

PORT OF HOOD RIVER COMMISSION
Tuesday, September 22, 2015
Marina Center Boardroom
5:00 p.m.

Regular Session Agenda

1. Call to Order
 - a. Modifications, Additions to Agenda
 - b. Vince Ormando retirement after over 16 years of service
 2. Public Comment (5 minutes per person per subject; 30 minute limit)
 3. Consent Agenda
 - a. Approve Minutes of September 1, 2015 Regular Session (Laurie) – Page 3
 - b. Approve Minutes of September 15, 2015 Special Session (Genevieve) – Page 7
 - c. Approve Lease Amendment No. 1 with Hitch Source at Maritime Building (Anne) – Page 9
 - d. Approve Accounts Payable to Jaques Sharp Attorneys at Law for \$8,276.00; and to Schwabe, Williamson & Wyatt, PC for \$5,661.00; and to Tonkin Wilsonville Nissan for \$ 40,568.00. (Fred) – Page 13
 - e. Approve Amendment No. 1 to Contract with simp.L for Hook Waterfront Trail Project Not to Exceed \$2,630. 00. (Liz) – Page 23
 - f. Approve Amendment No. 1 to Contract with Rick Williams Consulting for Parking Analysis and Management Planning Not to Exceed \$2,360.00. (Liz) – Page 23
 - g. Approve Winter Dockage Permit for M/Y Pastime at Commercial Dock (Laurie) – Page 31
 4. Reports, Presentations and Discussion Items
 - a. Federal Advocacy Update (Michael, call in from Michelle Giguere) – Page 35
 - b. Discontinuation of Toll Tickets January 1, 2016 (Fred) – Page 43
 - c. Bridge Truck Assessment (Michael) – Page 45
 5. Director’s Report - Page 63
 6. Commissioner, Committee Reports
 - a. Urban Renewal – Commissioners Streich and Davies
 - b. Airport Advisory – Commissioners Duckwall and Streich
 7. Action Items
 - a. Approve Intent to Award and Award of Contract Barring No Protests for Lower Mill Excavate & Haul Project . *(Note: Contract will be provided at the meeting)*. (Anne) – page 81
 - b. Approve Contract with P Square Solutions Along with the Attachment A, Scope of Work, Not to Exceed \$293,920.00. (Fred) – Page 83
 - c. Authorize Amendment No. 3 to the Amended and Restated Disposition and Development Agreement with Key Development Corporation for Parcels 1 and 2 of the Waterfront Business Park. (Michael) – Page 109
 8. Commission Call
-

9. Executive Session under ORS 192.660(2)(e) Real Estate Negotiations and under ORS 192.660 (f) "To consider information or records that are exempt by law from public inspection."

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.*

Port of Hood River Commission
Regular Session Meeting Minutes of September 1, 2015
Marina Center Boardroom

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

Present: Commissioners Jon Davies, Fred Duckwall, Rich McBride, Brian Shortt, and Hoby Streich; Port Counsel Jerry Jaques; from staff, Michael McElwee, Fred Kowell, Anne Medenbach, Genevieve Scholl, Liz Whitmore, and Laurie Borton

Absent: None

Media: None

- 1. Call to Order:** President Shortt called the Regular Session meeting to order at 5:00 p.m.
- a.** Modifications, Additions to Agenda: Supplemental information related to Agenda items was provided to the Commission.
- 2. Public Comment:** None.

3. Consent Agenda:

- a. Approve Minutes of August 18, 2015 Regular Session
- b. Approve Six-month Lease with Ken Peterson at Big 7 Building
- c. Approve Lease Amendment No. 1 with Robichaud Batten Systems, Inc. (RBS) at Jensen Building
- d. Approve Lease Amendment No. 1 with Big Winds, Hood River, Inc. at Jensen Breezeway
- e. Approve Lease Amendment No. 2 to Hangar Lease with Cloud Cap Technology, Inc. at Ken Jernstedt Airfield

Motion: Move to approve Consent Agenda
Move: Duckwall
Second: Streich
Vote: **Aye:** Davies, Duckwall, McBride, Shortt, and Streich
MOTION CARRIED

4. Reports, Presentations and Discussion Items

a. Trail Project Updates: Except for a few punch list items pertaining to the Nichols Basin West Edge Trail (NBWE), the Hook Waterfront Trail, the Pedestrian Bridge Trail, and the NBWE projects are complete. A Power Point presentation of current photos was presented by Waterfront Coordinator Liz Whitmore. Whitmore reported the Oregon Parks and Recreation Department just announced the Port’s Hook Waterfront Trail application ranked #1 out of 34 projects for their Local Government Grant Program and will be awarded \$25,895. The Port, City of Hood River, and Hood River Valley Parks and Rec will partner on funding the estimated \$100,000 phase 2—the scope includes the extension of the trail to the new launch, an overlook area with stone seat wall, and rigging area. Whitmore reported the project would be bid this winter and construction would take place next spring after the City completes its outfall relocation slated to finish by April 15, 2016.

5. Director’s Report: McElwee reported the September 15 Commission meeting would be held over one week to September 22 as the Lot 1 Open House is scheduled for the 15th. McElwee requested final comments from the Commission regarding his FY 15-16 Work Plan. An early pear harvest prompted the delay of bridge welding that was initially scheduled for August 24-27; maintenance welding will be rescheduled in September. The Commission will be updated at the September 22 meeting on legislative efforts related to transportation issues, the bridge truck evaluation report, and the request for use of

the Commercial Dock by a 100 foot motor yacht for a winter layover. Anne Medenbach, Development/Property Manager, then provided an update on various construction projects.

6. Commissioner, Committee Reports:

a. Marina Ad-hoc Committee: McElwee reported on the August 20 meeting. Discussion topics included the Marina Assessment Project Priority List, GFCI levels, a request for a short-term lease of the South Basin Dock for small watercraft, and the Department of State Lands regulation pertaining to vessels anchored in state waters.

b. Waterfront Recreation Committee: Commissioner Rich McBride reported on the August 26 meeting. The meeting was well attended and there was public comment regarding safety issues. Marine Deputy Quintin Nelson spoke to the Committee about incidents he had witnessed and discussed communication/education options that might help in reducing infractions.

7. Action Items:

a. Approve Contract with Gorge Web Design for Website Redesign: Genevieve Scholl, Communications and Special Projects Manager, reviewed the RFP process and the 3-person review panel that scored the six responses. Scholl conducted a follow-up interview with the highest ranking proposer and is confident that Gorge Web Design will provide the best website redesign for the Port. Scholl recommended increasing the proposed project cost of \$9,450 to cover Gorge Web Design’s insurance (\$1,990) and a contingency to cover subscriptions or plug-in software warranties as well as additional labor costs for cyber security software needs and quality assurance (\$2,500).

Motion: Move to approve contract with Gorge Web Design for website upgrade not to exceed \$11,440 and contingency of \$2,500 plus reasonable reimbursable expenses, subject to legal counsel review

Move: Duckwall

Second: McBride

Vote: **Aye:** Davies, Duckwall, McBride, Shortt, and Streich

MOTION CARRIED

b. Approve Contract with Allied Maintenance for Janitorial Services Not to Exceed \$49,140.00: As a general best practice, Medenbach solicited quotes in June for janitorial services to clean Port buildings, with the exception of the Port offices, public restrooms, and Yacht Club, which are maintained by Port personnel. Two of the three companies that attended a mandatory walk-through submitted quotes. Although the quote for Allied Maintenance, LLC is higher, staff recommends contracting with them because performance and service levels during a four week trial period were exceptional. The Commission inquired if a not-to-exceed amount should be used for the contract and to monitor the work to identify if anything could be reduced in the first three months. Medenbach noted that she currently receives tenant communication regarding service levels. The sample contract did not include termination language, which the Commission recommended be included.

Motion: Move to approve contract one-year contract Allied Maintenance, LLC for janitorial services not to exceed \$49,140 subject to legal counsel review and addition of exit language

Move: Davies

Second: McBride

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

c. Approve Contract for Excavation and Haul Services at Hanel Mill: Medenbach reviewed the project parameters and the resulting proposals submitted in response to the Invitation to Bid. There was Commission interest in modifying the project to contract for the excavation of materials that would be stored on site for future landscaping use. Legal Counsel Jerry Jaques advised this would be a material change that would require the project to be rebid. No action was taken. *[See motion below that was made in Regular Session following the conclusion of Executive Session.]*

8. Commission Call: McBride received clarification from Whitmore that kite launching and landing at the Event Site will reopen September 15. Streich noted that he would not be available to attend the September 22 Commission meeting but planned to attend the September 15 Lot 1 Open House.

9. Executive Session: Regular Session was recessed at 6:25 p.m. and the Commission was called into Executive Session under ORS 192.660(2)(e) Real Property Transactions.

10. Possible Action: The Commission was called back into Regular Session at 7:05 p.m. The following action was taken as a result of Executive Session.

Motion: Move to reject all bids submitted for the Hanel Mill Excavation and Haul Services Project in the best interest of the Port of Hood River and the public
Move: Davies
Second: Duckwall
Vote: Aye: Davies, Duckwall, McBride, Shortt, and Streich
MOTION CARRIED

Motion: Move to adjourn
Move: Streich
Second: Duckwall
Vote: Aye: Davies, Duckwall, McBride, Shortt, and Streich
MOTION CARRIED

11. Adjourn: President Shortt adjourned the meeting at 7:07 p.m.

Respectfully submitted,

Laurie Borton

ATTEST:

Brian Shortt, President, Port Commission

Jon Davies, Secretary, Port Commission

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**Port of Hood River Commission
 Lot 1 Development Special Session Meeting Minutes of September 15, 2015
 Marina Center Boardroom**

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

Present: Commissioners Jon Davies, Rich McBride, Brian Shortt, and Hoby Streich; from staff, Michael McElwee, Fred Kowell, Anne Medenbach, Genevieve Scholl

Absent: Fred Duckwall

Media: Patrick Mulvihill, Hood River News

Attendees (from Sign-In sheet): Christopher Miller and Mike Zilis of Walker|Macy (presenters), Cindy Walbridge, Kate McBride, Polly Wood, Nicole Backus, Percy and Doris Jensen, Ernest Stranz, David Ryan, Heather Staten, Sarah Fox, Todd Anderson, Ellen Shapley, Ed Dietrich, Scott Sutherland, Paul Landau, Mark Zanmiller, Sean Hallissey, Erika Rench, Steve Hawk, Jeff Pichkardt, Ben Sheppard, Maria Foley, Chuck Hinman, Tom Stevenson, Ron Martin

1. Call to Order: President Shortt called the Special Session meeting to order at 5:02 p.m.

2. Opening Comments: Michael McElwee welcomed attendees to the open house special meeting focused on Lot 1 Development concept planning. McElwee provided historical background information and recognized former Port Commissioner Percy Jensen in attendance as well as other stakeholders. He introduced the topic of development concept planning for Lot 1, touching on the issues of the site's role as Hood River's "front porch" and the unique challenge of combining Light Industrial and Recreational uses.

3. Presentation by Walker|Macy, Landscape Architecture Planning: Christopher Miller and Mike Zilis gave a presentation on the key issues and challenges in the concept development that included an overhead projection presentation with illustrations of the following:

- Waterfront Refinement Plan subareas
- Design considerations
- View corridor
- Primary pedestrian routes and proposed pedestrian network
- Recreation needs
- Industrial users
- Cross section illustrations
- Important edges (corners of main lots)
- Internal/flexible parking
- Pedestrian connections to and through parking areas
- Overall concept
- Buildable acreage
- Utility corridor
- Stormwater management
- Density of buildings to parking based on number of employees per 1,000 square feet
- Lot 1 zoning

Mike Zilis finished the presentation by showing two options for overall development concepts: Option A and Option B. Option A features a grid of streets and distribution of traffic with the current location of utilities being moved to the new Anchor Way street location. Option B features the same, with the

utilities remaining in their current location. Mr. Zilis also noted the concerns from ODOT regarding the westbound exit ramp of Exit 63 being relatively short and the importance of paying attention to the traffic flow patterns so as not to overload the ramp. There was further discussion of the potential use of 1st Street as a festival street.

4. Discussion and Questions from the Attendees: Michael McElwee opened the meeting up for questions from the audience and discussion ensued for approximately 40 minutes. Discussion topics included:

- Angled parking along the rest of Portway (City jurisdiction)
- One parking space per employee standard
- Potential of structured parking
- Bicycle routes and sharrows
- Barman lot; being outside of the overlay zone and clarification of the Port concept for that lot specifically in regards to the view corridor
- Three story (45' high) buildings and their impact on the view corridor

5. Adjourn: President Shortt adjourned the meeting at 7:45 p.m.

Respectfully submitted,

Genevieve Scholl

ATTEST:

Brian Shortt, President, Port Commission

Jon Davies, Secretary, Port Commission

Commission Memo



Prepared by: Anne Medenbach
Date: September 22, 2015
Re: Hitch Source - Lease Amendment No. 1

Hitch Source LLC has been a tenant in the Maritime Building since 2012. They lease 1,286 sf of office space on the 2nd floor mezzanine. Their original lease had two one-year extension options, which they have exercised. They are out of options and their lease expires September 30.

Hitch Source is expanding and needs more space. They would also like to improve their view. Staff has shown them office space in Big 7; they are still weighing their options and trying to find the right fit.

Hitch Source would like to remain a tenant on a month-to-month basis.

RECOMMENDATION: Approve Lease Amendment No. 1 with Hitch Source LLC.

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FIRST AMENDMENT TO LEASE

Whereas: On September 6, 2012, Port of Hood River, an Oregon municipal corporation, as Lessor, and Hitch Source, LLC an Oregon Limited Liability Company, as Lessee, entered a lease of 1,286 SF at the Maritime Building, located at 910 Portway Avenue, Hood River, Oregon ("Lease") for a one year term expiring September 30, 2013; and

Whereas, Lessee exercised Lessee's options to extend the Lease for two (1) year extension terms, through September 30, 2015; and

Whereas, Lessee wishes to extend the Lease term after September 30, 2015, and to occupy the Leased Premises thereafter on a month to month basis;

Therefore, the parties agree to amend the Lease as follows:

The Lease shall continue after September 30, 2015. On and after October 1, 2015 the Lease term shall remain in effect until terminated by mutual written agreement, or until terminated on the last day of a month following written notice from Lessor or Lessee to the other party ("termination notice"). To be effective, a termination notice must be given during the month immediately preceding the month when the termination is to occur

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

Dated this _____ day of _____, 2015.

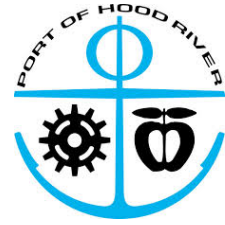
Hitch Source, LLC

Lessor, Port of Hood River

By: _____
Ken Whiteman
Member

By: _____
Michael S. McElwee
Executive Director

Commission Memo



Prepared by: Fred Kowell
Date: September 22, 2015
Re: Accounts Payable Requiring Commission Approval

Jaques Sharp	\$8,276.00
Attorney monthly services per attached summary	
Schwabe, Williamson & Wyatt, PC	\$5,661.50
Bridge software contract review	
Tonkin Wilsonville Nissan	\$40,568.00
Executive Director Vehicle replacement (State of Oregon price agreement)	
TOTAL ACCOUNTS PAYABLE TO APPROVE	<u>\$54,505.50</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

CREDIT CARDS ACCEPTED

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

Page: 1
September 02, 2015
Account No: PORTOHaM

RECEIVED
SEP 08 2015

Previous Balance	Fees	Expenses	Advances	Payments	Balance
MCELWEE EMPLOYMENT CONTRACT					
231.00	171.00	0.00	0.00	-231.00	\$171.00
ENVIRONMENTAL INSURANCE					
0.00	171.00	0.00	0.00	0.00	\$171.00
LEASE (HR Yacht Club, Inc.)					
38.00	0.00	0.00	0.00	-38.00	\$0.00
MISCELLANEOUS MATTERS					
JJ					
361.00	152.00	0.00	0.00	-361.00	\$152.00
LEASE BIG 7 (Slingshot Sports/Jeff Logosz)					
0.00	19.00	0.00	0.00	0.00	\$19.00
ABANDONED VEHICLES					
0.00	133.00	0.00	0.00	0.00	\$133.00
AGREEMENT-FENCE (Young, Jeremy & Veach, William)					
1,482.00	0.00	0.00	0.00	-1,482.00	\$0.00
LEASE (Robichaud Batten Systems, Inc)					
0.00	90.00	0.00	0.00	0.00	\$90.00
HANGAR LEASE (Cloud Cap/Goodrich)					
76.00	171.00	0.00	0.00	-76.00	\$171.00
OREGON BUSINESS DEV IGA (State of Oregon)					
0.00	247.00	0.00	0.00	0.00	\$247.00

HOOD RIVER, PORT OF

September
Account No: PO:

Previous Balance	Fees	Expenses	Advances	Payments	Balance
CITY IGA (City of Hood River) 0.00	38.00	0.00	0.00	0.00	\$38.00
YACHT WINTER MOORAGE 0.00	380.00	0.00	0.00	0.00	\$380.00
LEASE 0.00	760.00	0.00	0.00	0.00	\$760.00
HANEL SITE DEBRIS REMOVAL CONTRACT (Crestline) 0.00	774.00	0.00	0.00	0.00	\$774.00
AIRPORT LEASE (Shearer Sprayers, Inc.) 456.00	551.00	0.00	0.00	-456.00	\$551.00
<u>7,527.00</u>	<u>8,276.00</u>	<u>0.00</u>	<u>0.00</u>	<u>-7,527.00</u>	<u>\$8,276.00</u>

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

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Santa Rosa, CA
Washington, D.C.

TAX ID# IRS-93-1130272

August 25, 2015

PORT OF HOOD RIVER
C/O GIL SHARP
JAQUES SHARP & SHERRERD
PO BOX 457
HOOD RIVER, OR 97031

Client/Matter #: 106226-204206
Invoice #: 1392888

RECEIVED
SEP 08 2015

Re: Construction Contract

FOR LEGAL SERVICES RENDERED

DATE	INDV	HOURS	DESCRIPTION OF SERVICES
07/21/15	ABO	.10	Receive instructions from Bill Ohle re: review of Services Contract between P-Square Solutions and the Port of Hood River
07/21/15	WJO	1.00	Initial phone call with Jerry Jaques on toll bridge software update contract (.4); reviewed initial contract documents (.6)
07/22/15	WJO	.50	Reviewed additional proposed contract scope of work re: toll bridge software update
07/23/15	ABO	.30	Receive additional background information and instructions from Bill Ohle re: Services Contract with P-Square Solutions
07/23/15	WJO	.80	Provided Alexandra Bodnar with proposed contract documents for review (.3); email to client on required review and changes (.4)
07/24/15	ABO	.20	Receive additional instructions from B. Ohle and Jerry Jacques re: payment terms and updates to escrow provision of Services Contract with P-Square Solutions
07/27/15	ABO	2.10	Begin analyzing Bridge Services Contract and Attachment A to Bridge Services Contract; begin revising and commenting on Bridge Services Contract
07/28/15	ABO	1.60	Confer with Jerry Jaques re: P Square Solutions Proposal letter and scope of review of Bridge Services Contract and Attachment A to Bridge Services Contract; continue revising and commenting on Attachment A to Bridge Services Contract; begin analyzing and revising Bridge Services Contract with P Square Solutions
07/29/15	ABO	6.50	Finish analyzing and revising Attachment A to Bridge Services Contract; finish analyzing and revising Bridge Services Contract; confer with Y. Tingleaf re: escrow, license, and IP ownership provisions in Bridge Services Contract; analyze P Square Solutions Proposal

TERMS: DUE AND PAYABLE UPON RECEIPT.

AMOUNTS UNPAID MORE THAN 30 DAYS AFTER INVOICING ARE SUBJECT TO A LATE PAYMENT CHARGE OF 9% PER ANNUM.
IOLTA PARTICIPANTS - PROCEEDS SUPPORT PUBLIC INTEREST OBJECTIVES OF THE LAW FOUNDATIONS.

ATTORNEY-CLIENT COMMUNICATION PRIVILEGED AND CONFIDENTIAL.



SCHWABE, WILLIAMSON & WYATT, P.C.
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Invoice # 1392888
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C/M #: 106226-204206

TAX ID# IRS-93-1130272

			Letter for background and identify potential issues and questions raised by same; begin drafting email memorandum to Jerry Jaques identifying key issues pertaining to ownership and use of software developed under the Bridge Services Contract
07/29/15	YES	.40	Confer with A. Bodnar re: Provisions for Personal Services Contract between Port of Hood River and P Square Solutions; provide recommended language for agreement
07/30/15	ABO	1.90	Finalize revisions and comments to Bridge Services Contract with P Square Solutions and Attachment A to Bridge Services Contract; confer with Y. Tingleaf re: same and implement changes and respond to comments raised in Y. Tingleaf 's review of same; finish drafting email memorandum to Jerry Jaques re: key issues pertaining to ownership and use of software developed under the Bridge Services Contract; submit revised Bridge Services Contract and Attachment A, and email memorandum to Jerry Jaques for review
07/30/15	YES	2.80	Review and revise Personal Services Contract between Port of Hood River and P Square Solutions; review and revise Attachment A to Personal Services Contract; confer with A. Bodnar re: Same
07/31/15	ABO	1.90	Correspond with Jerry Jaques re: telephone call to discuss revisions to Bridge Services Contract and Attachment A to Bridge Services Contract; prepare for same; telephone call with Jerry Jaques analyzing revisions to Bridge Services Contract and Attachment A to Bridge Services Contract and strategizing re: implementation of revisions

Alexandra J Bodnar	14.60 hrs at	240.00 \$/hr = \$	3,504.00
William J. Ohle	2.30 hrs at	465.00 \$/hr = \$	1,069.50
Yvonne E Tingleaf	3.20 hrs at	340.00 \$/hr = \$	1,088.00
SUBTOTAL CURRENT FEES			20.10 hours = \$5,661.50
TOTAL FEES AND COSTS			\$5,661.50



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Seattle, WA
Vancouver, WA
Santa Rosa, CA
Washington, D.C.

Invoice # 1392888
Page 3
C/M #: 106226-204206

TAX ID# IRS-93-1130272

FINAL SUMMARY

SUBTOTAL CURRENT FEES	\$5,661.50
TOTAL CURRENT INVOICE	\$5,661.50
TOTAL AMOUNT DUE (CURRENT & PREVIOUS)	\$5,661.50

TERMS: DUE AND PAYABLE UPON RECEIPT.

AMOUNTS UNPAID MORE THAN 30 DAYS AFTER INVOICING ARE SUBJECT TO A LATE PAYMENT CHARGE OF 9% PER ANNUM.

IOITA PARTICIPANTS - PROCEEDS SUPPORT PUBLIC INTEREST OBJECTIVES OF THE LAW FOUNDATIONS.

ATTORNEY-CLIENT COMMUNICATION (21) PRIVILEGED AND CONFIDENTIAL.

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Commission Memo



Prepared by: Liz Whitmore
Date: September 22, 2015
Re: Hook Waterfront Trail – simp.L Contract Amendment

Additional design services are required of Jeff Simpson of *simp.L LLC* beyond the original contract amount of \$5,150 and Amendment No. 1 in the amount of \$1,728 to align the existing site conditions of the newly constructed Hook Launch with the design of the rigging area, masonry seat wall, and connection of the new asphalt path.

See attached Contract Amendment No. 2 and Exhibit A proposal in the amount of \$2,630.00. Construction will commence in spring 2016 after the completion of the outfall relocation project.

RECOMMENDATION: Approve Contract Amendment No. 2 with simp.L LLC in the amount of \$2,630.00, plus reasonable reimbursable expenses.

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

This Amendment No. 2 to the Personal Services Contract ("Contract") is entered into this 22nd day of September, 2015 by and between simp.L LLC ("Contractor") an Oregon corporation and the Port of Hood River ("Port"), an Oregon Special District ("Owner").

RECITALS:

WHEREAS, Contractor and Port entered into that certain Personal Services Contract dated January 22, 2014, to provide landscape architectural design consulting services for a trail extension at The Hook; and

WHEREAS, Port requested additional design services beyond the original contract of \$5,150.00 and Amendment No. 1 in the amount of \$1,728.00 attached as Exhibit A; and

WHEREAS, all terms used in this Amendment No. 2 have the meaning given to them in the Contract, as amended hereby, unless otherwise defined herein.

NOW THEREFORE, Port and Contractor agree to amend the Contract for an amount not to exceed \$2,630.00 for a total contract amount not to exceed \$9,508.00.

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

simp.L LLC

PORT OF HOOD RIVER

Jeff Simpson, Owner
8455 SW Beaverton-Hillsdale Hwy.
Portland OR 97225
(503) 841-6315 / (503) 504-6587 cell
Jeff.simpson@gosimpL.com
EIN: 90-0176092

Michael S. McElwee, Executive Director
1000 E. Port Marina Drive
Hood River OR 97031
(541) 386-1645
porthr@gorge.net
cc: Finance Manager



8455 sw beaverton-hillsdale hwy
 portland, oregon 97225
 t: 503.841.6315
 d: 503.504.6587

contract addendum#1

project: port of hood river multi modal trail extension at 'the hook'
simp.L # PHR0114
client: Port of Hood River
consultant: simp.L LLC
date: September 3, 2015

The work covered by Contract Addendum #1 shall be performed under the same terms and conditions as included in the original Agreement for Consulting Services dated March 24, 2014. The Scope of Services is being modified to accommodate additional services for:

Task 3: Construction Documents

- 3.1 Coordination and Meetings: coordination with PHR & Bell regarding revisions and associated follow-up review & comments
- 3.2 Plan Modifications: update bases with revised CAD work from Bell. Make plan revisions to layout, grading, labeling & notes
- 3.3 Cost Estimate update

Task 4: Construction Administration

- 4.2 Site Observation: as needed on an hourly basis at \$155/hr (assume budget of 2 trips @ 3hrs/trip)

addendum 1

the total fee shall be modified to reflect this contract addendum:

original contract amount	\$ 3,450
original contract reimbursable budget	\$ 150
current contract invoiced to date	\$3,150
current contract reimbursable budget invoiced to date	\$ 100
Task 3: Construction Document contract amount increase:	\$ 1,400
Task 4: Construction Admin contract amount increase:	\$ 930
Task 5: Reimbursables budget increase:	\$ 100
revised contract amount	\$ 2,630
revised reimbursable budget	\$ 150

changes approved by:

Port of Hood River

simp.L, LLC

by _____

by _____

title _____

title _____

date _____

date _____

Commission Memo



Prepared by: Liz Whitmore
Date: September 22, 2015
Re: Parking Management – Rick Williams Consulting
Contract Amendment

Staff has requested additional services of Rick Williams Consulting to provide options for a parking management plan for the Hood River Waterfront beyond the original contract amount of \$2,500. See attached Contract Amendment No. 1 and proposal for Supplemental Tasks (Exhibit A) in the amount of \$2,360.00. Discussions are in progress with the City of Hood River to coordinate efforts and enforcement mechanisms.

RECOMMENDATION: Approve Contract Amendment No. 1 with Rick Williams Consulting in the amount of \$2,360.00, plus reasonable reimbursable expenses.

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**AMENDMENT NO. 1
TO PERSONAL SERVICES CONTRACT**

This Amendment No. 1 to the Personal Services Contract ("Contract") is entered into this 22nd day of September, 2015 by and between Rick Williams Consulting ("Contractor") an Oregon corporation and the Port of Hood River ("Port"), an Oregon Special District ("Owner").

RECITALS:

WHEREAS, Contractor and Port entered into that certain Personal Services Contract dated February 20, 2015, to provide parking management options in conjunction with the Lot 1 planning effort; and

WHEREAS, Port requested additional parking management consulting services beyond the original contract of \$2,500 attached as Exhibit A; and

WHEREAS, all terms used in this Amendment No. 1 have the meaning given to them in the Contract, as amended hereby, unless otherwise defined herein.

NOW THEREFORE, Port and Contractor agree to amend the Contract for an amount not to exceed \$2,360 for a total contract amount not to exceed \$4,860.

IN WITNESS WHEREOF, the parties hereto have caused Amendment No. 1 to be duly executed the day and year first above written.

Rick Williams Consulting

PORT OF HOOD RIVER

Date
Rick Williams, Principal
PO Box 12546
Portland OR 97212
(503) 459-7638
rick@rickwilliamsconsulting.com
Federal Tax ID #: 47-2477359

Date
Michael S. McElwee, Executive Director
1000 E. Port Marina Drive
Hood River OR 97031
(541) 386-1645
porthr@gorge.net
cc: Finance Manager

EXHIBIT A

**Port of Hood River, OR
 Parking Analysis and Management Planning
 SUPPLEMENTAL TASKS**

PROJECT ROLE

Rick Williams Consulting recently completed an examination of parking management options that could be implemented in the Hood River waterfront development area. As a result of that analysis and conversations with Port of Hood River and City staff, additional work has been requested. Find below and outline scope of work necessary to develop an interim parking management plan for the 2016 peak parking season at the Hood River waterfront.

Specific RWC tasks are provided below. Project will be delivered on a flat budget of \$2,360 plus expenses for travel (@\$0.575 per mile) and meals (\$25 per day per diem).

TASKS

- A.** *Evaluate and display parking use data.* The Port of Hood River recently compiled parking usage data for private and public parking supply within the entire waterfront area. RWC will provide analysis of this data as well as create occupancy summaries/tables/graphs of the findings. The data was collected during the summary peak and should be very useful in informing the interim parking management plan.

Hours estimated: 6
 Estimated Cost: \$660
 Deliverable: Summary report on parking use (either in Technical Memorandum or within Task B report).

- B.** *Strategy and Plan Outline.* Create a recommended approach and strategy for implementation of new parking management protocols for the waterfront. Strategies developed will include recommendations for pricing (on Port supply), on-street time stay management (Port and City supply), sharing of private supplies and enforcement. Within the context of this plan, evaluation will also be provided as regards technology needs, signage, branding and oversight/coordination.

Hours estimated: 10
 Estimated cost: \$1,700
 Deliverable: Report: Interim Waterfront Parking Management Plan

Commission Memo



Prepared by: Laurie Borton
 Date: September 22, 2015
 Re: Winter Dockage at Commercial Dock – M/Y Pastime

The privately-owned motor yacht Pastime, captained by Gorge resident Mike Petty, arrived in Hood River on September 14 and is currently at the guest dock. Pending approval by the Commission, the Pastime will relocate to the Commercial Dock for the winter. The vessel’s winter layover in Hood River will be contingent upon the availability of hiring skilled craftsmen for interior work.

The winter layover has been discussed by the Marina Ad-hoc Committee and staff moved forward by providing a Dockage Permit for legal counsel review. Captain Petty has reviewed the Permit and is in the process of obtaining the required proof of insurance. The Dockage Permit is attached.

Concerns about water availability and sewage discharge have been addressed. Once the Port’s water source is turned off for the winter, the vessel can produce its own potable water and the onboard, Coast Guard-approved, sewage treatment plant processes gray/black water, which will not be discharged inside the Marina basin. The vessel has made arrangements with a local electrician to upgrade the service connection at the Commercial Dock at their cost. The Pastime is aware of the fall cruise ship schedule and will vacate the dock when the National Geographic Sea Bird and Sea Lion arrive for overnight stops.

Staff recommends approval of this winter dockage request. The dockage fee of \$800 per month will benefit the Marina cost center.

RECOMMENDATION: Approve Dockage Permit with M/Y Pastime for Commercial Dock.

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DOCKAGE PERMIT

TERM: The PORT OF HOOD RIVER (hereafter "Port") hereby permits Stephen P. Cushman (hereinafter "Permittee") the right to use the Port's Commercial Dock ("Commercial Dock") located on the north side of the Port Marina Basin for the purpose of berthing the M/Y Pastime ("Vessel") from September 15, 2015 through April 15, 2016 ("Term"). This Permit shall be valid during the specified dates unless earlier revoked or terminated by the Port, or unless terminated by mutual agreement, as provided below. At the expiration or termination of the Term of the Permit, Permittee shall remove the Vessel from the Commercial Dock, promptly remove all personal property, and return the vacated Commercial Dock and dock area to the Port in good, clean condition.

AUTOMATIC RENEWAL: None.

FEE: Permittee will pay a docking fee of \$800.00 per month in advance on the first day of each month for use of the Commercial Dock. Permittee will also be billed monthly by the Port and shall pay the Port monthly electric charges based on Vessel metered use as charged monthly by Pacific Power. Two 50amp, 220V service is available. The Port shall not be liable for injury, loss or damage resulting from any failure or curtailment of electric service. Permittee shall reimburse Port for any plug change out, if required; or work with Port Facilities to coordinate a change out satisfactory to the Port. If Permittee pays for supplies and a licensed contractor for a change out, the first month's rent will be reduced by \$200.00. Water is not available between approximately October 15 and March 15.

NON-EXCLUSIVE USE: The Commercial Dock is used by the U.S. Coast Guard Cutter Bluebell for overnight layovers; for paid events in the Marina basin; and for cruise ship dockage in the fall. These uses take priority over Permittee's right to use the Commercial Dock during the term of this Permit. Permittee must promptly move the Vessel to the Transient Dock or to an anchored location outside of the Marina upon notice from the Port. Permittee will not be entitled to a rent rebate as a result of being required to move the Vessel. Port will give Permittee advance notice when necessary to move Permittee's Vessel; however, notice may be less than 24 hours. Permittee agrees to promptly move the Vessel upon demand by the Port. This notice will be made by phone call to the Permittee's onboard crew or sent to Permittee's email address listed below. Known dates that other users will need access to and use the Commercial Dock are listed below:

- Cruise Ship Schedule for overnight stops is attached
- USCGC Bluebell schedule is unknown. The Port has requested 24-hr. notification of arrival for overnight stops.

The Oregon Department of Environmental Quality requires that any live-aboard vessel must have a sewage connection when it is in use as a stationary residence, however, a continuous connection is not required and the pump-out station will meet this requirement. Vessel will need to make arrangements 24 hours in advance when a water connection is required during the period of approximately October 15-March 15 to access water from the Fuel Dock. The water depth at this dock is approximately 9 feet.

USE: Permittee shall not do anything which damages the Commercial Dock or other Port property and shall keep the Commercial Dock and adjacent area in at least as good condition as it was in at the outset of the Term. Permittee understands and agrees that the Commercial Dock area is unsecured and that the Port assumes no liability for loss or damage to the Vessel or any persons or property. Permittee agrees to use the Port's Commercial Dock and dock facilities and equipment entirely at their own risk, regardless of conditions. The Port makes no warranty, either expressed or implied, as to the suitability of the Commercial Dock or available depths of water alongside. Water depth will vary continually because of the volume of river flow and weather conditions. Permittee agrees to take soundings on a regular basis to ensure the safety of the Vessel. Permittee acknowledges responsibility for damages arising out of Vessel moorage at the Commercial Dock and for Vessel fires. Permittee shall hold the Port harmless from and indemnify the Port for any and all damage, liability, settlements, loss, costs and expenses in connection with damages arising out of Vessel moorage at the Commercial Dock or a Vessel fire, and for all expenses of any action, suit, or claim resulting or allegedly resulting therefrom.

Port agrees to a variance of the current Marina Moorage Rules and Regulations by allowing up to four crew members to live aboard the Vessel during the term of this Permit. Discharge of any waste into waters within the Port Marina that does not comply with USGS regulations is strictly prohibited.

DEFAULT: If Permittee violates any terms of this Permit, Permittee shall be in default hereunder and at its option the Port may terminate Permittee’s right to use the Commercial Dock, all without prejudice to the right of the Port to collect fees, rental and utility charges payable under this Permit before or after Permittee’s Vessel is removed from the Port Marina. The remedies provided herein are in addition to and shall not be deemed in lieu of any other rights which the Port may have by virtue of federal and State laws and local ordinances, including any Port ordinance. In any action or proceeding for the collection of any sums or charges which may be payable hereunder, or to enforce Port rights, Permittee agrees to pay, in addition to any damages assessed, or to taking any actions required, a reasonable sum for Port's attorney fees and court costs before suit, at suit or on appeal.

TERMINATION: The Dockage Permit may be terminated by the Port at any time if Permittee is in default. Termination may occur immediately if Permittee fails to move Permittee’s Vessel from the Commercial Dock on a date required by the Port after being notified by the Port to do so, or for other defaults 10 days after the date the Port sends a default notice to Permittee, unless Permittee cures the default to the Port’s satisfaction within the ten-day period after the notice is sent.

This Dockage Permit may be terminated on a specific date other than the end of the Permit term on terms and conditions agreed to in writing by the Port and Permittee. Termination shall not relieve Permittee from obligations arising under this Agreement, until fully cured. Notice of termination will be deemed given on the date emailed or sent by U.S. Mail by the Port to the Permittee’s mailing or email address below; and deemed given by Permittee when a written notice from Permittee is received by the Port.

The Port may immediately revoke this permit if Permittee fails to comply with any conditions of this Permit. In addition, notwithstanding any other terms of this Permit, the Port may terminate the Permit, in its complete discretion, after giving Permittee at least 30 days’ prior written notice of the Port’s intent to do so.

ACCEPTANCE OF ABOVE-NOTED CONDITIONS AND OF FINANCIAL RESPONSIBILITY FOR PAYMENT:

DATED: _____, 2015.

DATED: _____, 2015.

PERMITTEE: **CUSH ENTERPRISES**

APPROVED: **PORT OF HOOD RIVER**

Stephen P. Cushman
10620 Treena Street #110
San Diego CA 92131

Michael S. McElwee, Executive Director
1000 E. Port Marina Drive
Hood River OR 97031
(541) 386-1645
marina@portofhoodriver.com

Emergency Contacts - Local Crew Information

Name: Mike Petty, Captain, M/Y Pastime, (805) 320-7234
Willie Bibbo, Mate, (843) 206-4101
J. J. Bach, Chef, (530) 867-6696
Lindsay Remanar, Steward, (623) 999-7464

Commission Memo



Prepared by: Michael McElwee
Date: September 22, 2015
Re: Federal Advocacy Update

Summit Strategies staff continue to advocate for Gorge-specific Purpose and Eligibility language within the federal transportation funding re-authorization bill now coming together in the House. Thank you to all Commissioners for making yourselves available to sign the letter to Congressman Walden to this end (attached). A similar letter was sent to the Congressman from OneGorge, signed by 15 participants (also attached).

Summit Strategies' Michelle Giguere will call-in to the meeting to provide an update from Washington D.C.

RECOMMENDATION: Informational.

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Port of Hood River

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

The Honorable Greg Walden
United States House of Representatives
2185 Rayburn House Office Building
Washington, DC 20515

September 5, 2015

RE: Map 21 Transportation Reauthorization

Dear Congressman Walden:

The Port of Hood River Commission wishes to thank you for your continued work to address economic development and infrastructure priorities in our region.

We are aware that Chairman Shuster has signaled that the House Transportation and Infrastructure Committee could mark up its version of a MAP 21 reauthorization bill as early as September 17. We believe that this legislative vehicle could allow new opportunities to support critically needed transportation infrastructure improvements in the Columbia Gorge Region.

You may recall when we met with you earlier this year that we urged you to support robust funding for the Projects of National and Regional Significance (PNRS) program as part of the reauthorization bill. It is our understanding that the committee is likely to include some type of discretionary transportation funding program in the bill – either a revised and more robustly funded PNRS program or perhaps some version of the Assistance to Major Projects (AMP) program which was recently created in the Drive Act – the Senate's version of the MAP 21 reauthorization bill.

We respectfully request that you work with Chairman Shuster of the House Transportation and Infrastructure Committee to ensure that ***"the improvement of transportation and safety and the movement of people and freight in National Scenic Areas"*** be included within the Purpose and eligibility clauses of either the PNRS or the AMP programs or any other discretionary funding program that the Committee may include in its version of the MAP 21 reauthorization bill.

As you know, transportation infrastructure is an essential component to a healthy Gorge economy. Along with smart regional transportation planning there are several pieces of major transportation, including bridges, that are deteriorating and deficient but vital for the forestry, agriculture, and technology sectors of our local economy. It is critically important that transportation legislation anticipate regional transportation needs.

Working with Chairman Shuster to include the NSA language within the project eligibility criteria for any future discretionary funding won't guarantee funding for transportation projects in the Gorge, of course, but it could help to show continued congressional interest in supporting important infrastructure projects that are proposed by public entities in the Gorge. We urge you to do all you can in the coming days to help secure this language.

Port of Hood River

Providing for the region's economic futu

Your work over the years has resulted in tangible, on-the-ground development and community improvements in our state and in our Port District. This coming transportation legislation is as important as any initiative we have sought or discussed with your office in the past.

Sincerely,



Brian Shortt, President



Fred Duckwall, Vice President



Jon Davies, Secretary



Rich McBride, Treasurer



Hobby Streich, Commissioner



The Honorable Greg Walden
 United States House of Representatives
 2185 Rayburn House Office Building
 Washington, DC 20515

September 8, 2015

OneGorge Advocacy Group
 c/o Port of Hood River
 1000 E. Port Marina Drive
 Hood River, OR 97031

RE: Actionable priorities for Gorge communities

Dear Congressman Walden:

The OneGorge Advocacy group is a network of private businesses and public agencies in the bi-state Columbia River Gorge National Scenic Area. With over 80 individual participants, OneGorge works to coordinate legislative advocacy for regional priorities. The undersigned participants of the OneGorge Advocacy Group wish to express our thanks to you for working with your colleagues throughout our bi-state region to advance regional priorities. In response to your request for a list of near-term, actionable items that a coalition of Northwest legislators could work together on, we submit to you the following:

Near term:

- Add funding for the Oregon Investment Board (OIB) and Washington Investment Board (WIB) economic development programs in the President's budget proposal to Congress in 2016.
- Work with Chairman Shuster of the House Transportation and Infrastructure Committee to ensure that "the improvement of transportation and safety and the movement of people and freight in National Scenic Areas" be included within the Purpose and eligibility clauses of any discretionary funding program(s) included in the reauthorization of MAP21. Currently, the House T&I Committee is anticipated to include discretionary funding in either the Projects of National and Regional Significance (PNRS) or the Assistance to Major Projects (AMP) Programs.

Longer term:

We urge you to work with your colleagues to ensure the delivery of the twin purposes of the National Scenic Area Act; environmental protection and economic development. To create and maintain economically viable communities and provide jobs while protecting the area's natural and cultural resources, we seek your support for the following:

- Comprehensive transportation plan for the entire National Scenic Area that addresses the critical safety, freight capacity, and infrastructure needs and public enjoyment of the region. Along with much needed improvements to WA State Route 14, the replacement of the Hood River Interstate Bridge and improvements to the Bridge of the Gods would be critical components of this plan. Bike/ped crossings on both bridges are in great demand by growing communities on both sides of the river as people seek alternatives for their commutes to work and school.

- Affordable workforce housing.
- Forestry and sustainable forest management, including forest fire mitigation along with wildlife habitat restoration.
- Expanded fiber connectivity and broadband in rural areas.
- Strengthening our schools.
- Sustainable tourism development and destination management.

As evidenced by the very formation of the OneGorge Advocacy Group, community and private business leaders in the Gorge are ready to come together to support your efforts to advance these priorities in any way that we can. OneGorge echoes and supports the efforts of the Mid-Columbia Economic Development District (MCEDD); County, City and tribal governments throughout the Gorge; Oregon and Washington state government agencies; and our partners in private industry to engage with your staff for substantial advancement of these issues in the coming months.

We welcome your recommendations for a work plan on these initiatives and hope that you will let us know of any advocacy actions we could undertake in support of your work.

Sincerely,

The Undersigned, facilitated by OneGorge

Frank Cox



Frank Cox, Mayor
City of Stevenson, WA

Tammara Toppel



Tammara Toppel, Director of Human Resources
Custom Interface, Inc.

Andrea Klaas



Andrea Klaas, Executive Director
Port of The Dalles

Pat Albaugh



Pat Albaugh, Executive Director
Skamania County Economic Development Council

Joyce Brake



Joyce Brake, Attorney at Law
Columbia Counsel PLLC

GORDON ZIMMERMAN



Gordon Zimmerman, City Administrator
City of Cascade Locks

Maria Foley



Maria Foley, Executive Director
Mt. Adams Chamber of Commerce

John McSherry



John McSherry, Executive Director
Port of Skamania County

Jess Groves



Jess Groves, President
Port of Cascade Locks

David M. Roth



David Roth, Financial Advisor
Edward Jones Investments

Cheryl L Park



Cheryl Park
Ascendente Winery

Brian Thomas Mullis



Brian Mullis, Executive Board Chair & Founder
Sustainable Travel International

John Hardham



John Hardham, Owner
Lightwave Communications

Paul Koch



Paul Koch, Interim General Manager
Port of Cascade Locks

Michael S. McElwee



Michael S. McElwee, Executive Director
Port of Hood River

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Commission Memo



Prepared by: Fred Kowell
Date: September 22, 2015
Re: Bridge Tickets Update

The Port has previously discussed the need to stop the issuance of bridge tickets once we move forward with the migration to a new tolling system. This is due to the new system not having ticket purchase/sell capabilities. New tolling systems have moved away from ticket use and functionality within the programming has followed suit. This movement away from tickets is largely due to them being an expensive payment type. The need to account, control, secure and issue tickets is usually double or triple the cost of cash.

Staff would like to discuss a good cut-off point for tickets. Based upon the migration of the new system and its schedule, staff views January 1, 2016 as the best time to cease ticket sales. This will tie in to the timeline of the tolling project and provide sufficient lag time for previously issued tickets to be used. Normally, it takes about three months for issued tickets to return through our system. Therefore, if the Port discontinued the sale of tickets at the beginning of the year, most of the tickets will be used by the end of March 2016. That said, we will most likely have a balance around \$80,000 that will slowly diminish thereafter.

Currently, tickets make up about 18% of our payments. Once tickets cease, it is probable that over 60% will turn to BreezeBy. It is important to note that, when the new tolling system is fully operational, we will need to direct our customers to the office to receive refunds or credit onto BreezeBy for tickets turned in.

Whatever date is chosen, staff will notify our customers in advance of this change in multiple ways and instances.

RECOMMENDATION: Discussion.

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Commission Memo

Prepared by: Michael McElwee
Date: September 22, 2015
Re: Bridge Truck Assessment



At the August 4, 2015 meeting the Commission authorized a contract with Columbia River Port Engineers (“CRPE”) to identify issues associated with overweight trucks on the Hood River Bridge and response options. The final study is attached.

The following are key take-aways:

- Overweight truck use is a regular occurrence based on informed observation
- Overweight truck use is accelerating deterioration of the Bridge
- The laws that govern trucking are complex and significantly different between Oregon and Washington
- The Port currently has no means to effectively monitor for overweight trucks but cost effective weigh-in-motion technology exists
- The Port cannot, realistically, enforce for overweight trucks but there are a number of actions that could be taken

Staff recommends that a deliberate plan be developed and implemented over the next 6-8 months to decrease overweight use of the bridge and increase compliance with the 80,000 lb. weight limit. The following is a preliminary list of measures that should be considered:

Education

1. Identify highest truck users of the bridge based on Breeze-By data.
2. Contact high use businesses to discuss overweight impacts and compliance issues.
3. Prepare briefing paper on truck issues and impacts and distribute.

Information

1. Signage: Identify locations, coordinate with ODOT/WDOT, select signs and install to ensure clear messaging about weight limits and enforcement priority.
2. Ensure appropriate information is posted on ODOT website to inform drivers.

Enforcement

1. Determine feasibility and net benefit of weigh-in-motion technology.
2. Discuss enforcement roles/responsibilities with ODOT Weigh Master and determine reasonable alternatives to increase frequency of overweight enforcement actions.
3. Consider specific changes to toll rates to both simplify and increase tolls on large axle count vehicles, e.g.:
 - a. Increase tolls for all vehicles larger than three axles
 - b. Charge for total axles regardless of position of jump axle
 - c. Increase toll for trucks/businesses found to be running overweight

RECOMMENDATION: Discussion.



Columbia River Port Engineers

**REPORT TO
THE PORT OF HOOD RIVER
SEPTEMBER 2, 2015**

HOOD RIVER BRIDGE HEAVY TRUCK ASSESSMENT



5319 SW Westgate Dr., Suite 225, Portland, OR 97221 - 503-482-7045
www.CaRPEngrs.com
August 22, 2015

Executive Summary

This report summarizes the research performed in response to a contract between the Port of Hood River and Columbia River Port Engineers. The report summarizes the weight rules and regulations governing truck traffic in Washington and Oregon, evaluates the Hood River Bridge toll structure and its potential impact on truck operations. The report presents toll rates from other bridges and the results of interviews with the Oregon Department Transportation Motor Carrier Division as well as the Washington State Patrol's Motor Carrier Enforcement. Several current weigh in motion systems are presented.

Potential actions to consider include a Port provided weigh in motion system tied to a license plate reader, additional signage throughout a wide area, raise tolls for overweight trucks, conduct public outreach efforts to encourage voluntary compliance, engage the Washington State Patrol and the motor carrier Division of the Oregon department transportation to perform random scale station and citation efforts, and develop a self-enforcement system that uses weigh in motion technology.



Christian F. Steinbrecher, P.E.

August 22, 2015

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Overview

The Hood River Bridge (“HR Bridge”) provides a crossing for truck and tourist traffic between Washington and Oregon. The nearest downstream bridge is the Bridge of the Gods in Cascade Locks 18 miles to the west which is load limited to 80,000#. The next nearest bridge to the west is the I-205 Bridge which is constructed to full contemporary interstate standards. The nearest bridge to the east is the crossing at The Dalles. The functionality of the HR Bridge is impacted by its narrow lanes and its load limit. However, it provides a truck crossing between Washington and Oregon for the movement of fruit, forest products and short haul commodities such as aggregates.

The Port of Hood River is concerned that excessive truck weights cause accelerated degradation of the bridge. The Port seeks to identify possible strategies in order to reduce long-term degradation. In particular, whether there are there toll strategies and/or enforcement measures that can be taken to reduce the number of overweight trucks using the Bridge.

Summary of Research

This report is in response to the contract between the Port of Hood River and Columbia River Port Engineers to research a number of specific issues.

Task 1 - Weight Rules and Regulations in Oregon and Washington

Truck Component Limitations

The weight laws in the states of Oregonⁱ ⁱⁱ and Washingtonⁱⁱⁱ ^{iv} are based on the Federal Bridge equation^v with some modifications. The Oregon

weight laws limit a tire to a maximum load of 600 pounds (500 in WA) per width of tire or the manufacture’s limit on the sidewall of the tire. In addition there are axle maximums of 20,000 pounds. Oregon has a wheel maximum of 10,000 pounds. Tandem loads are limited to 34,000 pounds.^{vi} ^{vii}

Weight Tables

Vehicle weights are further controlled by the weight tables. These tables take into account the length of the load and the number of axles. For example a 5 axle truck 43 feet long is limited to 74,000 lbs. Thus the 80,000# posted weight limit on the HR Bridge is not absolute and must be adjusted by vehicle length and axle count.

Oregon’s basic table is limited to 80,000 pounds. However extended weight permits that allow weights of 105,500 pounds are routinely granted. The state of Oregon granted approximately 130,000 of these permits in the last year. Washington’s basic weight table allows 105,500 pounds.^{viii} The table below compares the Washington and Oregon weight laws. It should be noted that emergency vehicles and transit vehicles are granted certain exemptions.^{ixx}

Weight Law Summary

	Descript'n	Oregon	Washington
1	Basic weight table (includes analysis of wheel groups)	80,000# (weight table 1) + exceptions 1 & 2	105,500# (vehicle weight table)
2	Additional allowed with annual permit \$8/yr + \$8/yr per county	105,500# (weight table 2)	Incl in above
3	Tandem max	34,000#	34,000#
4	Axle Max	20,000#	20,000#
5	Wheel max	10,000#	None
6	Tire width max	600#/in or factory limit	500#/in or factory limit; 2 tire max
7	Steer axle tire width max	Incl in above	600#/in or manufacturer’s max
8	Log truck exception	Attachmn’t 19 - for self loaders only	74,800#, five axles, 37' WB min

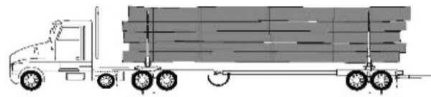


Columbia River Port Engineers

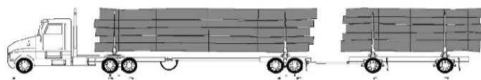
*In the water, on the bank and upland improvements
Working for the success of Ports, Parks, tenants and users - 2*

Task 2 – Truck Illustrations^{xi}

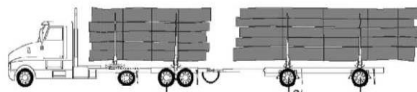
Truck Configurations



One Trailer Log Truck w stinger; (w drop axle)



Two Trailer Log Truck – stinger and trailer



One Trailer Log Truck (w drop axle)

Characteristics of Potentially Overloaded Vehicles

1. Loads to the top or over the forks
2. Slow acceleration
3. Low on springs
4. Swaying motion while underway
5. Tire squat



Fruit Truck

Characteristics of Potentially Overloaded Vehicles (Apples and Pears)

1. Fully loaded fruit bins (1,300# ea)
2. Full load of bins (10L X 2W X 4H = 106K# + truck & trailer)
3. Slow acceleration
4. Low on springs
5. Swaying motion while underway
6. Tire squat

Visual Weight Estimation of Vehicles

This is an art as much as a science. Per Ed Scribner of ODOT, ODOT’s Motor Carrier Inspectors who weigh trucks on a daily basis develop a level of expertise that gives them a basis for visual guestimates, which is then always verified by actual scale weights. Their experience gives them the ability to visually take in the vehicle type, length, load heights, vehicle acceleration, how the truck sits on its springs, number of axles, tire squat and if it “wallows” as it moves along. However this judgment is highly subjective and is realistically limited to those on the scales on a daily basis.

For example a five axle highly loaded log hauler with a 50’ wheelbase would in all likelihood exceed 80,000# if it exhibited all of these characteristics. A fruit truck with similar characteristics might also be over 80,000#. It should be noted that shorter trucks might not exhibit these characteristics, weigh less than 80,000#, but also be overweight per the weight tables.



Task 3 - Evaluation of Toll Structure and Impact on Truck Operations

Hood River Bridge Tolls

The Hood River Bridge assesses tolls for trucks based on the axle count of the vehicle combinations. A typical tractor and trailer with five axles will pay \$5.00. Each additional axle is assessed at \$1.00 per axle. When the bridge opened in 1925 the toll was \$5 for a truck 4 tons and over - which would be \$62.50 in today's dollars.

Overview of Trucking Operations

Trucking operations are a for profit business or part of a larger for profit business. Therefore decisions made by truck operators are made to maximize profits. There are two major models for truck operations and these models respond differently to toll structures.^{xii xiii}

Private Carriers

Private carriers are trucking operations that are owned by a major manufacturing or distribution firm which self performs its transportation function. Examples include Safeway, Wal-Mart and others. While cost is an issue for this model, it is a sub component of a much larger business entity. For these businesses transportation costs are a consideration, but the profits are usually driven by issues much broader than transportation costs.

Key measures of success for private carriers include things like on time delivery, minimizing fuel costs and minimizing labor costs. The incremental costs of miscellaneous expenditures such as tolls are of lesser importance. This group will avoid tolls if possible, but not take excessive measures to do so.

For Hire Carriers

For hire carriers includes the broad spectrum of owner operators as well as transportation companies which are not affiliated with a manufacturing or distribution business entity. That is, the main purpose of this company is to provide transportation services to other businesses.

These companies are more sensitive to incremental costs. Their profits are made on the margins and are impacted by things like tolls and taxes. While they recognize that their reputations also require on time delivery, the push to reduce costs is significant. Incremental costs such as tolls are oftentimes not passed through to a consumer; or the consumer refuses to pay.^{xiv}

In addition to the profit motivator, there is a cultural disposition against paying tolls by this group. This would encourage behaviors such as picking up drop axles as tollbooths are crossed.

Log Haulers

Log haulers are a significant percentage of the truck traffic across the bridge. The operating costs of log trucks are relatively high, as they are built to move loads in relatively rugged environments. Their engine sizes and tires are not focused on fuel economy.^{xv} Truck weights are an issue for this group and many vehicles have on board scales.^{xvi} This group is sensitive to toll structures and takes measures to avoid or reduce them. Most of these fleets are small fleets; less than 20 trucks.^{xvii}

Trucking Costs

The American Transportation Research Institute is a recognized entity with expertise in developing cost data and performing analyses for the trucking industry.^{xviii} They represent nationwide averages and there may be some



fluctuation for individual carriers in specific situations. Their 2014 Update of the Analysis of Operational Costs of Trucking puts the cost of operating a truck at \$1.67 per mile or \$67.00 per hour.

The largest costs associated with operating trucks include fuel costs and labor costs. Tolls represent less than 2¢ per mile. This toll cost per mile could increase in the case of operations which are short hauls across highly priced toll facilities.

Route Motivators

Detours either upstream or downstream from the HR Bridge could involve trips of 45 miles or more. The toll at the Hood River Bridge is a bargain as compared to the costs incurred in diverting to the Bridge of the Gods (which is weight limited at 80,000#), I-205, the bridge at The Dalles or at Biggs Junction.

The enforcement of weight limitations by ODOT may encourage some additional truck traffic over the HR Bridge. Fines for overweight trucks^{xix} can amount to thousands of dollars which can easily erase the profits made on any particular haul. In Oregon there are scales at Cascade Locks. However in Washington there are no operating scales on SR 14 in the proximity of Hood River. The scales at Home Valley, WA are not functional and there is no date for repair.

Trucks may also cross the HR Bridge in an attempt to avoid Oregon’s weight mile taxes. By crossing the bridge and paying the toll they avoid weight mile taxes which run anywhere from 15 to 17¢ per mile. This group would be less sensitive to toll charge increases until the charges approached the avoided weight mile tax rate.

Toll Rate Summary

The attached table is a survey of bridges and the tolls charged for a 6 axle truck.^{xx xxi xxii}This includes mega structures such as the George Washington Bridge and the Oakland Bay Bridge as well as small structures in the Midwest.

Six axle truck Toll Survey			
Oregon			
Hood River Bridge	\$ 6.00		Both directions
Bridge of the Gods	\$ 9.00		Both directions
Washington			
Tacoma Narrows	\$ 15.00	\$ 21.00	15.00 on good to go pass; 21.00 on pay by mail. Eastbound only
Evergreen Point	\$ -	\$ 16.55	Zero - midnight to 5 am. 16.50 pay by mail 3 to 6 pm; electronic collection only. Both directions.
Cathlamet Ferry	\$ 65.00		Calculation is per length. \$10 + \$1/lf over 25'. Both directions.
California			
Golden Gate	\$ 37.50	\$ 43.50	Electronic payment only. Low for FasTrak account; high for credit card. Southbound only
Richmond San Rafael	\$ 30.00		Westbound only
Oakland Bay	\$ 30.00		Westbound only
San Mateo	\$ 30.00		Westbound only
Delaware			
Milford Montegue	\$ 21.60	\$ 24.00	Westbound only
Delaware Water Gap	\$ 21.60	\$ 24.00	Westbound only
Portland Columbia	\$ 21.60	\$ 24.00	Westbound only
Easton Phillipsburg	\$ 21.60	\$ 24.00	Westbound only
I-78	\$ 21.60	\$ 24.00	Westbound only
New Hope Lambertville	\$ 21.60	\$ 24.00	Westbound only
Morrisville Trenton	\$ 21.60	\$ 24.00	Westbound only
Nebraska			
Bellevue Bridge	\$ 6.00		Both directions

Task 4 - Interviews with WA & OR Weighmaster Representatives

Interviews were conducted with Ed Scribner of the Oregon Department of Transportation Motor Carrier Transportation Division and Linda Powell of the Washington State Patrol’s Motor Carrier Enforcement Group.



Indiana			
I-65 Bridge	\$ 10.00	\$ 12.00	Northbound only. Low for transponder, high for video license capture.
Kennedy Bridge	\$ 10.00	\$ 12.00	Southbound only. Low for transponder, high for video license capture.
Delaware			
Delaware Memorial Bridge	\$ 30.00		Southbound only
Pennsylvania			
Burlington Bristol Bridge	\$ 27.00		Westbound only
Tacony-Palmyra Bridge	\$ 27.00		Westbound only
Texas			
Mountain Creek Lake Bridge	\$ 2.95	\$ 4.45	Both Directions
Lewisvill Lake Toll Bridge	\$ 5.90	\$ 8.85	Both Directions
New York			
George Washington Bridge	\$ 81.00	\$ 114.00	Eastbound only. Low is weekday overnight, high is peak.
Bayonne Bridge	\$ 81.00	\$ 114.00	Eastbound only. Low is weekday overnight, high is peak.
Outerbridge	\$ 81.00	\$ 114.00	Eastbound only. Low is weekday overnight, high is peak.
Verrazano Bridge	\$ 63.74	\$ 100.00	Southbound only - low is E-Z pass, high is cash
Vancouver BC			

Port Man Bridge	\$ 3.63	\$ 9.05	Converted \$US. Both directions. Low is transponder 9pm to 5 pm. High includes \$2.30 license plate processing fee during daytime hours.
Louisiana			
Lk Pontchartrain	\$ 7.50	\$ 15.00	Low if for less than 7' high, Northbound only.
Louisiana Hwy 1	\$ 15.00		

Oregon Comments

Mr. Scribner’s^{xxiii} background includes almost 30 years of motor vehicle regulation and enforcement at county, state and Federal levels throughout the country. His initial response to a proposal of voluntary compliance was that without enforcement compliance levels will be low.

Based on his experience he believes that drivers generally know what their trucks weigh. Many log trucks have on board scales and that combined with experience tells drivers what

their loads weigh. Mr. Scribner felt that there were significant reasons for overweight trucks crossing the Hood River Bridge including avoiding weight mile taxes in Oregon and the corresponding enforcement activities in Oregon.

Mr. Scribner felt that extensive efforts should be made on signage to avoid trapping drivers in an illegal situation. He recommends that signs be posted a sufficient distance from the bridge to allow drivers to make decisions for alternate routes. He also pointed out that the state and counties have the ability to take civil enforcement actions against repeat offenders along with on the spot citations. These actions can include 5 day shutdowns, 10 day shutdowns and total revocations of authorizations to operate.

To Mr. Scribner it is apparent that drivers will take extensive measures to avoid overweight fines. They can amount to thousands of dollars. Fines of this size erase profits from particular runs or operations. He felt that voluntary cooperation requires a significant continuing education component.

He believes that loggers comprise 30 to 40% of the truck traffic across the Hood River Bridge. Furthermore he indicated wood chips could be a problem because loading them on trucks and maintaining axle and tandem weight limitations can be difficult.

He reiterated that the fundamental weight laws in Oregon limit trucks to 80,000 pounds with extended weight permits available to go to 105,000 pounds and over. Oregon issued 130,000 permits for extended weight operations.



ODOT operations include weigh in motion systems to screen trucks at preclearance sites. If there appear to be weight or other violations ODOT brings them into a scale station for a more accurate reading. Adoption of transponders that support ODOT's greenlight system is low - only about 5 to 10%.

High speed weigh in motion systems are accurate to about 10% for axles and about 6% on the gross vehicle weight. He indicated that the advent of super heavy vehicles which include 65,000 pounds on a wheelbase of 25 foot or less is a challenge for everyone. Gasoline tanker trucks as well as dump trucks are a primary users of this type of vehicle.

He pointed out that Oregon's weight laws are different from the National System. Oregon has two different permit tables for loads up to 105,500. Washington has only one for trucks up to 105,500 pounds. He felt that it was critical that there be consequences for overweight vehicles. He offered ODOT staff to assist and advise but cautioned that there is no labor available for extensive enforcement action on behalf of the Port of Hood River.

Washington Comments

Linda Powell^{xxiv} of the Washington State Patrol Motor Vehicle Enforcement Group explained that Washington has weigh in motion systems and virtual weigh in motion programs which include license plate readers. She pointed out that SR 14, which runs on the north side of the Columbia River opposite of Oregon, has no active scales. There are scales in Home Valley but those scales are not currently operative. There is presently no schedule for making them operative.

She echoed the comments by Oregon's representative that there are on board scales

for logging trucks and chip trucks. Container trucks and flatbed trucks are less likely have on board scale systems.



Logging trucks in her opinion have on board scale systems because their route usually goes from a landing in the forest to a mill. This does not allow them the opportunity to weigh their trucks before they come on public roads. Therefore they need to know at the point of loading whether they are legal or not. Fines for overweight trucks are relatively high. With the modest cost of the onboard scale the cost/benefit ratios are attractive

Task 5 – Technology and Weigh in Motion Systems

There are several vendors who provide weigh in motion systems. One vendor, Cardinal has provided extensive information and pricing information. Cardinal provides two systems, a slow weigh in motion system and a quick weigh in motion system. The slow weigh in motion system relies on load cells embedded in a section of the pavement. It operates in a manner similar to stationary platform scales, except that the truck does not have to be completely stopped.

Quick weigh motion systems work on piezometric sensors that are installed in the



pavement and respond to weight. This installation cost is less than the slow weigh in motion system. The slow weigh in motion system (SWIM) can weigh vehicles traveling from 0 to 15 miles per hour while quick weigh in motion systems (QWIM) handle vehicles traveling over 15 miles per hour. Other manufacturers have similar offerings.

Costs of the system vary from \$1,500 quoted by ODOT^{xxv} to \$22,000^{xxvi} per lane quoted by Cardinal. Detailed Cardinal quotations are included in the appendix materials to this report. The slow weigh in motion system are more accurate and may be more suitable for the Port's purposes. The higher speed systems have trouble differentiating between trucks at low speeds. They use an embedded loop system to detect the ends of the vehicles and the system becomes confused when a truck is stopped overhead. It is not suitable for stop and go traffic.

The systems can be connected to a license plate reader, PC and data collection systems. Potentially the toll taker could be aware of truck weights. In addition they can be connected to an LED readout that would display the truck's weight at any location. Additional features that can be added would include data analysis to allow the identification of systemic violators of weight limitations.

Recommendations

a. Providing Courtesy Weight Information

Based on this research, it is apparent that trucking companies and their drivers currently have a pretty good understanding of the weight of their vehicles. This understanding is acquired

in several ways. The first method includes on board scales. The scales work with load cells or in combination with the compressed air system to provide drivers with the weight of their vehicles.

Several local companies in Eugene and Salem build air based on board systems. ^{xxvii}They are priced between \$600 and \$2,000. With a potential overweight ticket fine in the thousands of dollars the cost benefit of this equipment is self-evident. Log haulers are one of the major consumers of these systems as logs are generally loaded far from any scales. Interviews with Kenworth dealers tell us that most of the equipment that they sell is equipped with on board scales.

Secondly, experienced drivers understand by the response of their equipment to acceleration and ride whether their loads are reasonably close to legal maximums. This intuitive sense is shared by personnel at the scale stations. Weighmasters tell us that experienced personnel at the scale houses can guesstimate the weight of a truck fairly closely before the trucks even come on the scales.

Potential Accomplishments of a WIM System

Providing weight information would accomplish several things. First it would provide those truck drivers who are inexperienced with the weight of their vehicles. The intuitive understanding that many drivers gain comes only after many years of experience.

The second value added proposition for providing weights is the "you know that we know" approach. As a driver crosses the scales and their weights are called out (perhaps over a weight limit sign of 80,000 pounds), the drivers will realize there are risks that they take in making the crossing. For it is always within the



purview of the Port of Hood River to call for enforcement. This unspoken threat could go a long way to reducing the overweight vehicles.

Thirdly an advantage of providing weight information is that it would give the Port the option of disallowing those vehicles which are grossly overweight access across the bridge. While this would create disruption, it is likely that these are exceptions rather than the rule. However the ability of the Port to present specific examples of denied passage due to overweight could go a long way to ensuring that drivers and companies keep their trucks within the legal limits.

Fourth the Port of Hood River could chose to include a license plate reader in the weigh in motion system.^{xxviii} Trends could be developed and frequent violators could be contacted at the executive or ownership level. The message at that level is that the bridge is load limited at 80,000 pounds and safety factors are only slightly above acceptable numbers at these weights.

Recommendation:

Provide weigh in motion systems that would weigh trucks. Tie in with a license plate reader and related data analyzer^{xxix} to provide more in depth information to both the driver, the vehicle owner and the Port



b. Changes to Toll Schedule and Communications

Changes to the toll schedule must be considered with an eye on the economics of the trucking industry. The economics of the industry are complex in that not only are there different commodities being transported, but the ownership of trucking efforts reside at different levels in the business hierarchy. These differences affect the sensitivity of transportation companies to toll changes. As noted previously there are private carriers who have extensive trucking fleets, as well as for hire carriers. Private carriers focus more on the on time delivery and other objectives that support the overall business. While for the hire fleets focus specifically on the economics of trucking effort itself.

Toll Costs as Related to Operating Costs

There has been extensive work done on the per mile cost of operating a truck. The research is Nationwide and on a relative basis it applies to operations in the Washington and Oregon area. As can be seen from this analysis, tolls are a small part of operating a truck, somewhere on the order of 2¢ as opposed the \$1.67 per mile that it costs to operate a truck. In order to impact behaviors, tolls would have to rise to such an extent that they create an economic incentive that drives compliant behavior.

Behavioral Incentives

This economic incentive to modify behavior is currently lacking with the Breeze By rate. A sufficient disincentive would be needed to raise the tolls to a level at which the cost of crossing the bridge on an overload is greater than using the nearest alternative route, i.e to The Dalles on the east or to I-205 on the west. The cost of driving 45 miles to The Dalles is approximately



\$67.00. Therefore any toll less than \$67.00 for overweight trucks would not be a sufficient disincentive and still cause drivers to use the Hood River Bridge.

The bridge at Cascade Locks is currently posted at 80,000 pounds. Whatever strategies are employed for the bridge at Hood River, they should not create an undue burden at the Bridge of the Gods.

With an electronic weigh in motion system coupled to a license plate reader, tolls could be assessed through electronic or other means. It might not be necessary to stop the trucks. Repeated failures to pay would result in civil actions by the Port/county which could include five and 10 day suspensions similar to those afforded the state.

The interviews and research conducted in this study indicate that measures must be significant. They must have sufficient impact on the business proposition of the transportation companies to change behaviors. While assessing a toll increase of this magnitude could be difficult, a gradual ramping up with adequate notice could accomplish the port's desired result.

Signage

In addition to potentially raising tolls, the port must make a wider and more intensive effort to communicate the weight limitations of the bridge. Currently there are signs at the toll booth on the south side and at the bridge abutment on the north side. In the opinion of the Oregon weighmaster this creates a trap for the truck. For without adequate notice or opportunity even those truck drivers who would wish to remain compliant have little or no options that would not cause significant inconvenience.

Communications efforts fall into at least two categories. First is additional signage on all routes, both in Washington and Oregon, which lead to the bridge. They should be located in areas so as to allow drivers the opportunity to search out alternative routes. They should note that there is a WIM system active 24/7.

On I-84 signs would be at the bridges at The Dalles, Biggs Junction, Cascade Locks and at I-205. OR 35 and OR 197 also need advance signage that provides drivers with alternate routing.

Corresponding signage would be necessary on SR 14. In addition SR 142 and SR 141 should be posted as should the Wind River Highway and Forest Service Road 86.

Outreach

Continual outreach to industries which potentially drive overweight traffic across the bridge must be made. The message to these industries is that their industry will suffer if drivers have to cross the river at the alternate routes described above.

The latest load rating that was performed in 2006, is based on an 80,000 pound truck. ^{xxx}The resultant safety factors of 1.06 and 1.07 for critical truss members are based on these loads. ^{xxxi} Anecdotal information indicates that trucks may routinely be running overweight. A load rating of the bridge should be performed with the actual overweights that the bridge is experiencing as opposed to theoretical weights. This information should be incorporated in a fatigue analysis. It is likely that the safety factors would be reduced. ^{xxxii}

This analysis should be presented to responsible executives for the purposes of persuading them that exceeding the bridge weight limits is in no



one's interest. It should also be brought to trucker's attention that the 2006 load rating was accompanied by memorandum from the Oregon Department of Transportation indicating that enforcement of an 80,000 pound weight limit must be made.

As part of the communications to private industries the costs of tolling trucks if a new bridge were built should also be included.

Pointed communications based on license plate readers might be effective as well. License plate readers coupled with a weigh in motion system would allow the port to pinpoint those violators who are consistent. Consistent violators could be warned and then civil action could be undertaken against them if there was continued noncompliance.

As noted elsewhere in this report random and occasional enforcement will help reinforce the seriousness with which the Port takes this issue. All are in agreement that whatever measures the port undertakes, it is with the intent of maintaining economic activity and not significantly impeding it. Random and periodic enforcement provides that additional communication which indicates that the port requires compliance to avoid a de-rating of the bridge - which would cause even more disruption.



Recommendations:

- 1) Raise tolls for overweight trucks to a level that provides a sufficient incentive for compliant behaviors. A weigh in motion system would be part of this proposal.
- 2) Provide highway signage at locations noted above to provide trucks with adequate opportunities to engage in alternate routes. Indicate a 24/7 WIM system.
- 3) Engage in a public outreach effort to encourage weight compliance.
 - a. Include toll rates that would cover the costs of a new bridge.
 - b. Include data gained through a load rating study based on actual weights to demonstrate that safety factors are unacceptable.
 - c. Present disruption costs related to down rated bridge.
 - d. Tailor the presentation to both the private fleets as well as the for hire fleets.

c. - Enforcement Mechanisms

The opinions from the weighmasters in both Washington and Oregon are that enforcement must be a part of this effort. An additional interview was conducted with Motor Carrier Enforcement Division of the Maryland Department of Transportation.^{xxxiii} On the east and west approaches to the 4+ mile long Chesapeake Bay Bridge, weigh in motion systems are installed. The weigh in motion systems are used for pre clearance, and those trucks which are overweight are waved aside for weighing on a platform scale.



While the weigh in motion system is continually active, the platform scale must be manned and only operates for approximately 8 hours a day. The sampling of information from the 24/7 weigh in motion scales indicates that after the platform scales are closed the weights of trucks increase. The Montana Department of Transportation has similar experience with a scale at Lolo Pass.

Self-Enforcement by the PoHR

A self-enforcement strategy which focuses on a weigh in motion system with a license plate reader and adjusts tolls for vehicles which are overweight could be effective. This self-managed system would give the Port the option of turning trucks back who are beyond the legal limits. It will require adequately trained and skilled personnel to implement.

Enforcement by ODOT

The second option for the port is to actively engage the Oregon Department of Transportation to randomly set up truck weigh stations. The Port of Hood River may choose to contract with the Oregon Department of Transportation to periodically operate “jump scales” at the approaches to the HR Bridge. In addition to weighing trucks, this would also include safety checks and other activities that are related to truck operations.

ⁱ From http://www.oregon.gov/ODOT/MCT/pages/OD.aspx#Weight_Tables,_RUAF_and_More; August 2015
ⁱⁱ Oregon Department of Transportation Motor Carrier Education Manual; July 2015
ⁱⁱⁱ WSDOT Legal Load Limits, Overweight Loads and Pavement and Bridges; June 2006
^{iv} Washington State Commercial Vehicle Guide; 2014-2015; WSDOT, WSP, Wa Dept of Licensing, Wa State Utilities and Transportation Commission
^v Bridge Formula Weights, FHWA; Revised May 2015

Enforcement by Washington State Patrol

A third option is to engage the Washington State patrol to also conduct random truck weighing operations on SR 14. Similar to the above they would set up truck weigh stations and conduct safety checks and other activities related to truck operations. On the north side of the bridge immediately to the east there is a parking lot which would provide for sufficient space for this activity.

A fourth option would be to encourage the WSP to reactivate the weigh station in Home Valley. This might entail financial participation to assist in the reactivation.

Recommendation:

- 1) Engage both the Washington State Patrol and the Motor Carrier Division of ODOT to set up at random scale stations and issue citations for noncompliance. Reactivate the Home Valley WSP scale location.
- 2) Develop and install a self-enforcement system that uses weigh in motion systems and public readouts posted above the weight limit sign.

^{vi} ODOT On Line Presentation; Heavy Haul and Axle Use in Oregon; accessed August 2015
^{vii} Oregon Extended Weight Permit Application; Accessed August 2015.
^{viii} From Vehicle Weight table (RCW 46.44.041); Accessed August 2015
^{ix} Emergency Vehicle Size and Weight Regulation Guideline; International Association of Fire Chiefs; 11/22/2011
^x An Analysis of Transit Bus Axle Weights; American Public Transportation Association; November 2014



^{xi} From www.wsp.wa.gov; Proper Securement of Fruit Bins; Washington State Patrol; 2006

^{xii} Impact of Incentives on Toll Road Use by Trucks; Transportation Research Record; Journal of the Transportation Research Board No 2115; 2009

^{xiii} Toll Roads, Toll Rates and Driver Behavior; Texas A&M Research Institute; Curtis Beaty; December 2012

^{xiv} Truck Tolling: Understanding Industry Tradeoffs When Using or Avoiding Toll Facilities; National Cooperative Freight Research Program; Howard P. Wood; Parsons Brinkerhoff; October 2011

^{xv} Interview with Rory McCarty, Used Truck Manager; Pape Kenworth; August 10, 2015

^{xvi} Interview with Les Schwindt; McCoy Freightliner; August 12, 2015

^{xvii} Interview with Joel Smith, Independent Trucking Consultant; 541-951-1388; August 10, 2015

^{xviii} An Analysis of the Operational Costs of Trucking; American Transportation Research Institute; September 2014

^{xix} 2014 “Schedule of Fines” on Violations; Prepared by the Office of the State Court Administrator; Oregon Judicial Department; Accessed August 2015

^{xx} From Bay Area Transportation Authority <http://bata.mtc.ca.gov/tolls/schedule.htm> 8/; August 18, 2015

^{xxi} From Cascade Locks Website <http://portofcascadelocks.org/bridge-of-the-gods/>; August 15, 2015

^{xxii} From <http://www.wsdot.wa.gov/Tolling/TNBTolling/tnbtoIrates.htm>; Accessed August 2015

^{xxiii} Interviews with Ed Scribner; ODOT; August 19 and 21, 2015; 503-378-6071

^{xxiv} Interview with Linda Powell, WSP Motor Carrier Enforcement, August 18, 2015; 360-596-3807

^{xxv} Interview with Don Crowover; ODOT; 503-986-4132; August 14, 2015

^{xxvi} Email communication from Kevin Vanhoozier, August 19, 2015

^{xxvii} Interview with Rachel Villa; Air-Weigh; August 13, 2015

^{xxviii} From <http://www.fmcsa.dot.gov/information-systems/cvisn/commercial-vehicle-information-systems-and-networks-cvisn>; Federal Motor Carrier Safety Administration

^{xxix} From ODOT CVISN; <http://www.oregon.gov/ODOT/MCT/pages/CVISN.aspx>; August 2015

^{xxx} Bridge Long Term Preservation Modeling; HNTB; June 9, 2011

^{xxxi} Load Rating of the Hood River Interstate Bridge; HNTB; May 6, 2006

^{xxxii} Interview with Thomas Cossette, P.E.; HNTB; August 19, 2015; 425-455-3555

^{xxxiii} Interview with Monaj Ponsore; Maryland Department of Transportation; August 20, 2015; 410-582-5730



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Executive Director's Report

September 22, 2015

Staff & Administrative

- The Fall Planning Work Session needs to be scheduled. Commissioners should check their calendars for availability on November 3, 10 or 17. At the October 6 meeting, we will provide a draft agenda for Commission review.
- October is a busy month with both PNWA and OPPA conferences occurring.
- In September, Anne will be attending the OAMA (Oregon Airport Managers Association) annual meeting in Corvallis.
- Genevieve will be attending the Oregon Connections Telecommunications Conference in Hood River October 22-23.
- Summit Strategies is working with various legislative offices to seek changes in the forthcoming transportation bill in the U.S. House of Representatives that could lead to additional opportunities for funding for transportation projects in the Gorge. We will attempt to set up a conference call with Michelle Guigere from Summit Strategies during the meeting to provide a briefing for the Commission on the status of this effort. Thank you to all Commissioners for being available to sign the Port's letter to Congressman Walden as part of this effort. The OneGorge version of the letter was signed by 14 participants.
- As you are aware, a Port employee confessed and was charged with theft of toll funds stemming from the incident on September 3. The employee has been released from NORCOR with the stipulation that she not come onto Port property. We will file an insurance claim for the stolen funds, about \$2,800. Restitution and final resolution of this case will be carried out by the court.
- The Environmental Protection Agency will be conducting a four-day class on oil containment or hazardous mitigation in water later in October. Rob Arnold will attend for the Port.
- "Oregon Business Magazine" is preparing to write an extensive article about the Port of Hood River and Waterfront Development in the coming weeks. Publication date is in December. It will be valuable to have quotes from and/or photos of each Commissioner.
- We incurred substantial legal fees this last month associated with the P Square contract for the tolling system upgrade. Jerry recommended, and Fred and I concurred, that outside counsel skilled in software and intellectual property should be retained due to the size of the contract and the known and unknown risks associated with this effort.

- The Port's financial software, Great Plains, will be upgraded in the next few weeks. The current version of Great Plains is no longer supported. A full upgrade of the financial software, possibly with a new product, will likely occur in FY 17 or 18.
- Work has begun on the Port's new website. Genevieve and developer Dee Holzman will have a presentation in October on progress and new policy considerations.
- Genevieve joined the Chamber board as the Port's ex-officio representative, attending her first meeting September 16.
- Genevieve and Commissioner Davies attended the Bi-State Legislative Policy Summit afternoon session in The Dalles on September 11. Discussion centered on affordable housing, transportation and public transit, recreation, and broadband.

Recreation

- Portions of the new concrete pedestrian path through the Marina parking lot must be re-paved because they slightly exceed ADA standards. The contractor did not explicitly follow the plans and specs. There will be no cost to the Port.
- Laurie Borton has negotiated a short term use agreement that would allow the M/Y vessel Pastime to be moored at the Commercial Dock over the winter. This is a Consent Agenda item.
- Crack sealing of the Marina and Event Site parking lots is complete. Seal coating of both lots is scheduled for October 6th and 7th. Both lots will be closed for two days in order to complete the slurry and the re-stripping of the lots.
- On September 15, Hood River Valley Parks & Recreation Department completed a draft traffic assessment of a proposed dog park west of the sewer plant. Staff is reviewing the report.
- The "Topaz," a vessel that has been moored at the mouth of the Marina for two months has been issued a warning for exceeding the 30-day limit for anchorage on a State of Oregon waterway. The vessel's owner has now submitted an application for a State lease.
- We have received reports of fish dump at the Marina ramp and observed some carcasses on the ramp and in the water. It is not clear yet who is responsible.
- The Coast Guard (USGS) hosted a "Sector Meeting" at the Port office on September 10. In attendance were USGS representatives and various public agencies, including law enforcement. John Mann attended and reported the following key messages:

1. The USGS has funding to help with patrols and will coordinate joint patrol efforts with the Hood River County Sheriff. This may occur on their boats or on another agencies' boat with that agency. No probable cause is required to board any boat with Coast Guard present. They simply board any boat they want to verify safety measures and laws are being followed.
2. All on-water events must get a Coast Guard waterways permit. This should become part of our event planning so we know the proper permits and the Coast Guard requirements have been met prior for events on Port properties.
3. The Coast Guard is willing to bring out air patrol to show presence.
4. The Coast Guard has a public relations group that travels in helicopters and boats and does on-site education. The Coast Guard will coordinate dates for our properties for next year in coordination with the Marine Deputy.

Development/Property

- The Open House for the Lot #1 conceptual planning work being carried out by Walker|Macy occurred on September 15. Because there was a quorum of Port Commissioners, it constituted a public meeting. Brief minutes are in this packet. The presentation by Walker|Macy has been posted to the Port's website.
- Plans for the driveway to the Nichols Basin seawall have been approved by ODOT and the City of Hood River. Work will likely commence in the next two weeks. A new pedestrian ramp/trail is not part of the plans. However, the City continues to look at ways to make this trail connection in the future.
- The Hood River Juice Company has not yet moved the metal fence. We will be in touch with the company if the fence is not moved within two weeks.
- The City has issued letter to Key Development stating that the Site Plan Review application for the Expo Light Industrial Buildings is complete. A formal decision is required by December 26—120 days.
- Bids and quotes are coming in for both the Excavation and Stockpile and the Grade and Fill for the log pond at the Lower Mill. Work is anticipated to begin on the excavation the last week of September. Grading will begin directly after the excavation is completed. A full report will be brought to the Commission at the October 6th meeting.
- Staff is working with Energy Trust of Oregon to determine what kind of incentives are available for the replacement of old HVAC units. The savings range should be between 25-50% of the total installed cost of the units. There are three units scheduled to be replaced within the next two months.
- The E. Port Marina Drive Reconstruct project will begin on September 28 and will be completed by October 2nd. The Port parking lot and road will be closed for the duration of the project. The boat launch will be open for all but one day of the project.

Marina

- Laurie facilitated a tour of the Marina for OSMB staff Meg Gardner on September 15. As a result OSMB has re-certified our Marina as an Oregon Clean Marina (letter attached).
- Peter and Karen Arpag have requested a clarification of the Marina rules in regards to moorage subleases. Please see their letter (attached).

Airport

- An Airport Advisory Committee meeting was held on September 15. The primary discussion topic was the final elements of the Airport Layout Plan. Staff will update the Commission and seek final input this fall before it is submitted to the FAA.
- The Port purchased a larger mower that now enables Port staff to mow the airport more efficiently. The payback period on this investment will be 1.6 years, from saved payments for contract mowing.
- The 2015 Hood River Fly-In set records for the number of planes. Thanks to Anne Medenbach and Fred Kowell for setting up a booth showing information about the Airport Layout Plan and seeking public comment.



Bridge/Transportation

- Welding is now scheduled for September 21 to October 15 as weather conditions permit. The welding scheduled for September 15 was postponed due to feedback from Underwood Fruit. At this point it is crucial that welding occur in the next several weeks.
- We have experienced failures in the electronic tolling system for some Toll Booth lanes. The most recent related to a loss of power to the Lane #4—the computer power supply was the cause. This and other failures are an indication that we need to move quickly on the electronic tolling system upgrade.
- HDR has completed measurements of the auxiliary truss.
- HDR was able to get Transcore (our transponder reader manufacturer) to come out and inspect the tolling system hardware. This was completed at no charge. The inspection concluded that we need to replace one transponder reader in the near future, and repair some of the rubber to the axle count loops; being a high grade epoxy from 3M. Staff is moving forward with both procurement and repairs.

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Oregon

Kate Brown Governor

Oregon State Marine Board

435 Commercial St. NE #400

P.O. Box 14145

Salem, OR 97309-5065

(503) 378-8587



September 17, 2015

Laurie Borton
Port of Hood River
1000 E. Port Marina Drive
Hood River, OR 97031

Dear Laurie,

Thanks to you and John for taking the time to meet with me on September 15, 2015 for the three year re-certification of your facility. I was happy to have the opportunity to review the Clean Marina Program requirements with you and confirm that Port of Hood River is still in good standing with the Program. Included with this letter is a copy of the program evaluation checklist for your records. Port of Hood River improved its score to 100% from the initial evaluation done in 2012. Congratulations!

Please contact me if you ever have questions or concerns regarding any of the program standards or an environmental issue. Thank you for your continued interest in the Clean Marina Program and your commitment to keeping Oregon's waterways clean!

Sincerely,

Meg Gardner
Environmental Programs Coordinator
Oregon State Marine Board



Oregon Clean Marina Program Marina Checklist



Directions

Use this form to conduct a self-assessment of your facility and to guide you through the process of becoming certified as an Oregon Clean Marina. This checklist should be used in conjunction with the Oregon Clean Marina Guidebook and the page numbers correspond to the guidebook. The guidebook and checklist are available from the Oregon State Marine Board at www.boatoregon.com or from the Environmental Programs Coordinator at (503) 378-2611.

Place a checkmark in the appropriate box (yes, no, or not applicable [N/A]) next to each question and tally your score on the last page. The questions are divided into the following types:

- ✧ *L* means required by laws or regulations
- ✧ *P* means required by the Clean Marina Program for certification
- ✧ *O* means optional

To become certified as an Oregon Clean Marina, you must answer “yes” to:

- ✧ All of the required goals (marked with an *L* or *P*) that apply to your facility AND
- ✧ At least 85% of the all the goals that apply to your facility.

In the column on the right, place a checkmark if this is a new practice you put into place in order to receive Oregon Clean Marina certification or as a result of learning about the practice from the Clean Marina program. This will help us determine the impact the program is having on the usage of best management practices.

If you have achieved the necessary percentages or would like free technical assistance to achieve more goals, contact the Environmental Programs Coordinator at 503-378-2611.

Contact Information

Marine Facility Name: Port of Hood River
Owner/Manager: Laurie Borton
Physical Address: 720 E. Port Marina Dr. City: Hood River, State: OR Zip: 97031
Mailing Address: 1000 E. Port Marina Drive City: Hood River, State: OR Zip: 97031
Phone: 541-386-7263
Email: marina@portofhoodriver.com

Date: 9/15/2015

Preliminary Certification Re-certification (3-year)

Marine Facility Type:

Marina, no boatyard Marina with boatyard Yacht Club
 Floating Home Moorage Other:

Number of boat slips: 175

Number of floating home slips:

Rules. A copy of the moorage rules must be provided. Rules need to address the following.

DO YOU:	Type	Yes	No	N/A	New?
1. Incorporate best management practices into marina rules and moorage contracts? (p. 9)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Have “yard rules” for performing debris-producing boat maintenance written into marina slip contracts? (p. 10)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Have a written policy that prohibits the discharge from all MSD’s within the marina basin? (p. 34)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Prohibit disposal of fish waste in the marina basin, and/or provide for proper disposal of fish waste? Post signs displaying rules at cleaning stations. (p.45)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Encourage customers to clean up after their pets by posting signs and/or providing bags to scoop up wastes? (p. 46)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disallow in-water hull scraping or any process that occurs underwater which removes paint from the boat hull? (p. 88, 91)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i> Port is planning to re-organize and update marina rules. Will send our sample BMP’s.					

Boater Education (educational materials and signs)

DO YOU:	Type	Yes	No	N/A	New?
7. Provide clear signage regarding waste facility locations? (p. 9)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. Pass on information about pollution prevention boating practices and aquatic nuisance species to customers, contractors, and employees? (p. 10, 27)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Post signs and identify boats which may be transporting aquatic nuisance species? Require cleaning of contaminated boats before entering waterways. (p. 27-28)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Have spill response numbers posted? (p. 104)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i>					

Solid Waste

DO YOU:	Type	Yes	No	N/A	New?
11. Control litter and have a regular schedule for picking up stray trash? (p. 37)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Keep trash containers, bins, or dumpsters covered and in convenient locations away from the water? If containers are on docks are they secured to prevent tipping over? (p. 37)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Provide clearly marked recycling containers for customers and staff to use, particularly for plastic, paper/cardboard, and metal/aluminum food/beverage containers? (p. 38)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Provide recycling containers for fishing line and have a schedule for collecting line when full?	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i> Within the next year, planning to build an enclosed area for trash and recycling.					

Stormwater Management

DO YOU:	Type	Yes	No	N/A	New?
15. Have any necessary DEQ stormwater discharge permits? (p. 31) – primarily for boatyards	<i>L</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

16. Maintain and clean stormwater catch basins regularly? (p. 32)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Have mechanical or other treatment devices that treat stormwater, such as oil/water separators, storm drain filters, sediment traps or oil absorbents? (p. 32)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18. Maintain stormwater treatment devices per appropriate maintenance schedule? (p. 32)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19. Have a vegetated buffer between impervious surface (like pavement) and the marina basin, where practical? (p. 32, 41)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Minimize impervious areas and/or direct roof runoff to drywells or vegetated areas? (p. 32)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i> Gave them bilge socks to use in storm drain catch basins to remove oily substances from stormwater runoff. Will maintain bilge socks regularly. Clean catch basins once per year. Direct runoff to vegetated areas in parking lots where possible.					

Sewage

DO YOU:	Type	Yes	No	N/A	New?
21. Comply with the legal requirements for sewage disposal? (p. 33)	<i>L</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Offer affordable, convenient pumpout and/or dump station facilities to customers and/or the general public? (p. 34)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23. Keep your pumpout and/or dump station in good working order? (p. 34)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24. Provide clean bathrooms for marina customers/members? (p. 34)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i>					

Universal and Common Waste Management

DO YOU:	Type	Yes	No	N/A	New?
25. Have the facility's hazardous waste generator status determined and comply with corresponding	<i>L</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

regulations? (p. 42)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26. Conduct hazardous waste determinations? (p. 42)	<i>L</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27. Send used oil to an approved recycling facility or reuse on site? (p. 129)	<i>L</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
28. Label all used oil stored in tanks or containers “used oil”? (p. 130)	<i>L</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
29. Store used oil in a manner that does not allow releases to the environment? (p. 70, 129-131)	<i>L</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
30. Thoroughly drain oil filters prior to disposal? (p. 70)	<i>P</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
31. Recycle used batteries and follow applicable legal requirements? (p. 77)	<i>L</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
32. Store spent lead acid batteries in a covered area, layered with wood, if stacked? (p. 78)	<i>O</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
33. Promote the use of less toxic propylene glycol antifreeze? (p. 71)	<i>O</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
34. Store used antifreeze in separate, labeled and coverable containers, and provide secondary containment? (p. 71-72)	<i>P</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
35. Recycle used antifreeze? (p. 72)	<i>O</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i>					

Fueling

DO YOU:	Type	Yes	No	N/A	New?
36. Comply with the Oregon fire code for marine motor fuel dispensing facilities? (p. 61)	<i>L</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
37. Have oil absorbent material available for fuel dock staff and customers to clean up drips and small spills? (p. 62)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
38. Carry vent line whistles, fuel/air separators, absorbent fuel collars or other fuel spill preventative devices in your store? (p. 62)	<i>O</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
39. Regularly inspect and repair fuel transfer and	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

storage equipment? (p. 62, 64)					
40. Train fuel dock staff to prevent drips and spills at the fuel dock? (p. 62)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
41. Comply with the requirements for your Underground Petroleum Storage tanks? (p. 63)	<i>L</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
42. Comply with the requirements for your Aboveground Petroleum Storage tanks? (p. 64)	<i>L</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i>					

Uplands/ Building Maintenance

DO YOU:	Type	Yes	No	N/A	New?
43. Reduce the use of toxic cleaners for cleaning your facility by changing practices or products? (p. 39)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
44. Use native plants and avoid invasive plants in landscaping? (p. 41)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
45. Minimize use of fertilizers and pesticides and/or use compost on landscaping? (p. 41)	<i>O</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
46. Comply with the whitebead foam encapsulation regulation? (p. 29)	<i>L</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
47. Ensure you are in compliance with all laws and permits concerning construction (both upland and floating projects), and fill/removal regulations? Are active construction sites maintained to prevent adverse impacts to the environment? (p. 29-30)	<i>L</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
48. Keep all docks, floats and bulkheads in good working order by conducting routine maintenance (p. 30)	<i>P</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
49. Ensure you are in compliance with all laws and permits concerning dredging activity? (p. 47)	<i>L</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i> Do have problems with invasive species around water's edge, which can only be removed manually. Have received help from the Soil and Water Conservation District before and plan to get their help again next season.					

Emergency Planning

DO YOU:	Type	Yes	No	N/A	New?
50. Comply with the Emergency Planning and Community Right-to-Know Act? (p. 42, 111)	L	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
51. Report petroleum spills as required? (p. 62)	L	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
52. Keep oil spill response equipment maintained, accessible, and near potential sources of accidents? (p. 35, 104)	O	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
53. Have a Spill Prevention, Control, and Countermeasure (SPCC) Plan, if it is required? (p. 103, 145-147)	L	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
54. Have an emergency response plan for potential accidents or emergencies? (p. 104)	P	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
55. Train employees on emergency response every year? (p. 104)	O	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
56. Have a spill contingency plan even if you are not required to have a SPCC Plan? (p. 105, 145-147)	P	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i>					

Leadership Activities

DO YOU:	Type	Yes	No	N/A	New?
57. Work to restore/ enhance upland areas by removing invasive plants, planting native species, and creating habitat for native wildlife?	O	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
58. Mentor a facility that has pledged to become a Clean Marina?	O	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
59. Participate in Adopt-a-River?	O	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
60. Track an environmental aspect (electricity usage, water usage, solid waste generation) and set goals for improvement?	O	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Comment:</i> Recently had a consultant do an evaluation of the electricity in the water in the marina basin and mapped where the zones are safe and unsafe. This was done because a youth sailing team uses the marina to store their boats and then sails nearby. They found that where the sailing team sails is safe from ESD. Now provide this map to Port customers.					

Extra Credit Section

List any additional operating practices that your facility uses that have reduced waste or otherwise reduced pollution. (Note: Each practice is worth the same as one question.)

ESD evaluation of marina basin counts as extra credit.

	Total Achieved #	Total Applicable #	Actual % (= Total Achieved/Total Applicable x 100)
Your Score	44	44	100%
If you answered “yes” to all the required items (marked with an <i>L</i> or <i>P</i>) that apply to your facility and received a score of 85% or higher, then you are eligible to be certified as an Oregon Clean Marina.			

Program Agreement:

By signing this evaluation checklist, you, as the facility owner and/or manager, agree to implement the management practices marked “yes” in the list above. You will ensure, to the extent practicable, that your staff and the marina users know of and follow any rules, regulations, or policies that result from your enrollment in the Oregon Clean Marina program. You are also confirming that you have not withheld any relevant information regarding any recent environmental compliance issues or other regulatory actions. Any actions that would knowingly violate this agreement and cause pollution to the environment will result in your certification status being re-evaluated and possibly terminated.

Signature of facility owner or manager

Date

Printed Name

Verified by Oregon Clean Marina Program Representative:



Name

Oregon State Marine Board

Affiliation

9/17/2015

Date

Peter & Karen Arpag
POHR Slip Tenants C-224

Michael McElwee, Executive Director
Port of Hood River

Dear Mr. McElwee,

Greetings! Our family are avid sailors and have been marina tenants for well over ten years. We're very thankful and proud to have this excellent facility in Hood River. We are currently in slip C-224 without our 40' sailboat, BATU. We're preparing to take the boat, and our kids, on an extended journey across the Pacific and possibly around the world. The journey is expected to last from 1 to 3 years. If at all possible, we would like to keep our slip during this time. Therefore, I'm writing to clarify the Port's position on the Moorage Tenancy Sublease arrangement.

The Sublease rules say that the maximum sublease term is 12 months, and there is nothing in the rules that precludes, or specifically allows, subsequent sublease agreements. We are requesting your clarification on this point. Given the setup of the sublease, there is a significant cost to us (over \$600/ 12 month term). The exchange of value is that we'd have a slip to return to. In our case, this only makes sense if the Port will allow subsequent sublease agreements or a longer sublease term.

We cannot see any significant disadvantage for the Port to make such an allowance. Because of the arrangement, the Port makes significantly more money on sublease agreements, so there's no disadvantage there. In our case, the sublease terms would be long, meaning minimal admin time to process additional paperwork. We feel very confident that we can find the tenants to fill the agreement, eliminating the administrative time required for staff to call the wait-list to fill a space. This proposed allowance enables active, experienced voyaging sailors like us to use our boats as intended while still maintaining a 'home base' in this wonderful place. Hood River Marina is becoming a significant 'jumping off point' with 1 - 2 boats departing on extended voyages every year. I would argue that active, experienced local boaters are exactly the type of tenants the Port would prefer.

Please consider these points and let us know the Port's position when you have a chance. We currently have a 12 month lease agreement in the works, but if we can't extend the term or enter a subsequent sublease, it will not make sense for us.

Thanks and Kind Regards,

Peter & Karen Arpag
s/v BATU
Hood River, OR

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Commission Calendar October 2015

September '15
S M T W T F S
1 2 3 4 5
6 7 8 9 10 11 12
13 14 15 16 17 18 19
20 21 22 23 24 25 26
27 28 29 30

November '15
S M T W T F S
1 2 3 4 5 6 7
8 9 10 11 12 13 14
15 16 17 18 19 20 21
22 23 24 25 26 27 28
29 30

December '15
S M T W T F S
1 2 3 4 5
6 7 8 9 10 11 12
13 14 15 16 17 18 19
20 21 22 23 24 25 26
27 28 29 30 31

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	1	2	3
4	5	6 Commission Mtg, 5pm	7 PNWA Conference, PDX McElwee, Shortt	8 PNWA Conference, PDX McElwee, Shortt	9 PNWA Conference, PDX McElwee, Shortt (morning only)	10
11	12 Columbus Day (Port Office open) URA? Streich/Davies	13	14 OneGorge, 3pm	15 Marina Ad-hoc, 8am Shortt, MM, Borton	16 Harvest Fest	17 Harvest Fest
18 Harvest Fest	19 KTHR Radio, 8am	20 Commission Mtg, 5pm	21	22 Telecommunications Conf. (HR) - Scholl	23 Telecommunications Conf. (HR) - Scholl	24
25	26 Auditors on site	27 Auditors on site	28 Auditors on site	29 Auditors on site	30 Auditors on site	31 Halloween
1 Daylight Saving	2	<p>Unavailable: Hadley, October 8, 9, 12 Fred, Melissa, Janet: October 8-9, Finance Training; (w/software install October 15-16)</p> <p>Events: Harvest Fest (Event Site/Lot 1): October 16-18 w/set-up Oct. 12-15 and take-down Oct. 19-20 Columbia Gorge Marathon (Event Site): October 25</p>				

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Commission Memo



Prepared by: Anne Medenbach
Date: September 22, 2015
Re: Lower Mill Excavate, Stockpile and Sort Contract

The Port rejected all Excavate and Haul bids on September 1. Two bids were received at that time, both of which exceeded our budget.

Since then, staff has restructured the scope of work to an excavate and stockpile on site quote process. This process is approved by the EPA in our original work plan. The stockpiles will mostly be recycled by private parties or will go back into the excavated area as clean, structural fill.

The excavated material will be sorted as follows:

- a. Large diameter wood pieces that can potentially be re-used off site
- b. Re-useable soil to go back into the excavated area as clean, structural fill
- c. Wood waste to be stock piled, knocked down and spread on the "dog leg" parcel south of GS Long. Doing this will nearly eliminate the possibility of combustion. The material will be made available to private parties for agricultural amendment or non-structural fill.
- d. Metal and other non-organic materials to be hauled off site to either a landfill or for recycling.

The Port utilized a Request for Quotes process as the anticipated cost for this work is under the State requirements for a formal bid process. Prevailing wages will still be paid.

Staff will receive the quotes on Tuesday, September 22 and will bring the results to present at the meeting that evening a recommendation for action.

RECOMMENDATION: Informational.

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Commission Memo



From: Fred Kowell
 Date: September 22, 2015
 Re: Tolling System Revised Contract

At the July 14, 2015 meeting, the tolling system contract was approved subject to legal review. Staff would like to bring back a revised tolling contract due to the following:

- (1) There were only three of the five Commissioners present at the meeting on July 14th and Legal Counsel had a substitute sitting in.
- (2) This is an important, multi-faceted contract, requiring a large Port investment of money (for software, consultants and hardware) and staff time.
- (3) Although the contract was approved subject to legal counsel review, current documents have some significant differences from documents provided to the Commissioners in July; with some of those changes coming from software contracting legal expertise provided by Schwabe, Williamson and Wyatt.
- (4) The July 14th motion was to approve a contract for Phases 1, 2 and 3, for an amount not to exceed \$285,280.00; however, the maintenance portion of the contract extends through the second year which changes the amount to \$296,080.00.
- (4) The original contract was to expire at the end of July 2015. The revised contract has a notice to proceed for P Square by October 1, 2015.

The contracts phases are depicted below. This has not changed.

Phases	Task	Period in Months	Cost
Phase 1	Review and Analysis of Legacy ETC System Lane Controller and Upgrade Support of Operating Environment	2.5 Months	\$ 26,640
Phase 2	Enterprise Toll Back Office System Replacement of Legacy Back Office System	10 months	\$ 194,000
Phase 3	Lane Controller Replacement and Integration with Upgrade In-Lane Equipment	6 months	\$ 56,000

The maintenance portion of this contract is \$8,640.00 per year, with the contract being completed over two years.

RECOMMENDATION: Approve the bridge software development, license and support services contract with P Square Solutions along with the Attachment A, Scope of Services for an amount not to exceed \$293,920.00.

September 9, 2015

To:

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

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

Dear Mr. Kowell,

P-Square Solutions is pleased to agree to the terms of Bridge software development, license and support services contract along with the Bridge Attachment A Scope of Services for Port Hood River Electronic Tolling Systems Upgrade & Maintenance. Please find the attached executed copy of the contract and attachment A Scope of Services in reference to the P-Square Solutions proposal for Port of Hood River - ETC System Upgrade, Maintenance and Replacement BOS.

We request to have NTP on October 1, 2015 to initiate the Project kick off and follow-up site visits for system review and analysis in preparation of Project planning and scheduling purposes. In the meantime, we would request Port to provide the following documentation, resources and software and system access.

- 1) Lane Controller Design Document
 - Lane Architecture
 - System Architecture
 - List of Functional Requirements
 - Lane Software Design
 - Lane Wiring Drawings
 - Lane Bill of Materials (with Model Number - and quantity)
 - Lane 3rd party software
 - OS for the Lane Controller
 - 3rd Party software Interfaces
 - Lane Internal Interfaces
 - ICDs with its sensors/devices
- 2) Lane Controller External Interfaces
 - Back-Office ICD

- 3) Lane Controller Maintenance Manuals
 - Latest Lane Configuration Information
 - Lane Geometry
 - Lane Monitoring Applications
 - Current Inventory of Spares
- 4) Lane Operations Guide
 - Toll Collector Operations
- 5) Lane Controller Source Code
 - Source Files for
 - Compiler Information & Compiling Instructions
 - Last five Lane Software Update release notes with date
- 6) Toll Plaza Operations Guide
 - Cash Reconciliation
 - Transaction Reconciliation
 - Report Samples
 - User Management

The above documentation would help us in understanding, planning and scheduling the Project phases and help us productive onsite visits for the team.

We are looking forward with an excitement with this opportunity to work with Port of Hood River on this project.

Sincerely,



Goverdhan Reddy Patlolla
President
P-Square Solutions LLC

SOFTWARE DEVELOPMENT, LICENSE, AND SUPPORT SERVICES CONTRACT

This Software Development, License, and Support Services Contract ("**Agreement**") is between the Port of Hood River, an Oregon Municipal Corporation, with principal offices located at 1000 E. Port Marina Drive, Hood River, Oregon (hereinafter referred to as the "**Port**"), and P Square Solutions, LLC, a New Jersey Limited Liability Company, with principal offices at 309 Fellowship Road, Suite 200, Mount Laurel, New Jersey 08054 (hereinafter referred to as "**Consultant**").

In consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Port authorizes Consultant, and Consultant agrees, to carry out and complete the software development and support services as described below:

1. **PROJECT:** Work shall be performed by Consultant in connection with a project generally described as: Tolling System Upgrade and Maintenance Support located at 1000 E. Port Marina Drive in Hood River, Oregon.
2. **SCOPE OF SERVICES:** Consultant shall be responsible for the performance of all services as set forth in the Consultant's letter dated May 27, 2015, entitled "Port of Hood River ETC System Upgrade, Maintenance and a Replacement Proposal" attached hereto and incorporated herein by this reference ("**Proposal**") and in accordance with the document entitled "Scope of Services Port of Hood River Electronic Tolling Systems Upgrade & Maintenance" attached hereto and incorporated herein as Attachment 'A' ("**Attachment 'A'**") (the software development services and software support services described in the Proposal and Attachment 'A' are hereinafter referred to collectively as the "**Services**"), and in accordance with this Agreement. As further specified in the Proposal, Attachment 'A', and this Agreement, the Services to be performed by Consultant include the development of certain customized software and the provision of certain software support and maintenance services to the Port. Consultant shall perform the Services using the normal degree of skill and knowledge customarily employed by professionals performing similar services in the software industry. Consultant shall be responsible for providing, at Consultant's cost and expense, all management, supervision, materials, administrative support, supplies, and equipment necessary to perform the Services as described herein, all in accordance with this Agreement, except as otherwise provided in Section 8.
3. **DEVELOPMENT OF SOFTWARE:** Consultant will develop software in conformance with the specifications set forth in the Proposal and Attachment 'A'.
4. **INTELLECTUAL PROPERTY:**
 - a. **Pre-Existing Intellectual Property.** Except as otherwise set forth herein, each party retains sole and exclusive ownership of intellectual property rights owned or controlled by them prior to the Effective Date. In particular, Consultant shall acquire no ownership or other right of any kind in, and shall not register, apply to register, sell, copy, license, transfer or use, any of the Port's trade names, trademarks, service marks, trade secrets, know-how, patents, copyrights, or other intellectual property of any kind except as expressly allowed under this Agreement.
 - b. **Port Intellectual Property.** In performing the Services, Consultant may, to the extent set forth in this Agreement, the Proposal, and Attachment 'A', require the use of certain materials, information, and content owned, maintained, and/or controlled by the Port ("**Port Content**"). To the extent Port Content is made available to or accessed by Consultant hereunder, the Port hereby grants to Consultant, during the

Term (defined below) of this Agreement and subject to the terms and conditions set forth in this Agreement, the Proposal, and Attachment 'A', a limited, revocable, royalty-free, non-exclusive, non-sublicensable, non-transferrable license to use the Port Content solely for Consultant's internal, non-commercial purposes in the performance of the Services for the Port only. As between the parties, the Port Content is and shall remain the sole and exclusive property of the Port, and Consultant has no right, title or interest in the Port Content, whether by implication, estoppel, or otherwise.

c. Ownership of Work Product. All work product of Consultant prepared or created pursuant to this Agreement, including but not limited to, all maps, plans, drawings, specifications, reports, electronic files and other documents, as well as any other information provided by Consultant during the Term of the Agreement, including but not limited to, software (including source and object code), hardware, intellectual property, trade secrets, designs, plans, documents, and electric files in whatever form, shall remain the sole property of Consultant (the "**Work Product**"), except to the extent that such Work Product includes Port Content, which shall remain the sole and exclusive property of the Port. Upon the earlier of (i) the completion of discrete phases of the Services as further specified in Attachment 'A'; (ii) the termination or expiration of this Agreement; or (iii) the Port's request, Consultant shall deliver the Work Product to the Port in such form as reasonably requested by the Port. Consultant shall maintain copies on file of all Work Product for a period of three (3) years after the termination or expiration of this Agreement, and shall make the Work Product available for the Port's use in accordance with the terms of this Agreement.

d. License Grant. Consultant hereby grants the Port a perpetual, irrevocable, , non-exclusive, royalty-free license to use, modify, port, translate, localize, reproduce, republish, distribute, publicly perform, publicly display, and create derivative works of the Work Product. Notwithstanding the foregoing, the Port agrees that it will not sell, offer for sale, transfer, assign, or otherwise distribute the Work Product and shall use the Work Product for the Port's internal purposes and continued operation of its Electronic Toll Collection System only. Notwithstanding the foregoing, the parties agree that the Port may transfer or assign the Work Product, in full or in part, to a party who assumes operation of the Port toll bridge located in Hood River, Oregon, provided the Work Product may only be used by that party for operation of the Port toll bridge, and provided that party agrees to comply with the terms of this Agreement (the "**Permitted Transferee**"). A Permitted Transferee shall have all rights the Port has under this Agreement, including rights to obtain Deposited Materials from escrow under the terms of Section 19 of this Agreement.

e. Section 365(n) of the U.S. Bankruptcy Code. The license granted by Consultant to the Port under this Agreement is and shall otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code (the "Code"), a license to rights to "intellectual property" as defined in the Code. The parties agree that the Port, as licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Code. The parties further agree that, in the event of the commencement of bankruptcy proceedings by or against Consultant under the Code, the Port shall be entitled to retain all license rights granted by Consultant to the Port hereunder.

5. SUPPORT AND MAINTENANCE SERVICES: All support, updates, upgrades, enhancements, modifications, improvements, backup, trouble-shooting, maintenance, and related services provided to the Port by Consultant shall be in conformance with the specifications set forth in the Proposal and Attachment 'A', or as otherwise agreed by the parties in writing.
6. TERM OF AGREEMENT: The Term of this Agreement shall begin on the date this Agreement is fully executed by both parties (the "**Effective Date**"), and shall, unless earlier terminated pursuant to Section

15 below, continue until December 31, 2017 (the "Initial Term"). Upon the expiration of the Initial Term, this Agreement will, unless earlier terminated pursuant to Section 15, automatically renew for two (2) successive renewal periods of three (3) years each (each a "Renewal Term"), unless the parties mutually agree in writing to terms and conditions on which to extend and/or renew this Agreement for an alternate period of time or change the nature of the Agreement, or unless the Port provides written notice of non-renewal at least thirty (30) calendar days prior to the end of the Initial Term or then-current Renewal Term. For purposes of this Agreement, "days" means calendar days. All terms and conditions set forth in this Agreement shall remain in full force and effect during any Renewal Term(s). The Initial Term and any subsequent Renewal Term shall collectively be referred to herein as the "Term."

7. **ADDITIONAL SERVICES:** The Port may request that Consultant provide additional software development or software support and maintenance services not identified in the Proposal, Attachment 'A', and/or this Agreement ("Additional Services"). Additional Services shall not be performed by Consultant unless and until a written task order is signed by both parties ("Task Order"). Upon receipt of the written request to perform Additional Services from the Port, the Port and Consultant shall negotiate the scope of the relevant Additional Services, the time for performance, and price, which shall be documented in a Task Order. Unless otherwise agreed by the parties, pricing for Additional Services will be calculated based on Consultant's then-current hourly rates. If Consultant performs any Additional Services prior to or without receiving a Task Order signed by the Port, neither Consultant nor Consultant's contractors shall be entitled to any compensation or reimbursement for such Additional Services, including costs and expenses incurred by Consultant or Consultant's contractors. Additional Services will be considered "Services" under this Agreement and subject to all terms and conditions of this Agreement.

8. **COMPENSATION:**
 - a. **Fees and Expenses.** The Port shall pay fees to Consultant for Services performed under the terms of this Agreement for phases and tasks described in Attachment 'A', in fixed amounts according to the schedule in Part 2.0 and Part 5.0 of Attachment 'A' ("Compensation"), which totals \$276,640.00, plus \$720.00 per month for each month Phase 4 Services are provided, excluding Reimbursable Expenses and Additional Services, unless otherwise agreed by the parties in writing. Except as elsewhere stated herein, the Port will also reimburse Consultant for preapproved, reasonable, direct expenses incurred by Consultant, which shall not constitute Compensation ("Reimbursable Expense(s)"). Consultant will obtain advance written approval from the Port prior to expenditure of any individual Reimbursable Expense that exceeds \$500. Further, Consultant will not exceed \$500 in total Reimbursable Expenses during the Term of this Agreement without the Port's prior written approval. In the event Consultant incurs any individual Reimbursable Expense that exceeds \$500 or incurs a total of \$500 or more in Reimbursable Expenses without the Port's prior written approval, the Port shall not be responsible for reimbursing Consultant for the same. All travel expenses, including expenses less than \$500, must be preapproved by the Port to be eligible for reimbursement as a Reimbursable Expense. All travel costs (airfare, meals, hotel, parking, transportation) must be reasonable and within industry rates. Airfare will be for coach travel and booked at the earliest possible date. All submitted travel expenses are subject to review and approval of the Port, and only preapproved expenses will be reimbursed by the Port.

 - b. **Invoices.** Consultant shall submit invoices based upon the pricing terms and payment schedule set forth in Part 5.0 of Attachment 'A' (or a given Task Order, as applicable), detailing the Services provided as reflected in the invoice through the invoice date ("Invoice(s)"). Invoices shall include a detailed, itemized description of Services performed and the prices charged for such Services, and include proof, in a form reasonably acceptable to the Port, of any and all Reimbursable Expenses for

which Consultant is requesting reimbursement. The Port shall make payments within thirty (30) days after receipt of the relevant Invoice.

c. Disputed Invoices. Subject to the Port's option to cure, as further set forth in Section 15(b), Consultant reserves the right to suspend Services or terminate this Agreement if the Port's account is more than sixty (60) days delinquent; provided, however, that the Port's account shall not be deemed delinquent (and the Port shall not be deemed to be in breach of this Agreement) if the Port has not paid any disputed amount set forth in any Invoice.

9. STATUS OF CONSULTANT AND RELATIONSHIP:

a. Independent Contractor. Consultant acknowledges and agrees that it is an independent contractor of the Port and nothing contained herein shall be construed as constituting any relationship, employment or otherwise, with the Port other than that as independent contractor, nor shall anything in this Agreement be construed as creating any relationship whatsoever between the Port and any of Consultant's employees, contractors, agents or representatives. Neither the Consultant nor any of Consultant's employees, contractors, agents and/or representatives are nor shall they be deemed to be an employee of the Port. Consultant and Consultant's employees, contractors, agents and/or representatives are not and shall not act as an agent of the Port. .

b. Consultant's Contractors. All employees, contractors, agents and/or representatives who assist Consultant in the performance of the Services shall at all times be under Consultant's exclusive direction and control. Consultant shall pay all wages, salaries and other amounts due Consultant's employees and/or contractors, agents, or representatives in connection with the performance of the Services and shall be responsible for all reports and obligations respecting such employees and/or contractors, agents, or representatives, including without limitation, social security tax, income tax withholding, unemployment compensation, worker's compensation, employee benefits and similar matters. Further, Consultant has sole authority and responsibility to employ, discharge and otherwise control Consultant's employees and/or contractors, agents, and representatives. Consultant has sole authority and responsibility as principal for Consultant's agents, representatives, employees, contractors, and all others Consultant hires or otherwise engages to perform or assist in performing the Services. The Port's only interest is in the results to be achieved.

c. Independently Established Business. Consultant represents, warrants, and covenants to the Port that, in the provision of the Services, Consultant is customarily engaged in, and will continue to customarily engage in, an independently established business as described in O.R.S. § 670.600(3). Contractor specifically represents, warrants, and covenants to the Port that at least three (3) of the following requirements are accurate:

- i. Consultant maintains, and will continue to maintain, a business location:
 1. That is separate from the business or work location of the Port; or
 2. that is in a portion of Consultant's residence, which portion is used primarily for Consultant's business;
- ii. Consultant bears the risk of loss related to the business or the provision of services as shown by factors such as:
 1. Consultant enters into fixed-price contracts;
 2. Consultant is required to correct defective work;
 3. Consultant warrants the services provided; or
 4. Consultant negotiates indemnification agreements or purchases liability insurance, performance bonds, or errors and omissions insurance;

- iii. Consultant provides, and will continue to provide, contracted services for two (2) or more different persons or entities within a twelve- (12-) month period, or Consultant routinely engages in, and will continue to routinely engage in, business advertising, solicitation, or other marketing efforts reasonably calculated to obtain new contracts to provide similar services; and
- iv. Consultant makes, and will continue to make, a significant investment in Consultant's business, through means such as:
 - 1. Purchasing tools or equipment necessary to provide Consultant's services;
 - 2. paying for the premises or facilities where Consultant's services are provided; or
 - 3. paying for licenses, certificates, or specialized training required to provide Consultant's services; and/or
- v. Consultant has the authority to hire other persons to provide or to assist in providing the services and has the authority to fire those persons.

10. REPRESENTATIONS AND WARRANTIES: Consultant represents, warrants and covenants that:

a. Consultant has the required ability, skills and capacity to, and shall, perform the Services in a workmanlike manner and consistent with this Agreement, the Proposal and Attachment 'A'. Further, any employees and/or contractors of Consultant employed or otherwise engaged by Consultant in connection with performing the Services shall have the skill, experience and licenses required to perform the Services assigned to them;

b. to the extent Consultant deems necessary, in accordance with prudent practices, Consultant has inspected the sites and all of the surrounding locations whereupon Consultant may be called to perform Consultant's obligations under this Agreement, and is familiar with requirements of the Services and accepts them for such performance;

c. Consultant has knowledge of all of the legal requirements and business practices in the State of Oregon and elsewhere that must be followed in performing the Services, and the Services will be performed in conformity with such requirements and practices;

d. Consultant is validly organized and exists in good standing under the laws of the State of New Jersey, and has all the requisite powers to carry on Consultant's business as now conducted or proposed to be conducted in connection with this Agreement, the Proposal and Attachment 'A', and Consultant is duly qualified, registered or licensed to do business in good standing in the State of New Jersey and the State of Oregon;

e. the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action and do not and will not (i) require any further consent or approval of the manager or any members of Consultant or any other person which has not been obtained or (ii) result in a breach of or default under the certificate of formation of Consultant or any indenture or loan or credit agreement or other material agreement or instrument to which Consultant is a party or by which Consultant's properties and assets may be bound or affected; and

f. the Services (and the Port's use thereof) will not infringe, misappropriate, or otherwise violate any third party intellectual property or proprietary rights and will be free of any claim by any third party based on patent, trademark, or copyright infringement, trade secret misappropriation, unfair trade practice, or otherwise.

11. CONSULTANT'S INSURANCE:

a. Insurance Requirement. Consultant shall keep and maintain the following insurance for the duration of the Term of this Agreement, and for a period of at least one (1) year following the expiration or termination of this Agreement:

- i. Commercial General Liability insurance on an occurrence basis with a limit of not less than \$1,000,000 each occurrence for bodily injury and property damage and \$2,000,000 general aggregate. The Commercial General Liability insurance coverage shall provide contractual liability. The coverage shall name the Port of Hood River and each of its Commissioners, officers, agents, and employees as Additional Insured with respect to this Agreement;
- ii. Automobile Liability insurance with a combined single limit of not less than \$1,000,000 each occurrence for bodily injury and property damage, including coverage for owned, hired, or non-owned vehicles, as applicable;
- iii. Professional Liability insurance with a \$1,000,000 per claim and \$1,000,000 in the aggregate for malpractice or errors and omissions coverage of obligations and Services performed pursuant to this Agreement, and against liability for personal injury, death or damage of property, including loss of use thereof, arising from Consultant's acts, errors or omissions in any way related to this Agreement; and
- iv. Workers' Compensation insurance in compliance with ORS 656.017, which requires subject employers to provide Oregon workers' compensation coverage for all their subject workers.

b. Certificates of Insurance. On or before the Effective Date, as evidence of the insurance coverage required by this Agreement, Consultant shall furnish insurance certificates to the Port evidencing the insurance required under this Agreement, as well as the amounts of coverage for the respective types of insurance coverage. The Commercial General Liability certificate (the "Certificate") shall provide that the Port, its Commissioners, officers, agents, and employees are Additional Insureds but only with respect to Consultant's Services to be provided under this Agreement. Endorsement CG 20 10 11 85 or its equivalent must be attached to the Certificate. The Certificate shall provide that the insurance shall not terminate or be canceled without thirty (30) days' written notice first being given to the Port. If required by the Port, complete copies of an insurance policy shall be provided to the Port. Consultant shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance. If the insurance coverage required hereunder expires during the Term of this Agreement, Consultant shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. Subcontractors. If Consultant subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates of insurance evidencing statutory worker's compensation insurance, comprehensive general liability insurance and professional liability insurance coverage in amounts satisfactory to the Port and Consultant.

d. Claims-Made Policies. If any policy obtained by Consultant is a claims-made policy, the policy shall provide that Consultant has the right to purchase, upon cancellation or termination by refusal to renew the policy, an extended reporting period of not less than two (2) years. Consultant agrees to purchase this extended insurance coverage and to keep it in effect during the reporting period. If the policy is a claims-made policy, the retroactive date of any renewal of such policy shall be not later than the Effective Date of this Agreement. If Consultant purchases a subsequent claims-made policy in place of the prior policy, the retroactive date of such subsequent policy shall be no later than the Effective Date of this Agreement.

e. Subrogation. The insurance required under this Section 11 will be primary and non-contributing to any insurance maintained or obtained by the Port. Consultant agrees to waive any rights of subrogation Consultant's insurers may have against the Port.

12. **INDEMNIFICATION**: Consultant shall indemnify, defend and hold harmless the Port, its Commissioners, officers, employees and agents for, from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs, expenses (including attorneys' fees) and liabilities ("**Claim(s)**") to the extent they are resulting or arising from, or alleged to result or arise from, the acts or omissions of Consultant, or any of Consultant's employees, contractors, agents, and/or representatives related to or arising in connection with the Services and/or the performance of this Agreement, including without limitations Claims (i) that the Services (and/or the software and/or any other related deliverables) infringe, misappropriate, or otherwise violate any patent right, copyright, trade secret right, trademark right, or other intellectual property right or proprietary right of any third party; or (ii) resulting or arising from Consultant's handling, loss, or disclosure of Confidential Information, including without limitation personally identifiable information and/or credit card or other payment information of any third party; and Consultant shall pay the costs, damages, losses, liabilities, and reasonable attorneys' fees ("**Losses**") incurred by and awarded against the Port and pay any settlement with respect to such Claim. The Port agrees to notify Consultant promptly of any matters to which this provision may apply. The Port will cooperate in any such defense, with Consultant bearing any out-of-pocket expenses reasonably incurred by the Port at Consultant's request in connection with providing such cooperation. The obligations of the indemnifications extended by Consultant to the Port shall survive the termination or expiration of this Agreement.

13. **CONFIDENTIALITY**:

a. Confidential Information Defined. "**Confidential Information**" means any oral, written, graphic, or machine-readable information of the Port whether or not it is marked as confidential or proprietary or is stated verbally to Consultant or known to Consultant to be confidential or proprietary, including without limitation information related to (i) inventions, processes, designs, drawings, software (including source and object code), hardware configuration, system architecture, computer programs, algorithms, know-how, ideas, designs, drawings, specifications, techniques, programs, systems, product plans, improvements, modifications, data, technical information, customer or user information, and research and development of the Port; or (ii) information and materials developed by either party as a result of or for the purpose of performing under this Agreement, but which shall specifically exclude Consultant's preexisting intellectual property, trade secrets, confidential information, and proprietary information in any form or format.

b. Confidentiality Obligations. During the Term of this Agreement, Consultant may have access to and become acquainted with or exposed to Confidential Information. Except as otherwise provided for herein, Consultant shall not: (i) Use Confidential Information for any purpose without the prior written authorization of the Port, except Consultant may use Confidential Information to perform its obligations, including the Services, under this Agreement; or (ii) disclose Confidential Information to any other person or entity without the prior written authorization of the Port (except Consultant may only disclose Confidential Information to those of Consultant's employees, contractors, agents, or representatives, as set forth below). Consultant shall not disclose Confidential Information to its employees, contractors, agents or representatives (for purposes of this Section 13, "**Representatives**") except those Representatives having a bona fide need to know such Confidential Information and who are likewise bound by confidentiality and non-use restrictions at least as restrictive as those set forth herein. Consultant shall promptly notify the Port of any unauthorized use or disclosure of Confidential Information

and will assist the Port in every reasonable way to retrieve Confidential Information that was improperly used or disclosed. Consultant shall be responsible for any unauthorized use or disclosure of Confidential Information by its Representatives. Consultant acknowledges and agrees that, except as otherwise provided in this Agreement, all Confidential Information is and shall remain the sole and exclusive property of the Port, and Consultant shall have no right, title or interest in such Confidential Information, whether by implication, estoppel or otherwise.

c. Exclusions. The confidentiality obligations imposed by this Agreement shall not apply to: (i) Information that becomes part of the public domain through lawful means and without breach of any confidentiality obligation; (ii) information subsequently and rightfully received by Consultant from a third party without any obligation of confidentiality to the Port or fiduciary duty owed to the Port; (iii) information that is independently developed by Consultant without use of or reference to any Confidential Information of the Port, as demonstrated by the clear and convincing documentary evidence; (iv) information required to be disclosed by compulsory judicial or administrative process or by law or regulation, provided that Consultant first provides the Port prompt notice of the required disclosure, complies with any protective or similar order obtained by the Port, and only provides as much Confidential Information as is required to comply with the law, regulation, or judicial or administrative proceeding (as informed by legal counsel); and (v) information that is the subject of a written permission to disclose between the Port and Consultant.

d. Return of Confidential Information and Survival. Upon the Port's request, or upon the termination or expiration of this Agreement, whichever is earlier, all materials comprising or containing Confidential Information, including all copies, summaries, and excerpts thereof, shall be returned to the Port or destroyed, in the Port's sole discretion. The obligations concerning Confidential Information set forth herein shall survive the termination or expiration of this Agreement.

14. USE OF CONTRACTORS:

a. General. Consultant is solely and fully responsible to the Port for the performance of the Services under this Agreement, and Consultant shall be responsible and liable for all actions and omission of any and all contractors engaged by Consultant to perform any part of the Services. Use of any contractors by Consultant shall be pre-approved by the Port. The Port reserves the right to require Consultant to terminate a contractor's contract at any time and for any reason whatsoever, without penalty to the Port.

b. Contractor Commitments: All of Consultant's subcontracts with its contractors in connection with the performance of the Services shall be in writing and include the following provisions:

- i. The subcontract/contract is immediately terminable by Consultant, at the direction of the Port or otherwise, with or without cause;
- ii. The subcontractor shall carry insurance in forms and amounts satisfactory to the Port in its sole discretion, as provided by this Agreement; and
- iii. All warranties (express or implied) given by Consultant's contractors shall inure to the benefit of the Port and its successors and assigns.

Consultant shall provide the Port with a copy of each subcontract executed in connection with Consultant's performance of the Services within seven (7) days of each subcontract's execution.

c. Control. Contractors who assist Consultant in the performance of the Services shall at all times be under Consultant's exclusive direction and control and shall be contractors of Consultant and not contractors of the Port. Consultant shall pay or cause each contractor to pay all wages, salaries and other amounts due to Consultant's contractors in performance of the duties set forth in this Agreement and

shall be responsible for any and all reports and obligations respecting such contractors. All contractors shall have the skill and experience and any license or permits required to perform the Services assigned to them.

15. TERMINATION:

a. No-Cause Termination. In addition to any other rights provided herein, the Port shall have the right, upon sixty (60) days' prior written notice to Consultant, to terminate this Agreement and/or any Task Orders, in whole or in part, for the Port's convenience.

b. Termination for "Cause." Consultant and the Port shall have the right to terminate this Agreement, including all Task Orders, in full for "cause" in the event that either party materially breaches this Agreement and fails to cure that breach within thirty (30) days after receiving written notice describing the breach. For purposes of this Agreement, "cause" shall be defined as:

- i. The insolvency or filing for bankruptcy by the Port or Consultant or reorganization for the benefit of creditors;
- ii. Any violation by the Port or Consultant or any of their managers, members, commissioners, agents, consultants/contractors, and employees of any federal, state, or local law or regulation directly related to the business of the Port or Consultant, or any of their subsidiaries, or the Port's or Consultant's or any Port or Consultant commissioner's, manager's, member's, agent's, consultant's/contractor's, or employee's indictment for a felony, or any willful perpetration of a common law fraud;
- iii. The willful malfeasance or gross negligence of the Port or Consultant, or their respective managers, members, commissioners, agents, consultants/contractors, or employees; or
- iv. Failure of the Port or Consultant to substantially perform any of their respective obligations under this Agreement, including failure of Consultant to promptly and/or properly perform Services, or failure of the Port to make undisputed payments of Compensation or reimbursement for Reimbursable Expenses within the time specified in this Agreement.

16. EFFECT OF TERMINATION:

a. Termination for the Port's Convenience: Upon termination of this Agreement under Section 15(a) above, and unless otherwise directed by the Port, Consultant shall immediately:

- i. Stop work on the Services as specified in the notice of termination;
- ii. Terminate all agreements with subcontractors to the extent they relate to the Services terminated;
- iii. Complete performance in accordance with this Agreement of all of the Services not terminated, if any; and
- iv. Take any action that may be reasonably necessary, or that the Port may reasonably direct, for the protection and preservation of the property or Work Product (as defined below) related to this Agreement that is in the possession of the Consultant and in which the Port has or may acquire an interest.

b. Settlement and Payment. Upon termination or expiration of this Agreement, Consultant shall submit a final termination settlement proposal to the Port in a form and with a certification prescribed by the Port for Services performed and Reimbursable Expenses incurred but not-yet paid as of the termination date. Consultant shall submit the proposal promptly, but in no event later than thirty (30) days from the effective date of termination, unless extended in writing by the Port upon written request by the Consultant made within such thirty-day period. If Consultant fails to submit the settlement proposal within

the time allowed, the Port's payment obligations under this Agreement shall be deemed satisfied and no further payment by the Port to Consultant shall be made. Settlement proposals received by the Port within the time allowed and that the Port does not dispute will be paid by the Port, less any amounts for claims the Port has against Consultant, in accordance with the terms of this Agreement.

c. Partial Termination. If the Port exercises its right to terminate this Agreement in part under Section 15(a) or Section 17 of this Agreement, the parties shall negotiate in good faith an appropriate adjustment of the price of the Services not terminated.

d. Port's Use of Subcontractors. In the event of termination under Section 15(a), the Port shall not engage, utilize or otherwise contract with any of the subcontractors utilized by Consultant in performance of the Services for a period of one (1) year after the termination date without Consultant's written consent. HDR Engineering, Inc. is assisting the Port with Services being provided by the Consultant under this Agreement. For purposes of this Section 16, HDR Engineering, Inc. is not a subcontractor of Consultant.

17. **FORCE MAJEURE**: Neither party to this Agreement shall be liable to the other party for delays in or failure to perform its responsibilities or obligations under this Agreement, where such delays or failure to perform is caused by circumstances beyond the affected party's reasonable control, including but not limited to, acts of God, acts of governmental authorities, strikes, riots, civil unrest, war, lockouts, extraordinary weather conditions or other natural catastrophe, or any other cause beyond the reasonable contemplation of either party. Delays of more than ninety (90) days shall, at the option of either party, be grounds for termination of this Agreement.
18. **RECORD KEEPING**: Consultant shall maintain all records and documents relating to the Services and Consultant's performance under this Agreement for a period of three (3) years after the termination or expiration of this Agreement, and Consultant shall make these records and documents available to the Port, at the Port's office, at all reasonable times, without charge to the Port. For purposes of this Section 18, records and documents includes all books and other evidence bearing on Consultant's costs and expenses under this Agreement. If accepted by the Port, photographs, microphotographs or other authentic reproductions may be maintained instead of original records and documents.
19. **TECHNOLOGY ESCROW**:
- a. Escrow. Upon completion of each phase specified in Attachment 'A', and upon the expiration or termination of this Agreement, Consultant will deliver to a third-party escrow agent selected by the Port, for deposit into a safe deposit box or other depository, source code and object code for any and all software developed by Consultant under this Agreement (the "**Deposited Materials**"), at Port's sole expense. The Port, or a Permitted Transferee, shall have access to the Deposited Materials if any one of the following release events occurs: (i) Consultant terminates or suspends its business or ceases to do business; (ii) Consultant is sold or enters into an agreement to sell all or substantially all of its assets to a third party who is not acceptable to the Port or who does not affirmatively covenant to assume and perform all of the obligations of Consultant to the Port under and in accordance with this Agreement; (iii) Consultant becomes subject to any bankruptcy or insolvency proceedings under federal or state law or Consultant fails to pay its debts as they become due; (iv) Consultant is in material breach of or default under its obligations under this Agreement and has failed to remedy such breach within thirty (30) days after receiving notice of the breach from the Port; (v) either party terminates this Agreement; or (vi) this Agreement expires and is not renewed or extended by mutual written agreement of the parties (each, a "**Release Event**"). Consultant shall provide written notice to the Port if Consultant becomes aware of any Release Event.

b. License to Deposited Materials. If a Release Event occurs, Consultant hereby grants to the Port, and any Permitted Transferees, a perpetual, irrevocable, , non-exclusive, royalty-free, license to use, modify, port, translate, localize, reproduce, republish, distribute, publicly perform, publicly display, and create derivative works of the Deposited Materials in accordance with the terms of this Agreement, and solely for the Port's, or a Permitted Transferee's, internal purposes and the continued operation of the Port's Electronic Tolling System. The Port, and any Permitted Transferee, shall observe and protect, and shall cause any contractors, subcontractors, employees, consultants, agents and others to whom it discloses such Deposited Materials (on a need-to-know only basis) to observe and protect, the status of such materials as owned by Consultant.

20. CONSULTANT TRADE SECRETS AND OPEN RECORDS REQUESTS:

a. Public Records. Subject to the provisions of the Oregon Public Records Law (the "Public Records Law"), all documents, including, but not limited to, electronic documents prepared under this Agreement, are for use only with the Services and may not be used for any other purpose, or disseminated without written approval of the Port. Consultant acknowledges and agrees that documents in the Port's possession, including documents submitted by Consultant, are subject to local, state, and federal laws, and Consultant acknowledges that the Port shall abide by such local, state, and federal laws, including honoring all proper public records requests. Consultant shall be responsible for all of Consultants' costs incurred in connection with any legal determination regarding such local, state, and federal laws, including any determination made by a court pursuant to such laws. Consultant is advised to contact legal counsel concerning such acts in application of the Public Records Law to Consultant.

b. Confidential or Proprietary Materials. If Consultant deems that any document(s) Consultant submits to the Port are to be confidential, proprietary or otherwise protected from disclosure under the Law, then Consultant shall appropriately label such document(s), and submit such document(s) to the Port together with a written statement describing the material which is requested to remain protected from disclosure and the justification for such request. The request will either be approved or denied by the Port in the Port's reasonable discretion. The Port will make a good faith effort to accommodate a reasonable confidentiality request if in the Port's opinion the Port determines the request complies with the local, state, and federal laws. In the event that Port intends to release any document that has been mutually agreed upon to contain Confidential Information of Consultant, Port shall provide Consultant with fourteen (14) days written notice prior to releasing the same.

c. Stakeholder. In the event of litigation concerning disclosure of any document(s) submitted by Consultant to the Port, the Port's sole involvement will be as stakeholder retaining the document(s) until otherwise ordered by the court, and Consultant shall be fully responsible for otherwise prosecuting or defending any actions concerning the document(s) at its sole expense and risk.

21. LIMITATION ON LIABILITY: IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, EXEMPLARY, OR ENHANCED DAMAGES, INCLUDING LOSS OF PROFITS, LOSS OF USE, OR OTHER ECONOMIC LOSS FOR EVENTS BEYOND THE PARTY'S CONTROL; PROVIDED, HOWEVER, THAT THIS LIMITATION SHALL IN NO WAY APPLY TO OR LIMIT CONSULTANT'S INDEMNIFICATION OBLIGATIONS AS SET FORTH IN SECTION 12 OF THIS AGREEMENT OR DIMINISH CONSULTANT'S REQUIRED INSURANCE COVERAGES OR DEFENSE OBLIGATIONS OTHERWISE AVAILABLE TO CONSULTANT UNDER ANY CONSULTANT PROFESSIONAL LIABILITY POLICY.

22. **TIME IS OF THE ESSENCE**: It is agreed that time is of the essence with regard to Consultant's performance of any Services under this Agreement.
23. **DESIGNATION OF REPRESENTATIVES**: The Port hereby designates Michael McElwee, Executive Director, and Consultant hereby designates the person who signs this Agreement for Consultant as the persons who are authorized to represent the parties with regard to administration of this Agreement, subject to limitations, which may be agreed to by the parties. Either party may designate a different representative by providing written notice to the other party, including the name and contact information of the new representative.
24. **ENTIRE AGREEMENT**: This Agreement, including any attachments and exhibits hereto which are incorporated into this Agreement by this reference, constitutes the entire agreement between the parties hereto relating to the subject matter of this Agreement and sets forth the rights, duties, and obligations of each party to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be amended except by a writing executed by both the Consultant and the Port and approved by the Port Commission.
25. **INTERPRETATION**: In this Agreement the singular includes the plural and the plural includes the singular; statutes or regulations are to be construed as including all statutory or regulatory provisions consolidating, amending or replacing the statute or regulation referred to; references to "writing" include printing, typing, lithography, computer software and other means of reproducing word in a tangible visible form; references to articles, sections (or subdivisions of sections), exhibits, annexes, appendices or schedules shall be construed to be in this Agreement unless otherwise indicated; references to agreements, exhibits, annexes, appendices hereto and other contractual instruments shall, unless otherwise indicated, be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent such amendments and other modifications are not prohibited by this Agreement; words not otherwise defined which have well-known technical or industry meanings, unless the context otherwise requires, are used in accordance with such recognized meanings; and references to persons include their respective permitted successors and assigns, and, in the case of governmental persons, persons succeeding to their respective functions and capacities. If a conflict between a provision or provisions of this Agreement, the Proposal or Attachment 'A' arises, the provision or provisions of this Agreement will prevail. If a conflict arises between a provision or provisions of the Proposal and Attachment 'A' arises, the provision or provisions of Attachment 'A' will prevail.
26. **BINDING AGREEMENT**: This Agreement shall inure to and be binding on the heirs, executors, administrators, and permitted successors and assigns of the parties hereto.
27. **NO WAIVER**: No waiver of any provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.
28. **ASSIGNMENT**: This Agreement is personal to Consultant. Consultant may not assign this Agreement or any parts hereof or its duties, responsibilities or obligations hereunder without the express written consent of the Port. In the event of dissolution, consolidation or termination of the Port, the parties agree that the Port may assign to a successor entity any rights, obligations and functions it may have remaining under this Agreement.

29. **LIMITATION ON DELEGATION**: The parties hereto acknowledge and agree that certain powers, rights and duties conferred on or held by the Port are inherently governmental in nature and may not be delegated by contract to Consultant. Nothing in this Agreement shall be construed as an unlawful delegation of the non-delegable functions and powers of the Port, and Consultant shall have no obligation to perform any non-delegable function.
30. **LEGAL COUNSEL**: The parties hereto agree they have full and adequate opportunity to consult with legal counsel and that each has had such counsel as it deems appropriate.
31. **OBSERVE ALL LAWS**: The Consultant shall keep fully informed regarding and materially comply with all federal, state and local laws, ordinances and regulations and all orders and decrees of bodies or tribunals having jurisdiction or authority which may affect those engaged or employed in the performance of this Agreement, including without limitation software export laws and regulations.
32. **CONTROLLING LAW**: This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon, without giving effect to any conflicts-of-laws principles, and any disputes hereunder shall be tried in courts located in Hood River County, Oregon. Except as otherwise provided in Section 33 below each party consents and submits to the exclusive jurisdiction and venue of any local, state or federal court located in Hood River County, Oregon.
33. **MEDIATION/ARBITRATION**: Excepting injunctive relief, any dispute, controversy or claim arising out of, in connection with, or relating to this Agreement, the Services, or any breach or alleged breach of this Agreement, shall, upon request of any party involved, be submitted to mediation in Hood River County, Oregon. If a settlement cannot be reached through mediation, the parties agree that the dispute will be submitted to and be settled by arbitration in Hood River County, Oregon. The arbitration shall be in accordance with Uniform Arbitration Act (UAA) as in effect, and as hereinafter amended. Any award rendered shall be final and conclusive upon the parties, and a judgment on such award may be entered in the highest court of the forum, state or federal, having jurisdiction. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the cost of their respective own experts, evidence and counsel's fees. The parties to either mediation or arbitration recognize that mediation sessions are settlement negotiations and that settlement negotiations are inadmissible in any litigation or arbitration of their dispute, to the extent allowed by law. The parties will not subpoena or otherwise require the mediator to testify or produce records, notes or work product in any future proceeding beyond mediation. In addition, the parties agree that all information obtained in either the mediation or arbitration process is strictly confidential and further agree that the party not otherwise having such information available to them other than through the mediation or arbitration process shall hold all such information in confidence.
34. **FURTHER ASSURANCES**: Each party shall execute and deliver, at the request of the other party, any further documents or instruments, and shall perform any further acts that may be reasonably required to fully effect the transaction intended by this Agreement.
35. **NOTICES**: Any notice, warranty claim or other communication to or between the parties shall be in writing sent to the addresses above. Notices must be sent via personal delivery, overnight courier or certified or registered mail, return receipt requested. Email or facsimile machine transmission of notices is not deemed adequate notice or service. Notice shall effective upon delivery.
36. **HEADINGS**: The Section headings and other captions in this Agreement are for convenience of reference only and shall not be deemed to alter or affect the meaning of any provision of this Agreement.

37. **COUNTERPARTS; COPIES:** This Agreement may be executed, and Attachment 'A'; may be executed, simultaneously or in counterparts, each of which will be deemed an original, but all of which taken together will constitute one and the same contract. Either party may rely on copies of this Agreement, or Attachment 'A', to the same extent as the originals.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have caused this Software Development , License And Support Services Contract to be executed by their respective duly authorized agents effective as of the Effective Date.

P SQUARE SOLUTIONS, LLC
"CONSULTANT"



PRESIDENT

Title

09/09/2015

Date

PORT OF HOOD RIVER
"PORT"

Executive Director

Title

Date

Attachment 'A'

SCOPE OF SERVICES PORT OF HOOD RIVER ELECTRONIC TOLLING SYSTEMS UPGRADE & MAINTENANCE

This Scope of Services pertains to a **Software Development, License, and Support Services Contract**, ("**Agreement**") by and between Port of Hood River (the "**Port**"), and **P Square Solutions, LLC** ("**Consultant**"). Consultant shall perform Services on the project described below, in accordance with the Agreement and as clarified in the attached Consultant letter dated May 27, 2015, entitled "Port of Hood River ETC System Upgrade, Maintenance and a Replacement Proposal" (the "**Proposal**"). This Scope of Services shall not be binding until it and the Agreement have been properly signed by both parties. Upon execution by both parties this Scope of Services shall supplement the Agreement and shall be the Port's notice to Consultant to proceed with the project ("**NTP**"). Unless elsewhere defined herein, capitalized terms as used in this Scope of Services shall have the meanings given to them in the Agreement.

PART 1.0 PROJECT DESCRIPTION & PURPOSE

The Port desires to upgrade its current toll collection system due to concerns that the original developers are unavailable to maintain the software and also due to the obsolescence of the Windows XP operating system which is the foundation of the current system.

The Port recognizes that the Electronic Toll Collection ("**ETC**") system operating environment needs to be maintained through and upgraded to a modern and continuously supported operating environment and database environment. The Port understands that the ETC system needs software maintenance to support continuous ongoing toll operations. The Port recognizes that on a long term basis the ETC System would require a next generation back-office system with enhanced forward-compatible functionality, ability for customization to allow for business rule changes, and a scalable system with operational efficiencies. The Port has identified several of these potential future enhanced functions and features, such as transition to sticker-style transponders, and a web portal for the Port's customers.

The Port has engaged Consultant to provide certain services in connection with the upgrade and ongoing support of the ETC system (the "**Services**" as further described in Part 2.0 below, the Agreement, and the Proposal). Consultant is a custom software development and consulting services company providing software solutions and services. Consultant employs toll systems professionals and global software development team members who provide services including system design, development, integration, and software & maintenance support for tolling systems. Consultant has experience developing and maintaining software toll solutions, interoperability solutions, middleware applications (e.g., J2EE/.NET) and information technology infrastructure.

Consultants Overall Approach

Consultant will complete the following phases and tasks detailed below according to the schedules and charge fees for Services listed herein:

- Phase 1 – System Analysis & Design of Lane Controller Upgrade
- Phase 2 – Back-Office System Replacement

- Phase 3 – Lane Controller Replacement and Integration with Upgraded In-Lane Equipment
- Phase 4 – System Maintenance & Project Management

The Scope of Services schedule for Phase 1 will be reevaluated by the parties and confirmed in a Task Order, other signed writing, or by amendment of this Attachment 'A' during Phase 1. . Unless otherwise agreed by the parties in writing, Consultant will complete the Services according to the following schedule:

- Phase 1 –
 - Start on NTP date
 - Complete 77 days after NTP, unless otherwise agreed by the parties in writing
- Phase 2 –
 - Start 90 days after NTP
 - Complete 365 days after NTP
 - Includes a 2 month operations stability period during latter part of Phase 2 work
- Phase 3 –
 - Start 365 days after NTP
 - Complete 520 days after NTP
- Phase 4 –
 - Start on NTP date
 - Complete December 31, 2017

PART 2.0 DETAILED SCOPE OF SERVICES

Phase 1 – System Analysis & Design of Lane Controller Upgrade

Consultant shall:

- Review and analyze the current ETC system, which consists of the following sub-systems:
 - Toll booth in-lane systems and equipment including loops, antennas, and readers;
 - Lane controller for toll transaction capture and toll collection check out;
 - Back-office system with transaction processing and account management.

Consultant shall, based on the review and analysis of the current software inventory and analysis:

- Document the current Operating System platform and software dependencies for both in-lane and back-office system components;
- Document the recommended upgrade path and identify software inventory and changes needed for the Operating System environment upgrade;
- Develop Environment setup using the new Operating System and other needed application components;
- Perform the software conversion needed for in-lane software and application configuration;
- Perform integration testing with live data feeds and perform UAT to make sure all functionality tested across all lane controllers and integrate with in-lane hardware system.

Phase 1 Deliverables

The following items shall be delivered to the Port on or before the Phase 1 completion date specified in this Part 2.0:

- Upgraded Lane Controller Operating Environment fully implemented with the ETC system functioning and processing toll transactions

Phase1 Assumptions

The following assumptions shall apply to the performance of Services specified in Phase 1:

- All technical, operations, and user documentation for the existing lane controller system in the Port's possession should be made available to Consultant during Phase 1. The Port will provide Consultant with reasonable access to all the hardware equipment and software components of the current lane controller system.
- The Port will provide Consultant with spare equipment in the Port's possession as of the Effective Date of the Agreement, of the lane controller configuration to setup a development environment to develop, test and perform the lane controller operating system environment upgrade.
- All current functionalities will continue to exist unless the Port expressly notifies Consultant to remove a function. Consultant will review and document the functional requirements in a Requirements Trace Matrix ("RTM") for the existing project (both lane and customer service center) and will request for sign-off of the RTM by the Port. Consultant will conduct tests to demonstrate the functionality included in the RTM. All existing Port functionality shall be met by Consultant software.

Phase 1 Fee

The Port shall pay Consultant a fixed fee of \$26,640 for all Services performed in connection with Phase 1.

Phase 1 Schedule

Services for Phase 1 shall be complete 77 calendar days after notice to proceed (NTP).

Phase 2: Back-Office System Replacement

Consultant shall:

- Perform an initial site walk through to determine inspection access and equipment needed.
- Provide a web-based solution to replace the Port's current back office system. The replacement system shall provide at least the following functions and features:
 - Customer Account Management: The proposed system shall provide comprehensive account management functionality, including, but not limited to, account setup and support, pre and post-paid accounts, discount plans and promotions, fee and fine processing, account replenishment, and customer statement processing.
 - CSR Management and Deposit Reconciliation
 - Vehicle License Plate and Transponder Tracking Transponder Inventory Management:
The proposed system shall provide transponder inventory maintenance and management, allowing tracking of transponder inventory and fulfillment processes.
 - Payment Processing: The proposed system shall provide payment handling, payment plan accounting, credit card processing, ACH processing, check or money order

processing, cash processing, payment interfaces, refunds, and digital wallet payment and maintenance.

- Case Management: The proposed system shall provide case assignment and tracking, workflow management and the ability to escalate cases as needed.
- Customer Communication
- Transaction Process and Toll Posting: The proposed system shall provide the ability to track account status and transponder posting processed. The system shall provide the ability to make adjustments and refusals to accounts, as well as violation and notice processing. The system shall allow for image transaction and review, invoicing of un-registered accounts and the ability to place notices, review DMV holds, collections, and court disputes.
- Audit and Financial Reconciliation
- Reporting Dashboard
- Customer Self-Service Portal and Website
- Call Center Self-Service
- Mobile Self-Service Application
- The software development Services provided by Consultant in connection with Phase 2 shall include the following items:
 - Application Server at Host
 - Database Server
 - Directory Server
 - Reporting Solution
 - Enterprise Scheduler
 - Integration Development Environment
 - Development and Integration
- Consultant shall develop the software by providing component design and development, followed by testing and quality assurance. Consultant shall integrate the components into the application, provide testing (including debugging) and complete synchronization within the system.

After the software has been integrated into the system, Consultant shall provide ongoing, basic system administration and related support services for the term of the Agreement.

Phase 2 Deliverables

The following items shall be delivered to the Port on or before the Phase 2 completion date specified in this Part 2.0:

- A new back office system implemented and all features of the system performing according to the Port's specifications.

Phase 2 Assumptions

The following assumptions shall apply to the performance of Services specified in Phase 2:

- IVR setup and HW equipment procurement is not part of this Scope of Services. The call center integration is a feature part of the software proposal but requires H/W procurement and setup. It is assumed that current call center operations setup would be used or procured to configure the IVR feature for the call center.
- Customer service center operations use the Workstation with OS upgrades to access the BOS replacement system. Any hardware upgrades to Customer Service center is not part of this

Phase 2. Any or all upgrades to the customer service center will be performed or procured separately.

Phase 2 Fee

The Port shall pay Consultant a fixed fee of \$194,000 for all Services performed in connection with Phase 2.

Phase 2 Schedule

Services for Phase 2 shall be complete 365 calendars after notice to proceed (NTP).

Phase 3: Lane Controller Integration

Consultant shall:

- Lane Controller Integration: Provide a lane controller solution to replace the existing system. The replacement system shall provide the ability to process, store, and transmit real time events and transaction data. The lane control system shall contain the following:
 - Hardware: Depending on the lane type, different hardware configurations shall be required.
 - Manual Lane Configuration: Toll acceptance and validation through direct interaction with a toll collector.
 - Automatic Vehicle Identification Lanes: Electronic toll collection is completed through an interaction with the AVI system and a transponder, allowing for automatic collection, vehicle classification.
- Upon completion of the lane controller replacement, Consultant shall ensure integration into the new system.

Phase 3 Deliverables

The following items shall be delivered to the Port on or before the Phase 3 completion date specified in the Phase 3 Schedule below:

- A new Lane Controller System (software and hardware) fully implemented and successfully integrated with the ETC System

Phase 3 Assumptions

The following assumptions shall apply to the performance of Services specified in Phase 3:

- In-lane equipment upgrades or changes to in-lane equipment are not included.
- The Port will facilitate the coordination for the field test of lane controllers and support needed from the In-lane equipment vendors, if needed.
- The Port will facilitate all network infrastructure and connectivity support for the lane controller setup and configuration.
- Before start of Phase 3, the Port shall identify any in-lane upgrades/replacement hardware. Consultant will plan the lane controller hardware upgrade and the corresponding software to integrate with the identified upgraded in-lane hardware replacement. Hardware such as gate arms and lighting may be determined for replacement by the Port. After the software

development effort has started in Phase 3, if the Port makes changes to the in-lane hardware, the additional work to integrate with the new devices may be performed as Additional Services.

Phase 3 Fee

The Port shall pay Consultant a fixed fee of \$56,000 for all Services performed in connection with Phase 3.

Phase 3 Schedule

Services for Phase 3 shall be complete 520 days after NTP.

Phase 4: System Maintenance and Project Management

Consultant shall:

- Provide system maintenance for 8 hours per month including monthly conference calls.
- Participate in a 2 hour conference call, monthly, to discuss and review issues, changes, and additions to the system.
- Provide monitoring of all system issues and provide appropriate analysis and support.
- Provide project management and contract administration for Services provided by Consultant including project setup, invoicing and progress reports, client coordination, quality control reviews of deliverables. Consultant shall:
 - Provide monthly progress reports to the Port for each activity and identify budget status and tasks performed to date during the billing period. Schedule updates shall be provided with month progress reports;
 - Correspond with the Port regarding contracts, billing, expenses, earned value, and deliverables;
 - Perform Quality Control (QC) reviews on all deliverables prior to submitting to the Port.

Phase 4 Deliverables

The following items shall be delivered to the Port during Phase 4:

- Monthly progress reports
- Monthly invoices
- QC documentation as requested by the Port

Phase 4 Assumptions/Agreements

- As set forth in Section 6 of the Agreement, the Port may choose to automatically renew the Agreement and Phase 4 services for one or more Renewal Terms. The parties will execute Task Orders to the extent such contract renewals also includes the performance of Additional Services.
- In the event that Consultant determines, in its reasonable discretion, that it needs additional time under the Agreement to address critical and escalated issues, the parties may agree in writing to extend a phase and/or issue a Task Order or Task Orders for Additional Services necessary to remedy the aforementioned issues. Consultant shall provide adequate resources to modify and test code, and produce associated documentation for routine system changes requested by the Port. Included among these changes may be those affecting the existing

reporting system as well as functional changes to lane controller and back-office sub-system software. Consultant shall commence with such changes after receiving authorization from the Port. If Additional Services are identified and authorized by the Port, the Additional Services will be paid for by the Port at the Additional Services Consulting Hourly Rates stated below and Consultant shall be reimbursed for Reimbursable Expenses, as set forth in Section 8 of the Agreement.

Phase 4 Fee

The Port shall pay Consultant a fixed fee of \$720.00 per month (an annualized fee of \$8,640) during the Initial Term from the NTP through December 31, 2017, and thereafter during any Renewal Term for all Services performed in connection with Phase 4.

Phase 4 Schedule

All Services performed in connection with Phase 4 shall start at NTP and be completed by December 31, 2017, during the Initial Term, and shall be automatically extended during a Renewal Term unless earlier terminated pursuant to Section 15 of the Agreement.

Additional Services Consulting Hourly Rates:

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

PART 3.0 OWNER'S RESPONSIBILITIES

The Port shall provide Consultant with all technical, operations and user documentation for the existing lane controller system in the Port's possession.

PART 4.0 PERIODS OF SERVICE

Unless extended by mutual written agreement, or the Agreement is terminated in accordance with the terms of the Agreement, all Consultant work shall be completed by December 31, 2017.

PART 5.0 PAYMENTS TO CONSULTANT

The fee for Services performed by Consultant shall be billed to the Port according to the fee schedule listed above for each phase. Progress payments shall be made as follows:

- For Phase 1:
 - 30% payment at the end of 30 calendar days
 - 60% payment at the end of 60 calendar days
 - The remaining 10% payment upon final completion.
- For Phase 2:
 - 25% payment at the end of 90 calendar days
 - 50% payment at the end of 180 calendar days
 - 75% payment at the end of 270 calendar days
 - 100% payment upon final completion.
- For Phase 3:
 - 25% payment at the end of 60 calendar days
 - 50% payment at the end of 120 calendar days
 - 75% payment at the end of 180 calendar days
 - 100% payment upon final completion.
- For Phase 4:
 - Billed monthly (\$720 per month, or prorated if Services are provided for a portion of a month or if no Services are provided at all).

The total amount of the fee for completion of the Services, excluding Reimbursable Expenses and Additional Services, shall be \$ 276,640, plus \$720 per month for each month Phase 4 Services are provided, unless otherwise agreed by the parties in writing.

This Scope of Services is executed this _____ day of _____, 2015.

PORT OF HOOD RIVER
"Port"


BY: _____

NAME: Michael S. McElwee

TITLE: Executive Director

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

P SQUARE SOLUTIONS, LLC
"Consultant"

BY: 

NAME: GOUERDHAN REDDY PATOLLA

TITLE: PRESIDENT

ADDRESS: 307 Fellowship Rd, Ste 104
MOONT LAUREL, NJ 08054

Commission Memo

Prepared by: Michael McElwee
Date: September 22, 2015
Re: Expo DDA Amendment No. 3



At the March 17, 2015 meeting, the Commission approved Amendment No. 2 to the Amended and Restated Disposition and Development Agreement (DDA) for the Expo property. That Amendment made the following changes to the DDA:

- Identified two closing dates so that Parcel 1 (Expo Parking Lot) and Parcel 2 (Expo Building and property to the north and east) could follow different development timelines.
- Provided new Exhibits: Schedule and Scope of Development to reflect the new zoning standards approved through the Waterfront Refinement Plan.
- Described the Port's right to re-purchase property with sufficient parking if the second LI building did not proceed.

Attached Amendment No. 3 approves a new schedule of performance for the two parcels to reflect the length of time it has taken the City to process the Land Use Review application submitted by Key Development. That application is expected to be complete by late December.

RECOMMENDATION: Authorize Amendment No. 3 to the Amended and Restated Disposition and Development Agreement with Key Development Corporation for Parcels 1 and 2 of the Waterfront Business Park.

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**THIRD AMENDMENT
TO
AMENDED AND RESTATED AGREEMENT
FOR DISPOSITION OF PROPERTY
FOR DEVELOPMENT
PARCELS 1 AND 2**

THIS **THIRD AMENDMENT TO AMENDED AND RESTATED AGREEMENT FOR DISPOSITION OF PROPERTY FOR DEVELOPMENT**, dated and effective as of September 22, 2015, ("Third Amendment") is entered into by and between the **PORT OF HOOD RIVER**, a municipal corporation ("Port") and **KEY DEVELOPMENT CORPORATION**, an Oregon domestic corporation ("Buyer"). Port and Buyer are referred to jointly in this Third Amendment as "Parties" and individually as a "Party."

RECITALS

- A. Port and Buyer have entered into that certain Amended and Restated Agreement for Disposition of Property for Development, dated August 8, 2014 ("Original Agreement") pertaining to Parcel 1 and Parcel 2 of Hood River County Partition Plat 201205P. Effective December 30, 2014, the Parties executed a First Amendment to the Agreement ("First Amendment"). Effective March 17, 2015, the Parties executed a Second Amendment to the Agreement ("Second Amendment")The Original Agreement, as amended by the First Amendment and the Second Amendment, is referred to herein as the "Agreement."
- B. The parties have found that it is in their mutual best interest to extend the Schedule to complete certain conditions to conveyance of Parcel 1, and to make corresponding changes to certain other portions of the Agreement.
- C. All capitalized terms used herein that are not defined shall the meaning ascribed to them in the Agreement.

AGREEMENT

Now, therefore, in consideration of the mutual benefits to be realized by the following amendments to the Agreement, the following exhibits, sections and subsections of the Agreement shall be modified as shown below. Double-underlining indicates added language; ~~stricken~~ words are deleted.

SECTION 1 REVISED SCHEDULE OF PERFORMANCE

Exhibit B, Schedule of Performance attached to the Agreement is deleted and replaced by EXHIBIT B that is attached to this Third Amendment.

SECTION 2 REVISED GLOSSARY OF DEFINED TERMS

Exhibit D, Glossary of Defined Terms, is amended by adding the following term:

"Second Amendment" has the meaning set forth in Recital A of the Third Amendment.

SECTION 3 REVISED SUBSECTION 2.7.3

Subsection 2.7.3(a) is deleted, and replaced by the following:

2.7.3(a) If all of the conditions precedent under Section 2.7.1. have not been satisfied, waived or otherwise resolved pursuant to this Agreement as to Parcel 1 on or before ~~August 27, 2015~~ **December 27, 2015** then this Agreement shall automatically terminate ~~September 23, 2015~~ **January 20, 2016**. If after the closing of Parcel 1, all of the conditions precedent under Section 2.7.1. have not been satisfied, waived or otherwise resolved pursuant to this Agreement as to Parcel 2 on or before **March 22, 2016** then this Agreement shall automatically terminate on **April 18, 2016**. The date of automatic termination stated in the two immediately preceding sentences are each referred to herein as a "Final Termination Date" for the respective Parcel, unless the date for satisfying the unsatisfied condition(s) is extended by agreement of the Parties prior to the Final Termination Date, or unless the failure of satisfaction of the conditions precedent is the result of an unavoidable delay, as described in Section 9.8 below (Unavoidable Delay).

SECTION 4 GENERAL PROVISIONS

4.1 Complete Agreement

This Third Amendment is the complete agreement among the parties with respect to the subject covered by this Third Amendment and it supersedes any prior oral agreements on the same subjects.

4.2 Effect on Agreement

Except as amended by this Third Amendment, the Agreement remains in full force and effect. No changes to the Agreement, this Third Amendment or any of the documents the Port has approved that are attached to or referred to in this Third Amendment shall be effective without the written consent of the Port, which consent may be granted or withheld in the Port's discretion.

Executed in multiple counterparts as of the day and year first above written.

PORT OF HOOD RIVER, OREGON

By: _____
Michael S. McElwee, Executive Director

APPROVED AS TO FORM:

Port General Counsel

KEY DEVELOPMENT CORPORATION

By: _____
Jeff Pickhardt, President

Exhibit B

SCHEDULE

September 22, 2015

Parcel 1

Activity	Expected Completion Date	Notes
Retain Architect	February 3, 2013	COMPLETE
Begin SD	February 3, 2013	COMPLETE
Complete Site Due Diligence	February 3, 2014	COMPLETE
Submit Site Plan Review to City of HR	July 30, 2014	COMPLETE
Planning Commission Hearing - City of HR	September 15, 2014	COMPLETE
City Council Hearing - City of HR	September 22, 2014	COMPLETE
Begin DD	March 1, 2015	COMPLETE
Complete DD Drawings	April 15, 2015	COMPLETE
Complete DD Cost Estimate	April 29, 2015	COMPLETE
Complete Construction Drawings	June 15, 2015	COMPLETE
Submit Construction Drawings for Port Approval Prior to Applying for Building Permits	June 15, 2015	COMPLETE
Submit for Building Permits	June 20, 2015	COMPLETE
Submit Construction Drawings Changes for Port Approval, if required (DG)	June 25, 2015	N/A
Obtain Building Permits	December 18, 2015	
Close On Land	December 27, 2015	
Start Construction	January 5, 2016	
Substantial Completion	January 5, 2017	
Certificate of Occupancy	January 5, 2017	

Parcel 2

Activity	Expected Completion Date	Notes
Retain Architect	February 3, 2013	COMPLETE
Begin SD	March 1, 2015	COMPLETE
Complete Site Due Diligence	April 1, 2015	COMPLETE
Submit Site Plan Review to City of HR	April 15, 2015	COMPLETE
Planning Commission Hearing - City of HR	June 3, 2015	N/A
City Council Hearing - City of HR	June 22, 2015	N/A
Begin DD	June 23, 2015	COMPLETE
Complete DD Drawings	August 9, 2015	COMPLETE
Complete DD Cost Estimate	August 23, 2015	COMPLETE
Complete Construction Drawings	October 9, 2015	
Submit Construction Drawings for Port Approval Prior to Applying for Building Permits	October 9, 2015	
Submit for Building Permits	October 15, 2015	
Submit Construction Drawings Changes for Port Approval, if required (DG)	October 23, 2015	
Obtain Building Permits	March 15, 2016	
Close On Land	March 22, 2016	
Start Construction – Parcel 1a	April 5, 2016	
Start Construction – Parcel 2a	October 5, 2016	
Substantial Completion – Parcel 1a	April 5, 2017	
Substantial Completion – Parcel 2a	October 5, 2017	
Certificate of Occupancy – Parcel 1a	April 5, 2017	
Certificate of Occupancy – Parcel 2a	October 5, 2017	

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