

PORT OF HOOD RIVER COMMISSION

**Tuesday, June 4, 2013
Marina Center Boardroom
5:00 PM**

-
1. Call to Order
 - a. Modifications, Additions to Agenda
 2. Public Comment (5 minutes per person per subject; 30 minute limit)
 3. Consent Agenda
 - Approve Minutes of May 7, 2013 Budget Meeting and May 7, 2013 Regular Session Meeting
 - Approve Minutes of May 21, 2013 Regular Session Meeting
 - Approve Fee Waiver for Use of The Spit by the Hood River Eye Openers Lions Club "Old Fashioned 4th of July Fireworks"
 - Authorize CGWA Land Use Agreement
 - Authorize Lease Renewal with the Hood River Yacht Club for the Dinghy Racks on C-Dock
 - Authorize Contract with Gorge Window Cleaning Not to Exceed \$3,740.00
 - Approve Contract with Next Door Inc. up to \$16,500 for Grounds Maintenance
 - Approve the Agreement with WINGS to Provide Matching Funds for an Oregon State Marine Board Grant for Marina Maintenance in an Amount Not to Exceed \$3,000
 - Authorize Renewal of Contract with WINGS Inc. for Marina and Grounds Maintenance Services Not to Exceed \$9,000
 - Approve Accounts Payable to Ron Tonkin Nissan in the Amount of \$22,361
 4. Reports, Presentations and Discussion Items
 - Lot 1 Planning
 5. Director's Report
 - Schedule
 - Staff & Administration
 - Waterfront Recreation
 - Waterfront Development
 - Airport
 - Bridge/Transportation
 6. Commissioner, Committee Reports
 - Waterfront Recreation Committee – McBride
 7. Action Items
 - a. Approve Airport Advisory Committee Memberships
 - b. Authorize the Issuance of a Notice of Intent to Award, Notice to Proceed Subject to No Protests and a Public Improvement Contract with Colton Construction Company in An Amount Not to Exceed \$191,911 for Pfriem Brewing Tenant Improvements and Exterior Renovations at the Halyard Building
 - c. Authorize Lease with WyEast Labs in the Timber Incubator Building
 8. Commission Call
-
9. Executive Session under ORS 192.660(2)(e) Real Property and ORS 192.660(2)(i) Performance Evaluations of Public Officers and Employees
 10. Adjourn

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

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

**Port of Hood River Commission
Meeting Minutes of May 7, 2013 Regular Session
Marina Center Boardroom
Immediately Following the Budget Committee Meeting**

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; Attorney Jerry Jaques; from staff, Michael McElwee, Steve Burdick, Fred Kowell and Mellissa Halseth

Absent: None

Media: Julie Raefield-Gobbo, Hood River News

1. CALL TO ORDER: President Jon Davies called the meeting to order at 8:30 p.m.

a. Modifications, Additions to Agenda: Add Executive Director Annual Review Schedule to Discussion Items; Move Action Item A to after Consent Agenda

2. PUBLIC COMMENT: None.

3. CONSENT AGENDA:

- o Approve Addendum No. 4 to Pfriem Brewery Lease and Lease Guarantees
- o Ratify a Concession Permit with Susie Dow for Operation of the Sandbar Café at the Cruise Ship Dock for 2013-15 and Authorize a Concession Permit with Richard & Sherri Wilson for Operation of Pirates Fish & Chips at the Hook for the 2013 Season
- o Authorize Change Order No. 1 to Contract with JWC, LLC for Additional Costs Associated with Marina Office Building Improvements in the Amount of \$1,960
- o Approve Accounts Payable to D & F Plumbing in the Amount of \$9,273.80

Motion: Move to approve Consent Agenda as amended (move JWC Item to Action Items for discussion)

Move: Duckwall

Second: Shortt

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

MOTION CARRIED

****Action Item**

a. Authorize Contract with Bell Design to Evaluate Feasibility of an Improved Windsurf Launch Site at the Hook Not to Exceed \$3,500: Columbia Gorge Windsurfing Association (CGWA) has requested that the Port assist in a feasibility study developed by Bell Design. The study would examine the feasibility of building two new windsurfing launches along the Hook exterior access zones. CGWA has expressed interest in partnering with the Port to provide further funding for the construction of these sights.

Motion: Move to Authorize Contract with Bell Design to Evaluate Feasibility of an Improved Multi Use Launch Sites at the Hook Not to Exceed \$3,500

Move: Shortt

Second: Duckwall

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

MOTION CARRIED

4. REPORTS, PRESENTATIONS AND DISCUSSION ITEMS:

▪ Executive Director Annual Review – Commissioner Davies explained that the process was the same as the previous year. McElwee will send the Commission an updated work plan and self evaluation by May 21. The Commission would then discuss the evaluation at the June 4 meeting in Executive Session. There was a suggestion to have McElwee's review for prior years in March so that any changes can be included in the budget.

5. DIRECTOR'S REPORT: McElwee highlighted the following areas:

- Waterfront Recreation – The City of Hood River is placing restrictions on public seating at the SandBar Café and also restrictions on the Kayak Shed in the Nichols Basin. Big Papas, LLC has given notice that they will not be returning for the 2013 season. There have been complaints from moorage tenants regarding dogs off leashes and liveboards in the Marina. The ad-hoc committee will discuss these issues at the next meeting May 14.
- Waterfront Development – The City's angled parking project began April 22. Pocket Fuel tenant improvements in the Halyard have begun as well and occupancy is expected mid-July.
- Airport – The Airport will be closed May 20-June 19 with substantial completion June 19.
- Bridge/Transportation – There is an osprey nest on the lift span on the bridge. This does not appear to affect the operation of the lift span.

6. Commissioner, Committee Reports:

- Waterfront Recreation Special Meeting – Commissioner McBride reported on the April 10 meeting where the purpose of the special meeting was to hear a presentation from Steve Schneider representing the Columbia Gorge SUP Club. His proposal to operate the club out of Nichols Basin was rejected by the committee because he did not apply for the permit during the previous RFP process.

7. ACTION ITEMS:

b) Approve Resolution No. 2012-13-5 Authorizing SDAO Flex Lease Financing in the Amount of \$770,000 for the Marina Electrical Upgrade and Marina Improvements Replacement:

Funds will need to be used on the project within the next 18-24 months.

Motion: Move to Approve Resolution No. 2012-13-5 Authorizing SDAO Flex Lease Financing in the Amount of \$770,000 for the Marina Electrical Upgrade and Marina Improvements

Move: McBride

Second: Duckwall

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

MOTION CARRIED

c) Authorize Public Improvement Contract with LaLonde, Electric LLC for the Marina Electrical Upgrade Project Not to Exceed \$457,387 Subject to Legal Counsel Review:

There were no bid protests. Commissioner Shortt asked staff and legal counsel to review legislation regarding hiring local contractors in the public bid process.

Motion: Move to Authorize Public Improvement Contract with LaLonde, Electric LLC for the Marina Electrical Upgrade Project Not to Exceed \$457,387 Subject to Legal Counsel Review

Move: Duckwall

Second: Shortt

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

MOTION CARRIED

d) Authorize Contract with Pacific Power for New Electrical Service at the Marina Not to Exceed \$5,978 Subject to Legal Counsel Review: Pacific Power will need to install a new transformer and power lines as part of the Marina Electrical Upgrade.

Motion: Move to Authorize Contract with Pacific Power for New Electrical Service at the Marina Not to Exceed \$5,978 Subject to Legal Counsel Review

Move: Shortt

Second: McBride

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

MOTION CARRIED

e) Authorize Change Order No. 1 to Contract with JWC, LLC for Additional Costs Associated with Marina Office Building Improvements in the Amount of \$1,960: Staff was directed to research an acoustic baffle for the coin room.

Motion: Move to Authorize Change Order No. 1 to Contract with JWC, LLC for Additional Costs Associated with Marina Office Building Improvements in the Amount of \$1,960

Move: Shortt

Second: Streich

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

MOTION CARRIED

8. COMMISSION CALL: Commissioner McBride requested that the bridge and toll booth signage be reviewed. He also asked that staff look into craning the Maritime float off land into the water to be placed in the Nichols Basin. Commission Streich commented on the great presentation of the proposed budget. Shortt asked that staff provide him with the numbers of days that the Event Site was parked out during the last season. He also proposed an idea for a youth sailing competition in the Marina Basin where the winner would be awarded a Commissioners Cup donated by the Commissioners. Staff will research.

9. EXECUTIVE SESSION: Regular Session was recessed at 9:33 p.m. and the Commission was called into Executive Session under ORS 192.660(2)(e) Real Property. The Commission was called back into Regular Session at 9:49 p.m. There was no action as a result of Executive Session.

10. ADJOURN: President Davies adjourned the meeting at 9:49 p.m.

Respectfully submitted,

Mellissa Halseth

ATTEST:

Jon Davies, President, Port Commission

Hoby Streich, Secretary, Port Commission

**Port of Hood River Commission
Meeting Minutes of May 7, 2013 Budget Committee Meeting
Marina Center Boardroom
5:00 PM**

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; Budget Committee Members John Benton, Larry Brown, John Everitt, Jeff Nicol and Rich Truax; from staff, Michael McElwee, Steve Burdick, Fred Kowell and Mellissa Halseth

Absent: None

Media: Julie Raefield-Gobbo, Hood River News

1. CALL TO ORDER: President Jon Davies called the meeting to order at 5:13 p.m.

2. ELECTION OF OFFICERS:

Motion: Move to elect Jeff Nichol as Chair

Move: Duckwall

Second: Everitt

Vote: **Aye:** Benton, Brown, Everitt, Nichol and Truax; Davies, Duckwall, McBride, Shortt and Streich

MOTION CARRIED

Motion: Move to elect John Everitt as Secretary

Move: Nichol

Second: Brown

Vote: **Aye:** Benton, Brown, Everitt, Nichol and Truax; Davies, Duckwall, McBride, Shortt and Streich

MOTION CARRIED

John Everitt requested staff to keep minutes. Davies turned the meeting over to Nichol. Nichol elected Michael McElwee, Executive Director as Budget Officer.

3. BUDGET MESSAGE: McElwee gave a brief overview of recent years leading up to the current budget. He explained that the Expo renovation project did not go forward, but that some of those funds were redirected to the bridge painting project. McElwee then reviewed key changes for the proposed budget. Staff has prepared an extensive property assessment with a result of capital improvements being included in the long-range financial model. Port properties are close to full occupancy. The Expo building is anticipated to be vacant by the end of 2014 and the City of Hood River will likely require Mid Columbia Distributors to relocate as their business is not an approved use for the building. Capital spending in FY 2013-2014 will be the focus on the Marina with the electrical upgrade going forward, replacement of the boathouse dock and a new maintenance plan. Administration costs have increased due to a proposed additional full time employee for the front desk, medical insurance costs and PERS. McElwee then reviewed the budget message.

4. PUBLIC COMMENT: None.

5. BUDGET DELIBERATIONS: Fred Kowell, Finance Manager, reviewed and discussed the budget with the Budget Committee and Commission. The following items were highlighted:

- General Fund: Remains the same as last year with the exception of removing Port Offices utilities and rents as this is a technicality. Further discussion ensued and General Fund office rent will remain to depict a full cost.
- Revenue Fund: A line item was added in for \$1.5 million for land acquisition. This would allow for more flexibility if an opportunity arises. Flex Lease financing is included for the Marina Electrical Upgrade and Boathouse Dock replacement projects.

- Bridge Repair & Replacement Fund: Remains the same as last year. Kowell proposed the hiring of a full time employee to assist with increased bridge transactions. There was lengthy discussion on discounts provided and whether it was costing the Port more funds to provide the discount than the return. Staff will present a toll increase schedule at the Spring Planning Work Session in 2014.
- Capital Projects: McElwee explained that adjustments would be made to certain line items to allow for the Yacht Club/Public Restrooms projects be added to the proposed budget.
- Personnel: Staff was asked to prepare an aggregate allocation total next budget.
- Materials & Services: Shortt proposed that we ask several card processing companies to meet with The Port to attempt at lowering payment card processing fees.
- Contingency: A discussion occurred with regard to moving Unappropriated Fund Balance to Contingency to allow for immediate action to be taken if an emergency arose. It was settled to move \$500,000 to Contingency from Unappropriated or Unreserved Fund Balance.
- Comments: John Everitt congratulated staff on a great presentation. The new Front Desk position is a limited 1-year term that will be re-evaluated after a year. This was due to the unknown impact a web portal for Breeze By will have on office traffic.

6. ACTION ITEMS:

Motion: Move to Authorize moving Unreserved funds of \$500,000 to Contingency
Move: Everitt
Second: Duckwall
Vote: **Aye:** Benton, Brown, Everitt, Nichol and Truax; Davies, Duckwall, McBride, Shortt and Streich

MOTION CARRIED

Motion: Move to Approve the FY 2013-2014 Budget as amended
Move: Duckwall
Second: Everitt
Vote: **Aye:** Benton, Brown, Everitt, Nichol and Truax; Davies, Duckwall, McBride, Shortt and Streich

MOTION CARRIED

Motion: Move to Approve a Property Tax Levy at the Rate of \$.0332 Per Thousand for the FY 2013-2014 Period
Move: Everitt
Second: Truax
Vote: **Aye:** Benton, Brown, Everitt, Nichol and Truax; Davies, Duckwall, McBride, Shortt and Streich

MOTION CARRIED

7. ADJOURN: Jeff Nichol commended staff on the presentation of the budget and said it was very easy to follow. Nichol then turned the meeting back over to Davies who thanked the Budget Committee members for attending the property tour and Spring Planning Work Session. President Davies adjourned the meeting at 8:23 p.m.

Respectfully submitted,

Mellissa Halseth

ATTEST:

Jeff Nichol, Chair, Budget Committee

Jon Davies, President, Port Commission

John Everitt, Secretary, Budget Committee

Hoby Streich, Secretary, Port Commission

**Port of Hood River Commission
Meeting Minutes of May 21, 2013 Regular Session
Marina Center Boardroom
5:00 PM**

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; Attorney Jerry Jaques; from staff, Michael McElwee, Steve Burdick, Fred Kowell and Mellissa Halseth

Absent: None

Media: None

1. CALL TO ORDER: President Jon Davies called the meeting to order at 5:03 p.m.

a. Modifications, Additions to Agenda: Move Consent Agenda Items Pfriem Brewery Landlord Waiver and Local Grind Food Concession to Action Items for discussion.

Commissioner Davies opened the Budget Hearing at 5:04 p.m.

2. PUBLIC COMMENT: Grant Myrdal, Photographer, requested that the Commission permit him a space at the Event Site for the 2013 season for photography sales. He would set up a kiosk similar to the school concessions and also have online purchasing. The photos would be action photos. Myrdal has two employees.

Woody Howe, Mt. Hood Meadows Director spoke on behalf of Grant Myrdal. He stated that Myrdal has had a seasonal concession at Mt. Hood Meadows for the last four seasons. Mt. Hood Meadows has gone through an extensive risk management process and would recommend to the Commission that Myrdal be permitted space.

Linda Maddox announced to the Commission that the City was awarded \$83,000 from the Ford Foundation to complete the City Waterfront Park. Maddox also mentioned that the City angled parking project has been delayed due to utility issues.

3. CONSENT AGENDA:

- o Approve Minutes of April 29, 2013 Spring Planning Work Session and April 29, 2013 Regular Session Meeting
- o Approve Lease Renewal with Veolia Water in the Marina Office Building
- o Authorize Amendment No. 1 to Pocket Fuel Lease in the Halyard Building
- o Authorize Change Order No. 3 to contract with Griffin Construction for \$3,245.46 for PocketFuel Tenant Improvement Project
- o Authorize Change Order #1 to the Contract with LaLonde Electric for Vault Installation Not to Exceed \$7,901 for a Total Contract Amount of \$465,288
- o Authorize Change Order No. 4 to the K & E Excavating Contract in the Amount of \$1,102.81 for a total contract amount of \$3,400,027.76

Motion: Move to approve Consent Agenda as amended (move Pfriem Brewery Landlord Waiver and Local Grind Food Concession to Action Items for discussion)

Move: Duckwall

Second: Shortt

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

MOTION CARRIED

4. REPORTS, PRESENTATIONS AND DISCUSSION ITEMS:

▪ ECONorthwest – Terry Moore, Principal, provided a brief background on his firm and discussed the approach to carry out an analysis of the economic impacts of the Port. The analysis will serve as an important piece for the Strategic Plan and Oregon Business Development Department's request for an economic analysis from all Oregon ports. Moore

intends to monitor at the state level to keep an eye on what is being included in these analysis from other ports. Alison Danko, Port Intern will be assisting Moore in the analysis.

5. DIRECTOR'S REPORT: McElwee highlighted the following areas:

- Schedule –McElwee hopes to have his updated work plan and self evaluation to Commissioners by Friday, May 24 for review at the June 4 meeting. Commissioners to contact staff if they have additions discussion items they would like added to the Project List.
- Staff/Administration - Commissioner Don Hosford passed away and a service will be held Saturday, June 8 at the Valley Christian Church. The Commission was asked to review the revised Boardroom Policy that was included in their packet. Consensus was that policy was acceptable with limitations for frequent users.
- Waterfront Recreation – Fred Kowell, Finance Manager presented the Commission with a preliminary Flex Lease progress report for the Marina financing.
- Waterfront Development – The Frontage Road pathway architectural and engineering contract is almost complete. Work will likely start in July.
- Airport – The Airport closed May 20 for approximately 4 weeks. The rock that was requested was not needed and neither was the original proposed underlayment.

6. Commissioner, Committee Reports:

- Urban Renewal Agency – Neither Commissioner Streich or Commissioner Shortt attended the May 13 meeting.
- Marina Ad-hoc Committee – Davies reported on the May 14 meeting. The Yacht Club has appointed a new Port Liaison, Lance Staughton. There was lengthy discussion on dogs off leashes and liveboards. There was strong consensus to enforce these rules with warning letters resulting in termination if not resolved. Staff will be preparing a draft lease for Boathouse Tenants that would be effective January 1, 2014. This will be presented to the Commission at the June 18 meeting. Davies requested that Shortt meet with Steve Tessmer, Boathouse representative to discuss leases. Shortt will attend the June 11 Marina ad-hoc meeting. McElwee added that the DSL determined that for the Boathouse Dock replacement will not require a permit. COE still has not provided their determination.

7. ACTION ITEMS:

a) Approve Contract with TraneOregon in the Amount of \$14,120 for HVAC Programming and Wiring for Pocket Fuel in the Halyard Building: This will allow TraneOregon to set up the HVAC for the PocketFuel space. Commissioner McBride requested staff research the cost of replacement if this would be necessary in the future due to accumulating repair costs.

Motion: Move to Approve Contract with TraneOregon in the Amount of \$14,120 for HVAC Programming and Wiring for Pocket Fuel in the Halyard Building

Move: Shortt

Second: Duckwall

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

MOTION CARRIED

b) Approve Lease with Hearts of Gold in the Marina Park Office Building: This tenant has physically outgrown their current space at the DMV building. This would provide 1,400 sf.

Motion: Move to Approve Lease with Hearts of Gold in the Marina Park Office Building

Move: Duckwall

Second: McBride

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

MOTION CARRIED

c) Authorize an Agreement with ORANGEWALLstudios, Inc. for Architect Services in the Marina Office Building Not to Exceed \$7,500: These are services associated with Tenant Improvement for Hearts of Gold.

Motion: Move to Authorize an Agreement with ORANGEWALLstudios, Inc. for Architect Services in the Marina Office Building Not to Exceed \$7,500
Move: Duckwall
Second: McBride
Vote: **Aye:** Davies, Duckwall, McBride, Shortt and Streich
MOTION CARRIED

d) Authorize Change Order No. 4 to the Griffin Construction Contract in the Amount of \$42,242.24 for the HVAC in the PocketFuel Space in the Halyard Building: This price is approximately \$26,000 less than the HVAC add alternate submitted with the initial Griffin Construction bid.

Motion: Move to Authorize Change Order No. 4 to the Griffin Construction Contract in the Amount of \$42,242.24 for the HVAC in the PocketFuel Space in the Halyard Building for a Total Contract Amount of \$204,108.01
Move: McBride
Second: Streich
Vote: **Aye:** Davies, Duckwall, McBride, Shortt and Streich
MOTION CARRIED

e) Authorize Amendment No. 1 to the Purchase and Sale Agreement with Naito Development, LLC: The current Purchase and Sale agreement for small portions of Port property near Exit 64 has expired. Staff and legal counsel have worked to negotiate Amendment No. 1 which defines a specific purchase price and requires a \$5,000 non-refundable deposit.

Motion: Move to Authorize Amendment No. 1 to the Purchase and Sale Agreement with Naito Development, LLC
Move: Duckwall
Second: McBride
Vote: **Aye:** Davies, Duckwall, McBride, Shortt and Streich
MOTION CARRIED

f) Approve Landlord's Waiver and Consent with CenterPointe Community Bank for Pfriem Brewing Company: Jerry Jaques explained that this waiver and consent would allow the lender to seize equipment if there is a default. The Port still carries a \$45,000 note for Pfriem with a personal guarantee as collateral.

Motion: Move to Approve Landlord's Waiver and Consent with CenterPointe Community Bank for Pfriem Brewing Company
Move: Streich
Second: Shortt
Vote: **Aye:** Davies, Duckwall, McBride, Shortt and Streich
MOTION CARRIED

g) Authorize a Concession Permit with Local Grind, LLC for Operation at the Cruise Ship Dock for the 2013 Season: McElwee explained that since Big Papas, LLC decided not to return for the 2013 season that Local Grind decided to accept the spot. Staff believes this concessionaire will fit in nicely with the SandBar Café.

Motion: Move to Authorize a Concession Permit with Local Grind, LLC for Operation at the Cruise Ship Dock for the 2013 Season
Move: Shortt
Second: Duckwall
Vote: Aye: Davies, Duckwall, McBride, Shortt and Streich
MOTION CARRIED

Davies closed the Budget Hearing at 6:24 p.m.

8. COMMISSION CALL: Streich is concerned that The Port may be offering tenant improvement allowances higher than the public sector. Staff will prepare comparables with the private sector for Tenant Improvements. Streich also asked for an update on the Toll Collector meetings. Kowell explained that the main focus for the past few months has been the Toll Collector Manual. Commissioner Duckwall mentioned that he would not be attending the June 18 meeting. McBride noted that the Event Site has begun to get busy. Davies commented that the Hawaiian canoe is back in the water for the summer. Staff will arrange a short canoe ride for the next employee potluck.

9. EXECUTIVE SESSION: Regular Session was recessed at 6:34 p.m. and the Commission was called into Executive Session under ORS 192.660(2)(e) Real Property. The Commission was called back into Regular Session at 6:49 p.m. The following was an action as a result of Executive Session.

Motion: Move to Authorize a Concession Permit with Grant Myrdal at the Event Site for the 2013 Season
Move: Duckwall
Second: Shortt
Vote: Aye: Davies, Duckwall, McBride, Shortt and Streich
MOTION CARRIED

Regular Session was recessed again at 6:50 p.m. and the Commission was called into Executive Session under ORS 192.660(2)(e) Real Property. The Commission was called back into Regular Session at 8:27 p.m. There was no action as a result of Executive Session.

10. ADJOURN: President Davies adjourned the meeting at 8:27 p.m.

Respectfully submitted,

Mellissa Halseth

ATTEST:

Jon Davies, President, Port Commission

Hoby Streich, Secretary, Port Commission

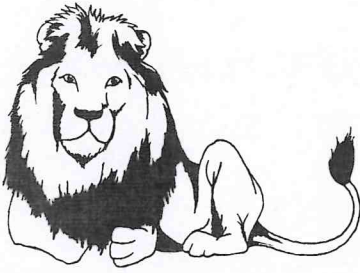
Commission Memo

To: Commissioners
From: Liz Whitmore
Date: June 4, 2013
Re: Fee Waiver Request

The Hood River Eye Openers Lions Club has formally requested use, and closure, of The Spit for the long-standing "Old Fashioned Lions 4th of July Fireworks." In the past, the user fee has been waived. Staff would recommend waiving the exclusive use and move-in/move-out fees (\$950) for 2013.

The Spit will be closed from approximately noon on Wednesday, July 3 through noon Friday, July 5. The closure will be noticed in the Hood River News and on the Port's website. Signage will also be posted on the booth at The Spit and concession schools will be alerted to the closure.

RECOMMENDATION: Approve Fee Waiver for Use of The Spit by the Hood River Eye Openers Lions Club "Old Fashioned 4th of July Fireworks."



Hood River Eye Openers Lions Club
1767 12th Street #136
Hood River, OR 97031

The Hood River Eye Openers Lions Club hereby requests a waiver of fees for our annual 4th of July Fireworks for the 2013 year.

As usual we are requesting that the spit be closed about noon on July 3rd and not to open until about noon on the 5th. This, of course, will need some postings at the location as well as information forwarded to our various local media outlets.

I will be coming down fairly soon – near the first of July – to secure a set of keys for the locks at the entrance.

We hope to have everything cleaned up after the show in the morning of the 5th, preferably by 10 or 11 AM.

Thank you so much for this action.

Sincerely,

Paul Zastrow – Treasurer and Licensed Pyrotechnician

Commission Memo

To: Commissioners
From: Liz Whitmore
Date: June 4, 2013
Re: CGWA Land Use Agreement for Temporary Parking

The Port and Columbia Gorge Windsurfing Association have annually renewed a Use Agreement since 2007 that provides for temporary parking and access to the Columbia River for recreational purposes. This access is on the gravel area due west of the Jensen Building. The paved parking lot provides ample parking for building tenants. See attached Agreement and Exhibit A.

RECOMMENDATION: Approve 2013 Land Use Agreement with CGWA for temporary parking and Columbia River access.

**PORT OF HOOD RIVER-COLUMBIA GORGE WINDSURFING ASSOCIATION
2013 LAND USE AGREEMENT**

This Land Use Agreement between the Port of Hood River ("Port") and Columbia Gorge Windsurfing Association ("CGWA") is entered into for the purpose of providing temporary parking and access to the Columbia River for recreational access in 2013.

IT IS AGREED:

1. The Port will provide, at no cost, land as described in Exhibit A ("Parking Area for River Access" along with access routes shown) attached hereto and by this reference incorporated herein ("Property"), to be used by CGWA and the public, and on which CGWA may provide a water access ramp and daytime parking on the gravel area only. Prior to CGWA making parking, water access or other improvements on the Property, CGWA shall provide the Port with its plans for such improvements and obtain Port permission.
2. CGWA will inform its members and the public about Port Ordinance No. 22 that governs use of the Property. If a person violates a Port regulation, CGWA shall inform the person of the violation, and if the violation continues, CGWA shall promptly inform the Port.
3. Overnight parking or camping between 10 PM and 6 AM will not be permitted on the Property, as regulated in Port Ordinance No. 22.
4. CGWA will be responsible for litter pick up and monitoring compliance with Port Ordinance provisions and regulations applicable to the Property.
5. The Port and CGWA acknowledge that the Property abuts land that is under the control of the Port and leased to private businesses for their use.
6. CGWA shall maintain a general liability insurance on the Property in an amount of \$1,000,000 naming the Port as additional insured, and shall indemnify, defend, and hold harmless the Port, its Commissioners, officers, employees and agents from all claims, suits, actions or damages of whatever nature resulting from or related to activities by CGWA, or any CGWA member or agent, under this Agreement.
7. The permission to CGWA and members of the public to use the Property may be terminated by the Port at any time in the Port's sole discretion, as to any member of the public or CGWA. If this Agreement has not been terminated, it will expire on September 30, 2013.

Date: _____

PORT OF HOOD RIVER

**COLUMBIA GORGE WINDSURFING
ASSOCIATION**

Michael S. McElwee
Executive Director

Greg Stiegel
Executive Director



Exhibit A: Port of Hood River-CGWA Land Use Agreement "Parking Area for River Access." The outlined area designates the use for temporary parking and recreational access to the river. The Land Use Agreement expires annually on September 30 unless terminated earlier.

Commission Memo

To: Commissioners
Fr: Steve Burdick
Date: June 4, 2013
Re: Hood River Yacht Club Light Watercraft Racks Lease

Hood River Yacht Club (HRYC) would like to continue to lease two light watercraft storage racks on 'C' Dock at the Hood River Marina. The original lease began July 1, 2010.

A term sheet is attached for a one-year lease. Like the original lease, the proposed lease terms allow HRYC to sublease these racks to the public. The proposed rate of \$25 per individual subleased rack space is the same as in the existing lease. In 2012 this fee was increased by \$2 over the original rate. This proposed lease would increase the rate to \$26 per individual subleased rack space if the lease is extended again in 2014.

RECOMMENDATION: Approve the lease with the Hood River Yacht Club for 'C' Dock Light Watercraft Racks.

Hood River Yacht Club Proposal

'C' Dock Storage Racks, Hood River Marina

Date Prepared: June 4, 2013

TENANT:	Hood River Yacht Club.
AREA:	Two 'C' Dock Storage Racks.
TERM:	One-year lease commencing July 1, 2013 and options for three 1 year extensions.
RATE:	\$25 per month each for sublease of individual storage rack spaces; up to six spaces available. If the lease is extended, the rate will be increased to \$26 per month for each rack.
JOBS:	None.
TI:	None.
USES:	Marine small vessel (dinghy) storage and launching.
COMMENTS:	Continuation of lease that began in July 2010; the rate was unchanged between 2010 and 2012, but increased to \$25 in 2012.

LEASE

THIS LEASE is entered into at Hood River, Oregon by and between **PORT OF HOOD RIVER**, an Oregon municipal corporation, hereinafter referred to as "Lessor", and **HOOD RIVER YACHT CLUB, INC.**, an Oregon domestic nonprofit corporation, hereinafter referred to as "Lessee".

WITNESSETH:

- 1. Description.** In consideration of the covenants of the parties herein contained, Lessor leases to Lessee two storage racks on the freeboard float and the east freeboard float of "C" Dock located at the Hood River Marina in Hood River, Oregon, at the location shown on Exhibit A attached hereto ("leased premises" or "storage racks").
- 2. Term.** This lease shall be for the period commencing July 1, 2013 and continuing through June 30, 2014. Provided Lessee is not in default under this lease at the time of Lessee's option notice or on June 30, 2014, Lessee may renew this Lease for three additional one year terms on the July 1 anniversary dates, by giving Lessor written notice of intent to renew lease no later than May 1 of the current lease year. If the lease is renewed all lease terms will remain the same except the rental amount will increase from \$25 per month per rack to \$26 per month per rack beginning July 1, 2014 and remaining at \$26 per month per rack for the remainder of the extension terms.
- 3. Rental.** Each storage rack has three levels. The storage racks combined are capable of storing a total of six marine vessels. Subject to the requirements of paragraphs 4 and 16 of this lease, Lessee may sublease individual storage rack spaces. Lessee shall pay Lessor rental of \$25 for each storage rack space subleased, for any month or part of a month the storage rack space is subleased. Rent for the first month of a sublease shall be payable by Lessee when the sublease is signed by Lessee and the sub-lessee. Monthly rent shall be paid by Lessee to Lessor thereafter during the remainder of the term of the sublease, on the first day of each month, in advance. The foregoing notwithstanding, if Lessee subleases all storage rack spaces for concurrent terms exceeding six months, Lessor may allow Lessee to pay Lessor rent semiannually, in arrears. If Lessor allows Lessee to pay rent semiannually Lessor and Lessee shall enter into a written agreement specifying when rent is payable.
- 4. Keys/Fees.** Lessor has sole responsibility for issuing keys to access the leased premises. Lessee must provide each sub-lessee with a signed sublease agreement and receipt as proof of the sublease. To obtain a key to access the leased premises, a sub-lessee must provide these documents to the Port of Hood River, 1000 E. Port Marina Drive, Hood River, OR 97031, and pay a \$50 deposit. This deposit is refundable upon return to the Port when the sublease is terminated. Only one key per sub-lessee will be issued by Lessor. Lessee and its sub-lessees agree that duplicate copies of the key will not be made.
- 5. Use.** Lessee shall use the leased premises for marine vessel storage and launching in accordance with the terms of this lease and the terms of the subleases approved by Lessor. The leased premises shall not be used for any other purposes without the written consent of Lessor. No storage rack space may be used unless a sublease of the storage rack space has first been approved by Lessor in writing, the sublease has been signed by Lessee and

the sub-lessee, and all Lessor conditions required by Lessor of the sub-lessee have been complied with.

6. **Taxes.** Lessee shall pay all taxes on its personal property located on the leased premises. Lessee shall pay all real property taxes of governmental units assessed against the leased premises, and all real property assessed against all inside and outside common areas of the building. Lessee shall pay all such real property taxes which have been assessed and are payable during Lessee's occupancy. Lessee shall also pay all such taxes which arise during a tax year as a result of Lessee's occupancy, even if the lease term has ended, or if Lessee has vacated the leased premises. [Note: Under current law, Port real property is exempt from property taxation during an upcoming fiscal tax year (July 1 through June 30) unless a private party occupies such Port property on June 30. If a private party is in possession of Port property on June 30, that Port property is taxed for the entire subsequent fiscal tax year "as a result of Lessee's occupancy".] Although Lessee is responsible to pay real property taxes, Lessor will pay the real property taxes to the taxing authority when due and send a bill to Lessee for the amount of taxes Lessor has paid, which will be payable by Lessee to Lessor within ten days after the date of Lessor's bill.
7. **Utilities.** Lessor does not provide utilities for leased premises. If Lessee requires utilities, it must receive Lessor's written permission prior to installation and is responsible for all utility charges.
8. **Liability Insurance and Hold Harmless Agreement.** Lessee agrees, and shall require each sub-lessee to agree, to indemnify and save Lessor, Lessor's Port Commissioners, officers, employees or agents harmless from any claims by any persons, firms, or corporations arising from business conducted on the leased premises or from anything done by Lessee or the sub-lessee at the leased premises, and will further indemnify and save Lessor harmless from all claims arising as a result of any breach or default on the part of Lessee under the terms of this lease, or arising from any act of Lessee's agents, contractors, employees, or licensees in or about the leased premises, and from all costs, counsel fees, and liabilities incurred in any action or proceeding brought thereon; and in case any action or proceeding is brought against Lessor by reason of any such claim, Lessee, upon notice from Lessor, covenants to resist and defend such action or proceeding by counsel.

Lessee agrees during the term hereof to keep a policy of general commercial liability insurance in effect with respect to the leased premises with minimum coverage of one million dollars (\$1 million) combined single limits and agrees to require any sub-lessee to carry insurance in a form and amount required by Lessor. The Lessee and sub-lessee policies shall name Lessor as additional insured, and expressly include Lessor's Port Commissioners, officers, employees, or agents as additional named insured, and shall contain a clause that the insurer will not cancel or change the insurance without first giving Lessor at least fourteen days prior written notice. The insurance shall be provided by an insurance company registered to do business in the State of Oregon, or by a company approved by Lessor, which approval shall not be unreasonably withheld. A copy of Lessee's policy or certificate of insurance shall be delivered to Lessor within seven days after the date of this lease. Policies of sub-lessees required by Lessor shall be delivered to Lessor prior to the sub-lessee occupying the storage rack space being subleased.

8. **Fire Insurance and Waiver of Subrogation.** If the leased premises are partially or totally destroyed by fire or other casualty, Lessor may decide to repair the leased premises, or not,

in Lessor's sole discretion. Lessor shall notify Lessee in writing of Lessor's intent regarding repair within 30 days after the date of the damage. If Lessor notifies Lessee that Lessor does not intend to repair the damage the lease shall terminate 30 days after the date of the damage. If Lessor notifies Lessee that Lessor intends to repair the damage the lease shall continue and Lessor shall return the leased premises to as good a condition as existed prior to the damage, in a prompt manner reasonable under the circumstances. If Lessee's use of the leased premises is disrupted during Lessor's repairs a reasonable portion of the rent shall be abated during the disruption. In no event shall Lessor be required to repair or replace Lessee's property including Lessee's fixtures or equipment. In no event shall Lessee be entitled to recover damages from Lessor related to destruction of the leased premises, or related to repairs undertaken by Lessor.

Each party shall provide its own insurance protection at its own expense, and each party shall look to its respective insurance carrier for reimbursement of property loss, which may be insured against by a standard form of fire insurance with extended coverage. There shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.

- 9. Lessee's/Lessor's Covenants.** Lessee shall not do anything which may damage the leased premises, any systems serving the leased premises or areas owned by Lessor near the leased premises.. Lessee shall not be a nuisance or a menace to others. Lessee will not create or use hazardous substances, or dispose of hazardous waste of any kind, unless in strict compliance with environmental laws and regulations. Lessee promises to comply with all laws, ordinances, and government regulations applicable to the leased premises and to Lessee's activities at the leased premises, and to comply with rules adopted by Lessor, and Lessee shall require all sub-lessees to likewise comply..

Lessee shall not attach any fixtures or make any improvements or alterations to the leased premises without describing them in writing and receiving Lessor's prior written consent.

Lessee shall not suffer or give cause for the filing of any lien against the leased premises.

- 10. Quiet Enjoyment.** From the date the lease commences Lessee will have the right to use the leased premises consistent with paragraph 4 subject to the terms and conditions of this lease. Lessee agrees that Lessor may make improvements to the leased premises and adjacent areas which may cause noise or otherwise temporarily disrupt Lessee's or a sub-lessee's quiet enjoyment of the leased premises.

- 11. Care of Premises.** Lessee shall at all times keep the leased premises in as good condition as they are in at the outset of this lease, or if improvements are made thereafter in at least as good condition as after such improvements, and shall surrender the leased premises to Lessor in such good condition, reasonable wear and tear, or loss by fire or other casualty covered by insurance excepted.

- 12. Fixtures and Personal Property.** Unless otherwise agreed in writing, all permanent improvements now located or hereafter placed on the leased premises during the term of the lease shall be the property of Lessor, and shall remain on the leased premises at the expiration or termination of the lease, provided that Lessor reserves the right within 30 days after the lease term ends to require Lessee to promptly remove any improvements which Lessee has placed on the leased premises at Lessee's expense, in a way which does not cause damage to the leased premises.

At the expiration or earlier termination of the lease term Lessee shall remove all marine vessels and any other personal property of any kind from the leased premises. If Lessee fails to do so this shall be an abandonment of such property, and Lessor may retain the abandoned property and all rights of Lessee or a sub-lessee with respect to it shall cease; provided however, that Lessor may give Lessee written notice within 30 days after the lease expiration or termination date electing to hold Lessee to its obligation of removal. If Lessor elects to require Lessee to remove personal property and Lessee fails to promptly do so, Lessor may effect a removal and place the property in storage for Lessee's account. Lessee shall be liable to Lessor for the cost of removal, transportation to storage, storage, disposal, and other costs incurred by Lessor with regard to such personal property.

- 13. Signs.** Lessee shall not erect or install any signs, flags, lights or advertising media nor window or door lettering or placards visible from outside the leased premises without the prior written consent of Lessor. Lessee agrees to maintain in good condition any signs or displays which are allowed.
- 14. Lessor's Access to Premises.** Lessor shall have the right to enter upon the leased premises at all reasonable hours after oral notice (without notice to protect public health and safety in an emergency) for the purpose of inspecting it, or to make repairs, additions or alterations to the leased premises or any property owned or controlled by Lessor. If Lessor deems any repairs reasonably required to be made by Lessee to be necessary, it may give notice that Lessee make the same within 30 days (immediately in an emergency involving public health and safety), and if Lessee refuses or neglects to commence such repairs and complete the same in a timely manner, Lessor may make or cause such repairs to be made, and if Lessor makes or causes such repairs to be made, Lessee agrees that it will, within 30 days, pay to Lessor the cost thereof.
- 15. Waiver.** One or more waivers of any covenants or conditions by either party shall not be construed as a waiver of a subsequent breach of the same covenant or condition, and the consent or approval by Lessor to any act by Lessee requiring Lessor's consent or approval shall not be construed as consent or approval to any subsequent similar act by Lessee.
- 16. Assignment.** Lessee agrees not to assign or in any manner transfer this lease or any interest in this lease without the prior written consent of Lessor, and not to sublease the leased premises or any part thereof without like consent, which consent may be granted or denied in Lessor's discretion. Lessee may sublease a storage rack space after Lessor has given consent to do so, provided Lessee and the sub-lessee comply with all conditions required by the Port of Lessee and the sub-lessee, before the sub-lessee takes possession of a storage rack space. Lessee shall not offer to sublease storage rack spaces exclusively to Hood River Yacht Club members or on a preferential basis. Subleases shall be offered by Lessee to the general public on a "first come first served" basis.
- 17. Default.** Time is of the essence of performance of all the requirements of this lease. If any rental or other sums payable by Lessee to Lessor shall be and remain unpaid for more than ten (10) days after the same are due and payable, or if Lessee shall fail to comply with any term or condition or fulfill any obligation of the lease (other than the payment of rent or other charges) within fourteen (14) days after written notice to Lessee specifying the nature of the default with reasonable particularity, or if Lessee shall declare bankruptcy or be insolvent according to law or if an assignment of Lessee's property shall be made for the benefit of creditors or if Lessee shall abandon the premises, then in any of said events Lessee shall

be deemed in default hereunder. In the event of a default the lease may be terminated at the option of Lessor. If the lease is terminated, Lessee's liability to Lessor for rents and damages shall survive such termination and Lessor may re-enter, take possession of the premises, and remove any persons or property, including any sub-lessee's, by legal action or by self help with the use of reasonable force and without liability for damages.

The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Lessor under applicable law.

18. Notices. Whenever under this lease a provision is made for notice of any kind, it shall be deemed sufficient if such notice to Lessee is in writing delivered personally to Lessee's registered agent or to the person signing the lease on behalf of Lessee, or if addressed to Lessee, sent by certified mail with postage prepaid to the address indicated on the signature page of this lease; and if such notice is to Lessor, delivered personally to the Executive Director of Lessor or addressed to Port of Hood River, 1000 E. Port Marina Drive, Hood River, OR 97031, sent by certified mail with postage prepaid. Notice shall be deemed given on the date of personal delivery or if mailed, one day after the date of mailing.

19. Attorney Fees. In the event of litigation by either party to enforce its rights hereunder, the prevailing party shall be entitled to recover its reasonable attorney's fees thereon and upon any appeal, in addition to its costs and disbursements.

20. Authority to Execute. The person executing this Lease on behalf of Lessee warrants that they have the authority to do so.

DATED this _____ day of June, 2013.

Lessee:

HOOD RIVER YACHT CLUB, INC.
PMB No. 147
2149 Cascade Avenue Ste. 106A
Hood River, OR 97031

BY:

Ted Lohr
Its Commodore

Lessor:

PORT OF HOOD RIVER
1000 E. Port Marina Drive
Hood River, OR 97031
(541) 386-1645

BY:

Michael S. McElwee
Its Executive Director

Commission Memo

To: Commissioners
From: Steve Burdick
Date: June 4, 2013
Re: Window Washing Contract Award

The Port has ten buildings on which it has obligations under leases to maintain building exteriors, including windows. For vacant spaces, Port offices and one gross lease space, the Port also is obligated to maintain both exterior and interior windows. Staff recommends that these windows be cleaned no less often than twice per year - in the spring and fall. The most recent window washing was in the fall of 2012.

In late summer 2012, staff solicited quotes for a general window cleaning from three Hood River County glass cleaning businesses and a low quote of \$3,740.00 was received from Gorge Window Cleaning. The other two quotes were \$3,897 and \$7,615. Gorge Window Cleaning provided responsive, high quality service and no complaints were received by any tenant.

Gorge Window Cleaning has offered to perform the window washing this year for the same price as 2012 and staff recommends accepting that offer without re-soliciting quotes.

RECOMMENDATION: Authorize a contract with Gorge Window Cleaning not to exceed \$3,740.00.

SOLICITATION FOR A QUOTE FOR WINDOW WASHING

The Port of Hood River is soliciting a quote for washing windows in its Port owned buildings.

The scope of this service will be to wash the following windows in all buildings listed below once in early July:

- Outsides only of all exterior windows
- Outsides and insides of entry doors into common areas.
- Both sides of foyer windows in common areas.
- Insides of all windows in vacant spaces.
- Outsides of windows that look into other interior spaces

Addresses of these Port owned buildings are:

Expo Building

405 Portway Avenue

Halyard Building (Interior & Exterior windows in middle two spaces in first cleaning)

707 Portway Avenue

Jensen Building

400 Portway Avenue

Maritime Building

910 Portway Building

Marina Office Building (Interior and Exterior windows 2nd floor West upper level in first cleaning)

720 E. Port Marina Way

State Office (DMV) Building (Windows and glass doors for both tenants will be cleaned on both the inside and the outside)

600 E. Port Marina Way

Port of Hood River Offices

1000 E. Port Marina Drive

- **Inside and outside windows for Port offices.**
- **Outside only for Gorge Innoventure offices.**

Big 7 Building

616 Industrial Way

Wasco Building

205 Wasco Loop

Timber Incubator Building

3875 Heron Drive

Odell, OR

Bridge Toll Booth

South end of Interstate Bridge (Inside & outside of booth and canopy windows)

Commission Memo

To: Commissioners
From: Steve Burdick
Date: June 4, 2013
Re: Next Door, Inc., Grounds Maintenance Agreement

The Next Door, Inc. (NDI) is a non-profit social service corporation that, in part, provides meaningful training and employment to youths ages 16 – 24. NDI was recently successful in obtaining a \$16,500 grant from the Oregon Youth Conservation Corps (OYCC) to fund 50% of a six person work crew for eight weeks of work.

The Port has an extensive grounds maintenance work backlog on its waterfront and airport properties – particularly the removal of noxious plants such as knapweed and scotch broom and the upkeep of landscaped beds. Port staff would like to use the NDI work crew for an 8 week period beginning July 1, 2013 primarily for weed control and landscape maintenance. The proposed contract is attached.

To take advantage of this opportunity, the Port would need to match the OYCC grant with \$16,500.

RECOMMENDATION: Approve the contract with The Next Door, Inc. for grounds maintenance services in an amount not to exceed \$16,500.00.



CONTRACT FOR WORK



This agreement is entered into by and between The Next Door, Inc. (NDI) and the Port of Hood River, an Oregon municipal corporation (Port) for work tasks to be performed by NDI on an as needed basis, as requested by the Port, on various projects in and around Hood River.

BACKGROUND



NDI is a 501c(3) corporation and does not illegally discriminate against any person on the basis of sex, race, disability, national origin, veteran status, sexual preference or religion and complies with all applicable federal and state laws.



NDI is a social service agency that provides bilingual and bicultural prevention, intervention and therapeutic services to Columbia Gorge residents living in Hood River, Wasco, Sherman, Klickitat and Skamania counties. For purposes of this contract, NDI is currently engaged with Oregon Youth Conservation Corps to provide meaningful employment and training to youth ages 16-24. The youth and young adults who participate in NDI are referred to as members of the NDI Crew and will be supervised at all times work is performed under this Contract by a Crew Supervisor.

The Port and NDI agree as follows:



Performance: Upon request of the Port, NDI shall provide to the Port, a NDI Crew consisting of five students in the NDI program and one Crew Supervisor. Work projects will be designated by the Port and will be arranged one week at a time, to the extent feasible. The NDI Crew will work ten (10) hours per day, not including time for lunch and breaks, four days a week for eight weeks. The NDI Crew will at all times be supervised by at least one Crew Supervisor.



Payment: The NDI Crew and Supervisor will receive a payment of up to \$16,500 for the 8 week (9 week for Crew Leader) work period based on a full crew rate of \$51.56 per hour and prorated for work hours not performed or for contract cancellation.

The Port's payment of \$16,500 is part of a monetary match required to receive OYCC grant of an equal amount. Additional contracts can be

965 Tucker Road
Hood River, OR 97031
541-386-6665

318 West 2nd Street
The Dalles, OR 97058
541-296-8118

made available on an as needed basis.”

Transportation: The NDI Crew and the Crew Supervisor will be responsible for their own transportation to the job sites and will arrive promptly at 8:00 am, ready to work.

Port Task Assignment: Designation of tasks and goals to be accomplished in completion of the tasks for the NDI Crew shall be provided by the Port.

Method and Time of Payment: NDI will bill the Port on the 10th of each month with an itemized invoice for work completed that shall summarize the days worked, projects worked on, crew members identified and hours worked per crew member. NDI will be paid within 30 days of submission on the invoice.

Independent Contractor: NDI certifies that it is an independent contractor, provides services to other customers, maintains insurance, sets its own priorities regarding time and hours of work, and determines the means of delivering services.

Compliance with Laws: NDI shall, at all times during the duration of this contract, comply with all applicable laws, regulations, rules and policies.

Insurance: NDI shall maintain during the term of this Contract insurance policies that indemnify the Port from any liability relative to the actions of NDI or the NDI Crew. NDI provides insurance for the NDI Crew and Crew Supervisor, as well as vehicle insurance, medical insurance, and Worker's Compensation for the NDI Crew Supervisor. NDI will provide proof of insurance and name the Port as an additional named insured.

NDI Participation Agreement: A copy of the NDI Participation Agreement and NDI Waiver of Liability and Hold Harmless Agreement which will be signed by each member of the NDI Crew prior to performance under this Contract are attached and incorporated herein.

Indemnification: To the fullest extent permitted by law, NDI will defend, indemnify and hold harmless the Port, its agents, officers, officials, and employees from and against all claims, damages, losses and expenses (including, but not limited to attorney fees and court costs) arising from the acts, errors, mistakes, omissions, work or services provided by NDI. NDI will provide to The Port a copy of the Hold Harmless agreement signed by each employee working on this The Project/NDI project.

Cancellation: The Port and NDI may cancel this Contract at any time but must give written thirty (30) days' advanced written notice to NDI and vice versa (NDI to The Port).

Complete Agreement: This Contract is the complete and final agreement between the Port and NDI.

NDI

Port of Hood River

By: _____

By: _____

Title: Executive Director _____

Title: Executive Director _____

Tax ID No. _____

Date Signed: _____

Date Signed: _____

Commission Memo

To: Commissioners
From: Steve Burdick
Date: June 4, 2013
Re: WINGS, Grant Participation Agreement

WINGS, Inc. is a non-profit social service corporation that, in part, provides meaningful training and employment to young men ages 18 – 23. Recently, WINGS was awarded a \$3,000 grant by the State Marine Board to do general maintenance on the public portions of the Hood River Marina.

A preliminary list of work tasks to be accomplished is as follows:

- cleat and through rod maintenance or replacement
- painting
- pressure washing docks
- noxious weed removal
- trash cleanup
- general maintenance on the public portions of the marina.

The grant would fund a six person crew for 80 hours of work. The Port's obligation for the use of this crew would be \$3,000.

The work would take place in July and/or August 2013.

RECOMMENDATION: Approve the agreement with WINGS to provide matching funds for an Oregon State Marine Board grant for marina maintenance in an amount not to exceed \$3,000.



WINGS

541.380.3820
2149 W Cascade, #106A,
PMB 48
Hood River, OR 97031
www.getwings.net

April 16, 2013

Steve Burdick
Development Manager
Port of Hood River
1000 E Port Marina Drive
Hood River, OR 97031

Dear Steve,

WINGS is very grateful for the opportunity to partner with the Port of Hood River on the 2013 Oregon State Marine Board Grant. Through this grant WINGS will be able to provide services to the Port for half of their usual cost, as the Marine Board will be providing matching dollars to those paid by the Port for up to 80 hours of work.

As the funds for the grant are provided through fees collected from motorboat registrations, potential projects are restricted to include those areas of marinas which are directly impacted by motor boats. After a discussion with Mellissa Halseth, we outlined these potential projects:

- Pressure washing visitor's docks
- Tighten bolts overall
- Replacing 50 cleats (removing old cleats, screwing through 14" studs and bolting in new cleats – for visitor's dock)
- Replacing all through-rods on walkways
- Replace rub boards on the visitor's dock
- Noxious and invasive weed removal and trash clean up along riprap
- Other painting, repair and clean up projects to be identified

Signing below on this WINGS contract by the Port of Hood River constitutes acceptance to the terms outlined herein. WINGS is to supply 80 hours of Crew time to complete the above tasks. For this project the WINGS Crew will consist of a trained, adult working supervisor, and five WING-men. Our WING-men range in age from 18-23 and were formerly homeless and unemployed. Through the training they receive in the program they learn the skills necessary to become employable and sustainable. WINGS charges \$15 per hour for the Crew Leader and \$12 for each WING-man. The total per hour for the Crew is \$75. The total cost of the 80 hour project is \$6,000. Half of this cost will be paid by the Grant, therefore, the Port's portion of the grant will be 80 hours times \$37.50 or \$3,000.

WINGS will provide transportation, some tools, liability insurance and workmen's comp insurance. The Port will provide some tools and some supervision on each of the projects. The grant will fund beginning in mid-June and all tasks must be completed by the end of August. For this grant WINGS will also be required to participate in a one-day river clean-up project; we look forward to working with the Port and Friends of the Columbia River on that project.

Thank you again for again for this opportunity.

Sincerely yours,

Allyson Pate

Acceptance of this Contract is signified by signing below:

Michael S. McElwee Executive Director, Port of Hood River	Date
--	------

Allyson Pate, WINGS Executive Director	Date
--	------

Commission Memo

To: Commissioners
From: Steve Burdick
Date: June 4, 2013
Re: WINGS, Grounds Maintenance / Marina Agreement

WINGS, Inc. ("WINGS") is a non-profit social service corporation that, in part, provides meaningful training and employment to young men ages 18 – 23. The Port has used WINGS in the past - typically for one-two days per month for grounds maintenance on an as-needed basis.

This fiscal year, Port staff again recommends using WINGS crews in targeted areas for the marina maintenance project and in the shoulder seasons when there is an immediate need and when Port employees are not available to address the need.

The cost for a WINGS crew is \$15 per hour for a crew leader and \$12 per hour for crew members. The hourly cost for a full WINGS crew is \$75. Because of the State Marine Board grant, the Port will pay only 50% of this rate when the crew is performing marina maintenance. The proposed contract is attached.

WINGS would be used on an as-needed basis as determined by Maintenance Supervisor, Joe Pounders. The funding amount, if authorized, would provide 10 crew days of WINGS labor for marina maintenance and 10 crew days of WINGS labor for grounds maintenance.

RECOMMENDATION: Renew a contract with WINGS Inc. for marina and grounds maintenance services not to exceed \$9,000.



WINGS

541.380.3820
2149 W Cascade, #106A,
PMB 48
Hood River, OR 97031
www.getwings.net

WINGS 2013 Contract with the Port of Hood River

This agreement is entered into by and between Give Them WINGS, Inc., dba WINGS and the Port of Hood River, an Oregon municipal corporation (Port) for work tasks to be performed by WINGS on an as needed basis, as requested by the Port, on various projects in and around Hood River, including the Port Marina maintenance project funded by the Oregon State Marine Board grant.

BACKGROUND

WINGS is a 501c(3) corporation and does not illegally discriminate against any person on the basis of sex, race, disability, national origin, veteran status, sexual preference or religion and complies with all applicable federal and state laws.

WINGS is an educational program for young men ages 18 to 23. WINGS provides free room and board, work opportunities, mentoring, independent living skills, trade training, and education. The young men who participate in WINGS are referred to as members of the WINGS Crew and will be supervised at all times under this Contract by a Crew Leader.

The Port and WINGS agree as follows:

- 1. Performance:** Upon request of the Port, WINGS shall provide to the Port, a WINGS Crew consisting of two to four students in the WINGS program and one Crew Supervisor. Work projects will be designated by the Port and will be arranged one week at a time, to the extent feasible. The WINGS Crew will work at least six hours per day and more if needed to complete their assignments, not including time for lunch and breaks. The WINGS Crew will at all times be supervised by the Crew Supervisor.
- 2. Payment:** WINGS charges \$15 for the Crew Leader per hour and \$12 per hour for each of the WING-men. This contract shall limit the total Port contribution to \$9,000 (\$6,000 on general grounds and \$3,000 on marina maintenance).
- 3. Transportation:** The WINGS Crew and the Crew Leader will be responsible for their own transportation to the job sites and will arrive promptly at 8:30 am, ready to work.
- 4. Port Task Assignment:** Designation of tasks and goals to be accomplished for the WINGS Crew shall be provided by the Port.
- 5. Method and Time of Payment:** WINGS will bill the Port on the 1st and 15th of each month with an itemized invoice for work completed that shall summarize the days worked, projects worked on, crew members identified, and hours worked per crew member. WINGS will be paid within 30 days of submission on the invoice.

6. Independent Contractor: WINGS certifies that it is an independent contractor, provides services to other customers, maintains insurance, sets its own priorities regarding time and hours of work, and determines the means of delivering services.

7. Compliance with Laws: WINGS shall, at all times during the duration of this contract, comply with all applicable laws, regulations, rules and policies.

8. Insurance: WINGS shall maintain during the term of this Contract insurance policies that indemnify the Port from any liability relative to the actions of WINGS or the WINGS Crew. WINGS provides insurance for the WINGS Crew and Crew Supervisor, as well as vehicle insurance, medical insurance, and Worker's Compensation for the WINGS Crew Supervisor. WINGS will also supply proof of insurance and name the Port of Hood River as an additional named insured.

9. WINGS Participation Agreement: A copy of the WINGS Participation Agreement and WINGS Waiver of Liability and Hold Harmless Agreement which will be signed by each member of the WINGS Crew prior to performance under this Contract are attached and incorporated herein. WINGS will also provide a copy of each worker's signed copy of the Port of Hood River Hold Harmless agreement (see attached).

10. Indemnification: To the fullest extent permitted by law, WINGS will defend, indemnify and hold harmless the Port, its agents, officers, officials, and employees from and against all claims, damages, losses and expenses (including, but not limited to attorney fees and court costs) arising from the acts, errors, mistakes, omissions, work or services provided by WINGS.

11. Cancellation: The Port may cancel this Contract at any time. WINGS may cancel this Contract with written thirty days advanced written notice to the Port.

12. Complete Agreement: This Contract is the complete and final agreement between the Port and WINGS.

WINGS

Port of Hood River

By: _____
Title: Executive Director

By: _____
Title: Executive Director

Tax ID No. _____

Date Signed: _____

Date Signed: _____

Commission Memo

To: Commissioners
From: Fred Kowell
Date: June 4, 2013
Re: Accounts Payable Requiring Commission Approval

Tonkin Wilsonville Nissan **\$22,361.00**

2013 Nissan Frontier 4X4 Pickup SV
To replace 1987 Dodge Dakota pickup used by
the maintenance department.

TOTAL ACCOUNTS PAYABLE TO APPROVE **\$ 22,361.00**

Commission Memo

To: Commissioners
From: Michael McElwee
Date: June 4, 2013
Re: Lot #1 Planning—Stakeholder Meetings

In March the Commission discussed the general steps needed over the next 18 months to prepare Lot #1 for development. The general schedule that was reviewed is attached. One of the initial steps was a series of "Roundtables" that would provide more focused discussion with key stakeholders. Staff seeks Commission review and direction on the attached schedule of meetings, attendees and invitation with the intent of moving this effort forward over the summer.

RECOMMENDATION: For discussion.

Lot #1 Planning
Stakeholder Work Sessions

Prepared: June 4, 2013

Purpose

Discuss the development of Lot #1 with selected panels of 5-6 key stakeholders.

Key Questions

- What is the appropriate type and scale of development?
- What community objectives should be achieved?
- What role should the Port play in developing the property?

<i>Individual</i>	<i>Title</i>	<i>Organization</i>	<i>Contact</i>
Panel #1: Business			Date: June 12
Jim Ealer	Owner	Cascadia Tech Works	jim@cascadiatechworks.com
Christian & Anne Debbaut	Entrepreneur	Nano Technology	acdebbaut@gmail.com
William Ayers	Consultant	Software	
Jeff Nichol	Board Member	Gorge Tech Alliance	
Romeo Raubichaud	Owner	RBS Battens	romeo@rbsbattens.com
Mike Graham	Owner	Real Carbon	
Panel #2: Market/Development			Date: July 17
Jeff Pickardt	President	Key Development	jeff@keydevelopment.net
Mark VanderZanden	Principal	Surround Architecture	marksurroundinc.com
Bob Naito	CEO	Naito Development	bob@naitodev.com
Eric Hovee	Owner	ED Hovee & Company	ehovee@edhovee.com
Stephan Ford	Principal	Current Commercial	skford@currentcommercial.com
Maui Meyer	Owner	Copper West	
Panel #3: Recreation/Environment			Date: August 14
Brent VandenHeuvel	Ex. Dir.	Col. Riverkeepers	bv@columbiariverkeeper.org
Chuck Gehling	Chair	HR Watershed Group	chuck50fis@aol.com
John Hart	Owner	Kayak Shed	john@kayakshed.com
Pepi Gerald	President	CGKA	
Heather Stayton	Advocate	Waterfront	heatherstayton@gorge.net
Steve Gates	Owner	Big Winds	
Panel #4: Public Agency & Large Business			Date: Sept. 18
Cindy Walbridge	Plng. Dir.	City of Hood River	
Cheryl Park	ED	WS Chamber	
Dave Windsor	Plant Manager	Cardinal AG	
Irene Firmat	CEO	Full Sail	
Ron Dodge	CEO	Hood River Distillers	rond@hrdsprits.com
Seth Tibbot	President	Turtle Island	seth@tofurkey.com



Port of
Hood River

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June 5, 2013

Hood River OR 97031

Dear:

On behalf of the Port of Hood River Commission thank you for agreeing to participate in a roundtable discussion regarding the property known as Lot #1 on the Hood River Waterfront. The meeting will be held at **12:00 p.m. on June 15** at the Port offices and last for approximately 90 minutes. The agenda and attendee list is attached.

Lot #1 is a significant public asset to Hood River for many reasons including its potential to accommodate jobs, its proximity to recreation areas and its high visibility from downtown. It represents one of the last remaining large industrial properties in the City of Hood River. Recently, there has been significant attention and interest due to the recent projects proposed for the Nichols Basin. The Port has completed a Concept Plan (enclosed) for the property and is expecting the property to be development-ready in the next 18 months. The Commission recognizes that the Concept Plan represents only one approach to future development and that other concepts and issues to consider. That is why your input is very much appreciated.

Please fill out the attached lunch card and return it to the port offices. If you have any questions or comments in advance, please contact me (541)386-1138 or (mmcelwee@portofhoodriver.com).

Respectfully,

Michael McElwee
Executive Director

cc: Port Commissioners

Executive Director's Report

June 4, 2013

Staff & Administrative

- I will attend the PNWA summer meeting June 25-28 in La Conner, Washington. No Commissioners are available to attend.
- July 28, 2013 marks the 80th anniversary of the Port of Hood River.
- The next newsletter, an e-version, is being prepared for dissemination in June. Attached please find a summary of the readership/response to the March electronic newsletter.

Recreation

- The kick-off construction meeting for the Marina Electrical Project was held on May 29. LaLonde Electric is now staged and beginning work. A photo is attached of the pedestal proto-type and it is also available for viewing in the lobby.
- We have heard from the Corps after their initial review of the permit application for the Boathouse docks. Essentially, the COE is asking whether the dock size can be reduced to conform to design standards (e.g. 6 ft. width) that would allow it to be approved more easily. Unfortunately, this is not possible due to the location of the existing piles.
- Although poor weather conditions reduced use of the Event Site over Memorial Day weekend, there was a high degree of activity on Saturday. Over 60 passes were sold at the booth.
- The CGKA held a work party on May 25 to clean up the Spit. Some participants began removing larger vegetation but did stop when requested by staff. In the future we will have an agreement in place before allowing such work activities.
- Bell Design has begun work on the feasibility study for the Hook Launch Site Improvement project.

Development

- In the Pocket Fuel space the stairs to the mezzanine are finished and drywall work began on May 29. The project is on schedule.
- At Spring Planning, the Commission requested waterfront traffic data. Information regarding traffic counts on the waterfront from the 2010 IAMP will be distributed at the meeting. Given all the changes, it may be time to obtain new traffic counts.

Airport

- The runway shift project is on schedule.

Bridge/Transportation

- Staff is investigating options for speed limit indicators on the bridge and ways to identify overweight vehicles.



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MEMO

May 23, 2013

To: Michael McElwee

From Paige Rouse

Port of Hood River, March, 2013 - Electronic Newsletter Statistics

Please see the attached report from Constant Contact on readership of the Port E-News sent out two months ago. The stats on that report, combined with further observations below inform us that subscribers are interested in PortNews online. Please let me know if you have any questions or feedback.

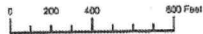
- About 10% of the total number who received the E-News clicked through to the rest of the article. Based on a total of 771 click-thrus, you can see which stories were most popular to readers on the figures below.

Click Thru Stats	Number	Percentage
Annual Report	16	2.1%
Website Homepage	4	.5%
Marina Action Plan	117	15.2%
McElwee column-Lot 1	223	28.9%
Pocket Fuel	131	17.0%
Waterfront Changes	154	20.0%
Around the Port	41	5.3%
WF Park Parking Fund Loan	33	4.3%

- The open rate and click-thru rate continue to be high compared to statistical averages for government electronic newsletters. This means the Port's subscriber list is strong in terms of interest in Port news.
- There were a higher than usual number of bounces because we sent the newsletter to "all" Constant Contact lists. Several hundred of the 6104 sent went to undeliverable email addresses. In the future we'll use the most current list. The total number of subscribers to base statistics on is actually 5342 (total sent minus bounces).



THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSE ONLY



SECTION 26 T.3N. R.10E. W.M.
HOOD RIVER COUNTY
1" = 400'

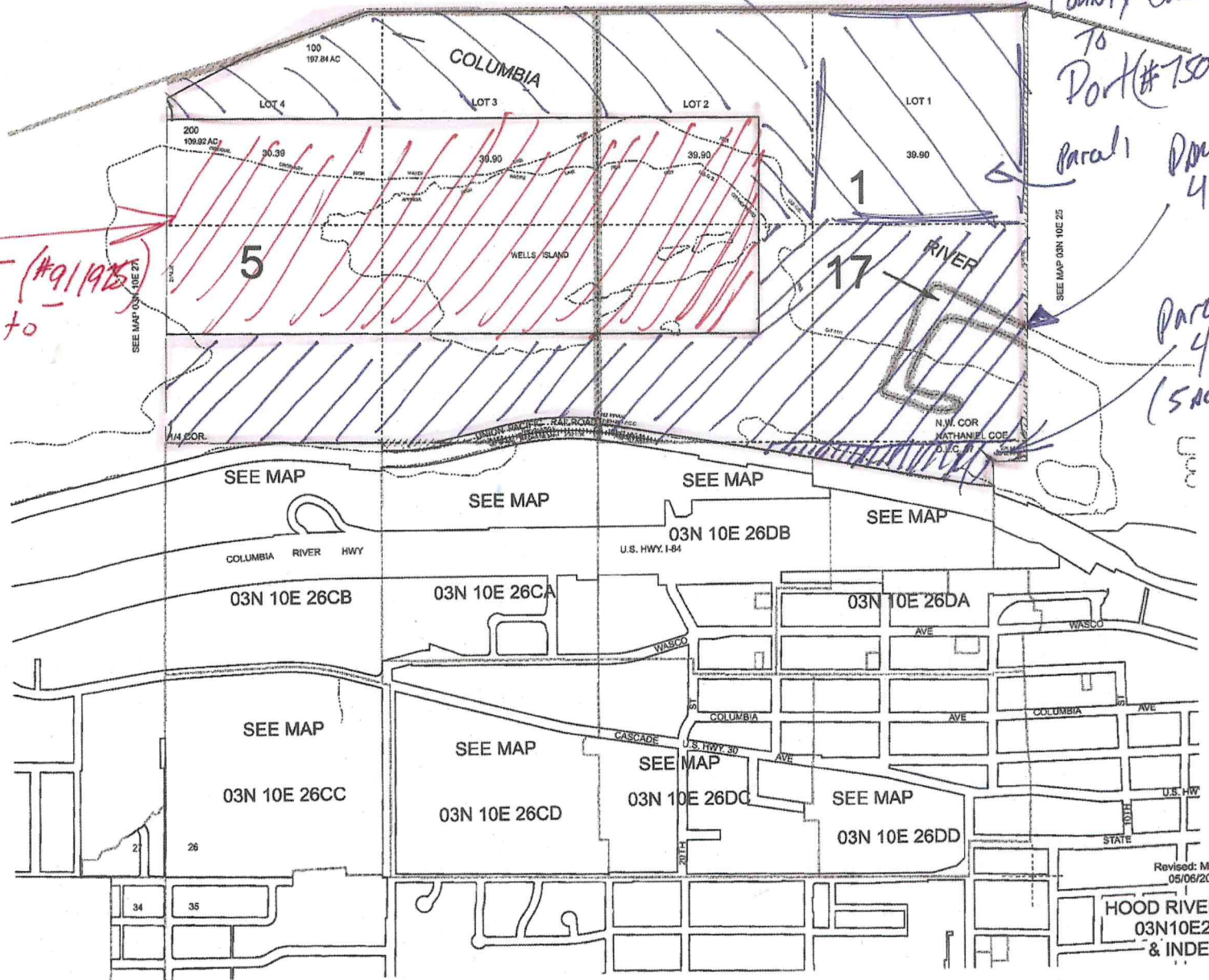
03N10E26
& INDEX
HOOD RIVER

CANCELLED:

Other (USFS) Port

County Conveyed
To
Port (#750300)
Parcel 1 Parcel 4
Parcel 4
(5 Acres)

Part Conveyed
to Public Land Trust (#9/1985)
Since then conveyed to
USFS.



Revised: MRT
05/06/2009

HOOD RIVER
03N10E26
& INDEX

*Port of Hood River Marina Ad-hoc Committee
Meeting Minutes of May 14, 2013
Marina Center Boardroom
8:00 A.M.*

Present: Commissioner Jon Davies; Members Steve Tessmer, Josh Sceva, Tammy Lakey, Lance Staughton; from staff, Michael McElwee and Mellissa Halseth

Absent: None

Commissioner Davies called the meeting to order at 8:02 a.m.

1. *Additions to Agenda:* None

2. *Approve Minutes of April 2, 2013 Meeting:* Approved

3. *Marina Electrical Update:*

- Staff presented the proposed construction schedule, which will also be posted at the Marina gate as well as on the website. Staff will notify tenants with as much advance notice as possible for power outages. Staff will attempt to accommodate any boats that require power by placing in empty slips if possible.

4. *Live Aboards:*

- Staff has received complaints of suspected live aboards. Staff will inquire with State Marine Board and also the Marine Deputy about the possibility of "Y" valves for gray water. Staff will consider adding environmental verbiage into the Rules and Regulations. Consensus was to send suspected live aboard tenants a warning letter and if not resolved the next step of termination. Staff will inquire as to if the Marine Deputy can attend the next meeting to discuss gray water.

5. *Dogs on Leash:*

- Staff will contact Animal Control to discuss enforcement and consider placing dog on leash signs at the Marina gate. Tenants not complying will receive warning letters.

6. *South Basin Dock Update:*

- The Port has hired a contractor to assist with getting the dock leasable. The work is expected to be complete in time for June 1 leases.

7. *Boathouse Tenant Lease Term Sheet*

- Staff will present a draft lease to the Commission at the June 18 meeting. These leases will likely include 5-year rolling leases and will list maintenance standards. The Committee will have a final chance to review the term sheet at the June 11 meeting. Staff is researching the options for re-using the old boathouse docks and will speak with the Yacht Club about possibly partnering to help with repairs and placement.

6. *Next Meeting:* Tuesday, June 11, 2013 at 8:00 a.m.

7. *Adjourn:* Davies adjourned the meeting at 9:32 a.m.

Commission Memo

To: Commissioners
From: Steve Burdick
Date: June 4, 2013
Re: Airport Advisory Committee, Appointment of Members

The Airport Advisory Committee (AAC) is composed of seven members. The terms are intended to be three year staggered terms. However, they were all extended to end on June 30, 2013 so that seasoned members would serve throughout the duration of the runway shift project. That project will be complete in June and it is therefore timely to appoint members to new staggered terms.

In May, staff placed two advertisements in the Hood River News and on the Port's website seeking members of the public interested in serving on the AAC. Six of the current AAC members applied to continue on the committee. Judy Newman, Executive Director of WAAAM, submitted an application to fill the vacant position. No other applications were received.

Staff recommends that AAC members be appointed to staggered terms and that the newest members are appointed to the longest terms. If the Commissioners agree with this recommendation and agrees to appoint those people who have applied, then the appointments and terms would be:

- John Benton (1996): one year term to end June 30, 2014
- Bill Veatch (2007): one year term to end June 30, 2014
- Gennaro "Bill" Avolio (2007): two year term to end June 30, 2015
- Dayle Harris (2007): two year term to end June 30, 2015
- Jeremy Young (2007): three year term to end June 30, 2016
- Scott Perry (2011): three year term to end June 30, 2016
- Judy Newman: three year term to end June 30, 2016

Commission Memo

To: Commissioners
From: Steve Burdick
Date: June 4, 2013
Re: Pfriem Tenant Improvement Project

On April 15, 2013, the Port executed a third amendment to the lease agreement with Pfriem Brewing. This amendment provided for building upgrades and tenant improvements to Suites 101 and 102 of the Halyard and for leasing of Suite 102 and certain exterior spaces adjacent to the building. The amendment provided for improvements including new cold storage capacity, an outdoor patio / tasting area, expansion of restrooms, a sloped pad for fermentation, keging and bottling, a grain silo pad, a barrel conditioning area, floor coatings, and extension of the electrical, lighting, plumbing and HVAC services. The Port's share of these improvements including architect and engineering fees, City fees and permits and construction costs was set at \$125,000.

Please note that in addition to the Port's limit of \$125,000 there will be additional Port costs related to adjusting the existing HVAC system to accept the additional HVAC demands.

On May 10, 2013 the bid solicitation for these improvements was issued and bids were received on May 30, 2013. Please see the attached bid list. The pre-bid estimated construction cost of the improvements based on the architect's estimate was \$150,000.

The low bid was submitted by Colton Construction Co. for \$197,211.00. Colton also responded to a deduct alternative for floor sealing of \$5,300. Port staff, with the concurrence of Pfriem Brewing recommends accepting the deduct alternative. The net bid amount is \$191,911.00

To minimize the construction impact on Pfriem's summer retail operations and to maximize the benefit of the new outdoor tasting area, Pfriem is anxious to begin the construction and to be substantially complete as quickly as possible. Therefore, the two notices of intent to award and the conditional notice to proceed are all included in this agenda item.

RECOMMENDATION: Authorize issuance of a Notice of Intent to Award, Notice to Proceed subject to no protests and a Public Improvement Contract with Colton Construction Co. in an amount not to exceed \$191,911.00.

**PORT OF HOOD RIVER
NOTICE OF INTENT TO AWARD**

Issue Date: Wednesday, June 5, 2013

THIS IS NOT A NOTICE OF AWARD OR A NOTICE TO PROCEED

BID OPENING DATE: May 30, 2013
PROJECT: Pfriem Brewing Expansion Tenant Improvement
LOCATION: Suites 101 & 102, 707 Portway Avenue
Hood River OR 97031
COUNTY: Hood River

Colton Construction Co. - \$191,911.00

Any protests to this NOTICE OF INTENT TO AWARD must be received by the Port of Hood River within seven (7) calendar days from the date of issue above.

NOTICE OF AWARD

**RE: Pfriem Expansion Improvements
To Suites 102 & 102 of Halyard
Building at 707 Portway Ave**

**Date: June 4, 2013
Project No. 1500-318
Owner:Port of Hood River
Address:
1000 E. Port Marina Drive
Hood River OR 97031**

TO:

You are hereby notified that your BID submitted by you for the above-described work in response to its Invitation to Bid, dated May 30, 2013 has been accepted for this work in the amount of \$191,911.00 based upon the prices contained in your BID.

You are required to return and acknowledge a copy of this NOTICE OF AWARD to the OWNER.

By: _____
Signature

Print Name: Michael McElwee

Title: Executive Director
PORT OF HOOD RIVER

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged.

CONTRACTOR _____

This the _____ day of _____, 2013.

By: _____

Title: _____

NOTICE TO PROCEED

**RE: Pfriem Expansion Improvements Date: June 5, 2013
for Suites 101 & 102
Halyard Building**

Project No.: 1500-318

Owner: Port of Hood River

Address:

Suites 101 & 102
707 Portway Avenue
Hood River OR 97031

TO: Colton Construction Co.

You are hereby notified that the contract time under the above contract will commence to run on June 14, 2013. By this date you are to start performing your obligations under the Contract.

The date of SUBSTANTIAL completion of all work is July 29, 2013. The date of FINAL completion of all work is August 5, 2013.

This Notice to Proceed is conditioned upon not receiving any protests from other bidders on this project. If a protest(s) is received by the Port within seven days of the date that a Notice of Intent to Award is issued to other bidders, this Notice to Proceed is null and void.

PORT OF HOOD RIVER

By: _____

Its: Executive Director _____

Commission Memo

To: Commissioners
From: Steve Burdick
Date: June 4, 2013
Re: WyEast Lab, Lease in the Timber Incubator Building

WyEast Laboratories, Inc. is proposing to lease Units 100 & 200 in the Timber Incubator Building. This combined space is 5,000 s.f.

The terms of the are:

- \$0.50 psf NNN, which is the asking rent;
- One year lease beginning July 1, 2013 with two one year extension options;
- Contingent on obtaining required permits;
- Triple net;
- No turnover costs other than standard clean-up / paint-up, exit signage and possible rearrangement of the radiant heat system so that inventory can be stacked as high as possible;
- Eight dedicated parking spaces.

RECOMMENDATION: Approve the lease with WyEast Laboratories, Inc. at the Timber Incubator Building.

LEASE

THIS LEASE is entered into at Hood River, Oregon by and between **PORT OF HOOD RIVER**, an Oregon municipal corporation, hereinafter referred to as “Lessor,” and Wyeast Laboratories, Inc., hereinafter referred to as “Lessee.”

1. **Description.** In consideration of the covenants of the parties, and subject to the lease term commencing as provided in paragraph 2 of this lease, Lessor leases to Lessee approximately 5,000 square feet of space in Lessor’s building commonly known as the Timber Incubator Building (“building”) located at 3875 Heron Drive, Odell, Oregon (“Leased Premises”). The Leased Premises are identified in the attached “Exhibit A.”

2. **Term.** The lease term shall be for the period commencing on July 1, 2013, and continuing through June 29, 2014, provided, however, the lease term shall not commence unless and until the following conditions are met to Lessee’s satisfaction or are waived in writing by Lessee: (1) Lessor installs devices and signs to satisfy applicable building and fire code requirements for light industrial occupancy, including installing emergency exit signs and smoke detectors; (2) Lessee obtains an occupancy permit; (3) Lessee obtains from the Oregon Department of Agriculture approval to use the leased premises for the uses described in paragraph 4 of this lease,.; (4) Lessee obtains a Land Use Permit or approval from applicable government authorities to use the Leased Premises as described in paragraph 4; (5) Lessee has completed and approved, in its sole and absolute discretion, a physical inspection of the premises; and (6) Lessee has reviewed and approved the current real property tax assessment and allocation of such assessment to the Leased Premises (“Conditions”). If all Conditions have not been satisfied by July 1, 2013, Lessor and Lessee may agree in writing to extend the lease term commencement date to a later date so written, or either party may terminate the lease upon written notice to the other, without liability.

Lessee shall have two options to extend the lease for one year periods each. If the lease is in effect, and Lessee is not then in default, Lessee may extend the lease for one year by giving Lessor written notice no later than May 31 of the then current lease year. At the end of the second renewal period, June 30, 2016, Lessee shall not have any further options to extend the lease.

3. **Rental.** Monthly Rent for the Leased Premises will be the following Monthly Base Rates, plus the applicable Consumer Price Index (CPI) Rate Adjustment, as set forth below:

<u>Space</u>	<u>Square Footage</u>	<u>Rate per s.f. per month</u>	<u>Monthly Base Rate</u>
100 & 200	5,000	\$0.50	\$2,500.00

All rental amounts are payable in advance on the first day of each month, beginning on the date Lessee is entitled to occupy the Leased Premises. However, if the lease does not begin on the first day of a month, rental for the first month shall be prorated to reflect the actual number of days in that month that the lease is in effect and shall be payable immediately.

Starting on July 1, 2014, and occurring annually thereafter, including any extensions of this lease, monthly rent will be adjusted by adding to the monthly rental amount payable during the previous 12-month period a percentage increase, if any, equal to the percentage change in the Consumer Price Index (CPI) for the most recent 12-month period for which a published CPI is available. The CPI figure will be taken from the index entitled U.S. City Average – all items and major group figures for all urban consumers, or, if such index is unavailable, will be taken from a similar index published by the United States Bureau of Labor Statistics. However, in no event will the annual increase be less than 1 percent or more than 5 percent.

4. **Use.** Lessee shall use the Leased Premises for storage of food grade raw materials, packaging and shipping supplies, storage of backup processing equipment, dry mix blending for non-hazardous food grade products, office space for management and warehouse personnel, and related purposes. The Leased Premises shall not be used for any other purposes without the written consent of Lessor.
5. **Leased Premises Improvements by Lessor.** None other than those required in paragraph 2
6. **Taxes.** Lessee shall pay all taxes on its personal property located on the Leased Premises. Lessee shall pay all real property taxes of governmental units assessed against the Leased Premises, and all real property taxes assessed against all inside and outside common areas of the building based on the amount of lease space occupied by Lessee as a percentage of the total lease space in the building. Lessee shall pay all such real property taxes which have been assessed and are payable during Lessee's occupancy. Lessee shall also pay all such taxes which arise during a tax year as a result of Lessee's occupancy, even if the lease term has ended, or if Lessee has vacated the Leased Premises. However, if another tenant occupies the Leased Premises the new tenant will pay a pro-rata portion of the property taxes otherwise payable by Lessee as determined by its date of lease commencement and occupancy.
Lessee shall not be required to pay those taxes which the new tenant pays, and if it has paid such taxes it shall be reimbursed by Lessor for the amount of the taxes paid by the new tenant. [Note: Under current law, Port real property is exempt from property taxation during an upcoming fiscal tax year (July 1 through June 30) unless a private party occupies such Port property on June 30. If a private party is in possession of Port property on June 30, that Port property is taxed for the entire upcoming fiscal tax year "as a result of Lessee's occupancy."] Although Lessee is responsible to pay real property taxes, Lessor will pay the real property taxes to the taxing authority when due and send a bill to Lessee for the amount of taxes Lessor has paid, specifying the amount of taxes Lessee is responsible to pay, which will be payable by Lessee to Lessor within ten days after the date of Lessor's bill.
7. **Utilities.** Lessee shall be solely responsible for gas and electricity used or consumed by Lessee on the leased premises. Sewer, water, and garbage service for manufacturing purposes are Lessee's responsibility. In no event shall Lessor be liable for an interruption or failure in the supply of any utilities to the leased premises unless such interruption is caused by the negligence or intentionally wrongful act of Lessor or its employees.

8. **Liability Insurance and Hold Harmless Agreement.** Lessee agrees to indemnify and save Lessor, Lessor's Port Commissioners, officers, employees and agents harmless from any claims by any persons, firms, or corporations arising from business conducted on the Leased Premises or from anything done by Lessee at the Leased Premises, and will further indemnify and save Lessor harmless from all claims arising as a result of any breach or default on the part of Lessee under the terms of this lease, or arising from any willful or negligent act or omission of Lessee's agents, contractors, employees, or licensees in or about the Leased Premises, and from all costs, counsel fees, and liabilities incurred in any action or proceeding brought thereon; and in case any action or proceeding is brought against Lessor by reason of any such claim, Lessee, upon notice from Lessor, covenants to resist and defend such action or proceeding by counsel.

Lessee agrees during the term hereof to keep a policy of general commercial liability insurance in effect with respect to the Leased Premises with minimum coverage of one million dollars (\$1 million) combined single limits. If Lessee renews this lease, at the outset of the renewal term Lessor may, with written notice, raise the minimum insurance requirement to an amount of insurance that is reasonably commercially available. The policy shall name Lessor as additional insured, and expressly include Lessor's Port Commissioners, officers, employees, and agents as additional named insured, and shall contain a clause that the insurer will not cancel or change the insurance without first giving Lessor at least fourteen days prior written notice. The insurance shall be provided by an insurance company registered to do business in the State of Oregon, or by a company approved by Lessor. A copy of the policy or certificate of insurance shall be delivered to Lessor no later than three days after Lessee occupies the Leased Premises.

9. **Fire Insurance and Waiver of Subrogation.** If the Leased Premises or building where the Leased Premises are located are partially or totally destroyed by fire or other casualty, Lessor may decide to repair the Leased Premises or building, or not, in Lessor's sole discretion. Lessor shall notify Lessee in writing of Lessor's intent regarding repair within 30 days after the date of the damage. If Lessor notifies Lessee that Lessor does not intend to repair the damage the lease shall terminate effectively at the date of the damage. If Lessor notifies Lessee that Lessor intends to repair the damage the lease shall continue, and Lessor shall return the Leased Premises or building to as good a condition as existed prior to the damage, in a prompt manner reasonable under the circumstances. If Lessee's use of the Leased Premises is disrupted during Lessor's repairs a reasonable portion of the rent shall be abated during the disruption. In no event shall Lessor be required to repair or replace Lessee's property including Lessee's fixtures, furniture, floor coverings or equipment. In no event shall Lessee be entitled to recover damages from Lessor related to destruction of the Leased Premises or building, or related to repairs undertaken by Lessor. Each party shall provide its own insurance protection at its own expense, and each party shall look to its respective insurance carrier for reimbursement of loss, which may be insured against by a standard form of fire insurance with extended coverage. There shall be no subrogated claim by one party's insurance carrier against the other party arising out of any such loss.

10. **Lessee/Lessor Covenants.** Lessee shall not do anything which may damage the Leased Premises or any systems in the building or other areas surrounding the building. Lessee shall

not be a nuisance or a menace to other tenants in the building. Lessee will not create or use hazardous substances, or dispose of hazardous waste of any kind, unless in strict compliance with environmental laws and regulations. Lessee, at Lessee's expense, shall be responsible to provide improvements and equipment, and to obtain any required permits or approvals necessary for Lessee to engage in activities at the Leased Premises. Lessee promises to comply with all laws, ordinances, and government regulations applicable to the Leased Premises and to Lessee's activities at the Leased Premises, and to comply with reasonable rules adopted by Lessor which apply to all tenants of the building.

Lessee shall not attach any fixtures or make any improvements or alterations to the Leased Premises without describing them in writing and receiving Lessor's prior written consent which shall not be unreasonably delayed or withheld. Lessee shall not suffer or give cause for the filing of any lien against the Leased Premises.

Lessor shall maintain, at its own cost and expense, the building roof, bearing and exterior walls and structure, permanent interior walls, windows, lighting fixtures and the drainage, plumbing, electrical, heat and cooling systems servicing the building or Leased Premises, and make repairs to carpet and fixtures when such repairs are necessary due to faulty installation by Lessor. Lessor shall maintain exterior areas, including exterior lighting, security lighting, exit doors and landscaping.

11. **Quiet Enjoyment.** From the date the lease commences Lessee will have the right to use the Leased Premises consistent with this lease without hindrance or interruption by Lessor or any other persons claiming by, through or under Lessor, subject, however, to the terms and conditions of this lease. The foregoing notwithstanding, Lessee agrees that Lessor may make improvements to the building and adjacent areas which may cause noise or otherwise temporarily disrupt Lessee's quiet enjoyment of the Leased Premises.
12. **Care of Leased Premises.** Lessee shall at all times keep the Leased Premises in as good condition as they are in at the outset of this lease, or if improvements are made thereafter in at least as good condition as after such improvements, and shall surrender the Leased Premises to Lessor in such good condition, reasonable wear and tear, or loss by fire or other casualty covered by insurance excepted.
13. **Fixtures and Personal Property.** Unless otherwise agreed in writing, all permanent improvements now located or hereafter placed on the Leased Premises during the term of the lease, other than Lessee's trade fixtures, equipment, and items related to Lessee's equipment, shall be the property of Lessor, and shall remain on the Leased Premises at the expiration or termination of the lease, provided that Lessor reserves the right within 30 days after the lease term ends to require Lessee to promptly remove any improvements which Lessee has placed on the Leased Premises at Lessee's expense, in a way which does not cause damage to the Leased Premises.

At the expiration or earlier termination of the lease term, Lessee shall remove all furnishings, furniture, equipment, goods of any kind and trade fixtures from the Leased Premises in a way that does not cause damage to the Leased Premises. If Lessee fails to remove any this shall be

an abandonment of such property, and Lessor may retain Lessee's abandoned property and all rights of Lessee with respect to it shall cease; provided however, that Lessor may give Lessee written notice within 30 days after the lease expiration or termination date electing to hold Lessee to its obligation of removal. If Lessor elects to require Lessee to remove personal property and Lessee fails to promptly do so, Lessor may effect a removal and place the property in storage for Lessee's account. Lessee shall be liable to Lessor for the cost of removal, transportation to storage, storage, disposal, and other costs incurred by Lessor with regard to such personal property.

14. **Signs.** Lessee shall not erect or install any signs, flags, lights or advertising media nor window or door lettering or placards visible from outside the Leased Premises or visible from building common areas without the prior written consent of Lessor, which consent shall not be unreasonably withheld or delayed. Lessee agrees to maintain in good condition any signs or displays which are allowed.
15. **Common Areas.** Lessee understands and agrees that other tenants may occupy the building. This lease grants to Lessee and to Lessee's agents, employees, business invitees, customers and suppliers in connection with Lessee's business in the Leased Premises the non-exclusive right to use and enjoy throughout the existence of this lease all of the "common areas" associated with the building. "Common areas" shall be defined as all areas and improvements outside the building provided by Lessor for the joint use or benefit of tenants, their employees, customers and other invitees, including public parking areas, access roads, driveways, entrances and exits, landscaped areas, and sidewalks, excepting those parking spaces that may be designated for use by other building tenants. Use of available common areas shall be subject to like, non-exclusive use on the part of other tenants who occupy space in the building or any addition thereto, as well as their agents, employees, business invitees, customers and suppliers. Lessee agrees that its usage of such common areas shall not interfere with or be inconsistent with the similar rights of other tenants. All common areas shall be subject to the exclusive control and management of Lessor. Lessor shall have the right from time to time to establish, modify and enforce equitable rules with respect to all common areas, which Lessee agrees to abide by. . Tenant shall have the right to use 8 parking spaces at the location shown on "Exhibit A".
16. **Lessor's Access to Premises.** Lessor shall have the right to enter upon the Leased Premises at all reasonable hours after 24 hours oral notice (without notice to protect public health and safety in an emergency) for the purpose of inspecting it, or to make repairs, additions or alterations to the premises or any property owned or controlled by Lessor. E-mail from Lessor to Lessee (or Lessee's on site manager) may serve as notice of inspection of the Leased Premises. If Lessor deems any repairs reasonably required to be made by Lessee to be necessary, Lessor may give notice that Lessee shall make the same within 30 days (immediately in an emergency involving public health and safety), and if Lessee refuses or neglects to commence such repairs and complete the same in a timely manner, Lessor may make or cause such repairs to be made. If Lessor makes or causes such repairs to be made Lessee agrees that it will, within 30 days, pay to Lessor the cost thereof

17. **Entire Agreement; Amendments.** This lease contains the entire agreement of the parties with respect to the Leased Premises. No prior agreement, statement, or promise made by any party to the other not contained herein shall be valid or binding. This lease may not be modified, supplemented or amended in any manner except by written instrument signed by both parties.
18. **Waiver.** One or more waivers of any covenants or conditions by either party shall not be construed as a waiver of a subsequent breach of the same covenant or condition, and the consent or approval by Lessor to any act by Lessee requiring Lessor's consent or approval shall not be construed as consent or approval to any subsequent similar act by Lessee.
19. **Assignment.** Lessee agrees not to assign or in any manner transfer this lease or any estate or interest therein without the previous written consent of Lessor, and not to sublet the premises or part or parts thereof without like consent. Lessor will not unreasonably withhold or delay its consent. Any transfer of an ownership interest in Lessee of more than fifty percent (50%) will be deemed an assignment.
20. **Default.** Time is of the essence of performance of all the requirements of this lease. If any rental or other sums payable by Lessee to Lessor shall be and remain unpaid for more than five (5) days after written notice from Lessor to Lessee that the same are due and payable, or if Lessee shall fail to comply with any term or condition or fulfill any obligation of the lease (other than the payment of rent or other charges) within thirty (30) after written notice from Lessor to Lessee specifying the nature of the default with reasonable particularity, or if such default may not be reasonably cured within such thirty (30) day period, Lessee fails to commence and diligently proceed with curative action within such thirty (30) day period, if Lessee shall declare bankruptcy or be insolvent according to law or if an assignment of Lessee's property shall be made for the benefit of creditors or if Lessee shall abandon the premises, then in any of said events Lessee shall be deemed in default hereunder. In the event of a default, the lease may be terminated at the option of Lessor. If the lease is terminated, Lessee's liability to Lessor for rents and damages shall survive such termination and Lessor may re-enter, take possession of the premises, and remove any persons or property by legal action or by self help with the use of reasonable force and without liability for damages. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Lessor under applicable law.
21. **Notices.** Whenever under this lease a provision is made for notice of any kind, it shall be deemed sufficient if such notice to Lessee is in writing delivered personally to Lessee's registered agent, to the person signing the lease, or to Lessee's on site manager who at the date of this lease is Jeannette E. Logsdon, or sent by certified mail with postage prepaid to the address indicated on the signature page of this lease; and if such notice is to Lessor, delivered personally to the Executive Director, 1000 E. Port Marina Drive, Hood River, OR 97031 or sent by certified mail with postage prepaid to the address indicated on the signature page of this lease. Notice shall be deemed given on the date of personal delivery or if mailed, two business days after the date of mailing.

22. **Dispute Resolution.** Any dispute involving this lease may be resolved by mediation. If the parties agree to use a mediator they will each pay one half the costs of mediation. If mediation does not occur or does not result in a solution satisfactory to both parties, the dispute shall be resolved by arbitration. Any arbitration shall be in accordance with the rules of the Arbitration Service of Portland then in effect. The parties shall use a single arbitrator mutually agreeable to them. If they are unable to agree on an arbitrator, or a process to select one, either party may apply to the Hood River County Circuit Court to appoint an arbitrator. The award rendered by an arbitrator shall be binding on the parties and may be entered in the Hood River County Circuit Court. The prevailing party in an arbitration proceeding, including any appeal therefrom or enforcement action, shall be entitled to recover their reasonable attorney's fees and costs and disbursements incident thereto.

23. **Authority to Execute.** The persons executing this Lease on behalf of Lessee and Lessor warrant that they have the authority to do so.

DATED this _____ day of _____, 2013.

Lessee:

Name
Address

Lessor:

Name
Address

BY:

Name:
Title:

BY:

Name:
Title:

Exhibit "A"

Timber Incubator Building

Unit 100

Unit 200

Unit 300

Unit 400

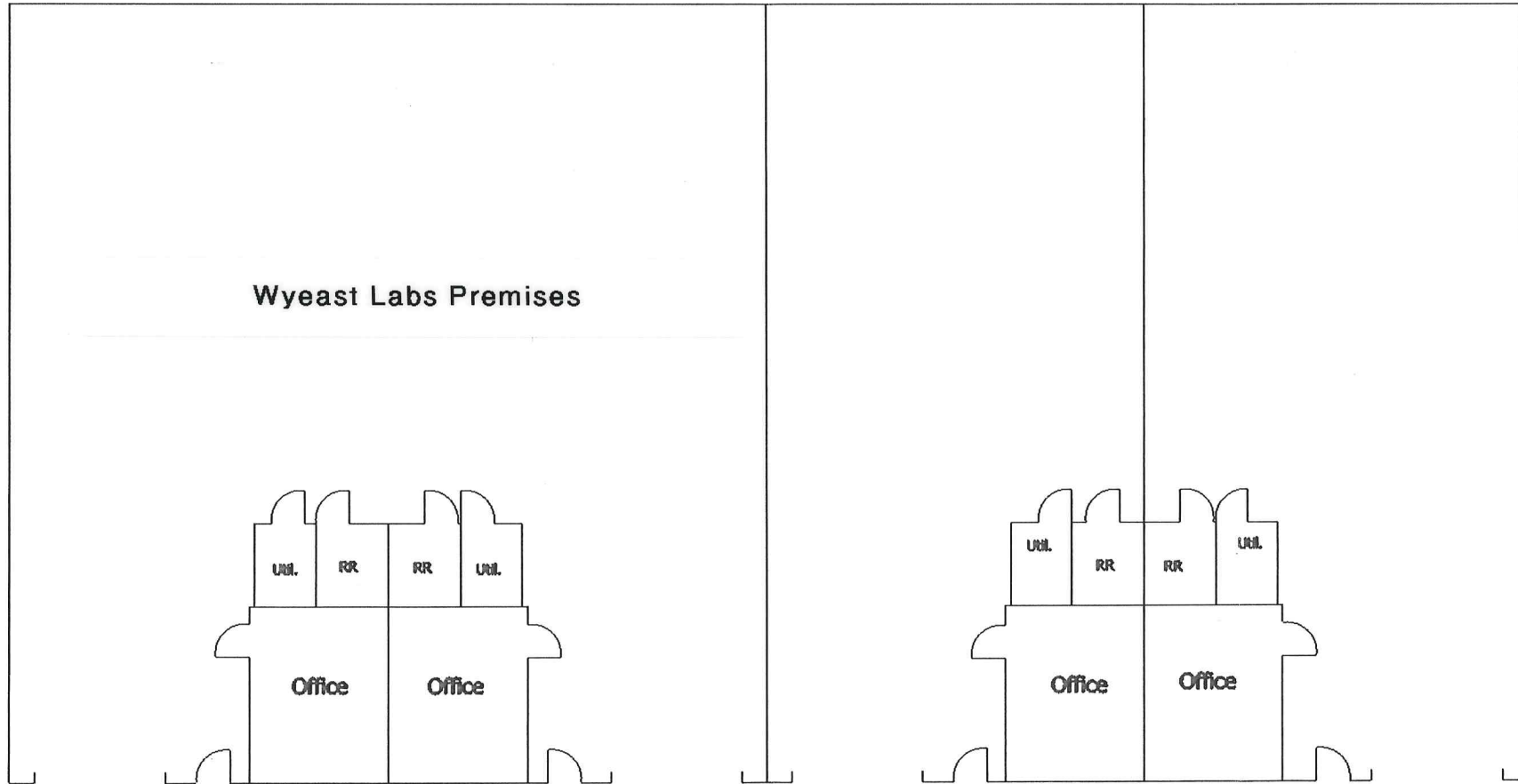
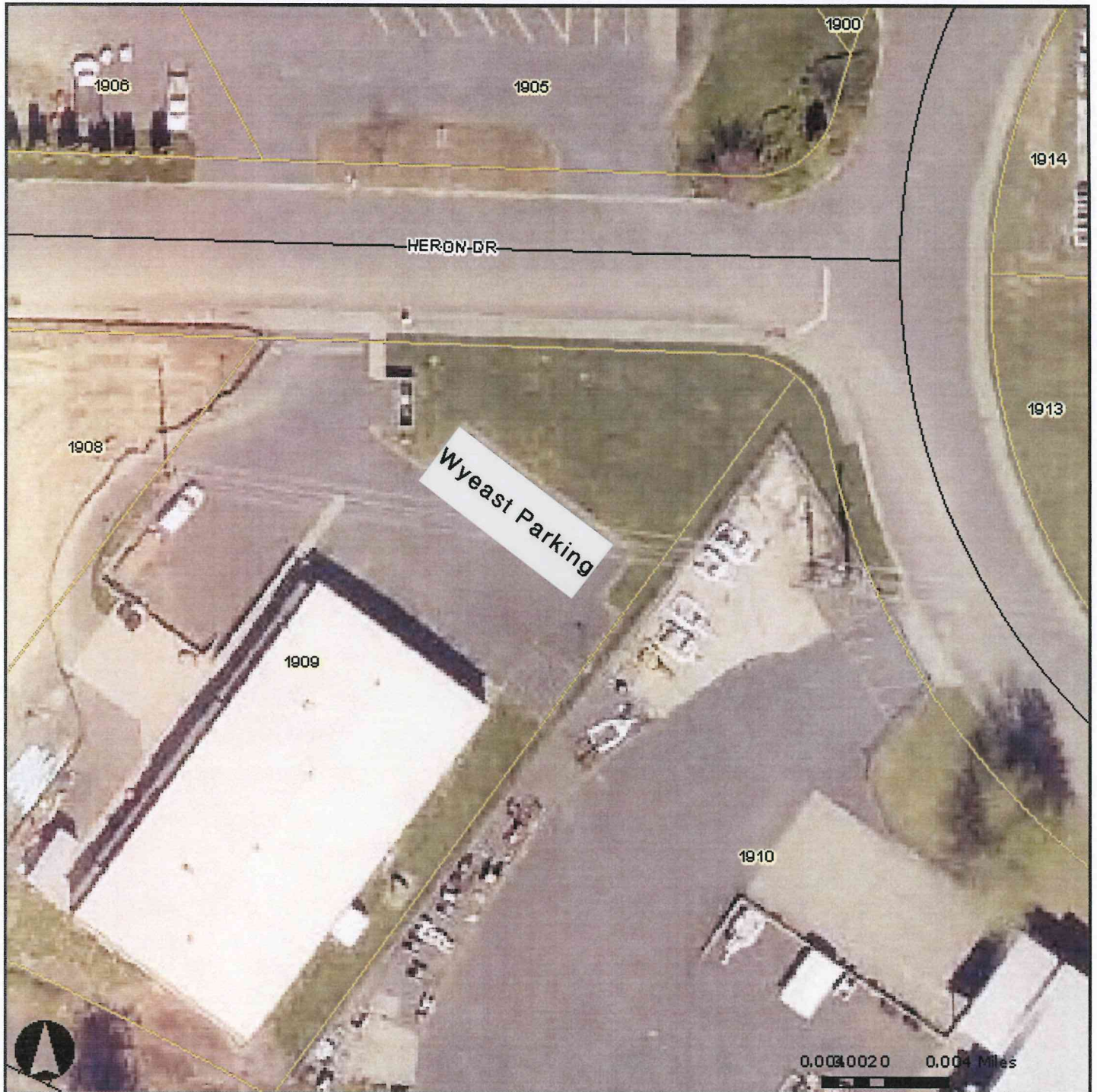


Exhibit "A" Parking



- RGB
- Red: Band_1
 - Green: Band_2
 - Blue: Band_3