A Debt placed for collection with PAM or with an attorney to obtain judgment or otherwise satisfy payment of the Debt is subject to a fee of 30% of the amount actually collected (Collection Contingency Fee) by PAM. The Collection Fee is in addition to any and all other costs including but not limited to court costs, sheriff's fees, interest, late fees, investigatory fees, or other costs incurred directly or indirectly by PAM in collection of amounts owed under this Agreement.
 - 3.2. Interest and Fees on Debts. Client hereby authorizes PAM to add interest, civil penalties, litigation and legal process fees, court costs, attorney fees and other such expenses relating to the collection of Debts as provided by law or debtor contract and to collect this amount from the debtor. Such amounts are considered part of the total original amount placed for collection.
 - 3.3. Remittance. Amounts due Client based on one (1) calendar month of collections will be remitted to Client by the fifteenth (15th) day of the following month. PAM will provide a report of collection activities to Client, up to and including the date of any expiration or termination of this Agreement within thirty (30) calendar days of expiration or termination.
 - 3.4. Reimbursement and Set off. Any fees, costs or expenses incurred by PAM in the course of collection of Debts will be set off against amounts due Client for Debts collected. Should funds collected be insufficient for payment in full through set off, Client understands and acknowledges that PAM will invoice Client for all such costs and expenses.
4. NSF and Disputed Payments. In the event that any Debts reported to Client as paid are subsequently returned NSF or reversed as disputed, PAM will reverse the amount of such Debt payment and all fees taken on such payment from the current month's billing statement.
5. Authorization To Forward Accounts. PAM may forward any of Client's Debts to another collection agency if the debtor has moved out of the general business area of PAM, and such other collection agency shall have authority to exercise all ordinary and reasonable collection efforts as

permitted by law, and shall remit any payments made to PAM less agreed commissions, and PAM shall then remit to Client less any agreed commissions.

6. Right To Withdraw Accounts or Termination. Client may request the return of any Debts not yet collected provided thirty (30) calendar days advance written notice (Notification Period). PAM agrees to return Debts not collected by the end of the Notification Period along with appropriate financial records of the Debts including amounts collected, commission retained, additional fees, interest and charges added, and a detailed statement of expenses incurred by PAM on behalf of Client. In the event of termination of this Schedule or the Agreement, the Client will pay all amounts due under this Agreement on Debts that have been collected through the end of PAM's business day on the date of termination.
7. Assignment and Process. PAM will accept assignment of Debts in accordance with the following business rules;
 - 7.1. Have reached delinquent status
 - 7.2. where first notice mailed
 - 7.3. all penalties applied
8. Collection Letters. PAM will propose collection letters to Client for review, edit and approval. Collection letter types may include Notice of Assignment to Collection Agency, Demand for Payment, Pending DMV Hold, or Pending Tax Offset (where applicable). Letters may also be provided in the form of email and text message communication.
9. Skip Tracing. PAM will provide skip trace services where required to locate violators a current address for all Debts.
10. Customer Service. PAM will provide a toll-free Customer Service number listed on all correspondence for violators to contact PAM for any reason.
11. Debtor Dispute Resolution. PAM will provide dispute resolution services, in accordance with business rules established by Client, to review violator claims of non-liability and forward accounts to Client where PAM has determined a valid reason for dismissal. Client, at its sole discretion, will make final decisions on such matters and update the AutoPROCESS System to reflect such decision.
12. Lockbox Remittance Processing. All PAM Collection letters include a return remittance envelope addressed to PAM's remittance processing center. PAM will provide lockbox remittance processing of all payments and update the AutoPROCESS System on a daily basis.
13. Bank Account. PAM will maintain a bank account in the name of PAM and Client (Bank) for deposit of all revenue received directly from lockbox, internet and IVR payment sites. The Bank will be available for inspection at any time by Client through on-line access.

ATTACHMENT B – PRICING

Service Description	Fee
Interface and processing of Out-of-State DMV Registered Owner Data to vehicle databases	\$1.10 per name and address returned, aka “hit”
Delinquent Collection Fee	30.00% of revenue collected

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Commission Memo



Prepared by: Fred Kowell
Date: April 7, 2020
Re: Resolution Adopting Ancillary Fee for
Non-Breezeby Crossings

The attached Port Resolution No. 2019-20-5 allows for charge of an ancillary fee for Non-Breezeby crossing(s) in addition to the toll. This charge may be partially reduced if a customer opens a new BreezeBy account. The charge is a cost recovery charge to allow for an ALL Electronic Tolling (AET) to be placed into service.

RECOMMENDATION: Adopt Resolution 2019-20-5, allowing for the charge of an ancillary fee for Non-Breezeby toll payments, subject to legal counsel review.

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**PORT OF HOODRIVER
RESOLUTION NO. 2019-20-5**

A RESOLUTION AUTHORIZING THE CHARGE OF AN ANCILLARY AND LATE FEES FOR TOLLING TO RECOVER COSTS DUE TO ALL ELECTRONIC TOLLING

- A. WHEREAS, the Hood River-White Salmon Interstate Bridge (“Bridge”) is a critical transportation facility in the Mid-Columbia Region, and the Port of Hood River (“Port”) must manage, maintain, inspect and operate the Bridge in a safe manner for the long-term use of residents, visitors, and businesses; and
- B. WHEREAS, the state restrictions due to the Coronavirus pandemic require the Port to restrict having toll collectors in the toll facility collecting non-Breezeby tolls; and
- C. WHEREAS, the Port has been working toward implementation of a License Plate Recognition system that would allow the Port to bill non-Breezeby vehicles that run-through (“violators”) the toll facility, and
- D. WHEREAS, the Port will expand the scope of the License Plate Recognition system to include ALL non-Breezeby vehicles and to implement such system as soon as possible; and
- E. WHEREAS, the Port will charge a \$3 ancillary fee in addition to the toll, to recover the cost of charges to the Port for identifying the registered vehicle owner of such non-Breezeby vehicle and to bill such registered vehicle owner; and
- F. WHEREAS, the Port will be able to reduce such ancillary fee in part or in total if such non-Breezeby vehicle owner registers for Breezeby, and
- G. WHEREAS, the Port will discontinue such ancillary fee for non-Breezeby customers when state requirements allow toll collectors back into the toll facility to collect tolls, and
- H. WHEREAS, the Port will continue to bill the ancillary fee for non-Breezeby customers who do not pay a toll at the toll facility (“violators”) when toll collectors are present; and
- I. WHEREAS, the Port will charge a late fee of \$20 if the non-Breezeby customer does not pay the billing within ten (10) days of the first billing; and

NOW, THEREFORE, BE IT

RESOLVED, the Port Board of Commissioners hereby adopts the ancillary and late fees attached to such non-Breezeby tolls based upon the implementation of such All Electronic Tolling system, and to suspend ancillary fees if such state restrictions are relaxed to allow toll collectors back into the toll facility to collect tolls. Such an exception will not apply toward violators who do not pay at the toll facility.

PASSED by the Board of Commissioners of the Port of Hood River this 7th day of April 2020

John Everitt
President

Ben Sheppard
Vice-President

David Meriwether
Secretary

Kristi Chapman
Treasurer

Hoby Streich
Commissioner