PORT OF HOOD RIVER COMMISSION
Tuesday, June 2, 2015
Marina Center Boardroom
5:00 p.m.

Regular Session Agenda

1. Call to Order
   a. Modifications, Additions to Agenda

2. Public Comment (5 minutes per person per subject; 30 minute limit)

3. Consent Agenda
   a. Approve Minutes of May 19, 2015 Regular Session – *Laurie Borton (3)*
   b. Approve Lease Extensions in Maritime Building with Hood River Distillers and Double Mountain Brewery – *Anne Medenbach (7)*
   c. Amend Contract with Larry Halgren & Associates – *Michael McElwee (11)*

4. Reports, Presentations and Discussion Items
   a. Tolling System Upgrade (Presentation) – *Dennis Switaj, HDR Engineering (13)*
   b. Fiber Attachment on Bridge – *Dan Bubb, Gorge Networks (15)*
   c. Waterfront Parking Plan for Summer – *Liz Whitmore (23)*
   d. Airport Through the Fence Agreements – *Fred Kowell (29)*
   e. Bridge Replacement Task List – *Michael McElwee (31)*
   f. Financial Review for Ten Months Ended April 30, 2015 – *Fred Kowell (33)*

5. Director's Report *(39)*

6. Commissioner, Committee Reports

7. Action Items
   a. Approve Contract with P-Square Solutions for Tolling System Upgrade in an Amount Not to Exceed $229,280 – *Fred Kowell (45)*
   b. Approve Intergovernmental Agreement with Oregon Department of Aviation for 2015 Pavement Maintenance Program – *Fred Kowell, Anne Medenbach (105)*
   c. Approve Resolution No. 2014-15-3 Extending Workers' Compensation Coverage to Port Volunteers – *Fred Kowell (107)*
   d. Approve Resolution 2014-15-4 Adopting the FY 2015-16 Budget in the Total of $15,590,930 and the Assessed Tax Rate of $0.0332 per $1,000 of Assessed Value – *Fred Kowell (115)*

8. Commission Call

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9. Executive Session under ORS 192.660(2)(e) Real Property Transactions

10. 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.*

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CONSENT

Port of Hood River Commission
Regular Session Meeting Minutes of May 19, 2015
Marina Center Boardroom

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

Present: Commissioners Jon Davies, Fred Duckwall, Rich McBride, Brian Shortt, and Hoby Streich; Port Counsel Jerry Jaques; from staff, Michael McElwee, Fred Kowell (until 5:40 p.m.), Anne Medenbach, Liz Whitmore (arriving at 5:30 p.m.), and Laurie Borton

Absent: None

Media: None

1. Call to Order: President McBride called the Regular Session meeting to order at 5:01 p.m.

a. Modifications, Additions to Agenda: None.

At 5:01 p.m. President McBride opened the public hearing for the FY 2015-16 Budget.

2. Public Comment: None.

3. Consent Agenda:

- Approve Minutes of May 5, 2015 Budget Committee and May 5, 2015 Regular Session
- Approve Accounts Payable to Jaques Sharp Attorneys at Law in the Amount of $6,887

Motion: Move to approve Consent Agenda
Move: Davies
Second: Streich
Discussion: Davies cited a potential conflict of interest with the Accounts Payable item due to his Columbia River Insurance client relationship with Jaques Sharp Attorneys at Law
Vote: **Aye:** Davies, Duckwall, McBride, Shortt, and Streich
MOTION CARRIED

4. Reports, Presentations and Discussion Items:

a. Airport Master Plan Update - Dave Miller, Century West Engineering: Miller provided a PowerPoint presentation (available at http://www.portofhoodriver.com/Packets/2015.php) outlining a summary of key events, forecast of future demand, facility requirements, and development options. The presentation also included aerial photos of airport areas of emphasis and issues. Miller identified that progress to date has resulted in an update that is one-half to 2/3 complete. The Airport Advisory Committee will meet in June to discuss next steps. Commissioner Streich inquired about revenue streams other than hangars and Miller responded that development should accommodate a diversity of uses, such as office leases. Commissioner Davies asked Miller his opinion on jet fuel, who responded that tanks are not typically funded by the Federal Aviation Administration; however, he sees air fleet changing to jet fuel use and it is a business investment to attract markets. Miller continued that tank capacity would need to be considered as jet fuel has a shorter shelf life than Avgas.

b. Marina Assessment - Larry Halgren, Halgren & Associates: Halgren provided a PowerPoint presentation (available at http://www.portofhoodriver.com/Packets/2015.php) reviewing

information from the April 16 public meeting with the Marina Ad-hoc Committee and results on Marina stakeholder interviews. Slides illustrated how marinas create a 'sense of place' using local art, landscaping, events, etc., and dock systems using side ties for mixed boat lengths. The growth of small watercraft use was reviewed with Halgren stating there should be a contribution to offset costs while continuing to be supported by the Port. Halgren said he does not believe a full revision to the 2007 Master Plan is needed as there are many improvements that can be accomplished for a relatively low cost and the Port might consider incorporating project funding in the budget annually or every couple years. Halgren also mentioned that grant funding is available from the Oregon State Marine Board (or Homeland Security, for example, if there is a desire to relocate the Sheriff's boathouse). Davies reiterated that goals are fairly attainable at a low cost and that projects need to be prioritized. The Marina Ad-hoc Committee will meet again in June.

c. **Bridge Replacement Approach:** Assumptions, and recent actions undertaken to advance replacement, were discussed regarding the role the Port should play in long term replacement of the Interstate Bridge. Executive Director McElwee noted the Port's 2014-18 Strategic Business Plan includes language as a supportive and participatory agency in replacement efforts but that financial capabilities of public and private entities is going to be limited. Davies said there needs to be a collaborative effort but he believes the Port needs to be the driver. Streich pointed out the age of the bridge works against us and he wasn't sure the Port needs to take the lead but does need to be engaging and supportive of replacement efforts. Commissioner Shortt commented that being on the list of Regional and National Significance promotes the Port for federal appropriations, and because of that we should take a leadership role. Shortt was concerned, however, with staff efforts when our mission is job creation. Commissioner McBride offered his opinion that the Port should be the bell ringer and make efforts, even if it requires more money; however he said the EIS (environmental impact statement) should be paid for by someone other than the Port. Commissioner Duckwall commended the Port for the good progress that has been made on repairs and improvements. McElwee indicated staff would continue to refine information for the Commission that would include a list of approximate costs and additional steps that may need to be factored into the budget.

d. **Executive Director Review Process:** A proposal from Waldron & Company was provided for discussion on ways to update and improve the annual Executive Director ("ED") assessment and review. There was Commission consensus that the process needed improvement but not necessarily by an outside consultant. Shortt volunteered to work with McElwee to revise the evaluation criteria, which will be shared for Commission input. A revised schedule proposes performance review materials distributed to the Commission at the second meeting in June; ED performance discussion at the July 14 meeting (assuming one meeting in July); the Personnel Committee meeting with the ED to discuss contract changes the third week in July; and issues requiring Commission action taken at the first meeting in August.

5. Director's Report: There was discussion to push meeting dates out by one week in June; however, the original dates of June 2 and June 16 will stand. A conceptual drawing addressing the elevation difference at the south end of the Nichols Basin West Edge Trail received earlier in the day from NBW Hood River (Naito's "Nichols Landing" hotel project) was reviewed. McElwee reported comments had been submitted to the City regarding the hotel project's Conditional Use Permit relative to changes

proposed to the size and location of the commercial building. Photos of guardrail damage were shown and replacements are on order. Former Hood River mayor Arthur Babitz is proposing to "Save the Slough"--a 4 to 5 acre remnant parcel owned by ODOT, Union Pacific, and the Port. McElwee commented the project is intriguing but that the Port would not have any funds for improving the appearance, habitat, and educational efforts being proposed by Babitz. McElwee noted that Marina utilities would be discussed during Executive Session.

6. Commissioner, Committee Reports:

a. Urban Renewal Agency: Neither Streich nor Davies attended the May 11 meeting; however, Streich reported adoption of the 2015-16 budget and approval of a funds transfer; and that he, Davies, and McBride were lobbying for URA funding for Lot 1.

With no public comment heard, the Budget Hearing for FY 2015-16 was closed at 7:35 p.m.

7. Action Items:

a. Approve IGA with Hood River County for Marine Deputy Services: Waterfront Coordinator Liz Whitmore reviewed the Intergovernmental Agreement (IGA) that would provide a commitment for law enforcement and safety services along the waterfront area. Provisions include marine deputy services at least two days each week from June 15-September 15; however in this first year the services will begin July 1. In consideration for these additional services, the Port will pay Hood River County $5,200 to be applied to the cost of an additional deputy during summer months, and waive rent and existing tenant assessment for the Sheriff's boathouse. The Sheriff's office will install signage on the boathouse and keep the structure in good condition, including exterior paint; and provide the Port with a written report by October 1 listing dates and types of services provided. The IGA will continue until terminated by either party or by mutual agreement at any time providing written notice not less than 60 days prior to the intended termination date.

Motion: Move to approve IGA with Hood River County for Marine Deputy Services
Move: Duckwall
Second: Shortt
Vote: **Aye:** Davies, Duckwall, McBride, Shortt, and Streich
MOTION CARRIED

b. Approve Change Order #1 and Authorize Increase of $20,603.41 to the Contract with Crestline Construction for a Total Revised contract Amount of $657,984.70: Whitmore provided an update on the NBWE trail project, which is on track for completion by the end of June. Changes to the contract being proposed by Crestline Construction involve additional seawall work, removal of existing well vault, addition for existing irrigation line, and change of stone supplier for seat walls. This Change Order also provides a contract credit for the south entrance security gate and posts deletion.

Motion: Move to approve Change Order #1 and authorize increase of $20,603.41 to the NBWE Trail contract with Crestline Construction for a total revised contract amount of $657,984.70
Move: Shortt

Second: Streich
Vote: **Aye:** Davies, Duckwall, McBride, Shortt, and Streich
MOTION CARRIED

c. **Approve Resolution No. 2014-15-3 Extending Worker's Compensation Coverage to Port Volunteers:** This item was tabled to the first meeting in June as Finance Manager Fred Kowell was not available to discuss the item.

8. Commission Call: Streich mentioned that pathway solar lights were dog/leash friendly and offered his thanks on the selection. He also inquired about the low water levels and was informed the US Army Corps of Engineers was conducting fish studies. Davies offered "good luck" wishes on election results. McBride inquired if there was an update on the recent waterfront accident notification sent by staff. Whitmore indicated she had no further information.

9. Executive Session: Regular Session was recessed at 7:52 p.m. and the Commission was called into Executive Session under ORS 192.660(2)(e) Real Property Transactions; ORS 192.660(2)(f) Exempt Public Records; and ORS 192.660(2)(h) Legal Counsel.

10. Possible Action: The Commission was called back into Regular Session at 8:36 p.m. No action was taken as a result of Executive Session.

11. Adjourn: President McBride adjourned the meeting at 8:36 p.m.

Respectfully submitted,

_____
Laurie Borton

ATTEST:

_____
Rich McBride, President, Port Commission

_____
Hoby Streich, Secretary, Port Commission

CONSENT

Commission Memo

Prepared by: Anne Medenbach
Date: June 2, 2015
Re: Amendment #2 - Hood River Distillers, Inc.

Hood River Distillers, Inc. (HRD) has been a tenant in 21,700 sf of the Maritime building since 2012. Their current lease term ends September 30, 2017 with two (1) year extension options taking them to 2019. Double Mountain Brewery has a lease of the remaining 12,100 sf through 2017 with one (1) year extension through 2018, to be approved at this meeting. It is a requirement of the current lease with HRD that once Double Mountain vacates the building HRD must take over Double Mountain's lease.

HRD would like to extend their initial term through September 30, 2019 and keep the two (1) year extension options. They also wish to add a first option to lease the office spaces once those tenants vacate. All other terms remain unchanged.

Staff recommends granting the extension, but with the condition that no repairs of major building components will be completed by the Port during the extension terms. Regular maintenance will continue. The Port will require HRD to take over Double Mountain's leased space, only once Double Mountain's extension option has been exhausted.

RECOMMENDATION: Approve Lease Amendment #2 with Hood River Distillers, Inc., at 910 Portway Ave., subject to legal counsel review.

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CONSENT

Commission Memo

Prepared by: Anne Medenbach
Date: June 2, 2015
Re: Addendum #2 - Double Mountain LLC

Double Mountain, LLC, dba Double Mountain Brewery has been a tenant in t 12,100 sf of the Maritime Building since 2012. Their current lease term ends September 30, 2017 with no extension options. They would like two (1) year extension options which would take them to 2019.

Staff recommends granting a single (1) year extension option.

RECOMMENDATION: Approve Lease Addendum #2 with Double Mountain, LLC at 910 Portway Ave., subject to legal counsel review.

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CONSENT

Commission Memo

Prepared by: Michael McElwee
Date: June 2, 2015
Re: Marina Contract Amendment

The Commission approved a contract with Larry Halgren & Associates (Halgren) on February 7, 2015 not to exceed $7,500. The contract also identified additional services, including a final presentation and discussion with the Commission, that could be provided for additional compensation.

Given the work that Halgren completed and the desirability of having a direct presentation to the Commission, I authorized Halgren to prepare the presentation and attend the May 19, 2015 Commission meeting. That fee for additional work above the amount previously authorized was $1,500.

RECOMMENDATION: Ratify amendment #1 to the contact with Larry Halgren & Associates not to exceed $1,500.

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Commission Memo

From: Fred Kowell
Date: June 2, 2015
Re: Tolling System Upgrade Presentation

Dennis Switaj of HDR Engineering will give a presentation providing background information for the upcoming tolling system upgrades. Contract approval with P-Square Solutions is a proposed Action Item.

RECOMMENDATION: Discussion.

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Commission Memo

Prepared by: Anne Medenbach
Date: June 2, 2015
Re: GorgeNet Fiber Project - Phase 2 and Bridge

GorgeNet has been working to complete a fiber project that will connect their downtown fiber with the waterfront and the Marina area in two phases. Last year, the commission approved Phase 1 of the project which took the fiber through the marina area. GorgeNet has completed Phase 1 (Marina) and has provided as-builts to the Port. The Port is now executing the utility easement per the license agreement.

Phase 2 Waterfront

GorgeNet's plan is to install a fiber loop on the waterfront, connecting their downtown fiber with the Marina (see attached diagram). The work includes some trenching, tunneling and repair of construction areas. GorgeNet would like to execute a license agreement with the Port that allows the trenching, underground tunneling (boring) and repair of the install to the Port's specifications. The license grants a non-exclusive utility easement to GorgeNet at the actual location of the fiber install once the work is complete and the as-built drawings are in hand. This is the exact process used for Phase 1.

By approving a license, the Commission will be approving a utility easement contingent upon GorgeNet finishing the project to the specifications requested and providing as-builts. The draft license and work area for Phase 2 are attached. Should the Commission approve the agreement, this could be added as an action item contingent upon legal counsel review.

Interstate Bridge

GorgeNet would also like to take their fiber across the bridge. They will be asking for a lease that will include: design approval by HDR, permitting, fees, maintenance and access rights, liability, construction timeline and a traffic plan approved by the Port. GorgeNet would like to have a draft agreement to the Port no later than July 10th (see attached summary).

RECOMMENDATION: Presentation by Dan Bubb. Discussion.

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LICENSE

GRANTOR:	Port of Hood River, an Oregon municipal corporation ("Port")
GRANTEE:	Gorge Networks, Inc. or its agents or assigns ("GNI")
SCOPE OF LICENSE:	GNI may install underground conduit and fiber optic lines and related necessary appurtenances that transmit information along the route illustrated in Appendix A. GNI shall strive to minimize the impact of the installation on road and landscapes by boring the conduit wherever possible. Where trenching is necessary, GNI shall properly compact and patch with landscape that matches the original landscape, and where appropriate, restore asphalt to a least four inches depth and level with the existing asphalt. GNI shall take before and after pictures of the route that illustrate that the installation had minimum impact on Port property.
PURPOSE:	The purpose of this license is to allow GNI to install conduit and fiber optic line on Port property. After installation, the Port will grant to GNI a mutually satisfactory utility easement for the actual location of the conduit and line.
EFFECTIVE DATE:	Date signed by Executive Director.
EXPIRATION DATE:	One year after Effective Date.

THE PORT OF HOOD RIVER, a municipal corporation of the State of Oregon

By: _____
Michael S. McElwee, Executive Director

Date: _____

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Appendix A

Phase 2 fiber plan for easement to Gorge Networks

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Bridge Fiber Summary
Gorge Net

Gorge Networks seeks to install a fiber optic line on the Interstate bridge from Oregon to Washington. Gorge Networks has already installed fiber to the base of the bridge on the Oregon side and has plans to build connections to other networks on the Washington side of the river.

Gorge Networks requests approval by the Port of Hood River to attach a fiber optic line that runs the length of the interstate bridge. The Port and Gorge Networks will establish a lease agreement prepared by July 10th that will adequately address at a minimum the following points:

- Attachment design to be approved by HDR Inc. (Bridge Engineering firm used by the Port)
- Relevant permits are procured
- Annual fee is established
- Maintenance/access rights & responsibilities are established
- Insurance/liability is provided
- Expected construction timeline
- Traffic plan approved by Port (preference to work within already planned closures)

We are requesting approval of a lease agreement at the July Commission meeting based on meeting the conditions above since significant costs will be incurred prior to the actual engineering and installation of the fiber.

The purpose and benefit of approving this request is quite simply:

- Connect businesses that have locations in both communities (Hood River County and Klickitat County)
- Provide alternate internet routes for both WA and OR based customers

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Commission Memo

Prepared by: Liz Whitmore
Date: June 2, 2015
Re: Waterfront Parking

With the Nichols Basin West Edge project completing this month and the subsequent loss of parking at Slackwater Beach, increasing capacity for parking along the waterfront is an important priority for the Port. Staff has been looking at design options for parking in the following three areas:

Nichols Basin Lower Level Public/Concession Area: This area will continue to be used by the Gorge Paddling Center to operate a kayak and SUP concession. Public parking will be provided for drop-off use only.

See Drawing #1 for the following:

- (6) *10 minute-loading only* parking spaces located south of metal storage building.
- (1) *No Parking* space to provide area for turn-around for vehicles when parking spaces are full.
- (3) *Concession* parking spaces north of storage building.
- Bollards and chain link to limit vehicular access north of storage building.
- Port staff to install boulders to protect path and solar bollards from vehicles in parking area.

Street Parking – N. 1st Street : The current street parking configuration allows for 90-minute parking to encourage short-term parking for users visiting the Event Site or food vendor customers who don't intend to stay for several hours. Long-term parking for day use is proposed at the south end of N. 1st Street for use of the Nichols Basin Beach and Path.

See Drawings #2 and #3 for the following:

- (38) *4-hr* diagonal parking spaces on N. 1st Street located on south end.
- (14) *90-minute* parallel spaces on N. 1st Street located on north end.
- (26) *90-minute diagonal* parking spaces on Portway adjacent to Lot #1. Spaces match direction of traffic in adjacent east bound lane.
- (2) existing driveways from Portway into Lot #1 to remain.

Lot #1 Overflow Parking: Lot #1 is generally not used a great deal for parking in the summer. In 2014, the Event Site parking lot filled completely on (10) separate days, typically in the late afternoon. On (3) occasions, Lot #1 was opened up for overflow parking early afternoon.

Options for Lot #1 Overflow Parking include:

1. Provide free parking on those days Event Site parking lot fills.

2. Require day pass at a reduced rate or season pass. Day pass to be purchased from Event Site booth and returned to car to place on dashboard.

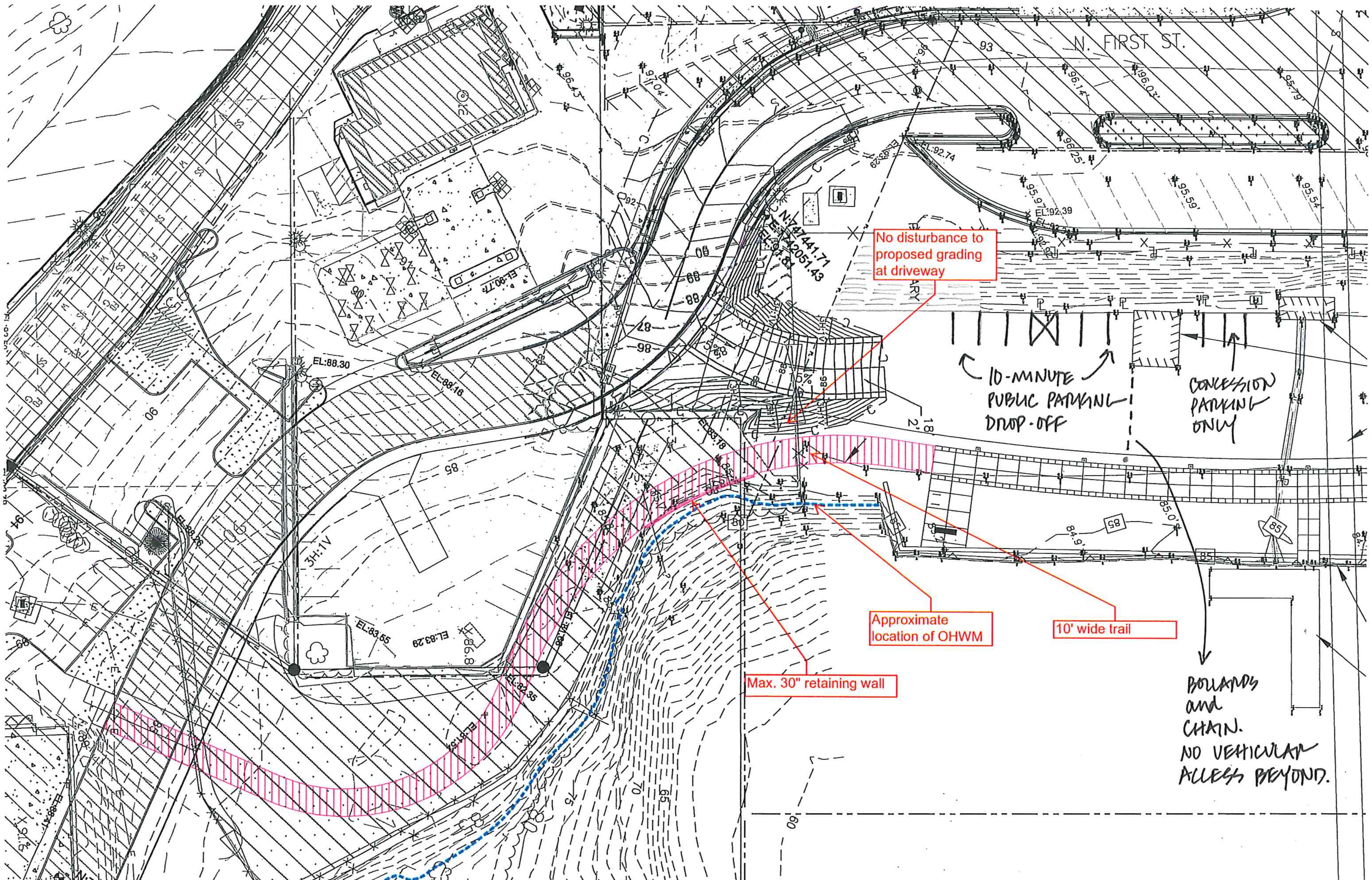
3. Locate a ticket booth at Lot #1 for Port staff to collect day passes at reduced rate.

Staff recommends Option #1 for the 2015 season to determine increase of use and future needs.

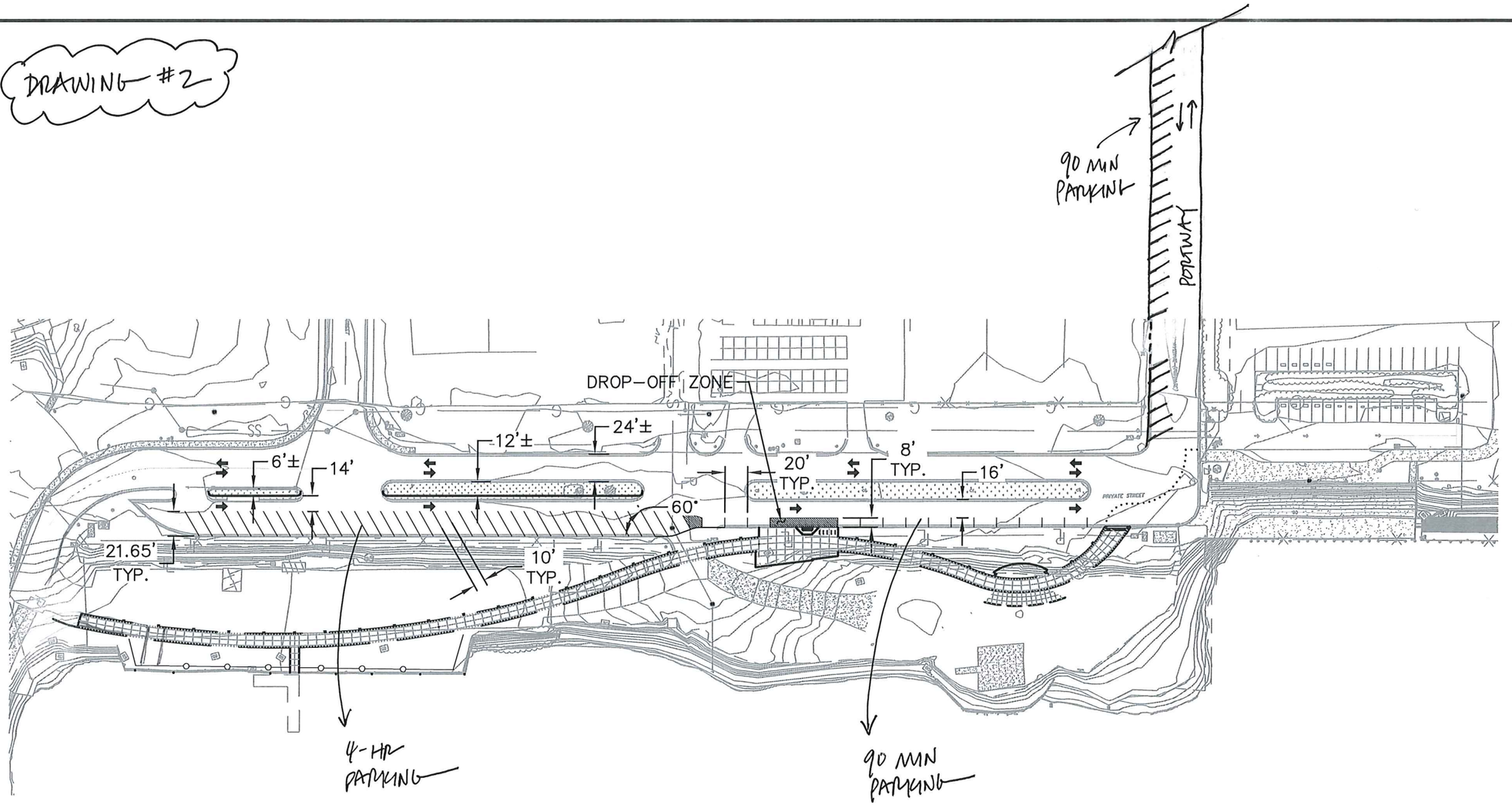
Staff is seeking direction from the Commission on waterfront parking options before finalizing plans, ordering new signage and painting curb color designations.

RECOMMENDATION: Discussion.

DRAWING #1


N. FIRST ST.
No disturbance to proposed grading at driveway
10-MINUTE PUBLIC PARKING DROP-OFF
CONCESSION PARKING ONLY
Approximate location of OHWM
10' wide trail
Max. 30" retaining wall
BOLLARDS and CHAIN. NO VEHICULAR ACCESS BEYOND.
EL:88.30
EL:88.16
EL:83.55
EL:83.29
EL:82.35
EL:92.74
EL:92.39
3H:1V

DRAWING #2



PARKING STALL COUNT

38 – DIAGONAL PARKING SPACES
14 – PARALLEL SPACES
52 – TOTAL

SCALE 1 INCH = 100 FEET

100 0 100 200

STUART L CATO
CONSULTING CIVIL ENGINEER
835 S.W. KATHERINE LANE
BEAVERTON, OREGON 97225
503-292-6883 PHONE/FAX

NO.	DATE	REVISION	BY

DESIGNED BY SLCA DATE
DRAWN BY JRG DATE 11/06/14
REVIEWED BY CV DATE
PROJECT NO. 13135 REF
SCALE

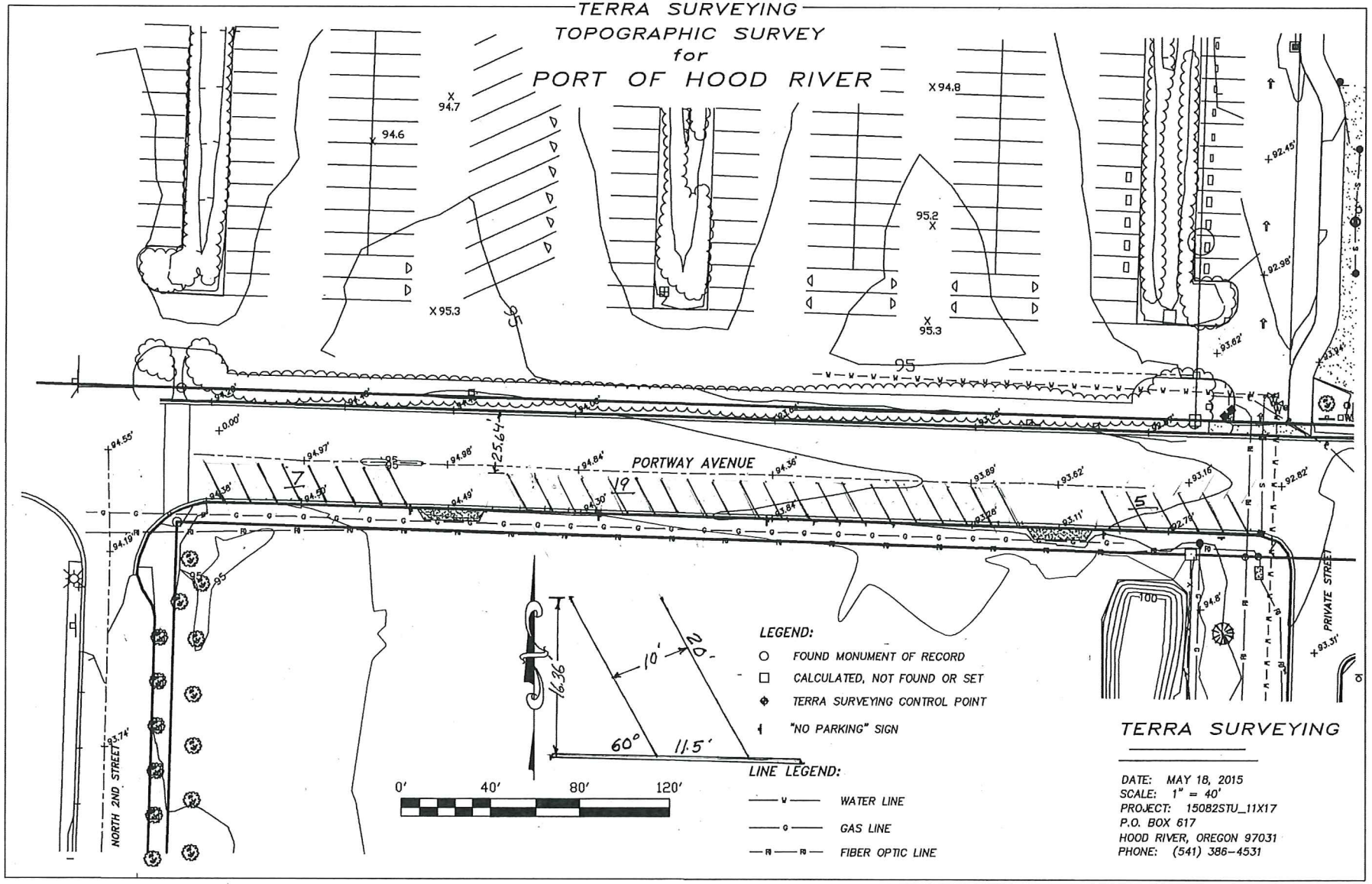
PORT OF HOOD RIVER
N. 1st Street Parking
OPTION 1

SHEET 1 OF 2

PROJECT JERNSTEDT
NO.
TYPE

File: N:\c\p\2014\314152-Stu-Colo-Misc-2014\CAD\PLOT\N-1st-St-Parking\N-1st-St-SITE.dwg TAB:1
Plotted: 11/6/14 at 4:01pm By: curtv
XREFs: N-1st-St-xtb N-1st-St-xsv N-1st-St-xst 1334_Design

DRAWING #3


TERRA SURVEYING
TOPOGRAPHIC SURVEY
for
PORT OF HOOD RIVER
PORTWAY AVENUE
NORTH 2ND STREET
PRIVATE STREET
LEGEND:
FOUND MONUMENT OF RECORD
CALCULATED, NOT FOUND OR SET
TERRA SURVEYING CONTROL POINT
"NO PARKING" SIGN
LINE LEGEND:
WATER LINE
GAS LINE
FIBER OPTIC LINE
0' 40' 80' 120'
TERRA SURVEYING
DATE: MAY 18, 2015
SCALE: 1" = 40'
PROJECT: 15082STU_11X17
P.O. BOX 617
HOOD RIVER, OREGON 97031
PHONE: (541) 386-4531

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Commission Memo

From: Fred Kowell
Date: June 2, 2015
Re: Through the Fence Agreements at the Airport

The FAA has changed their requirements for Through The Fence (TTF) agreements for properties adjoining the airfield and used by the property owner. This was alluded to by Dave Miller of CenturyWest Engineering at our last Board meeting.

The FAA has now allowed TTF agreements for residential properties that are adjoining the airport and use the airport with an aircraft that is housed on the residential property. The FAA is now asking all airport owners to provide them with an agreement from those residential property owners even if those owners run a commercial business from those properties.

The Port's policy on TTF is that the Port will ONLY allow commercial businesses a TTF agreement. The three agreements that the FAA is seeking from the Port are for commercial businesses that are from a residential property.

The uncertainty of the FAA's policy regarding TTF precluded further agreements from being established.

Staff intends to return to the Board with the three TTF agreements alluded to above.

RECOMMENDATION: Discussion.

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Commission Memo

Prepared by: Michael McElwee
Date: June 2, 2015
Re: Bridge Replacement Tasks

At the May 19 meeting the Commission discussed various tasks that could be carried out to advance efforts toward long term replacement of the Hood River Interstate Bridge ("Bridge"). The Commission directed staff to prepare a list for further discussion. The following are for Commission direction.

	Staff Effort	*Cost*
• **Prepare more detailed descriptive materials of Bridge role, impacts, prior preservation efforts, etc.**	Low	$2,000
• **Increase outreach to local, regional, state entities**	Moderate	$1,000
• **Convene annual "Summit"**	Low	$500
• **Increase Summit Strategies advocacy efforts**	Low	$15-25,000
• **Evaluate specific Public Private Partnership (P3) opportunities**	Low	$1,000
• **Develop alternative bridge replacement financing models**	Moderate	$10,000
• **Prepare a detailed economic impact analysis**	Moderate	$50,000

- **Reserve specific funds each year for the next major replacement step—possibly completion of an EIS.**

  Low $50,000/yr.

- **Engage specific steps to ensure the Bridge is on the City and County TSP and on the State Highway Plan.**

  High $15,000

RECOMMENDATION: For Discussion.

Commission Memo

Prepared by: Fred Kowell
Date: June 2, 2015
Re: Financial Review–Ten Months Ended April 30, 2015

The Budget laws are based upon appropriation levels such that I will first focus on the financial expenditure schedule which depicts budget versus actual activity through 83% of the fiscal year.

Expenditures

In my discussion below I separate the four major cost categories of Personnel Services, Materials & Services, Capital Outlay and Debt Service.

With respect to Personnel Services the Port is tracking just slightly under budget overall, with only Big 7 and Waterfront Land running slightly ahead of budget. Last summer there was more focus and labor made to these two locations. That said, we should see them come in close to budget by year end.

Overall, Materials & Services (M&S) is slightly under budget for the ten months ended April 30, 2015. That said, I have colored those assets that will exceed their budgets in M&S but underspend their budgets in CIP.

- The Expo Center did not have utilities and property taxes in its budget due to the sale of the Expo Center occurring sometime in the summer of 2014 which did not occur.
- The Halyard Building is incurring a higher utility usage and maintenance costs, but most of these costs are offset by utility reimbursements.
- The Big 7, Wasco Building and the Event Site have higher M&S costs because the capitalization thresholds were not met. The funding is included in their CIP budgets which are underspent due to this criteria.
- The Bridge Repair & Replacement Fund has reclassed some of the CIP expenditures into M&S due to testing and inspections being considered expenses and not capital improvements.
- Some Capital projects are under budget as certain projects are now proceeding through their construction phase. This includes the Nichols Basin West Edge Trail and the ODOT Pedestrian Bridge Trail. Bridge improvements were made with regard to the approaches, as well as a significant portion of the deck welding. However, toll system improvements will be under budget as this process has taken longer than anticipated.

- Other capital projects like the Maritime, Big 7 and Wasco Buildings have been re-evaluated and rescheduled.

Revenues

Bridge revenues are tracking to our forecast as well as within the budget. Our Industrial and Commercial leased properties taken as a whole are tracking to budget when you include all reimbursed costs. The Marina will come in slightly under budget overall as water, garbage and some electric revenues will be refunded to those customers that have paid. The Airport is on track to come in close to budget with regard to lease revenues but will fall slightly short on reimbursed utility costs as this was budgeted higher than what has been incurred. Grant revenues should come in on budget as we close the fiscal year and the master planning process for the airport.

Capital projects are under budget as certain projects are now getting through the contract portion of their process. This includes the Nichols Basin West Edge Trail and the ODOT Pedestrian Bridge Trail. Bridge improvements were made with regard to the approaches, as well as a significant portion of the deck welding. Some additional deck welding will occur when the weather warms up, as well as some lift span cable work. The toll equipment upgrade is proceeding forward and should be completed by year end.

Overall, the Port is in line with its financial forecast and budget with respect to revenues and its expenses are under budget. Port staff will need to control its O&M spending coming into the summer season.

I will be presenting a Budget Transfer at the June 16th meeting to shore up the budgets in Personnel Services, Materials & Services and Capital Outlay. This will be expenditure neutral and only changing appropriation levels at the cost category levels.

RECOMMENDATION: Discussion.

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PORT OF HOOD RIVER
STATEMENT OF OPERATING REVENUES, EXPENDITURES AND OTHER SOURCES AND USES OF FUNDS
AND BUDGET VS ACTUAL PERFORMANCE
FOR THE TEN MONTHS ENDED APRIL 30, 2015

	REVENUE FUND									BRIDGE REPAIR &	
OPERATING REVENUES	Bridge	Industrial Buildings	Commercial Buildings	Waterfront Land	Waterfront Recreation	Marina	Airport	Administration Maintenance	GENERAL FUND	REPLACEMENT FUND	TOTAL
Tolls	$ 2,940,070										$ 2,940,070
Leases		$ 974,464	$ 120,751	$ 6,413	$ 5,200	$ 245,027	$ 144,520				1,496,374
Reimbursements		364,282	19,274	1,384	500	20,126	11,604				417,169
Fees, Events, Passes and Concessions					48,683						48,683
Property taxes									59,703		59,703
Total Operating Revenues	2,940,070	1,338,746	140,025	7,796	54,383	265,152	156,124	-	59,703	-	4,961,999
Operating Expenses											
Personnel Services	595,657	223,499	58,690	37,329	239,394	102,247	61,726	-	56,527	16,655	1,391,725
Materials & Services	321,656	636,344	54,926	48,157	93,469	65,180	85,275	120,542	210,527	50,406	1,686,481
Total Operating Expenses	917,313	859,842	113,616	85,486	332,862	167,428	147,001	120,542	267,054	67,062	3,078,206
Operating income/(Loss)	2,022,758	478,904	26,409	(77,690)	(278,480)	97,725	9,122	(120,542)	(207,351)	(67,062)	1,883,793
Other Resources											
Income from other sources	-	-			-	-	-	20,854	278	2,995	24,126
Grants	-	-		67,371	65,250	6,244	49,698	900	-	-	189,463
Sale of land	-	-		-	-	-	-	-	-	-	-
Note receivables	-	28,316		82,056	-	-	-	-	-	-	110,372
Total Other Resources	-	28,316	-	149,427	65,250	6,244	49,698	21,754	278	2,995	323,961
Other (Uses)											
Capital projects	(998)	(137,960)	(6,683)	(558,547)	(114,421)	(94,157)	(109,769)	(67,663)	-	(317,427)	(1,407,625)
Debt service	-	(120,785)	-	-	-	(72,744)	-	-	-	(68,146)	(261,674)
Total Other (Uses)	(998)	(258,745)	(6,683)	(558,547)	(114,421)	(166,901)	(109,769)	(67,663)	-	(385,573)	(1,669,299)
Transfers In/(Out)	(421,753)							(265,724)	265,724	421,753	-
Net Cashflow	$ 1,600,007	$ 248,475	$ 19,726	$ (486,811)	$ (327,651)	$ (62,932)	$ (50,949)	$ (432,176)	$ 58,650	$ (27,887)	$ 538,455
BUDGET VS ACTUAL PERFORMANCE											
FY 2014-15 Budget											
Operating revenues - Budget	$ 3,521,607	$ 3,531,014	$ 176,384	$ 1,200	$ 120,064	$ 273,797	$ 172,130	$ -	$ 59,101	$ -	$ 7,855,297
Operating revenues - Actuals	2,940,070	1,338,746	140,025	7,796	54,383	265,152	156,124	-	59,703	-	4,961,999
Actuals greater/(Less) than budget	(581,537)	(2,192,268)	(36,359)	6,596	(65,681)	(8,645)	(16,006)	-	602	-	(2,893,298)
	83%	38%	79%	650%	45%	97%	91%		101%	#DIV/0!	63%
Operating expenses - Budget	1,138,700	991,590	143,598	206,726	496,678	291,213	217,965	192,247	398,970	65,172	4,142,859
Operating expenses - Actuals	917,313	859,842	113,616	85,486	332,862	167,428	147,001	120,542	267,054	67,062	3,078,206
Actuals (greater)/Less than budget	221,387	131,748	29,982	121,240	163,816	123,785	70,964	71,705	131,916	(1,890)	1,064,653
	81%	87%	79%	41%	67%	57%	67%		67%	103%	74%
Other Resources - Budget	8,774	33,980	-	680,682	560,000	6,100	183,600	10,000	100	5,000	1,488,236
Other Resources - Actuals	-	28,316	-	149,427	65,250	6,244	49,698	21,754	278	2,995	323,961
Actuals greater/(Less) than budget	(8,774)	(5,664)	-	(531,255)	(494,750)	144	(133,902)	11,754	178	(2,005)	(1,164,275)
Other (Uses) - Budget	105,800	1,402,000	116,935	1,029,255	838,122	149,896	224,000	178,900	-	1,354,322	$ 5,399,230
Other (Uses) - Actuals	998	258,745	6,683	558,547	114,421	166,901	109,769	67,663	-	385,573	$ 1,669,299
Actuals (greater)/Less than budget	104,803	1,143,255	110,252	470,708	723,701	(17,005)	114,231	111,237	-	968,749	3,729,931
	1%	18%	6%	54%	14%	111%	49%	38%	#DIV/0!	28%	31%
Net Position - Budget vs Actuals @ 100%	$ (264,121)	$ (922,929)	$ 103,875	$ 67,288	$ 327,085	$ 98,280	$ 35,286	$ 194,695	$ 132,695	$ 964,855	$ 737,011

PORT OF HOOD RIVER
Schedule of Revenues by Cost Center By Fund
Budget to Actuals - 83% Through Budget
For the Ten Months Ended April 30, 2015

	REVENUES			
	Budget	Actual	Variance	%
REVENUE FUND				
Toll Bridge				
Bridge Tolls	$ 3,511,607	$ 2,930,070	$ (581,537)	83%
Cable Crossing Leases	10,000	10,000	-	100%
Other	8,774	-	(8,774)	0%
	3,530,381	2,940,070	(590,311)	83%
Industrial Facilities				
Big 7				
Lease Revenues	290,388	181,439	(108,949)	62%
Reimbursements/Other	74,467	41,788	(32,679)	56%
Jensen Property				
Lease Revenues	331,388	273,731	(57,657)	83%
Reimbursements/Other	123,470	124,895	1,425	101%
Maritime Building				
Lease Revenues	224,591	189,057	(35,534)	84%
Reimbursements/Other	33,190	39,564	6,374	119%
Halyard Building				
Lease Revenues	195,360	141,270	(54,090)	72%
Reimbursements/Other	63,548	97,191	33,643	153%
Note Receivable	19,550	16,292	(3,258)	83%
Other		-	-	
Expo Center				
Lease Revenues	-	8,956	8,956	#DIV/0!
Reimbursements/Other	-	1,966	1,966	#DIV/0!
Other Financing Sources	1,936,660	-	(1,936,660)	
Timberline Incubator Building				
Lease Revenues	48,840	53,200	4,360	109%
Reimbursements	5,119	11,364	6,245	222%
Wasco Building			-	
Lease Revenues	151,816	126,812	(25,004)	84%
Reimbursements	52,177	47,514	(4,663)	91%
Note Receivable	14,430	12,025	(2,406)	83%
	3,564,994	1,367,062	(2,197,932)	38%
Commercial Facilities				
State Office (DMV) Building				
Lease Revenues	40,061	33,090	(6,971)	83%
Reimbursements	2,168	100	(2,068)	5%
Marina Office Building				
Lease Revenues	64,920	53,630	(11,290)	83%
Reimbursements	11,107	18,189	7,082	164%
Port Office Building				
Lease Revenues	57,058	34,030	(23,028)	60%
Reimbursements	1,070	985	(85)	92%
	176,384	140,025	(36,359)	79%
Waterfront Industrial Land				
Lease Revenues	1,200	6,413	5,213	534%
Reimbursements	-	1,384	1,384	0%
Income from Grants	575,000	67,371	(507,629)	12%
URA Payments	105,682	82,056	(23,626)	78%
	681,882	157,223	(524,659)	23%
Waterfront Recreation				
Eventsite, Hook and Spit				
Events, Passes, Permits and Concessions	102,459	45,106	(57,353)	44%
Grant	170,000	65,250	(104,750)	38%
Marina Park				
Sailing Schools, Showers and Events	8,812	3,577	(5,235)	41%
Lease Revenues	5,860	5,200	(660)	89%
Reimbursements	2,933	500	(2,433)	17%
Grant	390,000	-	(390,000)	0%
	680,064	119,633	(560,431)	18%
Marina				
Lease Revenues	258,854	245,027	(13,827)	95%
Reimbursements	14,943	20,126	5,183	135%
Grant	6,100	6,244	144	102%
Other Financing Sources	-	-	-	#DIV/0!
	279,897	271,396	(8,501)	97%
Airport				
Lease Revenues	145,419	144,520	(899)	99%
Reimbursements	26,711	11,604	(15,107)	43%
Grant	183,600	49,698	(133,902)	27%
	355,730	205,822	(149,908)	58%
Budget to Actual Revenues	9,269,332	5,201,231	(3,543,442)	56%
Revenues less Other financing sources	7,974,970	4,967,546	(3,007,424)	62%
GENERAL FUND				
Property taxes	59,101	59,703	602	101%
Transfers from other funds	339,869	265,724	(74,145)	78%
	$ 398,970	$ 325,427	$ (73,543)	82%
BRIDGE REPAIR & REPLACEMENT FUND				
Transfers from other funds	$ 1,919,494	$ 421,753	(1,497,741)	22%

PORT OF HOOD RIVER
SCHEDULE OF EXPENDITURES BY COST CENTER BY FUND
BUDGET AND ACTUAL - 83% THROUGH THE BUDGET
FOR THE TEN MONTHS ENDED APRIL 30, 2015

	Cost	Personal Services				Materials & Services				Capital Outlay				Debt Service				Total Appropriation		
EXPENDITURES	**Centers**	**Budget**	**Actual**	**Unspent**	**85%**	**Budget**	**Actual**	**Unspent**	**%**	**Budget**	**Actual**	**Unspent**	**%**	**Budget**	**Actual**	**Unspent**	**%**	**Budget**	**Actual**	**Unspent**
Toll Bridge	100	737,749	595,657	142,092	81%	400,951	331,656	69,295	83%	105,800	998	104,803	1%	-	-	-		1,244,500	928,310	316,190
Industrial Facilities																				
Big 7	200/205	39,015	33,187	5,828	85%	128,625	122,021	6,604	95%	107,000	-	107,000	0%	-				274,640	155,208	119,432
Jensen Property	302	59,239	45,825	13,414	77%	190,657	143,608	47,049	75%	110,000	76,963	33,037	70%	145,000	120,785	24,215	83%	504,896	387,180	117,716
Maritime Building	303	30,932	25,295	5,637	82%	96,042	65,624	30,418	68%	35,000	-	35,000	0%	-				161,974	90,919	71,055
Halyard Building	307	54,363	45,086	9,277	83%	127,852	145,191	(17,339)	114%	17,000	20,796	(3,796)	122%	-				199,215	211,073	(11,858)
Expo Center	401	12,364	9,974	2,390	81%	4,145	58,924	(54,779)	1422%	-	-	-	#DIV/0!	-				16,509	68,898	(52,389)
Timberline Incubator Building	702	29,181	23,935	5,246	82%	28,498	20,629	7,869	72%	43,000	9,115	33,885		-				100,679	53,679	47,000
Wasco Building	800	48,668	40,197	8,471	83%	82,009	80,348	1,661	98%	30,000	-	30,000		-				160,677	120,545	40,132
Hanel Site		12,000	-	12,000	0%	48,000	-	48,000	0%	915,000	31,087	883,913	3%	-		-		975,000	31,087	943,913
		285,762	223,499	62,263	78%	705,828	636,344	69,484	90%	1,257,000	137,960	1,119,040	11%	145,000	120,785	24,215	83%	2,393,590	1,118,587	331,089
Commercial Facilities								(106,973)												
State Office (DMV) Building	501	20,857	17,304	3,553	83%	24,453	15,701	8,752	64%	44,845	-	44,845		-				90,155	33,005	57,150
Marina Office Building	506	32,999	27,167	5,832	82%	33,782	26,296	7,486	78%	57,090	-	57,090	0%	-				123,871	53,463	70,408
Port Office Building	502	17,257	14,219	3,038	82%	14,250	12,929	1,321	91%	15,000	6,683	8,317	45%	-				46,507	33,831	12,676
		71,113	58,690	12,423	83%	72,485	54,926	17,559	76%	116,935	6,683	110,252	6%	-	-	-		260,533	120,298	140,235
Waterfront Industrial Land	300/301	44,092	37,329	6,763	85%	162,634	48,157	114,477	30%	1,029,255	558,547	470,708	54%	-				1,235,981	644,033	591,948
Waterfront Recreation																				
Eventsite	402	119,207	52,872	66,335	44%	37,196	34,108	3,088	92%	10,000	-	10,000	0%	-				166,403	86,980	79,423
Hook/Spit	306/505	43,798	34,758	9,040	79%	15,595	8,244	7,351	53%	246,000	107,690	138,310	44%	-				305,393	150,691	154,702
Marina Park	504	212,277	151,764	60,513	71%	68,605	51,117	17,488	75%	582,122	6,731	575,391	1%	-				863,004	209,613	653,391
		375,282	239,394	135,888	64%	121,396	93,469	27,927	77%	838,122	114,421	723,701	14%	-	-	-		1,334,800	447,284	887,516
Marina	503	151,912	102,247	49,665	67%	139,301	65,180	74,121	47%	60,000	94,157	(34,157)	157%	89,896	72,744	17,152	81%	441,109	334,328	106,781
Airport	600	74,667	61,726	12,941	83%	143,298	85,275	58,023	60%	224,000	109,769	114,231	49%					441,965	256,770	185,195
Administration		23,000	-	23,000		80,847	53,178	27,669	66%	103,900	-	103,900	0%					207,747	53,178	154,569
Maintenance		-	-	-		88,400	67,364	21,036	76%	75,000	67,663	7,337	90%	-		-		163,400	135,027	28,373
Total Expenditures		1,763,577	1,318,542	445,035	75%	1,915,140	1,435,548	479,592	75%	3,810,012	1,090,198	2,719,814	29%	234,896	193,529	41,367	82%	7,723,625	4,037,817	2,741,895
Bridge Repair & Replacement Fund		20,511	16,655	3,856	81%	44,661	50,406	(5,745)	113%	630,000	317,427	312,573	50%	724,322	68,146	656,176	9%	1,419,494	452,634	966,860
General Fund		69,595	56,527	13,068	81%	329,375	210,527	118,848	64%									398,970	267,054	131,916

Unfavorable Variance - Expenditures

The following facilities have an unfavorable budget variance in Materials & Services.

Big 7 had costs that do not meet the capitalization thresholds and as such were expensed in Materials & Services. M&S will need a budget transfer from CIP.
Haylard Building unfavorable Materials & Services variance is due to higher utilities which is reflected in the favorable variance in reimburseable revenues, and property taxes.
Expo Center unfavorable Materials & Services variance is due to property taxes of $13,045 and legal costs of $10,592 that were not budgeted since the Expo was planned to transfer ownership this year.
Wasco Building has higher than anticipated M&S due to costs not meeting the $5000 capitalization threshold. Will do a budget transfer to M&S in June.
Port Office Building encountered plumbing issues that are reflected in its Materials & Services. Will do a budget transfer from CIP to M&S in June.
Bridge Repair & Replacement fund has budgeted in CIP the lift span inspection work. This will need to be reclassed into M&S with the budget being transferred as well.

PORT OF HOOD RIVER
Bridge Traffic and Revenue Report - Quarterly
Exhibit B
Columbia State Bank Loan - Covenant - 3.9 (g)

	2011-12		2012-13		2013-14		2014-15		Change from Prior year	
	Traffic	Revenue	Traffic	Revenue	Traffic	Revenue	Traffic	Revenue	Traffic	Revenue
JUL	361,074	$265,574	355,233	$297,432	372,181	$ 339,743	379,536	$ 341,480	1.02	1.01
AUG	355,868	$261,248	364,506	$318,526	372,950	$ 344,140	380,914	$ 348,030	1.02	1.01
SEPT	318,316	$238,794	328,071	$380,237	330,147	$ 304,490	344,693	$ 317,989	1.04	1.04
OCT	309,883	$231,842	317,197	$287,740	326,995	$ 299,209	336,623	$ 303,073	1.03	1.01
NOV	269,853	$197,401	277,328	$249,148	281,772	$ 252,702	274,601	$ 244,065	0.97	0.97
DEC	274,203	$195,532	265,925	$233,136	272,528	$ 237,524	290,855	$ 249,793	1.07	1.05
calendar year total	3,622,901	$2,646,090	3,617,141	$3,300,132	3,749,551	$3,384,542	3,829,791	$3,424,449		
JAN	236,015	$208,412	257,781	$240,242	274,253	$ 244,374	286,390	$ 259,626	1.04	1.06
FEB	256,567	$225,906	259,626	$241,084	248,373	$ 219,088	281,351	$ 259,207	1.13	1.18
MAR	282,592	$251,099	320,340	$269,257	297,531	$ 265,325	324,912	$ 299,162	1.09	1.13
APR	292,315	$263,709	300,672	$268,777	317,218	$ 282,097	334,016	$ 307,643	1.05	1.09
MAY	320,953	$291,884	325,314	$290,897	343,575	$ 301,985	-	$ -	0.00	0.00
JUN	320,439	$292,903	329,245	$296,477	341,619	$ 307,150	-	$ -	0.00	0.00
fiscal year total	3,598,078	$2,924,305	3,701,238	$3,372,952	3,779,142	$3,397,826	3,233,891	$2,930,069	0.86	0.86

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Executive Director's Report
June 2, 2015

Staff & Administrative

- I attended a Stormwater Conference in Portland on May 21 sponsored by the Oregon Environmental Business Council. This was intended to provide additional understanding about best practices in stormwater management for Lot #1 planning.
- Our eight summer employees (four booth attendants and four maintenance workers) will all be on board by June 12. Some have already begun work, others are waiting for the end of the school year.
- A representative from SDAO visited the Port of May 26 to review the Port's safety program and inspect our facilities. Jean Hadley is coordinating these efforts as chair of the Port's Safety Committee.
- Staff continues to assist PNWA with preparations for the 2015 Summer Conference.
- Genevieve has developed a needs assessment process to inform the scope of work for the Port's new website. The scope should be complete by the end of June. Issuance of RFP for the web development project planned for July.
- I submitted a Letter to the Editor of the Hood River News (printed May 23) acknowledging the legislative actions of Senators Wyden and Merkley and Representative Walden that have benefitted Port waterfront trail projects.
- The next meeting of the OneGorge Advocacy Group will be held at the Insitu conference room in the Waucoma Building on June 10 at 3:00 PM. Barring Governor Inslee calling a Special Session, Washington Representative Gina McCabe will attend to give her legislative report and have a Q&A session. All are welcome to attend. Please RSVP to Genevieve.

Recreation

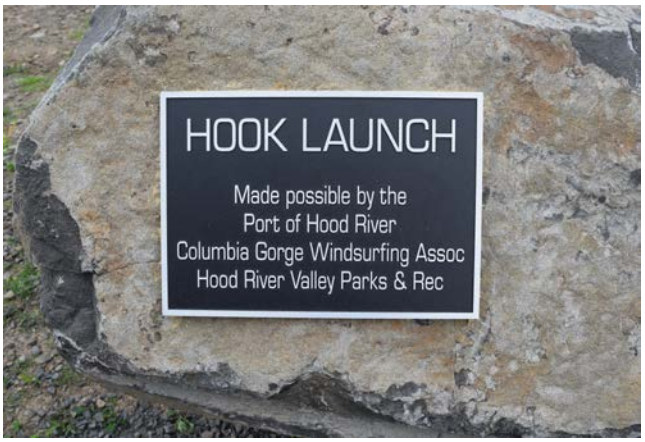
- The Memorial Day Weekend was extremely busy at the Event Site. This year the booth attendant is able to accept credit or debit cards. Approximately $5,800 in pass sales were transacted over the course of the weekend, not including the pre-season sales.
- Reservoir Control has indicated water levels will increase through the first week of June. Kite launching and landing will remain open at the Event Site until high-water recedes.
- Steve Gates has expressed concern about the Gorge SUPer Club providing a SUP service for its members by accessing the water from Port Property. Per Ordinance 24, legal counsel has advised that the Port cannot prohibit this activity.

- Based on Commission direction, staff will be sending communication to all Marina tenants stating that the $5/month electrical and garbage fees will not be imposed in 2015 (actual electric usage will be invoiced, however) and that tenants who have already paid will receive a refund.

- Construction on the NBWE Trail Project continues per schedule. The City is still in discussions with Columbia Riverkeeper about allowing a paved trail around the Hattenauer property. Naito Development has provided preliminary engineering plans for a new driveway down to the NBWE seawall area. We are reviewing those plans with the assistance of engineer Stu Cato. (See attached)

- The Hood2River Relay event will occur May 30, with activities scheduled for Marina Green.

- Greg Steigel and the Chamber of Commerce organized a ribbon cutting for the Hook Launch on May 22. Thank you to Commissioners McBride, Davies, and Streich for attending. A plaque has been installed acknowledging the Port, HRV Parks and Rec District and CGWA.



- In accordance with the Port's Donation & Fee Waiver Policy, I have approved the request for a fee waiver for the GORGE Junior Sailing program that will operate from the South Basin Dock for a 6-week period beginning July 6. The program is now in its tenth year. A nominal fee of $25 per session for the six adult learn-to-sail classes will be charged, which is the amount the program has paid for the past two years.

Development

- I provided additional comments to the City regarding the Conditional Use Permit Amendment for the Naito Hotel project. The 30% increase in commercial building floor area is a significant concern. Construction of that project has ramped up considerably.

- Anne is soliciting proposals from civil engineering firms for the site and utility work at the Hanel site. This will allow us to move more quickly if grant funds are approved and the property sale closes.
- The second phase of the Expo Project has received its staff report from the Pre-application conference. Among many conditions, ODOT will require a full Transportation Impact Assessment (TIA).
- The Hood River Planning Commission will conduct a public hearing on the Sheppard's project proposal on June 1. I plan to attend.

Airport

- We are seeking to schedule a meeting with Terry Brandt to discuss the possible property swap that was discussed at the May 19 meeting.

Bridge/Transportation

- Maintenance welding on the Bridge deck will need to continue at intermittent times through the summer.

N. FIRST ST.

No disturbance to proposed grading at driveway

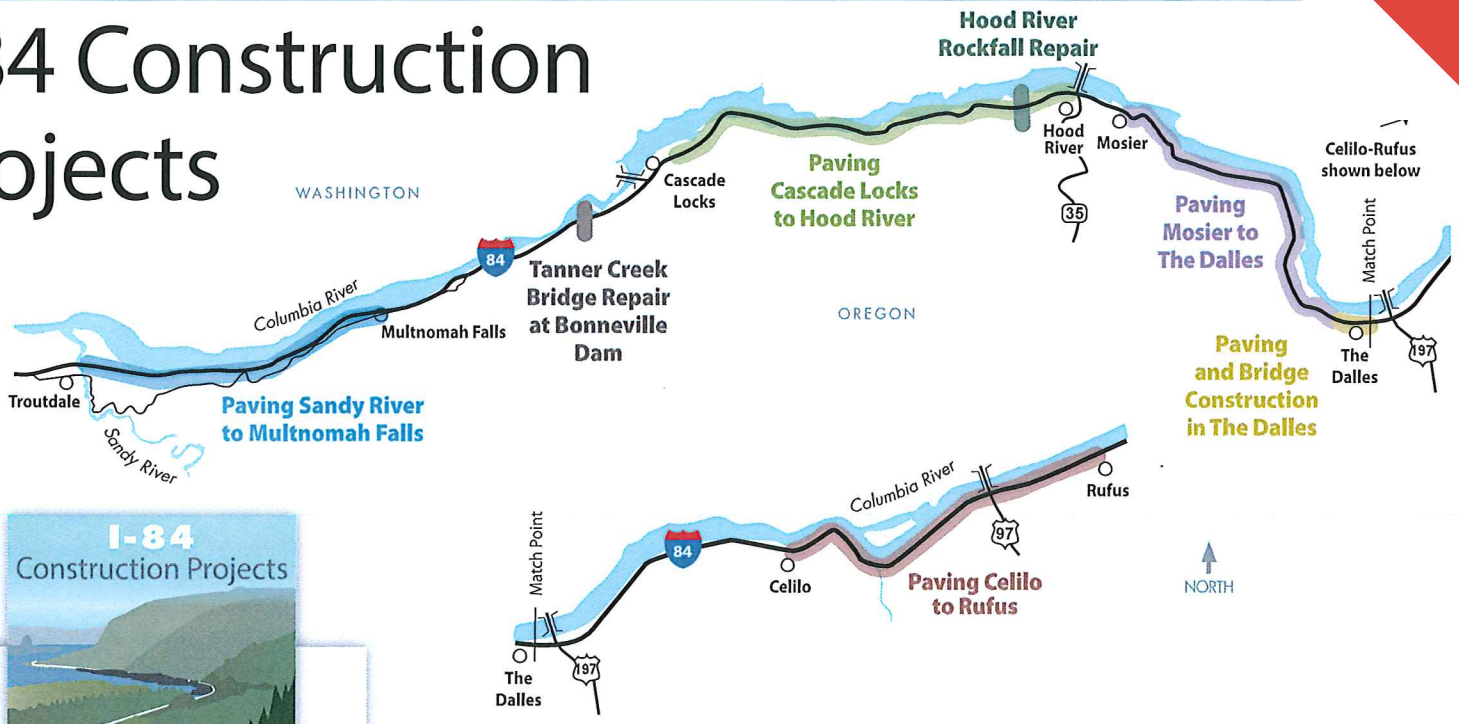
10' wide trail

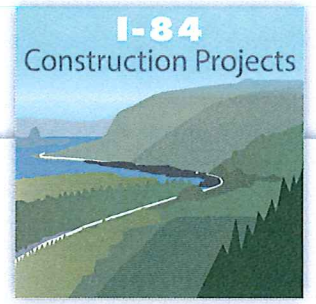
Approximate location of OHWM

Max. 30" retaining wall

Driveway access and future trail connection_*rev1*

I-84 Construction Projects





2016 Construction*

March - September 2016: Paving Cascade Locks to Hood River

April - September 2016: Tanner Creek Bridge Repair at Bonneville Dam

May - October 2016: Paving Sandy River to Multnomah Falls

Summer 2016: Paving Mosier to The Dalles

Fall 2016: Hood River Rockfall Repair

** Schedule is subject to change due to weather and site conditions*

Questions?

Contact Brandy Steffen, ODOT Community Affairs Coordinator 503-731-8230 or Brandy.Steffen@odot.state.or.us

¿Hablas español? Para recibir información por favor llame al 503-731-4128.

For ADA (Americans with Disabilities Act) call TTY 800-735-2900 or 7-1-1.

Get up-to-date construction information at:

www.I84Construction.org

Oregon Department of Transportation

Watch for construction this summer/fall!

ODOT has a lot of work planned on Interstate-84. Be aware of the construction schedule to ensure safe travels this summer and fall, visit www.I84Construction.org.

Improving Troutdale exit/interchange

What? Improve exit 17, Marine Drive, and connections under I-84.

When? Day and night construction from **January to December 2015.***

Adding Rumble Strips Multnomah Falls to Cascade Locks

What? Add rumble strips along the shoulder and center barrier to increase safety.

When? Daytime construction from **August to October 2015.***

Replacing Barriers Cascade Locks to Hood River

What? Replace the center concrete barriers before paving 18-miles of I-84 in 2016.

When? Mostly daytime construction from **June to November 2015.***

Extending the Historic Columbia River Highway State Trail

What? One lane of I-84 will be continuously closed for 30 days, near exit 55 for work related to the State Trail extension between Lindsey Creek and Starvation Creek.

When? One eastbound lane continuously closed for 30 days in **Fall 2015.***

Paving and Bridge Construction in The Dalles

What? Repave I-84 through The Dalles and do bridge construction at Threemile Creek. ***Caution!*** One lane will be continuously closed during construction, except on Memorial Day, Labor Day and Thanksgiving weekends.

When? Mostly daytime construction from **February 2015 to June 2016.***

Paving Celilo to Rufus

What? Repave about 14-miles of I-84 and replace the center concrete barrier.

When? Day and night construction, with one lane continuously closed from **May to July 2015.***

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ACTION ITEMS

Commission Memo

From: Fred Kowell
Date: June 2, 2015
Re: Tolling System Upgrade

Staff has been working for over a year to identify system requirements and other needs to acquire tolling system support. Our current tolling system requires the services of two different consultants to maintain our two tolling systems. Both consultants are now either in retirement or near to. They both expressed concern that the Port should seek future assistance due to their withdrawing from the industry.

After investigating a possible solution to this dilemma, it was discovered that any maintenance would have to occur under a new upgraded operating system since any prospective programming support wouldn't be possible under a de-supported Windows XP operating environment. To move forward with system support and operating upgrades, it became clear that tolling system support is a niche industry with niche pricing. Staff requested additional technical support and consulting expertise that have the experience and knowledge of the tolling industry. The Port hired HDR Engineering and with their Toll Practice Leader, Dennis Switaj, we are now able to move forward with a contract with a vendor. P Square Solutions will be able to maintain our current system as we migrate to upgraded system that take both our systems and merge them into one integrated system.

P Square Solutions has been implementing electronic tolling systems for various clients including the South Bay Expressway, New Jersey Turnpike, and Delaware's tollways (SR-1 and I-95). What is most important is that HDR's Dennis Switaj has been working with this organization as well as the other larger tolling companies.

This contract will be in phases with the description, timeline and costs depicted below:

Phases	Task	Period in Months	Cost
Phase 1	Review and Analysis of Legacy ETC System Lane Controller and Upgrade Support of Operating Environment	2.5 Months	$ 26,840
Phase 2	Enterprise Toll Back Office System Replacement of Legacy Back Office System	10 months	$ 194,000
Phase 3	Lane Controller Replacement and Integration with Upgrade In-Lane Equipment	6 months	$ 56,000

Over the past twelve months the functionality of our current system continues to degrade due to the inability to have technical support make the necessary changes in the system.

During this time the Port has worked with TransCore, ETransit, Kapsch, TRMI Systems, 3M and HNTB to understand our requirements and provide us with their estimate. Three of these companies did not quote based upon the size of the Port.

HDR's Dennis Switaj has been instrumental in acquiring P-Square to bid on this project and has worked on implementations with them.

RECOMMENDATION: Approve the contract with P-Square Solutions to provide toll system technical support and system upgrade, not to exceed $229,280 for Phases 1 and 2.

ACTION ITEMS

P SQUARE SOLUTIONS
Technology Solutions. Enterprise Services. High Performance

309 Fellowship Road, Sui
Mount Laurel, NJ 08054
Phone: (856) 533 2471
Fax : (413) 845-3579

May 27, 2015

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

Re: Port of Hood River ETC system Upgrade, Maintenance and a replacement Proposals

Dear Mr. Kowell,

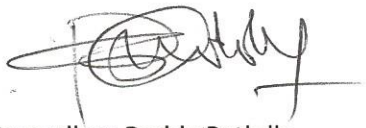
P-Square Solutions is pleased to submit these proposals to Port of Hood River for review and consideration for Port Hood River ETC system Operating Environment upgrades through ETC system software maintenance and Support services. Also provided is a Proposal to replace the Port of Hood River ETC system using P-square Solutions Web based solution of Enterprise Back Office System on J2EE platform and Lane Controller Software.

The proposal Organized into following sections:

- P-Square Solutions Executive Overview
- Port of Hood River Legacy ETC system and Proposed Services
- Port of Hood River Proposed ETC Replacement system
- P-Square Solutions Web based Solutions of Enterprise Toll Back Office System features
- Project Approach and Timelines
- P-Square Solutions Project Execution Experience
- Cost Proposal for Upgrade, Maintenance and Consulting
- P-Square Solutions Project Team , Execution and Experience

P-Square Solutions client references will be provided upon requests. Upon notice from Port of Hood River, P-Square is prepared to negotiate in good faith, to establish a mutually acceptable contract for the defined Scope of work. I speak for the entire P-Square team when I say that we are looking forward with excitement to the opportunity to work with Port of Hood River on this project.

Sincerely,



Goverdhan Reddy Patlolla
President
P-Square Solutions LLC

ACTION ITEMS

Port of Hood River
ETC System
Upgrade, Maintenance & Replacement Proposal

To

Port of Hood River Bridge Commission

Submitted By

P-Square Solutions LLC

P SQUARE SOLUTIONS ®

Technology Solutions. Enterprise Services. High Performance

Revision 1.4 May 27th, 2015

Table of Contents

1 Introduction

P-Square Solutions considers it a privilege to submit its proposal to Port of Hood River Bridge Commission with regards to its Toll System Back Office software Maintenance and replacement services. P-Square solutions understands that in the short term basis Port of Hood River Toll Bridge Legacy ETC System Operating environment needs to be maintained through needed upgrades to a supported operating and database environment and understands that the ETC system need software maintenance to support ongoing toll operations. P-Square recommends that on long term basis, Port of Hood River Toll Bridge ETC System would require a Next generation back office system with enhanced functionality, ability for customization with flexible business rules changes and high available and scalable system with operational efficiencies

Port of Hood River Toll Bridge is a vital economic link connecting the communities of Hood River and White Salmon has been owned and operated by the Port of Hood River since 1950, 26 years after the Oregon-Washington Bridge Company constructed it in 1933 as a result of the Bonneville Dam Project. Since that time, the Port has invested millions in the structure to keep the transportation flowing safely between the communities. Its mission is to initiate, promote and maintain quality of life and a healthy economy throughout the Port District and the Columbia River Gorge has been constant driving force for improvements over the past years. The Port of Hood River owns and operates the Hood River/White Salmon Bridge, the Hood River Airport, John Weber Business Park in Odell, the Expo Center facility, and the Hood River Marina and waterfront area. The Toll Plaza Improvement project consisting of four lanes, completed in 2007, implemented an electronic toll collection system called “BreezeBy” for frequent commuters. BreezeBy bypass lanes are for electronic tolling only. All others must drive through the center Toll Plaza lanes.

Hardware and operating system upgrades can be performed to up keep the system operations but Back office software solution is still using legacy technology architecture which is being phased out in industry. The replacement with web based solutions are easy to maintain with less overheads and provides centralized processing using the application server platforms with ability to extend the application features and needed performance and scalability.

Current Back Office Software solution requires constant monitoring and workarounds since operationally business rules changes to system is difficult to implement and with the current software design is not scalable to handle increase in the traffic and data volume with limited option of scalability and process enhancement and proactive monitoring capabilities.

Back Office software solution needs upgrade to latest web based solution on a middleware environment to handle scalability and maintainability and address the ever expanding future needs along with resolving the issues and limitation of the current system. P-Square Solutions proposes replacing Port Hood River existing Back Office System solution with a J2EE based back office Application software solutions.

1.1 Scope

The scope of this document is to provide a high level details of an ETC System Maintenance and Replacement system consisting of the Lane Controller software along with a Web based Back Office System Application implemented on a J2EE platform to replace Port Hood River current Legacy ETC system. The new Back office system will be a web based application providing enhanced application features, rich user interfaces and flexible Integration services and highly scalable solution to handle current and future increase in traffic and data volumes with increased performance, efficiency and ease of operations.

P-Square solutions proposes the following scope of services for the Port of Hood river ETC toll system.

1.1.1 Toll Back Office System Upgrade and Maintenance

- Review and Upgrade of ETC toll System Components Operating environment
- ETC Toll system Software maintenance and IT consulting

1.1.2 Replacement Toll Back Office System

The replacement system proposed is Linux based Lane Controller software with the new In-Lane equipment integration development. Back Office system middleware application replaces functionality of current Back office backend programs, utilities and as well as frontend application. The salient features of the PSS Back Office system are to address limitations of the current system such as:

- **Scalability** – The system scale the Toll application easily to the performance metrics mandated by the toll operations. The entire application is on a middleware J2EE container deployed on an Application server environment comes naturally with an industry standard feature rich enterprise solutions capabilities of high availability, transaction processing and fail-over and recoverability features by combination of Hardware and Software clustering to the needs of Toll Operations.
- **Maintainability** – Since applications are residing on the application server and clients only has web URL to access, maintainability becomes easy since only Application server

only need to be maintained than individual client machines thus keeping the IT overhead costs cost to a minimum. Similarly, adding a client is just providing the web address (URL) to the user and with the standard web browser users can connect to the Back Off application with no need for any installation or configuration.

- **Configuration** – Any addition to the Many BOS configuration features, adding a new lane will be just a configuration parameter settings in the Back office application server and database. Only connectivity or access to the application server will be needed. Any replacements and upgrades of existing lanes system would be minimal cost under this configuration.

2 Executive Summary

P-Square Solutions LLC, a New Jersey based MBE/SBE corporation, is a custom software development and consulting services company, providing cost effective software solutions and services to clients in Tolling and Intelligent Transportation Systems (ITS) Industry. Our staff consists of a team of highly experienced toll systems experts and experienced global software development team providing services ranging from system design, development, integration and software & maintenance support for tolling systems. We have a proven record of developing and maintaining end-to-end toll solutions, Inter-operability solutions, middleware applications (J2EE/.NET) and IT infrastructure. P-Square Solutions offers Managed Consulting Services (MCS) and Software Development Services firmly built on sound software engineering practices. Our global delivery model is highly agile and adaptable from simple components development to development of complex turn-key solutions using best practice Software Development Life Cycle (SDLC) methodologies. P-Square also offers ready to use software specifically catered to the toll industry. Some notable products include: Web based Enterprise Toll Host Processing system; Integrated Toll Accounting system; Data Life Cycle management system; and a GIS based Content and Configuration Management system.

Since inception, P-Square has provided maintenance and consulting services for leading toll authorities. P-Square depth of experience in toll industry coupled with our proven solution delivery using best practices of software development methods would be asset to a project Implementation. P-Square is a complete software solution delivery company that provides both software and IT Consulting services. We also provide Enterprise Application Development, Systems Integration and Performance Management to Telecom, Healthcare and Insurance sectors. We provide software and IT services to many leading Systems Integrators in Toll Industry and Multiple State Toll Authorities. P-Square consulting group has range of experience that includes Program Management, Project Management, Systems Integration, design, development of many Toll and ITS projects.

Our Consulting services include has highly experienced and qualified Various Toll systems Experts, Toll Inter-operability, Middleware application (J2EE/.NET) architects, Software designers and developers, IT infrastructures specialists. Our Database Engineering and Administration Services are catered towards highly demanding and critical applications in various Database platforms like Oracle, SQL Server, IBM DB2 and Informix with expertise in configuration architectures like High Availability, Hot Standby, Data Modeling, Administrations and Management, Integration, Performance Analysis and Tuning.

P-Square experience in Toll system include but not limited to the Exit-Entry, Barrier, Bridge Toll collections systems with complete End-To-End implementation experience and along with functional and operational requirements knowledge on entire Electronic Toll collection Systems.

We have expertise on Functional and Technical architecture in various Toll Back office systems including Lane, Violation Enforcement, Toll Plaza, Toll Host, Customer Account management and Violation Processing systems including various Inter-operable Protocols. We have hands-on experience and Implementation knowledge in many reciprocal systems with various implementation protocols like Point-to-Point systems like IAG's, EZ-Pass, CTOC's Fastrak and HUB systems like ATI and IMSP/IEA systems.

P-Square Solutions has provided IT Infrastructure and Toll Systems software consulting, maintenance and sub-contract services to SANDAG, Delaware department of Transportation (DelDOT) and New Jersey Turnpike Authority (NJTA). P-Square has worked with NJTA as consultant and architects for their Legacy Electronic Toll Collection Host System porting to a consolidated Host platform using middleware application on a J2EE Architectural framework. P-Square has worked on the NJTA Plaza Consolidation project to provide an Integrated J2EE middle ware application replacing the Legacy Plaza distributed client server application across turnpike and Parkway Roadways. P-Square also provided various IT Services which included overall Systems architecture, server and Storage including DR solutions and Oracle Database environments and configurations. P-Square Solutions has been providing software and system maintenance to DelDOT Host and Plaza systems along with lanes for past nine years including system upgrades.

3 Port of Hood River Legacy ETC system

The mile-long Hood River -White Salmon Bridge crosses the Columbia River at approximately river mile 169.8 on the Bonneville Pool. The Toll Plaza Improvement project implemented an electronic toll collection system called “BreezeBy” for frequent commuters. The Port's new electronic tolling system utilizes reader cards mounted in or on vehicles identifying people enrolled in the program, an overhead antenna reads the tag, and an automatic gate opens after the toll transaction. Drivers using BreezeBy will be able to pass through the toll plaza at around 5-10 mph without stopping. The Toll Bridge has four lanes and all vehicles with the BreezeBy electronic transponders in place may use ALL four lanes, including the outside bypass lanes. All others (tickets, cash payments) must use through the inside canopy area only. The Toll Plaza facility is fully operational at this time for electronic tolling. During the busy daytime hours the use of the bypass lanes increases the flow through the Toll Plaza area thus improving traffic congestion.

The current ETC system consists of the following Sub-systems: The actual components would be documented as part of the Project Analysis phase.

- Toll both In-Lane Systems/Equipment consisting of Loops, Antenna readers
- Lane Controller for Toll Transaction Capture and toll collection check out functionality
- Back office system with transaction processing and Account management

3.1 BreezeBy back office system

The BreezeBy ETC system account management system current high level functionality

- Bridge patrons can set up personal or commercial accounts at the Port office, by mail, or fax; account opening forms can be downloaded from port web site and completed forms can be sent to Ports office.
- Accounts can be set up and replenished using credit cards, debit cards, check, money order, or cash. Cash payments should be made in person, not by mail.
- Breeze By users will receive 20% toll discounts.
- Personal accounts require a minimum $20 initial deposit, although recommended deposits of at least one month's worth of tolls. Automatic replenishment can occur when accounts reach minimum balances of $10, or can occur manually. Personal accounts can link and track all of a household's vehicles, and the first three transponders are free.
- Commercial accounts can be initiated with a deposit of one month's usage. Automatic replenishment will occur when the account reaches 10% of the monthly use amount. Commercial accounts will receive the first six transponders free.
- Motorcycles and some vehicles must use an externally mounted transponder.
- Motorcycles and some vehicles must use an externally mounted transponder. Additional transponders cost $15 each for internally mounted, $27 each for externally mounted.

Windshield replacement will require acquiring another transponder; once peeled off they are not usable. Only defective transponders will be replaced for no charge after the first complementary ones are used. Lost or stolen transponders will cost $15 to replace if over the allotted amount for an account.

- Automatic replenishment is the easiest way to manage an account. You can set up automatic replenishment with a checking account, credit card or debit card. The Port sends monthly statements via email or mail.

3.2 ETC system Upgrade proposed Scope of services

The following scope of services are expected for the purpose of proposal. The scope of services will be revised once the Actual software inventory and analysis is performed.

- Upgrade of current ETC toll System Components Operating environment consisting but not limited to
    - Lane Controller System software operating environment
- ETC Toll system Software maintenance and IT consulting services including but not limited to
    - Provide Software support prior, During and Post OS upgrade of the ETC system
    - Monitor and support ETC functional sub-systems to provide software and data fixes to support the smooth toll collection operations.
    - New and missing Toll system Functionality and provide on estimated software development and IT Consulting services as needed basis.

3.2.1 Proposed Operating Environment Upgrade Services

The scope of upgrade ETC The Lane Controller System Operating environments needs to be upgraded to supported OS system.

System	OS	Programming Software	Upgrade/Migration
Lane Controller	Windows XP	C/C++	Windows 7 /C/C++

3.3 Proposed Software Maintenance Services

P-Square as part of software maintenance will be providing the maintenance services with the current system operations and continue to provide the software maintenance post upgrade for their OS and Application programming languages and platforms:

P-Square will be providing the following services:

Backup Services – P-Square solutions will perform full and incremental backups of all maintained systems as noted above.

3.3.1 Lane Controller

P-Square will monitor and verify the following aspects of transaction capture and processing:

Monitoring of Lane Controller Operations – P-Square will perform the following checks each day for each B&T lane controller.

- Insure that application processes are running.
- Insure that current valid tag file is in place on Lane Controller.
- Check space on disk partitions.
- Check memory utilization.
- Check for error messages from in-lane equipment.
- Verify that transactions are being downloaded.
- Check current system clock time.
- Log all system restarts or outages.
- Check all configuration tables on the Lane Controller to verify they are current.
- Check lane controller alarms.
- Assess disk usage and available space.
- Current Lane Status (e.g. Open/Closed, mode of operation).
- Check continuity of network connections.

Lane Controller Corrective Measures – P-Square will perform the following corrective measures for any problem related to B&T lane controllers:

- Recover transactions from damaged storage drives.
- Determine the cause of any unexpected system reboot. Assure that all failures are logged, and reported to the OS manufacturer for diagnosis.
- Verify and update revisions to the system BIOS, and firmware as required.
- Update and patch the Operating System as required.
- Manually push out Valid Tag File in the case of a failure.
- Manually recover transactions in the case of a failure.
- Assist in the diagnosis of hardware problems.
- Diagnose and repair lane controller software.
- Verify lane hardware and disk replacements were successful.

3.3.2 Transaction Processing and Back Office system

Monitoring of Transaction Processing and Back Office Operations

- Monitor Account scheduled batch processes and daily reports
- Status of application processing (e.g. Transaction uploading, valid tag downloads, and Database archive and backup processing).
- Disk usage (action taken if file system reaches 80% of capacity or greater).
- Verify that transaction files are generated and transmitted on schedule.
- Verify that all Revenue Reports are generated and transmitted as required.
- Monitor the status of both archive and full backups.
- Monitor CPU utilization to detect locked, blocked or runaway processes.
- Check for "Reasonableness". Verify that no system storage or perfom1ance criteria have changed unexpectedly from the previous day (e.g. table and file sizes changing at unusual rates, runtime of automated jobs changing unexpectedly, etc.)
- Check OS process list to verify that all processes that should be running are in place, and that no unusual processes are running.
- Check the time synchronization to assure proper operation.
- Check all application and system log files for possible application/system errors.
- Check synchronization of transaction data bases.
- Check the accounts Auto replenishment process logs

Preventive and Corrective Measures – P-Square will provide the following corrective and preventive measures:

- Move and re-size file system storage areas.
- Review database performance statistics and determine optimum configuration. Make changes as required to assure optimum performance.
- Determine the cause of any un-expected system reboot. Assure that all OS
- failures are logged, and reported to the OS manufacturer for diagnosis. Perform follow-up as required.
- Log and resolve any user errors reported, including application errors and Oracle or other third-party tool errors.
- Correct all file transfer problems to/from the back office or the Lane Controller. This includes valid tag files and transaction files. Perform contingency measures to ensure proper file security and transfer when failures occur.
- Verify and update revisions to the system BIOS and firmware as required.
- Update and patch the Operating System as required.
- Update and patch any third-party applications as required.
- Assist technician in the diagnosis of hardware problems.
- Diagnose and correct any Operating System performance issues.
- Diagnose and correct any Database or application performance issues.
- Repair any database issues detected.
- Assist in the diagnosis of any hardware problems that may arise.

3.4 Proposed Toll system IT consulting services

As part of IT consulting services, P-Square will provide adequate resources to modify and test code and produce associated documentation for routine system changes requested by Port. Included among these changes will be those affecting the existing reporting system as well as functional changes to lane controller and Back Office sub-system software. P-Square will commence with such changes after receiving an official change order request from the port. Such changes shall be made in accordance with the Extra Work provisions of the Contract and as per the price sheet submitted with the proposal.

3.5 Proposed Reporting

In addition to regularly issued reports, P-Square will also provide the following:

Daily Checklist Report – P-Square will develop a daily check-list/report to record the results of all routine systems checks and procedures conducted each day by the Contractor. The report will be forwarded to assigned staff each day.

Incident Reporting – P-Square will immediately notify assigned personnel of any problem that is or may potentially affect lane operations or revenue processing. P-Square will provide Port with a description of the problem, an outline of the measures that are being pursued to remedy the problem and an estimate of when the problem will be resolved. Depending on the severity of the matter, Port may request that P-Square provide a written report on the incident.

Periodic Reports – P-Square will also provide with regular periodic review/status reports, the period of the reports would be defined by the Port. The reports shall summarize calls and incidents occurring within the reporting period and shall provide an update of all issues and pending matters (e.g. task requests, upgrades, tests, purchases, etc.). P-Square will also provide an recap report summarizing the major events and assessing the current health of the system.

4 Proposed Replacement ETC Solution

The proposed ETC replacement solution Consisting of Lane Controller software solution on Linux operating environment and an Enterprise Toll Back office solution a web based Application using J2EE framework's well-known multi-tier architecture. The following sections provide details on the Lane Controller specifications and proposed solution architecture and the software stack being used to develop the Enterprise Toll Back Office solution.

4.1 Lane Controller Software solution

The lane controller (LC) is an embedded computer system that controls the flow of data between the in-lane subsystem and sensors, Video Transaction Data Multiplexer (VTDM), Violation Enforcement System (VES) and Back office system. The LC computer located in the Toll plaza/booth coordinates all the in-lane subsystem toll operations. Its functions include processing toll event and transactions, reporting to the Supervisory functions in real-time.

4.1.1 Lane Subsystem Overview

The lane subsystem processes, stores, and transmits all real-time event and transaction data from the in-lane subsystem to the plaza subsystem.

The lane subsystem consists of:

- Touch screen toll terminal
- Receipt Printer
- Patron Toll Display (PTD)
- Automatic Coin Machine (ACM) (Optional)
- Automatic Vehicle Identification (AVI)
- Vehicle Separators
- Loop Sensors

4.1.2 Lane Operation

The lane subsystem operation is based on the equipment installed in each lane. There is one lane controller installed for each lane. The lane controller captures all the events that occur within the lane for a particular vehicle into one transaction. Events are triggered by a vehicle's passage through a lane. These components include loop, treadle counts (forward and reverse), toll collector button presses (classification, payment method, receipt, cancel). Events are short messages that have high priority for transmission to the Video transaction Data Multiplexer (VTDM). Transactions are defined as the composite of all events associated with a single vehicle's presence, classification, payment, treadle counts, and exit from a lane. A transaction includes all relevant information about a vehicle passing through the lane, such as Automatic Vehicle Identifier (AVI), information, and unusual occurrences (U/O). The lane subsystem also constructs non-revenue-related messages, such as lane activity messages, and maintenance-related messages.

4.2 Lane Controller Configuration

The following sections describe hardware, software, and network configurations.

4.2.1 Hardware Configuration

Lane Subsystem hardware configurations differ according to toll payment method.

4.2.2 Manual Lane Configuration

A manual lane is configured to accept and validate toll collection transactions through direct interface with a toll collector (person). The toll collector classifies vehicles, collects tolls and dispenses change when appropriate. Some manual lanes are also equipped for AVI/ETC operations.

4.2.3 ACM Lane Configuration

The Automatic Coin Machine (ACM) Lane configuration performs all the functions needed for collecting tolls with coins. It is configured for stand-alone unattended operation when integrated as part of a barrier installation. Some ACM lanes are also equipped for AVI/ETC operations. The lane controller controls all lane devices including the ACM. ACM associated components such as vaults and displays are controlled by the ACM.

4.2.4 AVI Lane Configuration

Selected manual and automatic lanes are equipped with Automatic Vehicle Identification (AVI) Readers. The lane controller interfaces with the AVI readers system for electronic toll collection. The reader system is composed of a reader computer, an AVI antenna, and a transponder. The AVI configuration performs all the functions required for electronic toll collection, automatic vehicle classification, and violation processing. It is configured for stand-alone unattended operation when integrated as part of a barrier plaza installation. An AVI lane performs the following functions:

- Automatic vehicle classification
- Electronic toll collection.
- Control of the barrier gate arm (if installed).
- Signaling to the VES to capture the violator's license plate image.

4.3 Proposed Replacement Back Office Solution

The proposed J2EE Back Office solution is a web based Application based on J2EE framework. Users can login to the application using the standard web browser on their work system with ability use single sign-on integrated to network login. The Enterprise Toll Back Office application will be hosted on JBOSS application server and all backend processes will be developed using Java and will be scheduled using enterprise scheduler. Communication to the lanes will be handled through a module called Lane Server application which can coexist with in the same application server hosting the Back Office application depending on the scalability configurations requirements.

4.4 Back Office Solution Functionality

The proposed J2EE Toll Back Office solution shall consists of the following functionality which can be customized to any business rules and operational requirements.

- **Account Management**

A comprehensive Account management functionality with configurable business rules and seamless management functions across various channels; such as web, e-mail, phone, mail, fax, walk-in, third-party retailers and other registered providers like DMV and Fleet or rental companies.

  - Account Setup and support
  - Pre-paid accounts and Post Paid Accounts
  - Discount plans and Promotions
  - Fees and Fines
  - Account Replenishment , cash, credit, debit
  - Statements and Notice processing

- **CSR Management and deposit reconciliation**

- **Vehicle License Plates and Transponders**

- **Transponder Inventory Account Management**

Inventory Management maintains and tracks transponder inventory and fulfillment process.

  - Inventory Fulfillment
  - Transponder testing and replacement

- **Payment Processing**

  - Payment Methods handling and Financial accounting
  - Payment Plans
  - Credit Card Processing

- Payment Tokenization and third-party processing
- ACH Processing
- Check/Money Order processing
- Cash Processing
- Payment Gateway Interfaces
- Refunds
- Digital Wallet Payment Processing

- **Case Management**
  - Case Assignment and Tracking
  - Workflow management
  - Escalations

- **Customer Communications**
  - Incoming and Outgoing
  - Notification tracking distribution

- **Transaction Processing and Toll Posting**
  - Account status and Transponder status posting processes
  - Adjustments and reversals
  - Image Transaction and Review processing
  - Violation Transaction and Notice Processing
  - Un-registered Account Invoice Processing
  - Notice and Invoice Escalations, DMV holds, collections, Court and Dispute management

- **Audit and Financial Reconciliations**
- **Reporting, Dashboards**

- **Self-Service Customer Portal and website**
- **Call Center & Self Service IVR**
- **Self Service Customer Mobile Applications**

4.5 Software Stack

There are a number of categories of software required to implement J2EE project. All of this software either implements the Java EE standard or provides augmented features useful to implement the project. The product stack categories, the recommended software are outlined in Table below. The following sections will describe the product stack usage in detail.

Category	Proposed
Application Server at Host	JBOSS Application Server 4.2
Database Server	RDBM (Oracle/SQL Server)
Directory Server	Microsoft Active Directory Services (ADS)
Reporting Solution	Microsoft Reporting Services (SSRS) or Jasper Reports
Enterprise Scheduler	Quartz
Integration Development Environment	Eclipse

4.5.1 Application Server

An application server is an essential tool to implement a J2EE application. Typical application servers implement the Servlet, Java Server Pages (JSP), JSF, EJB, Java Transaction API (JTA), Java Authentication and Authorization Service (JAAS) and Java Naming and Directory Interface (JNDI) specifications critical to develop mission-critical server-side Java applications. In addition, robust application servers must support features such as clustering, high availability, distributed caching, application deployment tools and administrative consoles for management, monitoring and debugging.

IBM WebSphere, BEA WebLogic, Oracle Application Server (Oracle AS), Apache and JBOSS application server are the few application servers in the market today. JBOSS AS is by far the most widely used open source Java application server. In addition, professional support from RedHat is available for JBOSS AS.

For Enterprise Toll BOS System Application Implementation PSS team recommends to use RedHat JBOSS Application Server for the development and testing purpose to keep the cost at minimum. For actual production deployment PSS team suggest buying support from RedHat JBOSS Application Server.

4.5.2 Database Server

Relational database servers have remained a critical part of enterprise application development for the better part of three decades. Although object-relational databases and concepts have made some inroads into application development, the enterprise landscape is likely to be dominated by relational databases in the foreseeable future. The project will use a JDBC compatible relational database as its primary data storage mechanism. PSS team recommends using the oracle database for the J2EE Enterprise Toll BOS System Application Implementation for the enterprise performance and support.

4.5.3 Directory Server

One of the primary goals of this project is to solidify application security by applying industry standard solutions. In particular the project will implement a single sign-on scheme in which all user and application authentication/authorization profiles will be stored in an LDAP compatible directory server. The application will utilize the JAAS standard to secure application and user authentication/authorization at all levels including scheduled backend processes, the next generation web interface as well as application components (the JAAS implementation details will be outlined in the HLD document). The directory server must also have robust administration features to easily maintain a large set of profiles. The BOS system has the ability integrate with Microsoft Active Directory Services for user authentication and the same will be used by the J2EE BOS System Application. The will minimize the cost of the implementation.

4.5.4 Reporting Solution

A critical part of the application is generating robust reports. Although it is possible to write web-based reports with basic Java tools such as Servlets and JDBC, it is not a good idea. Such hand-rolled reports are usually feature-poor, difficult to develop, time-consuming, inflexible and difficult to maintain. For robust reporting needs, it is much more practical to use a third-party reporting solution. Such a reporting solution should include features such as a good report design environment, a server-side report runtime environment, asynchronous report generation, graphing, supporting various report output formats such as XML/HTML/RTF/Excel/PDF as well as query optimizers. There are various reporting solutions available in the Java platform, each with unique strengths and weaknesses. The primary solutions that have significant market share are Crystal Reports, Actuate, Jasper Reports and JReport.

J2EE Enterprise Toll BOS System Application Implementation can use leverage the Microsoft Reporting Services (SSRS) for creating report and the same can be used for J2EE Enterprise Toll Host System Application Implementation. Alternatively Jasper Reports can also be used as the solution for developing reports. It’s freely available and thus minimizes the cost of implementation for the project. It is far more widely deployed and better documented than

JReport. It also has a widely deployed open source report design environment named iReport. It is possible to purchase support from JasperSoft for Jasper Reports.

4.5.5 Enterprise Scheduler

The most critical part of the system is the processing of large volume transactions and file records. These recurrent processes are triggered by time, file system changes or business data rather than driven by any user input or real-time messages. Furthermore, these are also long running tasks as opposed to short bursts of activity characterized in a real-time web-based system.

Enterprise schedulers are used to implement time or business trigger based recurring processes or "jobs". Schedulers are optimized to utilize relatively long running threads and lengthy transactions. Good schedulers provide functionality such as cron-like flexible time triggers, file triggers, the ability to define custom triggers, job management (start, stop, interrupt), job prioritization, job sequences and failure retries. There are two robust Java enterprise job schedulers – Flux and Quartz. While Flux is a commercial product, Quartz is widely adopted as an open source scheduler. PSS team recommends using Quartz scheduler for the Enterprise Toll Host System Application implementation. This will minimize the cost of implementation.

4.6 Development and Integration Environment

Developing enterprise Java applications is a non-trivial task. A typical development task involves sketching out low-level component design, developing the component, unit testing a component, making sure a component follows the standards/best practices for the organization, integrating the component into the application, performing functional testing by running the application locally, debugging, integrating a developed component into the source code repository and synchronizing with the source code repository. After the completion of a development cycle, it is also necessary to deploy the code base as well as perform basic system administration. Modern integrated development environments make it possible to perform all these tasks from a single desktop application. This fact makes these tools a critical component in increasing developer productivity and effectiveness as well as producing high quality software in a timely fashion.

The Eclipse IDE enjoys a wide deployment base, is extremely stable and contains a full set of IDE features. These facts make Eclipse the default choice for a large majority of Java development projects.

5 Enterprise Toll Back Office System

The new web based J2EE Enterprise Toll Back of Office Architecture provides following benefits, improvements with reduced costs and improved return on investments:

5.1 Benefits of Enterprise Toll Back Office System (ROI)

The cost benefits of proposed new web based J2EE solution in the long run are as follows:

System

- **Centralized Data center operation** – With Middleware system architecture, all physical servers including the Application servers and Database servers will be hosted in central operations center rather than distributing across wide network. We can reuse existing server pool for Initial implementation and rollout and expanded as needed basis without much interruption to the operations and functionality.
- **Easily scalable to add more plazas** – no need to add new physical plaza server which is needed in current configuration
- **Less Software Licensing fees due to fewer servers in configuration** – most of the software used in the proposed solution is open source and are tried and stable in the industry
- **Open Source Software** – Cost effective for the proposed implementation
- **Reuse of the OS and Database engine**

Operations

- **Single Application to Manage** – Single consolidated web based application, no IT deployment and installation overhead to individual user PCs.
- **Redesign Application** – Redesigned application for collector audit, easy to add third party file based interface, better reporting thus increasing the productivity and efficiency of the users

Maintenance

- **Centralized maintenance** – Less server maintenance and less overhead of distributed processing.
- **Less Software License Maintenance fees**

5.2 System Improvements

Consolidation

- Standardization of System Architecture – Hardware and Software
- Improved Performance , Scalability and Maintainability
- Centralized Host eliminates the Plaza System hardware and software maintenance Costs and Overheads
- Single Application Source to maintain and manage

Architecture

- Highly scalable and Extensible middleware Web application using the industry standard J2EE application architecture
- Enterprise Application Architecture with high availability, fail-over and clustering capabilities
- Industry standard Web Application security features with tight Integration to LDAP/ADS and Single Sign-on
- Application Configuration Capability with XML System variables
- Industry standard Enterprise Scheduler and Notification Services

Configuration

- Easy to configure and expand the Initial configuration
- Easy to add a new plaza to the application
- Easy to add a new lane or replace current lane to the application
- Easy to keep old lanes and new lanes configuration
- Easy to configure to handle more traffic from lanes
- Easy to add a new third party file based interfaces

Functional

- Redesigned and Improved Collector Audit Module
- Redesigned and Improved Violation Processing
- Redesigned and Improved Away Agency Reconciliation

Reporting

- Improved Toll Traffic and Revenue Reporting
- Improved Toll Audit Reporting
- Improved Reconciliation Reporting
- Improved Operational Reporting

- Export reports dataset into other formats excels pdf for better usage.

Dashboards

- Interactive visual and graphical views with drill down capability
- Revenue, Traffic and Violation Analytics
- Published reports for Executive Management
- User Serf Service capabilities with full and Ad-hoc queries and analysis
- Provide Comparative Visual Indicators in terms of overall system KPI and KPM's
- Proactive Delivery of alerts and notifications of exceptions in the System

Administrative

- Administrative Console for Operational Management
- Dash boards for the Operational KPI's
- Web Based GUI for File and Download and process Monitoring
- Web Based GUI for Lane Monitoring

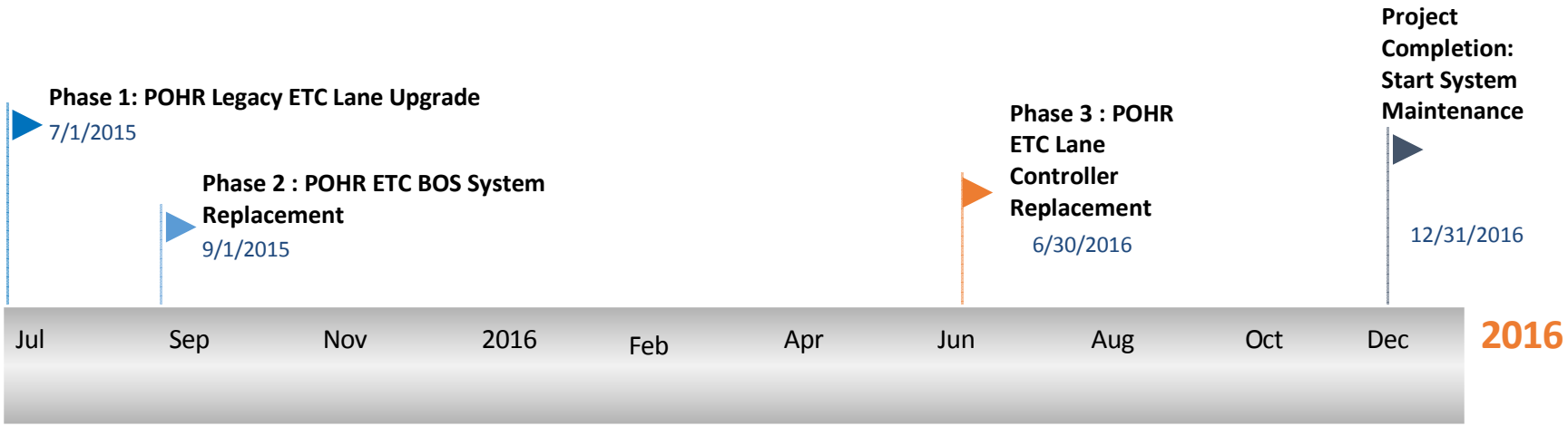
Overall it provides Agency a consolidated web based J2EE application that is flexible, configurable and scalable to the future expansion needs for the Operations.

6 Project Approach and Timelines - ETC Upgrade, Maintenance and Replacement

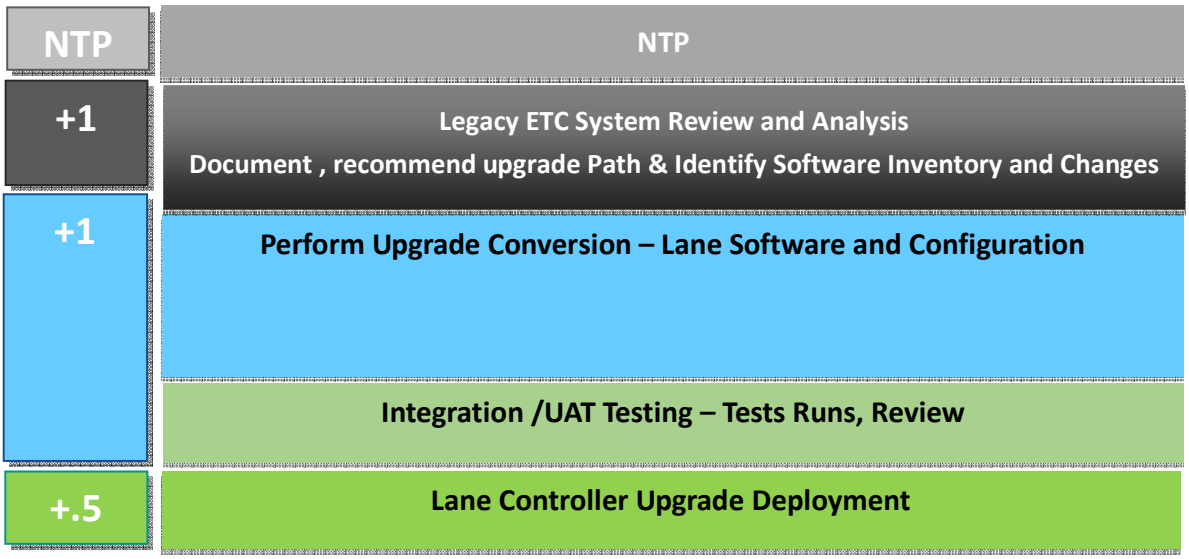
The detailed project plan would be provided based on the System analysis and design phase. The proposed plan consists of Upgrade of the Lane controller Operating environment followed by Initial Phase of the Project to replace the BOS system and followed by the Lane Controller software Integration and changes.

The Project would be implemented in the following 3 Phases totaling 18 months. First year from Project NTP both Lane controller upgrade and BOS replacement would be completed. New BOS system Operations would be stabilized with in a period of 2 month while working on the New Lane controller Interface and Integration requirements with selected vendor AVI/AVC equipment.

Phase#	Phase Task	Incremental Period In Months	Duration In Months
Phase 1	Review and Analysis of Legacy ETC System Lane controller Upgrade supported operating Environment	NTP +2.5 months	2.5 months
Phase 2	Enterprise Toll Back Office System Replacement of Legacy Back Office system	+ 10 months (Initial System requirements would be started during the Lane controller Upgrade Transition of Phase 1) +2 Months Operations Stability with New BOS system	10 months
Phase 3	Lane Controller Replacement and Integration with Upgraded In-Lane Equipment	+ 4 months (System Requirements of this task could be started during the Operations of Phase2)	6 months


Phase 1: POHR Legacy ETC Lane Upgrade
7/1/2015
Phase 2 : POHR ETC BOS System Replacement
9/1/2015
Phase 3 : POHR ETC Lane Controller Replacement
6/30/2016
Project Completion: Start System Maintenance
12/31/2016
Jul
Sep
Nov
2016
Feb
Apr
Jun
Aug
Oct
Dec
2016

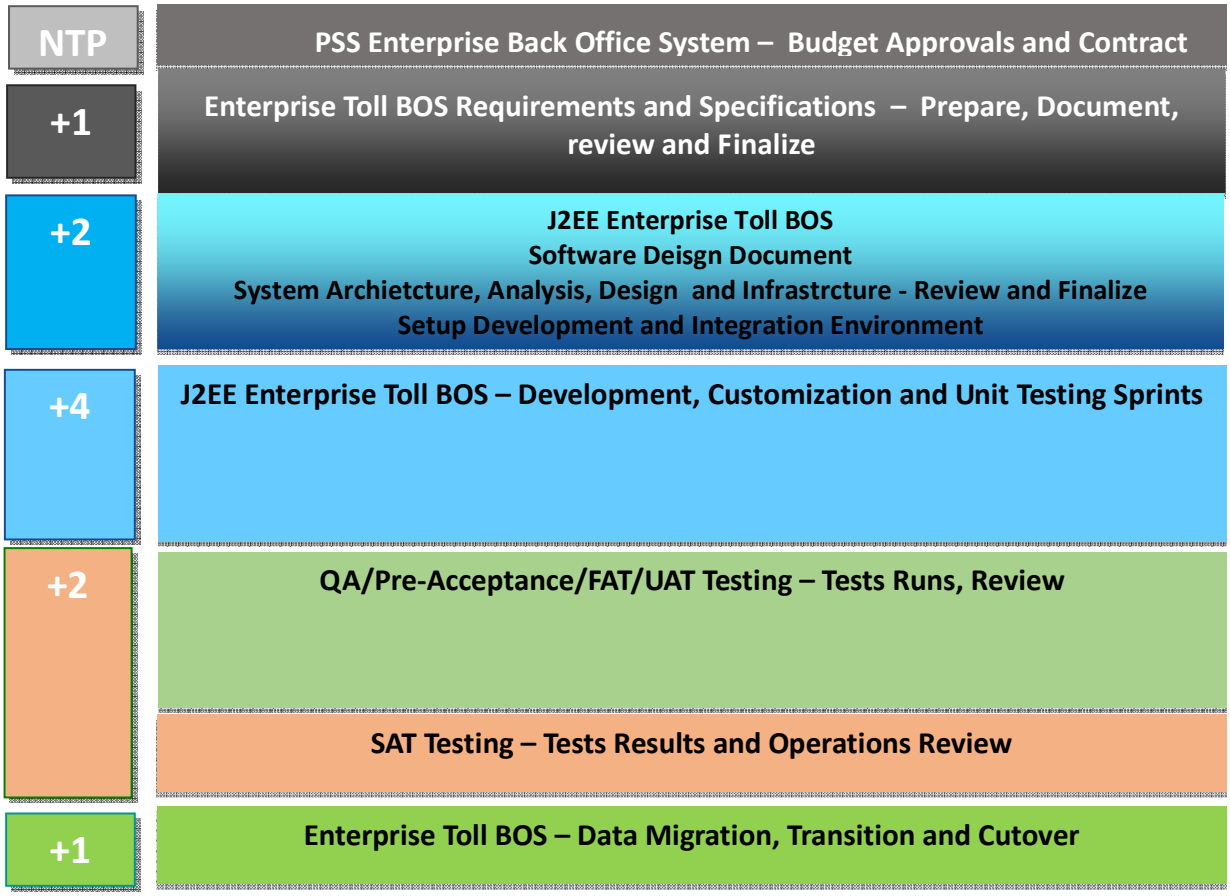
- **Phase 1 - POHR Legacy ETC Lane Upgrade- 2.5 Months**



- System review and analysis Current OS Platform and Software Dependencies for Both Lane and Back office system components.
- Document the recommended upgrade path and Identify software Inventory and changes needed for the Operating environment upgrade.
- Development Environment setup using the new Operating system and other needed Application components.
- Perform the Software conversion needed for Lane software and application configuration.
- Integration testing with live data feeds and perform UAT to make sure all functionality tested across all Lane Controllers and Integrate with in-Lane hardware system.

Phase 2 - POHR ETC BOS System Replacement - 10 Months

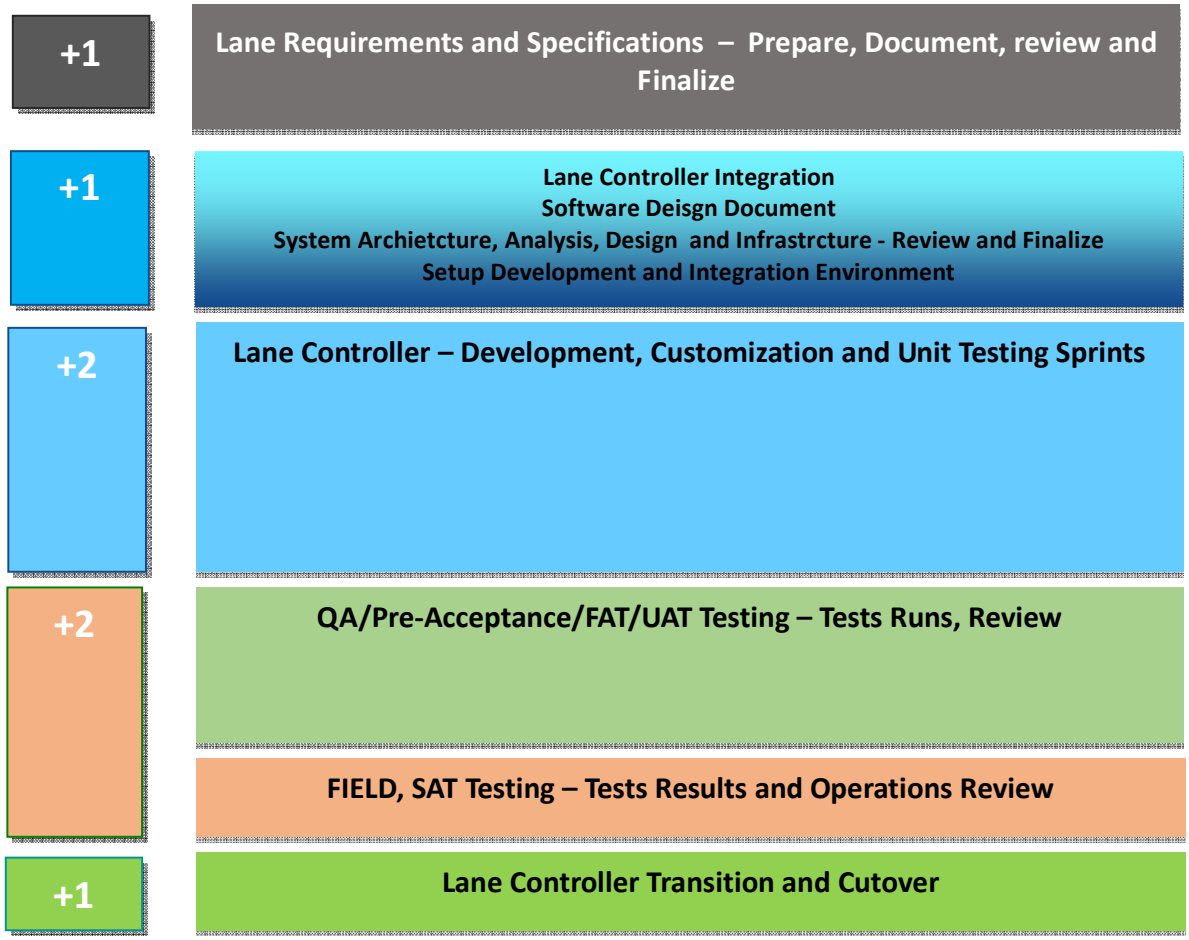
Port Hood River ETC system Replacement
PSS J2EE Enterprise Toll Back Office System Implementation



Serial No.	Phase Milestones	Estimated Duration	Tasks
1	Specification and Design	NTP +3 Months	Technical Specifications and Software Requirements
			Preliminary design Development and review (PDR)
			Detailed Design
2	Software Development & Customization	+4 months	Test plans and test scripts
			BOS Software Development and refactoring
			Unit Testing
3	QA & Testing	+2 months	Integration and Dry Runs
			Factory Acceptance Test (FAT)
			Field Testing and UAT Tests
			System Acceptance Testing
4	Transition and Cutover	+1 months	Operational plans for transition
			Legacy systems transition
			Migration and cutover

- **Phase 3 - POHR ETC Lane Controller Replacement - 6 Months**

Port Hood River ETC system Replacement
PSS Lane Controller and In-Lane Equipment Integration & Implementation



Serial No.	Phase Milestones	Estimated Duration	Tasks
1	Specification and Design	NTP +1 Months	Technical Specifications and Software Requirements
			Preliminary design Development and review (PDR)
			Detailed Design
2	Software Development & Customization	+2 months	Test plans and test scripts
			LC Software development and refactoring
			Unit Testing
3	QA & Testing	+2 months	Integration and Dry Runs
			Factory Acceptance Test (FAT)
			Field Testing and UAT Tests
			System Acceptance Testing
4	Transition and Cutover	+1 months	Operational plans for transition
			Legacy systems transition
			Migration and cutover

7 Price Proposal

The overall cost of the ETC system Upgrade, Maintenance and Enterprise Back office Solution would consists of following items.

7.1 Port of Hood River ETC Software support and Maintenance

System Maintenance is amended to include only a minimal maintenance effort of 8 hours on a monthly basis with flexibility to expand as needed basis as an additional services for critical and escalated support issues. The Total cost of the Maintenance per Annam based on monthly minimum 8 hours cost is $8,640.00

Any Escalated issues which requires onsite presence, might require extensive work beyond regular monitoring would be provided with recommendations for review and authorization. Upon review the Authority would provide authorization to perform the fixes or onsite travel as appropriate and would be billed as Time and Material basis as per proposed consulting hourly rates.

Monthly minimum hours of support would include the following items.

- Monthly conference call up to 2 hours to review and discuss ongoing issues, changes or additions to the system operations
- Remote monitoring of all issues notified and provide analysis and support

The Task Orders and changes to the existing system is not part of this quote. It is provided as task orders proposal with consulting hourly rates such tasks are performed on estimates basis in a separate proposal.

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Port of Hood River Toll Bridge ETC System - Price Proposal Sheet

Project: Port of Hood River Toll Bridge ETC System Maintenance

Quote Date	May 27, 2015	Quote No#:	PSS-PHR-ETC-SM-20150527-01

Port Hood River ETC System - Back Office Sysetem (BOS) and Lane System Maintenance (Monthly)

Bid Item	Description	Total Effort	Units	Cost per Unit	Cost Basis	Monthly Amount	Annual Amount
1.00	Port Hood River ETC System Maintenance	1.00	Days	$720.00	$720.00	$720.00	$8,640.00
	Port Hood River ETC Lane, BOS System Maintenance					$720.00	$8,640.00
						Monthly	Annual
	Port Hood River ETC System Maintenance - Total Estimated Amount					$720.00	$8,640.00

1. Port Hood River ETC System Server and other Hardware Support is not part of this quote.
2. Onsite Support is included as part of this quote and would coordinated with authority operations team as needed basis. This includes the Annual Review meeting.
3. ETC system software maintenance on regular basis would be provided remotely through a secure Network access.
4. The Task Orders and changes to the existing system is not part of this quote. It is provided as task orders proposal with consulting hourly rates such tasks are performed on estimates basis in a separate proposal.

7.2 Port of Hood River Legacy Lane Controller OS Platform Upgrade

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Port of Hood River Toll Bridge ETC System - Price Proposal Sheet

Project: Port Hood River ETC System OS Platform Upgrade & BOS Review

Quote Date	May 27, 2015	Quote No#: PSS-PHR-ETC-UG-20150527-02

Port Hood River ETC System - Lane System OS Platform Upgrade & BOS Review

Bid Item	Description	Total Effort	Units	Cost per Unit	Cost Basis	Amount
1.00	Port Hood River ETC Lane System OS Platform Upgrade	23.00	Days	$720.00	$16,560.00	$16,560.00
2.00	Port Hood River ETC BOS System OS/DB Platform Review and Analysis	14.00	Days	$720.00	$10,080.00	$10,080.00
					Port Hood River ETC Lane Upgrade	$26,640.00

	Total
Port Hood River ETC Lane System OS Platform Upgrade & BOS Review- Total Estimated Amount	$26,640.00

1. Port Hood River ETC System Server and other new Hardware procurement if any is not part of this quote
2. Project travel and onsite support would be billed as time and material.

P-Square Solutions LLC
Port of Hood River ETC System Upgrade - Price Proposal Sheet Details
Project: Port of Hood River ETC System OS Platform Upgrade

Port of Hood River ETC System - Lane Controller Software OS Platform Upgrade

Port Hood River ETC Lane System OS Platform Upgrade

Bid Item	Description	Total Effort	Units	Cost per Unit	Cost Basis	Contract Basis *	Total Amount
1.00	Phase1 :OS Platform and Lane Analysis	5.00	Days	$720.00	$3,600.00	$3,600.00	$3,600.00
2.00	Phase2 :Lane Software Conversion	10.00	Days	$720.00	$7,200.00	$7,200.00	$7,200.00
3.00	Phase 3:Transition,Integration and Production Deployment	5.00	Days	$720.00	$3,600.00	$3,600.00	$3,600.00
4.00	Project Management	3.00	Days	$720.00	$2,160.00	$2,160.00	$2,160.00
	ETC Lane Software OS Platform Upgrade Estimated Efforts	23.00	ETC Lane Software OS Platform Upgrade Estimated Amount				$16,560.00

Port Hood River ETC Back Office System (BOS) Review

Bid Item	Description	Total Effort	Units	Cost per Unit	Cost Basis	Contract Basis *	Total Amount
1.00	Pro-active Monitoring and Diagnostics	12.00	Days	$720.00	$8,640.00	$8,640.00	$8,640.00
6.00	Project Management	2.00	Days	$720.00	$1,440.00	$1,440.00	$1,440.00
	ETC BOS OS/DB Platform upgrade Estimated Efforts	14.00	ETC BOS OS/DB Platform upgrade Estimated Amount				$10,080.00

Port of Hood River ETC System - Lane Software OS Platform Upgrade - Efforts estimation in Man Days			
Task No.	**Project Task**	**Description**	**Total # Man Days**
I	**Phase1 : Current OS Platform/Lane Analysis**	**OS Platform analysis for Lane systems**	
1.1		Inventory and Analyze the Lane System OS platforms and suggest recommeneded path	5
1.2		Review the lane source Code and perform the compatibility checks and validations with In-	
1.3		Document upgrade path including the changes to Source code modules and Libraries as	
		Total Efforts in Man Days	**5**
II	**Phase2 : Lane Software Conversion**	**Lane Controller Software OS Platform Conversion/upgrade**	
2.1		Setup the development Environment with upgraded Operating System for Lane controller	10
2.2		Perform needed software program changes and compilation for upgraded Operating	
2.3		Lane Controller Software upgrade testing with in Lab using the In-Lane Hardware	
2.4		Lane Controller Software Integration testing with Live traffic in the Lane	
2.5		Support the transition of the Upgraded Lane Controller	
		Total Efforts in Man Days	**10**
III	**Phase 3: Transition, Live Testing and Production**	**Transition/Upgrade Deployment**	
3.1		Perform and Support lane Controled deployment through Live Lanes and Post	5
		Total Efforts in Man Days	**5**
IV	**Project Management**	**Project Management and Coordination**	**3**
4.1		Total efforts in Man Days	3
		ETC Lane System Upgrade- Total Estimated Efforts	**23**

Port of Hood River ETC System - Back Office System (BOS) OS Platform Review - Efforts Estimation in Man Days

Task No.	Project Task	Description	Total # Man Days
I	**Phase1 : Current OS Platform /BOS Analysis**	**OS Platform analysis for BOS**	
1.1		Inventory and Analyze the BOS OS and Programming platform and suggest recommeneded path	12
1.2		Review the BOS source code and perform the compatibility checks and validations with OS and Integration Environment	
1.3		Document upgrade path including the changes to Source code modules for Database, Backend, Frontend as needed	
		Total Efforts in Man Days	**12**
V	**Proeject Management**	**Project Management and Coordination - Total efforts in Man Days**	**2**
5.1		Total efforts in Man Days	2
		ETC BOS Review - Total Estimated Efforts	**14**

7.3 Port of Hood River Software Changes and Task orders – Consulting Prices

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Port of Hood River ETC System Software changes - Price Proposal
Project: Port of Hood River - Consulting Price Proposal

Quote Date	May 27, 2015		Quote No#:	PSS-PHR-ETC-CS-20150527-03

Port of Hood River ETC System - Software Support, Maintenance and Modifications - Resource Rate Worksheet

Bid Item	Task Description	Consultant Title	Consultant Level/Type	Loaded Hourly Rate
1.00	Systems Monitoring and Administration Tasks	Windows Administrator	Seasoned Professional/Senior - Toll Systems Expertise	$90.00
2.00	Database Monitoring and Administration Tasks	Database Administrator	Seasoned Professional/Senior - Toll Systems Expertise	$95.00
3.00	Application Software Development	Application Programmer/Develoepr (Backend/Frontend)	Seasoned Professional/Senior - Toll Systems Expertise	$110.00
		Software Engineer (System Programming/C++)/Lane Systems	Seasoned Professional/Senior - Toll Systems Expertise	$110.00
4.00	Software Project Management	Software Support Manager	Seasoned Professional/Senior - Toll Systems Expertise	$110.00

P-SQUARE SOLUTIONS LLC PRICE SHEET - Ver. 1.4 DATE: 05/27/2015

7.4 Port of Hood River ETC Back Office System Replacement

The overall cost of the Enterprise Lane and Back office Solution would consists of following items. Fixed cost component which is Software and Hardware costs and variable cost of the Project implementation includes transition of the system.

- Fixed Cost of ETC Software consisting of Lane Controller and Back Office System
    - Server and Storage Estimated Costs
- Variable cost of Project Implementation and Transition to New System

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Port of Hood River Toll Bridge ETC System Replacement- Price Proposal Sheet

Project: Port Hood River Lane and BOS System Replacement

Quote Date	May 27, 2015	Quote No#: PSS-PHR-ETBOS-20150527-04

Port of Hood River ETC System - Lane Controller & Back Office System (BOS) replacement

Bid Item	Description	Total Effort	Units	Cost per Unit	Cost Basis	Amount
1.00	P-Square Lane Controller Software Cost	LS	LS	LS	$0.00	$0.00
2.00	Enterrprise Toll Back office System Software Cost	LS	LS	LS	$0.00	$0.00
	Port of Hood River Enterprise Toll Back Office System Software costs					**$0.00**
3.00	Enterrprise Toll Back office System Hardware Cost (Estimated ony 2 servers and Storage- Actuals TBD)	LS	Days	$720.00	$50,000.00	$50,000.00
	Port of Hood River Enterprise Toll Back Office System Estimated Hardware costs					**$50,000.00**
4.00	Lane Controller Software Implementation Cost (Estimated only - Actual TBD) Includes Requirements Analysis, In-Lane Equipment Integration, Live Traffic tests, Project Onsite Support, Testing and Transition efforts	80.00	Days	$720.00	$57,600.00	$57,600.00
5.00	Enterrprise Toll Back office System Implementation Cost (Estimated only - Actual TBD) Includes Requirements Analysis, Project Onsite Support, Testing and Migration efforts	120.00	Days	$720.00	$86,400.00	$86,400.00
	Port of Hood River ETC System repalcement Implementation costs					**$144,000.00**
	Port of Hood River ETC System Replacement Implmentation- Total Estimated Amount (Does not include the In-Lane equipment changes and hardware Costs)					**$194,000.00**

1. Project travel costs would be billed as a actuals basis.
2. The In-Lane Equipment replacement hardware costs are not part of this quote.

7.5 Port of Hood River Lane Controller Hardware

The Lane Controller Fixed Costs consists of the Software and Hardware costs. Fixed cost of Hardware for Lane controller are estimated based on the system requirements and In-Lane equipment Integrations)

- Lane Controller Equipment and Peripherals Estimated cost
    - Lane Controller Integrated Unit
    - Terminal , Receipt Printer, Card Reader and other peripherals and Communication equipment
    - Lane Controller Server

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P-Square Solutions LLC

Port of Hood River Toll Bridge ETC System Replacement - Price Proposal Sheet

Project: Port Hood River Lane System - Price Proposal

Quote Date	May 27, 2015	Quote No#: PSS-PHR-ETLCS-20150527-05

Port Hood River ETC System - Lane Controller Server Hardware Cost

1.00	Lane Controller System Hardware Cost (Estimated per LC- Actuals TBD) - Lane Controller Integrated Unit - Terminal , Receipt Printer, Card Reader and other peripherals and Communication equipment - Lane Controller Server	LS	4.00	$14,000.00	$56,000.00	$56,000.00
	Port Hood River Enterprise Toll Back Office System Estimated Hardware costs					**$56,000.00**
	Port Hood River ETC Lane Controller Hardware Estimated Cost (Does not include the In-Lane equipment changes and hardware Costs)					**$56,000.00**

1. Project travel costs would be billed as a actuals basis.
2. ETC System In-Lane Equipment replacement hardware costs are not part of this quote.

8 Project Core Team

The Core members of the P-Square team collectively have more than 100 man years of experience in Toll industry at the same time have expertise in the both J2EE Application Development frame works and IT infrastructures technologies. The effectiveness of P-square team comes from thorough understanding of Legacy Toll systems and ability to adapts and design applications on new technology framework. This provides agency the best of both worlds by having the technological expertise and toll industry experience.

P-Square core team collectively has more than 100 man years of experience in Toll Industry across North America, Europe and South America. The experience ranges from all types of ETC systems including the Open Loop (Barrier) systems, Closed Loop (Entry/Exit)systems and Free flow systems in many ETC system configurations Cash based(Touch screens, collector Deposits/audits), coin based (ACM), tag based (E-ZPass, Fastrak), Express Tolls (Express E-ZPass, Free-flow systems and Plate Based (Video Tolling).

Team has worked on all components of ETC systems which includes, Lane, Plaza, Host, CSC, VPC and Inter-operability processing including many of the external interfaces of Bank/DMV/Clearing houses/Payment Gateways for Credit/ACH/Debit cards/Collection agencies/Invoice &Mailings/VTDM/MOMS to name a few.

P-square core team's has proven track record and effective use of technologies for the application and solution implementation for business needs. P-Square Application Development framework experience include both Client-Server technologies and N-tier systems and extremely hands-on many of the N-Tier architectures including both J2EE and .Net framework technologies. The Core team has in-depth knowledge and experience on the Enterprise Back-office systems, high volume transaction processing systems using J2EE architecture.
P-Square team has worked on many enterprise projects in Toll systems, Health-Care and Telecom solutions implementing J2EE Frameworks and cutting edge technologies. P-Square team has experienced in many J2EE pattern and framework technologies for optimal application performance and end user experience. Effective use of Application servers clustering, Messaging, queues and Batch processing techniques using J2EE systems and various Database technologies such as Oracle, SQL server and Informix databases for enterprise transaction processing and availability and performance.

P-Square team has very good expertise in the Systems architecture and administration in IT Infrastructure management, Data centric operations and High availability solutions involving clustering and replication technologies. Team members have provided pro-active solution implementations for IT eco systems management and monitoring using GRID technologies and enterprise backup solutions. P-Square has created center of excellences in Database technologies including Oracle Grid technologies, RAC databases, Golden Gate Data replications and Data warehousing and analytical solutions.

Reddy Patlolla, President – Leads the P-Square Solutions vision, Operations, development, Expansion and Roadmap for the Business Services and Service Portfolios. Manages Client relations, Contracts management, and oversight on Project deliveries. Systems Architect: IT Infrastructures, Data centric operations, High availability solutions and Database technology expert; Experienced in Toll Industry IT infrastructures, Application systems HOST/PLAZA/CSC/VPC and Reciprocity and Back office solutions for Toll systems.

Niyasi Pediyakkal, CTO – Leads the Technology vision, Operations and Solution delivery defines the Roadmap for Product development and expansion of Service Portfolios. Manages Client Relations and solution deliveries and Technical management on onshore and offshore teams. J2EE Architect: Design, development and hands on experience in ETC Back office HOST/PLAZA/LANE/CSC/VPC systems and Expert in Inter-operable solutions using the SOA technologies and experienced in IAG, CTOC and IEA systems.

Girish Pande, Lead Project management – Leads the Project management and Project delivery and operations. Manages the Manages consulting services and Global Project delivery operations. Supports New Business Development. Project Manager/Business Analyst: Highly regarded in the Toll industry comes with huge business and functional experience in all areas of the Toll Systems and managed Application design and well versed development technologies.

Gregory Shin, Lead Systems Engineering – Leads the Systems Engineering group efforts for Lane software integrations and project Support. Supports new business development. Responsible for product design, development, and integration of various real-time systems OS including C-Executive, LynxOS and Linux based Lane Controller software across many ETC toll projects. Extensive experience in In-lane systems like Lane Controller, VTDM, ProMux, Lucas Deeco Toll/Touch Screen Terminals and Linux based Touch Terminal Software. Provided Technical leadership to System Acceptance/R&D and field-tests for ETC lane Controller systems tests.

Shane Savgur, VP, System Engineering – Leads the Systems Engineering Services, Project Delivery and New business development and Engagements. Over 18+ years of experience in the Systems development, Integration, System Operations of Electronic Toll Collection and Traffic Management Systems. Technology management and Operations management experience in both Public Sector and Private sector. Expertise in wide range of Tolling systems, lane, back-office, Inter-operability, customer service, violation processing and payment systems.

Patrick Hallinan, Lead, Software Engineering – Leads the Middleware Application Technical architecture, Development and Project support and deliveries. Experienced in software development field and has worked in various programming languages including Web and Middleware development. Patrick is Instrumental for Architecture blueprints and Technical POC's for many of our Middleware Product Platforms development.

9 Appendices –A

9.1 Successful Project Case Studies

P-Square Solution have successfully implemented following projects in tolling industry for various clients:

9.1.1 Project #1: NJTA J2EE Toll Plaza Consolidation Project

Project Name	**New Jersey Turnpike Authority (NJTA) Toll Plaza Software Consulting Service** **Project (RFP -108) Professional Services**
Company Name	**New Jersey Turnpike Authority** 581 Main Street Woodbridge, New Jersey 07095-5042 Phone : (732).750.5300 Fax : (732) 750-5399
Project Manager	Gregory Megow Assistant Director, Software Engineering Phone: (732) 442-8600 ext. 2173 E-mail: gmegow@turnpike.state.nj.us
Project Description	The New Jersey Turnpike Authority (the "Authority") procured the services to provide toll plaza software consulting services through RFP. The Project scope was to provide professional services to migrate toll plaza software from the existing client/server based to a java based system. The scope includes design, develop, test and implement toll plaza software in the Java architecture. The software migration will consolidate the toll plaza applications on both Authority roadways, namely the Garden State Parkway ("Parkway") and the New Jersey Turnpike ("Turnpike"). More significantly, the software migration will regionalize plaza servers and locate them at the Authority's primary and disaster recovery site for toll plaza functionality and upgrade aging hardware. The Authority utilizes MyETCPassport as its integrated Toll Systems package an in-house developed product that was upgraded to combine Parkway and Turnpike Toll Systems into a Java based environment. **Plaza Software Upgrade**

	The project scope is to understand the current design, operations of the system and work with the ETC Staff to migrate the system to integrate with MyETCPassport. Some of the key features that need to be implemented were **1.** Implement Plaza – Host, Host – Plaza communications. **2.** Implement stand alone and application server based real time monitory applications. **3.** Implement the current plaza level summaries at Host. **4.** Implement transaction processing at Host. **5.** Develop traffic, operation and audit reports. **6.** Develop testing tools to simulate and test the load from all the Turnpike and Parkway lanes. **Application, Systems Integration** Should understand current application, systems architecture and implement the plaza sub system to integrate with MyETCPassport. The new architecture should be a clustered architecture with ability to load balance the load across different servers at the Primary and DR sites. **Documentation** Responsible to document the services that are delivered to the Authority. Documents include, but are not limited to: proper commenting/documentation of the source code, Deployment procedures and scripts, installation, start and stop scripts. The programmers should follow industry standard logging procedures. **Testing** Responsible for developing the overall test plan, test scripts, and supporting documentation which will be utilized for the various phases of testing. The overall test plan should detail the processes, tools, tasks, and materials to be used for all of the testing phases. Testing phases should include unit testing, integration testing, user acceptance testing, and system performance/stress testing. **Training** Provide training to the ETC team for all the functionality that is Implemented during the migration.
Project Technology Overview	J2EE/Java/IBM MSMQ JSP/HTML Pro*C/PL/SQL Programming Red Hat Enterprise Linux (RHEL)/ Oracle RDBMS
Project Duration	**July 2011 – March 2013**

	- Understanding and Analysis of the Current J2EE Implementation Stack and Architecture - Toll Plaza Software upgrade with Similar J2EE software stack and Architecture - Application , systems Integration - Documentation - Testing - Training
Project Value	**$1,447,754.00**

9.1.2 Project #2: Delaware Department of Transportation (DELDOT) ETC System upgrade

Project Name	**Delaware Department of Transportation (DELDOT) ETC System upgrade**
Company Name	**Delaware Department of Transportation** I-95 Toll Plaza 1200 Whitaker Road Newark, DE 19702 Phone : 302.366.7299 Fax : 302.366.7271
Project Manager	Jon Osborne Phone: 302.366.7220 Mobile: 410.920.8611 E-mail : Jon.Osborne@state.de.us
Project Description	The Delaware Department of Transportation (DelDOT) currently operates and collects tolls on SR-1 and on section of I95 using electronic toll collection system. DelDOT's ETC system is in operations since 1998 and is still using the same software solution for Plaza and Host System since the last implementation in 1998. DelDOT ETC system comprises of One Toll Host And Three Mainline toll Plazas. There were many software components of the DelDOT ETC System including Hardware which was successfully upgraded from HP-UX servers to Dell Intel Linux Servers. The Legacy Power Builder application has been upgraded to newer Versions and similarly the host and plaza database has been upgraded to latest release of IBM Informix dynamic server. The Host and Plaza backend software programs are ported from the HP-UX to Linux Environment. Upgrading Host and plaza Informix Databases to Supported

	versions and Porting Operating environment to Red Hat Linux and Application software both backend and front-end is one of the very successful projects completed by P-Square solutions for Host and Plaza systems in the years 2009 and 2010 respectively. The replacement Host system has been run parallel for period of 8 weeks during test period and all functions and reports have been fully compared and reconciled with the existing system before migrating to New Host system. Similarly the New Plaza systems upgrade was done without much issue to the current operations. The Complete move was performed on a holiday weekend with minimal impact to the users. The Performance and User experience and availability of the system has been increased to 99.99% thus improving the overall ETC system Operations. 1) DelDOT ETC Host system upgrade project a. Operating System ported to Linux from HP-UX b. Upgraded Host Informix Database to Supported Versions on Linux from HP-UX c. Ported the Legacy ETC Host backend software C/ESQLC to Linux Operating system from HP-UX d. Upgraded the Host Power builder application to supported versions on Supported Windows Client Environment 2) ETC Plaza system Upgrade project a. Operating System ported to Linux from HP-UX b. Upgraded Plaza Informix Database to Supported Versions on Linux from HP-UX c. Ported the Legacy ETC Plaza backend software C/ESQLC to Linux Operating system from HP-UX d. Upgraded the Host Power builder application to supported versions on Supported Windows Client Environment
Project Technology Overview	ESQL/C/SPL Sybase PowerBuilder C/C++ /TCP Programming Red Hat Enterprise Linux (RHEL)/ IBM Informix RDBMS
Project Duration	**March 2009 – July 2010** - System Portability and Upgrade analysis - System Operating Environment Compatibility and POC - Software Porting and Configuration management - Software Integration testing and Site Factory Testing

	- Software Implementation and Parallel Run support - Software Maintenance and Support through the Production Operations
Project Value	**$315,790.00**

9.1.3 Project #3: South Bay Expressway Toll System Software Consulting Services

Project Name	**South Bay Expressway Toll System Software Consulting Service** **Professional Services**
Company Name	**South Bay Expressway /SANDAG** 1129 La Media Road, San Diego, CA 92154 Phone : (619).710.4000 Fax : (619) 710-4097
Project Manager	Samuel Johnson, Mobility Operations Director Phone: (619) 710-4012 E-mail: sjohnson@sbexpress.com
Project Description	South Bay Expressway is a toll road operator in the San Diego area Which is currently owned and operated by SANDAG. The Toll Road, also referred to as SR125 South Toll road is about 10 miles long connecting SR-905 at the south side with SR-54 on the north side. P-square is responsible for the software design, development, deployment and maintenance of several software components that are an integral part of the SBX's toll collection system. Some of the specific Software projects that P-square was involved with include : - Financial Module Design for the Customer Service back-office software. - California Toll Operator Committee (CTOC) – Toll Inter-operability software: SBX FastTrack transponders are inter-operable with four other Toll agencies in California. SBX exchanges plate files, tag files, transaction files, and reconciliation files with the software developed by P-Square. - FastTrack Account Module: P-square developed flexible account statement module that enhances SBX ability to deliver the accounts statements in a secure manner and have the ability to modify the statements formats without any change to the software. - Tag Order Fulfilment Module – P-Square has enabled SBX

	to integrate with Endicia, the postage company to automate the shipping label printing and transponder order fulfilment using the workflow process. - Violation filtering module – P-square developed a violation Filtering Module that enables SBX to filter out violation generated during the hardware malfunction. - Pay-by-Plate Website – the website that P-Square developed enables SBX customers to pay for the tolls within five days of the transaction. - Payment Gateway for all in-lane Credit Card Transaction processing – P-square provided SBX with an important component of its credit card in-lane solution – interface with PayPal payment gateway. - Software Bugs fixes and software releases
Project Technology Overview	.NET/VB/C#/Java T-SQL/SQL Programming Web Development in html5 Web Services Microsoft Windows Server 2012 /Microsoft SQL Server 2012
Project Duration	**March 2008 – June 2012 (SBX)** **June 2012 – Current (SANDAG)** - Software Design, development, deployment and Maintenance of SBX Toll System Software - Sub-contractor to Prime System Integrator - System fixes, Enhancements and Task Orders - Replacement Functionality - Testing, Documentation and Training
Project Value	**$220,471.00 (Cumulative value of Various Task Orders)**

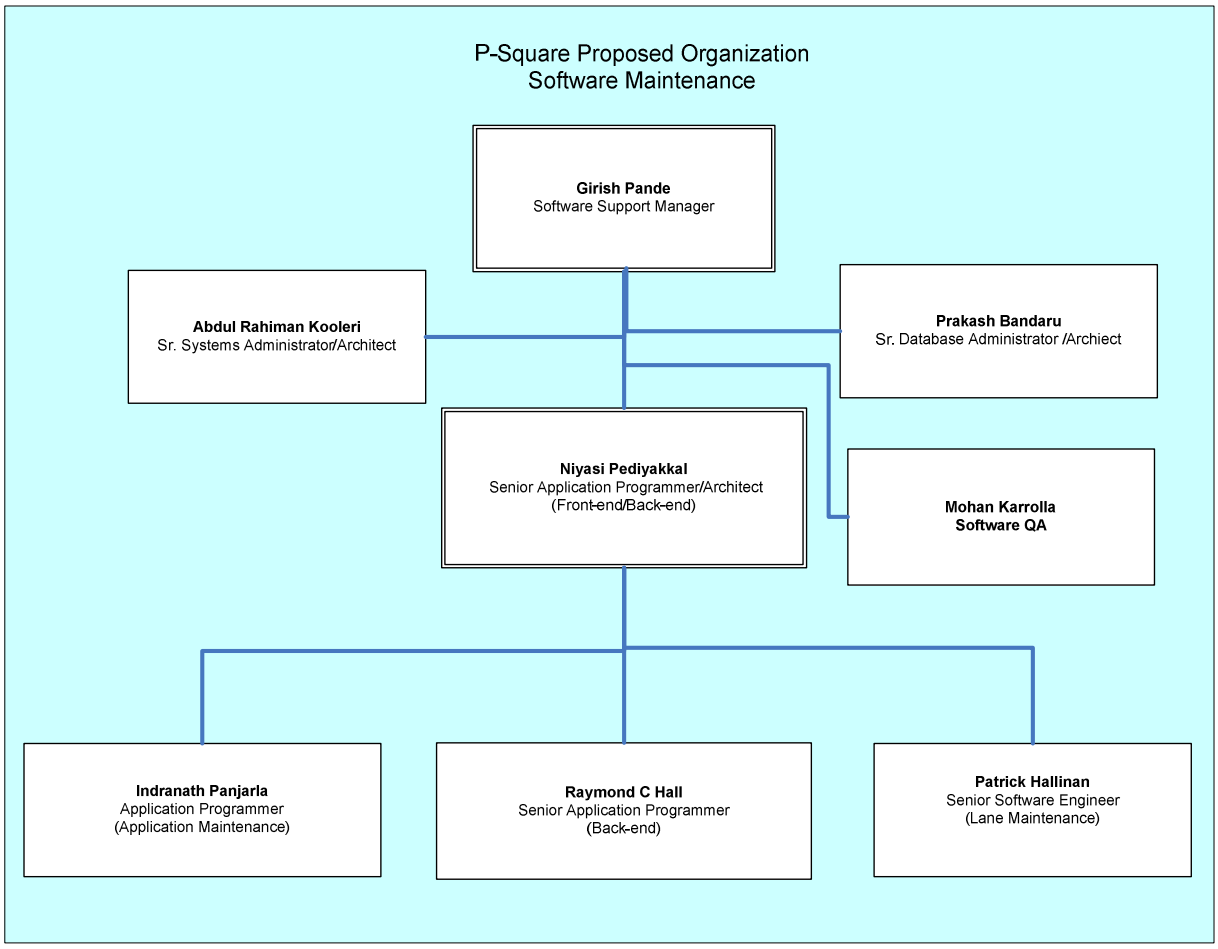
9.1.4 Project #4: Interoperability Management Service Provider (IMSP) Hub Development

Project Name	**Interoperability Management Service Provider (IMSP)**
Company Name	**Sanef its america Inc.** 95 SeaView Blvd. Port Washington, NY, 11050 Phone : 516-484-3333 Fax : 516-484-5161
Project Manager	Kinjal Munshi Phone: 516-592-6134 Mobile: 607-237-5578 E-mail : Kinjal.Munshi@Sanef-its-America.com

Project Description	This Project Interoperability Management Service Provider (IMSP) is Complete End-to-End Software project with phases of design, development, testing, Implementation and Support. The objective is to replace existing Toll Inter-operability system of National Roadway Authority, Ireland to newly re-architected system to adopt to New ISO protocols for Inter-operability system. The project is successfully completed through all phases of project after months of Parallel operations, test validations and migrating to the New IMSP Hub system with no interruption to current operations involving 12 Toll service providers interfacing with Hub System. This new entity, the Interoperability Management Service Provider (IMSP) is an interoperability hub that supports the interoperability between Toll Service Providers (TSP) and Toll Chargers (TC). The IMSP Solution is divided into two main sub-systems, namely the Solution hub core which is located in a Host environment and the IMSP CO (Compatible Operator) Client which is located in the TSP or TC premises. The two sub-systems communicate through secure Virtual Private Networks (VPN) through the Internet. The files exchanged between TSPs and TCs and the IMSP CO Client are XML formatted and later phases adoptable for ISO definitions for Toll Inter-operability. IMSP system developed to achieve the following goals: 1. Exchange list information (White, Grey and Black lists) concerning the Service Users that are allowed to use the tolled roads thus reducing or eliminating the possibility of fraud. This goal is facilitated by the IMSP through the gathering of lists coming from the TSPs, consolidating said lists and distributing the resulting consolidated lists to TCs. 2. Allow Service Users to use the Services provided by TCs while receiving a single invoice. This goal is attained by the IMSP through the gathering of interoperable transactions (Charging and Enforcement information) made on the TCs toll plazas, consolidating said transactions, informing the respective Service User TSPs of the interoperable transactions performed on all the TCs toll plazas and, periodically, establishing and distributing the financial information (Settlement Statements) that support the settlement amongst the TSPs and the TCs. 3. Simplify and render transparent the handling of disputes amongst TSPs and TCs. This is facilitated by the IMSP through the implementation of a web based tool with which TSPs and TCs are able to handle transaction dispute raising and handling. While increasing the transparency of the

	process it also renders the financial information processed by the IMSP more in line with the effective payments made between TSPs and TCs. 4. Handle the security elements that support the interoperability. The IMSP handles this by providing a key management system to manage the needed Trust Objects (DSRC interoperable keys amongst other cryptographic elements) as well as a procedure and Standard Operating Procedure (SOP) for the distribution of said Trust Objects. The above goals are focused on the IMSP Solution and its role in guaranteeing the interoperability between TSPs and TCs. The design of the IMSP Solution is based on the requirements that come from the IMSP Contract and from the Supplemental Functional Requirements established with the NRA through a series of workshops between the different Stakeholders.
Project Technology Overview	.NET/C#/T-SQL Programming Microsoft MVC Framework Web Development in html5 Web Services Microsoft Windows Server 2012 /Microsoft SQL Server 2012
Project Duration	**August 2013 – May 2014** - Business requirements Analysis and Use case specifications - Detailed Design Document - Software Development and QA Testing - Software Integration testing and Site Factory Testing - Software Implementation and Trail Period Parallel Run support - Software Support through the Production Operations and Warranty Period
Project Value	**$350,000.00**

9.2 P-Square ETC Software Maintenance Organization



9.3 P-Square ETC Software Maintenance Members Resumes

Will be provided upon request.

10 Appendices –B : References

References and additional documentation will be provided upon request.

ACTION ITEMS

Commission Memo

Prepared by: Anne Medenbach
Date: June 2, 2015
Re: Intergovernmental Agreement - Oregon Department of Aviation

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Every three years, the Oregon Department of Aviation (ODA) conducts a Pavement Management Plan (PMP) assessment of all small airports in Oregon. The PMP includes an onsite visit and an analysis of the condition of all pavement on the airport. The final PMP report includes a forecast of projects and conditions for the pavement along with treatment recommendations and cost estimates for those treatments. The Port does not pay for this evaluation and it is to be used as a tool to keep our pavement in good condition.

ODA has a certain amount of money every year in State PMP funds that are used to conduct high priority pavement maintenance projects identified in the PMP. The sponsor of the airport typically has to provide a match of 10% of the project cost. This year, another airport sponsor donated their FAA entitlement funds in order to cover the 10% match on all State funded PMP projects. The total amount of pavement improvement being done at the Ken Jernstedt Airfield with PMP funds is $21,147.21

The IGA provides a vehicle for the funding to move forward. It also obligates the Port to do monthly drive by inspections of the pavement and to keep the airport open for 20 years, among other standard obligations.

RECOMMENDATION: Approve IGA with Oregon Department of Aviation for the 2015 Statewide Airport Pavement Maintenance Program.

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ACTION ITEMS

Commission Memo

From: Fred Kowell
Date: June 2, 2015
Re: Workers' Compensation Resolution

The Special District's Association of Oregon (SDAO) is the Worker's Compensation insurance provider for the Port of Hood River and other special districts throughout Oregon.

The Port of Hood River covers its board of commissioners with workers' compensation insurance through this resolution. It also may allow coverage of workers' compensation insurance for volunteers that assist the Port in its various operations.

This resolution is being asked of the Port to formally direct SDAO in covering those individuals that are known to provide a volunteer service to the Port with workers compensation insurance.

RECOMMENDATION: Motion to approve Resolution 2014-15-3 providing Port Commission and volunteers with workers' compensation insurance.

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PORT OF HOOD RIVER

Resolution No. 2014-15-3

RESOLUTION EXTENDING WORKERS' COMPENSATION COVERAGE TO VOLUNTEERS OF THE PORT OF HOOD RIVER

WHEREAS, the above district elects the following:

Pursuant to ORS 656.031, workers' compensation coverage will be provided to the classes of volunteer workers as indicated below (checked "Applicable") and listed on the attached Volunteer Election Form(s).

Board Members Applicable ☒ Not Applicable ☐
Public Officials on unpaid boards will be covered only for administrative and clerical functions while performing their authorized duties as elected officials.

Public Safety Volunteers Applicable ☐ Not Applicable ☒
Public Safety Volunteers are covered at the assumed monthly wage indicated on the attached Volunteer Election Form(s)

Other Volunteers Applicable ☒ Not Applicable ☐
Non-public safety volunteers and board members volunteering for duties other than administration and clerical functions will use the attached Volunteer Election Form(s) to keep track of their hours and have their assumed payroll reported in the correct Class Code for all their types of work using Oregon minimum wage.

A roster of active board members and volunteers will be kept monthly for reporting purposes and submitted to SDAO quarterly or more frequently upon request.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Port of Hood River to provide Workers' Compensation coverage as indicated above.

ADOPTED by the Board of Commissioners of the Port of Hood River on this 2nd day of June 2015.

_____
Rich McBride

_____
Jon Davies

_____
Fred Duckwall

_____
Brian Shortt

_____
Hoby Streich

Board and Volunteer Election Form

District Name: Port of Hood River

Board Members listed for Class Code 8742B will be covered only for administrative and clerical functions at board/committee meetings. If board members are performing functions other than administrative or clerical duties they must also be listed on the Volunteer Roster and payroll must be reported in the Other Volunteers section to be eligible for coverage.

Unpaid Board of Directors Column (1) x Column (2) x Column (3) = Column (4)					
Class Code	**Job Duty**	**(1) No. of Board Members**	**(2) No. of Meetings Annually**	**(3) Reimbursement per Meeting ($40 minimum)**	**(4) Total Estimated Assumed Payroll ($2,400 minimum)**
8742B	Board of Directors	5	24	$50	$ 6,000

Public Safety Volunteers listed for Class Code 8411 use an assumed monthly wage of no less than $800 per volunteer per month (regardless if one day or 31 days are volunteered) for contribution payment and calculation of benefits. This assumed monthly wage may be increased at the district's discretion in increments of $100, up to a maximum of $2,400.

Public Safety Volunteers Column (1) x Column (2) = Column (3)				
Class Code	**Job Duty**	**(1) Est. No. of Volunteer Months***	**(2) Assumed Monthly Wage ($800 min.)**	**(3) Total Estimated Assumed Payroll**
8411	Ambulance Driver			
8411	Ambulance Technician			
8411	Crime Prevention Unit			
8411	Sheriff			
8411	Emergency Medical Technician			
8411	Explorer Scout			
8411	Fire Chief/Asst. Fire Chief			
8411	Firefighter			
8411	Police Officer			
8411	Police Reserve			
8411	Probation Officer			
8411	Search and Rescue			
8411	Sheriff's Posse			
8411	Quick Response			
8411JF	Junior Firefighter (Cadet)			
8411A	Support, Non-Firefighting: # Vol ____ x # Hrs ____ x # Months ____ x Hourly Wage ____ =			

*Estimate the number of volunteer months for each position and enter the total on the appropriate line in Column (1). Some volunteers are not active every month, i.e., one volunteer firefighter may be active five months out of the year, two volunteer firefighters may be active 12 months out of the year, and five volunteer firefighters may be active only one month out of the year. Thus, the number of volunteer firefighter months would be 34.

Board and Volunteer Election Form

District Name: Port of Hood River

Other Volunteers listed for all Class Codes other than Board Member (8742B) and Public Safety Volunteers (8411) use an assumed payroll computed at Oregon minimum wage using actual hours worked and reported in the appropriate Class Code with a "V" added to the end.

SDAO's ability to provide workers' compensation coverage for volunteers is directly related to each entity's ability to keep verifiable records of the names and hours worked by participants. Claims adjusters will verify coverage at the time a claim is filed.

Other Volunteers Column (1) x Column (2) x Column (3) x Column (4) = Column (5)						
Class Code	**Job Duty**	**(1) Est. No. of Vol. per month**	**(2) No. of Hours per month**	**(3) No. Of Months per year**	**(4) OR Min. Wage**	**(5) Total Estimated Assumed Payroll**
0042V	Landscaping - V					
0050V	Grove Caretaking Operations - V					
0106V	Tree Pruning, Spraying - V					
0113V	Fish Hatchery and Drivers - V					
0124V	Tree Planting - V					
0251V	Irrigation Works - V					
2702V	Forest Fire Fighting Special Employee - Doctor - V					
4361V	Photography - V					
4511V	Analytical Chemist - V					
5183V	Plumbing - V					
5403V	Carpentry NOC - V					
5445V	Wallboard Install w/in Bldg - V					
5474V	Painting - V					
5479V	Insulation Work NOC & Drivers - V					
5506V	Street and Road Construction – Paving/Repaving/Drivers- V					
5507V	Street and Road Construction- Subsurface Work- V					
5606V	Contractor/Executive Supervisor - V					
5645V	Window/Door Installer - V					
6217V	Excavation NOC - V					
6229V	Irrigation Systems Construction - V					
6306V	Sewer Construction - V					
6319V	Gas & Water Main Construction - V					
6400V	Metal Fence Erection - V					
6834V	Boat Building and Repair - V					
6836V	Marina - V	6	2	12	$9.25	$1,332

Board and Volunteer Election Form

District Name: Port of Hood River

Other Volunteers Column (1) x Column (2) x Column (3) x Column (4) = Column (5)						
Class Code	**Job Duty**	**(1) Est. No. of Vol. per month**	**(2) No. of Hours per month**	**(3) No. Of Months per year**	**(4) OR Min. Wage**	**(5) Total Estimated Assumed Payroll**
6876V	Divers – V					
7024V	Vessels NOC (If Any) - V					
7090V	Boat Livery/Boats Under 15 Tons - V					
7153JV	Railroad Operations (If Any) – V					
7335JV	Dredging (If Any) – V					
7360V	Freighthandler NOC – V					
7370V	Drivers/Attendants - V					
7380V	Chauffeurs and Helpers NOC - V					
7382V	Bus Company and Drivers - V					
7403V	Aircraft Operation - V					
7520V	Waterworks Operations - V					
7539V	Electric Power - V					
7580V	Sewage Plant Operations - V					
7610V	Radio or TV Broadcasting - V					
7720V	Police Officers- V					
8006V	Store - Dry Goods - V					
8010V	Wholesale and Retail Stores - V					
8017V	Store - Retail - V					
8018V	Wholesale NOC - V					
8227V	Municipal Maintenance Yard - V					
8232V	Lumber Yard - V					
8385V	Bus Company - Garage - V					
8601V	Engineer or Architect - V					
8720V	Insurance Inspection & Valuation - V					
8742V	Director/Sales/Collectors - V					
8810V	Clerical Office Employee - V					
8820V	Attorney - V					
8824V	Nursing Home Health Care - V					
8825V	Nursing Home Food Service - V					
8826V	Nursing Home Other Services - V					
8832V	Clinic - V					
8833V	Hospital - Professional EE's - V					

Board and Volunteer Election Form

District Name: Port of Hood River

Other Volunteers Column (1) x Column (2) x Column (3) x Column (4) = Column (5)						
Class Code	**Job Duty**	**(1) Est. No. of Vol. per month**	**(2) No. of Hours per month**	**(3) No. Of Months per year**	**(4) OR Min. Wage**	**(5) Total Estimated Assumed Payroll**
8835V	Nursing – V					
8868V	School Professional Employee - V					
9014V	Buildings Operation by Contractor- V					
9015V	Buildings Operation by Owner- V					
9016V	Kiddie Ride Operators - V					
9040V	Hospital - All Others - V					
9052V	Rooming House/Boarding House - V					
9061V	Club NOC- V					
9063V	YMCA/YWCA - All Employees - V					
9064V	Child Day Camp - V					
9079V	Restaurant NOC - V					
9101V	School -All Other Employees - V					
9102V	Park NOC – All Employees – V	2	248	3	$9.25	$13,764
9154V	Theatre Employees NOC - V					
9182V	Athletic Team - Operation - V					
9220V	Cemetery Operations - V					
9349V	School Cafeteria/Kitchen EE's - V					
9366V	Hospital - Cafeteria - V					
9402V	Street and Sewer Cleaning - V					
9410V	Municipal County Employee NOC - V					
9516V	Radio, TV, Video & Audio Equip. - V					
9519V	TV/Radio Install and Repair - V					

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Port of Hood River

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To: **Port of Hood River Board of Commissioners**

From: **Fred Kowell, Chief Financial Officer**

Date: **June 2, 2015**

Re: **Budget for Fiscal Year 2015-16**

The Budget for FY 2015-16 is attached with the following highlights discussed in Michael McElwee's Budget Message and what was concluded from Budget Committee discussions.

Budget Highlights

The following sections are highlights of the FY 2015-16 Budget organized by major areas of the Port's operations.

ASSET AREAS

Industrial/Commercial Properties

- Overall occupancy rates remain high in all Port buildings with the exception of a 14,000 s.f. vacancy in the Big 7 Building. The Port will carry a larger vacancy loss for this building in the future. A reduction in lease revenue is assumed in this budget.

- Rigorous steps continue to be taken to monitor the condition of various Port facilities and keep them in good repair. This budget continues with a high level of investment in the maintenance of Port facilities.

- The Expo Building and surrounding property were not sold as expected in FY 2014-15. They are now expected to sell in two phases in FY 2015-16. Proceeds from the sale are expected to be used for acquisition of the Hanel Mill site.

- The budget will again propose an allocation for professional services for planning and pre-development work on Lot #1 on the Waterfront. These services continue the subdivision process and address zoning, parking, infrastructure and storm water issues among others.

Bridge/Transportation

- The highest priority for the Bridge is installation of a new, modernized tolling system, including equipment and software. The budget includes a significant line item for this

purpose as well as appropriations for the continued IT support for these systems. This project will be implemented in two phases over two years. The software phase is budgeted this year, while the hardware phase will be the following year.

- Annually, the Port's engineer updates the Long Term Capital Plan (LTCP) for the Bridge and prepares a recommended near-term (2-year) work plan. The current updated work plan is used in this budget. In FY 2014-15, resurfacing of the Bridge approach ramps was completed and the Port spent considerable time and budget to evaluate and then repair various components of the Lift Span. In FY 2015-16 we anticipate carrying out the next major capital project -- engineering and construction work necessary to repair the auxiliary trusses on either side of the lift span.

- The Port Commission is also placing greater emphasis on understanding the seismic condition of the Bridge. The budget assumes an engineering evaluation of both the pier concrete and the seismic issues in anticipation of taking steps to address the highest impact/lowest cost areas.

- The staff have been carrying out welding repairs for the past two years. The Budget assumes this will be an ongoing repair expense that should continue for the foreseeable future.

- The budget does not include any changes to the Toll fees or discounts provided to our customers, however, the new system upgrade will not have any ticket functionality such that ticket sales will need to cease at some point during the year. The toll system upgrade will have a web portal for customers to use which should reduce front counter traffic. Staff recommends that tickets cease to be "sold" when the web-portal is placed into service. The Port will continue to honor tickets but will refund customers the value of their unused tickets.

- The budget maintains a higher level of expenditures for maintenance, repairs and inspections that was initiated in FY 2013-14.

Recreation/Marina

- A new paved pedestrian/bicycle path along the Hook is to be constructed and financed by the City in association with their sewer outfall project. This is a primary opportunity for recreational enhancements in FY 2015-16. The budget assumes a modest amount of funds for a new sail rigging area and trail enhancements to increase the benefits of this City project which also contemplates grant funding for a portion of the overall cost.

- The budget assumes some additional expenses, primarily maintenance and repairs, for the new trail and water access being constructed on the West Edge of the Nichols Basin.

- An additional expense has been added to pay for an emergency response partnership with Sheriff's Office (Marine Deputy).

- In FY 2015-16 the Port expects to carefully monitor parking demand and the impacts from the loss of parking at Slackwater Beach. A more specific parking plan is expected to be in place for summer 2016 and additional expenses and revenues are contemplated as well.

- The budget reflects our continued effort in paving and maintaining this vital infrastructure.

- The Marina Electrical Upgrade and Boathouse Dock projects are complete. Revenue for debt service payments comes from a special assessment on Marina tenants. This will continue for the next seven years. Other than signage and some work on the cruise ship dock, no significant capital investments in the Marina are anticipated in FY 2015-16. However, the budget does have funds for conceptual engineering plans for a new Transient Boat Dock, necessary to begin the long permit process and to prepare an application for OSMB grant funding.

Airport

- Preparation of a new Airport Master Plan is well underway and will set the stage for possible future capital projects when the Port's FAA entitlement funds accumulate or State of Oregon discretionary funds are available. No significant capital projects are planned for the Airport other than the replacement of a hangar door and the painting of the FBO. We do plan to allocate staff time to prepare an Airport Business Plan and carry out a basic feasibility study for a new T-Hangar block.

Administration & Management

- For FY 2015-16 the budget depicts a reduction of healthcare premiums for the year, with the continuation of the same benefits and deductible levels currently in place. PERS costs, however, are being adjusted due to the latest actuarial assessments that relate to the changes that were made during the previous legislature. The increase in PERS costs wipes out the reduction in healthcare for this year.

- Total personnel and benefit costs are budgeted to increase by 6.2%. This includes the aforementioned changes in healthcare, PERS, plus a 2.26% COLA and merit increases.

- Staffing changes have brought excellent new skill sets in many technical and professional areas. Our hope is that this new level of skills will allow for a future reduction in professional and technical services. No change in staffing levels is anticipated.

- The current financial system the Port uses has received a de-support notice. This budget reflects an upgrade to the current system to be in compliance. Also, the Port will implement an archiving system that will remove the backlog of hard copy documents being stored on site. In addition, our web page will see significant improvements which are included in the budget.

- Regional collaboration and government affairs advocacy is currently a high priority and expenses were increased in this budget. Some of this increase would only be incurred if financial support is obtained from other regional partners.

- A new budget item of $25,000 has been carried forward from the prior year which either can be used to increase our collaboration with the local educational agencies or provide economic value-added support for the community. The various components of either program will need to be further discussed with Legal Counsel and our Commission.

Maintenance

- The Port will continue to replace those vehicles in our fleet that are at the end of their useful life. The budget anticipates the replacement of the Nissan Murano, an acquisition of a used flatbed truck, tools/equipment and the replacement of the fence around the Shop.

SUMMARY

The FY 2015-16 Budget reflects project priorities, staffing levels, capital improvements, debt and administration expenditures that staff believes are consistent with the Port's mission, Strategic Plan and direction from the Port Commission.

RECOMMENDATION: *BE IT RESOLVED that the Board of Commissioners for the Port of Hood River hereby adopts the budget for fiscal year 2015-16 in the total of $15,590,930, and hereby imposes the taxes provided for in the adopted budget at the rate of $.0332 per $1,000 of assessed value of all taxable property within the district.*