

PORT OF HOOD RIVER COMMISSION
Tuesday, July 19, 2016
Marina Center Boardroom

Work Session 5:00 – 6:00 P.M.

1. Hood River Bridge Replacement Project Work Session #2 *(Michael)*
-

Regular Session Agenda

1. Call to Order
 - a. Modifications, Additions to Agenda
 2. Election of Officers for 2016-17
 3. Public Comment (5 minutes per person per subject; 30 minute limit)
 4. Consent Agenda
 - a. Approve Minutes of June 23, 2016 Regular Session *(Laurie – Page 3)*
 - b. Approve Accounts Payable to Jaques Sharp Attorneys at Law in the Amount of \$8,759 *(Fred – Page 9)*
 - c. Approve Ratification of Landlord’s Release and Consent for pFriem Brewing Company, LLC *(Anne – Page 13)*
 5. Reports, Presentations and Discussion Items
 - a. Expo Site Project Update – Jeff Pickhardt, Key Development *(Michael – Page 23)*
 - b. Bridge Signage Plan Progress Report – Nate Schroeder, DKS & Associates *(Michael – Page 25)*
 - c. Insurance Coverage Update - Scott Reynier, Columbia River Insurance *(Michael – Page 37)*
 6. Director’s Report *(Michael – Page 39)*
 7. Commissioner, Committee Reports
 - Urban Renewal – Commissioners Davies and Streich (July 11)
 8. Action Items
 - a. Approve Reappointment of Columbia River Insurance as Insurance Agent of Record for FY 2016-17 *(Fred – Page 49)*
 - b. Approve Reappointment of Pauly, Rogers and Co., P.C. as Auditor of Record for FY 2016-17 *(Fred – Page 49)*
 - c. Approve Contract with Summit Strategies for Federal Advocacy Services Not to Exceed \$78,000 Plus Reasonable Reimbursable Expenses *(Genevieve – Page 51)*
 - d. Approve Intergovernmental Agreement with Hood River County for Advocacy Services Performed by Summit Strategies *(Genevieve – Page 51)*
 - e. Approve Contract with Thorn Run Partners for State Advocacy Services Not to Exceed \$54,000 Plus Reasonable Reimbursable Expenses *(Genevieve – Page 51)*
 9. Commission Call
-
10. Executive Session under ORS 192.660(2)(e) Real Estate Negotiations; and ORS 192.660(2)(i) Performance Evaluations of Public Officers and Employees
 11. Possible Action
 12. Adjourn

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

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

**Port of Hood River Commission
Meeting Minutes of June 23, 2016 Work Session and Regular Session
Marina Center Boardroom
5:00 P.M.**

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

- Present:** Commissioners Jon Davies, Rich McBride, and Brian Shortt; Legal Counsel Jerry Jaques; from staff, Michael McElwee, Fred Kowell, Anne Medenbach, Genevieve Scholl (excused at 6:20 p.m.), Andrew Porter, and Laurie Borton
- Absent:** Commissioners Fred Duckwall and Hoby Streich
- Media:** Patrick Mulvihill, Hood River News

President Brian Shortt called the Work Session to order at 5:00 p.m. for the purpose of discussing the Hood River Bridge Replacement Project. This was the first of a series of Work Sessions that will discuss various aspects and strategies and culminate with a public outreach meeting in September to review the outcomes.

To provide discussion direction in helping the Commission formulate a winnable bridge replacement strategy over the next few months, an initial outline on project delivery, financing, project costs, and project advocacy was provided by Michael McElwee, Executive Director. As iterations are narrowed down as to what makes the most sense, deliverable matrixes will be developed with consideration also needing to be given to a myriad of financial, political and technical components. Potential “project delivery” options were discussed:

- Port Development and Ownership: phased through the FASTLANE application for federal funding of soft costs, FEIS, permitting, etc. The immediate initiation for a hard bid results in Port financing with borrowed funds and an engineering firm is hired for design/build but this could be problematic with an 18-month build.
- ODOT Management and Ownership: The Port would initiate the project but would not own or control the bridge which would affect Port revenue streams. McElwee commented this would be a political challenge requiring influence from the Governor, legislature, and Oregon Transportation Commission, and he was not sure that ODOT would want to take on the project. If the Port were to receive a FASTLANE grant, at that point ODOT may be more supportive.
- WSDOT Management and Ownership: It is thought that there would be less interest in Washington owning/controlling the bridge, which again would affect the Port’s revenue stream.
- Bi-State Bridge Authority Management and Ownership: There is an advantage involving both states for equal and equivalent interest, but this was not considered a likely option as a new entity with authority would need to be created. When asked if there was any avenue through the Gorge Commission, McElwee responded the agency would have design review input.
- Public/Private Partnership (“P3”) Management and Ownership: the public right-of-way would be sold in perpetuity but there would be regulations on toll pricing. Commissioner Davies inquired about the authority to continue charging tolls? Legal Counsel Jerry Jaques indicated that will be one of the aspects to be delved into.

In an effort to conserve staff time, Davies suggested narrowing down the list by eliminating options 3 (WSDOT), 4 (Bi-State), and 5 (private entity). Commissioner McBride, however, suggested not discarding WSDOT as he believed Insitu could be a big influencer. Shortt suggested that all options should be looked at, with a series of tasks identified to identify partners, and options should self-eliminate. Shortt recommended contacting potential partners to advise the Port is ready to commit funding for the bridge, which is critical to

freight/passenger/public safety and inquire how they can/will participate in a contribution to a future bridge replacement. Davies stated that cooperation will be needed from all entities whether or not they can contribute to funding. McBride said this will be a big and challenging project but as it begins to gain momentum he sees others will take control of the project, especially once funding is received. McElwee said as options narrow, modeling with assumptions will need to be developed that can be shared which will help in justifying support and additional funding. McElwee stated an assumption that a future bridge would be all electronic, i.e. invoices mailed and no toll staffing costs. Genevieve Scholl, Communications & Special Projects Manager, said one nuance for the project will be the opening and closing of doors as legislative actions play out; i.e. there is a funding opportunity now but it will be gone in four years; or in a phased approach, for example, will Phase 3 still be there when we get to that point? McElwee said the challenges are many and Work Session discussions, most likely focused on ODOT and P3 partnerships, will continue at the July meeting.

In a related matter, McElwee informed the Commission that he had met with two firms to discuss state advocacy efforts and that he would be meeting with another agency. The Commission was supportive and McElwee said he would likely come back to the Commission for approval to engage a firm other than Summit Strategies for state lobbying services only. Davies recommended reducing Summit’s scope for state services but maintaining their federal advocacy efforts.

President Shortt ended the Work Session at 5:55 p.m. The Regular Session meeting of the Port Commission immediately followed.

- 1. **CALL TO ORDER:** President Shortt called the Regular Session meeting to order at 5:55 p.m.
 - a. **Modifications, Additions to Agenda:** There was consensus to modify the agenda’s Action Items to include a payment to Northwest National Gas and delete the Centrex Construction contract.
- 2. **PUBLIC COMMENT:** None.
- 3. **CONSENT AGENDA:**
 - a. Approve minutes of June 7, 2016 Regular Session and June 14, 2016 Special Session meetings
 - b. Approve accounts payable to Jaques Sharp Attorneys at Law in the amount of \$6,346

Motion: Move to approve Consent Agenda.
Move: Davies
Second: McBride
Discussion: Davies cited a conflict of interest as the Jaques Sharp law office is a client of his insurance business
Vote: **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

4. **DIRECTOR’S REPORT:** Executive Director Michael McElwee introduced engineering intern Andrew Porter, a recent graduate of Santa Clara University. Porter, who began his work with the Port on June 20, told the Commission a little bit about himself and stated that his focus would be on Lot 1 storm water treatment designs. Porter will be at the Port until August 11 when he will leave for the University of Pennsylvania to work on his master’s degree. Only one Commission meeting will be held in July; to accommodate packet preparation and the July 4 holiday and vacation schedules, there was consensus to hold the meeting on July 19. McElwee reported the Hood River County Planning Commission passed a resolution in support of the Port’s bridge replacement efforts and included the project in the County’s TSP (transportation system plan). Removal of the live front power cabinet on the Marina Green still needs to be scheduled with PacifiCorp; however, trenching and excavation work associated with the project has been completed and John Mann and his Facilities crew

were thanked for their great efforts on this project. McElwee suggested making a donation to the July 4 fireworks display; there was consensus for a \$500 donation. A Lot 1 pre-application meeting was held with the City. Private streets are not recognized in the Code (building frontages occur only if a street is public) and a change could result in 2 fewer lots. McElwee commented there is value in maintaining some streets as private citing a “festival use” as an example. Staff will report back to the Commission with updates. TacAero, the airport FBO, was commended for their responsiveness when an aircraft landed without gear deployed for landing. There were no injuries and a NOTAM was issued for a temporary closure of Runway 25. McElwee reported the bridge insurance claim with ACE American Insurance, Chubb North American Claims had been settled and he confirmed Stafford Bandlow Engineers (“SB”) had been released which means the Port can now work with SB on lift span issues. The contract approved by the Commission on June 7 for lift span engineering with Parsons Brinkerhoff will not be executed. Testimony regarding bridge replacement efforts before the Joint Legislative Committee on Transportation was not given due to time limitations at the meeting; Genevieve Scholl, Communications & Special Projects Manager, will provide testimony at another meeting in Hermiston later in the month. Two damaged bridge deck panels have been replaced. The nighttime work was scheduled for two nights but completed in one. In association with the Mosier train derailment earlier this month, the Port will seek restitution from Union Pacific Railroad for lost toll revenue and deck damage resulting from the traffic reroute across the Hood River-White Salmon Interstate Bridge, as well as containment booms that were provided.

5. COMMISSIONER, COMMITTEE REPORTS: Davies reported the Urban Renewal Agency’s FY2016-17 budget was adopted at the June 13 meeting.

6. ACTION ITEMS:

a. Approve Resolution 2015-16-10 Authorizing Budget Transfer for FY 2015-16: Fred Kowell, Chief Financial Officer, reviewed adjustments reflecting changes that had occurred since budget adoption. Kowell emphasized the overall budget appropriation level did not change and that budgetary expenses would be transferred from one cost category to another or within a cost category. He then reviewed the cause of each budget transfer, whether it was a reduction or increase from the adopted budget, and stated the Resolution had a zero impact to the overall appropriations for the Port.

- Motion:** Move to approve Resolution 2015-16-10 Authorizing Budget Transfer for FY 2015-16.
- Move:** McBride
- Second:** Davies
- Vote:** **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

b. Approve Resolution 2015-16-11 Revising Governance Policy to Designate Marina Ad-hoc Committee as a Standing Committee and Retain Current Membership: The Ad-hoc committee, which was established in July 2012, continues to provide value and input to staff and the Commission regarding decisions of policy change and potential facility upgrades. Staff is recommending a Governance Policy change to designate this as a standing Marina Committee that would retain current membership and with the provision that the Committee would meet as needed rather than monthly.

- Motion:** Move to approve Resolution No. 2015-16-11 revising Governance Policy effective June 23, 2016 to establish a standing Marina Committee.
- Move:** Davies
- Second:** McBride
- Vote:** **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

c. Approve Contract with Centrex Construction Inc., for Installation of New Maintenance Door Not to Exceed \$(TBD): This airport item was pulled from the agenda.

d. Approve Contract with A&E Heating for DMV Building HVAC Not to Exceed \$13,000: Anne Medenbach, Development & Property Manager, reported that quotes were solicited from three local companies; however, one company declined and a second company would have been two months out in replacing the HVAC unit. Medenbach commented the unit is included in the FY 2015-16 budget.

- Motion:** Move to approve contract with A&E Heating for replacement of HVAC unit at the DMV Building in an amount not to exceed \$13,000.
- Move:** McBride
- Second:** Davies
- Vote:** **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

e. Approve Contract with A&E Heating for Halyard Building Suite 104 HVAC Connection Not to Exceed \$(TBD): This suite has existing duct work, thermostats, heating coils and fans; however Real Carbon, the prior tenant in Suite 104, did not require connection to the HVAC system. pFriem Brewing has since taken over Suite 104 and does require connection to the rooftop unit (RTU). Multiple quotes for the connection to the existing RTU were solicited; A&E Heating was the only contractor to provide a quote.

- Motion:** Move to approve contract with A&E Heating for connection of the HVAC system in Halyard Suite 104 to the main RTU (rooftop unit) in an amount not to exceed \$16,500 subject to Legal Counsel review.
- Move:** McBride
- Second:** Davies
- Vote:** **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

f. Approve Contract with Aset Advanced Security & Electrical Technology, Inc. for Bridge Cameras Not to Exceed \$15,000: Kowell reported existing toll facility cameras and the software application are in need of replacement. Separate from this contract will be an upgrade of the bandwidth to 1000base T from 100base T that will be coordinated with Gorge Networks. Kowell said that surveillance on Lanes 1, 2, and 3 will be fixed cameras while the Lane 4 and parking lot cameras will be movable. A server and greater storage capacity will also be achieved.

- Motion:** Move to approve contract with Aset Advanced Security & Electrical Technology, Inc. for replacement of video surveillance system in an amount not to exceed \$15,000 subject to Legal Counsel review.
- Move:** McBride
- Second:** Davies
- Vote:** **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

g. Approve Contract with Schott and Associates for Wetland Mitigation Permitting Services Not to Exceed \$11,500: The Airport north ramp area has been identified in the 2016 Master Plan as the location for new fuel tanks, FBO relocation, and hangars as well as the location for a potential ODOT *ConnectOregon* VI grant to install utilities, move fuel tanks and ready the site for the development identified in the Master Plan. Mitigation of the approximate 1.5 acres of wetland in the project area is the first step towards development. Medenbach said this process could take up to one year to complete.

- Motion:** Move to approve contract with Schott and Associates for wetland mitigation at Ken Jernstedt Airfield for an amount not to exceed \$11,500 plus reasonable reimbursable expenses subject to legal counsel review.
- Move:** Davies
- Second:** McBride
- Vote:** **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

h. Approve Contract with Vista GeoEnvironmental for Engineering Services Related to Wetland Mitigation Not to Exceed \$(TBD): This Action Item is related to the Schott and Associates (“Schott”) wetland mitigation. Medenbach noted that Schott has recommended using Vista GeoEnvironmental for engineering, grading plans, permit submittals and responding to any agency questions or requests for additional information.

- Motion:** Move to approve contract with Vista GeoEnvironmental Services LLC for wetland permit engineering services at Ken Jernstedt Airfield for \$15,000 plus reasonable reimbursable expenses subject to Legal Counsel review.
- Move:** McBride
- Second:** Davies
- Vote:** **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

i. Approve Payment to NW Natural Gas Co. for Gas Line Installation at Lower Mill Site Not to Exceed \$13,762 [agenda addition]: On-site utility work has begun at the Lower Mill. As part of the installation process, NW Natural is requiring that the Port pay for the installation of a portion of the metered service. 908 LF of gas main will be installed to service four lots and Medenbach reported the Port payment includes pipe, labor, tracer wire, activation and main tap. The trench, sand padding and backfill, per NW Natural’s specifications, are being provided by a Port contractor. Work will be completed within the next two week.

- Motion:** Move to approve payment to NW Natural Gas Co. for gas line installation to the Lower Mill site not to exceed \$13,762.
- Move:** Davies
- Second:** McBride
- Vote:** **Aye:** Davies, McBride, and Shortt
Absent: Duckwall and Streich

MOTION CARRIED

7. COMMISSION CALL: McBride commented that he had noted anxiety by some drivers when it took a little longer to get through the toll plaza due to a lane closure. Kowell responded that controllers in all lanes were recently exchanged. Kowell also commented that toll collectors have ‘through put’ discretion. McBride also inquired about fill signage at the Lower Mill site—was it for purchase or was fill needed? Medenbach responded that signage to indicate fill was free and it was U-haul would be an appropriate addition. McBride said he is still

very much interested in staff preparing a resolution banning fossil fuel transport for Commission action. Davies stated his support for seeking lost revenue reimbursement when the Port has been directed to 'open' the bridge when traffic has been rerouted due to an incident. In reference to a letter the Port received objecting to the "visual mess" of flags and signs vying for wind/water and food services on the waterfront, Shortt commented that flags create a festive appearance that draws an eye to the waterfront and only lasts about 90 days. He did question, however, if fence signage was appropriate 'billboard' space and commented that the area of No. 2nd and Riverside was a little cluttered. Shortt also suggested better way-finding signage.

8. EXECUTIVE SESSION: Regular Session was recessed at 6:57 p.m. to call the Commission into Executive Session under ORS 192.660(2)(e) Real Property Transactions and ORS 192.660(2)(h) Legal Counsel Regarding Current Litigation or Litigation Likely to be Filed.

9. POSSIBLE ACTION: The Commission was called back into Regular Session at 7:10p.m. No action was taken as a result of Executive Session.

10. ADJOURN: At 7:10 p.m. there was unanimous approval for a motion from Commissioner Davies to adjourn the meeting.

Respectfully submitted,

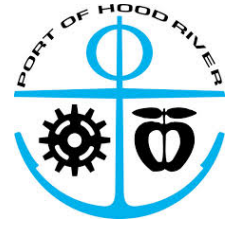
Laurie Borton

ATTEST:

Brian Shortt, President, Port Commission

Jon Davies, Secretary, Port Commission

Commission Memo



Prepared by: Fred Kowell
Date: July 19, 2016
Re: Accounts Payable Requiring Commission Approval

Jaques Sharp	\$8,759.00
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Attorney services per attached summary

TOTAL ACCOUNTS PAYABLE TO APPROVE	<u>\$8,759.00</u>
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JAQUES SHARP

— ATTORNEYS AT LAW —

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

RECEIVED
JUL 14 2016
BY:

CREDIT CARDS ACCEPTED

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

Page: 1
July 12, 2016
Account No: PORTOHAM

	Previous Balance	Fees	Expenses	Advances	Payments	Balance
MISCELLANEOUS MATTERS						
JJ	380.00	494.00	0.00	0.00	-380.00	\$494.00
FBO AIRPORT AGREEMENT (Gifford/Classic Wings)	874.00	0.00	0.00	0.00	-874.00	\$0.00
TRANSPORTATION ISSUES	0.00	209.00	0.00	0.00	0.00	\$209.00
LEASE (Pfriem Brewing)	418.00	1,862.00	0.00	0.00	-418.00	\$1,862.00
PROPERTY SALE (Bob Naito; NBW Hood River)	380.00	266.00	0.00	0.00	-380.00	\$266.00
LEASE (Hood River Distillers)	1,463.00	19.00	0.00	0.00	-1,463.00	\$19.00
LEASE (Double Mountain)	209.00	0.00	0.00	0.00	-209.00	\$0.00
LEASE (CRG Freight)	209.00	0.00	0.00	0.00	-209.00	\$0.00
PUBLIC CONTRACT RULES (Updated)	114.00	0.00	0.00	0.00	-114.00	\$0.00
CONTRACT (H.D.R. ENGINEERING)	19.00	0.00	0.00	0.00	-19.00	\$0.00

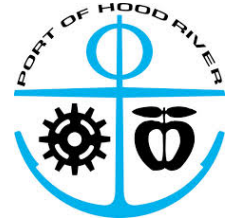
HOOD RIVER, PORT OF

Account No: July
POF

	Previous Balance	Fees	Expenses	Advances	Payments	Balance
DOG PARK	0.00	76.00	0.00	0.00	0.00	\$76.00
BARGE BRIDGE DAMAGE	323.00	684.00	0.00	0.00	-323.00	\$684.00
BRANDT LAND TRADE AIRPORT AREA	0.00	190.00	0.00	0.00	0.00	\$190.00
WATER ISSUES	1,387.00	2,945.00	0.00	0.00	-1,387.00	\$2,945.00
LOT 1 PRELIMINARY SUBDIVISION (Berger ABAM)	0.00	741.00	0.00	0.00	0.00	\$741.00
ELECTION ISSUE	133.00	0.00	0.00	0.00	-133.00	\$0.00
TRANSPORTATION ISSUES - PART C	0.00	95.00	0.00	0.00	0.00	\$95.00
FIBRE OPTIC EASEMENT - WATERFRONT (HR Electric Co)	0.00	247.00	0.00	0.00	0.00	\$247.00
BRIDGE CAMERA	437.00	152.00	0.00	0.00	-437.00	\$152.00
PUBLIC RECORDS	0.00	152.00	0.00	0.00	0.00	\$152.00
GLIDER CONCESSION -AIRPORT	0.00	418.00	0.00	0.00	0.00	\$418.00
BRIDGE REPLACEMENT 2016 (ODOT/WDOT)	0.00	209.00	0.00	0.00	0.00	\$209.00
	<u>6,346.00</u>	<u>8,759.00</u>	<u>0.00</u>	<u>0.00</u>	<u>-6,346.00</u>	<u>\$8,759.00</u>

THIS STATEMENT REFLECTS SERVICES PROVIDED AND PAYMENTS RECEIVED THROUGH THE 30th OF JUNE UNLESS OTHERWISE STATED

Commission Memo



Prepared by: Anne Medenbach
Date: July 19, 2016
Re: Release and Consent - pFriem

pFriem is expanding operations and has a loan from Umpqua Bank to finance equipment and fixtures. These assets are collateral for the bank loan. The bank desires first claim position on these assets in the event of a loan default and is requesting the Port disclaim its rights to these assets in the event of a pFriem default of the lease.

Port's legal counsel reviewed the original form and recommended changes to the bank. The bank accepted those recommendations. The final Landlord's Release and Consent document is attached. Commissioner Shortt signed the legal counsel approved documents (attached) on July 1 to help pFriem meet their creditors' requirements and all other authorized signers were unavailable.

RECOMMENDATION: Ratify Landlord's Waiver and Consent and Addendum to Landlord's Release with Umpqua Bank for equipment to be used for pFriem brewery operations at the Halyard Building.

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LANDLORD'S RELEASE AND CONSENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
	06-08-2016	02-15-2024	747004269	1763 / EQ42	01048894	82327	
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower: Pfriem Brewing Company, LLC
707 Portway Ave, #101
Hood River, OR 97031-1218

Lender: Umpqua Bank
CBC Bend
C/O Loan Support Services
PO Box 1580
Roseburg, OR 97470

THIS LANDLORD'S RELEASE AND CONSENT is entered into among Pfriem Brewing Company, LLC ("Borrower"), whose address is 707 Portway Ave, #101, Hood River, OR 97031-1218; Umpqua Bank ("Lender"), whose address is CBC Bend, C/O Loan Support Services, PO Box 1580, Roseburg, OR 97470; and Port of Hood River ("Landlord"), whose address is 1000 E Port Marina Drive, Hood River, OR 97031. Borrower and Lender have entered into, or are about to enter into, an agreement whereby Lender has acquired or will acquire a security interest or other interest in the Collateral. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

COLLATERAL DESCRIPTION. The word "Collateral" means certain of Borrower's personal property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

Equipment.

BORROWER'S ASSIGNMENT OF LEASE. Borrower hereby assigns to Lender all of Borrower's rights in the Lease, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments may be made to the Lease without Lender's prior written consent, which shall not be unreasonably withheld or delayed.

CONSENT OF LANDLORD. Landlord consents to the above assignment. If Borrower defaults under the Loan or the Lease, Lender may reassign the Lease, and Landlord agrees that Landlord's consent to any such reassignment will not be unreasonably withheld or delayed. So long as Lender has not entered the Premises for the purpose of operating a business, Lender will have no liability under the Lease, including without limitation liability for rent. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as lessee under the Lease. While Lender is in possession of the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later reassigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

LEASE DEFAULTS. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period of sixty (60) days from the receipt of the notice. If the default is one that cannot reasonably be cured by Lender (such as Insolvency, bankruptcy, or other judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease for the period during which Lender is in possession of the Premises, or so long as Lender reassigns the Lease to a new lessee reasonably satisfactory to Landlord.

DISCLAIMER OF INTEREST. Landlord hereby consents to Lender's security interest (or other interest) in the Collateral and disclaims all interests, liens and claims which Landlord now has or may hereafter acquire in the Collateral. Landlord agrees that any lien or claim it may now have or may hereafter have in the Collateral will be subject at all times to Lender's security interest (or other present or future interest) in the Collateral and will be subject to the rights granted by Landlord to Lender in this Agreement.

ENTRY ONTO PREMISES. Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the Collateral from the Premises or conducting sales of the Collateral on the Premises. The rights granted to Lender in this Agreement will continue until a reasonable time after Lender receives notice in writing from Landlord that Borrower no longer is in lawful possession of the Premises. If Lender enters onto the Premises and removes the Collateral, Lender agrees with Landlord not to remove any Collateral in such a way that the Premises are damaged, without either repairing any such damage or reimbursing Landlord for the cost of repair.

WAIVE JURY. All parties hereby waive the right to any jury trial in any action, proceeding or counterclaim brought by any party against any other party.

VENUE. The loan transaction that is evidenced by this Agreement has been applied for, considered, approved and made in the State of Oregon. If there is a lawsuit relating to this Agreement, the undersigned shall, at Lender's request, submit to the jurisdiction of the courts of Lane, Douglas or Washington County, Oregon, as selected by Lender, in its sole discretion, except and only to the extent of procedural matters related to Lender's perfection and enforcement of its rights and remedies against the collateral for the loan, if the law requires that such a suit be brought in another jurisdiction. As used in this paragraph, the term "Agreement" means the promissory note, guaranty, security agreement or other agreement, document or instrument in which this paragraph is found, even if this document is described by another name, as well.

ARBITRATION. Borrower and Lender agree that all disputes, claims and controversies between them, arising from this Note or otherwise, including without limitation contract and tort disputes, shall be brought in their individual capacities and not as a plaintiff or class member in any purported class or representative proceeding and, upon request of either party, shall be arbitrated pursuant to the rules of (and by filing a claim with) Arbitration Service of Portland, Inc., in effect at the time the claim is filed. No act to take or dispose of any collateral securing this Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any collateral securing this Note, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral securing this Note, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Borrower and Lender agree that in the event of an action for judicial foreclosure pursuant to California Code of Civil Procedure Section 726, or any similar provision in any other state, the commencement of such an action will not constitute a waiver of the right to arbitrate and the court shall refer to arbitration as much of such action, including

**LANDLORD'S RELEASE AND CONSENT
(Continued)**

Loan No: 747004269

Page 2

counterclaims, as lawfully may be referred to arbitration. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Note shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

ATTORNEY FEES AND EXPENSES. The undersigned agrees to pay on demand all of Lender's costs and expenses, including Lender's attorney fees and legal expenses, incurred in connection with enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement. Lender may also use attorneys who are salaried employees of Lender to enforce this Agreement. The undersigned shall pay all costs and expenses of all such enforcement. In the event arbitration, suit, action or other legal proceeding is brought to interpret or enforce this Agreement, the undersigned agrees to pay all additional sums as the arbitrator or court may adjudge reasonable as Lender's costs, disbursements, and attorney fees at hearing, trial, and on any and all appeals. As used in this paragraph "Agreement" means the loan agreement, promissory note, guaranty, security agreement, or other agreement, document, or instrument in which this paragraph is found, even if this document is also described by another name. Whether or not an arbitration or court action is filed, all reasonable attorney fees and expenses Lender incurs in protecting its interests and/or enforcing this Agreement shall become part of the indebtedness evidenced or secured by this Agreement, shall bear interest at the highest applicable rate under the promissory note or credit agreement, and shall be paid to Lender by the other party or parties signing this Agreement on demand. The attorney fees and expenses covered by this paragraph include without limitation all of Lender's attorney fees (including the fees charged by Lender's in-house attorneys, calculated at hourly rates charged by attorneys in private practice with comparable skill and experience), Lender's fees and expenses for bankruptcy proceedings (including efforts to modify, vacate, or obtain relief from any automatic stay), fees and expenses for Lender's post-judgment collection activities, Lender's cost of searching lien records, searching public record databases, on-line computer legal research, title reports, surveyor reports, appraisal reports, collateral inspection reports, title insurance, and bonds issued to protect Lender's collateral, all to the fullest extent allowed by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement: This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan indebtedness.

AMENDMENTS. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

NO WAIVER BY LENDER. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Landlord, shall constitute a waiver of any of Lender's rights or of any of Landlord's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

SEVERABILITY. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Landlord's Release and Consent, as this Landlord's Release and Consent may be amended or modified from time to time, together with all exhibits and schedules attached to this Landlord's Release and Consent from time to time.

Borrower. The word "Borrower" means Pfiem Brewing Company, LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Borrower's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Landlord. The word "Landlord" means Port of Hood River, and is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or lienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

Lease. The word "Lease" means that certain lease of the Premises, dated December 5, 2011, between Landlord and Borrower..

Lender. The word "Lender" means Umpqua Bank, its successors and assigns.

Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced.

Note. The word "Note" means and includes all promissory notes given by Borrower to Lender, whether now existing or hereafter executed, together with all renewals, extensions, modifications, re-financings, consolidations and substitutions of those notes.

Premises. The word "Premises" means the real property located in Hood River County, State of Oregon, commonly known as 707 Portway Ave #101, Hood River, OR 97031.

LANDLORD'S RELEASE AND CONSENT
(Continued)

Loan No: 747004269

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Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S RELEASE AND CONSENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS DATED JUNE 8, 2016.

BORROWER:

PFRIEM BREWING COMPANY, LLC

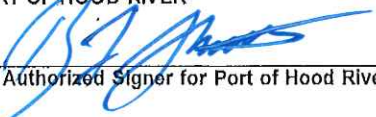
By: _____
Kenneth S. Whiteman, Manager of Pfriem
Brewing Company, LLC

By: _____
Rudolf Kellner, Member of Pfriem Brewing
Company, LLC

By: _____
Joshua A. Pfriem, Manager of Pfriem Brewing
Company, LLC

LANDLORD:

PORT OF HOOD RIVER

By: 
Authorized Signer for Port of Hood River

By: _____
Authorized Signer for Port of Hood River

LENDER:

UMPQUA BANK

X _____
Authorized Officer

ADDENDUM TO LANDLORD'S RELEASE

THIS ADDENDUM TO LANDLORD'S RELEASE is incorporated into Landlord's Release and Consent dated June 8, 2016 (the "Agreement") among Pfriem Brewing Company, LLC ("Borrower"), Umpqua Bank ("Lender"), and Port of Hood River ("Landlord"), and amends the Agreement as follows:

1. Page #1, **CONSENT OF LANDLORD**, revised content:

CONSENT OF LANDLORD. Landlord consents to the above assignment. If Borrower defaults under the Loan or the Lease, Lender may reassign the Lease, and Landlord agrees that Landlord's consent to any such reassignment will not be unreasonably withheld or delayed. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as lessee under the Lease. While Lender is in possession of the Premises because Lender has declared Borrower in default under the loan and Borrower is not independently operating Borrower's business on the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later reassigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

2. Page #1, **DISCLAIMER OF INTEREST**, revised content:

DISCLAIMER OF INTEREST. Landlord hereby consents to Lender's security interest (or other interest) in the Collateral and disclaims all interests, liens and claims which Landlord now has or may hereafter acquire in the Collateral, provided however that Landlord retains its rights under paragraph 15 of the Lease to retain property Lessee and Lender have abandoned. Landlord agrees that any lien or claim it may now have or may hereafter have in the Collateral will be subject at all times to Lender's security interest (or other present or future interest) in the Collateral and will be subject to the rights granted by Landlord to Lender in this Agreement.

3. Page #1, **ENTRY ONTO PREMISES**, revised content:

ENTRY ONTO PREMISES. The rights granted to Lender in this Agreement will continue for a reasonable time after Lender receives notice in writing from Landlord or Borrower that Borrower is no longer in lawful possession of the Premises, or for a reasonable time after Borrower defaults under the Loan and Lender takes possession of the Premises as a result of the default, whichever event occurs first. If Borrower defaults under the Loan, Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the Collateral from the Premises or conducting sales of the Collateral on the Premises for a period not to exceed 90 days from the beginning of Lender's right to possession, unless a longer time is necessary due to bankruptcy or legal proceedings. If Lender enters onto the Premises and removes the Collateral, Lender agrees with Landlord not to remove any collateral in such a way that the Premises are damaged, without either repairing any such damage or reimbursing Landlord for the cost of repair.

4. Page #1, **VENUE**, revised content:

VENUE. The loan transaction that is evidenced by this Agreement has been applied for, considered, approved and made in the State of Oregon. If there is a lawsuit relating to this Agreement, the undersigned shall, at Lender's request, submit to the jurisdiction of the courts of Hood River County, except and only to the extent of procedural matters related to lender's perfection and enforcement of its

rights and remedies against the collateral for the loan, if the law requires that such a suit be brought in another jurisdiction. As used in this paragraph, the term "Agreement" means the promissory note, guaranty, security agreement or other agreement, document or instrument in which this paragraph is found, even if this document is described by another name, as well.

5. Page #1, **ARBITRATION**, revised content:

ARBITRATION. *Borrower and Lender agree that all disputes, claims and controversies between them, arising from this Agreement or otherwise, including without limitation contract and tort disputes, shall be brought in their individual capacities and not as a plaintiff or class member in any purported class or representative proceeding and, upon request of either party, shall be arbitrated pursuant to the rules of (and by filing a claim with) Arbitration Service of Portland, Inc., in effect at the time the claim is filed. No act to take or dispose of any collateral securing the Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any collateral securing the Note, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral securing the Note, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Borrower and Lender agree that in the event of an action for judicial foreclosure pursuant to California Code of Civil Procedure Section 726, or any similar provision in any other state, the commencement of such an action will not constitute a waiver of the right to arbitrate and the court shall refer to arbitration as much of such action, including counterclaims, as lawfully may be referred to arbitration. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Agreement shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.*

6. Page #2, **ATTORNEY FEES AND EXPENSES**, revised content:

ATTORNEY FEES AND EXPENSES. *The borrower agrees to pay on demand all of Lender's costs and expenses, including Lender's attorney fees and legal expenses, incurred in connection with enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement. Lender may also use attorneys who are salaried employees of Lender to enforce this Agreement. The borrower shall pay all costs and expenses of all such enforcement. In the event arbitration, suit, action or other legal proceeding is brought to interpret or enforce this Agreement, the borrower agrees to pay all additional sums as the arbitrator or court may adjudge reasonable as Lender's costs, disbursements, and attorney fees at hearing, trial, and on any and all appeals. As used in this paragraph "agreement" means the loan agreement, promissory note, guaranty, security agreement, or other agreement, document, or instrument in which this paragraph is found, even if this document is also described by another name. Whether or not an arbitration or court action is filed, all reasonable attorney fees and expenses Lender incurs in protecting its interests and/or enforcing this Agreement shall become part of the indebtedness evidenced or secured by this Agreement, shall bear interest at the highest applicable rate under the*

promissory note or credit agreement, and shall be paid to Lender by the Borrower on demand. The attorney fees and expenses covered by this paragraph include without limitation all of Lender's attorney fees (including the fees charged by Lender's in-house attorneys, calculated at hourly rates charged by attorneys in private practice with comparable skill and experience), Lender's fees and expenses for bankruptcy proceedings (including efforts to modify, vacate, or obtain relief from any automatic stay), fees and expenses for Lender's post-judgment collection activities, Lender's cost of searching lien records, searching public record databases, on-line computer legal research, title reports, surveyor reports, appraisal reports, collateral inspection reports, title insurance, and bonds issued to protect Lender's collateral, all to the fullest extent allowed by law.

7. New paragraph content:

Borrower to notify the Landlord if the Borrower is in default, Lender intends to take possession of the Premises, when the Lender has taken possession as well as notify the Landlord when the Note(s) have been paid in full or transferred to another Lender, along with the new Lender's contact information.

8. Page #2, **DEFINITIONS, Lease**, revised content:

***Lease.** The word "Lease" means that certain lease of the Premises, dated February 2, 2015 as amended prior to the date of this Agreement, between Landlord and Borrower.*

9. Page #3, final sentence before signature lines, revised content:

BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S RELEASE AND CONSENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS EFFECTIVE JUNE 8, 2016.

IN WITNESS WHEREOF, Landlord, Lender and Borrower have executed this Addendum as part of the Agreement.

LENDER: UMPQUA BANK

BY _____
Authorized Officer

BORROWER: PFRIEM BREWING COMPANY, LLC

BY _____
Kenneth S. Whiteman, Manager of Pfriem
Brewing Company, LLC

BY _____
Rudolf Kellner, Member of Pfriem
Brewing Company, LLC

BY _____
Joshua A. Pfriem, Manager of Pfriem
Brewing Company, LLC

LANDLORD:

PORT OF HOOD RIVER

BY  _____
Authorized Signer for Port of Hood River

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Commission Memo



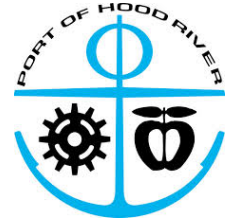
Prepared by: Michael McElwee
Date: July 19, 2016
Re: Key Development Site Plan Update

Key Development Principal Jeff Pickhardt will provide the Commission with an update to the Expo Property development project during the July 19 meeting.

RECOMMENDATION: Discussion.

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Commission Memo



Prepared by: Michael McElwee
Date: July 19, 2016
Re: DKS Associates Initial Bridge Signage Needs Assessment

DKS Associates have completed their initial assessment of the signage needs for the Bridge, including a complete inventory and map of current signage (attached), review of previous signage studies, and identification of key issues. Nate Schroeder, P.E., PTOE and Kate Petak, E.I.T, are collaborating on the project and will give a brief presentation of their findings during the meeting.

A draft memorandum is attached; DKS seeks Commission input on their initial findings.

RECOMMENDATION: Discussion.

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720 SW Washington St.
Suite 500
Portland, OR 97205
503.243.3500
www.dksassociates.com

DRAFT MEMORANDUM

DATE: July 11, 2016

TO: Michael McElwee, Port of Hood River

FROM: Nate Schroeder, P.E., PTOE
Kate Petak, E.I.T.

SUBJECT: Hood River Bridge Signing Plan – Draft Needs Assessment

P#16105-000

Introduction

The purpose of the memorandum is to document existing sign conditions on the Hood River – White Salmon Interstate Bridge and its approaches, and provide a needs assessment to clarify key issues that will be addressed through updated signage in the master signing plan. Key issues identified by the project team through conversations with Port of Hood River (Port) staff and field observations include the following:

- Narrow Lane Widths
- Appropriate Speeds
- Weight Limit Restrictions
- Tolling Information
- Lift Span
- Episodic Events (lane closures, construction activities, detour routes)
- Advance Signing
- Miscellaneous Signs
- Agency Responsibilities and Jurisdictions

The master signing plan will layout strategies for addressing deficiencies identified during this assessment related to these key issues. The following sections will discuss existing conditions, previous studies, and each of the key issues identified above.

Existing Conditions and Background

The Hood River – White Salmon Interstate Bridge provides a crossing of the Columbia River in the Columbia River Gorge, connecting Hood River in Oregon with White Salmon and Bingen in Washington. The bridge is the second oldest across the Columbia River and dates back to 1924. The Port of Hood River has owned the bridge since 1950. It is a designated state route for Washington, but is not a designated state route for Oregon.

The Bridge is a 0.8 mile long truss bridge with a steel-grated deck and a vertical lift span. There is one narrow lane (9' 4.75") in each direction on the bridge deck. Pedestrians and cyclists are currently prohibited from crossing the bridge, due to the lack of any sort of sidewalks or bike lanes across the structure. The nearest pedestrian/cyclist



crossings of the Columbia River are the Bridge of the Gods in Cascade Locks to the west or to the Dalles Bridge to the east. The bridge lift span is raised an average of 14 times each year, and each lift typically lasts 15 minutes or less.

The bridge currently operates as a toll bridge with a charge of \$1.00 per axle and \$0.75 for motorcycles. There is a weight restriction of 80,000 pounds; additionally, each axle is restricted to 20,000 pounds and tandem axles are restricted to 34,000 pounds. The bridge also has a height restriction of 14'7". There are two lanes in each direction at the tollbooth: the outside lane is for electronic tolling (BreezeBy) customers only and the center lane is for cash transactions, as well as BreezeBy customers. The bridge serves an average of 4 million users annually, with about 12,000 vehicles crossing per day during the summer months.¹



Hood River Bridge looking south

Previous Studies

The Port has produced information pertinent to this signing project, including the following:

- *Hood River Bridge Heavy Truck Assessment, Columbia River Port Engineers, Sept. 2015*

This report summarizes weight rules and regulations for Oregon and Washington, evaluates the toll structure, provides interviews with staff from the Oregon Department of Transportation Motor Carrier Division and Washington State Patrol's Motor Carrier Enforcement, and evaluates the possibility of installing a weigh-in-motion system.

The final recommendations include providing more advance signage for weight limitations on the bridge (so drivers can plan alternate routes) and raising tolls for overweight trucks (using a weigh-in-motion system).

- *Non-Motorized Crossing Alternatives at the Hood River Bridge, Alta Planning + Design, Sept. 2009*

This report evaluated alternatives for pedestrians and cyclists crossing the Hood River Bridge. The final recommendation, based on stakeholder interviews and alternatives analysis, was to establish a new or expanded fixed-route transit service that crosses the bridge multiple times a day. If this was not financially feasible, the next alternative was to install informal rideshare pick-up and drop-off sites near the bridge

¹ *Non-Motorized Crossing Alternatives at the Hood River Bridge, Alta Planning + Design, Sept. 2009*



entrances, along with providing seasonal fixed-route transit service. Additional signing would be needed if either of these options are implemented.

- *Existing Bridge Signing Graphic, Port of Hood River, 2016.*

This 11"x17" graphic shows an aerial view of the Hood River Bridge and photographs of all of the existing signs located on the bridge between the tollbooth and the SR-14 traffic signal.

According to the Port, there has never been a comprehensive evaluation of the signing on the bridge and its approaches. With the issues of weight limit restrictions, narrow lane widths, excessive speeds, and concerns over keeping the ongoing structural deficiencies of the bridge in check, the Port would like to improve and clarify messages to road users by improving the comprehensive signing in the area.

Key Issues

Narrow Lane Widths

Communicating narrow lane widths in advance of the bridge is one of the highest priorities for the Port. The Bridge lane widths are 9'-4.75", with one lane in each direction. There are no shoulders or sidewalks to provide shy distance from the bridge railing, which results in vehicles driving closer to the centerline than usual. According to Port staff, drivers of recreational vehicles tend to be involved with most of the incidents related to lane width, as their vehicles are wide and the drivers may not be as familiar with traveling across the narrow bridge.



Narrow lane widths on grated steel bridge deck

The Port website directs large recreational vehicles to cross the Columbia River at Cascade Locks or The Dalles instead of Hood River, and advises all large vehicles to turn in their mirrors while driving over the bridge.

Special arrangements can be made to accommodate wide loads crossing the bridge with more than 24 hours of notice, using flaggers and pilot cars. Prior to the Bridge re-decking in 2005, there was a rub rail throughout the length of the span, which truck drivers could use as guidance for lining up their tires. However, ODOT did not allow the rub rail to be reinstalled as part of the re-decking project. As a result, the Port has seen an increase in vehicles scraping the bridge rails, which is evident from field observations.

Appropriate Speeds

Controlling vehicle speed limits across the bridge and in the toll plaza is another high priority for the Port, as excessive speeds appear to contribute to many of the bridge incidents. The Port attempted to install a speed feedback sign on the bridge rail, but the cost was prohibitive. The speed feedback sign was installed on the



tollbooth over the southbound lane instead, which has been effective for reducing speeds approaching the tollbooth, but does not seem to have a similar impact on the bridge deck itself.

On the bridge deck, there are currently two 25 mph speed limit signs in each direction, and 10 mph speed limit signs near the approaches to the toll plaza.

Weight Limit Restrictions

There are currently weight limit restriction signs posted at the bridge entrances. However, the location of the signs do not provide adequate notice for drivers to change routes. The bridge has a weight limit of 80,000 pounds. A single axle has a weight limit of 20,000 pounds, and a tandem axle has a weight limit of 34,000 pounds.

According to the Port, there is an issue with vehicles exceeding the 80,000 pound limit on a consistent basis. Many of the overweight vehicles tend to be local logging or fruit trucks, with additional overweight vehicles routed over the bridge when there are closures on I-84 or SR14. The Port is concerned that overweight vehicles are causing accelerated degradation of the bridge, and would like to reduce this long-term impact by identifying tolling or enforcement strategies.

Furthermore, the Port is interested in implementing a weigh-in-motion system that would automatically track overweight vehicles, and potentially notify or even fine them for the infraction. This system is very likely to be implemented using federal grant money sometime in the future. The master signing plan will document ways to communicate the presence of this new system to truck drivers.

Tolling Information

Currently, tolls are charged for crossing the bridge in both directions, and can be paid in cash (at the tollbooth) or with an electronic tolling (BreezeBy) pass. The Port would like to simplify the communication of the tolling information to the traveling public. Currently, there are two large toll rate signs located at each approach to the bridge, which are difficult to read due to the small legend height and number of different rate types shown.

The Port has plans (at least two years away) to convert all cash tolling to electronic tolling, which may include debit or credit transactions, license plate reader technology, BreezeBy, or automatic toll invoices. There is interest in having a dynamic toll fee sign in order to have flexibility regarding what tolling information is provided to road users.

Lift Span

According to Port staff, the lift span is raised an average of 14 times per year, and each lift lasts approximately 15 minutes. There are currently gates and signals in advance of the drawbridge, as well as a “drawbridge ahead” warning sign and a “traffic signal ahead” warning sign on each approach to the drawbridge. The “drawbridge



Toll and weight limit signs on northbound bridge approach



ahead” warning sign is required by the Manual on Uniform Traffic Control Devices (MUTCD), but the “traffic signal ahead” warning sign is not required if there are two vehicle signal heads visible by approaching traffic.

Episodic Events

There is a desire from the agency to have temporary signing plans in place for episodic events that require temporary traffic control, such as routine bridge maintenance. During events such as detours from highway closures, the area surrounding the bridge ends can be extremely congested, and traffic from the bridge can back up onto Highway 35 to the south.

Recurring events that the Port would like to have standard signing plans for include:

- **Single lane closure on the bridge.** These closures occur periodically for routine bridge maintenance, and the Port would like to notify road users ahead of time that there will be work zones.
- **Weather events.** These events could include ice, snow, high winds, or other hazardous weather related events.
- **Detour traffic from highway.** Highway closures add congestion to the local system and bridge. During these events, the Port would like the ability to alert road users in advance of the tollbooth that toll fees will be waived.

Advance Signing

There is a need for more signing in advance of the bridge (to warn about weight limits, tolling, lane widths, etc.), so that road users have time to choose alternate routes. The MUTCD has requirements for advance signage, and these requirements will be followed during development of the master signing plan.

Currently, many warning signs are placed at the bridge approach beyond the limits of where a vehicle can turn around (for example, the first “narrow bridge” warning sign is located after the toll plaza, where the driver is already committed to crossing the bridge).



Warning signs placed beyond bridge

Miscellaneous Signs

Bridge Signs

Adding signs to the bridge is likely to be very expensive; therefore, existing sign supports on the bridge will be used for any new signs installed on the bridge, when possible. Currently, there are nine signs mounted to the bridge deck/rail: three speed limit signs, two “drawbridge ahead” warning signs, two “traffic signal ahead” warning signs, and two “stop here on red” signs.



Bicycle/Pedestrian Signs

There are two existing signs prohibiting bicycles and pedestrians on the southbound bridge approach, and two more on the northbound bridge approach. All of the signs are different, and are not located where an alternative route is available.



Bicycle and pedestrian signs are not standardized or ideally placed

Grated Steel Deck Signs

Currently, there is a “grated bridge deck” sign located at both approaches to the bridge. According to Port staff, these signs are intended to warn motorcyclists to use caution while crossing the bridge. However, the existing signs do not meet current MUTCD standards, and the intended message may not be clear to road users.

Agency Responsibilities and Jurisdiction

The Hood River Bridge is owned and operated by the Port of Hood River. However, the approaching streets on the Oregon side are under the jurisdiction of ODOT, and the approaching streets on the Washington side are under the jurisdiction of the Washington Department of Transportation (WSDOT). ODOT is responsible for evaluating the structural integrity of the bridge, and performs inspections every two years.

Any updated signing on the bridge, or approaching the bridge, will need to be coordinated with ODOT and WSDOT, and meet their respective specifications.

Summary

Based on the existing conditions assessment, and meeting with Port of Hood River staff, the following are the prioritized list of issues to be addressed with the new master signing plan for the Hood River Bridge area:

- There are a number of redundant and non-standard signs on the bridge and the approaches, which should be removed and/or updated to reduce confusion for road users
- Communicating weight and width restrictions to the public is the highest priority for the Port. These signs should be located prominently in advance of the bridge, giving road users enough notice to re-route if needed
- Excessive speeds are the second highest priority for the Port. Signing solutions should consider a mix of static and dynamic messaging for road users, as well as evaluating ideal locations for these signs
- Tolling information should be clear and simple
- Temporary signing plans should be created for episodic events

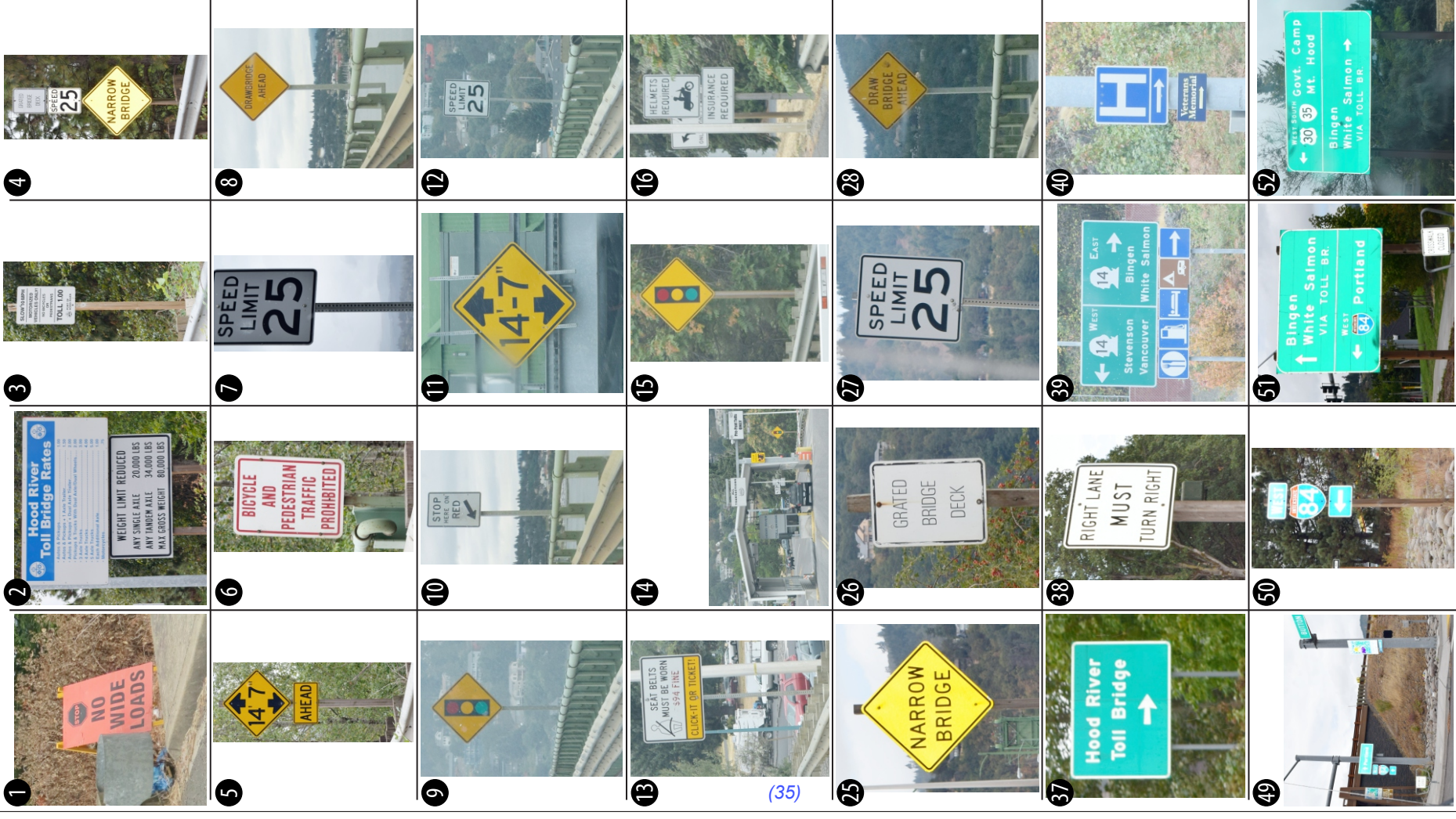
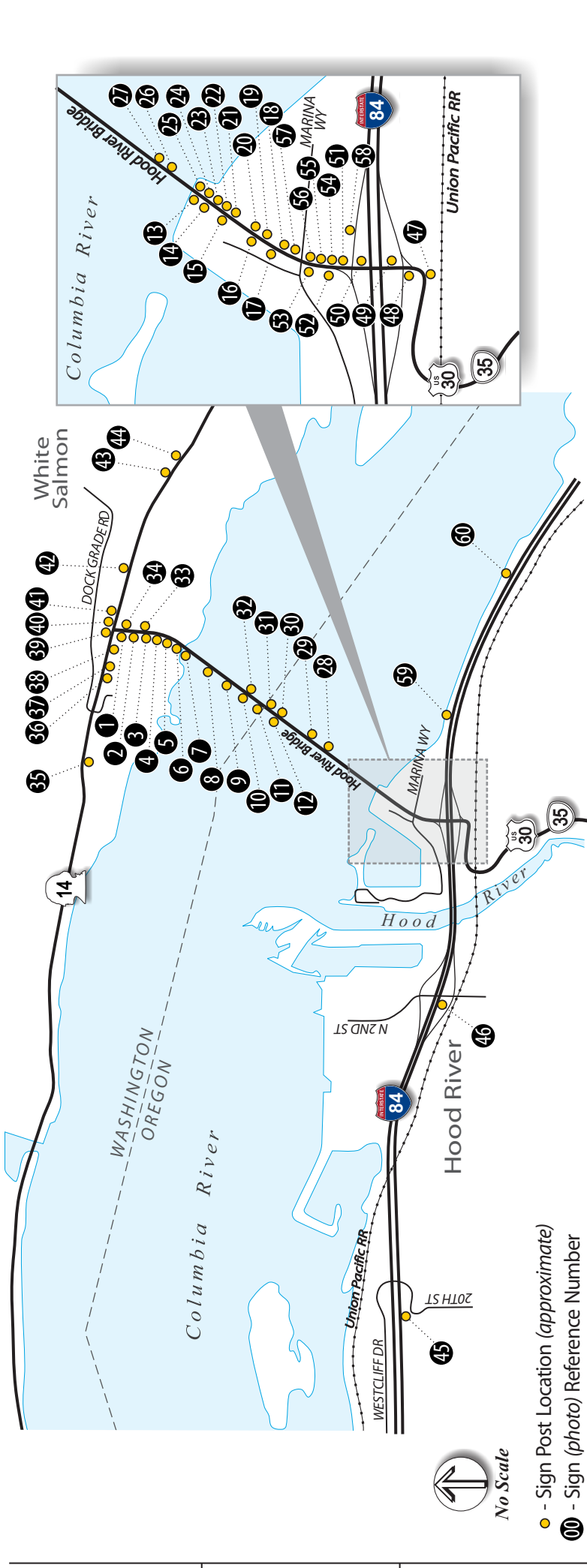


Too many signs at bridge approach



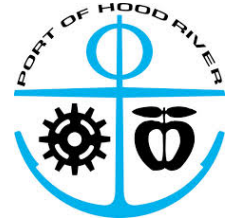
- Standard signs that meet national and state requirements should be used throughout the project area

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Commission Memo



Prepared by: Michael McElwee
Date: July 19, 2016
Re: Columbia River Insurance

Columbia River Insurance has served as the Port's insurance agent for many years. Scott Reynier, President, will provide an update on available insurance coverage during the meeting and will be available to address any questions you may have.

RECOMMENDATION: Discussion.

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Executive Director's Report

July 19, 2016

Staff & Administrative

- I very much appreciated the time away on a vacation to Colorado. Thanks to Fred Kowell and John Mann who each agreed to serve as acting ED during my absence.
- President Shortt and Genevieve Scholl attended the PNWA summer conference June 27-28 in Walla Walla.
- Engineering intern Andrew Porter is working earnestly on his assignments related to Lot #1. Andrew will make a presentation to the Commission on his efforts at the August 2nd Commission meeting.
- Anne has been asked to sit on the Ad-hoc County committee for a housing excise tax. This committee will be tasked with recommending a structure for a commercial, industrial and residential construction excise tax to be used for specific affordable housing related projects.
- Anne and Genevieve attended the Columbia Gorge Economic Symposium hosted by MCEDD July 14.
- Genevieve is organizing a OneGorge pre-legislative session “Team Huddle” to take place August 24 at the Columbia Gorge Interpretive Center in Stevenson. She has RSVPs from Senators Chuck Thomsen and Curtis King, as well as Representatives Mark Johnson, John Huffman, and Gina McCabe. Seating will be limited, so please let her know your availability and interest in attending. The next regular OneGorge meeting will be at the Fort Dalles Readiness Center July 27 beginning at 3PM.

Recreation/Marina

- Trenching and excavation work for the new power conduit around Marina Green is complete. We are waiting for PacificCorp to schedule installation of the wiring and switch-over of the power supply to the DMV Building, Marina, and Museum. After this occurs, the live-front power box will be removed.
- The vessel Queen of the West pushed up against the Commercial Dock in late June and caused some damage to the floats. A contractor started repairs on July 13. The costs for repair will be paid by the cruise ship company.
- The new Lost & Found procedures are working well and have reduced staff time on tagging and storage. Reports from the Event Site hosts are that some items are being taken from the bins by those “shopping” for good used items.

- The 4th of July weekend and fireworks display were carried out efficiently and well this year. No significant incidents were reported.
- A large vessel ran aground on the Sandbar during the evening of July 17. Significant efforts involving the Marine Deputy and other parties were necessary to remove the boat. (Pictures below from Sharon Chow).



Development/Property

- Utility work at the Lower Mill site commenced on June 21 and is proceeding well. Staff reports that Beam Excavating is doing a great job. Multiple changes have been requested by Crystal Springs Water District and a change order for a reduced contract will be brought to the Commission for approval in August.
- A second pre-application conference was held with the City of Hood River on July 13. The issue of private streets and ODOT/City desire for the Port to install a street network to help serve egress from the Naito development continues to be the primary issue for discussion.
- Key Development is seeking an amendment to make four modifications to their Site Plan Review approval for the two light industrial buildings on the Expo property. The application is attached. Key will also be asking for an amendment to the DDA regarding the Turtle Island Building— they seek to re-design it for more general light industrial purposes because Turtle Island is expected to outgrow the planned building in a few years. Jeff Pickhardt will provide an update during the meeting.
- pFriem and HRD had a successful move into the suite vacated by Double Mountain at the Maritime Building (12,100sf). CRG Freight and pFriem are sharing a loading dock. Staff has worked to coordinate access parameters and feels their needs have been well accommodated.
- Staff met with HVAC contractors and pFriem on July 11th. pFriem will propose additional HVAC work at their expense. Staff will coordinate with the contractor, engineer, pFriem and the Energy Trust of Oregon, and expects that there will be a small portion of cost

which the Port will be responsible for, as some items from original construction were never completed. Staff anticipates a proposal in September.

- Both the DMV and Halyard Suite 104 HVAC unit installs will be completed before mid-August.

Airport

- The Oregon Transportation Commission will act as the final review committee for the Connect VI applications. They will receive the final list of recommended projects during their July 21 meeting in Salem and make final decisions during their August 18 meeting in Klamath Falls.
- The Airport Master Plan has not yet been approved by the FAA. The grant process for the south taxiway improvement has also been slow. Staff and Century West continue weekly check-ins and we have received assurances that both items will be concluded in time to have no impact on grant funding. We believe this is primarily due to agency workload issues.
- Staff continues to move forward with wetland and site planning on the north ramp. Coordination between Century West, Vista GeoEnvironmental, and Schott & Associates has gone well and much of the groundwork (topographic and geotechnical surveys) that will be needed for the work is complete.
- The runway signs that were installed in 2013 are not working. Staff has coordinated with Century West, Gorge Electric, and the distributor to determine the reason. Staff believes that the original contractor installed boards that are no longer supported and is working towards a retrofit at the contractor's expense.

Bridge/Transportation

- Genevieve testified at the Joint Interim Committee on Transportation Preservation and Modernization hearing in Hermiston on June 27. Her testimony was well received and Rep. Greg Smith has asked to visit the Port and tour the bridge.
- We have issued two letters (attached) to Governor Brown and the Oregon Transportation Commission, respectively, regarding challenges and opportunities of Bridge replacement.
- Bridge deck replacement panels were installed by Port staff and Bulldog Welding overnight on June 22/23.
- Stafford Bandlow Engineers (SBE) has sent us their recommendations for restoration of the lift span skew monitoring system. The approach will focus on installation of an inclinometer for skew monitoring and thereby by-pass the resolver/macrometer system completely. An SBE employee is tentatively scheduled to come out the week of July 25 to work with our electrician on installation of wiring. We have targeted the week of August 1 for verification of the system and live testing

- The tolling system has now been updated to Windows 7 from XP. We are about two-thirds through the business rules development and will be looking at the functionality of a test system in late August. We are moving ahead with acquiring cost quotes for the transponder reader and associated equipment from Kapsch. The video surveillance system should be installed by the end of this month.

**INDUSTRIAL/COMMERCIAL FACILITIES • AIRPORT • INTERSTATE BRIDGE • MARINA**

1000 E. Port Marina Drive • Hood River, OR 97031 • (541) 386-1645 • Fax: (541) 386-1395 • portofhoodriver.com • Email: porthr@gorge.net

June 30, 2016

The Honorable Kate Brown
Governor
State of Oregon
160 State Capitol Building
900 Court Street NE
Salem, OR 97301

RE: Oil Train Derailment Incident in Mosier, Hood River/White Salmon Interstate Bridge

Dear Governor Brown:

The oil train accident that occurred in Mosier on June 3, 2016 was an ominous event for communities in the Columbia Gorge. We were proud of the effective and coordinated response by state officials, our staff, and first responders from our region. I was pleased that our Port's facilities were available to you and your staff for public communications.

I wanted to bring some information to your attention and make a single request.

The oil train derailment and resulting fire required a complete closure of I-84. As an ODOT recommended detour and the only Columbia River crossing within a 40-mile radius of the closure, the Port-owned Hood River/White Salmon Interstate Bridge had to accommodate nearly all freeway traffic in both directions for more than 12 hours. As you saw that day, traffic was backed up for miles in every direction.

Incidents requiring closure of I-84 occur about once a year. As is our practice, after the accident on June 3rd, the Port opened up our toll gates to help keep traffic moving. Still, significant delays occurred due to such high traffic volumes traversing the extremely narrow (9'4.75") travel lanes of the bridge. Large trucks and emergency response vehicles had to negotiate their crossings very slowly, coming literally within inches of each other as they crossed in opposite directions. There was just no way for traffic to move any faster than it did -- this is a serious public safety concern in times of disaster response.

The bridge has other serious deficiencies. It is weight-limited to 80,000 lbs., has a sufficiency rating of 48.7, no bike or pedestrian access, extremely narrow travel lanes and yet carries over 4 million trips across the Columbia River in a year. In sum, the bridge is nearing the end of its serviceable life, functionally obsolete and seismically deficient. It is also vital to our regional economy and absolutely essential when an emergency event occurs on either side of the river. Replacement of the Hood River/White Salmon Interstate Bridge is very important for our region and, we believe, for both states. The potential failure or closure of the bridge would have severe economic and social effects on the truly

Port of Hood River

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bi-state communities of the Gorge, and deleterious effects on the environment of the treasured Columbia River Gorge National Scenic Area.

This Port, local governments, and businesses on both sides of the Columbia River have come together to identify replacement of the bridge as a critical transportation priority in the Gorge. Since 1999, the Port has taken, or participated in, key steps toward bridge replacement. A Draft EIS is complete, a Type Size and Location (TS&L) study is complete. Through our efforts working with the Oregon and Washington congressional delegation, Congress included language in the 2015 FAST Act identifying projects within National Scenic Areas as being expressly eligible for discretionary program funding. With ODOT's assistance earlier this year, the bridge received new designation as an NHS facility. The Port recently completed a Benefit/Cost Analysis for the bridge replacement project in preparation for a FASTLane grant application. We have been reaching out to ODOT, the Region 1 ACT, WSDOT, the Southwest Washington Regional Transportation Council, the Columbia River Gorge Commission, state legislators, local governments, and business interests on both sides of the river to advance this project and develop a strong coalition of support. Earlier this month, I and my staff provided public testimony to the Oregon Transportation Commission and the Joint Committee on Transportation Preservation and Modernization to ensure widespread awareness of the need to replace this bridge, and of our commitment to work with state partners on both sides of the river to accomplish this.

While the local ownership of the bridge and the reinvestment of toll revenue in the local economy have benefitted Oregon for the past 90 years, the simple physical reality of the bridge means that this is coming to an end. The Port is seeking a defined path toward replacement. Achieving this goal will require that both ODOT and WSDOT lend their partnership, expertise, and support. It is vital that the State of Oregon and ODOT become key partners in this effort and join us in acknowledging the critical need to replace the bridge before it reaches the end of its serviceable life. We need your help to open and guide the dialog between Port and ODOT staff so that we can fully explore how this effort could leverage available federal FASTLane funding with local, state, and private resources to ensure this critical link in our transportation system remains unbroken.

We believe that your understanding of local efforts to replace the bridge is fundamental to future success. My hope is we could meet with you and your staff to discuss the challenges of bridge replacement and gain your office's advice and support on the best path forward. Thank you for your consideration.

Respectfully,



Michael McElwee
Executive Director, Port of Hood River

cc: Port Commissioners
cc: Matt Garrett, Director, Oregon Department of Transportation
cc: Hood River County Region 1 ACT members Ron Rivers, Steve Bickford, Jess Groves, Peter Cornelison


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June 30, 2016

Oregon Transportation Commission
C/O Oregon Department of Transportation Communications Division
355 Capitol Street NE, MS 11
Salem, OR 97301-3871

RE: Hood River/White Salmon Interstate Bridge Replacement Project

Dear Chair Baney and Commissioners Lohman, Morgan, Simpson, and O'Hollaren:

I want to express my sincere gratitude for your interest in my testimony on behalf of the Port of Hood River during your meeting on June 16, 2016 in Hood River. It was very encouraging to see the Commission was willing to open a new dialog with our Port about the future of the Hood River/White Salmon Interstate Bridge. Thank you.

I appreciated very much your frank questions about how toll revenue can support the construction of a new bridge, and your desire to discuss further ODOT's potential role in this project. With this letter, I am hoping to follow up on two of your questions posed to me during my testimony: 1) *where does the toll revenue go?* And 2) *why should ODOT pay for a bridge it doesn't own?* I am so glad to be able to address these issues with you directly as they both point to a communication barrier between our two public agencies that has hindered progress toward a mutually beneficial, shared goal for a long time.

First, to Commissioner Lohman's question, "*where does the toll revenue go?*" As a port district, operating under ORS 777, the Port of Hood River's primary role is economic development. In 1949, Oregon law enabled port districts, along with other municipalities, to acquire interstate bridges. This law was upheld in Oregon Supreme Court in 1950, the same year that the Port of Hood River purchased the Hood River/White Salmon Interstate Bridge. When the Oregon/Washington Bridge Company initially sought to sell the bridge due to extreme financial difficulty, both Oregon and Washington state governments, as well as the Hood River and Klickitat County Governments and the cities of Hood River and White Salmon declined to purchase the Bridge. The Port of Hood River purchased the Bridge on December 12, 1950 and has operated and maintained this critical transportation facility ever since.

Over the years, the local public ownership of the toll bridge has provided significant local public benefit in several ways:

1. As a toll facility, the significant expense of operating and maintaining the 4,418 foot long steel truss bridge is a burden born solely by bridge users – not the state, county, or city governments as in a more traditional model. This is an interstate bridge that pays for itself.
2. Local political control has kept toll rates to a tolerable level for the deeply integrated, truly bi-state community of the Hood River/White Salmon area (\$1.00 per axle).

3. Local control of toll revenue, enabled by ORS 777, has allowed this community to invest toll revenue in maintaining a safe and functional interstate bridge, but also in economic development projects that would otherwise never have happened, or only with major grant and loan investments. The Port has played a catalyst role in the re-development of blighted properties and brownfield sites, developed light industrial parks, constructed and maintained recreational facilities that have created significant jobs and supported many local businesses. Without the local control of the Hood River/White Salmon Interstate Bridge, it is very safe to say that the Mid-Columbia regional economy would look very different than it does today.

But now we have three distinct challenges facing us that threaten to disrupt the transportation system and the regional economy of the Mid-Columbia Gorge.

The first challenge is the long-time barriers to productive communication between the Port district and state transportation agencies caused by the vast operational differences between a DOT and a Port district. Yes, the Port of Hood River owns, operates, and benefits from the investment in a toll bridge. Yes, it is not easy to determine ODOT's role in financing off-system bridges such as this one. But it is shortsighted to let this complexity become a barrier to communication.

To Commissioner O'Hollaren's straightforward question on ODOT's appropriate role in this endeavor, I am grateful to have the chance to clarify that the Port of Hood River is not asking any state agency to pay for a bridge it does not own. That bridge is going away. As I stated in my testimony June 16th, parts of the current structure are 92 years old. Most of the rest is nearing 80 years old. It is the second oldest road bridge across the Columbia between Oregon and Washington. The bridge has two narrow (9' 4.75" wide) lanes with no shoulders. It is weight restricted to 80,000 lbs. There are no pedestrian or bike facilities. It has a sufficiency rating of 48.7. Yet, in 2015, the bridge accommodated over 4 million vehicle crossings.

There can be no misunderstanding: the Hood River/ White Salmon Interstate Bridge is seismically deficient, functionally obsolete, and nearing the end of its serviceable life. There can also be no understating the threat this poses to the regional economies of the Gorge. The potential failure or closure of the bridge would "...have severe social and economic impacts on the interdependent, bi-state communities" of the Columbia River Gorge National Scenic Area, as stated in the Summary to the Draft EIS of the SR-35 Columbia River Crossing Study completed in 2003.

Secondly, the conservative cost estimates for construction of a new interstate bridge is \$297.4 million. To expect that a Port district bear sole fiscal responsibility for construction of a piece of interstate infrastructure of this magnitude is illogical; especially as the costs to keep the current structure open are accelerating rapidly due to the increased age of the structure and the increased traffic loads. At the current toll rate of \$1 per axle, the bridge would have had to operate with no expenses for over 72 years for the Port to be in this position. The Port of Hood River Commission understands and is planning for a future where this bridge is no longer owned solely by our Port District. Staff is exploring several funding scenarios including joint ownership with the states, P3 partnerships, FASTLane funding and TIFIA loans. But we cannot be successful in even beginning to reasonably map out a path toward any of these scenarios without the proactive assistance of ODOT.

Port of Hood River

Providing for the region's economic future

This is our third challenge. The current bridge is quickly nearing the end of its serviceable life and there is nothing that either State or the Port can do to avoid this simple fact. The Port maintains a 30-year work plan that makes near and long-term assumptions about capital and capital maintenance projects to keep the bridge operational, but these cannot address the bridge's practical and seismic deficiencies and the unknowns of a structure that will soon be over 100 years old. This is not a modern bridge, but it is constantly asked to accommodate modern freight and commuter needs and characteristics.

My testimony to you on June 16 was intended to convey a clear message -- time is not on our side with this bridge. I understand that ODOT staff have a tremendous workload managing the roads and bridges within the State of Oregon. For the past 90 years, it has probably been a very good thing that ODOT has had one less interstate bridge to worry about – one that takes care of itself with toll revenue (an approach that is increasingly utilized nationally to pay for transportation infrastructure). But now we have arrived at a moment in time when the fact that the bridge has been self-sustaining for so long can no longer be a barrier to constructive dialogue between our two public agencies. We simply must have a serious discussion about the need for a new bridge in the middle of the Columbia River Gorge National Scenic Area. The Port of Hood River is a public agency and a willing public partner. We need proactive, positively engaged state partners as well.

In the past 15 years, a Draft EIS and TS&L have been completed. In response to legislation introduced by our state delegates, ODOT and WSDOT assisted in securing National Highway System (NHS) designation for the bridge earlier this year. Working with the Oregon and Washington federal delegation, we were able to obtain an amendment to the FAST Act that identifies projects in National Scenic Areas (NSA's) as expressly eligible for FASTLane program funding. In preparation for a FASTLane application, our Port sponsored the completion of a Benefit/Cost Analysis for the replacement project. We are working with potential private partners on P3 delivery options. We are helping to advocate for project funding in the next legislative session. As the public owner, it is the Port of Hood River's responsibility to plan for a future with a new Hood River/White Salmon Interstate Bridge. As the state's transportation agencies, it is ODOT and WSDOT's responsibility to engage proactively and positively.

Let's work together to recognize that a critical link in the region's interstate transportation system is in need of replacement. Let's work together to plan for, fund, and implement this important project. I welcome any opportunity to meet with the Commission and ODOT administrators again in the near future to continue this dialog that is so important to our state.

Respectfully,

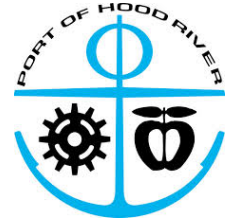


Michael S. McElwee
Port of Hood River

cc: Port Commissioners
cc: Matt Garrett, Director, Oregon Department of Transportation
cc: Hood River County Region 1 ACT members Ron Rivers, Steve Bickford, Jess Groves, Peter Cornelison

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Commission Memo



Prepared by: Fred Kowell
Date: July 19, 2016
Re: Annual Reappointments – Legal Counsel, Auditor, Insurance Agent of Record

Legal Counsel Reappointment -- Section 15 of the Port’s Governance Policy states an attorney shall be selected by the Commission and that the adequacy and cost/benefit of legal counsel shall be reviewed every five years (or fewer if circumstances so dictate). The Commission approved a Legal Services Agreement with Jaques Sharp Attorneys at Law (“Jaques”) at the January 6, 2015 meeting and this agreement is valid until terminated by either party. No action is required at this time to reappoint Jaques.

Auditor Reappointment -- Section 16 of the Governance Policy states an auditor shall be selected and appointed by the Commission and retained on a yearly retainer fee; and that the adequacy and cost/benefit of the auditor shall be reviewed every five years or fewer if circumstances dictate. Pauly Rogers and Company, P.C. was retained in 2012 to audit the Port’s financial statements for the fiscal years ending June 30, 2012 through June 30, 2014, with options to audit financial statements for each of the three subsequent fiscal years. The reappointment provides an opportunity for the Commission to have a discussion with staff regarding audit services that are provided to the Port. Action to reappoint Pauly Rogers and Company, P.C. as the Port’s audit firm for FY 2016-17 is recommended. Staff seeks Commission approval to begin negotiations for another two year contract with options for three subsequent year audits.

Insurance Agent of Record Reappointment – Section 17 of the Governance Policy states an Insurance Agent(s) of Record shall be selected and appointed by the Commission. The section further states that Requests for Proposals (“RFP”) shall be solicited every five years. Columbia River Insurance (“CRI”) has served as the Port’s insurance agent for many years. During this fiscal year, the Commission will need to consider giving direction to the Executive Director and/or the President regarding a RFP solicitation. Until that direction is received, staff recommends reappointing CRI as the Port’s insurance agent for FY 2016-17. Scott Reynier, President of Columbia River Insurance, will be in attendance at the July 19 meeting to provide an update on insurance coverages.

RECOMMENDATIONS:

1. Approve reappointment of Columbia River Insurance as Insurance Agent-of-Record for FY 2016-17.
2. Approve reappointment of Pauly Rogers and Company, P.C. as Auditor for FY 2016-17.

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Commission Memo



Prepared by: Genevieve Scholl
Date: July 19, 2016
Re: Legislative Advocacy 2016-17

Summit Strategies, LLC

The Port has long contracted with the core team of Summit Strategies LLC (“Summit”) for federal advocacy on Port priorities as well as limited advocacy on the state level. Summit’s robust efforts of the previous year in regards to the National Scenic Areas amendment in the FAST Act and resulting FASTLane programmatic funding opportunities were important positive steps toward bridge replacement. Assuming the Port will submit a proposal in spring 2017 for FASTLane grant funding, the next 9 months will be a critical time period for accomplishing a number of advocacy milestones, developing new and complex partnerships at all levels of government, and maintaining the important relationships established with federal representatives and their staffs over the past year.

Over the course of the coming year it will be increasingly important to keep the remarkable support for bridge replacement among the congressional delegation throughout the Northwest vibrant and active, while also cultivating opportunities to fund the on-going costs of safety and capital upgrades to the current bridge. Continuation of Summit Strategies staff support for the OneGorge Advocacy Group is also important, as this support and involvement is mutually beneficial and strengthens each action undertaken by both entities. Staff feels that Summit Strategies LLC is the right firm to carry forward the Port’s efforts on the federal level, with the work of Principal Hal Heimstra particularly noteworthy and valuable.

Staff recommends the Port initiate a 12-month contract with Summit Strategies for federal advocacy with a \$5,000 monthly retainer from the Port and a \$1,500 monthly retainer from the County. A draft contract, scope of work, and IGA with Hood River County are attached.

Thorn Run

The upcoming regular session in Oregon will be primarily focused on passage of the widely desired transportation funding package. While this presents some potential funding opportunities for the bridge replacement project, there are myriad and complex details that must be developed with ODOT, OTC, the Governor’s office and other agencies regardless of the chosen future ownership scenario. Preliminary work in this regard has begun with Kristine Phillips-Evertz of Summit Strategies laying the initial groundwork in Salem. She has done a great job raising awareness of the need to the replace the bridge over the past few months with both the OTC and the Joint Committee on Transportation Modernization and Preservation.

However, in consultation with SDAO and OPPA representatives as well as key legislators involved in the process, it has become clear that the Port's advocacy efforts in Salem will require a more careful examination of the Port's advocacy approach in Salem. Staff solicited proposals from Summit as well as Tonkin Torp, LLC and Thorn Run Partners, LLC, both based in Portland. Director McElwee met with Tonkin Torp and Thorn Run Partners earlier this month and as a result of those meetings, staff recommends the Port initiate a 12-month contract with Thorn Run Partners for the Salem focus. This contract would have a \$4,500 monthly retainer. A draft contract and scope of work are attached.

RECOMMENDATIONS:

1. Approve contract with Summit Strategies, LLC for federal advocacy services not to exceed \$78,000 plus reasonable reimbursable expenses, subject to legal counsel review.
2. Approve Intergovernmental Agreement with Hood River County for advocacy services performed by Summit Strategies.
3. Approve Contract with Thorn Run Partners for state advocacy services not to exceed \$54,000 plus reasonable reimbursable expenses, subject to legal counsel review.

Exhibit A
GENERAL SCOPE OF WORK
Summit Strategies Federal Representation
For
Port of Hood River and Hood River County

The following is a list of issues Summit Strategies Government Affairs LLC (Contractor) will pursue on behalf of the Port of Hood River and Hood River County – the two jurisdictions that are party to this Intergovernmental Agreement. The Participants acknowledge that the priorities in this Exhibit will be determined collectively by the parties to this Agreement. Participants acknowledge that additions and/or deletions of priorities, either recommended by parties to this Agreement or dictated by pending legislation or federal funding opportunities, may be made, and that Participants agree to meet at least semi-annually to review any proposed modifications to this Scope of Work.

Matter 1. General Representation (PORT). Contractor will periodically prepare position papers and Congressional updates on issues of importance to the Port, and include within those papers or updates, recommendations about ways the Commission or Commissioners can best share their perspectives with Members of Congress or the State Legislature (e.g. letters to Congress or personal visits with Members of Congress or the State Legislature or their staff). Contractor will also be available to periodically meet with Port Commissioners for in-person briefings and to answer questions about progress on advancing Port matters outlined below.

Matter 2. Federal Transportation Policy (PORT). Congress passed the Fixing America’s Surface Transportation Act (“FAST Act”) in fall of 2015, including an amendment specifically identifying projects within National Scenic Areas as eligible for program funding. Throughout program implementation, Contractor will advise the Port and the County about program application opportunities and guide the application process through to completion. Contractor will work with relevant Oregon and Washington Congressional delegation Members and appropriate Committee staff and Members to advance the objectives of upgrades to and replacement of the Hood River Interstate Bridge and/or other highway infrastructure in Hood River County; and to secure federal funding for these objectives.

Matter 3. Federal Discretionary Funding (PORT). Contractor will monitor the federal appropriations process and identify possible funding opportunities for Port projects or programs. Contractor will advise the Port of such opportunities. Contractor will also continue to monitor on a regular basis, federal Notices of Funds Availability (NOFA) announcements and bring discretionary grant funding opportunities to the attention of the Port when opportunities reflect Port priorities. Contractor will, in particular, monitor grant opportunities that can advance job training, and economic development in the community.

Matter 4. Regional General Advocacy (ONEGORGE). Contractor will provide strategic advice on and coordination of OneGorge advocacy efforts of as requested by Port staff up to a maximum fee of \$5,000.

Matter 5. General Representation (COUNTY). Contractor will periodically prepare position papers and Congressional updates on issues of importance to the County, and include within those papers or updates, recommendations about ways the Commission or Commissioners can best share their perspectives with Members of Congress or the State Legislature (e.g. letters to Congress or personal visits with Members of Congress or the State Legislature or their staff). Contractor will also be available to periodically meet with County Commissioners for in-person briefings and to answer questions about progress on advancing County matters outlined below.

Matter 6. Federal Water Policy (COUNTY). Contractor will continue to analyze federal rulemakings by U.S. EPA on “Waters of the U.S.”, inform the County about legal challenges to this rulemaking and analyze the rulemaking for impacts that could adversely affect or complicate the County’s water resources planning efforts. Contractor will monitor Congressional challenges to the Waters of the U.S. Rule finalized by EPA in May, 2015, and report on House and Senate efforts to overturn or block implementation of the rule through the annual appropriation process.

Matter 7. Federal Timber policy and Secure Rural School Payments (COUNTY). Contractor will monitor implementation of the Secure Rural Schools legislation and also continue to monitor all efforts to pass new timber legislation that could affect the county’s own timber holdings and/or federal funds that currently flow to the county under the PILT and Secure Rural Schools Programs.

Matter 8. Federal Discretionary Funding (COUNTY). Contractor will monitor the federal appropriations process and identify possible funding opportunities for Port projects or programs. Contractor will advise County of such opportunities. Contractor will also continue to monitor on a regular basis, federal Notices of Funds Availability (NOFA) announcements and bring discretionary grant funding opportunities to the attention of the County when opportunities reflect County priorities. Contractor will, in particular, monitor grant opportunities that can advance job training, and economic development in the community.

**PORT OF HOOD RIVER
PERSONAL SERVICES CONTRACT**

This agreement is between the **Port of Hood River**, an Oregon Municipal Corporation ("Port") and, Summit Strategies Government Affairs LLC ("Contractor").

For mutual consideration, Port and Contractor AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** Contractor shall furnish at its own expense, all labor, services, material and work for the completion of the work described in this contract, and as set out in Exhibit A attached to this contract. Exhibit A reflects the Scope of Services for **providing general Government Affairs Representation on behalf of the Port of Hood River and Hood River County.**

2. **TIME OF PERFORMANCE.** Contractor shall commence performance of this contract upon execution of the contract by both parties and Contractor's compliance with the insurance requirements set forth in paragraph 4 below. This contract shall be for the period July 1, 2016 through June 30, 2017.

3. **PAYMENT.** Port agrees to pay Contractor a monthly retainer in the amount of \$6,500 * for professional services and satisfactory completion of the work.

The Port will reimburse Contractor for reasonable expenses for travel, lodging, meals, communication, postage, and printing associated with the contract.

4. **INSURANCE.** Contractor shall provide and maintain at its expense professional liability insurance with a combined single limit of not less than \$1,000,000 each claim, incident or occurrence. This is to cover damages caused by error, omission or negligent acts related to the professional services to be provided under this contract. Any deductible shall not exceed \$25,000 each claim, incident or occurrence.

Notice of cancellation or change. There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 30 days written notice from the Contractor or its insurer(s) to the Port.

5. **COMPLIANCE WITH APPLICABLE LAWS.** Contractor shall comply with all federal, state, and local laws and ordinances applicable to the work under this contract, including those on Exhibit B which is attached hereto and by this reference made a part hereof.

6. **INDEMNITY.** Contractor shall defend, save and hold harmless the Port, their officers, agents, and employees, from all claims, suits, or actions of whatsoever nature resulting from or arising out of the activities of Contractor or its subcontractors, agents or employees under this agreement.

7. OWNERSHIP OF WORK PRODUCT. All work products of the Contractor which result from this contract are the exclusive property of the Port.
8. NONDISCRIMINATION. Contractor agrees to comply with all applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
9. SUCCESSORS IN INTEREST. The provisions of this agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns.
10. FORCE MAJEURE. Contractor shall not be held responsible for delay or default caused by fire, riot, acts of God and war which is beyond Contractor's reasonable control. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under the contract.
11. SEVERABILITY. The parties agree that if any term or provision of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.
12. ACCESS TO RECORDS. The Port and its duly authorized representative shall have access to the books, documents, papers and records of the Contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcript.
13. TERMINATION. This contract may be terminated by mutual consent of both parties, or by either party upon 30 days' notice, in writing and delivered by certified mail or in person. The Port may terminate this contract effective upon delivery of written notice to the Contractor or at such later date as may be established by the Port under any of the following conditions:
- (i) If the Port funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of services. The contract may be modified to accommodate a reduction in funds.
 - (ii) If federal or state regulations or guidelines are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this contract or are no longer eligible for the funding proposed for payments authorized by this contract.
 - (iii) If any license or certificate required by law or regulation to be held by the Contractor to provide the services required by this contract is for any reason denied, revoked, or not renewed.

Any such termination of this contract shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

14. EXTRA WORK AND MATERIALS. Contractor shall do any work and furnish any materials not specifically provided for and which may be found necessary or advisable for the proper completion of the work or the purposes thereof. In no case shall any such work or materials in excess of the amount stated in this contract be paid for by Port unless ordered by Port in writing as a change order. Then payment will only be made when an itemized claim therefore is presented to Port for allowance at the close of the phase of work in which the same has been done or furnished. Otherwise, all claims for such work or materials shall be absolutely waived by Contractor, and Port shall not be required to allow payment for the same or any part thereof.
15. ACCEPTANCE OF WORK. No act of Port or any representative of Port directing the work, or any extension of time for the completion of the work, shall be regarded as an acceptance of such work or any part thereof, or of materials used therein, either wholly or in part. Acceptance shall be evidenced only by a written acceptance there, issued by Port. Contractor's acceptance of any such payment shall be deemed full payment and settlement of all claims of account of work done for the work under this contract. Prior to final payment, Contractor agrees to certify that all claims for materials provided or labor performed have been paid by Contractor in full. No waiver of any breach of this contract by Port or anyone acting on its behalf shall be held as a waiver of any other subsequent breach. Any remedy provided herein shall be taken as cumulative.
16. SUBCONTRACTORS. Contractor shall not enter into any subcontracts for any of the work scheduled under this contract or assign or transfer any of its interest in this contract, without the prior written consent of the Port.
17. WRITTEN PROVISIONS. The written provisions of this contract shall supersede all prior verbal statements of any officer or other representative of Port, and such statements shall not be effective or by construed as entering into or forming a part of, or altering in any manner this contract or the contract documents. Contractor's oral explanations and representation to Port prior to entering into this contract have been a material inducement to Port to enter into this contract. Contractor shall be bound to perform the contract work in accordance with oral representations, to the extent not included in this written contract, in addition to all of the written provisions of this contract.
18. NON-WAIVER. Failure by Port at any time to require strict performance by Contractor of any provision of this contract shall in no way affect the Port's rights hereunder to enforce the provision, nor shall any waiver by Port of any breach of any provision hereof be held to be a waiver of any succeeding breach or as a waiver of the provision itself.
19. LEGAL ACTION. In the event of any suit, action or proceeding relating to any rights, duties or liabilities arising hereunder, the prevailing party shall be entitled to recover such sums as an arbitrator (if arbitration is agreed to by both parties), or a court, including any appellate court, may judge reasonable attorney fees in addition to any costs of arbitration, or costs and disbursements provided by statutes in any legal action.

This agreement is entered into between the parties, by a person who has been duly authorized to sign for each party, on this ____ day of _____, 2016.

PORT OF HOOD RIVER

SUMMIT STRATEGIES GOVERNMENT
AFFAIRS, LLC

BY: _____
Michael McElwee

BY: _____
Hal Hiemstra

Executive Director

Partner

*Monthly Retainer Payment Allocations:

Port of Hood River Government Affairs Services	= \$5,000 (monthly)
Hood River County Government Affairs Services	= \$1,500 (monthly)
Total	= <u>\$6,500</u> (monthly)

**INTERGOVERNMENTAL AGREEMENT BETWEEN
THE COUNTY OF HOOD RIVER AND
PORT OF HOOD RIVER**

1. WHEREAS, the County of Hood River and Port of Hood River hereinafter called "Participants" find it in their mutual interest to jointly maintain an effort to seek federal funding and other federal legislative actions to develop infrastructure and impact federal activity in Hood River County.

2. WHEREAS, the Participants to this Agreement desire to retain the professional services of Summit Strategies Government Affairs LLC (Summit Strategies) to coordinate local government requests for federal assistance and action on behalf of their interests. The Participants agree that the Scope of Work in Exhibit A, attached hereto, shall be the basis for Summit Strategies work scope for professional services.

Nothing in this Agreement shall prevent the Participants from modifying the Scope of Work from time to time as may be mutually agreed upon.

3. Participants agree to contribute the following monthly retainers for the period July 1, 2016 through June 30, 2017.

Port of Hood River	\$5,000 monthly (plus expenses)
County of Hood River	\$1,500 monthly (inclusive of expenses)

4. Summit Strategies will track all of its work by separate "matters" for each participant to this agreement and provide monthly summaries by matter, reflecting the activities Summit Strategies worked on each matter. In cases where Summit Strategies work applies equally to both participants, Summit Strategies will evenly allocate its work across matters relating to each participant.

6. For administrative purposes the Participants agree that the Port of Hood River will administer the contract with Summit Strategies. Administration will include collecting monthly payments from Participants, remittance to Summit Strategies, contract communication and reports, and scheduling of necessary meetings.

7. Nothing in this Agreement shall prevent any Participant from contracting directly with Summit Strategies for any additional services.

8. This Agreement shall be for the period July 1, 2016 through June 30, 2017. Any Participant may withdraw from this Agreement with ninety (90) days' written notice to the other Participants.

SIGNED this ____ day of _____, 2016.

BY: _____
For Port of Hood River

BY: _____
For County of Hood River

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THORN RUN PARTNERS

July 19, 2016

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Suite 800
Portland, Oregon, 97205
800.944.2167
www.thornrun.com
Daniel Bates
(503) 927-2032
dbates@thornrun.com

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

RE: Contract with Thorn Run Partners

Dear Mr. McElwee:

This letter agreement is between Thorn Run Partners (“Consultant”) and Port of Hood River (“Client”) and relates to certain consulting services to be rendered by Consultant to Client with respect to the services described below:

Description of Services

Consultant will advise Client on state government related issues affecting the entity and work with appropriate policy makers in the Oregon Legislature and Oregon’s executive agencies to facilitate Client’s agenda. See Attachment A for background information on Consultant team and approach.

In particular, Consultant will provide the following services, in addition to other services as may be agreed to by both parties:

- Advocate for the Client’s interest in Hood River Bridge Replacement Funding in the Oregon Legislature and state executive agencies.
- Investigate and report to client on legislative proposals that relate to Hood River Bridge Replacement Funding.
- Advise client on appropriate government relations response to proposal/initiatives being advanced by policy makers related to Hood River Bridge Replacement Funding.



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Client shall not be responsible for any day-to-day expenses incurred by Consultant during the normal pursuit of Client's objectives. Client will, however, reimburse Consultant for exceptional out-of-pocket costs incurred by Consultant associated with the successful pursuit of the above-described objectives such as long distance travel, the expenditure of which shall have been previously approved by Client.

General Considerations

This agreement shall be considered active from August 1, 2016, and remain in effect through June 30, 2017. In consideration of described services rendered, Client will pay Consultant a monthly retainer of \$4,500 from August 1, 2016 through June 30, 2017. Client shall make payment within seven days of receipt of monthly invoice.

Either party may terminate this agreement with thirty days written notice, with no obligation on Client to pay the remainder of the annual retainer. If termination is effective after the first of any month, the retainer payment due in that month will be prorated accordingly.

If you are in agreement with the above terms and conditions, please sign below and return one executed copy.

By:
Name: Daniel Bates
Organization: Thorn Run Partners
Date:

By:
Name: Michael S. McElwee
Organization: Port of Hood River
Date:



Proposal for Government Relations Services

Thorn Run Partners

Thorn Run Partners is a full-service government relations firm providing political analysis, strategic advice and advocacy. The professionals of Thorn Run Partners are seasoned advocates with extensive experience in federal, state and local policymaking and politics. We believe in an aggressive and proactive approach to client service, and we strive to develop long-term relationships with our clients by delivering a solid return on their investment. The firm has a long history of representing client interests in the Oregon Legislature, before the executive branch, and with local governments.

Established in 2010, Thorn Run Partners is a leading government affairs firm whose members are Capitol Hill and Oregon Legislative veterans with extensive experience in lobbying, government service and policy development. Unique for its bipartisan composition, policy expertise and client-friendly size, Thorn Run Partners is built to incorporate the professionalism of larger firms with the strategy and tactical approaches of an elite, boutique-sized agency.

Composed of over a score of government relations experts, each with a unique background and expertise, Thorn Run Partners relies on experience, creativity and competence to achieve positive legislative and regulatory outcomes. Our clients benefit from knowing that our firm comprises senior lobbyists and researchers and are assured that every task is being performed by a seasoned hand.

Thorn Run Partner's Oregon team is comprised of Mr. Dan Bates, Ms. Elizabeth Remley, Mr. Nels Johnson, and Mr. Chris Madden.

Our Approach

Thorn Run's approach to government relations is premised on the practice of having the consultant viewed as the Port's Government Relations team. We would want you to view the Thorn Run Partner professionals as an integral part of your broader team - seeking advice, giving direction to them, collaborating on strategy and communicating about the state of play on your priorities.

Thorn Run Partners maintains a significant presence in the Capitol during state legislative sessions and interim Committee Days (when all legislators return to the Capitol for committee meetings). Likewise, during the interim between legislative sessions, Thorn Run Partners professionals routinely meet with legislators and participate in legislative



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activities such as workgroups. The firm has good bi-partisan relationships, and long-term relationships with caucus leadership and relevant Committee leadership, as well as key agency personnel. Collectively, Thorn Run Partners has spent many years cultivating these relationships, developing trust, and understanding the many complicated issues unique to the Oregon political landscape. With a strong client partnership, we strive to put this experience and knowledge to work for our clients every day.

Scope of Work

We understand the Port is a multi-faceted organization and that this project will require a high level of involvement from Thorn Run Partners. We are committed to meeting our clients' needs – as evidenced by our firm's rapid growth from three partners in April of 2010 to over twenty professionals to-date.

To get started, we would schedule a meeting with “all hands on deck” to learn about the Port's bridge project and advocacy history. In the months following, Thorn Run Partners will:

- analyze and track bills directly impacting the Port's Bridge Project, as well as legislation that could shape the discussion around transportation funding more broadly
- provide strategic advice and political strategy
- lobby the legislature and executive branch to secure funding for the Port's bridge
- communicate regularly with the Port on the status of the legislative effort

In addition to working on the Port's bridge funding issue, Thorn Run Partners prides itself on developing brand recognition and client reputations among legislators and key stakeholders. Before anything else, we are professionals who will project a professional image on behalf of the Port. This is not only our most basic responsibility but is also an effective form of advocacy – allowing the Port to become a “trusted source” when issues arise.

Proposal

We propose a 12-month retainer agreement at \$4,500 per month. We believe our pricing model fairly reflects the anticipated level of work outlined in this proposal. Our model and approach is flexible, and we would welcome a conversation about finding an approach that works best for you.



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All of our retainer agreements include a 30-day “out clause” by which a client may terminate the contract at any time for any reason. We find this gives our clients the confidence necessary to commit to a retainer agreement.

Thorn Run Partners’ Port of Hood River Team

Daniel Bates - Partner

Mr. Bates opened the Oregon office of Thorn Run Partners in April 2010 after serving as the City of Portland’s Director of Government Relations. He and Thorn Run Partners have represented public, private and non-profit clients before the State Legislature, Executive Branch and local governments since the firm’s founding.

Prior to opening the Oregon office, Mr. Bates represented the City of Portland before the State Legislative, Executive and Judicial Branches from 2006 to 2010. While at the City of Portland, Mr. Bates built and implemented an intergovernmental relations office that focused on other local governments, issue groups, business associations, labor organizations, and neighborhood associations. Mr. Bates serves as a board member and President of the State Lobbying Association (the Capitol Club) and has a strong reputation as a hard working and successful lobbyist. In addition to his bipartisan relationships with State Legislators, the Governor’s Office, Committee Staff and State Agency officials, Mr. Bates is well respected among lobbyists representing interests in all parts of the state.

Importantly, Mr. Bates has been both a lobbyist and a client, a perspective that provides him with an innate understanding of client needs and customer service. Mr. Bates also has unique qualifications in developing a government relations strategy built upon an understanding of concurrent issues at local, regional, state and federal levels. This gives him the ability to nuance advocacy, explain issues and advise clients in a way that those without Mr. Bates’s experience cannot. A crucial element of government representation is the ability to counsel clients on strategies that will produce results, and having an understanding for the “big picture” is something that Thorn Run Partners brings to the table.

Mr. Bates received bachelors of arts degrees in Political Science and History at Houghton College in Houghton, New York and earned his juris doctor from the University of Virginia School of Law.

Elizabeth Remley – Senior Vice President

Ms. Remley came to Thorn Run Partners in May 2012 after leading the lobby practice at Vox Public Relations Public Affairs. Prior to that, she worked as a lobbyist at CFM Strategic



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GOVERNMENT RELATIONS

Communications, a Portland-based communications firm. She has represented a wide variety of public, private and non-profit clients at the state and local levels in Oregon, and managed political, grassroots and community outreach campaigns.

Ms. Remley serves as the lead lobbyist on many of Thorn Run Partners' state clients and coordinates much of the client activity in the Capitol during legislative sessions. She has extensive experience building and managing large coalitions with diverse members, and she routinely works to earn bipartisan support on policy issues for Thorn Run Partners' clients.

Ms. Remley holds a Bachelor of Science in economics and a Bachelor of Arts in journalism from the University of Oregon. She volunteers as the director of communications for the nonprofit academic mentoring program Minds Matter of Portland, where she also served as a mentor for three years.