

PORT OF COLUMBIA COUNTY
100 E STREET, COLUMBIA CITY, OR 97018
MARCH 29, 2023
COMMISSION MEETING
8:30 A.M.

The Port of Columbia County Commission Meeting will be in person.
In accordance with state law, the meeting will be accessible via telephone or Zoom.
Members of the public who want to attend the meeting electronically should do so by:

<https://us02web.zoom.us/j/84028025749>

Meeting ID: 840 2802 5749

Passcode: 205767

Call-In

1 (253) 215-8782

I. CALL MEETING TO ORDER (President, Robert Keyser)

A. Flag Salute

B. Roll Call

II. ADDITIONS TO AGENDA

III. CONSENT AGENDA (The Board has agreed to implement a Consent Agenda. Implementation of the Consent Agenda means that all items marked with an asterisk (*) are adopted by a single motion unless a Member of the Board requests that such item be removed from the Consent Agenda and voted upon separately. Generally, Consent Agenda items are routine in nature and enable the Board to focus on other matters on the agenda.)

A.* Approval of Minutes; March 8, 2023

IV. COMMENTS FROM VISITORS (Limited to 2 min. per person unless prior authorization is obtained)

V. OLD BUSINESS

A. Dredging Project Update – No Update

MH

B. Marina Improvement Project Update – No Update

MH

C. Airport Use Permit Update (Through-The-Fence Access)

James Kirby

D. Columbia County Development Agency (CCDA) Update

BFG

VI. NEW BUSINESS

A. Resolution 2023-07

AB

A RESOLUTION APPROVING AN AIRPORT USE PERMIT WITH TRANSWESTERN AVIATION INC. AT SCAPPOOSE AIRPORT

B. Resolution 2023-08

RLS

A RESOLUTION APPROVING A FORMER CLIENT CONFLICT WAIVER FOR PRIOR PORT COUNSEL ON THE PORT WESTWARD REZONE

C. South First Ave Discussion

EM

D. Letter from Clayton Eveland

AB

E. Capital Budget Discussion

BFG

VII. EXECUTIVE DIRECTOR'S REPORT

VIII. COMMISSIONER REPORTS

IX. EXECUTIVE SESSION

The Board will hold an executive session to consider exempt public records, including, but not limited to, written legal advice from the Port's legal counsel which is privileged under ORS 40.225 and exempt from disclosure under ORS 192.509(9) pursuant to ORS 192.660(2)(f). To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed under ORS 192.660(2)(h).

X. ADJOURNMENT

Pursuant to ORS 192.640 (1) the Port of Columbia County Board of Commissioners reserves the right to consider and discuss, in either Open Session or Executive Session, additional subjects which may arise after the agenda is published

Next Regularly Scheduled Meetings

April 12th Comm. Mtg at 8:30 a.m.

April 26th (TBD) Work Session at 6:00 p.m.

Upcoming Events

May 2nd at 5:30 p.m. SBM Adv. Com. Mtg

May 29th at 5:00 p.m. SA Adv. Com. Mtg

Agenda times and order of items listed are estimated and are subject to change without notice. This facility is ADA-accessible. If you need special accommodation, please contact the Port office at (503) 397-2888 or TTY (800) 735-1232, at least 48 hours before the meeting.

**PORT OF COLUMBIA COUNTY
MARCH 8, 2023
COLUMBIA CITY, OR 97018**

The Port of Columbia County held a Commission meeting at 8:30 A.M. on Wednesday, March 8, 2023, at the Port Office, 100 E Street, Columbia City, Oregon, and via Zoom video conferencing, with the following present:

Commissioners

Robert Keyser	President
Chip Bubl	Vice President
Chris Iverson	2 nd Vice President
Nancy Ward	Secretary
Brian Fawcett	Treasurer

Staff

Sean P Clark	Executive Director
Bob Gadotti	Exec. Finance Mgr.
Robert Salisbury	Port General Counsel
Brittany Scott	Exec. Assist. /Office Coord.
Elizabeth Millager	Exec. Assist. Operations
Miriam House	Operations Manager
Elliot Levin	N. County Ops. & Terminal Mgr.
Amy Bynum – Zoom	Real Est. & Bus. Dev. Mgr.
Gina Sisco	External Affairs Mgr.
Lacey Tolles	Data Res. & Projects Spec.
Susie Tolleshaug – Zoom	Administrative Assistant
Sydell Cotton – Zoom	Acct. & Payroll Specialist

Guests

Natasha Parvey	NEXT
Duane Neukom	
Warren Seely	
Melanie Olson – Business Oregon	Zoom
Dan Bosen	Zoom
Dan Luckett	Zoom
Jim Stone - Norwest Engineering Inc	Zoom
Connor McGrath	Zoom
Trains are Great	Zoom
Sebastian Silveira	Zoom
Jasmine Lillich	Zoom
Alta Lynch	Zoom
Brandon	Zoom
Ken Walrod - Norwest Engineering Inc	Zoom
1-920-517-6285	Zoom

The Port of Columbia County Commission meeting was called to order at 8:31 A.M. by President Robert Keyser.

Consent Agenda

Chris Iverson moved, Nancy Ward seconded a motion to adopt consent agenda items A, B, & C: February 8, 2023, minutes, Financial Reports for February 2023, and February 2023 Check Register (A) in the amount of \$345,546.56. The motion carried unanimously.

Chip Bubl moved, Brian Fawcett seconded a motion to adopt consent agenda item D: February Check Register (B) for \$361,244.26. Chip Bubl, Nancy Ward, and Brian Fawcett voted aye. Chris Iverson and Robert Keyser abstained from voting, declaring a potential conflict of interest. The motion carried.

Public Comment

There was no public comment.

Old Business

Columbia Pacific Bio-Refinery Quarterly Update

Dan Luckett with Columbia Pacific Bio-Refinery (CPBR) gave an update regarding their operations, safety, environmental reports, onsite inspections, permit status, Beaver Dock Berth 1 & 2, and their ongoing expansion projects. All federal and state permits are in place for current operations.

Beaver Drainage Improvement Company (BDIC) Update

Warren Seely from Beaver Drainage Improvement Company (BDIC) reported to the Commissioners that the water levels are good in the district. Mr. Seely said that the district is working on maintaining the water flow since there is a problem with a beaver that keeps plugging the culvert. The County has reached out to get county easements on the roads possibly. The latest periodic inspection by the US Army Corps of Engineers (USACE) took place in December 2021 and BDIC just got the final report back. The report was still rated as “minimally acceptable” unless two conditions are met. The first is to locate and verify six toe drains with a levee structure. The second is to inspect the water inlet structure at Kallunki Road. Sean Clark asked Mr. Seely what contractor they used for the ditch. Mr.

Seely said they used Triton Lawn & Garden. Chris Iverson asked if the County was involved in the Kallunki Road culvert. Mr. Seely mentioned that it will be something they engage the County with. Robert Keyser asked how the BDIC easements affect the county roads. Mr. Seely responded by mentioning that the county is responsible for the road surface while BDIC is responsible for the levee. The levee height will be the primary goal, then BDIC will work on a solid path forward from the USACE. Mr. Seely mentioned that the BDIC is having a drone take a video of the levee structure to rectify areas that are getting too low. Mr. Clark mentioned that with the BDIC budget, they can maintain the district but lifting the levee will be very expensive, so we need all hands on deck. Nancy Ward asked if there was a date set for the drone flight. Mr. Seely mentioned that there is no date set yet. Mr. Seely concluded by requesting the Port's support in his upcoming re-election to the BDIC Board.

Scappoose Bay Marina Dredging Project Update

Miriam House updated the Commission that she continued discussions with the Department of Environmental Quality (DEQ), US Army Corp of Engineers (USACE), and Portland Sediment Evaluation Team (PSET). We have completed the bathymetric survey and finalized the sediment evaluation plan. The next step is to start sediment sampling. We are still on target for the schedule to dredge in October 2023 and moving from 10% to 30% for the dredging plans. Lacey Tolles informed the Commission that the application for Oregon State Marine Board (OSMB) grant funding is due on Monday, March 13, 2023. Nancy Ward asked when the last dredge was. Robert Keyser replied that the last dredge was in 2015. Ms. Tolles mentioned that the last time the marina was dredged before 2015 was in 1992. Chris Iverson asked how the Port is going to come up with \$2 to \$2.5 million dollars for dredging. Bob Gadotti responded that the Port will be searching for grants and the rest will come from the General Fund. Ms. Ward asked if our fees at the marina are competitive. Ms. House said that the marina rates are not competitive. Ms. House suggested the Port raise the marina rates. Mr. Gadotti mentioned that the Port is currently taking a survey of rates to bring to the Commission. Ms. Ward stated that if we can't dredge because of the cost, then we have no marina. Mr. Iverson said that the marina gets about two thousand kayakers per weekend, and we are not capturing any fees from kayakers except the parking fee. Chip Bubl recalled that Tillamook charges fees for kayakers to use their facility.

Marina Improvement Project

Miriam House discussed at the last meeting that the scope of costs has increased. Overall project costs are now estimated at \$6.2 million. Ms. House visited with the Oregon State Marine Board (OSMB) per the Commission's advice and discussed a phased approach. OSMB confirmed that a phased approach is possible and the Port can renew the permits to accommodate the new schedule. OSMB recommended that the Port do the upland improvements first then do in-water. The upland portion will cost \$816,000. Design plans are moving from 60% to 90% complete. Chris Iverson asked about specifics on the upland portion. Ms. House said that we will be widening the sidewalks, adding a second kiosk in the parking area, adding ADA parking, and adding a pull-out area. The goal is for users to unload their equipment and get their parking pass all upland without obstructing the launch pathway. The upland work also includes fees to move the water lines and utilities. Lacey Tolles updated the Commissioners on the OSMB grant application. The grant application is 90% complete. This is a 50% matching grant. Also, the Oregon Parks & Recreation Department grant is due at the end of April 2023. This is a highly competitive grant and very difficult to get. Mr. Iverson is worried that the total project is \$6 million and only \$800,000 is going towards upland work. Ms. House mentioned that the \$800,000 includes a 25% contingency. Mr. Iverson mentioned that the marina is our #1 tourist attraction, and he is hoping that people will use and appreciate our marina.

Airport Use Permit (Through-The-Fence)

Amy Bynum presented a PowerPoint presentation which is attached to the file copy of the Minutes. Ms. Bynum mentioned that she had two meetings regarding Airport Use Permits. The first meeting was on February 14, 2023, with Port Staff, Commissioner Nancy Ward, Oregon Department of Aviation (ODAV), Federal Aviation Administration (FAA), and Century West Engineering to discuss Through The Fence (TTF) Agreements. One key takeaway from the meeting was understanding the lessons learned from the ODAV experience at Aurora Airport. We were encouraged to craft TTF Agreements very carefully in order to maintain control and maintain our ability to enforce Airport rules. Ms. Bynum also pointed out that the TTF Agreements do not need to be approved by the FAA. The second meeting was on March 1, 2023, with Port Staff, Commissioner Nancy Ward, Oregon Department of Aviation (ODAV), and Century West Engineering to dive deeper into the lessons learned from ODAV. The key takeaway is that there are much better ways of doing TTF access than what is currently being done. At the airport, the Port needs to make note of signage, enforcement, and integrated technology for tracking fees & weights of the

planes utilizing the airport. The idea of an onsite airport manager to help with the day-to-day integration was raised and discussed. The timeline for the Transwestern application right now is that the application has to go to the Scappoose Airport Advisory for a review and vote. Then the application will be brought to the Commission for review and vote at the next Port meeting. Chip Bubl wondered whether we will obtain FAA approval. Chris Iverson said that the FAA won't give us a buy-off. Nancy Ward stated that it came up during their meeting with FAA and it is not the job of the FAA to approve such a permit. Mr. Iverson asked about the status of the Transwestern application and why are we taking two months to get that approved. Transwestern has been with us for a long time. Ms. Ward mentioned that was also her question to Ms. House. Sean Clark said that the staff will hold a Scappoose Airport Advisory Committee Special Meeting. Mr. Clark suggested a 2nd Commission meeting on Wednesday, March 29, 2023, and the Port Commission agreed.

New Business

Resolution 2023-05

A RESOLUTION AUTHORIZING A DOCK INSPECTION CHANGE ORDER WITH NORWEST ENGINEERING FOR THE BEAVER DOCK LOCATED AT PORT WESTWARD INDUSTRIAL PARK

Elliot Levin gave a PowerPoint presentation which is attached to the file copy of the Minutes. Nancy Ward moved, Brian Fawcett seconded a motion to approve Resolution 2023-05, authorizing the Executive Director to execute a Dock Inspection Change Order with Norwest Engineering, not exceeding \$55,750.00. The motion carried unanimously.

Resolution 2023-06

A RESOLUTION APPROVING A CONTRACT TO PRODUCE A STRATEGIC BUSINESS PLAN UPDATE BETWEEN WSP AND THE PORT OF COLUMBIA COUNTY

Brian Fawcett moved, Chip Bubl seconded a motion to approve resolution 2023-06, authorizing the Executive Director to sign a contract with WSP in the amount of \$125,386 to produce the Port's Strategic Business Plan Update. The motion carried unanimously.

Executive Director's Report

Provided and read by Sean Clark, which is attached to the file copy of the Minutes.

Commissioner Reports

Robert Keyser mentioned that he has been on the Washington DC "Mission to Washington" previously. Mr. Keyser reached out to Ray Bucheger who is a federal Port lobbyist to try and set something up with the elected officials. Mr. Keyser has a phone call today at 1 pm to hear from the lobbyist to find out the most effective way to present our message and get more out of the trip.

Nancy Ward mentioned the DC trip process, and she agrees and recommends the Port spends money to educate Commissioners and staff on the process in DC and get things accomplished. Ms. Ward wants to make use of their time in Washington DC to discuss the Port's specific needs. Ms. Ward then added that the Airport Use Permit issue is very complex and controversial. This requires very prudent, thoughtful thinking. Ms. Ward would hate to see us rush into anything as the weight of each airplane leads to increased maintenance costs for the tarmac and airstrip. It could also require the Port to hire an Airport Manager. Ms. Ward was sorry our Port Airport Engineer of Record James Kirby couldn't attend the meeting as he has a wealth of information that he can share with the Port Commission.

Chris Iverson wanted to give a big pat on the back to the Maintenance Crew who got out and ahead of the snow at the marina. The maintenance staff was at the docks before the tenants could take care of it. Mr. Iverson has also received a lot of calls about Through The Fence (TTF) and other issues we've talked about today, including Railroad Avenue.

Brian Fawcett was impressed with how many high-priority projects are on today's Agenda. Mr. Fawcett compliments the staff, a lot of good stuff today, it was a very productive meeting. Mr. Fawcett attended the Association of Pacific Ports (APP) conference. At the conference, they spoke about dock issues, sea-level changes affecting other ports, cyber security, electrification of port assets, and energy efficiency. Mr. Fawcett would like to see us pursue energy efficiency issues.

Chip Bubl mentioned that he got a lot out of today's meeting.

Executive Session

The Board held an executive session to consider exempt public records, including, but not limited to, written legal advice from the Port's legal counsel which is privileged under ORS 40.225 and exempt from disclosure under ORS 192.509(9) pursuant to ORS 192.660(2)(f) and consulted with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed under ORS 192.660(2)(h).

THERE BEING NO FURTHER BUSINESS BEFORE THE COMMISSION, THE MEETING ADJOURNED AT 11:17 A.M.

President

March 29, 2023

Date Adopted by Commission

Secretary



STAFF REPORT

Transwestern Aviation, Inc. Airport Use Permit

DATE: March 29, 2023
TO: Port Commission
FROM: Amy Bynum
Deputy Executive Director, Real Estate & Business Development Manager
RE: Transwestern Aviation, Inc. – New Airport Use Permit

Discussion

Transwestern Aviation, Inc (“Transwestern”) has been operational at Scappoose Airport since 1988. Transwestern privately owns 6 acres within the Airport security fence and thereby requires an Airport Use Permit to use the airport. Transwestern has served as a Fixed-based operator (“FBO”) and has held an Airport Use Permit (“Permit”) in good standing with the Port since 2007. Transwestern meets the requirements as identified in Resolution 2009-12 *Airport Minimum Standards*.

The attached Airport Use Permit is an important step toward Transwestern’s continued long-term tenancy and partnership with the Port and supports the Scappoose Airport’s continued operational success.

Summary of terms:

1. **Use:** Fuel sales, parts sales, maintenance, limited charter (fixed wing), and hangaring of aircraft and related services.
2. **Term:** Fifteen-year permit.
3. **Fee:** \$ 315.00: Previously the fee was \$200 per month and this monthly fee has not been adjusted since 2007. This new monthly rate has been adjusted by the Consumer Price Index for our region. The Port Commission may modify the fee via Resolution and is allowed to update this monthly fee each year. Transwestern has expressed a willingness to have a negotiation with the Port about the amount of the fee.

Recommendation

Adoption of Resolution No. 2023-07, authorizing the Executive Director to execute a new Airport Use Permit with Transwestern Aviation, Inc.

RESOLUTION NO 2023-07

A RESOLUTION APPROVING AN AIRPORT USE PERMIT WITH TRANSWESTERN AVIATION INC. AT SCAPPOOSE AIRPORT

WHEREAS, Transwestern Aviation Inc. (“Transwestern”) a Fixed-based operator at the Scappoose Airport and has been working with Port Staff to support continued long-term tenancy to facilitate their business operations; and

WHEREAS, Transwestern has had an Airport Use Permit in good standing with the Port since 2007 and has been operating in good standing at the Scappoose Airport since 1988; and

WHEREAS, Transwestern has applied for an Airport Use Permit using the Port’s application form to continue operations at the Scappoose Airport; and

WHEREAS, Port staff and the Scappoose Airport Advisory Committee recommends the approval of the new Transwestern Airport Use Permit; now, therefore

BE IT RESOLVED by the Board of Commissioners of the Port of Columbia County as follows:

The Board authorizes the Board President to execute a new Airport Use Permit with Transwestern Aviation Inc.

PASSED AND ADOPTED this 29th day of March 2023, by the following vote:

AYES: _____ NAYS: _____

Port of Columbia County

ABSTAINED: _____

By: _____
President

Attested By:

Secretary



Fixed Based Operator SCAPPOOSE AIRPORT USE PERMIT

THIS AIRPORT USE PERMIT ("Permit") is made, entered, and granted this 29 day of March 2023 ("Effective Date"), by and between the **PORT OF COLUMBIA COUNTY**, a municipal corporation and Port District of the State of Oregon, ("Port"), and TransWestern Aviation Inc., ("Permittee") a fixed based operator (FBO) within the Scappoose Airport.

GRANT OF PERMIT: Port, in consideration of the permit fees to be paid by Permittee and of the covenants and conditions herein set forth to be performed by Permittee, does hereby grant to Permittee a Permit to engage in fixed base operations and airport use at the Scappoose Airport located in the City of Scappoose, Columbia County, Oregon, upon the following terms and conditions:

1. **Property.** The property to be served by this Permit is commonly known as 53894 Airport Rd., Scappoose, Oregon.

Attached hereto is a map or sketch of the Permittee's property being served which shows the access point to the Airport.

2. **Use.** Permittee shall use its property only for the following purposes: Fuel sales, parts sales, maintenance, limited charter (fixed wing) and hangaring of aircraft and related services (FBO).

Permittee's federal Principal Business Activity Code Number is: 488100

3. **Fee.** Beginning the first day of [month], 2023, Permittee shall pay to Port each month, in advance, an airport user fee of \$ 315.00. The fee shall be due and payable on or before the first day of each month and the amount may be modified by the Port of Columbia County Commission ("Port Commission") via a Resolution adopted at a public meeting. A \$25 late fee will be issued after 5 business days. After first giving all permit holders a written notice of a proposed increase in the fee and an opportunity to comment, the Board of Commissioners of the Port may adopt, by resolution, an increase in the airport user fee.

4. **Term.** The term of this Permit shall be for a period of 15 years from the Effective Date.

5. **Termination.** Permit may be terminated sooner by:

- a) Mutual written agreement of both Permittee and Port.
- b) Permittee after having given Port sixty (60) days written notice in advance.
- c) The Port for any of the following reasons:
 - i. Nonpayment of the permit fee.
 - ii. A substantial change in the kind or type of activities, functions, or operations of the business of Permittee.

- iii. Any sale, conveyance, assignment, or other transfer of a majority interest in the ownership of Permittee's business.
- iv. The abandonment or termination of business operations by Permittee for a period of 6 months.
- v. Failure to provide reasonable security measures to prevent unauthorized access from Permittee's business premises to the Airport, or knowingly permitting unauthorized access to the Airport.
- vi. The foreclosure of Permittee's business by a third party.
- vii. The filing of a voluntary or involuntary bankruptcy by or against the Permittee.
- viii. Failure to comply with any federal, state, or local rule or regulation relating to Permittee's business operations or use of the Airport.
- ix. A violation of any of the terms or conditions of Resolution No. 2009-12, which includes the *Minimum Standards for Fixed Base Operators and Airport Tenants*, approved by the Port Commission June 11, 2009, and including any amendments ("Minimum Standards").

The above list of reasons for revoking a permit shall not be an exclusive list, but no permit shall be revoked for arbitrary, capricious, unreasonable, or unjustly discriminatory reasons.

6. **Conditions.** During the term of this Permit, Permittee shall:

- a) Register each aircraft that is used for fixed based operations with the Port on this airport use permit.
- b) Conform in all respects with preexisting and future grant requirements and assurances given by Port.
- c) Not obstruct safety and object free areas in violation of FAA Airport Design Standards, except as approved by the Port in advance when needed for a specific purpose already approved by the Port.
- d) Allow aircraft storage (hangar or parking apron) only in conjunction with and as incidental use to otherwise permitted primary use by the Permittee.
- e) Assure that aircraft operations areas comply with FAA, Advisory Circular No. 150/5300-13B, regarding Airport Design as now in effect or hereafter amended. Upon the recommendation of the Airport Advisory Board, the Port Commission may modify these requirements. The taxiway access, constructed to FAA standards, shall be constructed by the Permittee, and approved by the Port Commission. The Permittee shall have the responsibility for future maintenance of the entire taxiway that extends onto Airport property.
- f) Receive and follow all applicable land use procedures and regulatory permits of the local government land use agency having jurisdiction before using a Permit.
- g) Obey all applicable federal, state, local and Scappoose Industrial Airport rules and regulations at all times.
- h) Not assign all or any part of the rights or interests under this Permit, directly or indirectly, by operation of law or otherwise, and from licensing or permitting the use of rights herein granted in whole or in part by any other person, firm, corporation, or successor without prior written approval of the Port. Any attempted assignment or

transfer in violation of this Paragraph shall be void and of no effect with respect to the Port. However, a new owner or operator of Permittee's business shall have the right to apply for a permit in the manner prescribed by Resolution No. 2009-12 and Minimum Standards.

7. **Facility Requirements.** Pursuant to the terms of Resolution 2009-12 and Minimum Standards, during the term of this permit, the Permittee shall:
 - a. Provide a suitable lounge/waiting room, and restroom facilities, for their customers, and shall make telephone service and internet access readily available for customer use.
 - b. Remove from the airport or otherwise dispose of all garbage, debris, and other waste, including hazardous materials (whether solid or liquid) arising out of its occupancy of the premises or out of its operations in accordance with all local, state, and federal regulations.
8. **Incorporated Documents.** The following list of maps, documents and other written information are hereby incorporated into this Permit by reference:
 - a) The Application of Permittee for an Airport Use Permit.
 - b) Resolution No. 2009-12 and Minimum Standards.
 - c) A map of the Permittee's property being served which shows the access point to the Airport.
9. **Notices.** Until hereafter changed by the parties by notice in writing, all notices required or desired to be given under this Permit shall be in writing and may be delivered by email with confirmed receipt, hand delivery, by facsimile or by placement in the U.S. mail, postage prepaid, as certified mail, return receipt requested, addressed to the Port at:

Port of Columbia County
If by hand delivery: 100 E Street, Columbia City, OR 97018
If by US (United States) mail: P.O. Box 190, Columbia City, OR 97018
Facsimile No.: (503) 397-6924

and to Permittee at:
TransWestern Aviation Inc.
If hand delivery: 53894 Airport Rd, Scappoose, OR 97056
If by US (United States) mail: PO Box R, Scappoose, OR 97056
10. **Indemnity.** Permittee agrees to defend (using legal counsel acceptable to the Port), indemnify, and hold harmless the Port from and against and reimburse the Port for any and all actual or alleged claims, damages, expenses, costs, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees), fines, and/or penalties (collectively "**Costs**") which may be imposed upon, claimed against or incurred or suffered by the Port and which, in whole or in part, directly or indirectly, arise from the following, unless exclusively resulting from the Port's gross negligence or willful misconduct: (a) any act, omission or negligence of Permittee; (b) any use, occupation, management or control of the Premises by Permittee, whether or not due to

Permittee's own act or omission and whether or not the resulting damage occurs on the Premises; (c) any condition created in or on the Premises by any party (other than the Port), including without limitation any accident, injury or damage occurring in or on the Premises after the Effective Date; and (d) any breach, violation or nonperformance of any of Permittee's obligations under this Permit. For purposes of this Section (a) through (d), Permittee shall be deemed to include Permittee and Permittee's partners, officers, directors, employees, agents, invitees, and contractors, and the Port shall mean the Port, its commissioners, directors, volunteers, agents and employees. Neither Permittee's partners, officers, directors, employees, and agents nor the Port's commissioners, directors, volunteers, agents and employees shall be held personally liable under the provisions of this section.

11. **Public Liability Insurance.** Permittee agrees to procure and continuously maintain during the term of the Permit general aircraft liability and property damage insurance with combined single limits, or their equivalent, of not less than \$1,000,000 or the Permittee's policy limits, whichever is greater, per occurrence and a \$2,000,000 aggregate for bodily injury and/or property damage or the Permittee's policy limits, whichever is greater, per occurrence. It shall also include contractual liability coverage for the indemnity provided under this Permit. Port may, by written notice to Permittee, demand that the limits of such insurance be raised to conform to ORS 30.270, and Permittee shall have the option either to increase the limits of insurance within six (6) months of the date of the notice or terminate the Permit. The insurance shall be in a form sufficient to protect Port and Permittee against claims of third persons for personal injury, death or property damage arising from the use of or exercise of rights under the Permit. The amounts listed indicate only the minimum amounts of insurance coverage the Port is willing to accept to help insure full performance of all terms and conditions of this Permit. The Port requires and shall be entitled to any broader coverage and/or higher policy limits maintained by the Permittee. Any and all available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be made available to the Port.

12. Miscellaneous Provisions

A. Governing Law

This Permit shall be governed and construed according to the laws of the State of Oregon, without regard to its choice of law provisions. The venue shall be in Columbia County Circuit Court, St Helens Oregon.

B. No Implied Warranty

In no event shall any consent, approval, acquiescence, or authorization by the Port be deemed a warranty, representation, or covenant by the Port that the matter approved, consented to, acquiesced in or authorized is appropriate, suitable, practical, safe or in compliance with any applicable law or this Permit. In no event shall the Port be deemed liable, therefore. The permittee shall be solely responsible for such matters.

C. Time of the Essence

Time is of the essence in the performance of and adherence to each and every covenant and condition of this Permit.

D. Non-Waiver

Waiver by the Port or Permittee of strict performance of any provision of this Permit shall not be deemed a waiver of or prejudice the Port's or Permittee's right to require strict performance of the same provision in the future or of any other provision.

E. Survival

Any covenant or condition (including, but not limited to, indemnification agreements), set forth in this Permit, the full performance of which is not specifically required prior to the expiration or earlier termination of this Permit, and any covenant or condition which by its terms is to survive, shall survive the expiration or earlier termination of this Permit and shall remain fully enforceable thereafter.

F. Partial Invalidity

If any provision of this Permit is held to be invalid or unenforceable, the remainder of this Permit, or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Permit shall be valid and enforceable to the fullest extent permitted by law.

G. Exhibits Incorporated by Reference

All incorporated documents attached to this Permit are incorporated by reference in this Permit for all purposes.

H. Modification

This Permit may not be modified except by a writing signed by the Port and Permittee.

I. Provisions Applicable to Others

All provisions of this Permit governing Permittee's use of the Premises and Permittee's activities and conduct on, about or from the Premises shall apply to Permittee's officers, agents, employees, invitees, contractors, and assignees.

J. Interpretation of Agreement; Status of Parties

This Permit is the result of arms-length negotiations between the Port and Permittee and shall not be construed against either the Port or Permittee by reason of such party's preparation of or revisions to this Permit. Nothing contained in this Permit shall be deemed or construed as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto.

K. Calculation of Time

All periods of time referred to in this Permit shall include Saturdays, Sundays, and Legal Holidays. However, if the last day of any period falls on a Saturday, Sunday, or Legal Holiday, then the period shall be extended to include the next day which is not a Saturday, Sunday or Legal Holiday. "**Legal Holiday**" shall mean any holiday observed by the Federal Government. As used in this Permit, "**Business Days**" shall exclude Saturdays, Sundays, Legal Holidays and the week between December 25 and January 1. Unless specifically identified as Business Days, all references to days shall be calendar days.

L. Attorney Fees

If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S (United States) Bankruptcy Code), is instituted in connection with any controversy arising out of this Permit or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover attorney, paralegal, accountant, and other expert fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court

at trial or on any appeal or review, in addition to all other amounts provided by law. Payment of all such fees shall also apply to any administrative proceeding, trial, and/or any appeal or petition for review. Whenever this Permit requires Permittee to defend the Port, it is agreed that such defense shall be by legal counsel acceptable to the Port.

M. Right of Parties and Successors in Interest

The rights, liabilities and remedies provided for herein shall extend to the heirs, legal representatives, successors and, so far as the terms of this Permit, successors and assigns of the parties hereto. The words 'Port' and 'Permittee' and their accompanying verbs or pronouns, wherever used in this Permit, shall apply equally to all persons, firms, or corporations which may be or become such parties hereto.

N. Joint and Several Obligations

The named Permittee consists of one entity. If, in the future, Permittee consists of more than one individual or entity, the obligations of all such individuals and entities shall be joint and several.

O. Execution of Multiple Counterparts

This Permit may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one instrument.

This Permit represents the entire Permit between the Port and Permittee relating to Permittee's use of the Premises. It is understood and agreed by Permittee that neither the Port nor the Port's agents or employees has made any representations or promises with respect to this Permit or the making or entry into this Permit, except as expressly set forth in this Permit. No claim for liability or cause for termination shall be asserted by Permittee against the Port for, and the Port shall not be liable by reason of, any claimed breach of any representations or promises not expressly set forth in this Permit. All oral agreements with the Port are expressly waived by Permittee. Permittee also acknowledges, by signature below, that Permittee has had the opportunity to consult with Permittee's own, independent legal counsel regarding all aspects of this Permit. As such, no alleged ambiguity or other drafting issues of the terms of this Permit shall be construed, by nature of the drafting, against either party.

P. Capacity to Execute

The Port and Permittee each warrant and represent to one another that this Permit constitutes a legal, valid, and binding obligation of that party. The individuals executing this Permit personally warrant that they have full authority to execute this Permit on behalf of the entity for whom they purport to be acting.

IN WITNESS HEREOF, the parties have subscribed their names hereto effective as of the year and date first written above.

I HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO BE BOUND THEREBY. I WILL NOTIFY THE PORT OR ITS REPRESENTATIVE OF ANY CHANGES OF MY ADDRESS OR AIRCRAFT OWNERSHIP.

TRANSWESTERN AVIATION INC. "PERMITTEE"

PORT OF COLUMBIA COUNTY

By: _____

By: _____

Title: _____

Sean P. Clark, Executive Director

Liability Insurer: Bramar Associates	Liability Limit: \$2,000,000 CSL / \$10,000,000 Annual Aggregate	Policy Number: 6115X059-22
Expiration Date: 12/1/2023	Aircraft Make & Model: 1974 Commander, 690A	Aircraft Make & Model: 1973 Piper, PA-34-200

Products & Completed Operations

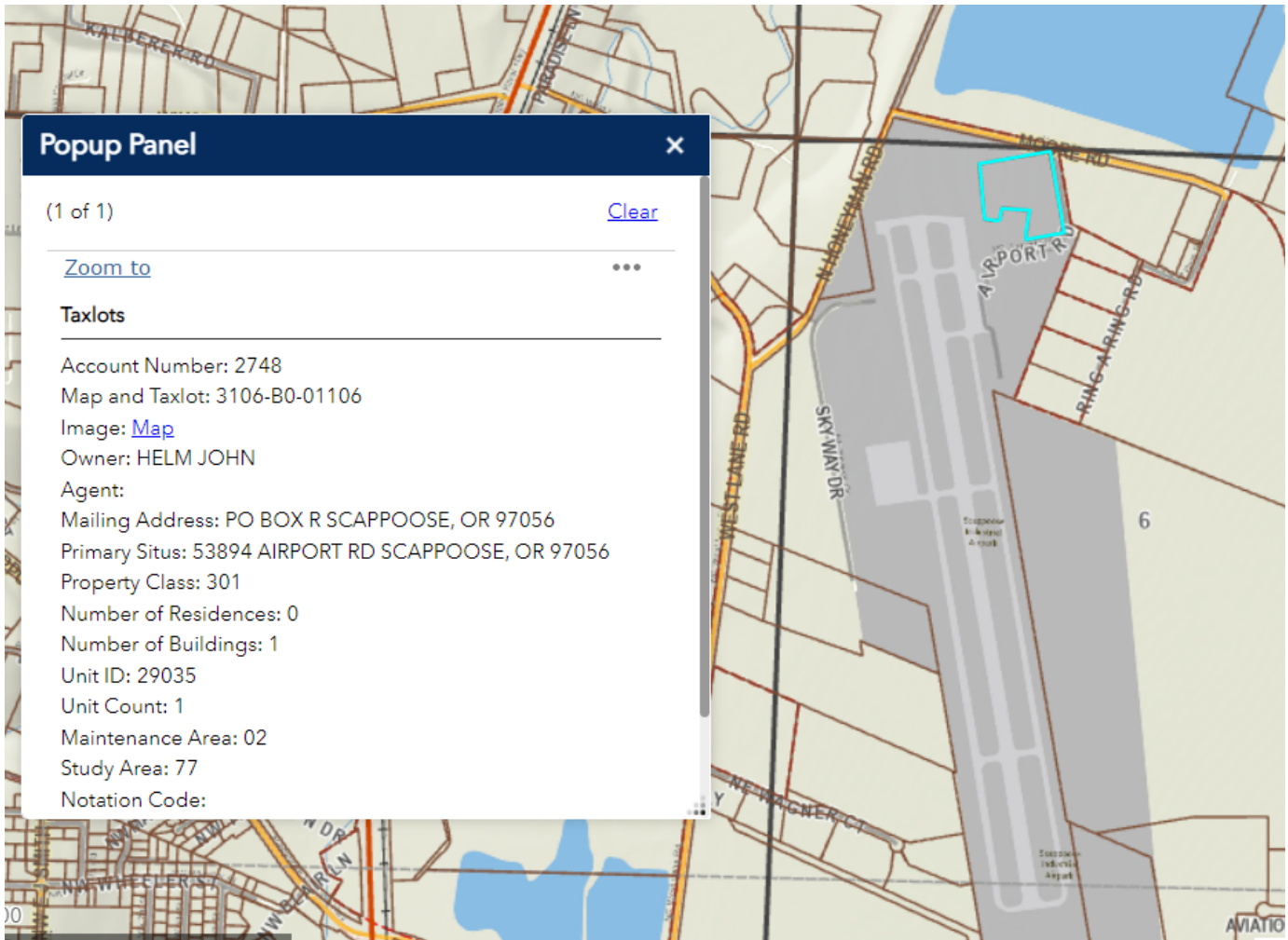
Liability Insurer: Bramar Associates	Liability Limit: \$2,000,000 CSL Annual Aggregate
Policy Number: NAF 6044319	Expiration Date: 12/1/2023

Permitee Contact

Contact Person: John Helm	Business: Transwestern Aviation, Inc.
Home Address: 53894 Airport Rd., Scappoose, OR PO Box R	Phone: (503) 543-3121

Exhibit 1

Transwestern Aviation, Inc Property



RESOLUTION NO. 2009-12

**A RESOLUTION ADOPTING MINIMUM STANDARDS FOR FIXED
BASE OPERATORS AND AIRPORT TENANTS AT THE SCAPPOOSE
INDUSTRIAL AIRPARK AND REPEALING RESOLUTION 99-7.**

WHEREAS, the Board of Port Commissioners adopted minimum standards for the Scappoose Industrial Airpark in 1999 through Resolution 99-7 and amended the standards in 2007 through Resolution 2007-03; and

WHEREAS, the minimum standards help the Port comply with federal laws and with federal aviation grants, which require, among other things, that the Port refrain from granting exclusive rights to use the airpark; and

WHEREAS, the Port intends to continue to comply with federal laws and with federal aviation grants; and

WHEREAS, the Scappoose Industrial Airpark Advisory Board undertook an extensive review of the minimum standards; and

WHEREAS, the Airpark Advisory Board revised the minimum standards, attached hereto as Exhibit "A", and recommended their adoption to the Commission; and

WHEREAS, the Commission agrees with the recommendation of the Advisory Board; now, therefore,

BE IT RESOLVED that the Board of Commissioners of the Port of St. Helens does hereby adopt Exhibit "A", attached hereto and incorporated herein, as the minimum standards to be applicable to all tenants and fixed based operators at the Scappoose Industrial Airpark.

BE IT FURTHER RESOLVED that:

Resolution 99-7 and Resolution 2007-03 are hereby repealed.

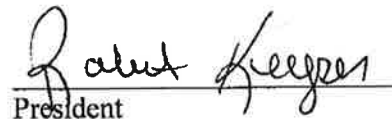
PASSED AND ADOPTED this 11th day of June, 2009, by the following vote:

AYES: 4

NAYS: 0

Port of St. Helens

By:


President

Attested By:


Secretary

Exhibit "A"

MINIMUM STANDARDS

For

Fixed Based Operators

And

Airport Tenants

**SCAPPOOSE INDUSTRIAL
AIRPARK**

Port of St. Helens

Oregon

As approved by the Board of Commissioners

Date: June 11, 2009

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SECTION 1: PURPOSE

1.1 Basis for Minimum Standards

1.1.1 The Port of St. Helens, a municipal corporation in the State of Oregon, is the owner of the Scappoose Industrial Airpark, and shall hereinafter be referred to as the PORT.

1.1.2 The Scappoose Industrial Airpark, hereinafter referred to as the AIRPORT, has been identified by the Oregon State Aviation Plan as a Category II airport which has been developed and improved with Federal Aviation Administration Airport Improvements Program (AIP) funds.

1.1.3 The adoption of minimum standards for commercial aeronautical activities at a Category II airport is intended to help ensure compliance with federal law, which prohibits the granting of exclusive rights to use an airport that has received federal funding through AIP funds. The FAA does not require the adoption of minimum standards, but recommends adoption to ensure that an airport is managed in compliance with federal law. The PORT intends to comply with federal law and in particular with FAA Advisory Circulars 150/5190-6 (Exclusive Rights at Federally Obligated Airports, dated January 4, 2007), and 150/5190-7 (Minimum Standards for Commercial Aeronautical Activities, dated August 4, 2006).

1.1.4 The following minimum standards and requirements for commercial aeronautical activities have been established in the public interest for the safe, efficient, and legal operation of the AIRPORT; to preclude the granting of an exclusive right to conduct an aeronautical activity in violation of Section 308(a) of the Federal Aviation Act of 1958; to conform to Title VI of the Civil Rights Act of 194 and Part 21 of the Department of Transportation Regulations; and to assure to all lessees the availability of airport property on fair and reasonable terms and without unjust discrimination.

1.1.5 In addition, the implementation of minimum standards will assist the PORT in the management of the AIRPORT by:

- Establishing uniform requirements and their application to all prospective operators.
- Maintaining compliance with federal grant assurances.
- Maintaining the orderly and efficient development of the AIRPORT and its commercial aeronautical services.
- Establishing a consistent level of entry into aeronautical service.
- Ensuring adequate services and facilities by Fixed Base Operators (FBOs) to meet the needs of AIRPORT users.

1.1.6 Minimum standards are also intended to help meet broader goals of the PORT and the State of Oregon. These include developing aviation as an integral part of Oregon's transportation network; creating and implementing strategies to protect and improve Oregon's aviation system; encouraging aviation-related economic development; supporting aviation safety and education; and increasing commercial air service and general aviation in Oregon.

1.1.7 The PORT also has the following, more specific objectives:

- That any person who uses or accesses AIRPORT property or facilities for commercial activity shall compensate the PORT at fair market value (fair market rent) for such uses and privileges.
- That no person receives a competitive advantage through free or less-than-fair market value (in providing rent) to utilize AIRPORT facilities, when other comparable commercial operators are compensating the PORT at fair market value for the same use; unless the PORT, in its discretion, elects to negotiate a lower rent amount (or other benefit) for that lessee/operator, in exchange for an as-determined desirable public benefit.
- That AIRPORT public areas, roads, taxiways, runways and aprons remain available and open for public aeronautical use.

1.1.8 Minimum standards are adopted to provide the threshold entry requirements for those persons desiring to provide commercial aeronautical services to the public at the AIRPORT. The standards are established based upon the conditions at the AIRPORT, the existing and planned facilities at the AIRPORT, and the current and future aviation role of the PORT. The prospective commercial aeronautical operator shall agree to offer the described minimum level of services in order to obtain an agreement, permit or lease to operate at the AIRPORT. All operators are encouraged to exceed the "minimum" in terms of quality of facilities and services.

1.2 Commercial Activity Authorization

1.2.1 "Commercial Activity" is defined as the conduct of any aspect of a business, concession, operation, or agency in order to provide goods or services to any person for compensation or hire. An activity is considered a commercial activity regardless of whether the business is nonprofit, charitable, or tax-exempt.

1.2.2 The "terms and conditions" established for commercial activities may be applied to any grant of the privilege of using or improving the airport, including to those who use the airport with a "through the fence" agreement from private property adjacent to the AIRPORT. When the PORT determines that a person is engaged or proposes to engage in commercial activity, PORT may grant that person permission to do so, may

issue that a person a permit with restrictions or conditions, may require the person to enter into a lease or agreement with the PORT, or may deny such permission.

1.2.3 The PORT will consider the following criteria in determining whether a commercial aeronautical activity will be authorized to conduct business:

- The terms and conditions in place for any existing commercial operators at the airport providing comparable services.
- The impact of the new commercial activity on public safety and convenience. The PORT will impose any conditions and restrictions necessary to ensure safety in the air and on the ground, and to preserve unobstructed traffic patterns and runway approaches.
- The amount of space at the airport, the customary uses of the airport, and the compatibility of the new commercial activity with present and planned development at the airport.
- The degree to which the new commercial activity complies with federal, state and local laws and regulations, including land use regulations.
- Whether the new commercial activity is conducted for profit or not-for-profit, and the degree to which it promotes aviation, safety or education.

SECTION 2: REQUIREMENTS

2.1 Definitions

2.1.1 Fixed Base Operator (FBO): any person, firm, or corporation performing any of the functions or furnishing any of the services at the AIRPORT hereafter set forth as Fixed Base Operations.

2.1.2 Airport Tenant (Tenant): any person, firm, or corporation leasing or licensing property at the AIRPORT who is not an FBO. An Airport Tenant may hangar its aircraft on leased or ~~owned~~ licensed property subject to the provisions of the appropriate attached category below. Except for those who fall under Category "G" below, an Airport Tenant may also be considered a Commercial Tenant, and will be subject to the terms of paragraph 1.2, and this section 2.

2.1.3 Lease: Any agreement, including a license, which authorizes the use of Port property.

2.2 Eligibility Requirements

2.2.1 Any person, firm, or corporation capable of meeting the minimum standards set forth herein (as applicable) for any of the stated categories (as defined below) is eligible to become an FBO or Tenant at the AIRPORT, subject to the execution of a written lease containing such terms and conditions as may be determined by the PORT.

2.2.2 An FBO or Tenant shall not engage in any business or activity at the AIRPORT other than that authorized under their particular category or categories. Any FBO desiring to extend its operation into more than one category or to discontinue operations in a category, shall first apply in writing to the PORT for permission to do so, setting forth in detail the reasons and conditions for the request. The PORT shall then grant or deny the request on such terms and conditions as the PORT deems to be prudent and proper under the circumstances and is in the best interests of the public as determined by the Port.

2.3 Lease Requirements

2.3.1 It is the intent of the PORT that all leases written and executed by the PORT with FBOs or Tenants shall make reference to and include this Minimum Standard document, as an enforceable provision of such lease.

2.3.2 The PORT will not accept an original request to lease land area at the AIRPORT unless the potential FBO or Tenant puts forth a written proposal which defines the scope of operations proposed, including the following:

- The services to be offered
- The amount of land desired to be leased
- The building space to be constructed or leased
- The number of aircraft to be provided
- The number of persons to be employed
- The hours of proposed operation
- The amount and types of insurance coverage to be maintained
- Evidence of financial capability to perform and provide the above services and facilities

2.3.2 Leases to FBOs and Tenants shall be limited to no more than twenty (20) years. Upon request, the PORT may agree to extend the lease for up to two additional ten-year terms, after satisfactory re-negotiation of the terms and conditions of the lease between the PORT and the Lessee. During the term of any lease, the rental rate shall be re-established annually, based upon the change, if any, in the Consumer Price Index for All Urban Consumers, Portland, as published by the United States Bureau of Labor Statistics, (NOTE: The rental rate shall not decrease below that of the prior period.)

2.3.4 All contracts and leases between an FBO or Tenant and the PORT shall be

subordinate to the right of the PORT during time of war or national emergency to lease the landing area or any part thereof to the United States Government for military use, and, if any such lease is executed, the provisions of any contracts or leases between such operators and the PORT, insofar as they are inconsistent with the provisions of the lease to the government, shall be suspended.

2.4 Financial Requirements

2.4.1 All FBOs and Tenants at the AIRPORT shall be financially sound and professional business enterprises, with adequately staffed and equipped facilities, including suitable office facilities, and who observe normal or specifically required business hours as appropriate to the type of business.

2.4.2 The rates or charges for any and all activities, products and services of such business shall be determined by the FBO or Tenant, subject to the requirement that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services.

2.4.3 All FBOs and Tenants shall, pursuant to their lease and at their own expense, promptly pay when due all taxes and assessments against the land, buildings or other structures placed on the premises by them, as well as all taxes and assessments against the personal property used by them in their operations.

2.4.4 All FBOs and Tenants shall, pursuant to their lease and at their own expense, provide and pay for all lights, gas, electricity, telephone, internet connectivity, water, sewer and garbage collection services (as applicable), used or incurred anywhere in or about the leased premises, and shall pay such charges promptly when due.

2.5 Insurance Requirements

2.5.1 All FBOs and Tenants shall protect, hold harmless, indemnify and defend the public generally, the customers or clients of such FBOs, and the PORT from any and all lawful damages, claims, or liability resulting from their conduct. They shall carry comprehensive general liability insurance with a company authorized to do business in the State of Oregon with initial limits of not less than \$1,000,000 for each occurrence and a \$2,000,000 aggregate for bodily injury and/or property damage. The policy shall also include contractual liability coverage for the indemnity provided under the lease. The insurance shall be in a form sufficient to protect the PORT and FBO or Tenant against claims of third persons for personal injury, death or property damage arising from the use, occupancy or condition of the premises or improvements on the premises.

2.5.2 The PORT may, by written notice to the FBO or Tenant, require that the limits of such insurance be raised, and the FBO or Tenant shall have the option either to increase the limits of insurance within six months of the date of the notice or terminate the lease.

2.6 Facility and Service Requirements

2.6.1 Each FBO or Tenant shall provide its own buildings, personnel and equipment, and other requirements as herein stated, upon land leased from the PORT, unless other provisions have been made and agreed upon.

2.6.2 All construction required of such FBOs or Tenants shall be in accordance with design and construction standards required or established by the PORT for the facility or activity involved. Title to any and all buildings and appurtenances, which may be built on PORT property, shall revert to the PORT, when and if the subject FBO vacates the lease for any reason. All FBOs shall be required to furnish the PORT payment and performance bonds commensurate with any construction required under standards herein fixed, or under any contract or lease by and between such FBO and the PORT.

2.6.3 In the event the PORT constructs the physical plant facilities (hangars, etc.) for use by any FBO or Tenant under the provisions of any lease or other contract, such lease or contract shall be on such terms and conditions as to guarantee a full return of the investment within the term of this lease or twenty (20) years, whichever is less, plus interest and reasonable rental for use during such period.

2.6.4 FBOs at the AIRPORT shall provide a suitable lounge/waiting room, and restroom facilities, for their customers, and shall make telephone service and internet access conveniently and readily available for customer use.

2.6.5 The FBO or Tenant shall remove from the airport or otherwise dispose of all garbage, debris, and other waste, including hazardous materials (whether solid or liquid) arising out of its occupancy of the premises or out of its operations in accordance with all local, state, and federal regulations. Lessees shall keep and maintain their premises in a neat and orderly manner. Towards that end, Lessees shall also attempt to minimize outdoor (uncovered) storage of all materials, equipment and vehicles, to the extent practical. Lessee shall keep the grass cut and the buildings painted, where specified by the terms of the lease. Any garbage, debris, or waste which may be temporarily stored in the open shall be kept in suitable garbage or waste receptacles, equipped with tight fitting covers, and will be of a design to safely and properly contain whatever may be placed in them. The Lessee shall use extreme care when removing all such waste.

2.6.6 An FBO shall, at all times during the continuance of the term of the lease and any renewal or extension thereof, conduct, operate and maintain for the benefit of the public, the Fixed Base Operation provided for and described therein, and all aspects and parts and services thereof as defined and set forth, and will make all such services available to the public. It will devote its best efforts for the accomplishment of such purposes and shall at all times make charges to patrons and customers for all merchandise or materials and services furnished or rendered, but will refrain from imposing or levying excessive or otherwise unreasonable charges fees for any facilities or services. Notwithstanding anything contained in a lease that may be or appear to the contrary, it is expressly

understood and agreed that the rights granted hereunder are non-exclusive and the PORT reserves the right to grant similar privileges to another operator or operators on other parcels of the airport when, at its sole discretion, the PORT feels it is in the best interests of the PORT.

2.7 Sublease of Premises

2.7.1 No FBO or Tenant shall sublease or sublet any premises leased by them from the PORT or assign any such lease without the prior written approval of the PORT, and any such subletting or assignment shall be subject to all of the minimum standards herein set forth.

2.7.2 In the event the FBO or Tenant sublets any portion of its lease, the sub lessee must agree to assume the full obligations of the lease as set out herein and must agree to fully cooperate with the PORT in maintaining compliance with these standards. The sub lessee shall immediately comply with any reasonable request or direction from the PORT as it relates to the enforcement of these standards.

2.7.3 In the event that the FBO, Tenant, or sub lessee fails to comply fully with these standards or fails to comply with the reasonable request or direction of the PORT as it relates to these standards, said FBO, Tenant, or sub lessee shall be in default. Said FBO or Tenant is responsible for the performance of the sub lessee.

2.8 General

2.8.1 All FBOs and Tenants shall abide by and comply with all federal, state, county and city laws and ordinances, the rules and regulations of the PORT, and the rules and regulations of the Federal Aviation Administration (FAA), as applicable.

2.8.2 All FBO and Tenants shall have the right, in common with others so authorized, to use common areas of the airport, including runways, taxiways, aprons, floodlights, landing lights, signals and other conveniences, for the takeoff, flying and landing of aircraft operated in conjunction with their business activities.

2.8.3 The PORT reserves the right, with or without advance notice, to take any actions it considers necessary to protect the aerial approaches to the airport against obstructions, together with the right to prevent any FBO or Tenant from erecting or permitting to be erected, any building, sign, or other structure on the airport which, in the opinion of the PORT, would limit the usefulness of the airport or constitute a hazard to aircraft.

2.8.4 The PORT reserves the right to further develop or improve any and all areas of the AIRPORT as it sees fit, regardless of the desires or views of any FBO or Tenant and without interference or hindrance from any FBO or Tenant.

2.8.5 All operations conducted at the AIRPORT shall be conducted in the safest manner possible and for the maximum benefit of the flying public and the citizens of the surrounding area.

SECTION 3: FBO / TENANT CATEGORIES

3.1 CATEGORY A: FLIGHT INSTRUCTION AND AIRCRAFT RENTAL

Requirements:

3.1.1 Have available a minimum of one instructor pilot with appropriate and current Federal Aviation Administration credentials and certificates.

3.1.2 Provide and at all times maintain a minimum of two (2) aircraft owned or leased by this FBO which are properly equipped and FAA-certified for flight instruction and rental.

3.1.3 Lease from the PORT under terms agreeable to the PORT for its exclusive use land on which shall be located all required improvements and provide classroom and/or office space, to include restrooms, telephone, and adequate parking for customers.

3.1.4 Demonstrate the continuing ability to meet requirements for certification of flight instructor personnel and aircraft by the FAA.

3.1.5 Assure that personnel operating rental equipment obtained from the subject FBO have appropriate and current FAA credentials and certificates.

3.2 CATEGORY B: AIRCRAFT CHARTER AND TAXI

Requirements:

3.2.1 Have available a minimum of one (1) pilot with current FAA credentials and certificates.

3.2.2 Lease from the PORT under terms agreeable to the PORT for its exclusive use land and/or buildings for passenger shelter, restrooms, telephone, etc.

3.2.3 Provide satisfactory arrangements for the checking in of passengers, handling of luggage, ticketing, and ground transportation, etc.

3.2.4 Provide and at all times maintain a minimum of one (1) currently certified and airworthy aircraft owned or leased by and under the exclusive control of this FBO, properly certificated for air charter or air taxi service.

3.3 CATEGORY C: CROP DUSTING AND SPRAYING

Requirements:

3.3.1 Insure suitable equipment, facilities, trained personnel, and procedures for the safe loading, unloading, storage and containment of any hazardous chemical materials. Should any spillage of such materials occur, the PORT shall be notified immediately, and prompt and thorough cleanup shall be completed by the operator or their designated contractor in accordance with federal, state, and local regulations, at no cost to the Port.

3.3.2 Furnish a minimum of one (1) aircraft with pilot. The aircraft will be suitably equipped for agricultural operations with adequate safeguard against spillage of chemical spray mixtures or materials on runways and taxiways or dispersal by wind force to other operational areas of the airport. The pilot shall have appropriate and current FAA credentials and certificates.

3.3.3 Maintain a valid pesticide applicator's license and a valid commercial spray license, and provide copies of current licenses to the PORT.

3.4 CATEGORY D: AIRCRAFT/ENGINE/PROPELLER/ACCESSORY MAINTENANCE

Requirements:

3.4.1 Lease from the PORT under terms agreeable to the PORT for its exclusive use suitable land on which shall be located all required improvements, including hangar, shop, and storage space.

3.4.2 Furnish facilities and equipment for airframe and power plant repairs with at least one (1) duly FAA-certified A & P Mechanic and such other personnel as may be necessary. Such airframe and power plant repair shall include facilities for both major and minor repair of aircraft and engines used in private aviation in this area.

3.4.3 An FBO or Tenant in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment.

3.5 CATEGORY E: RADIOS/INSTRUMENTS/ELECTRONICS MAINTENANCE

Requirements:

3.5.1 Lease from the PORT under terms agreeable to the PORT for its exclusive use suitable land on which shall be located all required improvements, including shop and storage space.

3.5.2 Have available on a full-time basis FAA-certified technicians in the field of aircraft electronics and/or aircraft instruments with a proper Federal Communications Commission (FCC) license to conduct complete aircraft transmitter, receiver and antenna repair.

3.5.3 Provide satisfactory arrangements for access to and storage of aircraft being worked upon.

3.6 CATEGORY F: AVIATION PETROLEUM PRODUCTS AND RAMP SERVICES

Requirements:

3.6.1 Provide and maintain a minimum of 5,000 gallon tank storage capacity for each grade of aviation fuel usually required for aircraft using the airport; such storage tanks shall be installed in accordance with all federal, state, and local rules and regulations.

3.6.2 Maintain separate pumping equipment for each grade of fuel meeting all applicable safety requirements, with reliable metering devices subject to independent inspection, and with a pumping efficiency capable of servicing all aircraft normally using the airport.

3.6.3 Provide and maintain metered filter-equipped dispensers fixed or mobile for dispensing each grade of aviation fuel usually required for aircraft using the airport. Mobile dispensing truck(s) shall have a minimum of 300 gallon capacity for each grade of fuel.

3.6.4 There shall be no fueling directly from a common carrier transport truck except into storage tanks.

3.6.5 Lease from the PORT under terms agreeable to the PORT for its exclusive use land on which shall be located all required improvements for aircraft parking and tie-down areas, with adequate tie-down facilities for a minimum of ten (10) aircraft. Demonstrate capability to efficiently and safely conduct or move aircraft to such areas and park them in compliance with all state and local regulations.

3.6.6 Be required to install at all fueling locations adequate grounding rods to reduce the hazards of static electricity, maintain adequate fire extinguishers, and follow all applicable federal, state and local regulations.

3.6.7 Insure suitable equipment, facilities, trained personnel, and procedures for the safe loading, unloading, storage and containment of any hazardous chemical materials. Should any spillage of such materials occur, the PORT shall be notified immediately, and prompt and thorough cleanup shall be completed by the operator or their designated contractor in accordance with federal, state, and local

regulations, at no cost to the Port.

3.6.8 Construct or have available a building conveniently located and comfortably heated with waiting room for passengers and crew of transient aircraft while being fueled, as well as a restroom and public telephone.

3.6.9 An FBO or Tenant in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment.

3.7 CATEGORY G: OTHER AIRPORT TENANT (NON-COMMERCIAL)

Requirements:

3.7.1 Lease from the PORT under terms agreeable to the PORT for its exclusive use land and/or a building which shall be improved in accordance with applicable standards pertaining to the AIRPORT.

3.7.2 Be prohibited from engaging in any of the activities of FBOs or Commercial Tenants as defined by Categories "A" through "F", unless specifically approved by the PORT in the lease agreement between the PORT and the Tenant.

3.7.3 Be responsible for assuring that aircraft owned by the Tenant, or operated from the property leased or occupied by the Tenant, are operated by personnel who hold appropriate and current FAA credentials and certificates.

3.8 CATEGORY H: FLYING CLUBS

The following requirements pertain to all flying clubs desiring to base their aircraft on the airport and requesting an exemption from the minimum standards:

3.8.1 The club's aircraft shall not be used for rental by non-members, and by no one for commercial operations as defined by Categories "A" through "F". Student instruction can be given in club aircraft to club members only.

3.8.2 In the event that the club fails to comply with these conditions, the PORT shall notify the club in writing of such violations. If the club fails to correct the violations within fifteen (15) days, the PORT may take any action deemed advisable by the PORT including, but not limited to, exclusion from the AIRPORT or revocation of the lease.

3.8.3 Each aircraft owned by the flying club must carry comprehensive general liability insurance in a company authorized to do business in the State of Oregon with initial limits of not less than \$1,000,000 for each occurrence and a \$2,000,000 aggregate for bodily injury and/or property damage. It shall also include contractual liability coverage for the indemnity provided under the lease. The insurance shall be in a form sufficient to protect, hold harmless, indemnify and defend the PORT and the flying club against

claims of third persons for personal injury, death or property damage arising from the use, occupancy or condition of the aircraft or improvements on the premises, and shall be evidenced by certificates furnished to the PORT naming the PORT as additional insured and bearing endorsements requiring ten days written notice to the PORT prior to any change or cancellation of the policy.

3.9 CATEGORY I: FBO NOT ON THE PROPERTY OF THE PORT

Policies and requirements:

3.9.1 No adjoining property owner may use the AIRPORT as a matter of right, but must obtain an Airport Use Permit from the PORT. A Permit allows ingress/egress and constitutes agreement with the Rules, Regulations, and Procedures to be followed regarding access to the AIRPORT from adjacent property (known as "Through-the-Fence" activities), as established by PORT Resolution No. 2005-003 (and any subsequent amendments thereto). A copy of this resolution is attached as Exhibit "A" for reference. A summary of key points:

- Permits are granted for a period of not more than fifteen (15) years, with periodic review for compliance with terms, conditions, rules and regulations. Approval provides the privilege of ingress/egress, not a right, and does not run in perpetuity nor run with the land involved. Rights granted with permit approval are personal and may not be transferred or assigned without permission from the PORT.
- Application must be made using a form available from the PORT, with a written explanation of intended use, including justification for access, number of aircraft expected and probable frequency of access. A detailed facility/construction diagram shall also be developed and provided.
- The proposal will be reviewed by the Scappoose Industrial Airpark Advisory Board and the Board of Commissioners of the PORT. Detailed procedures, review and approval criteria, as well as reasons for permit revocation, can be found in the attached resolution.

3.9.2 The fees applicable to all persons, firms, corporations or other entities who desire to use or be served by the AIRPORT runway/taxiway system, or who desire direct aircraft access to the AIRPORT runway/taxiway system, and who are granted a Permit for such "Through-the-Fence" activities, are outlined in PORT Resolution No. 2006-05 (and any subsequent amendments thereto). A copy of this Resolution is attached as Exhibit "B" for reference, and details monthly fee requirements as well as the permit application fee. This resolution and the fee schedule may be amended by subsequent revisions.

3.9.3 All "Through-the-Fence" operators are also subject to the AIRPORT's Rules and Regulations, as enacted by the PORT. A copy of these Rules and Regulations is attached as Exhibit "C" for reference.

3.10 CATEGORY J: BANNER TOWING OPERATIONS

Policies and requirements:

3.10.1 No banner towing operations shall occur at the AIRPORT unless a Banner Towing Operation Application has been submitted to, and is accepted by, the PORT.

3.10.2 Banner tow operators will complete and sign a Banner Towing Operation Application that outlines the following:

- Nature, scope and anticipated timeline of proposed banner towing activities
- Aircraft type and registration number
- Registered owner of aircraft
- Banner tow operator's Pilot License Ratings
- Current Certificate of Waiver or Authorization (FAA Form 7711-1)
- Current general liability insurance certificate
 - Note: Banner tow operators shall provide a minimum certificate of general liability insurance in the amount of \$1,000,000 (combined single limit, each occurrence) and \$2,000,000 aggregate, with the PORT named as additional insured.

3.10.3 An accepted Banner Towing Operation Application shall be valid until the earliest of the following: a) the expiration of the banner tow operator's FAA Certificate of Waiver of Authorization; or b) the expiration of the banner tow operator's Certificate of Insurance. Note: Towing in order for the FAA to observe proficiency to obtain Certificate of Waiver is allowed.

3.10.4 Banner towing operations will be conducted only from the banner tow operating area shown on the attached drawing as Exhibit "D".

3.10.5 Banner tow operators and ground crews will be knowledgeable of and abide by all applicable Federal Aviation Regulations (FARs), and the Rules and Regulations for the AIRPORT.

3.10.6 Banner tow operators will notify the PORT at (503) 397-2888, Monday through Friday (8:00 AM – 5:00 PM) or leave a message on voice mail after hours at least twenty-four hours prior to an operation and supply the following:

- Date(s) and Time(s)
- Aircraft I.D.
- Number of operations scheduled

3.10.7 Banner towing operations, when authorized are NON-EXCLUSIVE. It is the responsibility of the banner tow operators to coordinate use of the area with other operators.

3.10.8 Banner tow operators will have a ground support crew to effect a safe operation in the banner towing operations area and will provide two-way radio communications with AIRPORT UNICOM 122.8. Only one vehicle will be allowed in the banner towing operating area at one time. Ground support vehicles will enter and exit the banner towing operating area via the access gate.

3.10.9 Ground support vehicles will be marked and lighted according to FAA regulation.

3.10.10 No multiple operations (drop-off and pick-up on the same pass) will be allowed. Drop-off and pick-up will take place in the banner towing operating area.

3.10.11 Ground crews and support vehicles must remain in the designated banner towing operating area a minimum of 30' off the edge of the runway during actual pick-up/drop-off activities. All pick-up poles will be removed immediately upon completion of banner towing operations.

3.10.12 All incidents shall be reported to the PORT office immediately, including, but not limited to, the following:

- Interference with other aircraft
- Unintentional dropping of banners, hooks, or other objects

3.10.13 The PORT reserves the right to suspend the banner towing operations of any banner tow operator at any time that the PORT determines that continuing banner towing operations poses a threat to public safety.

RESOLUTION NO. 2005-003

A RESOLUTION ESTABLISHING RULES, REGULATIONS, AND PROCEDURES TO BE FOLLOWED REGARDING ACCESS TO THE SCAPPOOSE INDUSTRIAL AIRPARK FROM ADJACENT PROPERTY, AND REPEALING RESOLUTION 94-4.

WHEREAS, the Port of St. Helens ("Port"), owns and manages the Scappoose Industrial Airpark; and

WHEREAS, financial assistance for improvements at the Scappoose Industrial Airpark has been provided by the Federal Aviation Administration through its Airport Improvement Program; and

WHEREAS, the Port of St. Helens will continue to seek financial assistance for improvements at the Scappoose Industrial Airpark available through the Federal Aviation Administration; and

WHEREAS, there are grant assurances the Port of St. Helens agrees to follow when a grant is awarded by the Federal Aviation Administration and accepted by the Port of St. Helens, and

WHEREAS, development of property adjacent to the Scappoose Industrial Airpark is likely to occur in accordance with applicable local government land use agency (Columbia County/City of Scappoose) zoning designations; and

WHEREAS, an off-airport property owner may want to engage in an aeronautical activity or business and/or may desire aircraft access to the Scappoose Industrial Airpark via a "through the fence" arrangement with the Port of St. Helens; now, therefore,

BE IT RESOLVED by the Board of Commissioners of the Port of St. Helens as follows:

Section 1. PERMIT REQUIRED. No person, firm, corporation or other entity who desires to use or be served by the Airpark runway/taxiway system or who desires direct aircraft access to the Airpark runway/taxiway system shall engage in any "through-the-fence" aeronautical activity or business without first obtaining an Airport Use Permit ("Permit") from the Port of St. Helens. Unless the Board of commissioners find that circumstances warrant, a different period of time, Permits shall be issued for a period of 15 years, subject to periodic reviews for compliance with this Resolution and with other duly and regularly adopted Rules and Regulations for the Scappoose Industrial Airpark which do not unreasonably discriminate among airport users. No application for a permit shall be denied for arbitrary, capricious, unreasonable, or unjustly discriminatory reasons.

Section 2. APPLICATION. An application to the Port for an Airport Use Permit shall be made on an application form provided by the Port and shall contain, among other things, the following information:

- 1) A written explanation of the intended use of the off-airport property, describing in general terms and by using the federal Principal Business Activity (formerly Standard Industry) Code number, or its equivalent, the kind of business that will be conducted; the reason for the need for aircraft access to the airport; the probable number of aircraft to be located on the off-airport parcel; and the probable frequency or aircraft access that would be required.
- 2) A constructive drawing of the area to be developed, including the probable location, height, and description of structures to be constructed; the location and description of a security fence or gate to secure the aircraft operations areas of off-airport property from the other non-secured pedestrian/auto/truck areas of on-airport property; the proposed location of the proposed taxiway access in accordance with FAA specifications; (Refer to Federal Aviation Administration Advisory Circular No. 150/5300-13, regarding Airport Design, and AC/5370-10B regarding Construction Standards for specifications that must be followed); and the identification of the vehicular traffic pattern area clearly separated from aircraft traffic. Once specific buildings have been designed, FAA Form 7460-1, Notice of Proposed Construction or Alteration, must be submitted to the Port for forwarding to the FAA.
- 3) A statement that Applicant has complied, or will comply, with all local governmental and use regulations, including site design approval by the local agency having jurisdiction.

Section 3. ADVISORY BOARD REVIEW. This application and information shall be reviewed by the Scappoose Industrial Airpark Advisory Board for the purpose of recommending approval or denial of the applicant's request for direct aircraft access to the Scappoose Industrial Airpark from an off-airport parcel. In arriving at its recommendation, the Airport Advisory Board shall determine whether the use 1) will complement current aeronautical activities; 2) will provide enhancement of appropriate property development adjacent to the airport property; 3) will enhance the usefulness of the airport to the local community; 4) will provide important tax base and jobs for the community; 5) will enhance and improve the physical and/or financial operations of the airport. After having given due consideration to the above factors, a recommendation shall be made to the Board of Commissioners of the Port of St. Helens to either grant, grant with conditions or deny the applicant's request for access.

Section 4. COMMISSIONER REVIEW. The Board of Commissioners shall then review the findings of the Airport Advisory Board and approve the application with or without the conditions or deny the application.

Conditions to the granting and/or renewal of a permit shall include, but not be limited to, the following:

- 1) Each applicant owning, operating, leasing, or otherwise controlling aircraft based on privately owned property adjacent to the Scappoose Industrial Airpark and utilizing the runway/taxiway system shall register each such aircraft with the Port on a form prescribed by the Airport Manager.
- 2) Aircraft access points to the taxiway shall be restricted by a normally closed gate and fence system located either at the property line, or on the private property separating the aircraft operations areas from the other non-secured pedestrian/auto/truck areas. The gate and fence system shall be of a height, size, and type similar to those used by the Port at the Airpark and shall be installed, maintained, and insured by the Permittee during the life of the Airport Use Permit. Where a building connects to the fence and provides the security barrier, doors into the buildings shall be provided with monitored security or locking systems similar to that of other airport access gates. Upon approval of the gate/fence/building security arrangement, the Port shall be provided with gate openers and copies of access codes. Neither the gate opener, nor authority to pass "through-the-fence" shall be given by Permittee to third parties, except when given temporarily in the ordinary course of business to clients, customers and other invitee's of the permit holder. In cases of unforeseen emergency, whether mechanical, weather-related, safety-related or otherwise, Port of St. Helens representatives shall have the authority to enter upon the private property of the permit holder for the purpose of securing and protecting the Airpark and access to it.
- 3) The Permittee shall pay, in advance, to the Port an Airport Access Fee as established by approval and adoption by resolution of the Board of Commissioners of the Port of St. Helens. All fees and charges, if any, must be paid on or before their due date.
- 4) Before accepting a grant of financial aid which requires new and different grant assurances from those then in existence, the Board of Commissioners shall notify all Airport Use Permit holders and the Airport Advisory Committee of the proposed grant and give them an opportunity to comment. Upon acceptance, of the grant, Permittee shall conform in all respects to the grant requirements and assurances, as well as with all preexisting grant requirements and assurances entered into by the Port.
- 5) At no time, including during the construction period of an off-airport property by owner, shall safety and object free areas be obstructed in violation of FAA Airport Design Standards, except as approved by the Port in advance when needed for specific purpose already approved by the Port.
- 6) Aircraft storage (hangar or parking apron) shall be permitted only in conjunction with and as an incidental use to an otherwise permitted primary use by the Permittee.

- 7) Aircraft operations areas shall generally comply with FAA, Advisory Circular No. 150/5300-13, regarding Airport Design as now in effect or hereafter amended. Upon the recommendation of the Airport Advisory Board, the Board of Commissioners may modify these requirements when it determines that the intent of these provisions is substantially achieved. The taxiway access, constructed to FAA standards identified above, shall be constructed by the applicant and approved by the Port of St. Helens. The Permittee shall have the responsibility for future maintenance of the entire taxiway that extends onto Airpark property.
- 8) All applicable land use procedures and regulatory permits of the local government land use agency having jurisdiction must be followed and received before a Permit may be used. Any such permit or procedure not yet received shall be listed as a condition of approval.
- 9) Permittee and Permittee's officers, agents, employees, licensees, and invitees shall obey all applicable federal, state, local and the Scappoose Industrial Airpark rules and regulations at all times.
- 10) The granting of the Airport Use Permit for ingress/egress is a privilege, and is not a right; it does not continue in perpetuity or run with the land. The rights herein granted are personal to Permittee. Permittee shall not assign all or any part of its rights or interests under this Agreement, directly or indirectly, by operation of law or otherwise, nor shall it license or permit the use of rights herein granted in whole or in part by any other person, firm, corporation or successor without prior written approval of the Port. Any attempted assignment or transfer in violation of this Paragraph shall be void and of no effect with respect to the Port. However, a new owner or operator of Permittee's business shall have the right to apply for a permit in the manner prescribed by this Resolution.

Section 5. DECISION. Upon completion of its review of the application for a permit, consideration of the recommendation of the Airport Advisory Board and consideration of such other factors as the Board of Commissioners shall reasonably require, the Board of Commissioners shall grant, grant with conditions or deny the application, and such decision shall be forwarded promptly to the applicant.

Section 6. REVOCATION. The rights of ingress and egress (Permit) may be terminated at any time for cause.

The following shall constitute cause for revocation of this Permit:

- 1) Nonpayment of the permit fee.
- 2) A substantial change in the kind or type of activities, functions or operations of the business of Permittee.

- 3) Any sale, conveyance, assignment or other transfer of a majority interest in the ownership of Permittee's business.
- 4) The abandonment or termination of business operations by Permittee for a period of 6 months or longer.
- 5) Failure to provide reasonable security measures to prevent unauthorized access from Permittee's business premises to the Airpark, or knowingly permitting unauthorized access to the Airpark.
- 6) The foreclosure of Permittee's business by a third party.
- 7) The filing of a voluntary or involuntary bankruptcy by or against the Permittee.
- 8) Failure to comply with any federal, state or local rule or regulation relating to Permittee's business operations or use of the Airpark.
- 9) A violation of any of the terms or conditions of this Resolution.

The above list of reasons for revoking a permit shall not be an exclusive list, but no permit shall be revoked for arbitrary capricious, unreasonable or unjustly discriminatory reasons. If the Port has reason to believe that cause for termination exists, it shall deliver written notice to Permittee, by certified or registered mail, identifying with particularity the violations alleged to exist and affording Permittee 15 days within which to remedy the violation, if such remedy can be reasonably accomplished in that time period. If a longer period of time is required to remedy the alleged violation, it shall not be a default if Permittee has undertaken steps to correct the alleged violation, and continuously proceeds to make the correction within a reasonable period of time. Upon revocation of a permit, the Permittee shall restore fencing and other security measures or devices to the condition in which they were existing prior to issuance of the permit.

Section 7. ARBITRATION. If any dispute arises between the Port and Permittee, either party may request arbitration and appoint as an arbitrator an independent consultant having knowledge of aeronautical standards and practices. The other party shall also choose an arbitrator with such qualifications, and the two arbitrators shall choose a third. If the choice of the second or third arbitrator is not made within 10 days from the choosing of the prior arbitrator, then either party may apply to the presiding judge of the Columbia County Circuit Court to appoint the required arbitrator. The arbitration shall proceed according to the Oregon statutes governing arbitration, and the decision of the arbitrator shall have the effect therein provided. The arbitration shall take place in Columbia County, Oregon, or at such other place as may be mutually agreed. Costs of the arbitration shall be shared equally by all parties, but each party shall pay its own attorney fees incurred in connection with the arbitration.

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Section 8. NOTICES. All notices required under this Resolution or the Airport Use Permit shall be deemed to be properly served if sent by registered or certified mail to the last address previously furnished by the parties hereto. Until hereafter changed by the parties by notice in writing, notices shall be sent to the Port of St. Helens at PO Box 598, St. Helens, Oregon 97051, and to Permittee at the address on its application. Date of service of such notice shall be the date such notice is deposited in a Post Office of the United States, Post Office Department, registered or certified postage prepaid.

Section 9. INDEMNITY. Permittee shall fully indemnify, save harmless and defend the Port, its elected or appointed officials, commissioners, officers, agents and employees from and against all demands, claims and actions and all expenses incidental to the investigation and defense thereof, based upon or arising out of damages or injuries to third persons or their property, caused by the fault or negligence in whole or in part of the Permittee, its subtenants, employees, subcontractors, invitees or licensees in the exercise of the rights granted by the Permit; provided that the Port shall give to the Permittee prompt and reasonable notice of such claims or actions, and the Permittee shall have the right to investigate, compromise and defend the same; further provided such claim is not the result of negligent act of Port.

Section 10. PUBLIC LIABILITY INSURANCE. Permittee shall procure and continuously maintain during the term of the Permit general aircraft public liability and property damage insurance with combined single limits, or their equivalent, of not less than \$1,000,000 for each occurrence and a \$2,000,000 aggregate for bodily injury and/or property damage. It shall also include contractual liability coverage for the indemnity provided under the Permit. Port may, by written notice to Permittee, demand that the limits of such insurance be raised to conform to ORS 30.270, and Permittee shall have the option either to increase the limits of insurance within six (6) months of the date of the notice or terminate the Permit. The insurance shall be in a form sufficient to protect Port and Permittee against claims of third persons for personal injury, death or property damage arising from the use of or exercise of rights under the Permit.

Section 11. REPEAL. Resolution 94-4 is hereby repealed.

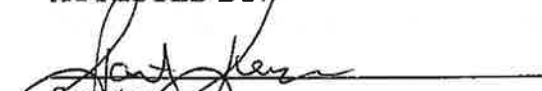
25th Passed and adopted by the Board of Commissioners of the Port of St. Helens on this day of May, 2005, by the following vote:

Ayes: 4

Nays: 0


President

ATTESTED BY:


Secretary

RESOLUTION NO. 2006-05

A RESOLUTION ESTABLISHING THROUGH-THE-FENCE FEES AT THE SCAPPOOSE INDUSTRIAL AIRPARK.

WHEREAS, the Port of St. Helens (Port), owns and manages the Scappoose Industrial Airpark; and

WHEREAS, by Resolution No. 2005-003, the Port adopted Rules, Regulations and Procedures for access to the Scappoose Industrial Airpark, and provided that "through-the-fence" fees would be adopted by Resolution at a later date; and

WHEREAS, after study and consultation with the Airport Advisory Committee, the Board of Commissioners of the Port wishes to adopt a "through-the-fence" fee schedule; now, therefore,

BE IT RESOLVED by the Board of Commissioners of the Port of St. Helens as follows:

Section 1: All persons, firms, corporations or other entities who desire to use or be served by the Scappoose Industrial Airpark runway/taxiway system or who desire direct aircraft access to the Scappoose Industrial Airpark runway/taxiway system and who are granted a Permit for such activities shall pay a Permit Fee calculated on the aircraft maximum gross landing weight as set forth in the following schedule:

Aircraft Weight Class	Weight Range	Monthly Fee Per Aircraft
Class 1	Up to 5,000 lbs	\$17.00 per month
Class 2	5,001 - 10,000 lbs	\$26.00 per month
Class 3	10,001 - 20,000 lbs	\$48.00 per month
Class 4	21,001 - 30,000 lbs	\$71.00 per month
Class 5	30,001 - 40,000 lbs	\$95.00 per month
Class 6	40,001 and over lbs	\$130.00 per month

Section 2: Notwithstanding the fee schedule set forth in Section 1, a fee of \$200.00 per month shall be charged in all cases as a minimum guaranteed Permit Fee.

Section 3: In those cases where a single Permittee has multiple aircraft based at the Scappoose Industrial Airpark, payment of the Permit Fee shall be accompanied by a report which lists the following information:

- a) Class of Aircraft;
- b) N-number for Aircraft;
- c) Type of Aircraft; and
- d) Hangar or Tie-down number where the aircraft is stored.

Section 4: A one-time application fee of \$250.00 shall be paid by each commercial operator who applies for a "through-the-fence" Permit at the time the application is submitted.

Section 5: The fees established by this Resolution may be reviewed at any time, but not less than annually, at which time they may be modified by the Board of Commissioners.

Section 6: The fees established by this Resolution shall take July 1, 2006.


PASSED AND ADOPTED this 14TH day of June, 2006 by the following vote:

Ayes: 5

Nays: 0

PORT OF ST. HELENS

By


Chairman

ATTESTED BY:


Secretary

Exhibit C

SCAPPOOSE INDUSTRIAL AIRPARK

RULES AND REGULATIONS

Enacted by
The Port of St. Helens
Oregon

1976

(f) Unusual performance tests of aircraft on or from airport premises will be done only with the express approval of the Airport Manager and only in the manner and area designated by the Airport Manager.

(g) All aircraft shall land and take-off only on designated useable runways unless specifically authorized by the Airport Manager to use other areas of the airport.

(h) No persons shall land or take-off from the airport unless the aircraft is equipped with properly functioning brakes or other positive means to insure adequate ground control.

(i) Formation flying is prohibited in the traffic pattern on take-off or landing without approval of Sponsor's agent.

(j) Aircraft shall be halted and all engines stopped at a prudent distance before entering any hangar or building.

(k) No aircraft shall remain on the landing or take-off area for the purpose of instructing students between flights.

(l) No aircraft engine shall be started or run-up in any hangar, or when the aircraft is tailed toward hangar doors, or positioned in such a manner to constitute a danger to persons or property. Engine run-ups and tests shall not be performed in areas or at such times as may be restricted by the Airport Manager.

(m) No person shall start an aircraft engine unless he has taken adequate precautions to prevent aircraft movement and remains in such a position to enable him to shut off the engine if necessary.

(n) Aircraft shall be taxied, at all times at a safe and reasonable speed, in the control of a competent aircraft operator. Except as may be specifically directed otherwise, all aircraft operators shall taxi at their own discretion.

(o) No passenger or freight shall be loaded or unloaded from any aircraft unless and until all engines on the aircraft have come to a complete stop.

(p) Operators of aircraft shall close, and keep closed, gates which lead to any ramp at all times except when necessary for the loading and unloading of aircraft.

(q) Spectators shall not be permitted on any ramp without approval of the Airport Manager, his representative, or one of the Fixed Base Operators.

(r) Instructions from an authorized control tower shall take precedence over any of the preceding rules.

(s) The Airport Manager may regulate touch-and-go landings whenever traffic volume is such that regulation is necessary for the safe and orderly operation of the airport.

(t) The Airport Manager may refuse clearance or delay any flights or other operations at the airport

when, in his discretion, he deems such action necessary in the interest of safety.

IV. FIRE SAFETY RULES

All persons using the airport shall comply with the following Fire Safety Rules.

(a) No person shall store or stock material or equipment so as to constitute a fire hazard.

(b) No person shall store or place any flammable liquids, solids, gases, signal flares or similar hazardous materials within any hangar or buildings except in areas or rooms specifically approved by the Fire Chief. The storage of flammable liquids within buildings shall be under permit issued by the Fire Chief. Such storage shall be in approved containers bearing the label of the Underwriters Laboratories, Inc. (five (5) gallon maximum container).

(c) All tenants of buildings shall provide metal containers, approved by the fire chief, equipped with self-closing covers for the storage of oily wastes, rags and similar combustible materials. All such wastes shall be removed by the tenant daily.

(d) All tenants of buildings shall maintain the floors of hangars, hangar ramps, and adjacent areas free and clear of oil, grease, and other flammable materials.

(e) No person shall use flammable substances for cleaning floors of hangars or other buildings.

(f) The cleaning of aircraft engines or other parts using solvents shall be limited in scope and only non-flammable or high flashpoint (100 degrees F or greater) solvents shall be used. Drip and collecting pans shall be used during any cleaning process.

(g) No person shall dispose of gasoline, oil, solvent or other flammable waste products in any drain, manhole, open ditch, or other airport areas.

(h) Painting and doping of aircraft with flammable fluids shall be conducted only in areas or in buildings approved by the Fire Chief.

(i) No person shall smoke any cigarette, cigar or pipe, or strike any match or kindle, or any flame whatsoever within fifty (50) feet of any aircraft while being fueled, or within fifty (50) feet from fuel islands or any flammable liquid container, or within any hangar or aircraft workshop located upon the airport, except as approved by the Fire Chief. Smoking may be permitted within areas designated by the Fire Chief.

(j) Cutting, welding, and spray painting operations shall be conducted only within areas or buildings approved by the Fire Chief.

(k) All electrical wiring, fixtures and appliances shall be installed and maintained in accordance with approved local codes and ordinances.

(l) Each Fixed Base Operator shall institute training programs for employees in the use of portable fire extinguishers equipment and methods of evacuating or relocating occupants of the premises in case of fire or other emergency.

(m) Portable fire extinguishers shall be provided and installed by the Fixed Base Operators as directed by the Fire Chief as to number, type and location.

(n) Portable fire extinguishers shall not be moved from designated locations for any reason other than as a precaution against an immediate hazard or to be recharged.

(o) Access to all fire extinguishing equipment shall be kept free and unobstructed at all times. Portable fire extinguishers shall be inspected periodically by the Fire Chief.

(p) Fire prevention inspection shall be made by the Fire Chief and fire drills shall be held at his discretion.

(q) Every person who becomes aware of any fire or smoldering combustion of any unwarranted insidious nature which is not confined within equipment designed for fire or which is any hazard to the premises shall report said fire or smoldering combustion without delay to the local Fire Department.

(r) All persons shall comply with all fire safety regulations established by the local governmental entity having jurisdiction for fire protection at the Airport.

V. PENALTIES

1. Each person violating these Rules and Regulations shall be guilty and upon conviction shall be punished by a fine of not more than \$250.00.

2. In addition to penalties otherwise provided, any person violating these rules or refusing to comply therewith may be promptly removed or ejected from the airport by or under the authority of the Airport Manager and may be deprived of future use of the airport and its facilities.

VI SEVERABILITY

If any section, subsection, paragraph, sentence, clause or phrase of these Rules and Regulations is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance, it being hereby expressly declared that this Ordinance and each section, subsection, paragraph, sentence, clause and phrase thereof would have been adopted irrespective of the fact that any one or more clause or phrase be declared invalid or unconstitutional.

SCAPPOOSE INDUSTRIAL AIRPARK

The following Rules and Regulations have been adopted with respect to the use of the Scappoose Industrial Airpark.

I. DEFINITIONS

For the purpose of this chapter, the following phrases, words and their derivatives shall have the meanings given herein:

(a) "Aircraft" means any contrivance used or designated for navigation of or flight in the air.

(b) "Aircraft Ground Movement Area" means the runways, taxiways and parking apron of the airport.

(c) "Airport" means each and every airport and all airport property owned, operated and controlled by the Sponsor. It shall include all improvements, facilities and appurtenances.

(d) "Competent Aircraft Operator" means a person holding a valid aircraft operator license from the Federal Aviation Administration or a person who, in the opinion of the Airport Manager, has the requisite skill and knowledge to perform limited ground operations.

(e) "Fire Chief" means the Fire Chief, or his authorized representative, of the local government entity having responsibility for fire protection in the airport area.

(f) "Fixed Base Operator" means a person under contract to the Port of St. Helens as a concessionaire at the airport.

(g) "Habitually Situated" means that an aircraft is based at the airport for a period of time in excess of one week.

(h) "Maintain Aircraft" means any form of service, maintenance or repair of aircraft.

(i) "Operate Aircraft" means the self-propelled, pushed or towed movement of aircraft on the ground or the movement of aircraft in flight.

(j) "Owner" means any person, firm or corporation designated as legal owner on any certificate, permit or license required for an aircraft by the United States.

(k) "Sponsor" means the airport owner, or owners, in this case, the Port of St. Helens.

II. GENERAL

1. **FINANCIAL RESPONSIBILITY.** Any owner of an aircraft habitually situated at the airport shall be financially responsible. Any such owner shall, upon request, furnish the Sponsor with evidence of financial responsibility. The minimum financial responsibility required pursuant to this section shall be as follows:

- (a) Property damage, fifty thousand dollars;
- (b) Bodily injury or death, excluding occupants of aircraft, one person, fifty thousand dollars;

(c) Bodily injury or death, excluding occupants of aircraft, two or more persons, one hundred thousand dollars.

2. **EVIDENCE OF FINANCIAL RESPONSIBILITY.** Acceptable evidence of financial responsibility shall consist of a certificate of insurance or a bond issued by an insurance company or a surety company duly authorized to transact business in the State.

3. **EFFECT OF NONCOMPLIANCE.** If the owner of an aircraft habitually situated at the airport fails or refuses to furnish the Sponsor with the required evidence of financial responsibility when so requested, the owner shall thereafter be prohibited from basing any aircraft which he may own at the airport until such time as he complies with the provisions of this chapter.

4. **BUSINESS ACTIVITIES.** No person shall use the airport in any manner whatsoever for any commercial, profit, gainful, or revenue producing purpose, including, without limitation, flight instruction or mechanical work, without written approval of the Sponsor. No person shall distribute, post or display any commercial or noncommercial signs, circulars, handbills or advertisements on the airport without the consent of the Airport Manager. No person shall solicit funds for any purpose on the airport.

5. **AIRPORT MANAGER.** The operation of the airport shall be under the direction of the Sponsor, who shall designate an Airport Manager who shall have the initial responsibility for all airport business and operations.

6. **RULES AND REGULATIONS.** The Sponsor shall have the power to adopt, amend and repeal rules and regulations for the operation and maintenance of the airport. Such rules and regulations may include a Schedule of Fees for the use of the airport.

7. **COMPLIANCE WITH LAWS AND REGULATIONS.** No person shall operate or maintain any aircraft at the airport except in strict conformity with all ordinances, rules and regulations of the Sponsor, and the regulations of the Federal Aviation Agency and all other applicable laws. All operators of aircraft are responsible for complete knowledge of all laws, rules and regulations relating to the operation of aircraft.

8. **ASSUMPTION OF LIABILITY.** The privileges of using the airport and its facilities shall be conditioned upon the assumption of full responsibility, liability and risk by the user thereof. The Sponsor, its agents and employees shall not be liable for loss, damage or injury to persons or property arising out of any accident of any nature whatsoever, or from any cause whatsoever, including, but not limited to, fire, theft, vandalism, wind, flood, earthquake, collision, or Act of God.

9. **CHARGES FOR PARKING AIRCRAFT.** Charges for parking aircraft shall be subject to periodic review and revision. Daily rates shall apply to all aircraft parked overnight. Aircraft owned and operated by the Federal Government are exempt from the payment of daily rates.

10. **PAYMENT OF PARKING AND AIRPORT USE CHARGES.** Payment for monthly reserved space and airport use charges is due and payable in advance for each calendar month. Charges for commencing or terminating the use of parking space other than on the first of the calendar month shall be prorated for that month. Payment of the daily aircraft parking charges shall be made prior to the departure of aircraft unless credit arrangements have been approved by the Airport Manager.

11. **SALE OF AVIATION FUEL, OIL AND LUBRICANTS.** The sale of aviation fuel, oil and lubricants shall be on a concession basis between the Sponsor and fixed Base Operators. Fuel Flowage fees shall be paid by concessionaires to the Sponsor at rates established in the Fixed Base Operator contracts.

12. **ANIMALS.** No person shall enter the aircraft ground movement area with any animals. Dogs and other animals may be permitted in other areas of the airport and in the aircraft tie-down area only if restrained by leash or confined in such a manner as to be under control.

13. **DAMAGE TO AIRPORT.** Any person causing damage to the airport or any airport property shall be responsible for the cost of repair or replacement. All damage shall be promptly reported to the Airport Manager.

14. **DAMAGE TO AIRCRAFT.** Witnesses to and participants in any accident causing damage to aircraft in the airport area shall promptly make a full report of such accident to the Airport Manager or his representative. Aircraft operators, owners or their agents shall be responsible for and shall cooperate and assist in, the prompt removal of damaged aircraft, parts, property or debris resulting from any accident, provided however, that the Airport Manager or officials of the Federal Aviation Agency may prohibit the movement or removal of any damaged aircraft or property.

15. **CLEANLINESS.** All persons using the airport shall place all rubbish, garbage, or other debris in appropriate containers.

16. **AUTOMOBILES.** All persons using the airport shall operate automobiles and/or trucks in accordance with the following rules.

(a) Vehicles shall be parked within designated parking areas only.

(b) Vehicles shall not be operated beyond roads and parking area limits without prior consent of the Airport Manager.

(c) No common carrier, vehicle for hire shall load or unload passengers or stand at the airport in any place other than in the area designated by the Airport Manager.

(d) Vehicles shall not be operated on the apron except by persons assigned to duty there or others authorized by the Airport Manager.

(e) No person shall operate any vehicle in any of the landing areas unless authorized to do so by the Airport Manager, and then only in the manner prescribed.

(f) Vehicle speed shall be limited to fifteen (15) miles an hour within the airport parking areas.

(g) The Airport Manager shall have authority to move vehicles parked in improper locations and the owners of such vehicles shall be responsible for the payment of any towing charges necessitated thereby.

17. **FIREARMS.** No person except peace officers, authorized Federal, State and local employees, or members of the armed forces of the United States on official duty shall carry any firearms or explosives on the airport without prior permission of the Airport Manager. No person shall hunt, conduct target practice or discharge firearms on the airport.

III. OPERATIONS

AIRCRAFT OPERATING RULES. No aeronautical activity shall be conducted at the airport except in conformance with current Federal Air Regulations. In addition, the following rules shall apply:

(a) No aircraft shall be parked in any area not designated for such purpose by the Airport Manager without prior consent of the Airport Manager. Parked aircraft shall have parking brakes set and/or the wheels firmly blocked to prevent movement and/or be firmly secured to the ground by ropes or other appropriate means.

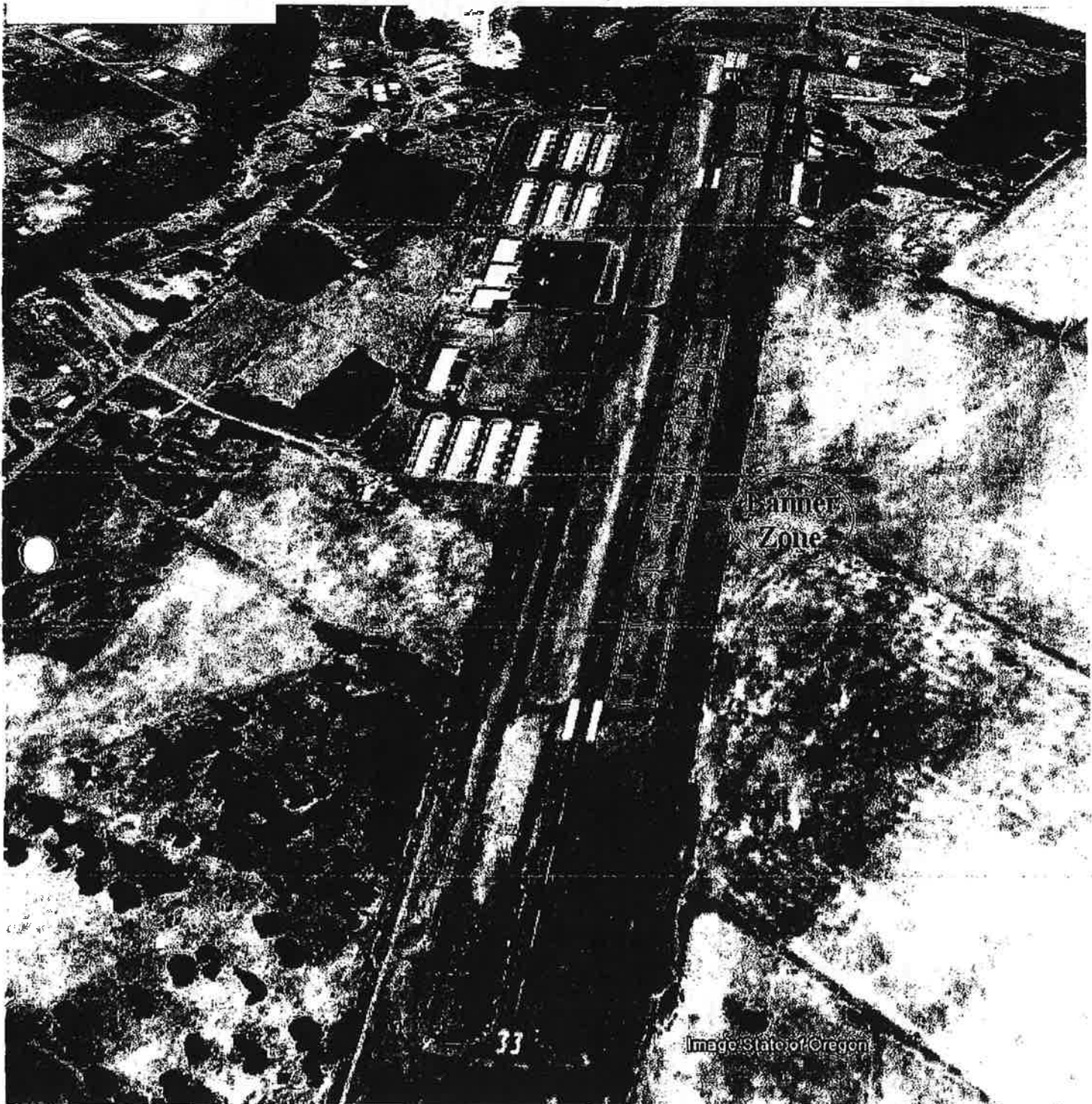
(b) Low flying within the confine of the traffic pattern, except in emergencies or when necessary to climb to the designated pattern altitude or descend to a landing, is prohibited.

(c) No aircraft shall takeoff or land except in conformance with the approved traffic pattern, emergency landings excepted.

(d) Aircraft shall not cross or enter upon any runway until the pilot has stopped and assured by visual inspection that there is no danger of collision with any person or object.

(e) Taxiing in and out of hangars is specifically prohibited.

Exhibit "D"



**AIRPORT APPLICATION FORM
FOR AN AIRPORT USE PERMIT
SCAPPOOSE INDUSTRIAL AIRPARK**

Applicant Name Transwestern Aviation, Inc.

Company Name Transwestern Aviation, Inc.

Contact Name John Helm **Title:** General Manager

Employer Identification Number: 93-0693141 **Est. number of employment positions:** 7 (Actual)

Business Address: 53894 Airport Road (Post Office Box R)

Telephone: Business (503) 543-3121 **Mobile:** (503) 313-3178 **Fax:** (503) 543-5296

E-Mail Address: johnchelm@msn.com

Explanation of intended use of off-airport property and kind of business that will be conducted:

Fuel Sales, Parts Sales, Maintenance, Limited Charter (fixed-wing) and Hangaring of aircraft and related

Services (FBO).

Principal Business Activity Code Number: 488100

Estimate level of private investment (building, improvements, equipment etc.):

Approximately \$3,276,400.00

Reason for the need for aircraft access to Scappoose Industrial Airpark:

To continue pre-existing operations

Probable number of aircraft to be located on the off-airport property: _____ **aircraft**

1) **Aircraft Make:** 1974 Commander **Model:** 690A

2) **Aircraft Make:** 1973 Piper **Model:** PA-34-200

3) **Aircraft Make:** _____ **Model:** _____

4) **Aircraft Make:** _____ **Model:** _____

Probable frequency of aircraft access that will be needed:

For Company aircraft, approximately 3 – 4 times per week. As a provider of fueling services, access from the
runway to the facility is constant.

Constructive drawing of the area to be developed including the probable location, height, and description of structures to be constructed:

As currently listed (Inventory: A & B) in Chapter Two, Page 2 - 5 “Airport Layout Plan” of the 2015

Scappoose Industrial Airpark Master Plan.

Description of a security fence or gate to secure the aircraft operations areas of off-airport property from the other non-secured pedestrian/auto/tuck areas of on-airport property:

The entire Transwestern facility is located inside the security fence (see Chapter Two, Page 2 - 5 “Airport Layout Plan” of the 2015 Scappoose Industrial Airpark Master Plan.

Proposed location of the proposed taxiway access (Refer to F.A.A. Advisory Circulars, No. 150/5300-13 and AC/5370-10B):

As currently listed (Inventory: A & B) in Chapter Two, Page 2 - 5 “Airport Layout Plan” of the 2015 Scappoose Industrial Airpark Master Plan.

Identification of the vehicular traffic pattern areas clearly separated from aircraft traffic:

As currently listed (Inventory: A & B) in Chapter Two, Page 2 - 5 “Airport Layout Plan” of the 2015 Scappoose Industrial Airpark Master Plan.

Attach the F.A.A. Form 7460-1 “Notice of Proposed Construction or Alteration” – No new construction or alterations – Form 7460-1 not applicable (FAR 77.15).

Applicant agrees that it will comply with all local governmental and use regulations, including site design approval by the local agency having jurisdiction.

 _____
Signature John Helm

President
Title


Requested term of permit: _____ 15 _____ years

Property:

Liability Insurer: Bramar Associates

Liability Limit: 2,000,000 CSL/10,000,000 Annual Aggregate

Policy Number: 6115X059-22

Expiration Date: December 1, 2023

Products & Completed Operations:

Liability Insurer: Bramar Associates

Liability Limit: 2,000,000 CSL Annual Aggregate

Policy Number: NAF 6044319

Expiration Date: December 1, 2023



Approving a Former Client Conflict Waiver for Prior Port Counsel

STAFF REPORT

DATE: March 29, 2023

TO: Commission Board

FROM: Robert Salisbury, Port General Counsel

RE: **Approving a Former Client Conflict Waiver for Prior Port Counsel**
Resolution 2023-08

Discussion

Senior Assistant County Counsel for Columbia County Spencer Q. Parsons was previously outside land use counsel for the Port in the case of *Riverkeeper et al v. Columbia County* (“the rezone”). After the remand back to Columbia County (“the County”) from the Land Use Board of Appeals (“LUBA”) in May 2022, Mr. Parsons went to work for Columbia County as their land use lawyer. The Port later hired Cable Huston as outside land use counsel on the rezone.

The County through Mr. Parsons requested that the Port approve a former client conflict waiver. This means that the Port would waive any potential conflicts of interest in having Mr. Parsons now represent the County in the rezone. The County has already approved this former client conflict waiver in Open Session on March 8, 2023.

For the Port, any conflict of interest would only arise if Columbia County denied the Port’s rezone application on remand and the Port then appealed that denial to LUBA. In that case, as a legal matter Columbia County would be opposing the Port in the appeal (even if the County does not participate at LUBA, as it has done in the past).

Recommendation

Approve Resolution 2023-08, authorizing Executive Director Sean P. Clark or his designee to sign the attached Waiver of Potential Conflict of Interest letter dated March 20, 2023.

RESOLUTION NO. 2023-08

A RESOLUTION APPROVING A FORMER CLIENT CONFLICT WAIVER FOR PRIOR PORT COUNSEL ON THE PORT WESTWARD REZONE

WHEREAS, in 2010 the Port of Columbia County (“the Port”) acquired land adjacent to Port Westward Industrial Park in Clatskanie and the land use application to rezone this property has been approved by the Columbia County Board of Commissioners (“the County”) and remanded by the Land Use Board of Appeals (“LUBA”) on three occasions (“the rezone”); and

WHEREAS, the Port previously engaged Beery, Elsner & Hammond, LLP and attorney Spencer Q. Parsons to represent the Port on the rezone and after the May 2022 LUBA remand back to the County, Mr. Parsons went to work for the County as their land use lawyer and the Port later hired Cable Huston as outside land use counsel on the rezone; and

WHEREAS, the County through Mr. Parsons requested that the Port approve a former client conflict waiver, which means that the Port would waive any potential conflicts of interest in having Mr. Parsons now represent the County on the rezone; and

WHEREAS, the County has already approved this former client conflict waiver in Open Session on March 8, 2023, now, therefore,

BE IT RESOLVED by the Board of Commissioners of the Port of Columbia County as follows:

The Board directs the Executive Director or his designee to sign the attached Waiver of Potential Conflict of Interest letter from Mr. Parsons dated March 20, 2023.

PASSED AND ADOPTED this 29th day of March 2023, by the following vote:

AYES: _____

NAYS: _____

Port of Columbia County

ABSTAIN: _____

By: _____
President

Attested By:

Secretary

COLUMBIA COUNTY

Office of County Counsel Historic Courthouse

Sarah Hanson, County Counsel
Spencer Parsons, Sr. Assistant County Counsel
Ed McGlone, Assistant County Counsel
Kelly Johnson, Legal Secretary



ST. HELENS, OR 97051

230 Strand St., Room 20

Direct (503) 397-3839

Fax (503) 366-3295

columbiacountyor.gov

March 20, 2023

SENT VIA ELECTRONIC MAIL

Robert Salisbury
Port of Columbia County
100 E Street, P.O. Box 190
Columbia City, OR 97018

RE: Waiver of Potential Conflict of Interest

Dear Robert:

As you know, Beery, Elsner & Hammond, LLP ("BEH") was previously engaged to represent the Port of Columbia County ("Port") in its efforts to rezone property at Port Westward. As you are also likely aware, I was previously employed by BEH, and while employed there I acted as the lead BEH attorney on the Port Westward matter. Those efforts included hearings before the Columbia County of Commissioners, as well as related appeals to both the Oregon Land Use Board of Appeals ("LUBA") and the Oregon Court of Appeals.

In April of 2022, I accepted an offer of employment as Senior Assistant County Counsel with Columbia County ("County"). I left BEH at the end of May and started in my new role with the County this past June. I am writing you as legal counsel for the Port because I see the potential for a conflict arising from my previous representation of the Port, which I believe is waivable. Because of that, I am asking the Port to sign a waiver with respect thereto.

The Oregon Rules of Professional Conduct, applicable to all Oregon attorneys, do not allow me to represent the County against the Port without the informed consent of both of the County and the Port, based upon an explanation of the material risks of and reasonable alternatives to consenting. This means that I must discuss the pros and cons of consenting with both the County and the Port and cannot proceed unless both agree to allow me to do so.

In the event the County denied the Port's rezone application on remand, the possibility exists that the Port could elect to appeal the County's decision to LUBA. In that case, as a legal matter the County would be opposing the Port in the appeal, even in the event the County opted to waive appearing or actively participating, as it has done in the past. Because of that potential, I am required to explain the pros and cons of consenting both to my current client and my former client, and that if those circumstances arise I cannot proceed with representing Columbia County unless both the County and the Port consent to the representation.

In any former client conflict situation, the former client is typically concerned about whether there is a material risk that its confidences or secrets may be used adversely to it, and about whether there is a material risk that the work that the lawyer now proposes to do will unfairly or inappropriately undercut the work that the lawyer previously did for the former client. In the present context, I believe the risk of that is very minimal. The kind of evidence that can be relied on in support of land use

decisions, such as the potential rezoning of property at Port Westward, is limited to evidence contained in the record created as part of the local land use proceedings. All of that information is publicly available, minimizing if not eliminating any secret "smoking gun" evidence that may have been available to me in the past. In other words, all parties are working with the same body of information, and the evidence upon which a decision-making body (and any reviewing bodies on appeal) may rely on is limited to that evidence contained in the record. Given that, and specifically because of my previous limited outside counsel role with the Port, I am unaware of any additional access I may have had to confidential and/or privileged information that could potentially be used to undercut the position of the Port.

Nevertheless, these are issues that the Port should consider for itself. In deciding whether to consent, the should consider how my past representation of the County could affect it. To be clear, this is a request initiated not by the Port or by the County, but by me after discussing the issue with my supervisor. We agree that securing a waiver is the prudent approach to take if I am to participate in the future Port Westward remand proceedings. I have also prepared a conflict waiver for the County, which was recently approved by the Board of Commissioners and signed by the Board chair. Please review this matter carefully. If there is additional information I can provide in order to assist the Port in its review, please do not hesitate to let me know.

The Rules of Professional Conduct also require that I recommend the Port seek independent legal counsel to assist it in deciding whether to consent. That decision, too, is the Port's to make, but I am routing this request through you in order to facilitate that discussion. Please ask your client to review this matter carefully. If the Port is willing to consent after such review as it deems sufficient, please have an appropriate representative sign this letter in the space provided below and return it to me for my files.

Sincerely,



Spencer Q. Parsons

Sr. Asst. County Counsel, Columbia County

Waiver and Consent:

I hereby waive any conflict and consent to the representation of Columbia County by Spencer Q. Parsons as set forth above.

On behalf of the Port of Columbia County:

Signature

Printed Name

Title

Date

COLUMBIA COUNTY

Office of County Counsel Historic Courthouse

Sarah Hanson, County Counsel
Spencer Parsons, Sr. Assistant County Counsel
Ed McGlone, Assistant County Counsel
Kelly Johnson, Legal Secretary



ST. HELENS, OR 97051

230 Strand St., Room 20

Direct (503) 397-3839

Fax (503) 366-3295

columbiacountyor.gov

March 1, 2023

SENT VIA ELECTRONIC MAIL

Columbia County Board of Commissioners
230 Strand St., Room 338
St. Helens, OR 97051

RE: Waiver of Potential Conflict of Interest

Dear Board:

As you know, Beery, Elsner & Hammond, LLP ("BEH") was previously engaged to represent the Port of Columbia County ("Port") in its efforts to rezone property at Port Westward. As you are also likely aware, I was previously employed by BEH, and while employed there I acted as the lead BEH attorney on the Port Westward matter. Those efforts included hearings before the Columbia County Board of Commissioners, as well as related appeals to both the Oregon Land Use Board of Appeals ("LUBA") and the Oregon Court of Appeals.

In April of 2022, I accepted an offer of employment as Senior Assistant County Counsel with Columbia County ("County"). I left BEH at the end of May and started in my new role with the County this past June. I am writing you as my current client because I see the potential for a conflict arising from my previous representation of the Port, which I believe is waivable. Because of that, I am asking the Board to authorize the chair to sign a waiver with respect thereto.

The Oregon Rules of Professional Conduct, applicable to all Oregon attorneys, do not allow me to represent the County against the Port without the informed consent of both of the County and the Port, based upon an explanation of the material risks of and reasonable alternatives to consenting. This means that I must discuss the pros and cons of consenting with both the County and the Port and cannot proceed unless both agree to allow me to do so.

In the event the County denied the Port's rezone application on remand, the possibility exists that the Port could elect to appeal the County's decision to LUBA. In that case, as a legal matter the County would be opposing the Port in the appeal, even in the event the County opted to waive appearing or actively participating, as it has done in the past. Because of that potential, I am required to explain the pros and cons of consenting both to my current client and my former client, and that if those circumstances arise I cannot proceed with representing Columbia County unless and until both the County and the Port consent to the representation.

In any former client conflict situation, the former client is typically concerned about whether there is a material risk that its confidences or secrets may be used adversely to it, and about whether there is a material risk that the work that the lawyer now proposes to do will unfairly or inappropriately undercut the work that the lawyer previously did for the former client. In the present context, I believe the risk of that is very minimal. The kind of evidence that can be relied on in support of land use decisions, such as the potential rezoning of property at Port Westward, is limited to evidence contained in the record created

as part of the local land use proceedings. All of that information is publicly available, minimizing if not eliminating any secret "smoking gun" evidence that I may have been available to in the past. In other words, all parties are working with the same body of information, and the evidence upon which a decision-making body (and any reviewing bodies on appeal) may rely on is limited to that evidence contained in the record. Given that, and specifically because of my previous outside counsel role with the Port, I am unaware of any additional access I may have had to confidential and/or privileged information that could potentially be used to undercut the position of the Port.

Nevertheless, these are issues that the Board should consider for itself. In deciding whether to consent, the Board should consider how my past representation of the Port could affect the County. To be clear, this is a request initiated not by the Port but by me, after discussing the issue with my supervisor. We agree that securing a waiver is the prudent approach to take if I am to advise the Board of Commissioners on the future Port Westward remand proceedings. I have also prepared a conflict waiver for the Port, and Port staff has indicated a willingness to present the waiver to the Port Commission, but only after a similar waiver has been executed by the County. Please review this matter, and if the County is willing to consent to this waiver, I ask that the Board authorize the Chair to sign it. If there is additional information I can provide in order to assist the Board, please do not hesitate to let me know.

The Rules of Professional Conduct also require that I recommend the Board seek independent legal counsel to assist it in deciding whether to consent. That decision, too, is the Board's to make, but I am sure that Sarah Hanson or Ed McGlone would be happy to assist with any questions the Board may have. Please review this matter carefully. If the Board is willing to consent after such review as it deems sufficient, please return the signed waiver to me to me for my files and I will ask the Port to initiate a similar process.

Sincerely,



Spencer Q. Parsons

Sr. Asst. County Counsel, Columbia County

Waiver and Consent:

I hereby waive any conflict and consent to the representation of Columbia County by Spencer Q. Parsons as set forth above.

On behalf of Columbia County:



Signature

Casey Garrett

Printed Name

Chair

Title

03/08/2023

Date



STAFF REPORT

Flying Aces LLC Letter to the Port re: Airport Use Permit

DATE: March 29, 2023
TO: Port Commission
FROM: Amy Bynum
Deputy Executive Director, Real Estate & Business Development Manager
RE: Flying Aces LLC – Airport Use Permit letter of interest

Discussion

The Port received a letter from the owner of Flying Ace's LLC, Mr. Clayton Eveland, on March 9, 2023. In the letter, Mr. Eveland outlines a proposed business operation at Columbia Commerce Center Lots 5 and 6 adjacent to the Scappoose Airport which would require Through The Fence (TTF) access to the airport. The primary proposed business activity is to build hangars for storage of multiple corporate owned aircraft. The secondary business activity is short-term and long-term aircraft storage of larger aircraft and accessory office space.

Mr. Eveland wants to know if the Port Commission would deny his application before he purchases the property. If the Port Commission is inclined to deny the application, Mr. Eveland will not go forward with the purchase.

Mr. Eveland recognizes that a formal application would need to follow once the property is purchased (including constructive drawings of the area to be developed with the location, height, and description of structures to be constructed), but he is currently looking for preliminary assurances from the Port that his intended use of the property would meet Port criteria.

Recommendation

Staff recommends the Commission discuss the proposed business activity outlined in Mr. Eveland's letter and decide whether to provide any kind of assurances (whether verbal or written) so Mr. Eveland may decide to proceed with the purchase of the property at this time. For the Commissioner's reference in making this decision, special consideration may be given to Condition #6, Section 4 of Resolution 2005-03 which states: "*Aircraft storage (hangar or parking apron) shall be permitted only in conjunction with and as an incidental use to an otherwise permitted primary use by the Permittee.*" Staff interprets the current criteria to mean that storage hangars may only be approved if they are developed with an allowed main aeronautic project (such as manufacturing or a flight school).

Amy Bynum
Port of Columbia County
Business Development & Real Estate Manager
100 E Street
Columbia City, OR 97018

Dear Ms. Bynum,

I am writing in regards to obtaining a "Thru the fence agreement" as defined by Resolution 2005-03 for property located at Aero Business Center adjacent to the Scappoose Industrial Airpark.

I have received correspondence from the property owner, Ed Freeman, and my real estate broker Henry Schulte, regarding the next steps to take. I also received a copy of the letter signed by Sean Clark that outlined the criteria used by the Scappoose Industrial Airpark Advisory Board in issuing the agreement.

Prior to purchasing the property (Lots 5 & 6 of the Aero Business Center) I want to ensure that our proposed use of the land meets the criteria of the Scappoose Industrial Airpark Advisory Board.

I fully understand that a formal application for the agreement will have to be filed. And I also understand other requirements such as hangar design, permits, etc. will have to be complied with but for the purpose of this letter, I am interested only in the criteria for the "thru the fence agreement".

The criteria in Mr. Clark's letter are as stated list below:

"Advisory Board shall determine whether the use (1) will complement current aeronautical activities; (2) will provide enhancement of appropriate property development adjacent to the airport property; (3) will enhance the usefulness of the airport to the local community; (4) will provide important tax base and jobs for the community; and (5) will enhance and improve the physical and/or financial operations of the airport."

Before I address this criteria, I think it would be prudent to provide an brief overview of the intended use of this property.

My company, Flying Ace's LLC, has been hired to find a property to build between one to two hangars, of an adequate size for multiple corporately owned aircraft. The storage of these aircraft will be the primary purpose of the hangars. The secondary purpose, and future potential growth, is short term (less than 30 days, overnight/weekly) and long-term aircraft storage (more than 30 days) of larger aircraft that cannot fit in the "standard" tee hangar design as well as office space for the aircraft operators.

As a pilot, if I were to land at KSPB with a small corporate jet such as a Citation Excel, I currently have no place to park my aircraft out of the elements. This is especially important during the winter season since the airport does not have de-ice capability for aircraft.

With this brief overview of the intended land development and usage, here are my responses to the Advisory Boards criteria:

(1) Will complement current aeronautical activities;

The primary development of this property will be to build a hangar of adequate size with dedicated hangar space for three different companies' aircraft. The secondary use will be for short and long storage of other aircraft, with the option of building additional hangars as demand increases.

This usage meets the current aeronautical activities.

(2) Will provide enhancement of appropriate property development adjacent to the airport property

Building a new hangar, with the potential/option to build a second hangar, both with office spaces, will increase the value and usability of the vacant undeveloped lots 5 & 6 of the Aero Business Center.

(3) Will enhance the usefulness of the airport to the local community;

Absolutely. The building of new hangars for the intended purposes listed above will bring more commerce to airport. The more aircraft hangar space available at Scappoose, means more fuel sales for the local FBO, Transwestern Aviation, more maintenance opportunities for Overall Aircraft, and more sales for Oregon Aero.

(4) Will provide important tax base and jobs for the community;

The initial build, and future builds, will require labor and goods from the community. After the builds are complete, the hangars will require staffing for janitorial needs, maintenance upkeep, landscaping, and employees for more aircraft. Many of these tasks will be contracted to local business.

To help illustrate this point, in 2022 the two-company aircraft I manage generated over 25K in revenue for local airport based companies in maintenance revenues, hangar storage, and fuel purchases. This figure does not include my company fees for aircraft management.

Aside from the employment opportunities and local business contracts, the tax revenue for the county and state will also be increased. While I am unable to state how much the property taxes will be for the new hangars, I can only assume they will be higher than the current taxes on the vacant lots.

(5) Will enhance and improve the physical and/or financial operations of the airport."

As previously stated, if I were to bring a large twin or a small corporate jet (such as a Citation Excel with a 56' wingspan) into Scappoose, I have nowhere to park it out of the elements. I cannot rent a place in any hangar for an overnight, for a week, or even for a month for an aircraft of this size. With the potential of having hangar spaces for larger

aircraft, Scappoose would be an overflow for PDX corporate travel. There will also a potential for office and hangar space for other aircraft operations.

With every aircraft that lands at Scappoose Industrial Airpark there is an opportunity for fuel sales (Citation Excel holds 1006 gallons and at \$5.50 per gallon, this is a total of \$5,527). Currently Overall aircraft is limited on the size of the aircraft they can maintain do simply to hangar space. Last year they performed extensive maintenance on a Cessna 206 floatplane. Because the aircraft could not fit in their hangar, the owner had to rent space in Oregon Aero's hangar to have a place for them to perform maintenance. Luckily for the owner, Oregon Air was slow due to Covid Pandemic and had space available. As of today, that would not even be an option, which means the revenue would have went to another airport and a non-Scappoose based company.

In conclusion, would the port be agreement, that based on my responses to the criteria provided by Mr. Sean Clark, that the intended use for the property in question meets the requirement for the "thru the fence agreement"?

With my receipt of the Port's written approval hopefully within the next fifteen (15) business days my client will proceed with the negotiation for purchase of Lots 5 & 6 Aero Business Center.

Thank you for time and help with this matter,

A handwritten signature in black ink, appearing to read "Clayton Eveland". The signature is fluid and cursive, with the first name "Clayton" being more prominent than the last name "Eveland".

Clayton Eveland

Owner, Flying Ace's LLC



Capital Projects Budget Discussion

STAFF REPORT

DATE: March 29, 2023
TO: Commission Board
FROM: Bob Gadotti
Executive Finance Manager
RE: Capital Projects Budget

Discussion

Port staff has worked on updating the Capital Projects spreadsheet for the 2023-2024 budget process.

This spreadsheet outlines various Capital Projects at Port Properties, estimated costs and future years projected projects and estimates.

The Port staff has prioritized 5 key Capital Projects:

- Scappoose Bay Marine Park Dredging
- Scappoose Bay Marina Improvement Project I and II
- Shop Building
- Port Westward Dock Resilience
- Administration Building Remodel

Recommendation

The Commission discuss the Capital Projects Budget to help staff prioritize capital spending.

DRAFT CAPITAL PROJECTS

Property	Project Name	Grants	Loans	Pass Through	GF	PROPOSED FY	Yr 2	YR 3	YR 4
						2023-24	FY 2024-25	FY 2025-26	FY 2026-27
SA	Pavement Maintenance Program (PMP)	\$36,000	\$0	\$0	\$24,000	\$60,000	\$414,000	\$62,100	\$0
SA	New Hangars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$828,000
SA	New Corporate Hangars/PAPI lights	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,070,000
SA	East Side Infrastructure Water/Sewer Stubs	\$0	\$0	\$0	\$0	\$0	\$0	\$1,035,000	\$0
SA	Strategic Property Acquisition Pop Up	\$0	\$0	\$0	\$0	\$0	\$621,000	\$0	\$0
SA	Runway Resurfacing/Lighting Upgrade D&E	\$108,000	\$0	\$0	\$72,000	\$180,000	\$414,000	\$4,660,000	\$0
SA	Master Airport Plan	\$18,750	\$0	\$0	\$60,000	\$75,000	\$26,000	\$0	\$0
SA	Gate Replacements (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SIA Total		\$162,750	\$0	\$0	\$156,000	\$315,000	\$1,475,000	\$5,757,100	\$2,898,000
SBM	RV Park Phase 2 - A Engineering	\$0	\$0	\$0	\$0	\$0	\$26,000	\$0	\$0
SBM	RV Park Phase 2 - B Construction	\$0	\$0	\$0	\$0	\$0	\$104,000	\$2,070,000	\$0
SBM	Dredging survey & permitting plan **	\$100,000	\$0	\$0	\$400,000	\$500,000	\$0	\$0	\$0
SBM	Dredging	\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$0	\$0	\$0
SBM	Kiosk/ RV Park Reservation system upgrade	\$0	\$0	\$0	\$0	\$0	\$62,000	\$0	\$0
SBM	SBM Marina Improvement Phase I D&E	\$0	\$0	\$0	\$320,000	\$400,000	\$0	\$0	\$0
SBM	SBM Marina Improvement Phase II Construction	\$300,000	\$0	\$0	\$1,200,000	\$1,500,000	\$3,882,000	\$0	\$0
SBM Total		\$400,000	\$0	\$0	\$3,920,000	\$4,400,000	\$4,074,000	\$2,070,000	\$0
MULT	Rail Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$103,500	\$0
MULT	Site paving	\$0	\$0	\$20,000	\$180,000	\$200,000	\$0	\$0	\$0
MULT	Shop Building	\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$0	\$0	\$0
MULT	DEQ Environmental Req.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MULT Total		\$0	\$0	\$20,000	\$2,180,000	\$2,200,000	\$0	\$103,500	\$0
RR	Wilds Geo-Tech Study Marina Dredging fill	\$0	\$0	\$0	\$50,000	\$50,000	\$0	\$0	\$0
RR	Environmental Clean up	\$0	\$0	\$0	\$0	\$0	\$518,000	\$1,005,000	\$2,070,000
RR	North Easement Access/New Access Rd (Part of IGA)	\$0	\$0	\$0	\$0	\$0	\$0	TBD	\$0
RR	Bailey Bridge	\$0	\$0	\$0	\$0	\$0	\$37,000	\$103,000	\$0
RR	Upland Disposal Feasibility Study SBM	\$0	\$0	\$0	\$0	\$0	TBD	\$0	\$0
RR Ave Total		\$0	\$0	\$0	\$50,000	\$50,000	\$555,000	\$1,108,000	\$2,070,000
McN	Campus/Spec Bldg. Phase I	\$0	\$0	\$0	\$0	\$0	\$1,240,000	\$1,811,000	\$0
McN	Site/Design (Parcel C)	\$0	\$180,000	\$0	\$120,000	\$300,000	\$775,000	\$0	\$0
McNulty Total		\$0	\$180,000	\$0	\$120,000	\$300,000	\$2,015,000	\$1,811,000	\$0
MIL	Site Design/Partitioning 300-700 Port Way	\$0	\$0	\$0	\$0	\$0	\$0	\$70,000	\$0
Milton Creek Total		\$0	\$0	\$0	\$0	\$0	\$0	\$70,000	\$0
CC	Feasibility Study	\$0	\$0	\$0	\$0	\$0	\$156,000	\$0	\$0
CC	Clearwater Dock Improvement	\$0	\$0	\$0	\$0	\$0	\$104,000	\$0	\$518,000
CC	Rail Spur/Drainage Improvements	\$0	\$0	\$18,750	\$56,250	\$75,000	\$0	\$0	\$0
Columbia City Total		\$0	\$0	\$18,750	\$56,250	\$75,000	\$260,000	\$0	\$518,000
CLAT	Bldg Demo	\$0	\$0	\$0	\$0	\$0	\$450,000	\$0	\$0
CLAT	Spec Building Future	\$0	\$0	\$0	\$0	\$0	\$0	\$900,000	\$900,000
CLAT Total		\$0	\$0	\$0	\$0	\$0	\$450,000	\$900,000	\$900,000
PWW	Security Site Improvements	\$0	\$0	\$0	\$0	\$0	\$36,000	\$104,000	\$0
PWW	Gate Shack / Hermo Rd	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PWW	Lay Berth	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,500,000
PWW	Dock Resilience Berth 1&2 - Ongoing Annual	\$0	\$0	\$0	\$1,500,000	\$1,500,000	\$1,345,000	\$931,000	\$400,000
PWW	Utility Boat	\$0	\$0	\$0	\$0	\$0	\$104,000	\$0	\$0
PWW	Strategic Property Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$900,000	\$0
PWW	Fire Suppression System Study/upgrade	\$0	\$0	\$0	\$0	\$0	\$125,000	\$0	\$0
PWW	Landside Fire Suppressant System Responsibility	\$0	\$0	\$0	\$0	\$0	\$1,525,000	\$0	\$0
PWW Total		\$0	\$0	\$0	\$1,500,000	\$1,500,000	\$3,135,000	\$1,935,000	\$8,900,000
ADM	Strategic Business Plan Update	\$18,750	\$0	\$0	\$56,250	\$75,000	\$0	\$0	\$0
ADM	Software - Document management/filing system/Property Management	\$0	\$0	\$0	\$100,000	\$100,000	\$0	\$0	\$0
ADM	Office Building Remodel	\$0	\$425,000	\$0	\$425,000	\$850,000	\$0	\$0	\$0
ADM	Equipment Replacement	\$0	\$0	\$0	\$45,000	\$45,000	\$50,000	\$0	\$0
ADMIN Total		\$18,750	\$425,000	\$0	\$626,250	\$1,070,000	\$50,000	\$0	\$0
Grand Total		\$581,500	\$605,000	\$38,750	\$8,608,500	\$9,910,000	\$12,014,000	\$13,754,600	\$15,286,000
updated 2 17 2023									