



PORT OF HOOD RIVER COMMISSION
MEETING AGENDA
January 23, 2018
Marina Center Boardroom

5:00 P.M.
Regular Session

1. Call to Order
 - a. Modifications, Additions to Agenda
 2. Public Comment (5 minutes per person per subject; 30-minute limit)
 3. Consent Agenda
 - a. Approve Minutes of January 9, 2018 Regular Session and January 18 Bridge Replacement Procurement Options Work Session (*Jana Scoggins – Page 3*)
 - b. Approve Addendum No. 3 to Hangar Lease with Cloud Cap Technology, Inc. (*Anne Medenbach – Page 9*)
 - c. Approve Accounts Payable to Jaques Sharp in the Amount of \$6,700 (*Fred Kowell – Page 13*)
 4. Reports, Presentations and Discussion Items
 - a. Lift Span Evaluation Report, Paul Bandlow, Stafford Bandlow Engineers (*Michael McElwee – Page 17*)
 - b. Fiscal Year 2016-17 Audit Report – Tara Kamp, Pauly Rogers (*Fred Kowell – Page 49*)
 - c. Administrative Rules Governing Private Partnership Proposals Related to Bridge Replacement, Steve Siegel, Siegel Consulting (*Kevin Greenwood – Page 55*)
 - d. Bridge Replacement Project Update - (*Kevin Greenwood – Page 105*)
 5. Director's Report (*Michael McElwee – Page 107*)
 6. Commissioner, Committee Reports
 - a. Marina Committee, January 18 (Shortt)
 7. Action Items
 - a. Acknowledge Audit Letter for Fiscal Year Ending June 30, 2017 (*Fred Kowell*)
 - b. Approve Intergovernmental Agreement with Crystal Springs Water District for Water Service to Lower Mill Redevelopment Site (*Anne Medenbach – Page 129*)
 - c. Approve Amendment No. 3 to Contract with Steve Siegel for Consulting Services Related to Bridge Replacement (*Kevin Greenwood – Page 155*)
 - d. Approve Contract with Stafford Bandlow Engineers for Bridge Skew System Upgrade Not to Exceed \$98,000 (*Michael McElwee – Page 159*)
 8. Commission Call
-
9. Executive Session under ORS 192.660(2)(e) Real Estate Negotiations and ORS 192.660(2)(f) Attorney/Client Consultation
 10. Possible Action
 11. Adjourn

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

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



Port of Hood River Commission
Meeting Minutes of January 9, 2018 Regular Session
Marina Center Boardroom
5:00 p.m.

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

5:00 P.M.
Regular Session

Present: Commissioners Hoby Streich, John Everitt, Ben Sheppard, Brian Shortt; Legal Counsel Jerry Jaques; from staff, Michael McElwee, Fred Kowell, Genevieve Scholl, Anne Medenbach, Steve Carlson, Kevin Greenwood, Jana Scoggins

Absent: David Meriwether

Media: None

1. CALL TO ORDER: President Streich called the meeting to order at 5:01 p.m.

a. Modifications, Additions to Agenda. Consent agenda item (d) became an action item (e). Michael McElwee, Executive Director, introduced Kevin Greenwood who began work on January 2, 2018 and is the new Project Director managing the bridge replacement project tasks.

2. PUBLIC COMMENT: None

3. CONSENT AGENDA:

- a. Approve Minutes of December 19, 2017 Regular Session.
- b. Approve Lease Amendment 2 with Big Y Fly in the Big 7 Building.
- c. Approve Lease Amendment 1 with CRY Consulting in the Wasco Building.

Motion: Move to approve Consent Agenda.

Move: Shortt

Second: Sheppard

Discussion: None

Vote: **Aye:** Unanimous

MOTION CARRIED

4. REPORTS, PRESENTATIONS, AND DISCUSSION ITEMS:

a. George Regional Transit Service Hub: Kathy Fitzpatrick, Regional Mobility Manager, MCEDD and Patty Fink, Executive Director, CAT presented the efforts the organizations are making to enhance access to key destinations for all ages and abilities in the Mid-Columbia Gorge area. Fitzpatrick and Fink commented that the Hood River County Transit Master Plan responds to public demands with regards to fixed route and scheduled public transportation services. Increased regional transit access is desired not only by Hood River County residents and visitors throughout the region, but it also provides tourism-related traffic and parking congestion relief. Fitzpatrick and Fink thanked the Port for their continued efforts to support public transportation in the Mid-Columbia Gorge region and discussed potential use of Lot 1 as a temporary transfer station for CAT and other transit organizations.

b. Bridge Replacement Progress Update: Kevin Greenwood, Project Director, informed the Commission that a standardized report will be provided on regular basis to update the board on the accomplished and upcoming tasks for the bridge replacement project. Greenwood started work on January 2, 2018 and anticipates about two weeks for his work station to be fully functioning. Current bridge replacement tasks include preparing agenda for January 18th Special Work Session as well as fielding requests for information from a number of project management and permitting consultants interested in the project. Greenwood will continue to review background materials, including the draft of P3 Administrative Rules and begin developing public outreach committees.

5. EXECUTIVE DIRECTOR’S REPORT: Michael McElwee informed the Commission that President Streich and Vice-President Shortt will be attending the PNWA Mission to Washington D.C. The “Gorgeous Night in Olympia” legislative reception is scheduled for February 21st. McElwee also reported that the 2018 billings for Marina slip lease fees were delayed due to a malfunction in the Marina management program software which was resolved at the end of the first week of January. Lot #1 was the subject of a Hood River Urban Renewal Agency work session on December 8. A sinkhole has developed on the Hood River Distillers property which is being assessed. McElwee commented that Brian Spielman has been a terrific employee. Spielman build a new framed canopy in the Maintenance Yard to protect the winter sanding pile from rain and snow. McElwee also noted that the test results and recommendations from Stafford Bandlow Engineers regarding the lift span mechanical and electrical systems will be available by January 15. The BreezeBy web portal has been functioning well and orders for transponders are fulfilled promptly.

6. COMMISSIONER, COMMITTEE REPORT: On December 21, 2017, Airport Advisory Committee discussed additional changes to the Fly-Friendly Program, status report on the airport operations, and a new FBO agreement with TacAero.

7. ACTION ITEMS:

a. Approve 2018 Waterfront Events Rules and Regulations, New Fee Schedule: Staff proposed several changes to the Event Rules and Regulations Fees and Requirements. These include modification to fees for certain locations, changes to timing of document submission and fee payment, modifications to insurance requirements, and changes to renter’s responsibilities.

- Motion:** Approve changes to the Waterfront Event Rules and Regulations, Fees and Requirements.
 - Move:** Sheppard
 - Second:** Everitt
 - Discussion:** None.
 - Vote:** **Aye:** Unanimous
- MOTION CARRIED**

b. Approve Master Interlocal Services Agreement with Southwest Washington Regional Transportation Council for Transportation Planning Services Associated with Replacement of the Hood River Interstate Bridge. The Southwest Washington Regional Transportation Council (SWRTC) works with a wide range of municipalities to provide technical support on major planning studies, project management, and procurement processes for regional transportation projects in SW Washington. Staff believes it would be efficient and cost effective to utilize SWRTC to develop the bid documents and coordinate the lengthy process for selecting a consultant to undertake the Final Environmental Impact Study (FEIS).

- Motion:** Authorize a Master Interlocal Services Agreement with the Southwest Washington Regional Transportation Commission.
 - Move:** Everitt
 - Second:** Shortt
 - Discussion:** None
 - Vote:** **Aye:** Unanimous
- MOTION CARRIED**

c. Authorize Work Order with Southwest Washington Regional Transportation Council to Coordinate FEIS Engineer Selection Process Not to Exceed \$10,000. Pursuant the approval of the Master Interlocal Services Agreement (Action Item (b)), the Work Order will authorize a completion of specific activities associated with consultant selection process for the Hood River Bridge Final Environmental Impact Statement.

- Motion:** Authorize Work Order for Engineer selection services not to exceed \$10,000.
 - Move:** Meriwether
 - Second:** Sheppard
 - Discussion:** None.
 - Vote:** **Aye:** Unanimous
- MOTION CARRIED**

d. Approve Contract with OTAK for Bridge Replacement Advisory Services Not to Exceed \$20,000. OTAK is an international multi-disciplinary design firm with the diverse skills of engineers, architects, urban designers, and planners. OTAK will serve as a strategic advisor in preparation of the FEIS and will coordinate meetings with federal and state agencies to establish initial working relationships with key individuals in those agencies. The funds for this contract would be available from the \$5 million grant from the State of Oregon identified in the 2017 Transportation Bill.

- Motion:** Authorize a Contract with OTAK for pre-development services associated with bridge replacement not to exceed \$20,000, subject to legal counsel review.
 - Move:** Shortt
 - Second:** Sheppard
 - Discussion:** None
 - Vote:** **Aye:** Unanimous
- MOTION CARRIED**

e. Approve Bridge Insurance Policy Renewal. The bridge insurance policy renewal will remain the same for calendar year 2018. The renewal is for two years and this is the second year of the policy. The policy's deductible regarding the lift span was reduced beginning 2017 due to the continued work and inspection efforts by the Port. The Port's SDIS property/casualty coverage premium was reduced as well due to credits given to the Port for the continued membership and board member attendance to training classes.

- Motion:** Approve the Bridge Insurance Policy underwritten by ACE USA and brokered by Durham & Bates for \$249,759 and the SDIS insurance renewal for the property/casualty coverage for the Port for \$72,187.
 - Move:** Shortt
 - Second:** Everitt
 - Discussion:** Discussion occurred about the different changes that will occur once the Hood River/White Salmon Interstate Bridge is replaced.
 - Vote:** **Aye:** Unanimous
- MOTION CARRIED**

8. COMMISSION CALL: None.

9. EXECUTIVE SESSION: President Streich recessed Regular Session at 6:55 p.m. to call the Commission into Executive Session under ORS 192.660(2)(e) Real Estate Negotiations and ORS 192.660(2)(f) Attorney/Client Consultation.

10. POSSIBLE ACTION: The Commission was called back into Regular Session 7:25 p.m. No action was taken as a result of Executive Session.



11. ADJOURN:

Motion: Motion to adjourn the meeting.

Move: Meriwether

Second: Shortt

Discussion: Everitt

Vote: **Aye:** Unanimous

MOTION CARRIED

The meeting was adjourned at 7:25 p.m.

Respectfully submitted,

Jana Scoggins

ATTEST:

Hoby Streich, President, Port Commission

John Everitt, Secretary, Port Commission



Port of Hood River Commission
Meeting Minutes of January 18, 2018 – Work Session
Marina Center Boardroom
1:30 p.m.

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

1:30 P.M.

Hood River/ White Salmon Interstate Bridge Replacement Procurement Alternatives

Present: Commissioners Hoby Streich, John Everitt, Ben Sheppard, Brian Shortt, David Meriwether; Legal Counsel Jerry Jaques; from staff, Michael McElwee, Fred Kowell, Genevieve Scholl, Anne Medenbach.

Attendees: Paul Blackburn, Mayor, City of Hood River; David Poucher, Mayor, City of White Salmon; Betty Barnes, Mayor, City of Bingen; Michael Grodner, Mott McDonald/MGrodner LLC; Paul Herzdernych, Mott McDonald; Mark Hirota, WSP; Russ Call, Figg Bridge Engineers; Arthur Babitz, United Bridge Partners; Gerry Smith, United Bridge Partners; Gordie Kelsey, Klickitat County; Jason Hartmann, City of White Salmon; Kieu-Oanh Nguyen, PFM; Mary Francoeur, PFM; Rick Wadsworth, Parametrix; Donne Heinke, City of White Salmon; Norman Smit, Tylin International; Betty Barnes, City of Bingen; Mark Zanmiller, City of Hood River; Megan Sanders, City of Hood River; Scott Keillor, BergerABAM; Marla Katner, City of White Salmon; Carlos Contreras, C&M; Robert Corbett, Hood River Consulting Engineers; David McClure, Klickitat County; Steve Litchfield, CH2M; Ron Anderson, citizen; Tammy Kaufman, Insitu; Mark Libby, HDR

Panelists: Lowell Clary, President of Clary Consulting Company, Tallahassee, Fla.
 Phillippe Rapin, V.P. Infrastructure, Mott MacDonald, San Francisco, Cal.
 David Klings, Managing Director, Piper Jaffray, Philadelphia, Penn.

Media: Patrick Mulvihill, Hood River News
 Ken Park, White Salmon Enterprise

Hoby Streich, President, called the meeting to order at 1:32p.m. and announced, due to presence of a quorum, the White Salmon City Council was also called into public meeting and provided a brief overview of the agenda and the purpose of the meeting. President Streich noted the Commission would take an in-depth look at the procurement alternatives of the Hood River/White Salmon Interstate Bridge Replacement. The discussion of this meeting included public financing, public-private partnerships, and various elements of the bridge replacement project. President Streich provided a brief background of the procurement alternatives that the Port of Hood River is considering and asked Michael McElwee, Executive Director, to provide a project status update.

McElwee introduced the expert panelists which came from various parts of the country to discuss project delivery alternatives, timelines of typical development approaches, and recommendations for the Port Commission. McElwee provided a brief overview of the bridge history which included that it was built by a private company in 1924 with several local public investments when the Columbia River was still a free-flowing river. McElwee continued that after the Bonneville Dam was constructed, it was required to raise the bridge and install a movable lift span. Due to its age and deficiencies, the Port has identified bridge replacement as its priority project.

McElwee noted that the Oregon Legislature passed two pieces of legislation in 2017 that increase the prospects for replacement of the bridge. Despite these positive steps, replacement of the Hood River/White Salmon Bridge has many other associated tasks that are necessary and must be addressed before construction may begin. McElwee moderated the discussion with the panelists about the general factors for a decision of the best procurement approach and key steps for the Port of Hood River to consider in advance. The panelists continued to

discuss the advantages and disadvantages of private financing, risks involved with public-private partnerships, and potential sources of federal grant funding for such a project like the Hood River/White Salmon Bridge.

In order to advance the Bridge Replacement Project, the panelists and Commissioners concluded that the Port must complete the Final Environmental Impact Study and start a detailed traffic analysis which involves not only the bridge, but also the Oregon’s I-84 and Washington’s Highway 14 traffic. The panelists emphasized the public outreach that must occur explaining the Port’s next steps, timing and scheduling of bridge replacement tasks, and seeking input from experts and consulting engineers during the process.

Panelists fielded questions from attendees, Commissioners, staff, and the news media.

11. ADJOURN:

- Motion:** Motion to adjourn the meeting.
 - Move:** Everitt
 - Second:** Shortt
 - Discussion:** None
 - Vote:** **Aye:** Unanimous
- MOTION CARRIED**

The meeting was adjourned at 4:45 p.m.

Respectfully submitted,

Jana Scoggins

ATTEST:

Hoby Streich, President, Port Commission

John Everitt, Secretary, Port Commission

Commission Memo



Prepared by: Anne Medenbach
Date: January 23, 2018
Re: Cloud Cap Hangar Lease - Addendum No. 3

Cloud Cap Technology, Inc. (Cloud Cap) has been a hangar tenant at the airport since 2011. They store one airplane and additional equipment for product testing. In 2016, they extended their lease through June 29, 2018 and added one (2) year renewal option.

This Third Addendum:

1. Extends the current term through June 30, 2019
2. Adds two extension options of two years each through June 30, 2023
3. Increases the lease rate to \$0.60/sf as of July 1, 2019 with CPI thereafter

RECOMMENDATION: Approve Addendum No. 3 to Lease with Cloud Cap Technology, Inc. for the Hangar located at 3602 Airport Drive.

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ADDENDUM No. 3 TO HANGAR LEASE

Whereas, the Port of Hood River, an Oregon municipal corporation, as Lessor, and Cloud Cap Technology, Inc., an Oregon corporation, as Lessee, entered a lease of premises known as the helicopter hanger at the Ken Jernstedt Airfield, located at 3602 Airport Drive, Hood River, Oregon ("lease") for a term commencing on July 1, 2011 and expiring on June 29, 2013; and

Whereas, on April 8, 2013, lease Addendum No.1 was executed which extended the lease term through June 29, 2016, modified the lease rate and added a CPI increase, and

Whereas, on January 15, 2016, lease Addendum No.2 was executed which extended the lease term through June 29, 2018, added one (2) year renewal period and added nondiscrimination language required by the Federal Aviation Administration (FAA), and

Whereas, Lessee would like to extend the hanger lease term through June 30, 2019, and add two options to renew the lease for two years each. These terms will then be consistent with the term of the Lease agreement between Lessor and Lessee for office space at 201 Wasco Loop, and,

Whereas, the parties have agreed to increase the lease rental amount effective July 1, 2018 in accordance with CPI as set forth in Addendum No. 1,

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

1. Section 2, Term, shall be modified to read as follows: This lease shall be for a period commencing June 30, 2011 and continuing through June 30, 2019.

If not in default, and if Lessee pays Lessor all real property taxes Lessee owes or may be responsible to pay under the terms of the lease, Lessee has two options to extend the lease for two years each, commencing July 1, 2019 and July 1, 2021, respectively, provided Lessee gives Lessor written notice of Lessee's intent to renew the lease no later than November 30th in the year preceding the lease's termination date.

On July 1, 2019, the lease rate shall be increased to \$0.60 per square foot. An annual CPI increase shall be applied during each extension period commencing on July 1, 2020.

2. Section 3, Rent, shall be modified as follows:

Date	Square Footage	Lease Rate	Monthly Total
July 1, 2019	2,184	\$0.60	\$1,410



Except as modified by Addendum No. 1, Addendum No.2 and this Addendum No. 3 to Hangar Lease, all terms and conditions of the lease shall remain in full force and effect.

Dated: _____, 2018

Cloud Cap Technology, Inc.

Lessor, Port of Hood River

By: _____

By: _____

Matt Lendway
General Manager

Michael S. McElwee
Executive Director

Date _____

Date _____

Commission Memo



Prepared by: Fred Kowell
Date: January 23, 2017
Re: Accounts Payable Requiring Commission Approval

Jaques Sharp	\$6,700.00
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Attorney services per attached summary

TOTAL ACCOUNTS PAYABLE TO APPROVE	\$6,700.00
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JAQUES SHARP

ATTORNEYS AT LAW

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

RECEIVED
JAN 11 2018
BY _____

CREDIT CARDS ACCEPTED

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

Page: 1
January 11, 2018
Account No: PORTOHAM

Previous Balance	Fees	Expenses	Advances	Payments	Balance	
MISCELLANEOUS MATTERS						
JJ	700.00	340.00	0.00	0.00	-700.00	\$340.00
ORDINANCE #24						
	300.00	0.00	0.00	0.00	-300.00	\$0.00
TOWING AGREEMENT (Guzman Brothers Towing)						
	72.00	0.00	0.00	0.00	-72.00	\$0.00
EXPO SITE DEVELOPMENT (Key Development; Pickhardt)						
	940.00	240.00	0.00	0.00	-940.00	\$240.00
AIRPORT HANGER LEASE (Hood Tech)						
	114.00	0.00	0.00	0.00	-114.00	\$0.00
LEASE (pFriem Brewing, Josh pFriem, Rudy Keller)						
	60.00	0.00	0.00	0.00	-60.00	\$0.00
HVAC MAINTENANCE CONTRACT (DIVCO, INC.)						
	60.00	0.00	0.00	0.00	-60.00	\$0.00
WATER ISSUES ODELL (Crystal Springs Water District)						
	1,680.00	2,080.00	0.00	0.00	-1,680.00	\$2,080.00

HOODE RIVER, PORT OF

Account No: January 193

Previous Balance	Fees	Expenses	Advances	Payments	Balance	
BRIDGE REPLACEMENT 2016 (COBOL/W/DOE)						
1,060,000	0,00	0,00	0,00	1,060,000	\$0,00	
SOUTH RUNWAY PROJECT						
0,00	40,00	0,00	0,00	0,00	\$40,00	
2016 FUEL INCREASES						
280,00	0,00	0,00	0,00	280,00	\$0,00	
TOLLE ENFORCEMENT						
420,00	0,00	0,00	0,00	420,00	\$0,00	
PA BRIDGE						
0,00	300,00	0,00	0,00	0,00	\$300,00	
PRIVACY POLICY						
100,00	0,00	0,00	0,00	100,00	\$0,00	
COPY SEWER LIFT STATION IGA; MARINA DRIVE						
100,00	0,00	0,00	0,00	100,00	\$0,00	
COBOL BRIDGE FUNDS IGA (State of OR; COBOL)						
780,00	240,00	0,00	0,00	780,00	\$240,00	
FILL PERMIT MITIGATION						
140,00	0,00	0,00	0,00	140,00	\$0,00	
NATURAL GAS ESTIMATE (near bridge)						
400,00	460,00	0,00	0,00	400,00	\$460,00	
T-BLANNER LEASE (Bob Hollister & Dan Dalroy)						
300,00	0,00	0,00	0,00	300,00	\$0,00	
OVERWEIGHT TRUCK ENFORCEMENT						
0,00	1,060,00	0,00	0,00	0,00	\$1,060,00	
WATERFRONT PARKING						
0,00	1,260,00	0,00	0,00	0,00	\$1,260,00	
STORM LINE SINK FLOOD (HHR area)						
0,00	680,00	0,00	0,00	0,00	\$680,00	
	7,706,00	6,700,00	0,00	0,00	7,706,00	\$6,700,00

Commission Memo



Prepared by: Michael McElwee
Date: January 23, 2018
Re: Bridge Lift Span Report

In August 2017, the Commission approved a contract with Stafford Bandlow Engineering, Inc. ("SBE") to carry out additional inspections and testing of the bridge lift span. The work included inspection of the primary reducers and strain gage testing as follow-up to prior testing done in January 2017.

The contract work was carried out in fall 2017 over several days. The attached report describes SBE's findings and recommendations. Paul Bandlow, P.E. and Ralph Giernacky, P.E. will discuss the report in detail via telephone conference.

RECOMMENDATION: Information.

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**INTERNAL INSPECTION OF PRIMARY REDUCERS
AND
OPERATING LOAD RECORDINGS**



**HOOD RIVER LIFT BRIDGE
PORT OF HOOD RIVER
HOOD RIVER, OREGON**

Submitted to:
Mr. Michael S. McElwee
Executive Director
Port of Hood River

Submitted by:



**Stafford Bandlow
Engineering, Inc.
Doylestown, Pennsylvania**

Submitted: January 16, 2018



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APPENDICES

- Appendix A Photographs
- Appendix B Figures
- Appendix C Oil Sample Analyses
- Appendix D1 Span Operation Strip Charts – Current Testing
- Appendix D2 Span Operation Strip Charts – Historical Testing
- Appendix E Span Balance Analysis Graphical Results
- Appendix F Span Balance Analysis Report – Test Date September 7, 2016



INTRODUCTION

This report documents October 2017 field work performed by Stafford Bandlow Engineering, Inc. (SBE) at the Hood River Vertical Lift Bridge for the Port of Hood River. SBE was on site on October 9th, 10th, 11th, and 24th, 2017. The documented work is a continuation of previous inspections and analyses by SBE to investigate and address operational issues at the bridge.

BACKGROUND

The current inspection work follows from the recommendations provided in the January 5, 2017 report *Non-Destructive Testing of Trunnions, Investigation of Stick-slip Behavior During Operation, and Span Drive Evaluation*. The purpose of this inspection was to perform the following:

- Provide an internal inspection of the primary reducers

As part of previous work, SBE concluded that several span drive machinery components do not meet current AASHTO requirements. SBE's previous review identified several components that were significantly undersized including the primary reducers, rack pinion shafts, and the C1 couplings and keys. The C1 couplings and rack pinion shafts were visually inspected and, with the exception of the deteriorated coupling fastener sleeves, no damage was noted. The primary reducer gearing was inspected using a borescope. Some tooth damage was noted, but the extent of the damage was not definitive.

- Provide span drive machinery strain recordings to determine operating loads

Previous span drive strain gage load recordings showed substantial oscillations in span drive machinery load (described as "stick-slip" behavior). During previous site visits SBE worked with maintenance personnel to remove corrosion from the journals and lubricate the rack pinion shaft bearings and trunnion bearings. These efforts greatly reduced the oscillating loads. The reduction in loading was documented through strain gage load recordings.

SPAN DRIVE PRIMARY REDUCERS

The reducer inspection included internal inspection of the primary reducers at the north and south towers with the top portion of the housing removed and the oil flushed from the units. The primary reducers were provided with new oil when reassembled. Samples were taken of the new oil to provide a baseline for future comparisons. Oil samples were also taken of existing oil in the high-speed reducers to evaluate the condition of the oil. See Figure 1, Appendix B for component designation.

The top half of each primary reducer housing was removed to assess the internal condition of the units. Each reducer includes four gearsets that provide the speed reduction, two gearsets provide the first reduction at the input shaft and two gearsets provide the second reduction at the output shaft. See Photo 1 in Appendix A. The 1st



reduction consists of two helical gearsets with the pinions for the gearsets on a common shaft (input shaft). The mating gears are on the opposite sides of the gearbox (east and west) and straddle the second reduction gearset pinion. The second reduction gearset is a double helical gearset. The arrangement of the gears allows for load sharing at both 1st and 2nd reduction gearsets.

The internal condition of both primary reducers is fair. Non-wearing surfaces have isolated areas of corrosion, which is a sign of water contamination. See Photo 2 in Appendix A. It appears that the source of water ingress is the breather port which is currently used to secure a cover on top of the gear box. It is recommended that modifications be made to the cover and breather port as required to secure the cover, prevent water ingress, and allow for the use of a breather. The gear teeth are generally in fair condition, though there are locations with tooth damage that warrant monitoring. These areas are described in detail in the following sections.

North Reducer

At the east first reduction gearset, heavier wear at the east end of the opening faces of the teeth are an indication of end loading misalignment (See Figure 2, Appendix B for a description of gear misalignment), though the teeth have worn in to full face contact. Pits were noted on the east end of the opening faces of the teeth for the east first reduction pinion. See Photos 3 through 4 in Appendix A. Heavier contact with light plastic flow wear was also noted on the opening faces of the east first reduction gears that mate with the pitted areas on the pinion. See Photo 5 in Appendix A. Heavier contact was also noted on the closing face of the east first reduction gear, demonstrating the end loading misalignment. See Photo 6 in Appendix A.

Wear at the west first reduction gearset is indicative of initial cross bearing misalignment that has now worn in to full face contact. At the pinion, the contact was heavier on the west ends of the teeth, though no damage was noted. See Photo 7. At the west gear, some teeth had heavier contact on the west ends with light wear and isolated damage that appears to be from particles passing through the mesh. See Photos 8 through 10 in Appendix A.

Cross bearing misalignment was also evident at both second reduction gearsets, and the teeth appear to be wearing in towards full face contact. The west gear opening face contact is currently 40% to 50% on the west ends of the teeth. See Photo 11 in Appendix A. The east gear is similar with opening face contact of 40% to 50% on the east ends of the teeth. Isolated small pits were noted on the east end of the closing faces of the east pinion. See Photo 12 in Appendix A. The pits were small and isolated and do not warrant concern. No other tooth damage was noted on the second reduction gearing.

South Reducer

At both south first reduction gearsets the tooth contact is full face across the width of the teeth. The contact pattern indicated heavier contact at the outboard ends for both the opening and closing faces (end loading) for each gearset, that has worn in to full face contact. Isolated pits were noted in areas of heavy contact on the outboard ends of the opening faces for both pinions. See Photos 13 through 15 in Appendix A. Similarly, small



pits were noted on the opening faces of the outboard ends of the first reduction gears. See Photos 16 through 18 (west), and Photos 19 and 20 (east) in Appendix A.

The south reducer second reduction gearsets had full face contact, though the wear was heavier at the outboard ends for each gearset. More wear and light plastic flow were noted where contact was heavier. See Photos 21 and 22 (pinion), and Photos 23 and 24 (gear) in Appendix A. No tooth damage was noted on the second reduction gearsets.

Oil Analysis

Oil samples were taken of the existing oil in the high-speed reducers and the new oil installed at reassembly of the primary reducer as a baseline. Oil sample analysis results are attached in Appendix C.

The high-speed reducer oil analyses indicate a minor amount of water contamination, which is not of concern. The condition of the lubricant does not warrant replacement, and should be tested annually for increased water contamination or presence of wear particles.

The primary reducer oil analyses show water contamination, which appears slightly high for new oil. The source of this contamination is unclear, and may relate to the handling or storage of the oil containers prior to being transferred into the reducers. The present oil analyses at the primary reducers is intended to provide a benchmark for future monitoring. It is recommended to test the oil annually.

The primary reducers lack a breather that prevents water contamination. Due to contamination, a desiccant breather or similar that prevents water ingress should be considered to mitigate water contamination.

C1 COUPLINGS – RACK PINION SHAFT COUPLINGS

The C1 couplings connect the primary reducer output shaft to the rack pinion shaft. The couplings use an elastomeric sleeve around the coupling bolts to accommodate misalignment. It was previously noted that the coupling elastomeric inserts are deteriorated and deformed. See Photo 25 in Appendix A.

As part of the current work, maintenance personnel attempted to determine the size of the coupling bolts and inserts to identify replacement parts. One coupling bolt nut was removed, but the bolt could not be removed to access the insert. See Photo 26 in Appendix A. It is recommended that the elastomeric inserts be replaced, however continued use does not pose a significant risk.

SPAN DRIVE OPERATING LOADS

Previous span drive strain gage load recordings showed substantial oscillations in span drive machinery load (described as “stick-slip” behavior). During previous site visits SBE worked with maintenance personnel to remove corrosion from the journals and lubricate the rack pinion shaft bearings and trunnion bearings. These efforts greatly reduced the oscillating loads. During this inspection, strain gage load recordings were taken to check



the operating loads for oscillations. In addition, SBE determined the balance condition of the span. (See Appendix F which contains the *Span Balance Analysis Report – Test Date September 7, 2016* for the test procedure, equipment and method of analyzing the data.)

Oscillations were not noted during the current testing. Strip chart recordings are provided in Appendix D1. For comparison, strip chart recordings of prior testing are provided in Appendix D2. The efforts to remove corrosion and lubricate the span drive bearings and trunnion bearings has eliminated the undesirable oscillations.

SBE analyzed the current data to determine the imbalance of the lift span. The tables below present the initial imbalance (i.e. imbalance when fully seated) as well as the system friction (i.e. trunnion friction), which is determined as part of the analysis. Results are provided for each corner and for each end of the lift span. All results are provided in pounds (lb.) and represent an equivalent force applied at the counterweight ropes. Positive (+) imbalance results indicate span heavy. Negative (-) imbalance results indicate counterweight heavy. Frictional forces always oppose motion.

Hood River Lift Bridge North Tower Test Date: October 11, 2017						
Run	Seated Imbalance (lb.)			Average Friction (lb.)		
	NE Corner	NW Corner	North End	NE Corner	NW Corner	North End
1	+5,261	+928	+6,190	+3,104	+3,731	+6,835
2	+5,254	+837	+6,091	+3,398	+3,916	+7,315
3	+5,212	+826	+6,039	+3,502	+4,248	+7,750
Average	+5,242	+864	+6,107	+3,335	+3,965	+7,300

Hood River Lift Bridge South Tower Test Date: October 11, 2017						
Run	Seated Imbalance (lb.)			Average Friction (lb.)		
	SE Corner	SW Corner	South End	SE Corner	SW Corner	South End
1	+4,083	+2,360	+6,444	+3,514	+3,390	+6,904
2	+3,919	+2,535	+6,455	+3,499	+3,539	+7,038
3	+3,877	+2,518	+6,395	+3,524	+3,606	+7,130
Average	+3,960	+2,471	+6,431	+3,512	+3,512	+7,024

Graphical results for each test run are provided in Appendix E.

The following observations are made in regards to the current testing results:

1. The overall imbalance at each tower is similar from end to end. The magnitude of imbalance is reasonable for this type of bridge. The seated imbalance represents a maximum imbalance for the bridge throughout operation. The bridge imbalance is reduced throughout operation due to the shift of weight from the counterweight ropes from span side to counterweight side.



2. Total friction at each tower is similar from end to end. The magnitude of friction is high and is similar to the friction measured during the September 2016 testing. The high friction may seem surprising given the efforts to hand-dress and re-lubricate the bearings during prior inspection work and continued maintenance efforts to flush the bearings of old lubricant. However, predicting and estimating friction is difficult to do with precision as it is dependent upon many variables. The elimination of lift span oscillation during operation is a clear improvement and continued lubrication efforts are recommended along with the strain gage testing during future rehabilitation work to monitor system friction.
3. There is poor load sharing between each corner at the towers, in particular at the North tower. Refer to the strip charts in Appendix D. During the zeroing process for the strain gages it was evident that the rack pinion shafts were cross indexed (i.e. the rack pinion teeth were in contact on opposite faces of the ring gear with the span seated and the brake released). Cross indexing of the rack pinion shafts could be due to machinery setup, rope slippage, transverse imbalance, or uneven live load supports. The current testing results are consistent with prior testing and indicate a possible transverse imbalance; however, this may not be true due to the observed cross indexing and varying factors involved. Only the total imbalance results for each end should be considered. Further investigation would be required to resolve the load sharing issues, at which point a definitive view of transverse balance may be possible.

Note that SBE has recommended replacement of the motors and drives to provide proper skew control, speed and torque control, and dynamic braking. This will help to protect the machinery and structure to provide long-term reliable service. Given that the existing span drive machinery does not meet AASHTO, the drive torque should be limited to the extent possible. The operating loads recorded during this inspection will be used to determine an appropriate torque limit when designing the new drives.



CONCLUSIONS

In general, the gearing inside both primary reducers was found to be in fair condition and will provide continued reliable operation.

Original misalignment of the primary reducer gearing likely played a role in the current tooth contact and wear patterns. The contact pattern appears to be improving and the expectation is that this trend will continue. It is possible that the current observed damage may wear away over time. Based on the current observations the damage is not serious enough to warrant rehabilitation or refurbishment of the reducers and does not pose a risk to span operation.

There are several areas of the internal gearing that have damage that may have occurred due to a foreign object passing through the mesh or similar isolated occurrence. This damage is not serious enough to pose a risk to span operation at this time, and should be monitored in the future.

Based on the limited frequency of operations of the bridge, it is recommended that the primary reducers be internally inspected again in 5 years to assess the progression of the observed wear.

Corrosion has formed on non-contacting areas of components likely due to water contamination of the lubricant. The current oil sample analyses show that the new lubricant at both primary reducers and the existing lubricant at both high speed reducers is acceptable for use in the immediate term. At the primary reducer it is recommended that modifications be made to the cover and breather port as required to secure the cover, prevent water ingress, and allow for the use of a breather. Provide a breather for each span drive reducer of a design that provides a barrier that prevents water ingress and monitor the oil levels annually as part of an ongoing maintenance program.

Previously noted span oscillations were not observed in the current testing. The current span balance analysis confirms that the bridge has a reasonable magnitude of imbalance. While friction remains high, it is currently consistent at each corner. The elimination of lift span oscillation during operation is a clear improvement and continued lubrication efforts are recommended along with the strain gage testing during future rehabilitation work to monitor system friction. The operating loads during the current strain gage testing will be used as the basis for the motor and drive replacement project.



RECOMMENDATIONS AND COST ESTIMATES

The following recommendations are based on the findings of this inspection. Cost estimates are provided for recommendations that require additional engineering prior to implementation and it assumes that the work will be performed by Port of Hood River personnel. Costs are presented in 2018 dollars.

Item	Recommendations	Cost Estimate
1	Repeat the primary reducer internal inspection in approximately five years. Coordinate the inspection with replacement of the oil and perform strain gage testing upon completion of the inspection work to verify operating loads.	\$50,000
2	Replace the rack pinion shafts, C1 couplings, and associated keys.	\$60,000
3	Perform a biennial mechanical and electrical inspection of the machinery components. Tailor the scope of each inspection based on on-going findings and operational conditions. Perform strain gage testing to coincide with the inspection efforts to monitor the operating loads.	\$60,000
4	Operate the span periodically to exercise and lubricate the machinery. When lubricating the plain bearings (trunnion bearings and rack pinion shaft bearings) operate the span to distribute lubricant.	Maintenance
5	Provide a breather for each span drive reducer of a design that provides a barrier that prevents water ingress. A desiccant or H ₂ O barrier breather is recommended. Modify the reducer housing shroud at the primary reducer to prevent water ingress into the housing.	Maintenance

Note that these recommendations are based on this inspection report and do not include mechanical recommendations made in prior reports. Prior reports should be consulted for a complete understanding of the recommended work.

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APPENDIX A
PHOTOGRAPHS



Photo 1. North Primary Reducer. General view of reducer with the top half of the reducer housing removed. The high speed end of the reducer is at the bottom of the photo.



Photo 2. South Primary Reducer. View of the west high speed gear. The side of the gear rim and teeth are corroded.



Photo 3. North Primary Reducer. View of east first reduction gear set.



Photo 4. North Primary Reducer. View of east first reduction gear set, opening face of pinion teeth. Note the pitting (arrow) on the east (left) end of the teeth.

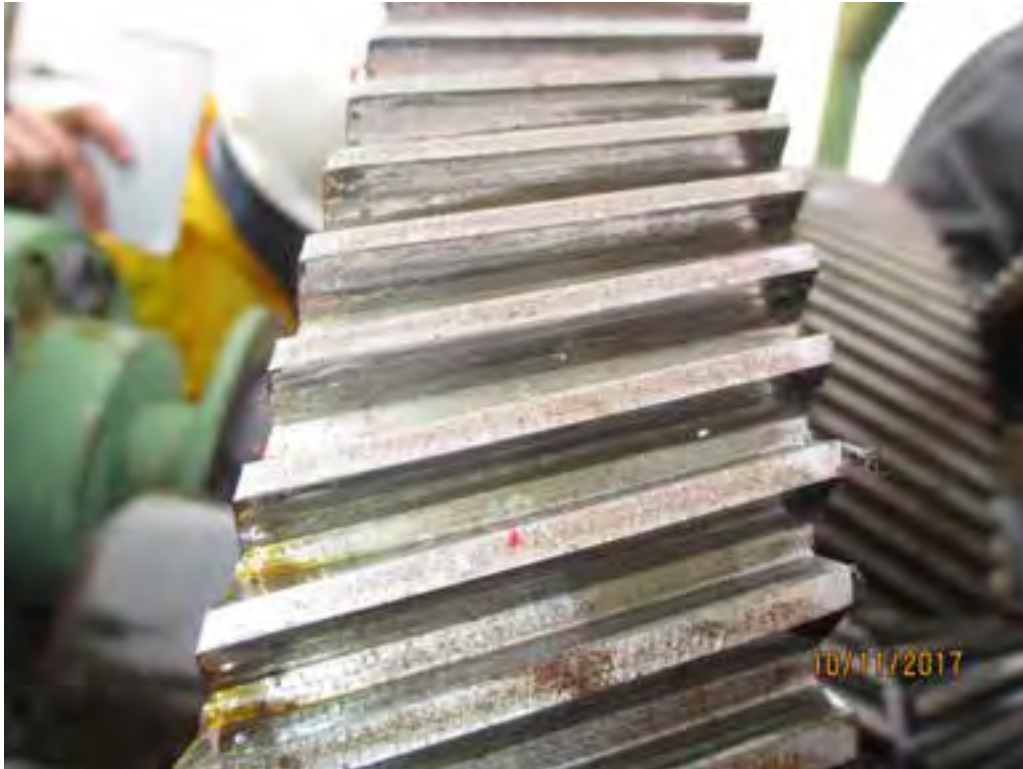


Photo 5. North Primary Reducer. View of east first reduction gear set, opening face of gear teeth. The east (left) end of the opening face exhibit heavier contact with light plastic flow in the areas of the teeth that mate with the pitted areas on the pinion.

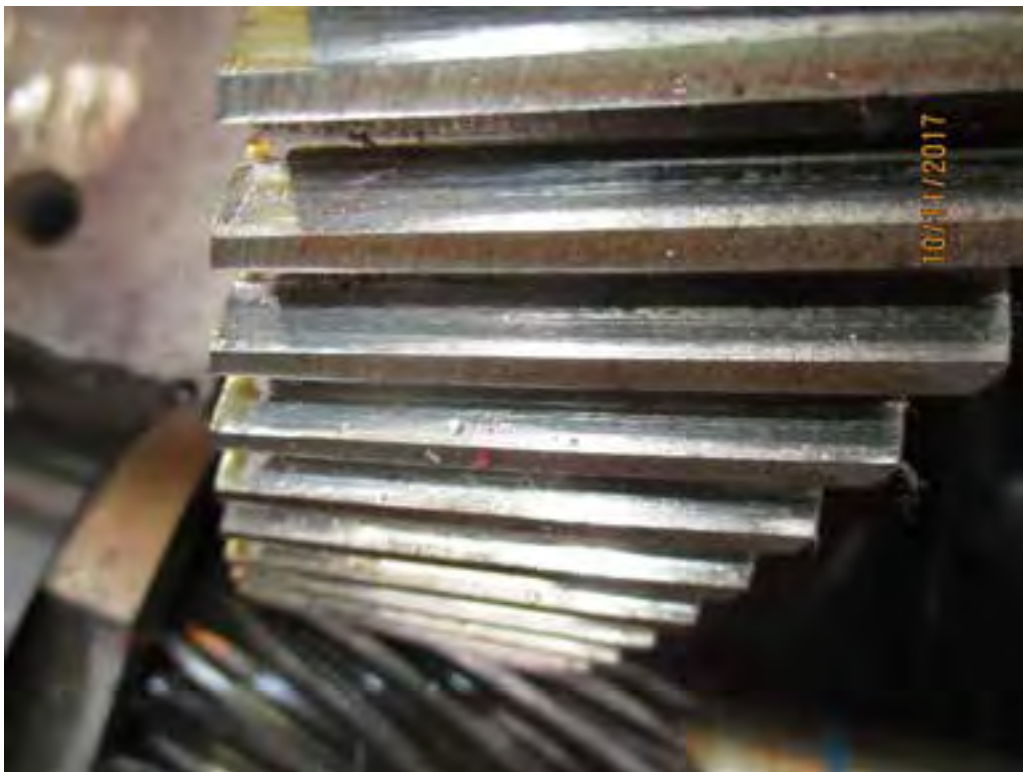


Photo 6. North Primary Reducer. View of east first reduction gear set, closing face of gear teeth. Note the heavier contact on the east (left) ends of the teeth.



Photo 7. North Primary Reducer. View of west first reduction gear set. Note the heavier contact on the west (right) ends of the teeth.



Photo 8. North Primary Reducer. View of west first reduction gear set, closing face of gear teeth. Note the heavier contact and light wear on the west (right) ends of the teeth.



Photo 9. North Primary Reducer. View of west first reduction gear set, closing face of teeth. Note the damage on the west (right) ends of the teeth. Close-up of Photo 8. This damage appears to be the result of something passing through the mesh and not the result of an overload condition.



Photo 10. North Primary Reducer. View of west first reduction gear set, closing face of gear teeth. Note the damage on the west (right) ends of the teeth, presumably from particles passing through the mesh.



Photo 11. North Primary Reducer. View of west second reduction gear, opening face. Note the contact is 40% to 50% across the width of the teeth, starting at the west (left) end.



Photo 12. North Primary Reducer. View of east second reduction pinion, closing face. Small isolated pits were noted on the east (left) end of the teeth.



Photo 13. South Primary Reducer. View of west first reduction gear set, opening face of pinion teeth. Note the pits on the outboard (left) end of the teeth.



Photo 14. South Primary Reducer. View of east first reduction gear set, opening face of pinion teeth. Note the pits on the outboard (right) end of the teeth.



Photo 15. South Primary Reducer. View of east first reduction gear set, opening face of pinion teeth. Closeup view of photo 14.



Photo 16. South Primary Reducer. View of west first reduction gear set, opening face of gear teeth. Note light pitting on the outboard (left) ends of the teeth.



Photo 17. South Primary Reducer. View of west first reduction gear set, opening face of gear teeth. Closeup view of photo 16.

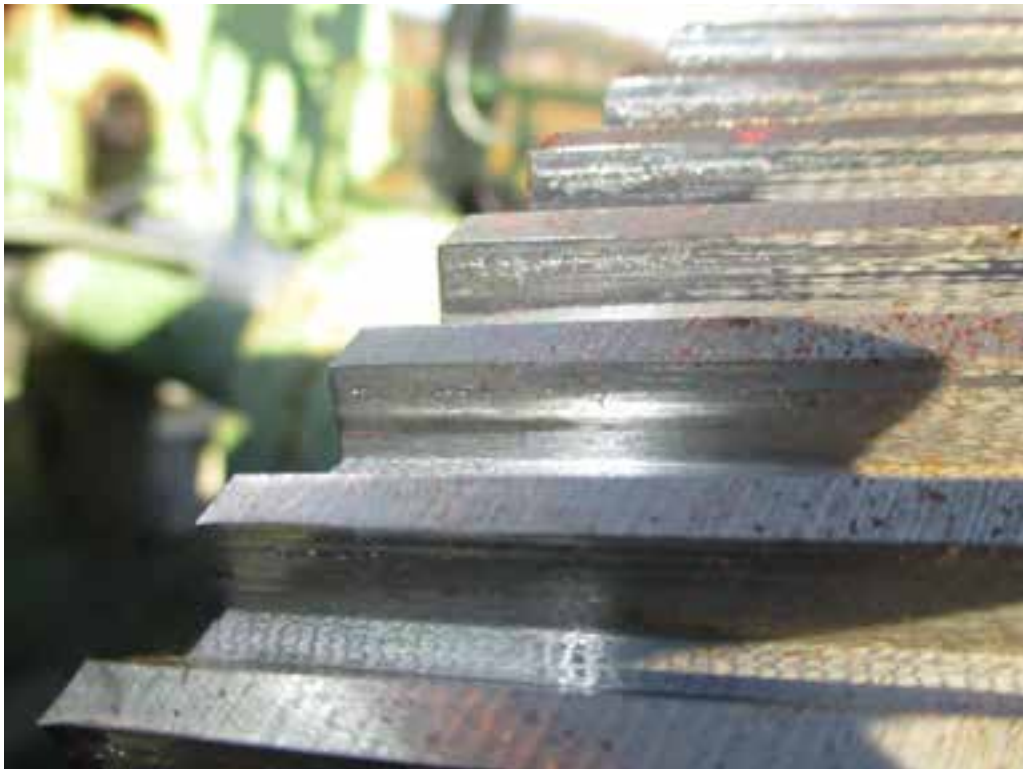


Photo 18. South Primary Reducer. View of west first reduction gear set, opening face of gear teeth. Closeup view of photo 16.



Photo 19. South Primary Reducer. View of east first reduction gear set, opening face of gear teeth. Note the pitting on the outboard (right) ends of the teeth.

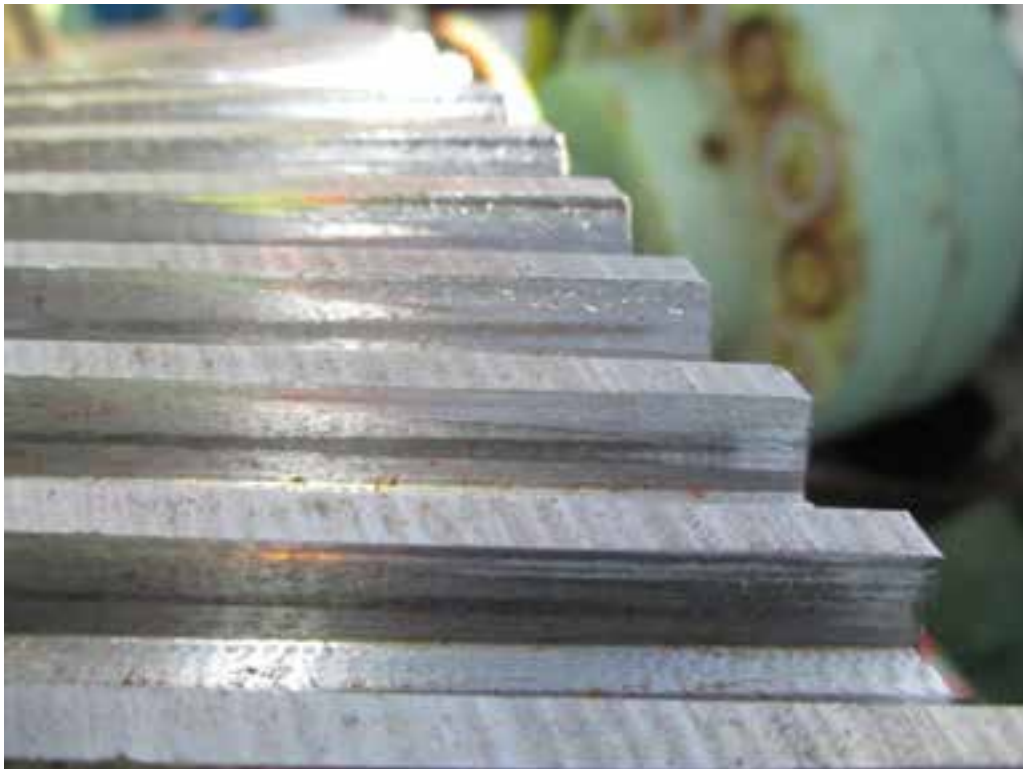


Photo 20. South Primary Reducer. View of east first reduction gear set, opening face of gear teeth at outboard (right) end of the teeth. Closeup view of photo 19.



Photo 21. South Primary Reducer. View of east second reduction gear set, opening face of pinion teeth.



Photo 22. South Primary Reducer. View of east second reduction gear set, opening face of pinion teeth. Closeup view of photo 21. Note heavier contact and light wear on the east (left) end of the teeth.



Photo 23. South Primary Reducer. View of east second reduction gear set, opening face of gear teeth. Note the contact and light wear.



Photo 24. South Primary Reducer. View of east second reduction gear set, opening face of gear teeth. Closeup view of photo 23. Note heavier contact and light wear on the east (left) end of the teeth.



Photo 25. C1-SE. General View. The elastomeric inserts for the coupling bolts are deteriorated. The bolts and inserts are bound and could not be removed.

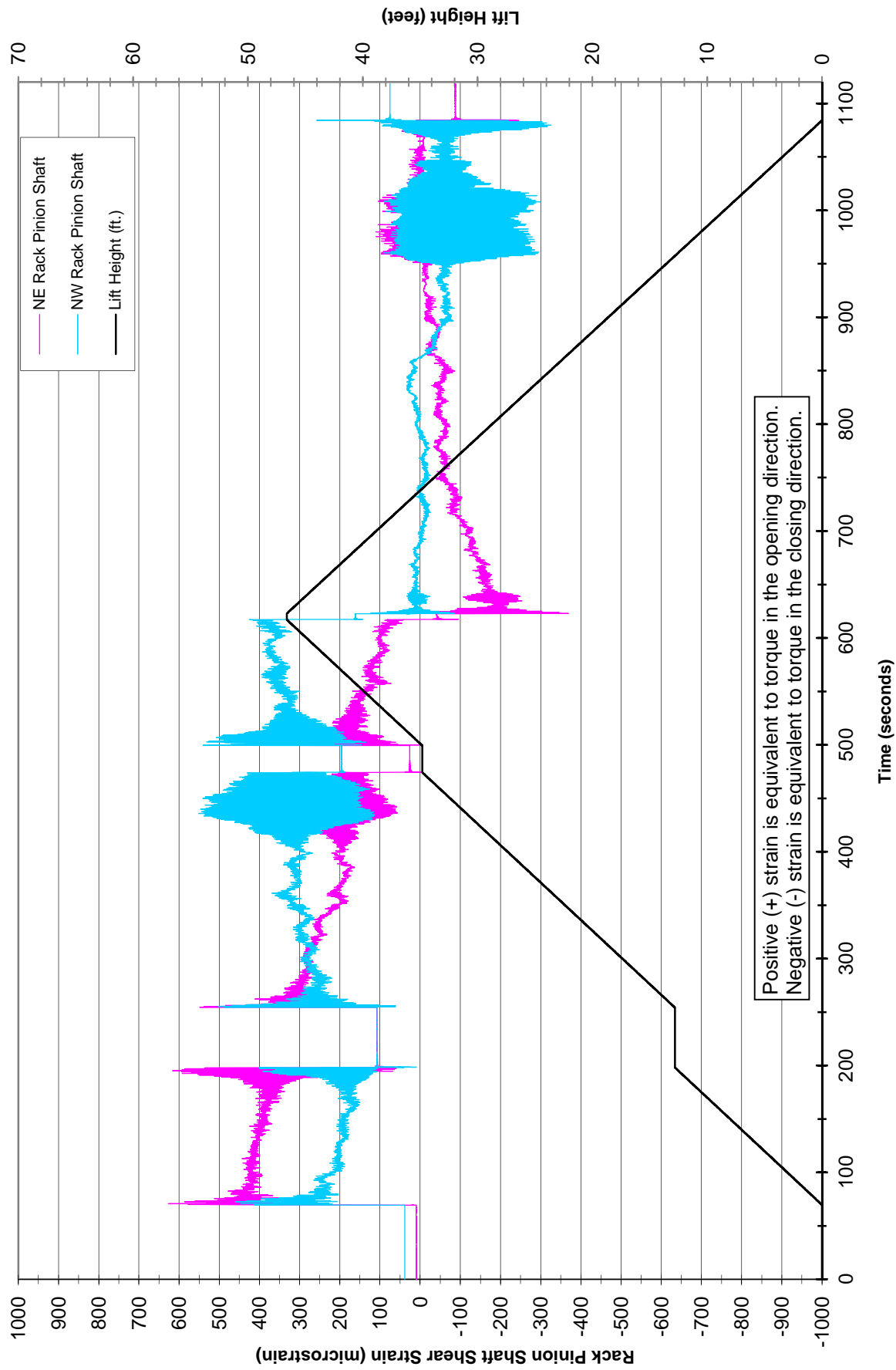


Photo 26. C1-SE. View of the coupling bolt with the nut removed.

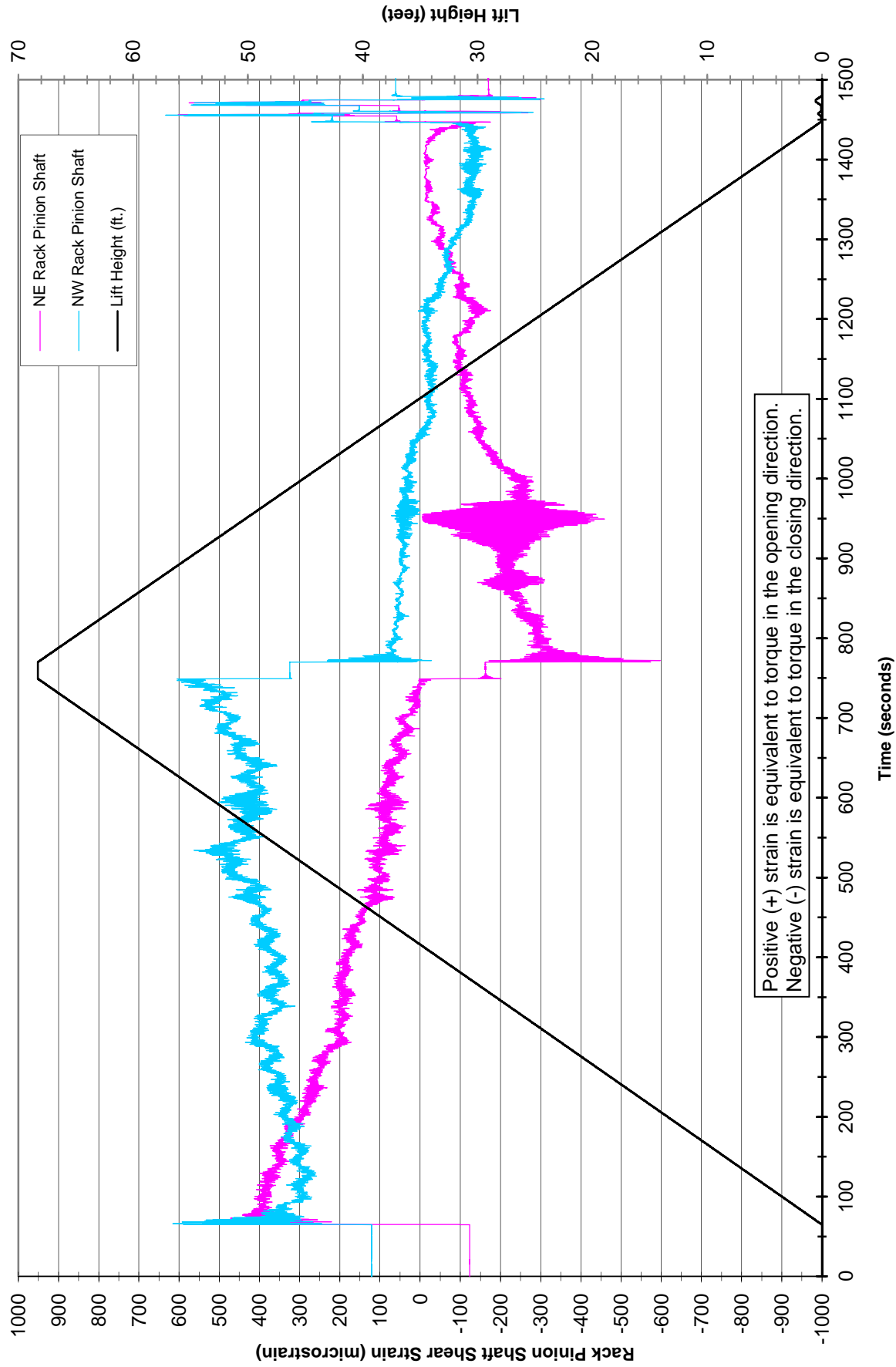


APPENDIX D2
SPAN OPERATION STRIP CHARTS
HISTORICAL TESTING

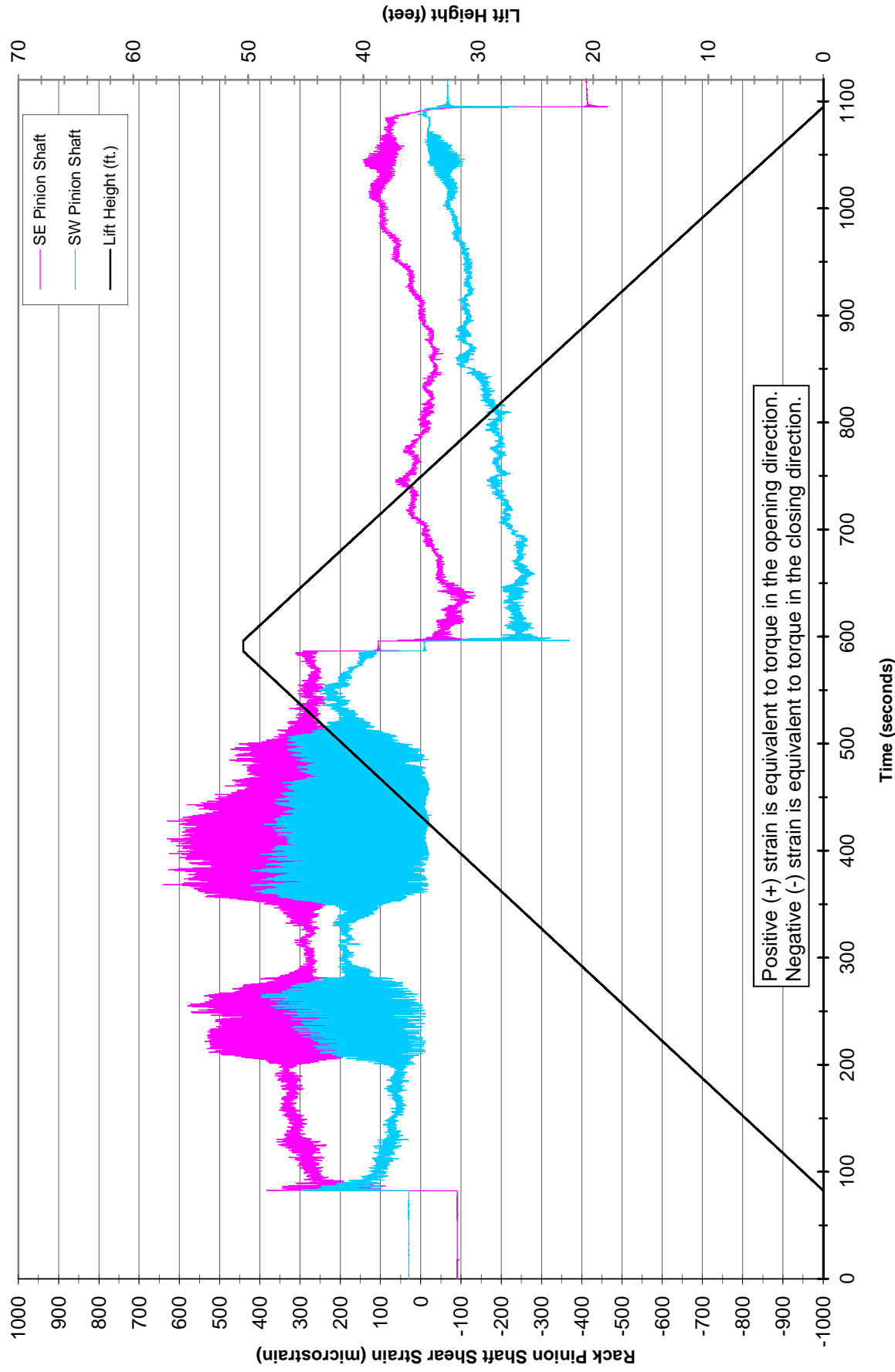
Hood River Vertical Lift Bridge North Tower Shaft Strain Run 2-1 Before Cleanup Work



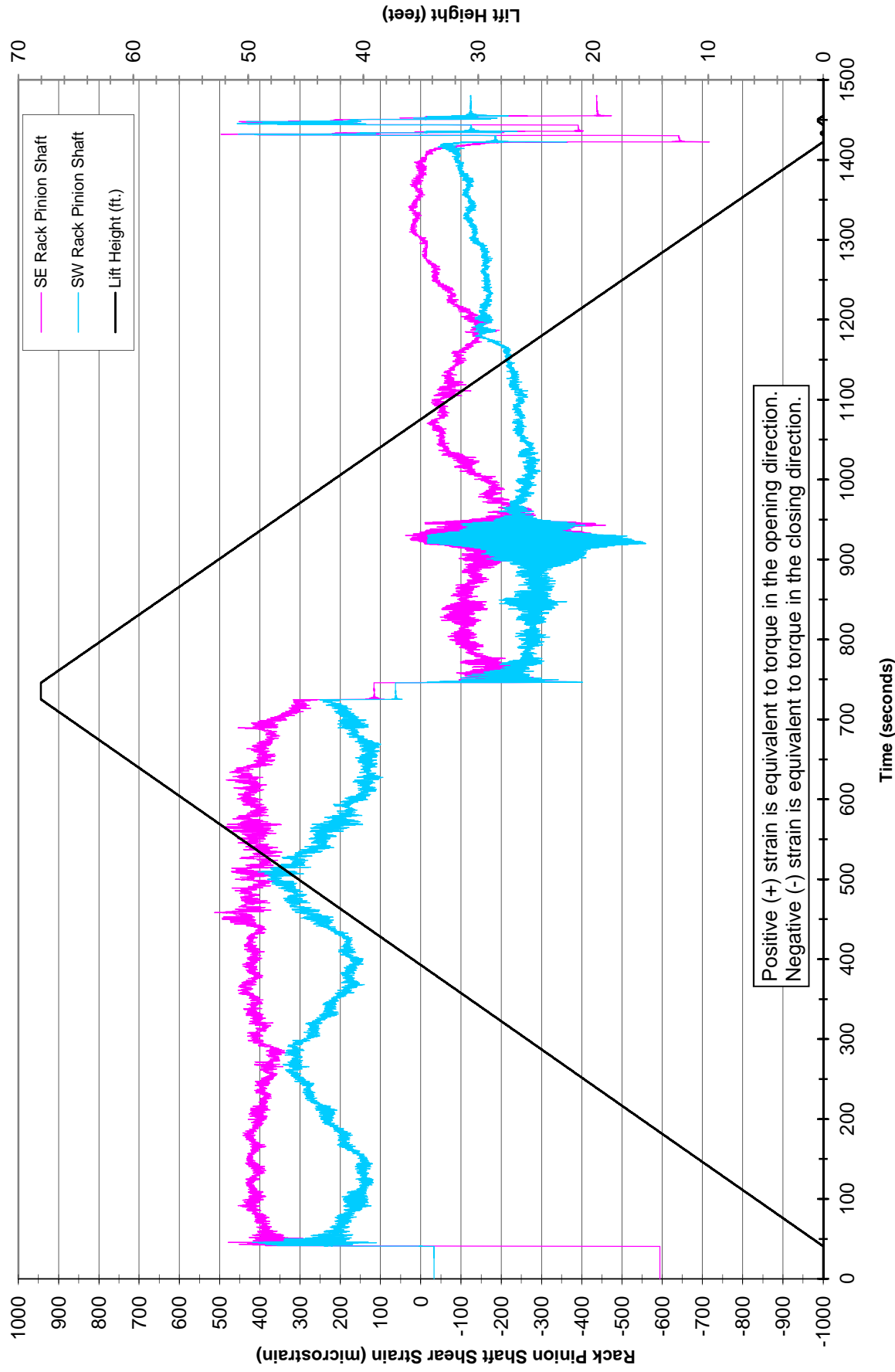
Hood River Vertical Lift Bridge North Tower Shaft Strain Run 3-6 After Cleanup Work



Hood River Vertical Lift Bridge South Tower Shaft Strain Run 2-1 Before Cleanup Work



Hood River Vertical Lift Bridge South Tower Shaft Strain Run 3-6 After Cleanup Work



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Commission Memo



Prepared by: Fred Kowell
Date: January 23, 2018
Re: Audit for Fiscal Year Ending June 30, 2017

The Annual Financial Report and the Communication to the Governing Body for the Fiscal Year Ended June 30, 2017 is included in your Board Packet. It is important that you read the Communication to the Governing Body since this is the auditor's communication to the Board and provides some valuable input into the audit.

Tara Kamp from Pauly, Rogers and Co., PC will present the Audit report during the meeting should you have additional questions.

This was a good year and this audit is considered an unqualified audit report which is considered a clean audit.

RECOMMENDATION: Approve Audit for Fiscal Year Ending June 30, 2017.

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PORT OF HOOD RIVER
HOOD RIVER COUNTY, OREGON

COMMUNICATION TO THE GOVERNING BODY
FOR THE YEAR ENDED JUNE 30, 2017



12700 SW 72nd Ave.
Tigard, OR 97223



PAULY, ROGERS AND CO., P.C.
 12700 SW 72nd Ave. • Tigard, OR 97223
 (503) 620-2632 • (503) 684-7523 FAX
 www.paulyrogersandco.com

November 30, 2017

To the Board of Directors
 Port of Hood River
 Hood River County, Oregon

We have audited the basic financial statements of the governmental activities, the business-type activities, and each major fund of the Port of Hood River for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the Port and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Port or to acts by management or employees acting on behalf of the Port. We also communicated any internal control related matters that are required to be communicated under professional standards.

Pauly, Rogers and Co., P.C.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on it.

Supplementary Information

We were engaged to report on the supplementary information, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

We were not engaged to report on the other information, which accompanies the basic financial statements but is not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Pauly, Rogers and Co., P.C.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accountants and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 75 – ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

This Statement is effective for fiscal years beginning after June 15, 2017. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This information is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

Commission Memo



Prepared by: Kevin Greenwood
Date: January 23, 2018
Re: Draft Administrative Rules

Attached is the review draft of the Administrative Rules governing public-private partnerships related to bridge replacement, prepared by Steven Siegel. Mr. Siegel will lead a review of the rules either in person or via teleconference and Commission input is sought, with a goal to have a final draft in February. Upon approval of the final draft, the Port will conduct up to two hearings for public input before adoption, likely in March.

RECOMMENDATION: Discussion.

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1 **PORT OF HOOD RIVER RULE**
2 **PUBLIC PRIVATE PARTNERSHIPS FOR BRIDGE PROJECTS AND BRIDGE PROJECT ACTIVITIES**
3

4 **1. PURPOSE AND INTENT OF RULE**

5 (1) The primary purpose of this Rule is to describe the process for developing and
6 constructing a replacement bridge between Hood River, Oregon and White Salmon, Washington if
7 undertaken as a Public-Private Partnership with the Port of Hood River.

8 (2) This Rule implements the authority granted to the Port by Chapter 710 Oregon Laws 2017
9 to enter into public-private partnership agreements in connection with a Bridge Project, and is adopted
10 in compliance with Section 2(4)(b) of Chapter 710 Oregon Laws 2017 requiring the Port to adopt rules that
11 substantially conform with the Department of Transportation rules implementing ORS 367.800 to
12 367.824. Nothing in this Rule shall be interpreted as limiting or guiding the Port’s authority under other
13 state statutes, including but not limited to its authority to exempt contracts from public bidding under
14 ORS 279C.335(2).

15 **2. DEFINITIONS**

16 As used in this rule:

17 1. “Acknowledgment of the Rules” means the statement required in the cover letter of a
18 proposal under paragraph (1)(d) of Exhibit 5.3 of this Rule.

19 2. "Agreement" means a written agreement, including but not limited to a contract, for a
20 Bridge Project or Bridge Project Activity that is entered into under Section 2 of Chapter 710 Oregon Laws
21 2017.

22 3. “Bridge” means the existing bridge as of the effective date of this Rule, or a completed
23 bridge that results from a Bridge Project, and any Related Facilities.

24 4. “Bridge Project” means a project to construct, reconstruct, or replace a bridge that spans
25 the Columbia River, and any Related Facilities, that a Private Entity undertakes in accordance with an
26 Agreement with the Port of Hood River that requires the Private Entity to fund, in whole or in part, the
27 construction, reconstruction, or replacement of a Bridge.

REVIEW DRAFT 1 – 1/19/18

1 5. “Bridge Project Activity” means an activity that a Private Entity undertakes in accordance
2 with an Agreement with the Port of Hood River to plan, acquire, finance, develop, design, construct,
3 reconstruct, replace, improve, maintain, manage, repair, lease, or operate a Bridge, Bridge Project, or any
4 Related Facility.

5 6. “Commission” means the Port of Hood River Commission or any person or persons
6 authorized by the Commission to take an action or make a decision on the Commission’s behalf.

7 7. “Competing Negotiations” means the simultaneous or serial undertaking of negotiations
8 between the Port and multiple proposers regarding an Agreement as step in the selection of a preferred
9 proposal, as described in paragraph 3(b) of subsection 9.2.

10 8. “Competing Proposal” means a written submission to the Port that a proposer submits in
11 response to a notice issued by the Port under subsection 6.3 of this Rule.

12 9. “Days” means calendar days unless specified as business days.

13 10. “Direct Negotiations” means the undertaking of negotiations between the Port and a
14 single selected proposer regarding an Agreement, as described in paragraph 3(a) of subsection 9.2.

15 11. “Director” means the Executive Director of the Port of Hood River.

16 12. “Evaluation Panel” means the panel of persons appointed by the Director to evaluate a
17 proposal for a Bridge Project or Bridge Project Activity under subsection 7.3 of this Rule.

18 13. “Initial Review Committee” or “IRC” means the group of persons designated by the
19 Director to perform the preliminary assessment of an Unsolicited Proposal under subsection 6.1.

20 14. “Key Person” means an official in a Managing Entity, Ownership Entity, or Major
21 Subcontractors who plays a critical role in running the enterprise or a critical role in a proposal and whose
22 loss or unavailability could jeopardize the success of the proposal.

23 15. “Lobbying” has the meaning given that term in paragraph (1)(c) of subsection 3.3 of this
24 Rule.

25 16. “Local Government” has the meaning given that term in ORS 174.116.

26 17. “Major Partner” means a Private Entity that has an ownership interest in excess of 25%
27 in a Managing Entity, Ownership Entity, or Major Subcontractor, as applicable.

REVIEW DRAFT 1 – 1/19/18

1 18. “Major Subcontractor” is the member of the Team, other than the Managing Entity,
2 designated in the proposal to have primary responsibility for one or more the following: project
3 development, engineering, architecture/design, project management, construction (including any
4 construction subcontractors with subcontracts of at least 10% of the construction budget), legal, financial,
5 operations, or maintenance.

6 19. “Managing Entity” means the Private Entity or Private Entities authorized to execute
7 Agreements for the proposal and that will have primary management and oversight responsibility for the
8 performance of the obligations under an Agreement. The Managing Entity may also be a Major
9 Subcontractor or an Ownership Entity.

10 20. “Negotiation Team” shall have the meaning provided in paragraph (2) of subsection 9.2
11 of this Rule.

12 21. “Notice of Availability” means the federally required notice published in the Federal
13 Register announcing the availability of the Final Environmental Impact Statement for a replacement Hood
14 River-White Salmon Bridge.

15 22. “Notice of an Unresponsive Submission” means a written notice sent by the Director to a
16 proposer stating (a) the proposal was deemed incomplete or otherwise unresponsive to the requirements
17 of these Rules or, if applicable, a Solicitation Document; (b) the proposal will not further be considered;
18 and (c) the reasons for the determination.

19 23. “Organizational Disclosure Requirements” means any information required regarding the
20 qualifications, expertise, experience, financial backing, integrity, ownership, litigation and claims history,
21 organizational structure, and decision-making structure of any Team member, Key Person, or Major
22 Partner associated with a proposal.

23 24. “Ownership Entity” means the Private Entity or Private Entities, if any, that are
24 anticipated to have an ownership interest in the Bridge Project of at least 25% or that are the managing
25 partners for an ownership group anticipated to have an ownership interest in the Bridge Project of at least
26 25%

27 25. “Port” means the Port of Hood River.

28 26. “Prequalification Resolution” means the resolution approved by the Commission under
29 subsection 3.2 of this Rule authorizing the acceptance of applications for prequalification status of

REVIEW DRAFT 1 – 1/19/18

1 Managing Entities and, if required by the resolution, other Team Members, and setting terms and
2 conditions of the prequalification status.

3 27. "Private Entity" means any entity that is not a unit of government, including but not
4 limited to a corporation, partnership, company, nonprofit organization, joint venture, or other legal entity,
5 or a natural person.

6 28. "Project" means a Bridge Project or Bridge Project Activity.

7 29. "Public-Private Partnership" or "PPP" means an arrangement between the Port and one
8 or more Private Entities that includes a Private Contribution and provide for the design and construction,
9 maintenance and operation, or ownership of the Bridge Project or Bridge by one or more Private Entities.
10 The use of the word "partnership" in all contexts under this Rule is not intended to mean or to confer on
11 the relationship formed between the Port and a Private Entity any of the attributes or incidents of a
12 partnership under common law or under ORS chapters 68 and 70.

13 30. "Private Contribution" means resources supplied by a Private Entity to accomplish all or
14 part of the work on a Bridge Project, including but not limited to, funding; financing; income, revenue; in-
15 kind contributions of engineering, construction, or maintenance services; or other items of value provided
16 by a Private Entity.

17 31. "Related Facilities" means real or personal property for: (a) operating, maintaining,
18 renovating, or facilitating the use of a Bridge; (b) providing goods and services to people who use a Bridge;
19 or (c) generating revenue that can reduce tolls or that will be deposited in an account established under
20 an Agreement.

21 32. "Request for Competing Proposals" means the public notice required by paragraph (1) of
22 subsection 6.3 requesting Competing Proposals.

23 33. "Rule" means this rule of the Port of Hood River regarding public-private partnerships for
24 a Bridge Project or Bridge Project Activity.

25 34. "Sensitive Business, Commercial or Financial Information" means information submitted
26 by a Private Entity in connection with a proposal for a Bridge Project or Bridge Project Activity, which
27 complies with the criteria in subsection 10.1 of this Rule, and which is exempt from public disclosure under
28 Oregon law and this Rule.

1 35. "Solicitation Document" means a written request for proposals, request for qualifications,
2 or any similar call for proposals or proposers issued by the Port in connection with a Bridge Project or
3 Bridge Project Activity.

4 36. "Solicited Proposal" means a proposal submitted in response to a Solicitation Document
5 that is responsive to the requirements in the Solicitation Document and this Rule.

6 37. "Team" means the Managing Entities, Ownership Entities, Major Subcontractors, and
7 other significant participants, , which are collectively proposed to undertake a Bridge Project or Bridge
8 Project Activity.

9 38. "Term Sheet" means a non-binding agreement, approved by the Commission, specifying
10 preliminarily agreed-upon terms for preparing the final Agreement or Agreements.

11 39. "Unsolicited Proposal" means proposal to the Port by a Private Entity for a Bridge Project
12 or Bridge Project Activity that is not submitted pursuant to a Solicitation Document, and that is responsive
13 to the requirements for an Unsolicited Proposal under this Rule.

14 **3. PORT'S GENERAL AUTHORITY**

15 **3.1 Authority to Solicit Proposals, Accept Unsolicited and Competing Proposal, and Enter**
16 **Negotiations for a Public-Private Partnership for a Bridge Project or a Bridge Project Activity**

17 (1) The Port may, in accordance with this Rule, solicit proposals or qualifications, accept
18 Unsolicited Proposals and Competing Proposals, or, as approved by the Commission, enter into Direct
19 Negotiations or Competitive Negotiations for a Public-Private Partnership to plan, acquire, finance,
20 develop, design, manage, construct, reconstruct, replace, improve, maintain, repair, operate, or own a
21 Bridge Project or Bridge Project Activity if the Commission has determined that such an approach has the
22 potential to accelerate cost-effective delivery of the Project or reduce the public cost of carrying out the
23 Project.

24 **3.2 Prequalification of Proposers**

25 (1) The Port shall not consider any Unsolicited Proposal and, if required by a Prequalification
26 Resolution under paragraph (2) of this subsection, any Competing Proposal or Solicited Proposal, that
27 proposes a Managing Entity or, if required by a Prequalification Resolution, other Team member, that has
28 not been prequalified to submit a proposal under this subsection.

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1 (2) The Commission may, at such time or times it determines are in the best interest of the
2 Port, authorize by resolution (the “Prequalification Resolution”) a process to prequalify potential
3 Managing Entities and such other members of a Team as it may determine. No application for
4 prequalification status shall be accepted by the Port unless authorized to do so by a Prequalification
5 Resolution. The Prequalification Resolution must describe:

6 (a) The kind or kinds of proposals that are subject to the prequalification
7 requirement;

8 (b) The members of the Team, if any, that are required to be prequalified in addition
9 to the Managing Entity.

10 (c) The requirements for applying for prequalification status, including the
11 information submission requirements, deadline by which the application must be submitted, and any
12 questionnaires or forms that must be included in the submission;

13 (d) The criteria used to evaluate a prequalification application; and

14 (e) The effective time period of the prequalification status, if approved, and any
15 conditions for the prequalification status.

16 (4) After evaluating prequalification applications, the Director shall notify each applicant
17 whether the requested prequalification status is approved or denied. If a prequalification application is
18 denied, the Director shall provide the applicant written notice of that determination that contains a
19 statement of the reason or reasons for that determination.

20 (5) An applicant receiving notice from the Director that its prequalification application is
21 denied may, within five (5) business days after its receipt of the Director’s written notice, submit to the
22 Port a written protest of the decision. The protest must state facts and argument to demonstrate that the
23 Director’s decision was incorrect or constituted an abuse of the Director’s discretion. If an applicant timely
24 submits a protest that complies with this paragraph (5) of this subsection, the Commission shall consider
25 the protest and issue a decision that resolves the issues raised in the protest.

26 (6) By submitting a prequalification application, the Private Entity, if determined to be
27 prequalified, thereby agrees to notify the Port in writing of any material changes in the Private Entity’s
28 qualifications, including without limitation changes in its ownership or the status of any Key Persons or

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1 Major Partner, within sixty (60) days of its occurrence. Failure to comply with this requirement may be
2 grounds to terminate the prequalified status of the Private Entity.

3 (7) Notwithstanding any specification of a term during which an entity's prequalification is
4 effective, the Port may terminate or revise an entity's prequalified status upon the Port's discovery of
5 information that adversely reflects on the entity's prequalified status. Prior to any termination or adverse
6 revision of an entity's prequalification, the Director will provide the applicant written notice of that
7 determination that contains a statement of the reason or reasons for that determination and advise that
8 entity that it may protest the proposed action under paragraph (5) of this subsection.

9 (8) Nothing in this subsection limits the ability of the Commission to authorize a process to
10 prequalify potential proposers under paragraph (2) this subsection at any time, including during periods
11 in which other Private Entities are prequalified under a previous prequalification process.

12 **3.3 Prohibition against Lobbying by a Proposer**

13 (1) Unless otherwise authorized in writing by the Director or his or her designee as described
14 in paragraph (2) of this subsection, no proposer, agent or representative of a proposer, Team member, or
15 agent or representative of a Team member shall engage in Lobbying, as described in subparagraph (c) of
16 this paragraph (1), between the Start Date and End Date. As used herein:

17 (a) Start Date means:

18 (A) For an Unsolicited Proposal, the date on which a prequalification
19 application is submitted under subsection 3.2; and

20 (B) For a Solicited Proposal, the date on which a Solicitation Document issued
21 by the Port.

22 (b) End Date means:

23 (A) For an Unsolicited Proposal, the earliest of the date on which (i) an
24 Agreement for a Bridge Project is approved by the Commission, (ii) the Port terminates the process for
25 reviewing the Unsolicited Proposal and Competing Proposals, or (iii) the entity's prequalification status
26 terminates; and

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1 (B) For Solicited Proposal, the earliest of the date on which (i) an Agreement
2 for a Bridge Project is approved by the Commission, or the date on which (ii) the Port terminates the
3 process for reviewing the Solicited Proposals.

4 (c) Lobbying under this Rule shall include any direct or indirect contact, not
5 authorized under paragraph (2) of this subsection, in which a proposal for a Bridge Project or Bridge
6 Project Activity is discussed, whether in person, in writing, or electronically, by a proposer or an agent or
7 representative of a proposer (including any member of the Team, or an agent or representative of a Team
8 member) with any member of the Commission; any local, state, or federal official (including presentations
9 to any governmental boards or commissions); or persons (or agents or representatives of persons)
10 engaged in print or electronic media.. Lobbying does not include any valid appeal by a qualified proposer
11 under this Rule, provided the appeal is limited to the content and process described hereunder.

12 (2) The Director may authorize Private Entities that are prequalified pursuant to subsection
13 3.2, proposers of Unsolicited Proposals or Competing Proposals, or proposers of Solicited Proposals, as
14 applicable, to engage in Public Outreach, if the Director determines such Public Outreach: (i) does not
15 afford any Private Entity an undue competitive advantage and (ii) is in the best interest of the Port. As
16 used in this Rule, Public Outreach shall include any direct or indirect contact with public officials or media
17 that is authorized by the Director. The authorization to engage in Public Outreach shall be in writing and
18 shall describe the specific purpose or purposes for which Public Outreach is authorized, any limitations on
19 the Public Outreach, and the time period during which the authorization is effective. Any proposer, agent
20 or representative of a proposer, Team member, or agent or representative of a Team member authorized
21 to engage in Public Outreach shall only do so under the terms and conditions set forth in the Director's
22 authorization. Any Public Outreach not complying with the terms and conditions in the Director's
23 authorization shall constitute Lobbying under paragraph (1) of this subsection.

24 (3) Any violation of the prohibition against Lobbying shall constitute grounds for terminating
25 the prequalification status of the violator, disqualifying the proposal of such violator, and disqualifying the
26 violator from submitting to the Port any prequalification application or proposal for a Bridge Project or
27 Bridge Project Activity for a period of up to three (3) years. The Director shall determine whether
28 prohibited Lobbying has occurred and, if so, the associated penalty. If the Director determines that
29 Lobbying occurred, the Director shall send notice to the violator or violators stating the penalty or
30 penalties and the reasons for the penalty or penalties.

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1 (4) Any proposer receiving notice under paragraph (3) of this subsection shall have five (5)
2 days to file a written appeal to the Commission stating its reasons why the penalty or penalties are not
3 warranted. The Commission may overturn the determination of the Director if the Commission finds that
4 (i) there was not any improper contact or (ii) the contact was unintended or incidental and contact could
5 not have reasonably given the violator or the violator’s proposal a competitive advantage.

6 **3.4 Acknowledgement of Rules**

7 (1) By submitting a proposal for a Bridge Project or Bridge Project Activity to the Port,
8 whether a Solicited, Unsolicited, or Competing Proposal, the proposer thereby acknowledges that it has
9 agreed to and accepts all terms and conditions under this Rule.

10 **4. PROCESS REQUIREMENTS FOR UNDERTAKING A SOLICITED PROPOSAL**

11 **4.1 Solicitation Documents**

12 (1) The Port may solicit proposals for a Bridge Project or one or more Bridge Project Activities
13 by issuing a Request for Qualifications (RFQ), a Request for Proposals (RFP), or a multi-staged RFQ/RFP
14 (each referred to herein as a “Solicitation Document”)

15 (2) In a solicitation for proposals, the Port will specify in a Solicitation Document the
16 requirements for proposal content, and the criteria and procedures under which the proposals will be
17 evaluated and selected. These requirements, criteria, and procedures will comply with the requirements
18 of Section (2) of Chapter 710 Oregon Laws 2017, but can include any such other factors as the Port
19 determines.

20 (3) Nothing in this Rule is intended to limit the scope of the Port’s discretion or authority to
21 develop evaluation criteria and processes for a Solicited Proposal as long as the criteria and processes
22 comply with the requirements of Section (2) of Chapter 710 Oregon Laws 2017.

23 (4) If a Prequalification Resolution provides that one or more members of a Team involved in
24 a Solicited Proposal must be prequalified, the Port shall not consider any Solicited Proposal that that has
25 any such member or members of the Team that have not been prequalified.

26 **4.2 Public Notice of Solicitation**

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1 (1) The Port will furnish notice to a sufficient number of entities for the purpose of fostering
2 and promoting competition. The notice will indicate where, when, how, and for how long the Solicitation
3 Document may be obtained and generally describe the work. The notice may contain any other
4 appropriate information. The Port may charge a fee or require a deposit for the Solicitation Document.
5 The Port shall furnish notice of the availability of the Solicitation Documents as follows:

6 (a) Mail notice of the availability of Solicitation Documents to entities that have
7 expressed an interest in the Port’s procurements;

8 (b) Place notice on the Port’s internet web site;

9 (c) Place notice in the Daily Journal of Commerce and any other applicable
10 publications determined by the Director; and

11 (d) Use any other method of providing notice the Director determines will promote
12 competition.

13 **4.3 Evaluation and Selection of a Solicited Proposal**

14 (1) Subject to the terms and criteria set forth in a Solicitation Document, the Port may select
15 one or more proposers for the purpose of negotiating agreements under Section 9 of this Rule for a Bridge
16 Project or Bridge Project Activity, or may reject all proposals.

17 (2) With regard to the proposal or proposals selected for negotiations, the Port may enter
18 into negotiations for the full scope of the proposal or proposals or for any part of parts of the proposal or
19 proposals.

20 (3) The selection of a proposal or proposals for negotiations does not constitute a final
21 selection of such proposal or proposals; the final selection of a proposal or proposals is subject to the
22 Commission’s approval of a binding Agreement for such proposal or proposals.

23 **5. REQUIREMENTS FOR UNSOLICITED PROPOSALS**

24 **5.1 General Requirements for Submission of Unsolicited Proposal**

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1 (1) Following publication in the Federal Register of the Notice of Availability of the Final
2 Environmental Statement for a replacement bridge, the Port may consider Unsolicited Proposals for a
3 Bridge Project or a Bridge Project Activity submitted by a Managing Entity that has been prequalified
4 pursuant to subsection 3.2, provided that the proposal complies with all terms and conditions of the
5 applicable Prequalification Resolution, including any requirements for other Team members to be
6 prequalified, and the terms and conditions of this Rule. The Port shall not consider any Unsolicited
7 Proposal that: (a) is submitted prior to the publication of the Notice of Availability of the FEIS or (b)
8 proposes a Managing Entity, or other team member required to be prequalified under a Prequalification
9 Resolution, that has not been prequalified.

10 (2) A proposal review fee in the amount prescribed by subsection 5.2 must accompany any
11 Unsolicited Proposal; no proposal shall be deemed received by the Port unless accompanied by payment
12 of the required fee.

13 (3) The proposer shall submit an original and ten (10) copies of any Unsolicited Proposal in
14 compliance with the requirements of subsection 5.3. The proposal must bear the signature of the
15 authorized representative. The original proposal, required copies, and processing fee shall be delivered
16 to the Director or his designee.

17 (4) The Port will consider an Unsolicited Proposal only if the proposal:

18 (a) Is received by the Port: (i) prior to a Commission decision to issue a Solicitation
19 Document for a Bridge Project or Bridge Project Activity or (ii) after the termination of a solicitation
20 process that did not yield an Agreement or that was otherwise terminated prior to being constructed;

21 (b) Is signed by an authorized representative of the proposer;

22 (c) Is accompanied by the fee required under subsection 5.2 of this Rule; and

23 (d) Fully complies with all applicable requirements under this Rule.

24 **5.2 Fees to Accompany Unsolicited Proposals**

25 (1) The fee required for Unsolicited Proposals by Section 5.1(2) shall be \$40,000 unless
26 otherwise adjusted or waived pursuant to paragraphs (2) or (3) of this subsection. If the Port invites

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1 Competing Proposals under subsection 6.3 the fee required to accompany each Competing Proposal shall
2 be \$40,000. The Commission may, from time to time, increase these fees by a vote of the Commission.

3 (2) If the cost of evaluating an unsolicited proposal exceeds the fees assessed under
4 paragraph (1) of this subsection, the Director may assess additional fees that exceed the amount in
5 paragraph (1) that reflect the reasonable expected costs to be incurred by the Port in evaluating the
6 Unsolicited Proposal. If the proposer of the Unsolicited Proposal does not agree to pay the additional fee
7 within ten (10) business days from the date the Director assessed the additional fee, the Unsolicited
8 Proposal shall be deemed incomplete and the Port shall refund any fees previously paid and shall not
9 further consider the Unsolicited Proposal.

10 (3) The Director may waive the fees specified in paragraphs (1) and (2) of this subsection if
11 the interests of the Port or the specific merits of the project would warrant such a waiver. In considering
12 whether to grant a waiver, the Director will consider the magnitude of costs versus benefits of such a
13 waiver.

14 **5.3 Contents and Format of Unsolicited Proposal and Competing Proposals**

15 (1) An Unsolicited Proposal or a Competing Proposal shall include all the information
16 specified under Exhibit 5.3 of this Rule, except as expressly waived by the Director.

17 (2) In addition to the information required under Exhibit 5.3, the Port may request from time
18 to time such additional information or materials from the proposer as the Port deems beneficial to
19 understanding or reviewing the proposal. If requested, failure to provide such information or material
20 shall be sufficient grounds for rejection of the proposal. In addition, the Port may undertake such
21 reference checks and make such other inspections of team members as the Port may find beneficial to
22 reviewing a proposal.

23 (3) All aspects of the proposal must comply with all applicable federal, state, and local laws
24 and regulations, including but not limited to the provisions of Chapter 710 Oregon Laws 2017 and this
25 Rule.

26 (4) A proposal submitted by a Private Entity must be signed by an authorized representative
27 of the Private Entity submitting the proposal.

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1 (5) The proposer shall clearly identify any Sensitive Business, Commercial, or Financial
2 Information in the proposal that the proposer considers exempt from public disclosure under Oregon
3 state law, as described in Section 10 of this Rule.

4 (6) All pages of a proposal shall be double-sided and numbered. Each copy of the proposal
5 will be bound or otherwise contained in a single volume where practicable. An electronic version of the
6 proposal and any supporting material submitted as part of the proposal shall also be provided.

7 **5.4 Additional Proposer Organizational Disclosure Requirements**

8 (1) In addition to the Organizational Disclosure Requirements under paragraph (2) of Exhibit
9 5.3, the Director or the Director’s designee may impose, after the submission of a proposal, any other
10 Organizational Disclosure Requirements the Director determines to be reasonably necessary to evaluate
11 the Team associated with a proposal. All proposers, and Team members and Key Persons associated with
12 a proposal, must complete and submit any required disclosure form prescribed by the Port within the
13 deadlines set by the Director or the Director’s designee, including any documents required in the
14 disclosure process. Failure to provide such disclosures or documents shall constitute sufficient grounds
15 for rejection of the proposal.

16 (2) All proposers must provide all the information required by this Rule. The Port may reject,
17 or require the supplementation of, a proposal if the proposer has not satisfied all Organizational
18 Disclosure Requirements, including providing duly executed disclosure forms requested by the Port, or if
19 any information provided is not accurate, current, or truthful. In addition, the Port may request any
20 supplemental information it deems beneficial to its review of a proposal. The failure or refusal of any
21 proposer to properly execute, fully complete, or accurately report any information required by the Port
22 or provide additional information requested by the Port shall be sufficient grounds for rejection of the
23 proposal.

24 (3) Any change in the status of the proposer, the Team, the identity of any of the Key Persons,
25 or the addition of any Key Persons must be reported to the Port within thirty (30) calendar days of the
26 known change, and those whose status has changed or who have been added as Key Persons will be
27 required to submit the required Organizational Disclosure Requirement information. For purposes of this
28 section, a “change in the status of a proposer” includes reorganization of the business structure or

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1 corporate structure of the proposer, Team Member, or a Major Partner amounting to a transfer of over
2 twenty five percent (25%) of the entity's ownership.

3 (4) The burden of satisfying the Organizational Disclosure Requirements, both in terms of
4 producing the disclosures and assuring their accuracy and completeness, resides with each proposer.

5 (5) Each proposer and Team member by submitting a proposal, including but not limited to
6 information and forms satisfying Organizational Disclosure Requirements, thereby accepts all risk of
7 adverse public notice, damages, financial loss, criticism, or embarrassment that may result from any
8 disclosure or publication of any material or information required or requested by the Port in connection
9 with the proposer's submission of a proposal. In submitting a proposal or being a member of the Team,
10 the proposer or member of the Team expressly waives, on behalf of itself, its partners, joint venturers,
11 officers, employees, representatives, and agents, any claim against the Director, the Commission, the
12 Port, and their officers, representatives, and agents, employees, for any damages that may arise
13 therefrom.

14 **6. PROCESSING OF UNSOLICITED PROPOSALS**

15 **6.1 Preliminary Assessment of Unsolicited Proposal**

16 (1) Subject to receipt of the proper fee under subsection 5.2 and the inclusion of an
17 Acknowledgement of the Rules, an Unsolicited Proposal will be reviewed by an Initial Review Committee
18 (IRC) appointed by the Director. If the proper fee payment or Acknowledgement of the Rules was not
19 included with the Unsolicited Proposal, the proposer shall be notified and, if the proper fee and/or
20 Acknowledgement of the Rules is not received within three (3) business days of transmitting such
21 notification, the proposal shall be rejected and shall not be eligible for resubmission to the Port for a
22 period of ninety (90) days from the date of the Port notice under this paragraph (1) of this subsection.

23 (2) If the proper fee and Acknowledgement of the Rules for the Unsolicited Proposal is
24 provided, the IRC will assess the completeness of the Unsolicited Proposal, including compliance with all
25 applicable provisions of this Rule; and will preliminarily assess the qualifications of the proposer, the
26 feasibility of the proposal, and the public benefit of the proposal. The purpose of this initial assessment is
27 limited to determining whether the Unsolicited Proposal merits further consideration under this Rule.

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1 (3) Within forty-five (45) days from receipt of the Unsolicited Proposal or, if later, the
2 applicable fee and Acknowledgement of the Rules, unless otherwise extended by the Director, the IRC will
3 report the results of its assessment to the Director. Prior to reporting its assessment, the IRC may request
4 additional information from the proposer, and may take any additional information received from the
5 proposer into account in making its assessment.

6 (4) The Director will review IRC assessment and formulate his or her recommendation to the
7 Commission regarding whether the Unsolicited Proposal merits further consideration. The Director's
8 recommendation shall consider the recommendation of the IRC but is not required to follow the IRC
9 recommendation. In making his or her recommendation, the Director shall consider compliance with all
10 applicable provisions of this Rule, the preliminary assessment of the qualifications of the proposer and
11 the Team, the feasibility of the proposal, and the public benefit of the proposal.

12 (5) If the Director determines an Unsolicited Proposal is incomplete or otherwise not
13 responsive with the requirements of this Rule:

14 (a) The Director shall promptly convey to the proposer a "Notice of an Unresponsive
15 Submission";

16 (b) A proposer receiving a Notice of an Unresponsive Submission shall have five (5)
17 Business Days from the date of receipt of the notice to appeal in writing to the Port. The written appeal
18 shall explain in detail why the Notice of an Unresponsive Submission was issued in error; and

19 (c) If appealed, the Commission shall hear the appeal at the first Commission
20 meeting following the Port's receipt of the appeal. The Commission's review of the appeal shall be limited
21 to the errors enumerated in the written appeal. If the Director's determination is upheld by the
22 Commission, the Unsolicited Proposal will be rejected. If the Director's determination is reversed by the
23 Commission, the Director shall make a recommendation on the preliminary assessment of the merits of
24 the Unsolicited Proposal under paragraph (6) of this subsection.

25 (6) If an Unsolicited Proposal is deemed complete and responsive to this Rule, the Director
26 shall make a recommendation as to the merits of further considering the proposal. In making his or her
27 recommendation of the merits, the Director shall consider, the preliminary assessment of the
28 qualifications of the proposer and the Team, the feasibility of the proposal, and the public benefit of the

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1 proposal. The Director shall transmit his or her written recommendation to the Commission and to the
2 proposer; and:

3 (a) If the recommendation is to reject the proposal for further consideration, the
4 proposer can appeal the recommendation by providing written notice to the Director within five (5)
5 Business Days. The written appeal shall explain in detail why the recommendation of the Director is in
6 error;

7 (b) If appealed, the Commission shall hear the appeal at the same Commission
8 meeting at which the Commission considers the recommendation of the Director. At such Commission
9 meeting, the Director shall present his or her recommendation, including the reasons for the
10 recommendation. Following the report of the Director, the proposer shall present its appeal, which shall
11 be limited to the errors enumerated in the proposer's written appeal.

12 (c) At such time as the Commission deems it has sufficient information, the
13 Commission shall approve or overturn the recommendation of the Director. If the recommendation of the
14 Director is:

15 (A) Approved by the Commission, the Unsolicited Proposal will be rejected
16 and not receive any further consideration.

17 (B) Overturned by the Commission, the Unsolicited Proposal will continue to
18 be reviewed and Competing Proposals will be invited under subsection 6.3.

19 (7) At any time prior to the selection of Competing Proposals for detailed review under
20 subsection 6.4, the Port may, from time to time, require or permit proposers of an Unsolicited Proposal
21 to submit revisions, clarifications to, or supplements of their previously submitted Unsolicited Proposals.
22 The Port may, in the exercise of this authority, require a proposer to add or delete features, concepts,
23 elements, information, or explanations that were not included in the initial proposal. Failure to respond
24 to such a request shall constitute sufficient grounds to reject the proposal.

25 **6.2 Commission Action whether to Further Consider an Unsolicited Proposal**

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1 (1) At the first regular meeting of the Commission following a recommendation by the
2 Director under paragraph (6) of subsection 6.1, the Commission shall review the recommendation of the
3 Director and:

4 (a) Find that the Unsolicited Proposal merits further consideration and direct staff to
5 solicit Competing Proposals;

6

7 (b) Find the Unsolicited Proposal does not merit further consideration;

8 (c) Request additional information from the Director or the proposer before
9 determining whether the Unsolicited Proposal merits further consideration; or

10 (d) Require further public hearings or meetings before determining whether the
11 Unsolicited Proposal merits further consideration.

12 (2) In making the finding to further consider or terminate consideration of the Unsolicited
13 Proposal, the Commission shall take into account the completeness of the Unsolicited Proposal, including
14 compliance with all applicable provisions of this rule; and the preliminary assessment of the qualifications
15 of the proposer, feasibility of the proposal, and public benefit of the proposal.

16 (3) If the Commission finds that the Unsolicited Proposal does not merit further
17 consideration, the Commission shall direct the Director to so notify the proposer of the Unsolicited
18 Proposal and to cease any further consideration of the proposal.

19 (4) If the Commission finds that the Unsolicited Proposal merits further consideration and
20 directs staff to seek Competing Proposals, the Commission shall direct the Director to so notify the
21 proposer of the Unsolicited Proposal and to commence the solicitation of Competing Proposals as set
22 forth in subsection 6.3.

23 (5) If the Commission finds that the Unsolicited Proposal merits further consideration and
24 directs staff to begin Direct Negotiations, the Commission shall direct the Director to so notify the
25 proposer of the Unsolicited Proposal and to commence Direct Negotiations regarding an Agreement
26 under Section 9.

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1 6.3 Process for Soliciting Competing Proposals

2 (1) Within ten (10) business days of the Commission’s finding to further consider an
3 Unsolicited Proposal under paragraph (4) in subsection 6.2, the Port shall provide public notice inviting
4 Competing Proposals (“Request for Competing Proposals”); the public notice shall:

5 (a) Be published in the Daily Journal of Commerce and any other applicable
6 publications determined by the Director, upon such electronic website providing for general public access
7 as the Port may develop for such purpose, and in any such other manners as the Port finds beneficial to
8 fostering qualified Competing Proposals;

9 (b) Be provided to the chief executive of any county or city in which the Project will
10 be located, any person or entity that expresses in writing to the Port an interest in the subject matter of
11 the Unsolicited Proposal, the ODOT Region 1 Director, and the WSDOT Southwest Washington Region
12 Director;

13 (c) Outline the general nature and scope of the Unsolicited Proposal;

14 (d) Invite the submission of Competing Proposals;

15 (e) Specify that the requirements set forth for an Unsolicited Proposal under Section
16 5 and other provisions of this Rule must be met, any additional requirements that must be met, and any
17 additional criteria or processes that will be used to evaluate the proposals; and

18 (f) Specify the date, time, and location at which any Competing Proposal must be
19 submitted.

20 (2) The Port shall not consider any Competing Proposals received after the expiration of the
21 time period stated in the notice or at a location other than the location stated in the notice, nor shall the
22 Port consider any Competing Proposal failing to satisfy all the requirements set forth in the notice and
23 this Rule. If a Prequalification Resolution provides that one or more members of a Team involved in a
24 Competing Proposal must be prequalified, the Port shall not consider any Competing Proposal that that
25 has any such member or members of the Team that have not been prequalified.

26 6.4 Completeness Review of Competing Proposals

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1 (1) Within fifteen (15) business days from the expiration of the submission period set forth
2 in the notice under subsection 6.3, unless otherwise extended by the Director, the IRC shall provide to the
3 Director a completeness assessment of all Competing Proposals received by the Port within the
4 submission period set forth in the notice and with the proper fee. This completeness assessment will focus
5 solely on whether a Competing Proposal meets all requirements under this Rule for a Competing Proposal
6 and any additional requirements set forth in the notice under subsection 6.3; this completeness
7 assessment will not address the merits of the Competing Proposals.

8 (2) Taking into consideration the assessment prepared by the IRC under paragraph (1) of this
9 subsection 6.4, the Director shall determine whether each Competing Proposal is complete and
10 responsive to the Port's requirements or incomplete or unresponsive to the Port's requirements. The
11 director shall notify the proposers of the Unsolicited Proposal and each Competing Proposal of the
12 Director's determination.

13 (3) Competing Proposals that are complete and responsive to this Rule will be subjected to
14 the detailed evaluation described in Section 7.

15 (4) The Director shall promptly convey to the proposer of a proposal found to be incomplete
16 or unresponsive a Notice of an Unresponsive Submission and notify the Commission of any such notices.
17 Any proposer receiving a Notice of an Unresponsive Submission shall have five (5) business days from the
18 date of receipt of the notice to appeal in writing to the Port. The written appeal shall explain in detail why
19 the Notice of an Unresponsive Submission was issued in error.

20 (5) The Commission shall hear the appeal at the first Commission meeting following receipt
21 of the appeal. The Commission's review of the appeal shall be limited to the errors enumerated in the
22 written appeal. If the Director's determination is upheld by the Commission, the subject Competing
23 Proposal will be rejected and no longer considered. If the Director's determination is reversed by the
24 Commission, the Competing Proposal will continue to be reviewed under Section 7.

25 (6) The Port may, from time to time after a Competing Proposal is submitted, request that
26 clarifying information, including but not limited to additional Organizational Disclosure Requirements,
27 regarding the Competing Proposal be provided to the Port. Failure to provide such clarifying information
28 within a reasonable time period following the Port's request may constitute grounds to terminate
29 consideration of the Competing Proposal.

1 **7. EVALUATION OF PROPOSALS**

2 **7.1 Applicability**

3 The regulations of this Section 7 shall apply to all Unsolicited Proposals and Competing Proposals
4 selected for detailed evaluation. Unless otherwise provided in a Solicitation Document, the regulations of
5 this Section 7 shall apply to all Solicited Proposals that are selected for detailed evaluation.

6 **7.2 Authority Retained by Port during the Evaluation of Proposals to Request Refinements to**
7 **Proposals and Additional Information**

8 (1) At any time during the evaluation of proposals, the Port may issue on its website or
9 convey by email to proposers an addendum or addenda requesting additional explanations, the addition
10 or deletion of project features, alternative financing terms, additional Organizational Disclosure
11 Requirements, and other information not included in the initial proposals. The addendum or addenda
12 shall include a deadline for the submission of requested materials. The failure of a proposer to adequately
13 respond to such addenda shall constitute sufficient grounds to reject the applicable proposal.

14 (2) The Port may authorize, at its option, competitive negotiations with multiple proposers
15 as a means of selecting from among the proposals selected for detailed evaluation. The object of such
16 competitive negotiations, which the Port may conduct concurrently or serially with more than one
17 proposer, is to maximize the Port's ability to obtain best value and to permit proposers to develop revised
18 proposals. Therefore, the negotiations may include, but shall not be limited to:

19 (a) Informing proposers of deficiencies in their proposals;

20 (b) Notifying proposers of parts of their proposals for which the Port would like
21 additional information; and

22 (c) Otherwise allowing proposers to develop revised proposals that will permit the
23 Port to obtain the best proposal. The scope, manner, and extent of negotiations with any proposer are
24 subject to the discretion of the Port. To the extent permitted by law, the Port may (i) conduct negotiations
25 with proposers before information about the subject proposals is made available to the public and (ii) not
26 publicly disclose the content of the negotiations. In conducting these negotiations, the Port:

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1 (A) Shall not engage in conduct that favors any proposer over another;

2 (B) Shall not reveal to another proposer a proposer's Sensitive Business,
3 Commercial, or Financial Information; and

4 (C) Shall not reveal to another proposer a proposer's price (or pricing
5 information) or business terms,

6 **7.3 Evaluation Panel**

7 (1) Each proposal deemed to be complete and responsive to these Rules and, if applicable, a
8 Solicitation Document or Request for Competing Proposals, shall be evaluated by an Evaluation Panel
9 established by the Director.

10 (2) The Evaluation Panel shall be of such size and composition as the Director determines is
11 in the best interest of achieving a fair and technically sound assessment of the proposals, and may be
12 comprised of such Port staff or officials, state and local staff or officials, public representatives,
13 consultants, or other advisers as the Director may determine.

14 (3) In evaluating Solicited Proposals, the Evaluation Panel shall employ the evaluation
15 process and criteria set forth in the Solicitation Documents. In evaluating an Unsolicited Proposal or
16 Competing Proposal, the Evaluation Panel shall employ the evaluation process and criteria set forth in
17 these Rules and, if any, in the Request for Competing Proposals. The Evaluation Panel may incorporate
18 such additional criteria and processes as it deems beneficial to its evaluation, including without limitation,
19 reference checks, evaluation criteria, or scoring methodology, provided that such process, methodologies,
20 or criteria shall be in writing, approved by the Director, and made publicly available at the time the
21 recommendation of the Director is released to the Commission pursuant to subsection 8.2. In all instances,
22 the Evaluation Panel must consider the factors set forth in paragraph (1) of subsection 7.4.

23 (4) The Evaluation Panel may ask for such additional information from proposers, interviews
24 with proposers, outside technical advice, and public input as it deems helpful to its evaluation.

25 (5) Upon the completion of its report, the Evaluation Panel shall transmit to the Director a
26 final report and any supporting materials the Evaluation Panel deems relevant. To the extent permitted

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1 by law, the report of the Evaluation Panel, including any documentation in connection with its
2 preparation, shall not be subject to public disclosure until such time as the Director issues his or her
3 recommendation under subsection 8.2, at which time the report will be made public; provided, however,
4 the Port may redact from the from the publicly disclosed recommendation report any Sensitive Business,
5 Commercial or Financial Information permitted by law.

6 7.4 Factors to be considered in the Evaluation

7 (1) In evaluating proposals for a Bridge Project, the following factors must be considered
8 pursuant to Chapter 710 Oregon Laws 2017:

9 (a) The estimated cost of the Bridge Project;

10 (b) The qualities of the design that the proposer submits, if appropriate, including:

11 (A) The structural integrity of the design and how the design will likely affect
12 future costs of maintaining the bridge;

13 (B) The aesthetic qualities of the design and other aspects of the design such
14 as the width of lane separators, landscaping and sound walls;

15 (C) The traffic capacity of the design;

16 (D) Aspects of the design that affect safety, such as lane width, the quality of
17 lane markers and separators, the shape and positioning of ramps and curves and changes in elevation;
18 and

19 (E) The ease with which traffic will pass through any toll collection facilities;

20 (c) The extent to which the bridge project will involve small businesses. The Port shall
21 encourage small businesses to participate in the bridge project to the maximum extent that the port
22 determines is practicable. As used in this paragraph “small business” means an independent business with
23 fewer than 20 employees and with average annual gross receipts during the last three years of not more
24 than \$1 million for construction firms and not more than \$300,000 for businesses that are not construction
25 firms; however, small business does not include a subsidiary or parent company that belongs to a group
26 of firms that the same individuals own or control and that have average aggregate annual gross receipts

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1 during the last three years in excess of \$1 million for construction firms or \$300,000 for firms that are not
2 construction firms;

3 (d) The proposer’s financial stability and ability to provide funding for the Bridge
4 Project or Bridge Project Activity and obtain, or act as, a surety for the proposer’s performance and
5 financial obligations with respect to the Bridge Project or Bridge Project Activity;

6 (e) The experience of the proposer and the proposer’s subcontractors in engaging in
7 bridge project activities of a size and scope similar to the proposed Bridge Project or Bridge Project
8 Activity;

9 (f) The terms of the financial arrangement that the proposer accepts or proposes
10 with respect to franchise fees, license fees, lease payments, or operating expenses and the proposer’s
11 required rate of return from engaging in the bridge project activity; and

12 (g) The terms that the proposer offers for engaging in the bridge project activity,
13 including:

14 (A) The amount of proposed tolls and administrative fees;

15 (B) Schedules for altering tolls and administrative fees; and

16 (C) Any restrictions or conditions on future increases in tolls or
17 administrative fees.

18 (2) In addition to the factors in paragraph (1) of this subsection, the Evaluation Panel may
19 take into consideration any additional factors it deems relevant, such as those enumerated in Exhibit 7.4.

20 **7.5 Proposer Presentations**

21 (1) At any time during this evaluation process, and from time to time, the Evaluation Panel
22 may request proposers to make presentations to the Evaluation Panel. Proposers shall be afforded not
23 less than ten (10) business days following written notification from the Evaluation Panel to prepare such
24 presentations. If there is an issue to which the proposer is unable to respond during the formal
25 presentation, the Evaluation Panel may, at its discretion, grant the proposer a reasonable period of time
26 in which to submit a written response.

27 (2) The format of these presentations will include a formal presentation by the proposer,
28 followed by any questions the Evaluation Panel may have pertaining to the Project, proposal or the

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1 presentation. The Evaluation Panel is not limited to asking the same or similar questions to each proposer.
2 These meetings are intended to allow the Evaluation Panel to seek clarification of Project elements and
3 complete deliverable requirements, and provide proposers with the opportunity to further explain their
4 proposal.

5 **8. Director’s Recommendation and Commissions Review and Selection of Proposals**

6 **8.1 Applicability**

7 The regulations in this Section 8 shall apply to all Unsolicited Proposals and Competing Proposals
8 selected for detailed evaluation. In addition, unless otherwise provided in a Solicitation Document, the
9 regulations of this Section 8 shall apply to all Solicited Proposals that are selected for detailed evaluation.

10 **8.2 Director’s Recommendation to the Commission**

11 (1) Following receipt of the Evaluation Panel report under paragraph (5) of subsection 7.3,
12 the Director shall determine if the report is sufficient for the Director to make his or her recommendation
13 to the Commission. If the Director finds that the report of the Evaluation Panel is insufficient to make a
14 recommendation, the Director shall ask the Evaluation Panel for such additional analysis as the Director
15 deems necessary to make a recommendation.

16 (2) Following the Director’s determination that the report of the Evaluation Panel is sufficient
17 to make a recommendation, the Director shall prepare his or her recommendation to the Commission,
18 which may include a recommendation to:

19 (a) Reject all proposals and terminate the process;

20 (b) Select one proposal for negotiations, and reject all other proposals;

21 (c) Select one proposal for negotiations, and retain one or more other proposals for
22 possible future negotiations if the initial negotiations are not successfully concluded;

23 (d) Select two or more proposals for Competing Negotiations; and reject all other
24 proposals;

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1 (e) Select one or more proposals for further refinement and evaluation before
2 determining if they should be subject to negotiations; or

3 (f) Such other recommendation as the Director may determine.

4 (3) Upon the completion of his or her recommendation report, the Director shall transmit
5 the report to the Commission along with any supporting materials the Director deems relevant; provided,
6 however, the Port may redact from the from the publicly disclosed recommendation report any Sensitive
7 Business, Commercial or Financial Information permitted by law.

8 **8.3 Commission Review and Selection of Proposals**

9 (1) The Commission shall review the recommendation and any supporting materials
10 forwarded by the Director under Section 8.2. If the Commission finds that recommendation or supporting
11 materials transmitted by the Director is insufficient to make a decision, the Commission shall ask the
12 Director for such additional information as the Commission deems necessary to make a decision.

13 (2) If the Commission finds the recommendation of the Director and the supporting materials
14 are sufficient for the Commission to take an action, the Commission as a whole or a sub-committee
15 appointed by the Commission shall review the recommendation and supporting material, including
16 holding any hearings the Commission deems in its best interest, and may approve, amend, or reject the
17 Director's recommendation, with or without conditions, continue or terminate the process of reviewing
18 proposals or preparing agreements, or take such other actions as the Commission deems in the best
19 interest of the Port.

20 (3) Any action by the Commission to approve or disapprove one or more proposals shall not
21 take effect until the completion of the appeal process set forth in Section 8.4.

22 (4) Promptly following a Commission action to reject one or more proposals, to reject one or
23 more proposals, the Port will give, electronically or otherwise, written notice to all participating proposers
24 of the Port's action.

25 **8.4 Appeals of Commission Action to Reject Proposals**

26 (1) A Commission action in which one or more proposals are rejected for further
27 consideration may be appealed by an adversely affected proposer in accordance with the provisions of

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1 this subsection 8.4. A properly filed appeal will be heard by the Commission or such other body or hearings
2 officer as the Commission may appoint. An appeal that is not fully consistent with the requirements of
3 this Rule shall not be heard.

4 (2) For purposes of this Rule, a protesting proposer is adversely affected by a Commission
5 action only if: (i) the proposer has submitted a proposal that is responsive to a Solicitation Document, a
6 Request for Competing Proposals, or the requirements of this Rule, as may be applicable, and (ii) the
7 proposal was rejected for further consideration by the Commission's action.

8 (3) To appeal a Commission action, an adversely affected proposer must submit to the
9 Director a written protest of the action stating the facts and explanations that demonstrate:

10 (a) The proposals approved for further consideration in the Commission's action
11 were not responsive to the requirements stated in the Solicitation Document, Request for Competing
12 Proposals, or this Rule, as applicable; or

13 (b) The Port committed a substantial violation of a provision in the requirements
14 stated in the Solicitation Document, Port's Request for Competing Proposals, or this Rule, as applicable,
15 or otherwise abused its discretion in evaluating the proposals.

16 (4) The written protest must be received by the Port no later than 5:00PM (Pacific Time) on
17 the 14th calendar day following the day on which the Port sent notice of the Commission action under
18 Section paragraph (4) of subsection 8.3. If the Port receives no written protest concerning the proposed
19 selection listing within the 14-calendar day period, then the Commission action automatically shall
20 become effective on the 15th calendar day following the day on which the Port sent notice of the
21 Commission action under paragraph (4) of subsection 8.3.

22 (5) In response to a protest that complies with the requirements of this rule, the Commission
23 will issue a written decision that resolves the issues raised in the protest. In considering a timely protest,
24 the Port may request further information from the protesting proposer and from other proposers
25 identified in the Port's notice issued under paragraph (4) of subsection 8.3. The Port will make its written
26 determination available, by mail or by electronic means, to all proposers identified in the Port's notice
27 issued.

28 **9. Agreements for Bridge Projects**

29 **9.1 Applicability**

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1 (1) The regulations of this Section 9 shall apply to all Unsolicited Proposals and Competing
2 Proposals selected for detailed evaluation. In addition, unless otherwise provided in a Solicitation
3 Document, the regulations of this Section 9 shall apply to all Solicited Proposals that are selected for
4 detailed evaluation.

5 **9.2 General Provisions Related to Agreements for Bridge Projects**

6 (1) Subject to its statutory authorities and this Rule, the Port may enter into one or more
7 Agreements with Private Entities for a Bridge Project or one or more Bridge Project Activities.

8 (2) Any proposal or proposals approved by the Commission for negotiation of an Agreement
9 shall be referred to a Negotiation Team appointed by the Director. The Negotiating Team shall be
10 responsible for negotiating the Agreement with the proposer. The Director may establish procedures,
11 protocols, policies, and criteria to be followed by the Negotiation Team, and may be a member of the
12 Negotiation Team. The Director may require the Negotiation Team to negotiate a Term Sheet for a
13 proposal that, subject to Commission approval, establishes the major terms for negotiating the
14 Agreement. Any Term Sheet prepared by the Negotiation Team shall be approved by the Commission and
15 used to complete any Agreements required by the Term Sheet.

16 (3) Subject to Commission approval, the Negotiation Team may enter:

17 (a) Direct Negotiations with one proposer for an Agreement, or a Term Sheet for an
18 Agreement, for a Bridge Project or Bridge Project Activity. The Director may establish an exclusivity period
19 for such negotiations. The Director in his or her discretion may, from time to time, extend such exclusivity
20 period. If the negotiations are not subject to an exclusivity period, the Director may, at any time during
21 the negotiations, terminate the Direct Negotiations or commence Competing Negotiations with one or
22 more other proposers.

23 (b) Competing Negotiations with multiple proposers for an Agreement, or a Term
24 Sheet for an Agreement, for a Bridge Project or a Bridge Project Activity. Such Competing Negotiations
25 may be sequential or concurrent, or a combination of sequential and concurrent. During the course of
26 such negotiations the Director may in his or her discretion, and from time to time, terminate one or more
27 of the Competing Negotiations, potentially resulting in Direct Negotiations with one proposer. If more
28 than one Competing Negotiation successfully yields an Agreement or Term Sheet for an Agreement, as
29 may be applicable, the Director shall evaluate the relative merits of the proposals in light of their related
30 Agreements or Term Sheets and recommend a preferred proposal for Commission approval.

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1 (4) Prior to commencing negotiations on an Agreement, the Port shall engage legal counsel
2 for the purpose of:

3 (a) Advising the Port on the legality of specific proposed partnerships and the legal
4 sufficiency of any Agreements;

5 (b) Advising the Port on the legal procedures and practices that are related to
6 implementing a Bridge Project in a Public-Private Partnership;

7 (c) Assisting the Port in negotiating agreements and preparing documents related to
8 a Public-Private Partnership;

9 (d) Advising the Port on accounting, investment and tax requirements that apply to
10 a Bridge Project the Port undertakes in a Public-Private Partnership; and

11 (e) Advising the Port concerning any relevant federal securities or other laws and
12 related disclosure requirements.

13 (5) The Negotiation Team shall transmit any final Term Sheets or Agreements to the Director
14 for his or her review and recommendation to the Commission.

15 (a) The Director may in his or her discretion establish such processes and criteria for
16 formulating the recommendation, provided in complies with the requirements of Section (2) of Chapter
17 710 Oregon Laws 2017, this rule, and, if applicable, the provisions in any related Solicitation Documents
18 or Requests for Competing Proposals.

19 (b) If not already completed, as part of the Director's final review of an Agreement,
20 Legal Counsel shall review the legal sufficiency of the Agreement under or Agreements and the legal
21 history/organization of the Team.

22 (c) Following the Director's endorsement of a Term Sheet or final Agreement or
23 Agreements, Legal Counsel's approval of the legal sufficiency of the Agreement or Agreements and legal
24 history of the Team, the Director shall transmit his or her recommendation on the Term Sheet or
25 Agreement or Agreements to the Commission for its approval.

26 **9.3 Specifications in an Agreement for a Bridge Project or a Bridge Project Activity**

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1 (1) Each Agreement shall define the rights and obligations of the Port and the respective
2 proposer with regard to the Bridge Project or Bridge Project Activity. At a minimum, an Agreement for a
3 Bridge Project with a Private Entity must include:

4 (a) At what point in the bridge project the public and private partners will assume
5 responsibility for specific elements of the bridge project;

6 (b) How the public and private partners will share costs and risks of the bridge
7 project;

8 (c) How the public and private partners will allocate financial responsibility for cost
9 overruns;

10 (d) Incentives to perform and penalties for a failure to perform an element of the
11 Bridge Project;

12 (e) Accounting and auditing standards for evaluating work on the Bridge Project; and

13 (f) Whether the Bridge Project is consistent with the applicable state, regional, and
14 local transportation plans and programs, and, if not, how and when the Bridge Project will become
15 consistent with such plans and programs.

16 (g) The account or accounts into which proceeds from tolls, administrative fees and
17 civil penalties from the bridge may be deposited. The account designated for the share of toll proceeds
18 received by the Port or another unit of government must be a depository that meets the requirements
19 set forth in ORS chapter 295. The account designated for the share of toll proceeds received by a Private
20 Entity shall be an insured institution, as defined in ORS 706.008.

21 (h) That the public has dedicated and unrestricted use of the bridge for the duration
22 of the bridge's functional life unless the port, a state government or the federal government declares an
23 emergency that forbids using the bridge; and

24 (i) That construction of the bridge project may not proceed until the Department of
25 Transportation has issued, in accordance with ORS 374.305, any permits that are necessary to connect
26 the bridge project to state highways.

27 (2) If an Agreement is for the sale or transfer of ownership of a Bridge or Bridge Project, the
28 Agreement shall provide that:

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1 (a) The sale or transfer is subject to an easement in favor of public use for the
2 duration of the functional life of the Bridge or Bridge Project;

3 (b) Other than for a sale or transfer to a subsidiary or affiliate of the seller, the Port
4 has a right of first refusal in any subsequent sale or transfer of the Bridge or Bridge Project under which
5 the seller must offer the Port a price, terms and conditions that are the same as or better than the price,
6 terms and conditions that the seller offers to any other prospective purchaser; and

7 (c) If the port declines to purchase the bridge or bridge project under paragraph (b)
8 of this subsection, the State has a right of first refusal that the state may exercise and under which the
9 seller must offer the State a price, terms and conditions that are the same as or better than the price,
10 terms and conditions that the seller offers to any other prospective purchaser.

11 (3) If the Agreement is for a Bridge Project Activity that is a Public Works under PRS 279C.800,
12 the Agreement shall require that:

13 (a) ORS 279C.380, 279C.385 and 279C.390 and 279C.800 to 279C.870 apply to the
14 Bridge Project Activity; and

15 (b) If the Agreement is for constructing, reconstructing, performing a major
16 renovation, or painting a Bridge Project, the Agreement must provide that those workers be paid in
17 accordance with ORS 279C.540 and 279C.800 to 279C.870.

18 (3) In addition to the specified requirements under this Rule, an Agreement for a Bridge
19 Project or a Bridge Project Activity may include such other terms as the Port finds beneficial and that are

20 **9.4 Consultation with State Agencies, Local Government in Oregon and Washington**

21 (1) As part of its evaluation of a proposal submitted under these rules, the Port will consult
22 with appropriate state agencies and local governments in Oregon and Washington. Consultation under
23 this Rule will occur in such manner and at such time as the Port considers appropriate in the particular
24 circumstance, and may include:

25 (a) An informal information-sharing opportunity prior to completion of the Port's
26 evaluation of the proposal;

27 (b) Solicitation of comments from the appropriate state agencies and local
28 governments in Oregon and Washington; and

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1 (c) Any additional method(s) of consultation appropriate under the circumstances.

2 **9.5 Port Approval of Major Subcontractors**

3 (1) Prior to the execution of any Agreement with a proposer, the proposer must provide to
4 the Director or his or her designee, for review, a list of all Major Subcontractors not included in the initial
5 proposal and all information regarding such Major Subcontractors required by this Rule or subsequent
6 requests by the Port.

7 (a) All subcontractors, whether a Major Subcontractor or not, must be legally eligible
8 to perform or work on public contracts under federal and Oregon law and regulations. No subcontractor
9 will be accepted who is on the list of contractors ineligible to receive public works contracts under ORS
10 279C.860.

11 (b) During performance of the contract, the proposer shall promptly notify the Port
12 of the engagement or disengagement of any Major Subcontractor.

13 (2) If the Director objects to any proposed Major Subcontractor, whether included in the
14 initial proposal or added pursuant to paragraph (1) of this subsection, the Director may require the
15 proposer to submit for Port review an acceptable substitute subcontractor before transmitting the
16 Agreement to the Commission for final approval. The Director, in his or her reasonable discretion, shall
17 establish and, from time to time amend, a deadline for providing the Port, for Port review, an acceptable
18 substitute subcontractor. A proposer's failure to submit an acceptable substitute within the deadline will
19 constitute sufficient grounds for the Port to refuse to execute an Agreement without incurring any liability
20 for the refusal. If the substitute subcontractor is approved by the Port, the Port may revise the proposed
21 Agreement to account for any differences necessitated by the substitution.

22 **9.6 Commission Review of Term Sheet or Final Agreement**

23 (1) The Commission shall begin considering whether to approve the Term Sheet, Agreement,
24 or Agreements recommended by the Director under paragraph (5) of subsection 9.2 at the first
25 Commission meeting following receipt of the Director's recommendation. The Commission shall hold such
26 work sessions, public hearings, briefings, and discussions on the Term Sheet, Agreement, or Agreements
27 as the Commission that the Commission finds beneficial to its deliberations.

28 (2) Following completion of its review of the Director's recommendation and the Term Sheet,
29 Agreement, or Agreements, the Commission shall:

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- 1 (a) Approve the Term Sheet, Agreement, or Agreements;
- 2 (b) Reject the Term Sheet, Agreement, or Agreements; or
- 3 (c) Return the Term Sheet, Agreement, or Agreements to the Director or
- 4 Negotiation Team for further negotiations or clarifications on issues the Commission specifies.

5 **10. Public Disclosure and Public Records Requests**

6 **10.1 Designation of Sensitive Business, Commercial or Financial Information**

7 (1) By submitting a proposal, the proposer acknowledges and accepts that, as a public entity,

8 the Port must comply with and will comply with public disclosure requirements under ORS 192.410, et

9 seq. Upon written request and within a reasonable time, the Director or his designee will provide records

10 relating to Bridge Project or Bridge Project Activity proposals for public inspection in accordance with ORS

11 Chapter 192, unless the records are otherwise exempt from public disclosure under Oregon law and this

12 Rule.

13 (2) A proposer may seek an exemption from public disclosure of Sensitive Business,

14 Commercial, and Financial Information provided to the Port for the purpose of evaluating a proposal for

15 a Bridge Project or Bridge Project Activity if such information is:

16 (a) Submitted in confidence, not customarily provided to business competitors, and

17 not otherwise required by law to be submitted, where such information should reasonably be considered

18 confidential, and the public interest would suffer by the disclosure; or

19 (b) A trade secret under ORS 192.501(2) and ORS 646.461 through ORS 646.475; or

20 (c) Of a personal nature that if disclosed would constitute an unreasonable invasion

21 of privacy, or

22 (d) Otherwise exempt from public disclosure under Oregon law.

23 (3) The terms of a proposed or final Agreement between the Port and a Private Entity are

24 subject to public disclosure.

25 (4) To seek an exemption from public disclosure of Sensitive Business, Commercial, or

26 Financial Information, the proposer must comply with the following:

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1 (a) Each individual page submitted with such information, whether included in the
2 proposal or otherwise submitted in connection with the proposal, shall have a statement in bold and
3 underline text on the top of the page providing the sections or paragraphs on the page considered to be
4 Sensitive Business, Commercial, or Financial Information; and

5 (b) The proposal shall include a table showing the page number of each page in the
6 proposal containing such information.

7 (5) The Port may at any time, and from time to time, make a written request to the proposer
8 to justify designating information as Sensitive Business, Commercial, or Financial Information. The
9 proposer shall have five (5) business days from the date of the Port's request to respond in writing to the
10 request. Failure to respond in writing within the required time may be grounds for the Port to provide
11 public disclosure of the information.

12 (6) Notwithstanding a proposer's designation of information as constituting Sensitive
13 Business, Commercial, or Financial Information, or a proposer's written justification for such designation,
14 the Port, when responding to a public records request, will independently assess whether the information
15 constitutes Sensitive Business, Commercial, or Financial Information that is exempt from public disclosure.
16 In determining whether the information is exempt from disclosure, the Port will consider the evidence
17 and objections to disclosure presented by the proposer, but as custodian of the records or information,
18 the Port must make the initial determination of the records that may be withheld from disclosure.

19 **10.2 Public Records Requests**

20 (1) Upon written request and within a reasonable time, the Director or his designee will
21 provide records relating to Bridge Project or Bridge Project Activity proposals for public inspection in
22 accordance with ORS Chapter 192, paragraph 4(a) of Section 2 of Chapter 710 Oregon Laws 2017, and this
23 Rule.

24 (2) The Port may charge fees to cover its reasonable and actual costs in responding to public
25 records requests. Such costs may include but are not limited to costs associated with locating records,
26 separating exempt from nonexempt records, monitoring the requester's inspection of requested records,
27 copying records and delivering copies of requested records. The Port may charge fees calculated to
28 reimburse it for its reasonable and actual costs as authorized by the relevant provisions of the Public
29 Records Law.

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1 (3) The Port will prepare an estimate of the costs of responding to any request for public
2 records as required by ORS 192.440(1)(c), and may prepare an estimate of costs in other circumstances.
3 The Port may require payment of all or a portion of the estimated costs before acting on the request.

4 (4) Records related to a proposal for a Bridge Project or Bridge Project Activity submitted to
5 the Port under this Rule are exempt from public disclosure until the Commission has selected one or more
6 proposals for negotiation of an Agreement, unless the Director determines that an earlier time is in the
7 Port's best interest.

8 (5) Notwithstanding paragraph (4) of this subsection, Sensitive Business, Commercial or
9 Financial Information is exempt from disclosure unless and until the records or information contained in
10 them is submitted to the Commission in connection with its review and approval of a proposal, Term
11 Sheet, or final Agreement for a Bridge Project or Bridge Project Activity. To the extent required by law,
12 the Port will permit public disclosure of any Sensitive Business, Commercial, or Financial Information
13 submitted to the Commission in connection with its review and approval of a proposal, Term Sheet, or
14 final Agreement for a Bridge Project or Bridge Project Activity. No less than five (5) business days prior to
15 submitting any Sensitive Business, Commercial, or Financial Information to the Commission that the Port
16 intends to publicly disclose, the Director shall notify the proposer of his or her intent to do so. No longer
17 than five (5) business days following receipt of the Director's notice:

18 (a) The proposer may (i) notify the Port that it disagrees with the Port's
19 determination that such Sensitive Business, Commercial, or Financial Information is required to be publicly
20 disclosed under applicable law and state its reasons for disagreeing, and (ii) concurrently institute
21 appropriate proceedings in its own behalf to protect the proposer's interests in preventing the disclosure
22 or maintaining the confidentiality of the information. The proposer shall be exclusively responsible for all
23 costs, expenses, and attorney fees incurred in taking any action to prevent the disclosure of information.
24 In such a case, unless the Port concurs with the proposer's reasons for retaining confidentiality or is
25 otherwise directed the District Attorney or court, the Port shall permit public inspection of the subject
26 Sensitive Business, Commercial, or Financial Information;

27 (b) The proposer may recommend an alternative to releasing the subject Sensitive
28 Business, Commercial, or Financial Information. In such instance, the Director shall consider the
29 proposer's alternative and decide which Sensitive Business, Commercial, or Financial Information to

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1 submit to the Commission based on his or her determination of the information required to satisfy the
2 Commission’s needs and applicable state laws; or

3 (c) The proposer may prevent the disclosure the Sensitive Business, Commercial, or
4 Financial Information by withdrawing its proposal from consideration.

5 (6) If the Port is served with a public records request for production of a document that
6 includes information marked by the proposer as Sensitive Business, Commercial, or Financial Information;
7 and

8 (a) If the Port agrees that such information is Sensitive Business, Commercial, or
9 Financial Information that is exempt from public disclosure, then the Port will redact the Sensitive
10 Business. Commercial, or Financial Information from the document before the Port permits inspection of
11 the records by the person making the request. By submitting a proposal the proposer thereby agrees that
12 if following a Port decision to redact information a District Attorney or a court later orders production of
13 the redacted information, the proposer shall pay for all costs resulting from such appeal to the District
14 Attorney or court, including any attorney fees imposed on the Port by its failure to provide the documents;
15 or

16 (b) If the Port does not agree that such information is Sensitive Business,
17 Commercial, or Financial Information exempt from public disclosure, the Port will inform the proposer of
18 its decision to disclose the information, giving the proposer no fewer than five (5) business days in which
19 to institute appropriate proceedings in its own behalf to protect the proposer’s interests in preventing the
20 disclosure or maintaining the confidentiality of the information. The proposer shall be exclusively
21 responsible for all costs, expenses, and attorney fees incurred in taking any action to prevent the
22 disclosure of information. In such a case, unless otherwise directed the District Attorney or court, the Port
23 shall permit public inspection of the Sensitive Business, Commercial, or Financial Information.

24 **11. Port Rights Reserved**

25 (1) The Port reserves all rights available to it by law in administering these rules, including
26 without limitation, the right in its sole discretion to:

27 (a) Reject any and all proposals at any time.

28 (b) Terminate evaluation of any and all proposals at any time.

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- 1 (c) Suspend, discontinue and/or terminate agreement negotiations with any
2 proposer at any time prior to the actual authorized execution of such agreement by all parties.
- 3 (d) Negotiate with a proposer without being bound by any provision in its proposal.
- 4 (e) Request or obtain additional information about any proposals or members of a
5 Team.
- 6 (f) Issue addenda to and/or cancel any Request for Competing Proposals, RFP, or
7 RFQ.
- 8 (g) In accordance with the applicable laws, revise, supplement, or withdraw all or any
9 part of these Rules.
- 10 (h) Decline to return any and all fees required to be paid by proposers hereunder.
- 11 (i) Request revisions to proposals.
- 12 (2) Except as otherwise provided for in a Solicitation Document or a resolution approved by
13 the Commission:
- 14 (a) By submitting a proposal or qualifications or any other information to the Port,
15 whether solicited or unsolicited, the submitter thereby waives any claim for any reimbursement of the
16 costs and expenses of making the submission or any follow up activities in connection with the submission;
17 and
- 18 (b) Neither the Commission, Director nor the Port, its employees, representatives, or
19 agents are liable for, or obligated to reimburse the costs incurred by proposers in developing proposals
20 or in negotiating agreements. In its sole discretion, the Port may, in a Solicitation Document or in a
21 resolution, provide for the possibility of payment for work product developed by a proposer in the course
22 of developing a proposal.
- 23 (3) Any and all information the Port makes available to proposers shall be as a convenience
24 to the proposer and without representation or warranty of any kind. If a proposer has a question regarding
25 application of these rules, the proposer may submit the question in writing to the Director or his designee.
- 26 (4) The Port reserves the right to waive or to permit the correction of minor or technical
27 violations of this Rule. The Port will not grant relief under this section in any case that involves the
28 submission of competitive proposals or competitive responses in which granting the relief would give the

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1 entity or person applying for relief a material competitive advantage that is not made available to its
2 competitors.

3 (5) The Port reserves the right to extend any deadline or time within which a proposer or the
4 Port must take any action required or permitted this rule if the affected proposer applies in writing for
5 relief to the Port and demonstrates in that application that special circumstances warrant the grant of
6 such relief. For the purpose of this subsection, special circumstances that warrant the grant of relief
7 include practical exigencies that reasonably can be regarded as imposing a substantial, practical
8 impediment to the proposer's ability to meet the deadline or achieve the correction of a violation of rules.
9 The grant or denial of relief under this rule must be determined by the Director or his designee.

10 (6) By submitting a proposal, a proposer thereby waives and relinquishes any claim, right in
11 or expectation that the proposer may assert against the Commission, the Port, or its members, officers,
12 representatives and employees, that the proposer may occupy, use, profit from, or otherwise exercise
13 any prerogative with respect to any route, corridor, right of way or public property identified in the
14 proposal as being involved in or related to the proposed Bridge Project. A proposer may obtain no right
15 to claim exclusivity or the right of use with respect to any such route, corridor, right-of-way, or public
16 property by virtue of having submitted a proposal that proposes to use or otherwise involve or affect it.

17 (7) By submitting a proposal, a proposer thereby waives and relinquishes, as against the
18 Commission, the Port, and their members, officers, representatives, and employees, any right, claim,
19 copyright, proprietary interest or other right in any proposed location, site, route, corridor, right of way
20 or alignment or configuration identified in the proposal as being involved in or related to the proposed
21 Bridge Project. This waiver does not apply, however, to a proposer's rights regarding any documents,
22 designs and other information and records that constitute Sensitive Business, Commercial, or Financial
23 Information.

24 (8) The Commission may, at any time, suspend its receipt and consideration of all Unsolicited
25 Proposals, by approving a resolution that: (i) declares that the Port has suspended the acceptance and
26 consideration of all Unsolicited Proposals and (ii) specifies either the term of the suspension or that the
27 suspension will continue until recalled by a subsequent resolution of the Commission. Commencing on
28 the effective date of the suspension resolution, the Port will refuse to accept Unsolicited Proposals and
29 may, as stated in the resolution, cease further processing and consideration of any Unsolicited Proposals
30 then currently under consideration by the Port. By submitting an Unsolicited Proposal, each proposer

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1 thereby waives and relinquishes every claim of right, entitlement, or expectation that the processing and
2 consideration of its proposal will not be subject to suspension under this Rule. The Port, the Commission,
3 and their officers and employees, shall have no responsibility or liability of any nature for the preservation,
4 confidentiality or safekeeping of any proposal that is subject to a suspension under this rule and is
5 submitted to the Port while that suspension is in effect.

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1 EXHIBIT 5.3

2 CONTENT AND FORMAT REQUIREMENTS FOR UNSOLICITED AND COMPETING PROPOSALS

3 An Unsolicited Proposal or Competing Proposal shall include the following information, except as
4 expressly waived or amended by the Port, separated by tabs as herein described.

5 (1) Cover Letter

6 The Cover Letter shall not exceed two (2) pages, must be signed by an authorized
7 representative of the Team, and must include:

8 (a) The name of the Managing Entities and Ownership Entities included in
9 the proposal;

10 (b) A short summary of the of the proposal;

11 (b) The name and contact information of the designated contact person for
12 purposes all communications with the Port regarding the proposal;

13 (d) The following statement verbatim: *“As the authorized representative of*
14 *the Team, I hereby acknowledge and agree on behalf of the Team to all terms and conditions set forth in*
15 *the Port of Hood River’s rule regarding Public-Private Partnerships for a Bridge Project or Bridge Project*
16 *Activity;”* (the “Acknowledgment of the Rules”) and

17 (e) Any additional information the proposer deems beneficial to the Port’s
18 consideration of the proposal.

19 (2) TAB 1: Organizational Disclosure Requirements.

20 (a) Identify the Team anticipated to undertake the proposal, including each
21 Managing Entity, Ownership Entity, and each Major Subcontractor identified at the time of the proposal.
22 For each of these entities:

23 (i) Identify the Major Partners and Key Persons in the entity;

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1 (ii) Provide the names, addresses, telephone numbers, and email
2 addresses of persons within the entity who may be contacted for further information;

3 (iii) Describe the length of time in business, and the entity's
4 experience in similarly sized transportation projects and public-private partnerships in which it had a
5 similar role. Describe each similarly sized transportation project and each public-private partnership the
6 entity was involved with during the past ten (10) years, whether or not successfully completed. For each
7 include the name, address, telephone number, and email address of a specific contact person at the public
8 entity. For each project or public-private partnership that was not successfully completed, describe why
9 the project or partnership was not successful.

10 (iv) Include the resumes for those managerial persons that will likely
11 be associated in a significant way with the proposal; and

12 (v) Provide financial information regarding the entity demonstrating
13 its financial ability to perform its obligations or responsibilities under the proposal. If available, provide
14 the most recent independently audited financial statement of the entity.

15 (b) Describe the legal organization of the team, and the management
16 structure of the team, including major decision-making, quality control, and reporting relationships.

17 (c) Submit an executed Conflict of Interest Disclosure Forms (see Exhibit XXX)
18 for each Managing Entity, Ownership Entity, and Major Subcontractor.

19 (d) For each Managing Entity, Ownership Entity, and Major Subcontractor,
20 provide the most recent ten-year history of its involvement in claims and litigation, including mediated or
21 arbitrated claims, arising out of past projects or under contracts in which the proceedings exceeded
22 \$1,000,000 in liability exposure or claim amount. Describe the nature of the claim or litigation and its final
23 (or current) disposition. Include information concerning whether (and the circumstances) the entity or
24 any Key Person in the entity has been:

25 (i) Convicted of any criminal offense in obtaining or attempting to
26 obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;

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1 (ii) Convicted under any state or federal statute of any other offense
2 indicating a lack of business integrity or improper business dealings;

3 (iii) Found liable for or settled for an amount \$500,000 or greater in
4 connection with obtaining or attempting to obtain a public or private contract or subcontract or its
5 performance under a contract or subcontract.

6 (3) TAB 2: Project Characteristics

7 (a) Provide a detailed description of the proposed Bridge Project or Bridge
8 Project Activity, including, if applicable, the use or disposition of the existing Bridge.

9 (b) For each of the following activities: overall project management, project
10 development, design and engineering, construction, maintenance and operations/tolling, and ownership,
11 describe the following:

12 (i) The entities responsible for managing and, if different,
13 performing the work;

14 (ii) How the activity is organized;

15 (iii) The scope of the work under the proposal;

16

17 (vii) The proposed responsibilities/obligations and rights/authorities
18 of the Port, ODOT, WSDOT, or other public entity for the activity; and

19 (viii) Any other material terms, conditions, or assumptions regarding
20 the activity.

21 (c) List the major assumptions underlying the Project and any critical factors
22 for the Project's success.

23 (d) Identify the proposed schedule for implementation of the Project.

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1 (e) Identify any significant assistance the proposal contemplates from the
2 Port, or other public entities, such as right-of-way acquisition, operation and maintenance responsibilities,
3 or responsibilities for obtaining permits or approvals.

4 (f) Identify any portions of the proposal that will not qualify for the public
5 contracting exemption under paragraph (4)(a) of Section 2 of Chapter 710 of Oregon Laws 2017.

6 (g) Describe the proposed tolling program for the Bridge Project, if any,
7 including:

8 (i) The proposed methods of and responsibilities for setting toll
9 rates, collecting tolls, and enforcing toll collection.

10 (ii) The assumed toll rate structure for the first year of operations,
11 for each classification of vehicles, method of toll collection, and, if applicable time of day and time of year,
12 including (and shown separately) any administrative or other fees to be collected in connection with the
13 toll;

14 (iii) The assumption regarding toll rate increases in future years,
15 including the assumed or estimated schedule for such increases, estimated or assumed amount of the toll
16 rate increase, and the process and protocols for how future toll rate increases will be approved and
17 implemented;

18 (iv) The role, if any, of the Port or other public entity in setting or
19 approving toll rates or toll rate increases; and

20 (v) Any limits, covenants, or criteria regarding the setting of toll rates
21 and toll rate increases that are proposed to be incorporated in the agreements with the Port, including
22 any terms or conditions regarding such limitations.

23 (vi) Include any traffic studies, forecasts, and related materials that
24 establish the toll revenue assumptions.

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1 (h) Identify any amendments to federal or state statutes or rules that are
2 required to implement the proposal, the party or parties responsible for securing such amendments, and
3 the schedule for doing so.

4 (4) TAB 3: Project Financing and Business Terms

5 (a) Provide a projected budget for the Project, and identify key assumptions
6 in the budget, risk factors, and methods of addressing the risk factors.

7 (b) Provide a detailed description of the financial plan for developing,
8 constructing, and operating the Bridge Project or Bridge Project Activity. Identify any proposed:

9 (i) Equity contributions by Private Entities anticipated to provide
10 such equity contributions, the nature of the equity contribution, and any material terms and conditions
11 regarding the private equity contribution;

12 (ii) Other Private Contributions included in the finance plan, such as
13 contributed services, the Private Entities anticipated to provide these other Private Contributions, and
14 any material terms and conditions of such contribution.

15 (iii) Bonds or other borrowings expected to be repaid with toll
16 revenues, and the material terms or assumptions underlying these borrowings;

17 (iv) Borrowings or credit enhancements not related to toll revenues
18 that are included in the finance plan, and the material terms or assumptions underlying these borrowings;

19 (v) Public funding contribution, whether by the Port, Washington,
20 Oregon, or the federal government, whether by grant, loan, credit enhancement, or other form of
21 financial contribution, and the material terms or assumptions underlying these contributions;

22 (vi) Other local, state, or federal resources, such as contributed
23 rights-of-way or other services, included in the finance plan; include the specific sources, timing, and how
24 obtained;

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1 (vii) Other components to the financial plan, including their material
2 terms, conditions, timing, and sources.

3

4 (c) Describe the nature of the commitment to complete the Bridge Project
5 or Bridge Project Activity the proposer anticipates making in the Agreement with the Port; including:

6 (i) Describe if the anticipated commitment in the Agreement to
7 undertake the Bridge Project or Bridge Project Activity is unconditional or contingent;

8 (ii) If the anticipated commitment is contingent, describe the
9 conditions precedent to making a binding commitment to complete the Bridge Project or Bridge Project
10 Activity, including the process, timing, criteria, and any other material factors associated with the
11 conditions precedent;

12 (iii) If the proposal includes a due diligence period for the proposer,
13 describe the scope of, and roles and responsibilities for, the due diligence period, including the parties
14 responsible for paying the costs and expenses of the due diligence; and

15 (iv) Any completion guaranties or warranties anticipated to be
16 included in the Agreement.

17 (d) Describe any payments or financial contributions proposed to be made
18 to the Port in the Agreement, such as any purchase price for the existing Bridge, toll revenue sharing
19 formula, lease payments, franchise fees, in-kind services provided to the Port, or other Private
20 Contributions. Describe any such payments or contributions to other public entities.

21 (e) Provide any other material terms or conditions related to the financial
22 and business arrangements in the proposal.

23 (f) Provide a twenty (20) year cash-flow for the proposal showing costs and
24 revenues, rates of return for private investors, and payments to the Port or other public entities.

25 (5) TAB 4: Public Coordination and Involvement

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1 (a) Identify the public oversight functions proposed for the Port, ODOT, or
2 WSDOT, if any, with regards to project development, construction, or operations and maintenance, if any,
3 including the scope the scope of the oversight, the review rights of the public entities, and the approval
4 rights of the public entities;

5 (b) Explain the strategy and plans that will be carried out to involve and
6 inform the agencies and the general public in areas affected by the Project;

7 (c) Explain the steps to be taken to ensure bi-state coordination with the
8 development and operation of the Bridge Project, including roles and responsibilities for providing such
9 bi-state coordination; and

10 (d) Explain the steps to be undertaken to ensure coordination with the
11 Federal Highway Administration and other federal agencies overseeing the Bridge Project or Bridge
12 Project Activity.

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EXHIBIT 7.4
ADDITIONAL EVALUATION FACTORS

In addition to the factors in paragraph (1) of Section 7.2, the Evaluation Panel may take into consideration any additional factors it deems relevant, such as the following:

(1) Qualifications and Experience.

- a) Does the Team possess the necessary financial, staffing, and technical resources to successfully complete the Project?
- b) Is the Team structured in a manner that will enable the Team to complete the proposed Project?
- c) Does the organization of the Team indicate a well thought out approach to managing the Project? Are there an agreements in place between members?
- d) Have members of this Team previously worked together or in a substantially similar consortium or partnership arrangement?
- e) Has the lead firm managed and other member firms worked on similar projects?
- f) Is a Project Manager identified and does this person work for the principal firm?
- g) Is there a clear definition of the role and responsibility of the Project Manager relative to the member firms?
- h) Does the Project Manager have experience leading this type and magnitude of project?
- i) Have the primary functions and responsibilities of the management team been identified?
- j) Has the firm adequately described its approach to communicating with and meeting the expectations of the Port?
- k) Is the financial information submitted on the firms sufficient to determine the firms' capability to fulfill its obligations described in the proposal, and is that capability demonstrated by the submitted information?

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1 l) Does the proposal identify the proposed arrangements for each phase of the Project and
2 clearly state assumptions on legal liabilities and responsibilities during each phase of the Project?

3 **(2) Project Characteristics.**

4 a) Is the Project described in sufficient detail to assess its feasibility, impacts, and public
5 benefits?

6 b) Is the proposed schedule reasonable given the scope and complexity of the Project?

7 c) Does the proposer present a reasonable statement setting forth plans for operation of
8 the Project or facilities that are included in the Project?

9 d) Is the proposal based on proven technology? What is the degree of technical innovation
10 associated with the proposal?

11 e) Is the proposed Project consistent with applicable state and federal statutes and
12 regulations, or reasonably anticipated modifications to such statutes, regulations, or standards?

13 f) Does the proposed design meet applicable state and federal standards?

14 g) Does the proposal incorporate reasonable elements to address applicable federal and
15 state environmental standards and regulations?

16 h) Are there known or foreseeable negative impacts arising from the Project? If so, is there
17 a mitigation plan identified?

18 i) Does the proposal set forth a method or plan to secure all property interests required for
19 the Project?

20 j) Does the proposal clearly define assumptions or responsibilities during the operational
21 phase including law enforcement, toll collection, repair, maintenance, and replacement?

22 **(3) Financial Characteristics.**

23 a) Is the proposed financial plan viable and beneficial to the public?

24 b) Is the proposer prepared to make a financial contribution to the Project?

25 c) Did the proposer demonstrate its experience, ability, and commitment to provide a
26 sufficient Private Contribution to the Project as well as the ability to obtain the other necessary financing?

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- 1 d) Does the financial plan demonstrate a reasonable basis for funding Project development,
2 construction, and operations?
- 3 e) Are the assumptions on which the plan is based well defined and reasonable in nature?
4 Are the plan’s risk factors identified and dealt with sufficiently?
- 5 f) Are the planned sources of funding and financing realistic? Does the proposer adequately
6 identify sources of non-public funding that it anticipates including in the Project financing,
- 7 g) Does the proposer provide adequate assurance of the availability of those funds and the
8 reliability of the funding sources?
- 9 h) Is the estimated cost for constructing, operating, and maintaining the Project reasonable?
- 10 i) The proposed methods of and responsibilities for setting toll rates, collecting tolls, and
11 enforcing toll collection.
- 12 j) The assumed toll rate structure for the first year of operations, for each classification of
13 vehicles, method of toll collection, and, if applicable time of day and time of year, including (and shown
14 separately) any administrative or other fees to be collected in connection with the toll;
- 15 k) The assumption regarding toll rate increases in future years, including the assumed or
16 estimated schedule for such increases, estimated or assumed amount of the toll rate increase, and the
17 process and protocols for how future toll rate increases will be approved and implemented;
- 18 l) The role, if any, of the Port or other public entity in setting or approving toll rates or toll
19 rate increases;
- 20 m) Any limits, covenants, or criteria regarding the setting of toll rates and toll rate increases
21 that are proposed to be incorporated in the agreements with the Port, including any terms or conditions
22 regarding such limitations;
- 23 n) Any other key factors related to the tolling proposal, such as: the period of time during
24 which the toll will be in effect; the method of collecting and enforcing the collection of tolls; and the
25 likelihood that the estimated use of the Project will provide sufficient toll revenues to independently
26 finance the costs related to the construction and future maintenance, repair and reconstruction of the
27 Project, including the repayment of any loans.
- 28