



**PORT OF HOOD RIVER COMMISSION**  
**MEETING AGENDA**  
**Tuesday, February 19, 2019**  
**Marina Center Boardroom**

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**4:00 P.M.**  
**Work Session**

1. Bridge Replacement Traffic & Revenue Analysis Work Session, Rick Gobeille, Stantech (*Kevin Greenwood – Page 3*)

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**5:00 P.M.**  
**Regular Session**

1. Call to Order
    - a. Modifications, Additions to Agenda
  2. Public Comment (5 minutes per person per subject; 30-minute limit)
  3. Consent Agenda
    - a. Approve Minutes of February 5, 2019 Regular Session (*Maria Diaz – Page 13*)
    - b. Approve Accounts Payable to Jaques Sharp in the Amount of \$11,484 (*Fred Kowell – Page 17*)
  4. Reports, Presentations and Discussion Items
    - a. Bridge Replacement Project Update (*Kevin Greenwood – Page 21*)
    - b. Schedule/Budget Review (*Kevin Greenwood – Page 25*)
  5. Director's Report (*Michael McElwee – Page 27*)
  6. Commissioner, Committee Reports
  7. Action Items
    - a. Approve Lease Amendment with Real Carbon in the Big 7 building (*Anne Medenbach – Page 33*)
  8. Commission Call
- 
9. Executive Session under ORS 192.660(2)(e) Real estate negotiations and ORS 192.660(2)(h) Consultation with legal counsel regarding current litigation or litigation likely to be filed.
  10. Possible Action
  11. Adjourn

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

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

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# Commission Memo

Prepared by: Kevin Greenwood  
Date: February 19, 2019  
Re: Traffic & Revenue Analysis Work Session

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The Commission awarded a Personal Services Contract in October of 2018 to Stantec Consulting Services Inc., New York, NY to review and develop a Traffic and Revenue (T&R) scope of work (SOW) including:

- A tentative budget and schedule that aligns with the NEPA process;
- Review of the FEIS SOW produced by WSP in regards to Traffic requirements for NEPA;
- Advise on the appropriate all-electronic toll operations systems and procedures for the Hood River Bridge replacement;
- Recommend the appropriate traffic forecasting methodologies and costs be used in subsequent T&R studies;
- Advise on when T&R studies should commence; and
- Present findings and a primer on T&R to the Port Commission.

Rick Gobeille is a transportation specialist with Stantec visiting from New York. His presentation will focus on two main items:

1. Background on the types of T&R Studies and
2. A review of the Hood River Bridge Analysis

The presentation should run about 50 minutes with time for questions and answers afterwards. It should be noted that the scenarios in the analysis are not expected to give an exact answer on the tolls for the replacement bridge, but rather to show the types of assumptions and how the methodologies are developed that will ultimately help the bridge owner develop those ranges in subsequent work.

**RECOMMENDATION:** Informational.

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Rick is a nationally recognized leader in toll systems technology, development and implementation, traffic and revenue forecasting, operating cost estimates, and toll facility operations. He has more than 25 years of experience and has led several toll collection initiatives in the industry's transformation from attended toll booth concepts to electronic toll collection (ETC), Open Road Tolling (ORT), All Electronic Tolling (AET), and Managed Lanes. Over the course of his career, he has prepared reports and studies, and made more than 100 presentations to ratings agencies, underwriters, and investors, in support of more than \$19 billion of Toll Revenue Bond Sales and Trust Agreement requirements. He recently led Revenue Forecasting efforts in support of the New York State Thruway Authority's \$1.6 billion TIFIA loan. Rick has also served as Program Manager for E-ZPass procurements and implementations across New York, as well as in West Virginia, New Hampshire, and Ohio. During the course of these initiatives, Rick was responsible for planning and implementing toll collection system operations including the development of toll policies, back-office operations, as well as performing financial analysis, revenue projections and risk assessments. Of particular note, he was the project manager for the original feasibility, implementation studies, and testing for E-ZPass in the early 1990s.

## EDUCATION

BE, Civil Engineering, Stevens Institute of Technology, Hoboken, New Jersey, 1980

ME, Mechanical Engineering, Stevens Institute of Technology, Hoboken, New Jersey, 1983

## REGISTRATIONS

Professional Engineer #PE050984E ,  
Commonwealth of Pennsylvania

Professional Engineer #21944 , State of Maryland

Professional Engineer #24GE03964100, State of  
New Jersey

Professional Engineer #063235 , State of New  
York

## PROJECT EXPERIENCE

### Toll Studies

MTA Toll System Studies\*, Statewide,  
Massachusetts (Project Director)

Client: Massachusetts Turnpike Authority

Completed several studies with regards to the Turnpike's toll collection system. Efforts included a review of the various approaches to toll collection including ticket, barrier and hybrid systems looking to optimize toll collection costs, plaza congestion and customer convenience. Results of the studies include specific recommendations to improve plaza operations through the development of new dedicated toll locations, a hybrid barrier/ticket system for future consideration. Also completed tasks that specifically studied AET pilot programs for the eastern terminus of the ticket system at I-95 and for the Tobin Bridge and the tunnels.

\* denotes projects completed with other firms

**Toll Facilities**

Long Term Traffic Projections\*, Statewide, Delaware (Project Director)

Client: Delaware River Joint Toll Bridge Commission

Directed project efforts associated with long term traffic and revenue projections that will provide a forecast of the Commission's toll traffic over a 10 year horizon. A particular area of focus the Commission tasked the team to assess included the Express Lanes/ORT implementation that's being planned for two of the Commission's toll bridges and its impact to the traffic and revenue. The Commission also tasked the team to assess the implementation of All Electronic Tolls on the Scudder falls Bridge. Efforts included conducting a Charrette with Commission members to frame a policy outline for AET on the Bridge. Also completed a NEPA diversion analysis for the Scudder Falls Bridge as part of the environmental permitting process.

TxDOT Procurement Services\*, Statewide, Texas (Project Manager)

Client: Texas Department of Transportation

Responsible for leading the Engineer's activities in conjunction with a \$3.0 Bil. Grand Parkway Project. Activities including preparing all O&M, R&R and toll operation costs estimates, opining on the design builders proposed program and schedule, assessing schedule and cost risks and making presentations to the Rating Agencies, Underwriters and TIFIA in support of the project.

On-Call E-ZPassm Consulting Services Program\*, Jamestown, Rhode Island (Project Director)

Client: Rhode Island Turnpike and Bridge Authority

Provided oversight for an On-Call E-ZPass Consulting Services Program that included a Study of AET collection on I-95, Mt. Hope Bridge and the Sakonnett River Bridge. Studies included the development of appropriate toll rates and fees for the various methods of payments. Also completed several revenue studies and alternative toll rate programs that considered an equitable distribution of toll rates. In addition, completed Toll Revenue Bond forecasts of Traffic and Revenue that support the Authority's first Toll Revenue Bond Sale in 30 years.

WSDOT UPA 520 Program\*, Seattle, Washington (AET Program Specialist)

Client: Washington Department of Transportation  
Participated as a program specialist for various aspects of the recently opened AET 520 facility across Lake Washington in Seattle. Efforts included an analysis of transponder demand, a forecast of the distribution of the various methods of payments available at the all electronic facility, development of rational approach to assessing fees for the various methods of payment to equitably account for the costs of each payment method.

\* denotes projects completed with other firms

## Rick Gobeille PE

Senior Principal

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### **Policy Development / Strategic Planning Projects (Project Manager/Director)**

Responsible for assignments that developed policy and strategic plans for toll agencies. Acting as facilitator, Rick led the agency teams through a consensus building process that included the commissioners, directors and executives of numerous agencies and toll authorities. Consultant fees for these projects ranged from \$100,000 to \$1,000,000. Projects included: Toll System Study (New York State Thruway Authority), E-ZPass Implementation Study (New Hampshire Department of Transportation), ETTM Implementation Study (New Jersey Highway Authority), ORT Policy Development (Maryland Transportation Authority), Toll System Strategic Plan (Ohio Turnpike Commission), AVI / ETTM Strategic Plan (I-95 Corridor Coalition).

### **Toll On-Call Contracts / Toll Feasibility / Operational Studies (Project Director)**

Responsible for On-Call traffic and revenue / toll operations contracts with the New York State Thruway Authority, Maryland Transportation Authority, New Hampshire Department of Transportation, West Virginia Turnpike, and the Garden State Parkway. Rick led Phase I toll feasibility studies for developers, toll agencies, contractors, and foreign entities. Operational studies included toll plaza design, toll plaza safety, signage studies, signage design, marketing studies, toll plaza modeling, capital planning, development of audit procedures, technology planning, vehicle classification studies, site access studies and numerous other toll and traffic related studies.

### **Toll Technology Testing, Implementation, and Advisory Services (Project Director/Manager)**

Project Director/Manager for many toll technology projects. Notable efforts include project manager for the high profile most extensive testing program of Electronic Toll Collection equipment ever conducted for the New York, New Jersey and Pennsylvania Interagency E-ZPass Group (IAG). As program manager developed project needs, wrote specifications, procured and tested new electronic toll collections systems for the West Virginia Turnpike, Peace Bridge, New Hampshire DOT and the Ohio Turnpike. Directed independent certification testing of two major toll vendors products, Delaware Turnpike, New Jersey Turnpike, Garden State Parkway, SR-91, Highway 104 and the Fredericton to Moncton Highway. Currently represent two toll agencies as part of the E-ZPass Reciprocity Task Force.

### **Traffic and Revenue Studies**

**NYSTA Finance and Operations\*, Statewide, New York (Project Manager)**

**Client: New York State Thruway Authority**

Managed this on-call traffic and revenue and financial services retainer contract that supports a variety of the Authority's projects and studies. The first task completed for this contract included conducting annual studies to support the Authority's 2012 budgeting. Other efforts Rick manage under this contract included T&R projections; transportation policy and program development; and system analysis and revenue forecasting.

\* denotes projects completed with other firms

## Rick Gobeille PE

Senior Principal

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### Traffic & Revenue Consultant\*, Statewide, Ohio (Project Director)

Client: Ohio Turnpike and Infrastructure Commission

Provided annual updates to the Traffic and Revenue and O&M Forecasts as required by the Commission's Trust Agreements. During the course of this contract we completed the Traffic and Revenue forecast and the estimate of Operating and Maintenance costs for the full 40 year term of the \$1.1B of Toll Revenue Bonds issued. It was a particularly complex analysis with annual toll increases included for the full 40 year term of the analysis. O&M costs were also estimated and considerations were made for improvements in areas such as snow removal techniques and collector staffing optimization to minimize future O&M cost increases.

### TxDOT TTA On-Call Toll Services\*, Statewide, Texas (Project Manager)

Client: Texas Department of Transportation  
Responsible for conducting traffic and revenue projections and assisting with the toll feasibility analyses of potential new highway corridors throughout the state. Projects included analyzing numerous alternative tolling, interchange location and roadway configuration scenarios.

### On-Call Toll Systems and Related Services\*, Statewide, New Hampshire (Project Director)

Client: New Hampshire Department of Transportation Bureau of Turnpikes

Directed on-call, toll-related services and support, including T&R forecasting. Developed the traffic and revenue model and prepared the investment grade T&R report that supported NHDOT's December 2009 \$217 million revenue bond financing sale, and completed an update of the study in August 2012 for the bond sale later this summer. Prepared certificates in support of the Additional Bonds tests that included an analysis of O&M expenses. Other project tasks included estimation of revenue effects of various frequency discount plans, feasibility of all-electronic toll collection (AETC), and revenue effects of changing to a height and axle-based classification system.

### Peace Bridge Traffic and Revenue Study\*, Buffalo and Fort Erie, New York and Ontario (Project Manager)

Responsible for the traffic and revenue projections for this international bridge crossing. Tasks included review of international economic factors and their relationship to cross-border traffic. Buffalo and Fort Erie Public Bridge Authority.

\* denotes projects completed with other firms



## Rick Gobeille PE

Senior Principal

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### MTA Miscellaneous Studies\*, Statewide, Maryland (Project Manager)

**Client:** Maryland Transportation Authority

Managed numerous projects including traffic and revenue studies, toll road feasibility studies, an ETTM Implementation Study and other assignments. Rick was tasked with preparing future traffic and revenue projections for the Authority's seven toll facilities. To prepare these projections, he used O&D trip data obtain from traffic surveys for each facility, as well as city streets located in the neighboring City of Baltimore.

### TxDOT TTA On-Call Toll Services\*, Statewide, Texas (Project Principal )

**Client:** Texas Department of Transportation

Project Principal for project that included conducting traffic and revenue projections and assisting with the toll feasibility analyses of potential new highway corridors throughout the state. Projects included analyzing numerous alternative tolling, interchange location and roadway configuration scenarios.

### Investment Grade Revenue Studies (Project Director/Manager/Staff)

Project Director/Manager/Staff for investment grade revenue estimates that resulted in some \$8 billion in bond financing. As part of those efforts I have made presentation to S&P, Moody's, Fitch and TIFIA. Studies included "Greenfield" projects, refinancing, asset sales, public/private partnerships, non-toll projects, and private placements. Clients included the New York State Thruway Authority, New Jersey Highway Authority, New Jersey Turnpike Authority, Maryland Transportation Authority, Delaware River and Bay Authority, IdleAire Technologies, Peace Bridge, Maritime Road Development Corporation, Ontario Road Development Corporation (Highway 407) and a Chicago Skyway bidder.

\* denotes projects completed with other firms

## Selected Toll Agencies / Authorities Experience

Arkansas Department of Highways	New Jersey Turnpike Authority
Delaware Dept. of Transportation	New York State Thruway Authority
Delaware River Bay Authority	Ohio Turnpike & Infrastructure Commission
Delaware River Joint Toll Bridge Commission	Oklahoma Turnpike Authority
Florida Dept. of Transportation	Ontario Road Development Corporation (Highway 407)
Garden State Parkway	Orlando Orange County Expressway Authority
Georgia State Road Toll Authority	Osceola County
Halifax Harbor Bridges	Peace Bridge
Harris County Toll Road Authority	Pennsylvania Department of Transportation
Illinois State Highway Toll Authority	Pennsylvania Turnpike Commission
Kansas Turnpike	Port Authority of New York and New Jersey
Los Angeles Metro Authority	Province of Ontario
Maine Turnpike Authority	Rhode Island Department of Transportation
Maritime Road Development Corporation	Rhode Island Turnpike and Bridge Authority
Maryland State Highway Administration	Richmond Metropolitan Transportation Authority
Maryland Transportation Authority	South Carolina Dept. of Transportation
Massachusetts Dept. of Transportation	South Jersey Transportation Authority
Massachusetts Port Authority	Tampa Hillsborough Expressway Authority
Massachusetts Turnpike Authority	Texas Dept. of Transportation
Metro Washington Airports Authority	Virginia Department of Transportation
Minnesota Department of Transportation	Washington Dept. of Transportation
MTA Bridges and Tunnels	West Virginia Department of Highways
MTC Bay Area Toll Authority	West Virginia Turnpike
New Hampshire Dept. of Transportation	
New Jersey Highway Authority	

### ***Presentation / Publications:***

**Presentation – IBTTA Annual Meeting, Orlando, FL, October 1994**

**Paper - ITS America Annual Meeting, Houston Texas, April 1996.**

**Paper –IBTTA 62nd Engineering Committee Meeting, November 1998.**

**Presentation - MFS ITS Roundtable Presentation, June 1998.**

**Presentation - IBTTA International Technology Conference, Dublin, Ireland, November 2002**

**Presentation – ITE Mid-Atlantic Annual meeting, May 2004**

**Presentation – IBTTA Annual Meeting, Philadelphia, PA, September 2004**

**Expert Panelist – Maryland SHA Managed Lane Workshop – September 2005**

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**Presentation – IBTTA Annual Meeting, Vienna Austria, October 2007**

**Poster Session – IBTTA Annual Meeting, Vienna Austria, October 2007**

**Presentation – ITS Massachusetts Annual Meeting, Boston, MA, April 2008**

**Moderator – IBTTA ORT Summit, Dallas, TX, July 2008**

**Presentation – IBTTA ORT Summit, Boston, MA, May 2010**

**Panelist – IBTTA ORT Summit, Boston, MA May 2010**

**Moderator – IBTTA Interoperability Summit, Plano, TX July 2011**

**Panelist – TRB Annual Meeting, Washington, DC, January 2018**

**Presentation – IBTTA AET, Managed Lanes & Technology Summit , Charlotte, NC, April 2018**

**Presentation – IBTTA Annual Meeting, Baltimore, Md October 2018**

**Panelist – Federal P3 Conference, Washington, DC November 2018**

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*Port of Hood River Commission  
Meeting Minutes of February 5, 2019 Regular Session  
Marina Center Boardroom  
5:00 p.m.*

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

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**5:00 P.M.  
Regular Session**

**Present:** Commissioners Hoby Streich, John Everitt, Ben Sheppard, David Meriwether; Legal Counsel Jerry Jaques; from staff, Michael McElwee, Kevin Greenwood, Genevieve Scholl, Anne Medenbach, Daryl Stafford, Maria Diaz.  
**Absent:** Brian Shortt, Fred Kowell-via phone  
**Media:** Emily Fitzgerald, Hood River News

- 1. **CALL TO ORDER:** President Hoby Streich called the regular session to order at 5:00 p.m.
  - a. **Modification, Addition to Agenda:**
    - 1. Add ORS 192.610 (2)(f)- To consider information or records that are exempt by law from public inspection to the declared purposes of Executive Session.
    - 2. Add Approve Change Order No.2 to Contract with Groat Brother’s Inc. to Action Items.

- 2. **PUBLIC COMMENT:**
  - a. **Port of Hood River Waterfront** - Marc Newcomb spoke, stating that he represented Hood River Waterfront wind and water sports enthusiasts. Marc spoke about the ways the Waterfront properties have increased in occupants and visitors, and the significance of safety for water users in those areas. Marc proposed the Commissioners open-up a discussion with questions and answer to this specific issue during the next Commissioners Meeting on February 19, 2019. In addition, Michael McElwee, Executive Director, recommended that Marc contact Daryl Stafford, Waterfront and Mariana Manager for questions on Port’s responsibilities and activities.

- 3. **CONSENT AGENDA:**
  - a. Approve Minutes of January 22, 2019 Regular Session.
    - Motion:** Move to approve Consent Agenda.
    - Move:** Everitt
    - Second:** Sheppard
    - Discussion:** None
    - Vote:** Unanimous

- 4. **REPORTS, PRESENTATIONS AND DISCUSSION ITEMS:**
  - a. **Bridge Pier Underwater Imaging-** Jason Magalen, P.E. from Solmar Hydro presented the results of the hydrographic survey and underwater imaging of the bridge piers. Magalen explained that the survey provides a baseline for monitoring changes in the future and can be used for near-term analysis and evaluation by the Port’s bridge engineers. In addition; Magalen explained specific images of various pier conditions and explained the methodology used to extrapolate the raw data.

**b. E-Bikes** - Andrew Bryden and Jodi Gates. Both Bryden and Gates provided information on differences of e-bike classes vs regular bikes. Jodi expressed that they have been gathering information on who is using e-bikes through their business. Since Oregon State Parks allowed the usage on e-bikes on Oregon State Park Trails a significant increase of e-bike users have been notable. In terms of possible e-bike users on the bridge, would require the user to follow Department of Motor vehicles guidelines. In addition to DMV laws, Port can put in place other requirements for added safety. Bryden foresees more commuters to use e-bikes in the future as he’s seen the growth in Europe and China. Commissioners agreed to move forward and allow a limited number of agreements with selected and identified “testers” of e-bike crossings on the bridge to better understand feasibility.

**c. Bridge Project Schedules** - John Mann, Facilities Manager, provided Commissioners with work schedule information for two significant bridge projects coming this year; Skew System Upgrade and Span Drive Motor Replacement Project and Portal Truss and Steel Repair Project, expected to be carried out May-June. Mann explained projects may have significant impacts to traffic depending on whether work is carried out in the daylight hours or overnight. Commission consensus to expedite the projects by using full bridge closures at night was reached. Staff will update the Commission on the final work schedules and anticipated impacts before work begins.

**d. Lot #1 Public Infrastructure Plan** - Michael McElwee summarized the final report for the Public Infrastructure Framework Plan for Lot #1, completed by firm Walker Macy. This effort was intended to provide a full assessment of Lot #1 infrastructure needs and lead to a collaborative effort with the City of Hood River Urban Renewal Board to determine development and meet Community needs. McElwee stated that he is working with Will Norris, City of Hood River Finance Director to produce an agenda that can be presented during the Work Session in April.

**e. Bridge Replacement Project Update** - Kevin Greenwood, Bridge Replacement Project Director, summarized Bridge Replacement activities January 22-February 4, 2019. Greenwood explained an updated baseline schedule and monthly projected monthly expenditures will be provided moving forward. Greenwood noted the public input survey has closed and 575 surveys were completed. The next EIS Working Group Work Session will be on February 21, 2019 from 4-6 pm at the Pioneer Center in White Salmon. Stantec will provide an introduction to Traffic and Revenue Analyses during the work session immediately preceding the next Commissioners Meeting on Feb 19, 2019. Greenwood additionally presented a Detailed Progress Summary Report from WSP USA, Inc.

**5. Director’s Report:** Michael McElwee reminded the Commission of upcoming meetings and events; April 2 - Spring Planning Meeting and May 7-Budget Committee Meeting. An updated draft agenda for the February 13, 2019 Strategic Planning Retreat was also presented. Genevieve Scholl, Communication Manager will provide the Commission with links on the resources that will be discussed during the Strategic Planning Retreat for pre-reading. McElwee summarized the 2019 Hood River County Comprehensive Economic Development Strategy (CEDS) priority projects from MCEDD. A brief discussion was raised regarding the guardrail strike by a commercial truck. There was a brief discussion regarding the difficulty of obtaining the Wetland Mitigation Permit approvals.

**6. COMMISSIONER, COMMITTEE REPORTS:**

None.

**7. ACTION ITEMS:**

**a. Approve Lease with Hood River Yacht Club for the HRYC Building in the Marina Park.**

**Motion:** Approve Lease with Hood River Yacht Club

**Move:** Meriwether

**Second:** Sheppard

**Discussion:** None

**Vote:** Unanimous

**MOTION CARRIED**

**b. Approve Airport Access Agreement for Ag Template,** this template agreement outlines the process for airport-adjacent agricultural operators to secure access to the farm road.

**Motion:** Approve Airport Road Used Agreement template and authorize execution of agreements with airport-adjacent agricultural operators.

**Move:** Everitt

**Second:** Sheppard

**Discussion:** None

**Vote:** Unanimous  
**MOTION CARRIED**

**c. Approve Contract with Mark Marine for Pile Repair;** Contract is for the removal and replacement of two damaged piles at the North Marina Commercial Dock.

**Motion:** Authorize contract with Mark Marine Services, Inc for North Dock Piling Repair not to exceed \$23,762.  
**Move:** Meriwether  
**Second:** Everitt  
**Discussion:** None  
**Vote:** Unanimous  
**MOTION CARRIED**

**d. Approve Amendment No. 1 to Contract with HRT Security Service,** this contract is for security patrol services on the Port’s waterfront properties.

**Motion:** Authorize Amendment No. 1 to Personal Services Contract with HRT Security Patrol Services not to exceed \$10,500.  
**Move:** Sheppard  
**Second:** Meriwether  
**Discussion:** None  
**Vote:** Unanimous  
**MOTION CARRIED**

**e. Approve Change Order No. 2 with Groat Brothers, Inc.,** order covers the rock required to access fill areas C and D. Additional silt fence was also needed as the total area was much larger than originally anticipated.

**Motion:** Approve Change Order No. 2 with Groat Brothers, Inc to for haul services at the Lower Mill not to Exceed \$22,949.83.  
**Move:** Everitt  
**Second:** Sheppard  
**Discussion:** Anne Medenbach gave a brief explanation on the changes between Change Order No.1 and Changed order No. 2. and why changes needed be made for project to be executed. Recommended that original engineering firm, Century West Engineering generate future designs.  
**Vote:** Unanimous  
**MOTION CARRIED**

**8. COMMISSION CALL:** None

**9. EXECUTIVE SESSION:** President Streich recessed Regular Session at 7:30 p.m. to call the Commission into Executive Session under ORS 192.660(2)(e) Real Estate Negotiations, ORS 192.660(2)(h) Consultation with legal counsel regarding current litigation or litigation likely to be filed, ORS 192.610(2)(f) To consider information or records that are exempt by law from public inspection.

**11. POSSIBLE ACTION:** None.

**12. ADJOURN:**  
**Motion:** Motion to adjourn the meeting.  
**Move:**  
**Second:**

**Discussion:** None  
**Vote:** Unanimous  
**MOTION CARRIED**

The meeting was adjourned at 9:00 p.m.

Respectfully submitted,

\_\_\_\_\_  
Maria Diaz

**ATTEST:**

\_\_\_\_\_  
Hoby Streich, President, Port Commission

\_\_\_\_\_  
John Everitt, Secretary, Port Commission



# Commission Memo



Prepared by: Fred Kowell  
Date: February 19, 2019  
Re: Accounts Payable Requiring Commission Approval

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<b>Jaques Sharp</b>	<b>\$11,484.00</b>
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Attorney services per attached summary

<b>TOTAL ACCOUNTS PAYABLE TO APPROVE</b>	<b>\$11,484.00</b>
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# JAQUES SHARP

— ATTORNEYS AT LAW —

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

CREDIT CARDS ACCEPTED

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

Page: 1  
February 05, 2019  
Account No: PORTOHaM



	Previous Balance	Fees	Expenses	Advances	Payments	Balance
MISCELLANEOUS MATTERS JJ	176.00	1,408.00	0.00	0.00	-176.00	\$1,408.00
GRANT-Airport Improvements (FAA)	88.00	0.00	0.00	0.00	-88.00	\$0.00
PROPERTY PURCHASE	198.00	0.00	0.00	0.00	-198.00	\$0.00
ORCHARD LEASE (John Benton)	176.00	198.00	0.00	0.00	-176.00	\$198.00
LEASE (Pfriem Brewing)	66.00	0.00	0.00	0.00	-66.00	\$0.00
LEASE (Real Carbon; Michael Graham)	0.00	1,804.00	0.00	0.00	0.00	\$1,804.00
LEASE (Cloud Cap Technology)	44.00	0.00	0.00	0.00	-44.00	\$0.00
BRANDT LAND TRADE AIRPORT AREA	528.00	66.00	0.00	0.00	-528.00	\$66.00
LEASE (PFriem Brewing)	0.00	22.00	0.00	0.00	0.00	\$22.00
SOUTH RUNWAY PROJECT	960.00	0.00	0.00	0.00	-960.00	\$0.00

HOOD RIVER, PORT OF

February ( )  
 Account No: POR 011111

Previous Balance	Fees	Expenses	Advances	Payments	Balance
WASCO BUILDING LEASE (CRY Consulting, Coco Yackley)					
110.00	66.00	0.00	0.00	-110.00	\$66.00
SOUTH TAXIWAY REHAB. (Airport)					
0.00	44.00	0.00	0.00	0.00	\$44.00
LEASE (Chief Consulting Group, LLC)					
154.00	22.00	0.00	0.00	-154.00	\$22.00
ODOT BRIDGE FUNDS IGA (State of OR; ODOT)					
264.00	0.00	0.00	0.00	-264.00	\$0.00
MARINA MOORAGE AGREEMENT					
66.00	0.00	0.00	0.00	-66.00	\$0.00
STORM LINE SINK HOLE					
2,948.00	220.00	0.00	0.00	-2,948.00	\$220.00
TOLLS IGA (Port of Cascade Locks)					
660.00	4,730.00	0.00	0.00	-660.00	\$4,730.00
SECURITY SERVICES CONTRACT (HRT)					
22.00	0.00	0.00	0.00	-22.00	\$0.00
RECREATIONAL IMMUNITY					
484.00	220.00	0.00	0.00	-484.00	\$220.00
CA DMV APPLICATION					
0.00	22.00	0.00	0.00	0.00	\$22.00
AIRPORT EAST END ROAD					
0.00	858.00	0.00	0.00	0.00	\$858.00
PROPERTY ISSUES					
0.00	374.00	0.00	0.00	0.00	\$374.00
PROPERTY PURCHASE					
0.00	1,430.00	0.00	0.00	0.00	\$1,430.00
<u>6,944.00</u>	<u>11,484.00</u>	<u>0.00</u>	<u>0.00</u>	<u>-6,944.00</u>	<u>\$11,484.00</u>

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



## Hood River – White Salmon

## BRIDGE REPLACEMENT PROJECT

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Project Director Report

February 5, 2019

The following summarizes Bridge Replacement Project activities from Feb. 5-18, 2019.

### **FINAL ENVIRONMENTAL IMPACT STUDY (FEIS)**

- New budget-loaded baseline schedule based upon the agreed to level of analysis continues to be developed and refined.
- Received summary report of Permit Analysis. Key takeaways include:
  - Total application costs could be as high as \$700,00 and would not include agency review fees, engineering or preparation costs
  - 30% engineering would be required for land use and environmental permits. Others including the Coast Guard would require more. Railroad permit requires 100% engineering.
  - Permit applicant would be project owner but depending on procurement/contracting method, could be contractor.
  - Permits have a wide range of lead times and review schedules.
  - No permits will be received as part of the NEPA process, but the permitting plan produced by WSP will provide guidance through subsequent phases.
- EIS Working Group will be meeting in White Salmon on Thursday, Feb. 21 from 4-6p at the Pioneer Center. This is the second of approximately ten scheduled WG meetings. Anne Presentin will be sharing the results of the public involvement campaign.
- March project update included in packet.

### **GOVERNMENT AFFAIRS UPDATE**

- Thank you letter to Sen. Wyden and his staff sent.
- OneGorge Gorge-ous Nights scheduled for March 6<sup>th</sup> in Salem and March 19<sup>th</sup> in Olympia.

### **PUBLIC INFORMATION UPDATE**

- City Council presentation postponed to later date due to weather.
- Jon Davies will give a brief update to Reg. 1 ACT on Feb. 25<sup>th</sup> in Portland. Davies is a Hood River County Representative on the Area Commission on Transportation.
- Attended Hood River County Transportation meeting on Friday, Feb. 8<sup>th</sup>.

**OTHER PROJECT ELEMENTS**

- ODOT/WSDOT agreements will be ready for March commission meeting.
- Utilized Steve Siegel to review/discuss Stantec report. Also working with Siegel on a Phase 2 Scope of Work (SOW).
- Utilized Chuck Green, OTAK, to review WSP baseline schedule development.
- Developing with Genevieve's assistance a one-page info sheet on economic impacts of the Hood River Bridge.
- Developing a draft Scope of Work for a Strategic Business Plan (SBP) renewal focused on Port business unit opportunities/threats once the bridge has been replaced.



# EIS UPDATE

## BRIDGE REPLACEMENT PROJECT

**MARCH 2019**

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

### What's new on the project?

- Confirmed the NEPA strategy with the Federal Highway Administration, which will include preparing a Supplement Draft EIS that provides updated technical analyses and then a combined Final EIS/Record of Decision.
- Prepared a re-evaluation of the 2003 Draft EIS to determine which elements of the past environmental analysis is still valid and which elements require updates.
- Completed the traffic analysis for the future 2045 conditions to support the environmental impacts analysis of replacing the bridge.
- Initiating a navigation survey with commercial, recreational, and government river users. This survey will inform the US Coast Guard's preliminary determination on the new bridge's navigation clearance.
- Holding meeting #2 with the project's Working Group to provide an update on NEPA strategy, discuss traffic analysis results, and summarize the multi-pronged community outreach efforts and input.

### What are the next steps?

- Coordinate with tribes and federal, state and local agencies to formalize their participation in the project's NEPA process.
- Document the methodology that will be applied to the environmental impacts analysis for the EIS.
- Conduct land and bathymetric surveys (weather permitting) to support the new bridge design.
- Begin refining the design for the roadway approaches to the new bridge.
- Present the project at the Lower Columbia Region Harbor Safety Committee.

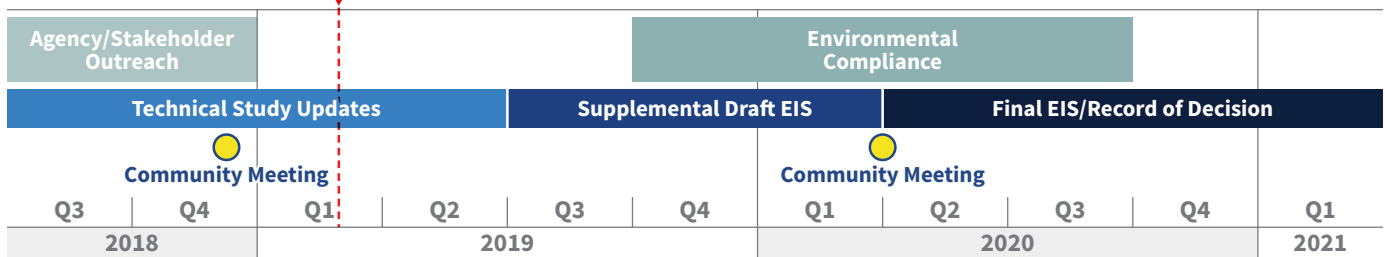


### How would bridge replacement benefit the Columbia River Gorge communities?

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

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

**WE ARE HERE**



To learn more about the project, please visit us at:

[www.portofhoodriver.com/bridge](http://www.portofhoodriver.com/bridge)

### PROJECT CONTACT

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

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# Commission Memo

Prepared by: Kevin Greenwood  
Date: February 19, 2019  
Re: Budget & Schedule Tracking

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There has been interest by the Commission to see a more effective way for reporting budget and schedule progress on the WSP contract. Now that the Federal Highway Administration (FHWA) has determined the level of analysis necessary to complete NEPA, WSP will be producing a detailed baseline schedule with a monthly budget breakdown. This 30-month schedule is made up of hundreds of rows and more than 30 columns. A .pdf of the schedule was emailed to the Commission last week and will be available to be projected at the board meeting for review and discussion.

**RECOMMENDATION:** Informational.

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# Commission Memo



Prepared by: Michael McElwee  
Date: February 19, 2019  
Re: Executive Director Report

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Due to weather-related activities this past week, I will present my Executive Director Report verbally at the meeting. Attached are minutes from the recent transportation project update discussion.

**RECOMMENDATION:** Information.

# Hood River County Transportation Coordination Meeting

Hood River County Commission Room

601 State Street

Hood River, Oregon

Friday, February 8, 2019

2:00 – 4:00 pm

## Attending:

Terra Lingley, ODOT Region 1	<a href="mailto:terra.m.lingley@odot.state.or.us">terra.m.lingley@odot.state.or.us</a>
Paul Scarlett, ODOT Region 1	<a href="mailto:Paul.scarlett@odot.state.or.us">Paul.scarlett@odot.state.or.us</a>
Brad DeHart, ODOT Region 4	<a href="mailto:Bradley.K.DeHart@Odot.state.or.us">Bradley.K.DeHart@Odot.state.or.us</a>
Paul Koch, Port of Cascade Locks	<a href="mailto:pkoch@portofcascadelocks.org">pkoch@portofcascadelocks.org</a>
Jess Groves, Port of Cascade Locks	<a href="mailto:jgroves@portofcascadelocks.org">jgroves@portofcascadelocks.org</a>
Kevin Greenwood, Port of Hood River	<a href="mailto:Kgreenwood@portofhoodriver.com">Kgreenwood@portofhoodriver.com</a>
Jason Kelly, ODOT Region 1	<a href="mailto:Jason.d.kelly@odot.state.or.us">Jason.d.kelly@odot.state.or.us</a>
Gordon Zimmerman, Cascade Locks	<a href="mailto:gzimmerman@cascade-locks.or.us">gzimmerman@cascade-locks.or.us</a>
Rachael Fuller, City of Hood River	<a href="mailto:R.fuller@cityofhoodriver.com">R.fuller@cityofhoodriver.com</a>
Dustin Nilsen, City of Hood River	<a href="mailto:D.Nilsen@CityofHoodRiver.com">D.Nilsen@CityofHoodRiver.com</a>
Eric Walker, Hood River County Community Development	<a href="mailto:Eric.walker@co.hood-river.or.us">Eric.walker@co.hood-river.or.us</a>
Mark Lago, City of Hood River	<a href="mailto:lago@ci.hood-river.or.us">lago@ci.hood-river.or.us</a>
Nate Stice, Governor's Office	<a href="mailto:Nate.Stice@oregon.gov">Nate.Stice@oregon.gov</a>
Mikel Diwan, Hood River County Public Works	<a href="mailto:Mikel.diwan@co.hood-river.or.us">Mikel.diwan@co.hood-river.or.us</a>
Jon Davies, Region 1 ACT delegate	<a href="mailto:jon@columbiariverins.com">jon@columbiariverins.com</a>
Kathy Fitzpatrick, MCEDD	<a href="mailto:kathy@mcedd.org">kathy@mcedd.org</a>

## Meeting Purpose

To coordinate with key staff, share information and provide updates on various transportation projects in Hood River Count

## Introductions

Terra welcomed everyone, shared the meeting purpose and led a round of self-introductions.

## Project Updates

### ODOT Projects

#### *I-84 Bridge deck replacement project - Brad DeHart*

This project is still in process – staff evaluated whether or not it was a repair or retrofit. ODOT determined to go back to original scope of deck replacement – the bridge will get a retrofit in the future, but this project is limited to a full deck replacement and new rail for the eastbound structure. The rest of the eastbound side and the westbound side will get resurfacing. ODOT intends to keep the path under the bridge open under construction, with potential short closures for contractor activities. The current bridge carries six lanes of I-84 – including auxiliary lanes between two busy interchanges. The project

team is still working on a schedule, but the project will likely be a two-season construction season (two winters). The bid opening is anticipated in October 2019. More evaluation is being done to determine the best timing for the staged construction and lane closures but it is anticipated at this time that the project will keep all six lanes open through the summer and will be staging construction to accommodate increased summer traffic.

#### *Intelligent Transportation System (ITS) project – Brad DeHart*

Variable Message Sign (VMS) project, will be adding an eastbound sign right where Westcliff Drive/Jaymar road goes under I-84. The project will also replace a VMS on I-84 westbound near Rufus and install a new sign on US97 southbound at Biggs Jct. as part of the same project (though outside of HR County). These signs will provide information for travelers on road conditions, closures, and other information. The VMS in Hood River will provide information ahead of two interchanges to help travelers make a decision on where to get off I-84 prior to eastern I-84 closures or other incidents.

#### *Farley Slide – Paul Scarlett*

This project, to stabilize a slow-moving historic landslide ran into unstable soil issues, and ODOT had to terminate the project. Once project activities were underway, the drilling methods were causing additional land movement, and ODOT had to terminate the project due to safety concerns. Staff made the call to terminate in May/June 2018, restored lanes, reseeded, removed construction access road and restored slope to previous conditions. ODOT shifted remaining funds to the I-205 project (Abernathy to Stafford Rd). ODOT is continuing to monitor the condition of the slide at that location. Will determine mitigation measures and a way forward at the site.

#### *Cascade and Rand – Paul Scarlett*

This project will install signals, realign the intersection, and add ADA improvements at the corners. The project kickoff happened in November, design is underway now. Project is scheduled to go to bid in summer 2020, and will be complete in spring 2021.

#### *OR 281 and Guignard – Paul Scarlett*

The preconstruction meeting was a few months ago – Brad is the Project Manager. Construction will be starting this week or next, maybe later due to weather. It is scheduled to be built this summer – it is likely a six week project. This project would widen the radii of two turns on OR 281 including Guignard to facilitate movements from Guignard to OR 281. Flares out the curves to accommodate the larger turning needs of large vehicles.

Jess asked about the status of Orchard Road and OR 281 he mentioned that it was hard for trucks to maneuver. He was hoping to see improvements, however, this intersection was removed from the OR 281 and Guignard project due to project cost considerations.

#### *May Street – Paul Scarlett*

This project on the elevated sidewalk and ADA ramps is still under discussion for next steps. The cost exceeds the current budget – ODOT is working to reduce the project scope to fit into the budget and/or identify additional funds to complete the entire length. ODOT was waiting to hear if the project would

be selected as part of ODOT's Safe Routes to Schools proposal. We recently heard it was not selected, so now we're regrouping to see what the best route forward to construct the project.

#### *Historic Columbia River Highway State Trail – Terra Lingley*

The Wyeth to Lindsey Creek Segment under construction is on track to finish up this summer (Mid-July 2019). The opening celebration is Saturday, August 3, 2019 and will likely include a morning ribbon cutting ceremony with a "get to know your trail" celebration the rest of the day with interpretation booths, and other activities along the new trail throughout the day.

#### *FLAP Results – Terra Lingley*

Staff have heard unofficially that we were awarded \$17M for construction for the State Trail from Viento to Mitchell Point. ODOT already has construction funding for Mitchell Point tunnel and full engineering funding for the final 5 miles. ODOT submitted a \$38M grant request to the Nationally Significant Federal Lands and Tribal Program mid-December. There was \$300M available nation-wide. Projects had to be above \$25M, and \$50M projects were prioritized. If the full funding isn't distributed this round, the applications are rolling on a quarterly basis.

#### *Columbia Gorge Express – Terra Lingley and Jason Kelly*

Terra talked through the last season – it was very successful from a ridership perspective with nearly 90,000 boardings, increasing the average daily boardings by 22% over the 2017 season. Terra noted that the season started earlier (April), and is now running 7 days a week and year-round. ODOT provided extra shuttle service between Rooster Rock and Multnomah Falls based on high demand and the fact that the Historic Highway was closed for the high visitation summer. For many riders (50%) said that CGE was their only transportation option to the gorge, and 96% of CGE survey respondents said that they would recommend CGE to a friend.

Jason talked through upcoming CGE priorities including: coordinating with CAT for service optimization; enhancing marketing and communications; addressing impacts to Rooster Rock State Park from overcrowding; bus stop site improvements (and relocations) in Hood River and Cascade Locks; and funding and service sustainability beyond FY20. Note that City of Hood River officials reminded ODOT the downtown bus stop should be moved to the Port of Hood River by May 2019.

#### *Transit Planning – Jason Kelly*

There's several transit development projects occurring in the region. Firstly, CAT will implement several expansion and improvement initiatives through the State Transportation Improvement Fund (STIF) valued at approximately \$1.4 million. Additionally, in partnership with ODOT, CAT submitted a grant application for funding to optimize intercity/commuter transit service between Portland and The Dalles. Thirdly, effective January 2018, ODOT is coordinating with CAT and a consultant for OR35 corridor service implementation plan (HR-Government Camp). The plan will be finished sometime this summer, potential for implementing service fall 2019. Fourthly, another development project referred to as Vision Around the Mountain is expected to commence Spring 2019 with intent to provide an integrated transit system around Mt. Hood by identifying opportunities for cooperative marketing, branding, service coordination, transit connections, and other interoperable opportunities. Regional stakeholders will be given opportunity to inform the study.

## Other Projects

### *Hood River/White Salmon Bridge - Kevin Greenwood*

The Port of Hood River is 20% into the NEPA process for the bridge replacement. This work is funded through HB 2017 (\$5M appropriations for the environmental clearances). The Port is now working to get the word out and collect community feedback. Kevin will be attending the HR City Council meeting Monday, February 11th. The Port will host a “Traffic and Revenue 101” session on February 19<sup>th</sup> 4 pm at the Port offices to increase public knowledge about various bridge replacement aspects including how to balance toll prices and traffic flow. The Port has an EIS committee to inform the process. Their next meeting is February 21<sup>st</sup> 4-6 in White Salmon. Went to Olympia on January 24<sup>th</sup> to talk to the state legislature on a future WA transportation package. There is \$100M identified in that package for the Hood River/White Salmon Bridge. The bill is not likely to further advance, though it referenced a 3 bridge bi-state bridge authority for Cascade Locks, Hood River, and one other bridge – not sure about details, but the ports will continue to monitor modifications. After the NEPA process, next phase is a \$20M ask for engineering and construction permits. Current cost estimate is \$277M for construction. Likely a 10 year project. FHWA is the lead federal agency for the NEPA process. Will do a SDEIS, and a streamlined FEIS.

Jess – heading to DC for a lobbying trip in 4 weeks. Rep DeFazio is working on a national transportation funding package. Highly encourage folks to support an infrastructure package. Likely bipartisan support, and sorely needed.

### *Bridge of the Gods - Paul Koch*

The Port asked Senator Hobbes where the bullet point for a bridge authority, he said he didn’t know where that came from. Paul wants to ensure that the Ports are at the table for future discussions. The Port just filed the 15 year maintenance plan for Bridge of the Gods. Need \$78M over the next 15 years to keep the current load rating. The Port has a request in to OR to help fund the bike/ped facility as the FLAP request is on hold due to the restrictions for future toll expenditures if the bridge is modified with Federal money. Want to look at changing Federal rules for federal funds to ensure that it won’t limit future toll expenditures if the Port accepts future Federal funds.

### *2<sup>nd</sup> and Oak – Mark Lago*

The City is about ready to finish 30% plans. Hoping to start project in spring 2020 – waiting on mast arms and supports to be constructed. The project will add pedestrian buttons at each corner, meter pedestrian flow and vehicular traffic.

### *12<sup>th</sup> and 13<sup>th</sup> in the Heights - Rachael Fuller*

The City is working on safety and pedestrian improvements. Focus of the work now. Finding a permanent home for the CGE coordinating with the City, Ports, MCEDD, etc.

### *WaNaPa Street – Gordon Zimmerman*

The ADA ramps under design, construction in Q2 this year. These improvements allow for maintenance to pave WaNaPa from BOG to Forest Lane in September/October 2019. The project will also add

officially marked crosswalks. The City will also pave Forest Lane near where the water project was. Next STIP requesting putting in roundabouts at WaNaPa and Tollhouse Lane, and WaNaPa and Forest Lane. Gorge Hubs project done by the end of June this year.

### Next Steps

Terra will schedule the next meeting of this same group in late summer/fall of 2019.



# Commission Memo

Prepared by: Anne Medenbach  
Date: February 19, 2019  
Re: Real Carbon - Lease Addendum No. 1



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Real Carbon, Inc. ("RC") has been a tenant in the Big 7 building since 2016 and a tenant of the Port of Hood River since 2008. RC would like to renew their lease through an existing extension option. They would also like to have the option to relocate to a Port-owned building on the airport, should one be constructed within their Big 7 lease term.

Additionally, in preparation for a lease structure change to a more NNN template, staff has drafted a maintenance clause that would allow such a change. As the specifics of the program are not yet known, this is a general clause that covers more potential specific lease clauses.

**RECOMMENDATION:** Approve Addendum No. 1 to Lease with Real Carbon, Inc. in the Big 7 building.

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**FIRST ADDENDUM TO LEASE**

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

*Whereas,* The Lease expired on January 31, 2019, and Lessor and Lessee wish to reinstate the Lease, to remain effective as if the Lease term did not expire, and;

*Whereas,* Lessee would like the option to terminate the Lease early if a suitable Port owned space becomes available at the Ken Jernstedt Airfield, and;

*Whereas,* Lessor is including language in Lessor’s leases, including this Lease, charging a tenant Common Area Maintenance (CAM) fee to recover a portion of Lessor’s building, building-related, and common areas operating and maintenance costs;

*Therefore,* the parties agree the Lease has remained in effect after January 31, 2019, is now in effect, and is amended as follows:

1. The Lease term continues through January 31, 2022.
2. Should Lessor have suitable space at the Ken Jernstedt airfield that fits Lessee’s requirements and both parties agree on lease terms, Lessee and Lessor may terminate this Lease and enter into a new lease of space at the Ken Jernstedt Airfield.
3. Section 7 Lease language is replaced by the following language: 7. Utilities and Maintenance. Lessee shall be solely responsible to directly pay or reimburse Lessor for garbage service charges related to Lessee’s occupancy and for all charges arising during the Lease term for utilities, including gas, sewer, water, and electricity, used or consumed by Lessee on the Leased Premises and for such utilities charges for all common areas in the building and on the lot which the building is situated, including hallways, restrooms, parking areas, access points and exterior common areas related to Lessee’s occupancy. If electricity, water, sewer gas or another utility service is provided to Lessee in common with other building tenants, Lessee shall pay a portion of the total cost of such service based on the amount of lease space occupied by Lessee as a percentage of the total lease space of all tenants using the same utilities in common with Lessee. If Lessor determines Lessee’s use of utilities for the Leased Premises will likely be more than other building tenants Lessor may require Lessee to pay more for utilities under a payment formula, in Lessor’s reasonable discretion. If Lessor uses a utility payment formula and Lessee requests an explanation, Lessor will provide Lessee with an explanation of how Lessee’s Leased Premises utilities charges are calculated and allocated among building tenants. After a Lessee request to do so, Lessor may choose to modify a utility payment formula, in Lessor’s discretion. Lessee shall be responsible to pay utility and garbage service charges as additional rent, within ten (10) days of the date of a utility bill sent to Lessee. In no event shall Lessor be liable or responsible for an interruption or failure in the supply of any utilities to the Leased Premises.

Lessee shall also pay to Lessor as additional rent, within ten (10) days of Lessor’s bill date, Lessee’s pro rata share of Common Area Maintenance (CAM) expenses charged by Lessor based on the amount of lease space occupied by Lessee as a percentage of the total lease space

occupied by tenants in the building. Common Area Maintenance expenses shall mean all expenses of any kind or nature incurred by Lessor relating to the operation, repair, maintenance of and insurance on the building, and the lot on which the building is situated. Lessee CAM charges shall be calculated by Lessor using generally accepted accounting principles or with reference to CAM charges other landlords that rent commercial or industrial space may charge tenants. CAM expenses payable by Lessee may include but are not limited to the following Lessor maintenance and repair costs for: (a) any building heating, cooling or sprinkler systems; (b) parking areas, loading and unloading areas, trash disposal areas, roadways, parking areas, sidewalks and walkways, driveways, landscaped areas, irrigation systems, lighting, fences and gates, and elevators; (c) building exteriors non-structural maintenance and (d) roofs and drainage systems. CAM expenses payable by Lessee may also include Lessor expenses for: (e) janitorial services for building common areas; (f) building security services; (g) snow plowing; (g) management, accounting, attorney fees and other costs related to the operation, maintenance or repair of the building and areas outside the building; (h) interior and exterior painting; (i) flooring (j) restroom fixture replacement; (j) electrical system maintenance and fixture replacement and (j) energy efficiency upgrades to any building system. Nothing contained herein imposes any obligation on Lessor to provide any of the improvements or services listed above unless otherwise required by other terms of this Lease.

Lessor capital improvement costs for replacement of major building systems are not considered a Common Area Maintenance expense payable by Lessee including the replacement of existing building roofs, exterior walls, load bearing walls, plumbing, HVAC units, electrical systems, windows and doors, elevators, fire sprinklers or fire detection systems.

Lessor's CAM charge shall be based on an average of the previous year CAM expenses or an average of multiple previous years expenses at Lessor's discretion and divided by 12 for a monthly average CAM fee. Lessor CAM charges will be billed to Lessee monthly in equal amounts based on Lessor's anticipated annual CAM costs. Lessor's Fiscal year starts July 1 and ends June 30. costs. Lessor CAM expenses and charges will be reconciled in June of each year with actual expenses incurred by Lessor at the end of each CAM billing period (annually or at the end of the Lease term) to provide either a credit back to Lessee or an additional charge payable by Lessee to reconcile the actual CAM amount payable by Lessee. In no event shall Lessor's CAM charge to Lessee increase more than 5% per annum.

Lessor will, on an annual basis, or prior to the end of the Lease term if less than one year, provide details of the CAM charges owed by Lessee if Lessee requests such a Lessor CAM report in writing within 14 days after the CAM calculation period. Should Lessee receive a CAM report from Lessor and dispute any CAM charge, Lessee must submit to Lessor the disputed amount, an explanation why the amount is being disputed, and a proposed solution, in writing within 14 days after receiving Lessor's CAM report. If Lessee fails to file a written dispute within the time allowed the CAM charge calculated by Lessor shall be owed to Lessor by Lessee. If Lessee submits a dispute to Lessor within the time allowed, Lessor will have 14 days to respond to Lessee's information and Lessee's proposed solution by notifying Lessee the CAM charge will remain the amount charged by Lessor or by agreeing to modify the CAM charge., If Lessor denies Lessee's request to reduce CAM charges or modifies CAM charges in a way that is not acceptable to Lessee, Lessee shall owe the CAM charge amount calculated by Lessor unless within 14 days after receiving Lessor's CAM charge Lessee notifies Lessor in writing that Lessee

wishes to pursue mediation, in which case Lessor and Lessee shall proceed with mediation and conflict resolution as provided in the Lease.

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

Lessee, Real Carbon, Inc.

Lessor, Port of Hood River

By: \_\_\_\_\_

Michael Graham

Date \_\_\_\_\_

By: \_\_\_\_\_

Michael S. McElwee

Executive Director

Date \_\_\_\_\_

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