



PORT COMMISSION MEETING

100 E STREET, COLUMBIA CITY, OR 97018

June 11, 2025

8:30 A.M.

The Port Commission Meeting will be in person. In accordance with state law, the meeting will be accessible via telephone or Zoom. Members of the public may attend the meeting electronically by:

<https://us02web.zoom.us/j/81782074730>

Call-In: (253) 215-8782 Meeting ID: 817 8207 4730 Passcode: 299106

PUBLIC BUDGET HEARING: FISCAL YEAR 2026 BUDGET

I. CALL PUBLIC BUDGET HEARING TO ORDER (President, Brian Fawcett)

- A. Flag Salute**
- B. Roll Call**

II. COMMENTS FROM THE PUBLIC

(Limited to 2 min. per person unless prior authorization is obtained)

THE COMMISSION MEETING WILL BEGIN IMMEDIATELY FOLLOWING THE BUDGET HEARING

I. CALL COMMISSION MEETING TO ORDER (President, Brian Fawcett)

II. ADDITIONS TO AGENDA

III. CONSENT AGENDA (Items marked with an asterisk are adopted by a single motion unless a Commissioner requests otherwise.)

- A. * Approval of Minutes: April 29, 2025 Budget Committee and May 14, 2025 Commission Meeting**
- B. * Finance Report: June 2025**
- C. * May 2025 Check Register (A) and electronic payments in the total amount of \$453,954.91.**

IV. COMMENTS FROM THE PUBLIC

(Limited to 2 min. per person unless prior authorization is obtained)



V. NEW BUSINESS

- A. Resolution 2025-15** Guy Glenn, Jr.
REINSTATING THE PORT TAX
- B. Resolution 2025-16** Guy Glenn, Jr.
ADOPTING THE FY 2025-26 BUDGET

VI. OLD BUSINESS

- A.** Marina Update Miriam House
- B.** Lignetics/Neighbors Update Sean P. Clark

VII. NEW BUSINESS (cont.)

- A. Resolution 2025-09** Miriam House
MARINA MOORAGE RATES
- B. Resolution 2025-10** Miriam House
MARINA MOORAGE FEES
- C. Resolution 2025-11** Miriam House
MARINA RV PARK & DUMP STATION FEES
- D. Resolution 2025-12** Miriam House
MARINA: OSMB GRANT FOR PAVEMENT MAINTENANCE
- E. Resolution 2025-13** Lacey Tolles
AIRPORT: RUNWAY REHAB CONSTRUCTION CONTRACT
- F. Resolution 2025-14** Lacey Tolles
AIRPORT: EASTSIDE PAVEMENT MAINTENANCE SCOPE OF WORK
- G. Resolution 2025-19** Bob Salisbury
INTERGOVERNMENTAL AGREEMENT WITH CLATSKANIE FIRE DISTRICT

VIII. EXECUTIVE DIRECTOR'S REPORT

IX. COMMISSIONER REPORTS

X. EXECUTIVE SESSION

The Board will hold an Executive Session to deliberate with persons designated to negotiate real property transactions under ORS 192.660 (2)(e) and to consider exempt public records, including written legal advice from Port General Counsel, which is privileged under ORS 40.225, exempt from disclosure under ORS 192.355(9)(a), and pursuant to ORS 192.660(2)(f), and to review and evaluate the employment-related performance of the Port Executive Director pursuant to ORS 192.660(2)(i).

XI. CONTINUED NEW BUSINESS

- A. Resolution 2025-17** Amy J. Bynum
AIRPORT: AMERICAN JET CENTER PURCHASE & SALE AGREEMENT
- B. Resolution 2025-18** Amy J. Bynum
AIRPORT: AMERICAN JET CENTER GROUND LEASE

XII. ADJOURNMENT



Upcoming Meetings and Events

June 19		Juneteenth – Port Office Closed
June 25	TBD	Port Commission Work Session
July 1	5:30 p.m.	Scappoose Bay Marina Advisory Committee
July 4		Fourth of July – Port Office Closed
July 9	8:30 a.m.	Port Commission Meeting

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.

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



**PORT OF COLUMBIA COUNTY
BUDGET COMMITTEE MEETING
April 29, 2025
10:00 a.m.**

The Port of Columbia County held a Budget Committee meeting at 10:00 a.m. on Tuesday, April 29, 2025 at the Port office and via Zoom (*) video conferencing with the following people present:

Committee Members

Chip Bubl
Nick Sorber
Nancy Ward
Brian Fawcett*
Robert Keyser*

Bob Gadotti
Paul Langner
Rachel Armitage
Daniel Garrison
Rachael Barry

Staff Members

Sean P. Clark
Guy Glenn, Jr.
Miriam House
Christa Burns
Lacey Tolles
Noelle Linden*

Amy Bynum
Bob Salisbury
Elliot Levin
Elizabeth Millager*
Brittany Scott*
Sydell Cotton*

Guests in attendance:

Rani Nowling
Ralph Culpepper

The Port of Columbia County Budget Committee Meeting was called to order by Commission Vice President, Chip Bubl at 10:00 a.m.

Mr. Bubl welcomed the Committee members, asked for introductions, and called for nominations for the Budget Committee chairperson. Nancy Ward moved to nominate Bob Gadotti as the Committee Chair. Dan Garrison seconded the nomination. There being no further nominations, Vice President Bubl called for a vote. Motion carried unanimously, 10-0.

Chairman Gadotti asked Port Executive Director Sean Clark and Port Finance Manager Guy Glenn for their budget messages.

Mr. Clark came forward with his recommendation to reassess the tax levy at a rate of 0.0886 per thousand of assessed value, which will raise over \$500,000 annually in revenue. He explained that, despite a challenging year, the Port completed several long-planned capital improvements – most notably upgrades at Scappoose Bay Marine Park and the Scappoose Airport – by utilizing state and federal grants. Mr. Clark proposed that if the tax is approved the Port will leverage the funds collected to state and federal grant matches. This will allow the Port to continue to invest in economic growth, capital investment, and public recreation within the district.

Executive Finance Manager Guy Glenn gave a PowerPoint presentation on the Fiscal Year 2025-26 Proposed Budget. Mr. Glenn went over the budget strategies from the Strategic Business Plan (SBP), emphasizing the importance of financial reserves, fiscal responsibility, asset preservation and long-term strategic investments. A key component of Mr. Glenn's budget message is the Port's need to invest in infrastructure in excess of \$50 million over the next ten to fifteen years. In 2023, the Port was required to record a \$22.1 million liability on its annual financial statements for environmental cleanup. Recoding this liability decreased the Port's net position. With the combined need to invest in existing and future infrastructure, economic development initiatives, and environmental remediation, the Port is not in a position to forgo collecting tax revenue. A budget public hearing is scheduled for June 11 followed by adoption of the budget by the Port Commission and filing with the County. The Strategic Business Plan and FY25-26 Proposed Budget are on file at the Port office.

Chairman Gadotti asked for public comment.

Reni Nowling expressed her concern with extending loans and asked what measures are being taken to maximize accounts receivables to avoid relying on loans or levies from the general public. She pointed out that in any business, especially public agencies, tight control over receivables and payables is essential to maintain financial health. Mr. Glenn responded that the Port has a low amount of debt for a public agency and all of the Port's loans have low interest rates. He stated that most public agencies carry a common debt to spread costs out on long-term infrastructure and that the Port is not in a position to pay down loans at this time. He views the Port's debt as manageable due to the deposit accounts earning higher interest than what is being paid on the loans. The Port is actively working with tenants on restructuring leases, setting up payment agreements, and monitoring their progress. Nancy Ward mentioned a large receivable from the NEXT Renewable Energy (NEXT) project at Port Westward (PWW) which has been temporarily reduced until the project becomes shovel ready.

Chairman Gadotti then opened the floor for questions or comments from the Committee. The Port Commission and the Budget Committee held a discussion on the tax levy and the citizen Budget Committee recommended reinstating the Port tax at a rate of 0.0886% per \$1,000 of assessed value for the proposed FY25-26 budget.

Rachel Armitage asked if the \$2.7 million for grant funding was already in the door. Mr. Clark confirmed that is the amount included in the state grant application. Ms. Armitage also mentioned concerns around tariffs and interest rates and asked how the budget accounts for a worst case scenario if materials are not coming in and costs are increased. Mr. Clark commented that the Port does not currently have commodities that are being exported but should NEXT come on board that could be a concern for a future fiscal year.

Dan Garrison inquired about Return on Investment (ROI) on a \$60 million project and whether there is a clear revenue stream. Mr. Glenn clarified that amount includes the \$22 million Pope & Talbot site cleanup and the major work at PWW which is the Port's biggest earner. Mr. Clark added that maintaining and upgrading the dock at PWW maintains a cash-generating asset and there is unused capacity for more cargo.

Paul Lagner asked what is foreseen for the rise in the Professional Services numbers. Mr. Glenn responded that most of that increase is related to Information Technology (IT), security, and the one-time expense of moving the server in-house, which should save money later. Mr. Langer also inquired about the \$20,000 that is budgeted for a material handler and suggested purchasing from an auction or leasing the equipment. Mr. Langer also asked about the \$250,000 shown for the Clearwater Dock project and Mr. Clark stated that amount is only for the preliminary work which includes engineering, permitting and replacement of some of the piles. The existing piles are in good shape, but a few need to be replaced and full marine construction would cost much more. Lastly, Mr. Langer proposed using airport paving grant funds to pre-purchase asphalt binder while oil prices are currently down. Mr. Clark agreed that cost-saving ideas and grant compliance for public entities are worth exploring.

Nancy Ward stated that she was new on the Port Commission when the tax was removed from the budget and assumed it would be permanent. She inquired about what was different then and said she did not recall grant matching as part of the conversation at that time. Mr. Clark indicated that when the tax was eliminated, the Port had completed some projects and received insurance funds. He recalled a previous Executive Director, Pat Trapp, stating that the tax should not be eliminated because it would reduce bonding capacity. Mr. Clark added that grants are highly effective tools for leveraging local money to secure larger amounts from state or federal sources, often with a multiplier effect. He also mentioned a previous Intergovernmental Partnership Program (IPP) that allowed local entities to apply for funding for projects that invested money back into the community.

Port staff have made various efforts to inform the community about Port activities through local media, social media and a tour of community meetings. They have also given presentations to local organizations including Kiwanis, Rotary, Economic Development Committees, Chambers of

Commerce, and Advisory Committees. These presentations are intended to build public awareness and support by showcasing the Port as a local economic engine.

Robert Keyser commented that the vote was not to permanently eliminate the tax and that it is an annual decision on whether to assess the levy or not. Mr. Keyser clarified that the reason behind the previous decision not to use the tax levy was because the Port was financially stable at the time and chose to pass on that benefit to the taxpayers. He said the only way he will support reinstating the tax is to fulfill the Port's financial obligations and not for general operating expenses.

Rachael Barry shared that in the run-up to this meeting she had conversations with friends and neighbors and nearly everyone she spoke with, except for one individual, was supportive of reinstating the tax. She stated that the community members she spoke with strongly support the mission and work of the Port. They were less concerned with how the funds would be used but rather with the cost and, at the proposed rate of \$0.0886 per thousand, no one expressed concern.

Ms. Ward asked Ralph Culpepper for his view and Mr. Culpepper responded that he had not heard any mention of the top line. He said Port employees should be out recruiting customers to increase revenue and that it is nice to see the Port's Executive Director doing outreach now. Ms. Ward asked Mr. Culpepper whether he believed the Port had taken sufficient steps to increase revenue and whether the proposed tax levy was justified. Mr. Culpepper expressed skepticism about the necessity of the tax. Mr. Clark agreed that the Port aims to grow revenue and bring business to Columbia County.

Brian Fawcett stated his firm opposition to using taxpayer dollars to fund the cleanup of Pope & Talbot, an industrial site that was polluted by a private corporation, particularly under pressure from the Oregon Department of Environmental Quality (DEQ). Mr. Fawcett stated his belief that this financial responsibility should not fall on local citizens. He said he remains undecided about other potential uses for the tax and is open to learning more through the ongoing community outreach campaign.

Mr. Gadotti asked for a motion to approve the FY25-26 Proposed Budget in the total amount of \$23,108,209.

Paul Langner made a motion to approve the budget as presented. Rachael Barry seconded the motion. Chairman Gadotti called for a vote and the motion carried 9-1.

Mr. Gadotti asked for a motion to approve the tax levy for the 2025-26 fiscal year.

Paul Langner made a motion to reinstate the tax levy at the rate of 0.0886% per \$1,000 of assessed value for the proposed FY25-26 budget. Rachael Barry seconded the motion. Motion carried 8-2.

Mr. Gadotti called for a motion to adjourn.

Daniel Garrison motioned, Nick Sorber seconded a motion to adjourn.

There being no other business, the budget meeting adjourned at 11:45 a.m.

President

June 11, 2025
Date Commission Approved

Secretary



COMMISSION MEETING MINUTES

MAY 14, 2025

100 E. STREET

COLUMBIA CITY, OREGON 97018

The Port of Columbia County held a Board meeting at 8:30 a.m. on Wednesday, May 14, 2025 at the Port office and via Zoom (*) video conferencing with the following people present:

Commissioners

Brian Fawcett	President
Chip Bubl	Vice President
Nancy Ward	2nd Vice President
Nick Sorber	Treasurer
Robert Keyser	Secretary

Staff

Sean P. Clark	Executive Director
Amy Bynum	Deputy Executive Director
Bob Salisbury	Port General Counsel
Guy Glenn	Executive Finance Manager
Miriam House	Operations Manager
Elliot Levin	North County Ops. & Terminal Mgr.
Elizabeth Millager*	Property Manager
Lacey Tolles	Airport Manager
Christa Burns	Administrative Assistant II
Brittany Scott*	Finance Assistant
Noelle Linden*	Administrative Assistant

Guests

Sarah Stephenson	Humane Resources
Betsy Johnson	Scappoose
Mark Smith	
Jay Tappan	St. Helens
Jason Moon	
Helen Johnson	Columbia City
Bob Gadotti*	Scappoose
Susan Tolleshaug*	St. Helens
Jasmine Lillich*	Clatskanie
Kyle Melton*	Bare Roots Land & Home

President Brian Fawcett called the Port of Columbia County Commission Meeting to order at 8:30 a.m. All Commissioners were present.

Additions To Agenda

Brian Fawcett asked the Commission if there were any additions to the agenda. There were no additions.

Consent Agenda

Robert Keyser moved, Nick Sorber seconded a motion to adopt consent agenda items A, B, and C: April 9, 2025 Minutes, May 2025 Finance Report, and April 2025 Check Register and electronic payments in the total amount of \$463,940.42. Motion carried, 5-0.

Comments From the Public

Betsy Johnson asked to reserve her comment for later in the meeting. The Commission agreed.

New Business

Executive Director Review Discussion

The Commission held a discussion on the Executive Director review process. Port General Counsel Bob Salisbury outlined the current policy which states that the Commission President and one other Commissioner conduct the final review. However, historically all five Commissioners have participated in the review process. HR Consultant Sarah Stephenson will help to guide the process this year to include input from all Commissioners, with the Chair and one other Commissioner synthesizing the feedback into one final version. This is a more efficient method for refining the Executive Director review. The Commission gave consensus for all Commissioners to be involved



in the review process. Mr. Salisbury also informed the Commission that a new evaluation form for all staff was created with assistance from Ms. Stephenson and input from Port staff. The evaluation now includes a two-step process consisting of a staff self-evaluation followed by a supervisor review. Ms. Stephenson will facilitate the process but will not evaluate or influence content directly. This process aims for a streamlined and consistent review approach involving all Commissioners. The next regular Commission meeting will include an Executive Session to review the Executive Director's evaluation. Mr. Salisbury stated that he will send the evaluation form to Commissioners ahead of the meeting for review. The Commission agreed to have Ms. Stephenson join the Executive Session. Mr. Keyser will call in and submit input ahead of time. Mr. Clark also mentioned a board self-assessment offered through the Special Districts Association of Oregon (SDAO) that the Port Commission could potentially incorporate in upcoming assessments.

Old Business

Marina Update: Marina Study Sub-Committee

Port Executive Director Sean Clark provided an update on the Scappoose Bay Marine Park (SBMP) following the recent study by BST Associates. At the Marina Advisory Committee on March 4, many ideas were brought up to address marina challenges, including forming a Marina Study Sub-Committee to guide the next phase of action. There was consensus that the subcommittee should include a mix of stakeholders including two Port Commissioners, members of the Marina Advisory Committee, and outside community members to bring diverse perspectives. Commissioner Bubl and Commissioner Sorber will join the subcommittee on behalf of the Port Commission. Mr. Keyser suggested reaching out to former Port Commissioner Chris Iverson to gauge his interest in joining. Commissioners all expressed interest in being directly involved in the planning and decisions that will shape the future of the marina, and pointed out the broad impact the marina has on the local community. There was discussion about community engagement and holding an appreciation event for marina volunteers. The Commission suggested inviting BST Associates and Mr. Glenn said Port staff will be meeting with them on May 15. Port tenant Next Adventure announced they will be closing all of their locations this year. They plan to continue operating the Scappoose Bay site through at least September. Port staff have started contacting local tourism and travel organizations about maintaining services.

Lignetics/Neighbors Update

Mr. Clark noted that Lignetics Plant Manager Steve Nelson was unable to attend the meeting, but Mr. Nelson reported that he spoke with Columbia City resident Jan Schollenberger who had experienced some dust issues. Mr. Nelson speculated that the dust was likely from road traffic rather than the facility itself. Mr. Nelson visited Ms. Schollenberger to investigate and said the dust had different characteristics than previous incidents. Mr. Clark said they would follow up with her to ensure everything is satisfactory. Once Lignetics upgrades their transformer, they plan to replace the hammermill which should help to further reduce the dust. Lignetics continues to produce pellets and is operating within its permit. Mr. Clark said more updates are to follow.

New Business

Berry Global Rail Agreement

Port Deputy Executive Director Amy Bynum informed the Commission that the Port recently signed a Rail Agreement with Berry Global outlining their share of future maintenance costs of the Multnomah rail spur. Berry Global utilizes a small portion of the Multnomah Spur for transporting their products. Ms. Ward asked how it has been working with Berry Global. Ms. Bynum responded that they have been a longstanding user of the Multnomah Spur and a good community partner for the Port.



Budget Discussion & Community Giving Program

Mr. Clark stated that Executive Finance Manager Guy Glenn was available to answer any questions about the budget. Mr. Clark also requested that the Commission decide on an amount to budget for the Community Giving Program. Mr. Salisbury stated that Resolution 2025-01 implemented a new Community Giving Policy to offer two awards throughout the year in August and February. The program allows entities to submit applications for support which are then reviewed by a Committee comprised of two Port Commissioners and Port staff. A brief discussion was held to determine how much to allocate in the budget for the total yearly amount. The Commission agreed to move forward with \$2,000 to be split among multiple requests, not given as a single reward.

Resolution 2025-08

APPROVING CENTURY WEST SCOPE OF WORK FOR RUNWAY REHABILITATION PHASE III – BIDDING AND CONSTRUCTION SERVICES

Airport Manager Lacey Tolles presented Resolution 2025-08 for approval to submit a grant application to the Federal Aviation Administration (FAA) for the Century West scope of work for Runway Rehabilitation Phase III in the amount of \$279,614.00. Ms. Tolles reported that in 2021 the Oregon Department of Aviation (ODAV) commissioned a pavement evaluation study which indicated the Scappoose Airport runway surface needed rehabilitation by 2026. The FAA will reimburse 95 percent, or \$2,650,633.00 and the Port will be responsible for 5 percent, or \$13,980.00. Mr. Fawcett inquired about mitigation options for the runway closure. Ms. Tolles responded that Port staff are studying other airports and considering alternative solutions such as converting the taxiway to a temporary runway, an adjacent grass strip, or night work. She clarified that the FAA would need to approve any change orders and would not fund additional costs for mitigation measures taken. The bid for a contractor closes on May 15 at 3:00 p.m. and the lowest responsible bidder will be selected. The grant award is expected in August 2025 and construction is targeted for Summer 2026. Ms. Tolles also noted that weather restricts the project to summer months. Tenants will be formally notified once the Port receives grant confirmation. Ms. Tolles also provided an update on the April 25 Airport Advisory Committee (AAC). The Committee and Port Staff reviewed and discussed feedback on two key documents: the Airport Use Permit, or Through the Fence (TTF) agreement, and the Airport Minimum Standards. Ms. Tolles explained that the Minimum Standards provide guidelines for airport operations. Port staff are still working on fine-tuning those documents. Mr. Keyser stated that Advisory Committees are appointed by the Commission to provide feedback to the Commission, and he wants to ensure that all of the Committee's comments are heard. Ms. Tolles said she welcomes all feedback from the AAC and the Port Commission.

Committee member Betsy Johnson provided public comment. Ms. Johnson stated that Airport Use Permits, or TTF agreements, should be negotiable and not based on a one-size-fits-all approach. Ms. Johnson proposed that the Airport Use Permit template be clearly communicated as guidance rather than a contract. She also expressed concern over whether attaching the Minimum Standards to contracts makes them enforceable as legal terms. Ms. Johnson said opinions were mixed on pre-submitting questions and comments. She commended Port staff for their recent progress and willingness to explore options. Ms. Johnson also accentuated the need for timely responses to prospective tenants, avoiding bureaucratic language in documents, and supporting a welcoming business environment. There are also concerns over the proposed 60-day full runway closure. Ms. Johnson reported on the ongoing pursuit of Project Spice, a major economic development initiative narrowed down to two possible locations: Scappoose and Quebec. She emphasized the significance of the Columbia Commerce Center as an industrial development opportunity, with \$70 million in investment and large potential to drive long-term economic growth. Ms. Johnson



expressed her appreciation to Port staff and the Committee on behalf of the Airport community. Port staff and Commissioners acknowledged the need for a collaborative approach and flexibility in agreements to help attract more business to the Scappoose Airport.

Nancy Ward moved, Chip Bubl seconded a motion to adopt Resolution 2025-08. The motion carried unanimously, 5-0.

Executive Director's Report

Executive Director Sean P. Clark gave an update on the Port's recent outreach efforts related to the Port tax. Mr. Clark and Ms. Bynum presented at several local civic events including the Scappoose Economic Development Committee on April 17, St. Helens Kiwanis on May 2, Scappoose Bay Marine Park Advisory Committee on May 6, Columbia County Rotary on May 7 and Rainier Chamber on May 8. Upcoming presentations will be at Clatskanie Kiwanis on May 27, the Scappoose Airport Advisory Committee on June 2 and Clatskanie Chamber on June 5. Mr. Clark said the Port updates have been well received with a positive response to reassessing the Port tax. Mr. Clark indicated that the tax is necessary for the Port to pay for its environmental remediation and seismic resiliency obligations. Ms. Ward inquired about outreach targeted to the broader sector and suggested attending the local political organization meetings. The Port has renewed its partnership with Metro Watch for security at Trestle Beach, which has helped reduce incidents by ensuring the area is cleared before the gate closes at 7:00 p.m. Port staff met with the St. Helens Parks and Trails Commission on April 22 to discuss a potential future trail loop. Mr. Clark went on a tour of the Port's South County facilities with County Commissioner Kellie Jo Smith on April 23 and took a tour of the Scappoose Drainage Improvement Company (SDIC) on May 13 with their General Manager Chase Christenson. Mr. Clark, along with Commissioners Fawcett and Ward, will participate in the National Alliance on Mental Illness (NAMI) walk on Saturday, May 17. Other upcoming events include Clatskanie Kiwanis on May 27, the Scappoose Adventure Fest on May 31 and the Scappoose Airport Advisory Committee meeting on June 2. The Executive Director Report is on file at the Port office.

Commissioner Reports

Nancy Ward reported that her and Mr. Fawcett are sponsoring the NAMI walk and hoping other Commissioners will join them at McCormick Park. She stated that she was impressed with the SDIC tour and Mr. Christenson's knowledge and professionalism.

Chip Bubl attended the Marina Advisory Committee meeting on May 4.

Nick Sorber did not have a report.

Robert Keyser stated he will be presenting the Intergovernmental Agreement (IGA) to the Clatskanie Fire District at tonight's meeting.

Brian Fawcett said he is excited to be part of the upcoming NAMI walk and confirmed that it starts at 10am.

Executive Session

The Board held an Executive Session to deliberate with persons designated to negotiate real property transactions under ORS 192.660(2)(e) and to consider exempt public records, including written legal advice from Port General Counsel, which is privileged under ORS 40.225, exempt from disclosure under ORS 192.355(9)(a), and pursuant to ORS 192.660(2)(f).



**THERE BEING NO FURTHER BUSINESS BEFORE THE COMMISSION, THE MEETING
ADJOURNED AT 10:43 A.M.**

President

June 11, 2025
Date Adopted

Secretary



STAFF REPORT

DATE: June 11, 2025
TO: Port Commission Board
FROM: Guy Glenn
Executive Finance Manager
RE: May 2025 Financial Update

Finance Report

Discussion:

Income Statement and Check Register: The May Preliminary Income Statement and May 31st, 2025 Balance Sheet are attached in addition to the combined May check register and electronic disbursements. I have also included notes on the income statement for your reference.

Cash and Investments as of May 31, 2025: \$ 14,792,525.98

- BMO - \$ 273,342.70
- LGIP - \$ 9,774,189.72
- LGIP - \$ 2,499,644.86
- LGIP - \$ 2,245,348.70

Checks and electronic payments issued in May of 2025 total: \$453,954.91

May Highlights:

- FY26 Budget Approved; Public Hearing & Adoption scheduled for June 11th
- FY25 Audit preliminary work/prep for June 30th year end
- FY26 Rate Adjustment Process (CPI)
- Annual Reviews – Staff
- Remote server now being hosted locally
- BST Marina planning proposal
- Project management and grant support
- FY26 employee benefits plan renewal

Port of Columbia County

Income Statement for the period ending May 31, 2025

	Current	Yr To Date	Annual	%	Prior YTD	Increase
	Actual	Actual	Budget	Remaining	Actual	(Decrease)
Resources						
Property Taxes	1	225	-	0.0%	8,236	(8,011)
Licenses and Permits	48,762	521,074	559,057	6.8%	520,193	881
Rents and Reimbursements	377,177	7,522,278	4,528,546	-66.1%	6,066,264	1,456,014
Terminal Services	34,401	495,770	730,000	32.1%	380,645	115,124
Bayport RVPark	7,225	119,881	147,860	18.9%	107,300	12,580
Parking Fees	15,087	103,836	-	0.0%	57,944	45,892
Launch Fees	51	51	91,000	99.9%	22,393	(22,342)
Other Marina Fees	570	3,466	5,400	35.8%	2,510	956
Grants	116,384	280,133	1,305,000	78.5%	377,292	(97,159)
Loan Proceeds	-	-	-	0.0%	0	-
Interest Earnings	56,487	643,797	376,757	-70.9%	460,409	183,388
InterGovernmental Income	-	-	-	0.0%	0	-
Contributions	-	-	-	0.0%	0	-
Miscellaneous Income	50,993	297,505	50,000	-495.0%	2,664,118	(2,366,613)
				0.0%		
Total Resources	707,137	9,988,015	7,793,620	-28.2%	10,667,305	-679,290
Requirements						
Personnel Services	243,935	2,258,935	2,906,505	22.3%	2,290,315	(31,380)
Materials and Services	152,600	1,901,418	3,771,568	49.6%	2,573,317	(671,899)
Capital Outlay	3,231	2,108,886	4,152,000	49.2%	704,007	1,404,879
Debt Service	-	574,023	386,742	-48.4%	695,851	(121,828)
Contingency	-	-	6,439,958	100.0%	0	-
Total Requirements	399,766	6,843,261	17,656,773	61.2%	6,263,490	579,771
Change in Net Position	307,372	3,144,754			4,403,815	(1,259,062)

Note: Rents & Reimbursements - includes 1.) \$1.75 million in non-recurring insurance recovery, and 2.) approximately \$2.18 million in Accts Receivable and late fees, assuming full recovery, not adjusted for any uncollectible portion. Net Position reported does not adjust for these two factors, totaling roughly \$3.93 million.

Port of Columbia County
Balance Sheet – May 31, 2025

	May 2025	May 2024
ASSETS		
Current assets		
Cash and Investment	15,047,249	12,575,738
Cash restricted for debt payments	-	925,838
Receivables, net of allowances	1,459,578	387,537
Prepaid Expenses	-	27,796
Total current assets	16,506,827	13,916,909
Noncurrent assets		
Capital Assets	-	-
Depreciable capital assets	64,116,527	63,908,238
Non depreciable capital assets	12,573,851	12,090,960
Accumulated depreciation	(36,265,424)	(34,062,558)
Capital assets, net	40,424,954	41,936,640
Receivables from other organizations	1,455,969	1,593,711
Total noncurrent assets	41,880,923	43,530,351
Deferred outflows of resources	285,578	285,578
Total Assets and deferred outflows	58,673,329	57,732,838
LIABILITIES AND NET POSITION		
Current liabilities		
Accounts payable	9,868	(3,851)
Accrued interest payable	90,738	77,291
Retainage Payable	-	-
Accrued payroll costs	587	(437)
Compensated balances	199,969	169,742
Deferred revenue	(26,998)	(108)
Deposits	435,712	681,298
Notes payable and assessment debt - current	372,072	268,196
Total current liabilities	1,081,948	1,192,131
Noncurrent liabilities		
Notes Payable	4,431,351	4,702,099
Special assessment debt with government commitment	1,310,253	1,455,970
Environmental Clean-up Liab. RR Ave	22,100,000	19,600,000
Net pension liability	865,616	865,616
Total noncurrent liabilities	28,707,220	26,623,685
Deferred inflows of resources	-	-
Net position		
Investment in capital assets, net of related debt	29,519,113	29,519,113
Unrestricted	(3,807,180)	(4,964,564)
Restricted for debt payments	-	925,838
Current Year Income (loss)	3,172,228	4,436,635
Total net position	28,884,161	29,917,022
Total liabilities, deferred inflows and net position	58,673,328	57,732,838

Port of Columbia County
Voucher Approval List - May 2025

Check Number	Vendor ID	Vendor Name	Document Date	Check Amount	Voided
46413	BARE001	Bare Roots Land & Home LLC	5/1/2025	\$8,000.00	No
46414	BLUE001	Blue Heron Septic and Drain Service	5/1/2025	\$3,200.00	No
46415	CHRI002	Chris O Janitorial LLC	5/1/2025	\$2,738.66	No
46416	COBR001	Cobra Management Services-Accrue	5/1/2025	\$95.00	No
46417	GADO001	Robert Gadotti	5/1/2025	\$551.25	No
46418	LEVI001	Elliot Levin	5/1/2025	\$170.80	No
46419	OAMA001	OAMA	5/1/2025	\$155.00	No
46420	OREG013	Oregon Water Resources Department	5/1/2025	\$780.00	No
46421	PORT002	Portland General Electric	5/1/2025	\$8,104.43	No
46422	SHER001	Sherwin-Williams	5/1/2025	\$149.12	No
46423	SHRE001	Shred Northwest, Inc	5/1/2025	\$60.00	No
46424	SISC001	Gina Sisco	5/1/2025	\$44.80	No
46425	SOLU001	Solutions Yes, LLC	5/1/2025	\$212.00	No
46426	TOLL001	Lacey Tolles	5/1/2025	\$129.94	No
46427	VOYA001	Voya - State of Oregon	5/1/2025	\$4,834.00	No
46428	ACEH001	Ace Hardware	5/8/2025	\$715.86	No
46429	ACEH002	Ace Hardware	5/8/2025	\$144.31	No
46430	AMBI001	Ambient IT Solutions	5/8/2025	\$1,352.00	No
46431	BYNU001	Amy Bynum	5/8/2025	\$274.86	No
46432	CITY001	City of Columbia City	5/8/2025	\$258.49	No
46433	CITY005	City of Clatskanie	5/8/2025	\$86.87	No
46434	CMGO001	CMG Oregon LLC	5/8/2025	\$240.00	No
46435	COMC001	Comcast	5/8/2025	\$102.75	No
46436	COMC003	Comcast Business-Ethernet	5/8/2025	\$3,147.85	No
46437	CSAP001	CSA Planning Ltd.	5/8/2025	\$1,358.25	No
46438	DAHL001	Dahlgren's Do It Best	5/8/2025	\$260.81	No
46439	DIGI001	Digital Graphiti	5/8/2025	\$125.00	No
46440	FINE001	Encore Business Solutions	5/8/2025	\$112.50	No
46441	HRAV001	HRA VEBA Plan	5/8/2025	\$4,304.00	No
46442	HUDS001	Hudson Garbage Service	5/8/2025	\$1,010.00	No
46443	HUDS002	Hudson Portable Toilet Service	5/8/2025	\$502.04	No
46444	KITC001	Kitchens & More NW, Tolmie Enterprises	5/8/2025	\$440.00	No
46445	KPFF001	KPFF, Inc	5/8/2025	\$2,580.00	No
46446	LAWR001	Lawrence Oil Company	5/8/2025	\$21.00	No
46447	LOOPN001	LoopNet	5/8/2025	\$677.82	No
46448	MARI002	Maritime Fire & Safety Association	5/8/2025	\$270.00	No
46449	OAWU001	Oregon Association of Water Utilities	5/8/2025	\$75.50	No
46450	OREG004	Oregon Department of State Lands	5/8/2025	\$514.08	No
46451	OREI001	O'Reilly Auto Enterprises LLC	5/8/2025	\$80.27	No
46452	PACI005	Pacific Office Automation	5/8/2025	\$357.00	No
46453	PORT001	American City Business Journal	5/8/2025	\$220.00	No
46454	QUIL001	Quill	5/8/2025	\$494.78	No
46455	SAIF001	SAIF Corp	5/8/2025	\$3,994.35	No
46456	SDAO001	SDAO	5/8/2025	\$21,580.00	No
46457	SDIS001	SDIS	5/8/2025	\$1,269.70	No

46458	SHER001	Sherwin-Williams	5/8/2025	\$147.26	No
46459	SUNS001	Sunset Auto Parts	5/8/2025	\$69.27	No
46460	WARD001	Nancy Ward	5/8/2025	\$113.40	No
46461	WAST002	Waste Management of OR, Inc.	5/8/2025	\$34.64	No
46462	WILC001	Wilcox & Flegel	5/8/2025	\$484.42	No
46463	ATTM001	AT&T Mobility	5/15/2025	\$1,034.55	No
46464	BEMI001	Bemis Printing & Graphics	5/15/2025	\$190.00	No
46465	CENT001	CenturyLink	5/15/2025	\$251.76	No
46466	COLU023	Columbia County Office of Emergency Management	5/15/2025	\$4,922.44	No
46467	COLU026	Columbia County Transfer Station	5/15/2025	\$112.87	No
46468	DAIL002	Daily Journal of Commerce - Seattle	5/15/2025	\$179.80	No
46469	MARI004	Marine Floats Corporation	5/15/2025	\$250.00	No
46470	ORKI001	Orkin LLC	5/15/2025	\$100.00	No
46471	PORT002	Portland General Electric	5/15/2025	\$8,710.44	No
46472	SHRE001	Shred Northwest, Inc	5/15/2025	\$60.00	No
46473	SOLU001	Solutions Yes, LLC	5/15/2025	\$88.00	No
46474	SUNS002	watkins Tractor & Supply dba	5/15/2025	\$314.28	No
46475	SUPP002	Home Depot Pro	5/15/2025	\$194.08	No
46476	VOYA001	Voya - State of Oregon	5/15/2025	\$4,834.00	No
46477	WOOD001	Woods Logging Supply	5/15/2025	\$263.79	No
46478	C&ER001	C&E Holdings Inc	5/16/2025	\$47,000.00	No
46479	AMBI001	Ambient IT Solutions	5/22/2025	\$43.75	No
46480	CENT001	CenturyLink	5/22/2025	\$104.98	No
46481	CENT003	CenturyLink	5/22/2025	\$56.63	No
46482	COBR001	Cobra Management Services-Accrue	5/22/2025	\$95.00	No
46483	COMC001	Comcast	5/22/2025	\$2,662.36	No
46484	COMC002	Comcast Business-Office Phones	5/22/2025	\$1,145.96	No
46485	GADO001	Robert Gadotti	5/22/2025	\$551.50	No
46486	KOLD001	Culligan	5/22/2025	\$135.45	No
46487	KPFF001	KPFF, Inc	5/22/2025	\$151.20	No
46488	MARI004	Marine Floats Corporation	5/22/2025	\$250.00	No
46489	OREG017	Oregon Government Finance Officers Association	5/22/2025	\$125.00	No
46490	PRES001	Forrest Preston	5/22/2025	\$209.95	No
46491	SALI002	Robert Salisbury	5/22/2025	\$362.60	No
46492	SONI001	Sonitrol Pacific	5/22/2025	\$438.40	No
46493	SUPP002	Home Depot Pro	5/22/2025	\$102.66	No
46494	WILC001	Wilcox & Flegel	5/22/2025	\$521.48	No
46495	BARE001	Bare Roots Land & Home LLC	5/29/2025	\$4,000.00	No
46496	BUBL001	Chip Bubl	5/29/2025	\$300.00	No
46497	CABL001	Cable Huston	5/29/2025	\$413.23	No
46498	COMC001	Comcast	5/29/2025	\$102.75	No
46499	CONS001	Consor North America, Inc	5/29/2025	\$1,123.00	No
46500	FAWC001	Brian Fawcett	5/29/2025	\$300.00	No
46501	KEYS001	Robert Keyser	5/29/2025	\$300.00	No
46502	LOWT001	Low Tide Logging LLC	5/29/2025	\$300.00	No
46503	NASA001	National Association of State Agencies for Surplus Properties	5/29/2025	\$39.00	No
46504	QUIL001	Quill	5/29/2025	\$288.71	No
46505	SHRE001	Shred Northwest, Inc	5/29/2025	\$60.00	No

46506	SONI001	Sonitrol Pacific	5/29/2025	\$5,647.00	No
46507	SORB001	Nick Sorber	5/29/2025	\$300.00	No
46508	SUPP002	Home Depot Pro	5/29/2025	\$58.02	No
46509	TOLL001	Lacey Tolles	5/29/2025	\$184.57	No
46510	VOYA001	Voya - State of Oregon	5/29/2025	\$4,534.00	No
46511	WARD001	Nancy Ward	5/29/2025	\$300.00	No
46512	BSTA001	BST Associates	5/29/2025	\$14,800.00	No
46513	CHRI002	Chris O Janitorial LLC	5/29/2025	\$2,738.66	No
ACH001700-002 051525	CITY002	City of Scappoose	5/14/2025	\$104.75	No
ACH003008-002 051525	CITY002	City of Scappoose	5/14/2025	\$24.48	No
ACH040125	BANK001	BMO Financial Group	5/29/2025	\$4,360.95	No
ACH050525	STAN002	The Standard	5/5/2025	\$2,340.60	No
ACH051225	PERS001	Oregon Public Employees Retirement System	5/13/2025	\$10,174.11	No
ACH052825	PERS001	Oregon Public Employees Retirement System	5/29/2025	\$10,933.31	No
ACH11033501 051625	CLAT002	Clatskanie PUD	5/16/2025	\$393.50	No
ACH1T9P-PP44-FMR3	AMAZ001	Amazon Capital Services	5/28/2025	\$564.43	No
ACH2005670000 61025	CITY003	City of St. Helens	5/29/2025	\$983.33	No
ACH2305703000 61025	CITY003	City of St. Helens	5/29/2025	\$127.41	No
ACH2651864-7 53025	NWNA001	NW Natural Gas Company dba	5/29/2025	\$123.71	No
ACH4227443398	CINT002	Cintas Corporation No 3	5/13/2025	\$61.59	No
ACH4228916147	CINT002	Cintas Corporation No 3	5/29/2025	\$61.59	No
ACH4229614854	CINT002	Cintas Corporation No 3	5/29/2025	\$61.59	No
ACH4302	MYSY001	My System Shield LLC	5/29/2025	\$3,106.00	No
ACH5102503 051625	CLAT002	Clatskanie PUD	5/16/2025	\$29.15	No
ACH5102603 051625	CLAT002	Clatskanie PUD	5/16/2025	\$16.00	No
ACH5103600 051625	CLAT002	Clatskanie PUD	5/16/2025	\$219.42	No
ACH5111001 051625	CLAT002	Clatskanie PUD	5/16/2025	\$73.10	No
ACH5269405332	CINT002	Cintas Corporation No 3	5/29/2025	\$26.96	No
ACH8407481462	CINT001	Cintas First Aid & Safety	5/29/2025	\$108.00	No
ACH90057300 051625	CLAT002	Clatskanie PUD	5/16/2025	\$94.70	No
ACH9319068144	CINT002	Cintas Corporation No 3	5/29/2025	\$216.00	No
124		ACH and Check Payments - Sub Total		\$222,100.63	
		Electronic Bank Transactions			
DAJ000007398		5-1-25 RV Resv Refund 3111	5/1/2025	115.00	No
DAJ000007399		5-1-25 MO Merch Fee 3111	5/1/2025	757.35	No
DAJ000007400		5-1-25 MO Merch Fee 8888	5/1/2025	179.99	No
DAJ000007401		5-1-25 MO Merch Fee 8904	5/1/2025	682.54	No
DAJ000007404		5-2-25 RV Park Res Refund 3111	5/2/2025	85.00	No
DAJ000007406		5-1-25 MO ACH Bank Fee 4862	5/1/2025	0.35	No
DAJ000007415		5-7-25 Yarbor AP Invalid Acct	5/7/2025	219.00	No
DAJ000007424		5-9-25 Accrue Reimbursement	5/9/2025	79.59	No
DAJ000007426		5-1-25 K Larson Pymt Rejection	5/1/2025	219.00	No
DAJ000007432		5-12-25 Accrue Reimbursement	5/12/2025	662.48	No
DAJ000007463		5-20-25 Accrue Claim Reimburse	5/20/2025	486.25	No
DAJ000007469		5-21-25 Accrue Claim Reim.	5/21/2025	2,707.65	No
DAJ000007474		5-22-25 MO Bank Fee	5/22/2025	560.37	No
DAJ000007480		5-23-25 Accrue Claim Reimburse	5/23/2025	104.53	No
DAJ000007485		5-28-25 RV Park Refund 3111	5/28/2025	1,210.00	No
DAJ000007489		BMO CC Credit On Account	5/30/2025	564.14	Yes
WDL000007383		ADP PPE 04262025 PPD 05022025	5/1/2025	73,595.44	No

WDL000007405		5-2-25 Cardinal Srvs Payroll	5/2/2025	2,217.60	No
WDL000007419		ADP Closeout GS 05.08.25	5/8/2025	8,040.51	No
WDL000007425		5-9-25 ADP Payroll Fees	5/9/2025	84.86	No
WDL000007433		ADP PPE051025 PPD 051625	5/15/2025	67,946.59	No
WDL000007445		5-16-25 Cardinal Services	5/16/2025	2,464.00	No
WDL000007470		ADP PPE 052425 PPD 053025	5/29/2025	66,323.18	No
WDL000007479		5-23-25 ADP Payroll Fees	5/23/2025	84.86	No
WDL000007495		5-30-25 Cardinal Srvs Payroll	5/30/2025	2,464.00	No
		Electronic Bank Transactions - Sub Total		\$231,854.28	
		Total Check and Electronic Disbursements		\$453,954.91	

PORT OF COLUMBIA COUNTY
Request for Reimbursement and Commissioner Stipend

It is the policy of the Port of Columbia County to reimburse commissioners for legitimate expenses made or costs incurred by commissioners in the course of conducting Port business. All requests for reimbursement must include receipts or other adequate documentation. Vehicle reimbursement may be made for the use of a personal vehicle for official business only.

Commissioner Brian Fawcett

Date of Request 3/27/2025

Date	Description	Meeting Stipend	Expense or Mileage Reimbursement				Total
			Miles Driven	2025 Rate	Mileage	Meals and Other	
01.07.2025	Scap Bay Marine Park Advisory Committee	\$ 50.00		0.7000	\$ -	\$ -	\$ -
01.12.2025	Review Packet	\$ 50.00		0.7000	\$ -	\$ -	\$ -
01.13.2025	Meeting w/ Sean	\$ 50.00	26	0.7000	\$ 18.20	\$ -	\$ 18.20
01.15.2025	Commission Meeting	\$ 50.00	26	0.7000	\$ 18.20	\$ -	\$ 18.20
01.28.2025	Dock Discussion	\$ 50.00		0.7000	\$ -	\$ -	\$ -
01.29.2025	NEXT event	\$ 50.00	88	0.7000	\$ 61.60	\$ -	\$ 61.60
01.31.2025	Phone calls / short meetings	\$ 50.00		0.7000	\$ -	\$ -	\$ -
02.04.2025	City County Dinner	\$ 50.00	30	0.7000	\$ 21.00	\$ -	\$ 21.00
02.05.2025	Meeting w/ Global	\$ 50.00	90	0.7000	\$ 63.00	\$ -	\$ 63.00
02.06.2025	SDAO Conference	\$ 50.00	218	0.7000	\$ 152.60	\$ 22.00	\$ 174.60
02.07.2025	SDAO Conference	\$ 50.00		0.7000	\$ -	\$ -	\$ -
02.08.2025	SDAO Conference	\$ 50.00		0.7000	\$ -	\$ -	\$ -
02.09.2025	SDAO Conference	\$ 50.00	218	0.7000	\$ 152.60	\$ -	\$ 152.60
02.10.2025	Review Packet	\$ 50.00		0.7000	\$ -	\$ -	\$ -
02.11.2025	Marina mtg, mtg w/ CET, Sean	\$ 50.00	30	0.7000	\$ 21.00	\$ -	\$ 21.00
02.12.2025	Commission Meeting	\$ 50.00	26	0.7000	\$ 18.20	\$ -	\$ 18.20
02.28.2025	Phone calls / short meetings	\$ 50.00		0.7000	\$ -	\$ -	\$ -
03.02.2025	Review Packet	\$ 50.00		0.7000	\$ -	\$ -	\$ -
03.04.2025	Mtg w/ Scott Parker, Scap Bay Advisory Committee mtg	\$ 50.00		0.7000	\$ -	\$ -	\$ -
03.05.2025	Commission Meeting	\$ 50.00	26	0.7000	\$ 18.20	\$ -	\$ 18.20
03.18.2025	Meeting w/ Sean	\$ 50.00	26	0.7000	\$ 18.20	\$ -	\$ 18.20
03.23.2025	Review Packet	\$ 50.00		0.7000	\$ -	\$ -	\$ -
03.26.2025	Commission Meeting	\$ 50.00		0.7000	\$ -	\$ -	\$ -
03.27.2025	Phone calls / short meetings	\$ 50.00		0.7000	\$ -	\$ -	\$ -
TOTAL REQUESTED REIMBURSEMENT		\$ 1,200.00	804.00		\$ 562.80	\$ 22.00	\$ 584.80

Reviewed By:

JS

POSTED

SPC

I certify that the expenses sought to be reimbursed were incurred in the course of official PORT business and were paid by me from my own funds. I affirm the accuracy of this information.

Brian Fawcett

Signature

600-6705-01-015 = \$ 562.80

600-6700-01-015 = \$ 22.00

\$ 584.80

Form RR-C (Rev. 01-2020)

RESOLUTION NO. 2025-15

IMPOSING THE TAX

BE IT RESOLVED that the following ad valorem property taxes are hereby imposed upon the assessed value of all taxable property within the district for tax year 2025-2026 only:
At the rate of \$0.0886 per \$1,000 of assessed value for permanent tax rate.

CATEGORIZING

BE IT RESOLVED that the taxes imposed are hereby categorized for purposes of Article XI section 11b as:

Subject to the General Government Limitation
Permanent Rate Tax \$0.0886/\$1000

BE IT RESOLVED by the Board of Commissioners of the Port of Columbia County as follows:
The above resolution statements were approved and declared,

PASSED AND ADOPTED this 11th day of June 2025 by the following vote:

AYES: _____ **NAYS:** _____

Port of Columbia County

By: _____
President

Attested By:

Secretary

RESOLUTION NO. 2025-16

ADOPTING THE FY 2025-2026 BUDGET, MAKING APPROPRIATIONS

BE IT RESOLVED that the Board of Commissioners of the Port of Columbia County hereby adopts the budget for the fiscal year 2025-2026 in the total amount of \$23,108,209. This budget is now on file at 100 E Street in Columbia City, Oregon.

MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2025, for the following purposes:

Enterprise Fund

Executive	\$	867,389
Business Development & Planning		655,006
Finance/Administration		956,370
Facilities & Property Management		5,258,271
Terminal Services		2,492,852
<u>Not Allocated to Organizational Unit or Program:</u>		
Personnel Services	\$	17,000
Materials and Services		24,500
Debt Service		383,507
Contingency		12,453,314
Total	\$	23,108,209

Total Appropriations, All Funds 23,108,209*

Total Unappropriated, All Funds 0

TOTAL ADOPTED BUDGET \$ 23,108,209*

(*amounts with asterisks must match)

BE IT RESOLVED by the Board of Commissioners of the Port of Columbia County as follows: The above resolution statements were approved and declared

PASSED AND ADOPTED this 11th day of June 2025 by the following vote:

AYES: _____

NAYS: _____

Port of Columbia County

By: _____
President

Attested By:

Secretary

**Port of Columbia County
2025-2026 APPROVED BUDGET**



**PORT OF COLUMBIA COUNTY
2025-2026 APPROVED BUDGET
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EXECUTIVE DIRECTOR'S MESSAGE

I am pleased to present the Approved Fiscal Year (FY) 2025-26 Budget for review and approval. This budget reflects our commitment to fiscal responsibility and sustainability, while continuing to invest in our strategic priorities.

Over the past year, the Port has completed several important projects from our 10-year Capital Improvement Plan, which identifies the Port's highest priority infrastructure projects. Leveraging state and federal grant funding, we were able to complete upland improvements at Scappoose Bay Marine Park, rehabilitate pavement along the westside taxiways at Scappoose Airport, and install an emergency generator system at Scappoose Airport for regional disaster preparedness.



While we celebrate these achievements, we are also faced with some significant challenges. Most notable is the estimated \$30 million environmental cleanup of the former Pope & Talbot Wood Treating Site along the Multnomah Channel in St. Helens. Pope & Talbot treated logs with creosote at the site from 1912 to 1960. After they ceased operations, the Port purchased the property in 1963. Pope & Talbot later went bankrupt, leaving the Port responsible. In 2023, the Oregon Department of Environmental Quality (DEQ) approved a cleanup plan for the upland and in-water creosote contamination, and we are now applying for federal grants so we can begin the effort. This will be a multi-year project as we work with DEQ and continue to apply for grants to secure the necessary funding.

The Port is also trying to secure federal grant funding to modernize the Port Westward Beaver Dock for seismic resiliency. In 2022, the state passed Senate Bill 1567 requiring the seismic retrofitting of large fuel storage and distribution facilities within 10 years to withstand a Cascadia 9.0 earthquake. While the Port does not own fuel storage tanks, the law extends to piers and mooring structures, making Port Westward the only public entity affected by the new regulation. The Port was recently awarded a \$2.7 million Connect Oregon grant to begin this work, but the total cost to retrofit the entire dock is estimated at over \$60 million.

Additionally, a recent feasibility study of the Scappoose Bay Marine Park found that the marina operates at a loss of \$549,000 per year. The study found that the marina accounts for 44% of the Port's overall net operating income, constraining the Port's ability to make capital improvements throughout the district.

The Port is also faced with aging infrastructure and deferred maintenance needs throughout its properties. Together, these challenges far outspend the combined revenues from our tenant leases, permits, and licenses, which amount to a little more than \$5 million per year.

To help address this funding gap, the Port is proposing to reassess its tax levy of \$0.0886 per thousand of assessed value, which it has not assessed since the onset of the COVID pandemic in 2020. For a property owner with an assessed value of \$300,000 this would amount to \$26.58 per year and will raise over \$500,000 annually in revenue that the Port will invest in the community through direct capital improvements.

By using state and federal grant opportunities, we can leverage the Port's funds for a 50–80% return on investment. For example, the recent \$800,000 upland improvement project at Scappoose Bay Marine Park was made possible by a 50% grant match from the Oregon State Marine Board. Public financing support is necessary for the Port to continue to invest in economic growth, capital investment, and public recreation within the district.

I want to thank the Port Commission for its continued leadership, the dedicated community volunteers who serve on our Port committees, and our talented staff. Their collective efforts make it possible for us to maintain a fiscally responsible budget while we advance our shared vision of a diverse regional economy with thriving local businesses, quality jobs, and opportunities for all.

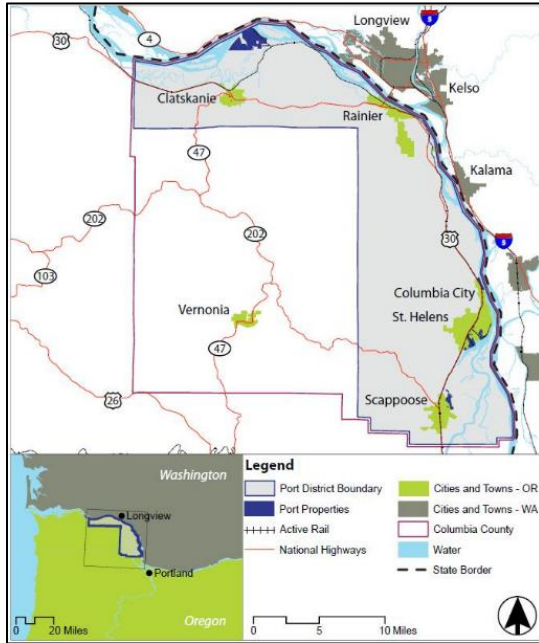
Respectfully,

A handwritten signature in black ink, appearing to read "Sean P. Clark". The signature is fluid and cursive, with the first name "Sean" being more prominent.

Sean P. Clark
Executive Director

EXECUTIVE FINANCE MANAGER’S MESSAGE

Port Background - The Port of Columbia County is a special district in Columbia County, Oregon. The boundaries of the Port District span 51 miles along the Columbia River from the Clatsop County line in the northwest of Columbia County, to the Multnomah County line in the southeast, and includes the cities of Scappoose, St. Helens, Columbia City, Rainier, and Clatskanie.



Port District Boundary Map – Port of Columbia County

The Port was created in 1940 under Oregon Revised Statute (ORS) Chapter 777 to promote economic development in the Port District, primarily through the lease and development of industrial property. Port dollars are used to purchase and develop land, infrastructure, and facilities. The Port plays a significant role in the attraction, retention, and expansion of businesses, resulting in job growth and increasing the local tax base.

Today, the Port of Columbia County owns 8 industrial properties with 2,400 acres, including sites with excellent highway, rail, airport, and maritime access. The Port also owns and manages recreational properties at Scappoose Airport, Scappoose Bay Marine Park, and Bayport RV Park & Campground.

Vision

A diverse regional economy with thriving local businesses, quality jobs, and opportunities for all.

Mission Statement

Create a positive economic impact while maintaining livability and adapting to change.

Guiding Principles

- Fiscal Responsibility
- Environmental Sustainability
- Adaptability
- Accountability
- Integrity
- Opportunities for All

BUDGET OVERVIEW

The Approved Budget for Fiscal Year (FY) 2025-26 totals \$ 23.11 million, which is an increase from the FY 2024-25 Adopted Budget of \$17.6 million. Several factors contributed to this increase including the strategic reprioritization of capital expenditures and receipt of insurance/dedicated funds.

The Port's Strategic Business Plan identifies several strategies to support the financial performance of the Port through monitoring and coordination:

- Strategy 1.1: Maintain financial reserve policy target guidelines as approved by the Port.
- Strategy 1.2: Maintain an operating reserve of at least 90 days to ensure operating revenues will cover project operating and maintenance expenditures.
- Strategy 1.3: Prepare long-term capital projections, including cash-funded capital, available grant funding, existing debt service, and new debt obligations due to future borrowing. Prioritize capital projects based on public need, assessed need, government mandates, public safety, tenant/customer needs, and positive cashflow to the Port.
- Strategy 1.4: Continue to revise and maintain fixed asset thresholds based on capital projects.
- Strategy 1.5: Continue to develop an ongoing comprehensive financing plan for prudent utilization and leverage of the Port's assets and capacity.
- Strategy 1.6: Provide a diverse and stable stream of operating revenues generated through ongoing investment.

Financial Reserves

Financial reserves are an important part of fiscal responsibility. Reserves are used to help manage risk and better position the Port for any type of unplanned financial need when that need may arise. In addition, financial reserves are needed to assist with the completion of future planned projects. Funds reserved for these longer-term projects can enable the Port to competitively pursue grants and other external sources of funding. Leveraging Port funds greatly improves the Port's ability to execute projects, both large and small, amplifying local investment and its related economic impacts within Columbia County.

The Approved Budget provides a contingency of \$12,246,313. Within this amount, a total of \$3 million in has been designated as operating reserves to mitigate for future unplanned expenditures. Another \$4.7 million is dedicated to the Pope & Talbot site (\$2.7 million) and Port Westward (\$2.5 million). The remaining Contingency of \$4,546,313 will assist the Port in completing current projects while continuing to engage in the process of investing in future projects. The Port is not currently positioned to contribute recurring revenue to reserves without a stable source of non-operating revenue or increased operating revenues.

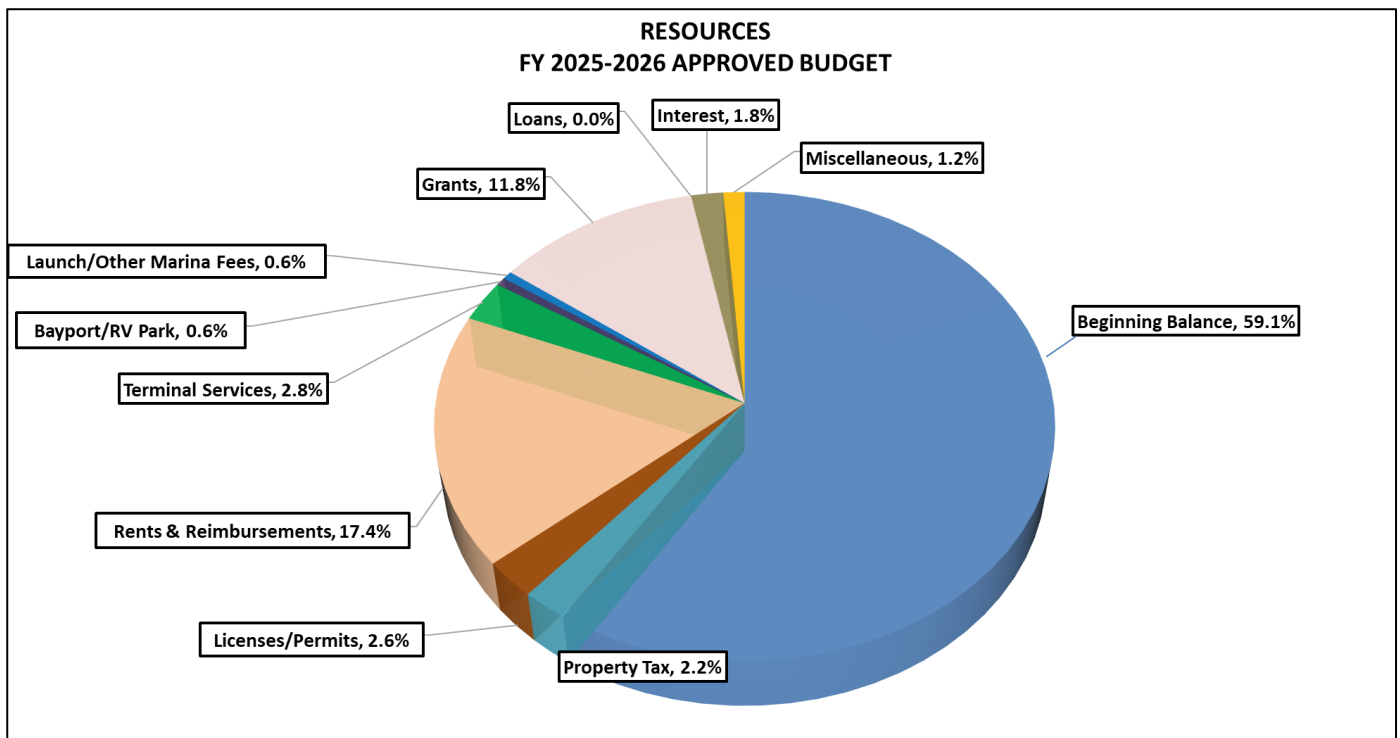
Major Assumptions

Overall, most property leases provide for annual increases tied to the Western Region Consumer Price Index (CPI). Where applicable, the CPI increase assumed for the 2025-26 fiscal year is 2.5% - 2.8% compared to 3.5% last year. The Marina Moorage and Airport hangar fees will be adjusted this year and are scheduled to increase going into this summer. These rates have traditionally been adjusted every two years; however, we are in the process of modifying this practice to have the adjustments made annually. Rates at the Scappoose Bay Marine Park will also be evaluated, and most likely modified, going into this next fiscal year based on the results in the feasibility study completed earlier this month.

Most existing building and property leases are assumed to continue. The revenue forecast is conservative and does not include any new tenants beyond those with executed agreements as of April 2025. The Port is currently coordinating and working on prospective relationships with future tenants. A reduction of approximately \$1.12 million in FY26 annual lease revenue is reflected in the budget. Recovery of this deferred revenue, and late fees, from FY24 and FY25, has not been factored into the budget.

The Approved budget includes \$500,000 in non-operating tax revenue. The Port has not collected tax revenue since 2020, as stated in the Executive Director's message above. These locally generated funds better position the Port to continue investing in Columbia County in alignment with strategic priorities and the Port's mission of positive economic development.

The proposed overall Resources for FY26 are illustrated in the graph below:



Grant Funding

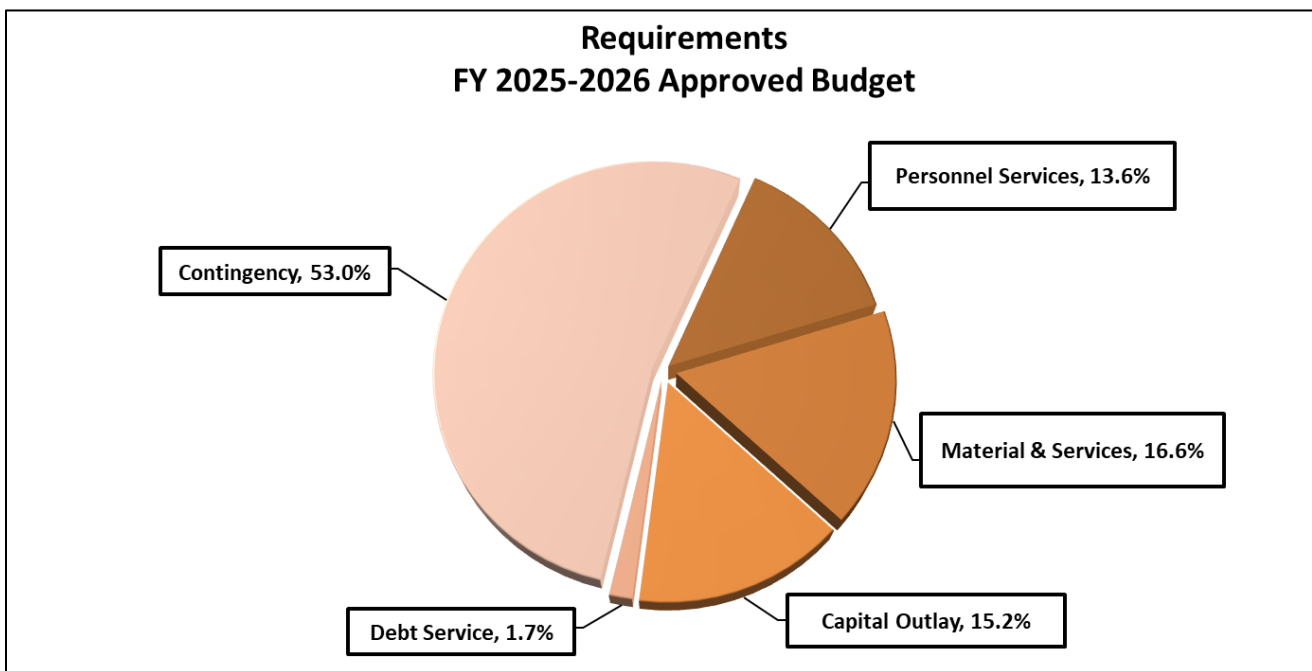
As of April 25, 2025, the Port has secured the following new grants totaling \$2.7 million for the proposed Capital Projects:

- **Connect Oregon Grant (\$2.7 million): Port Westward Beaver Dock – Phase 1 Seismic (\$3.9 million Total Budgeted Project Cost)**

The Port is currently in the process of closing out several FAA and ODAV grants (Airport) in addition to an Oregon State Marine Board grant (Scappoose Bay Marine Park).

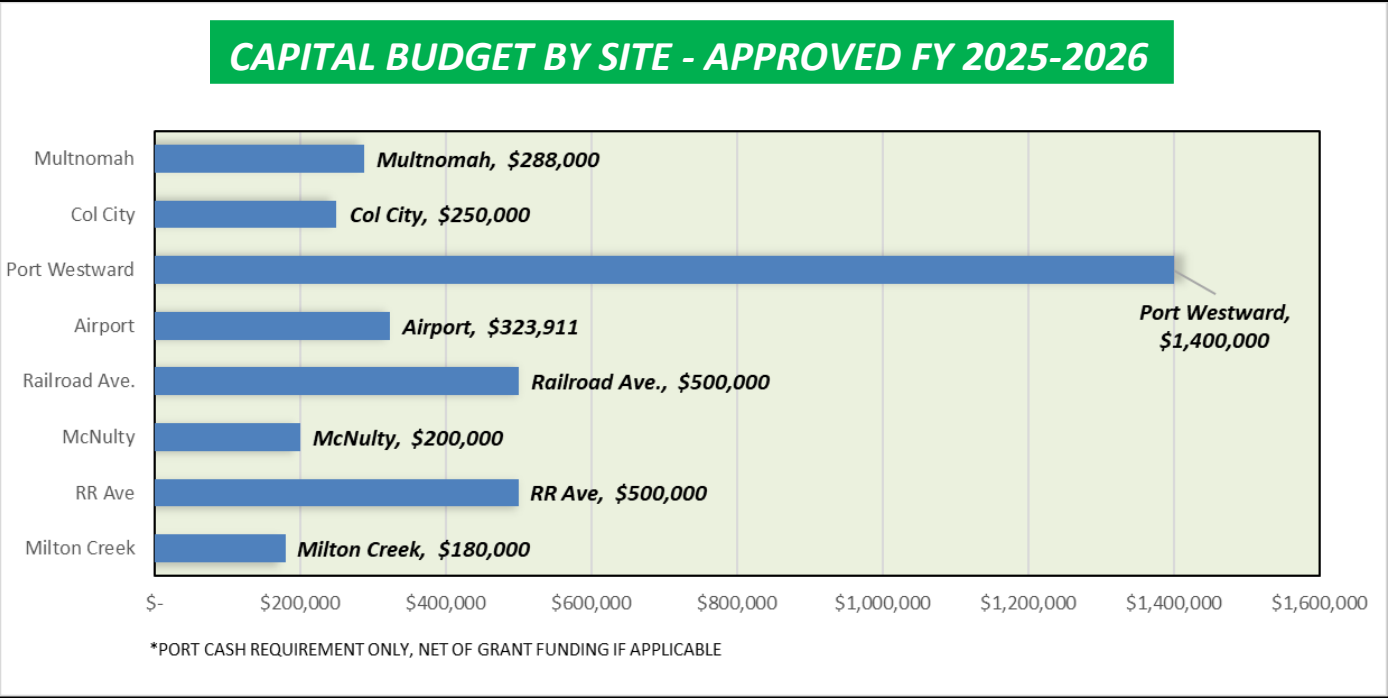
Requirements

The Port's approved budget can be broken into the following categories. As previously mentioned, the Contingency category (53%) is comprised of dedicated funds, emergency reserves for unplanned expenses, and reserves for future strategic investments. The budgeted requirements of the Port are illustrated in the graph below:



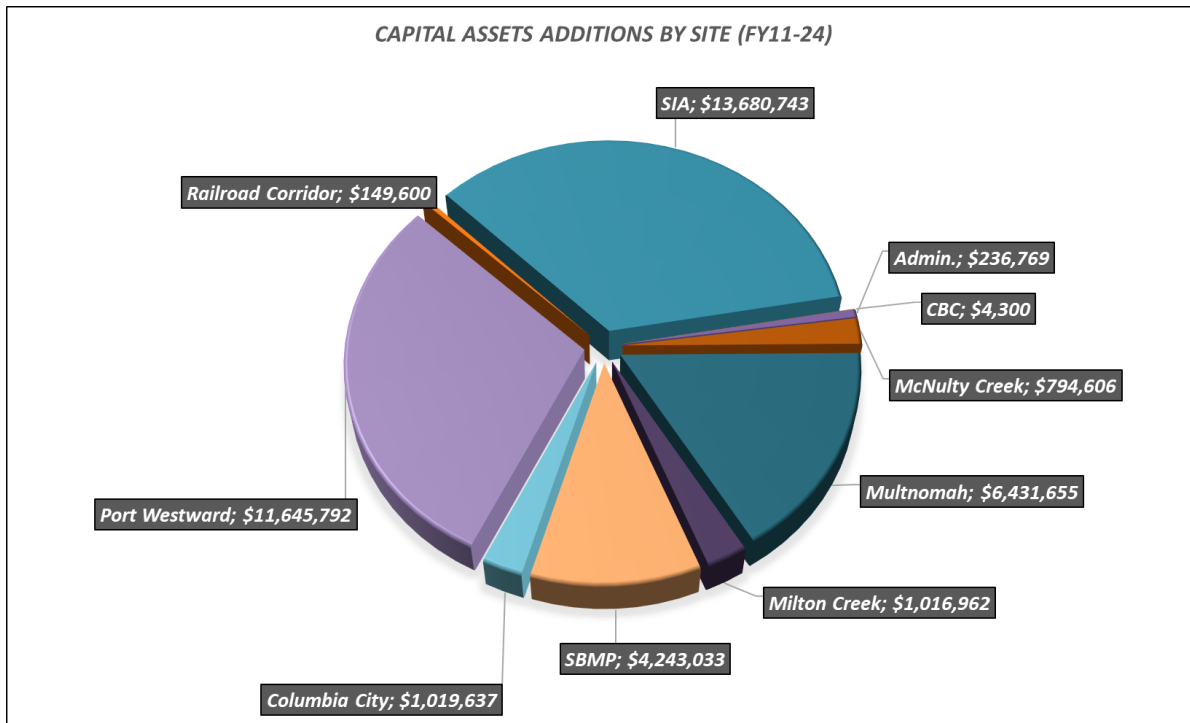
Capital Projects

The Approved 2025-2026 budget includes \$3.512 million in estimated Port cash required to completed 10 capital projects. In addition to Port cash, \$2.70 million in grant funding has been secured to assist with 1 of the projects. The Port in 2016-2017 revised its fixed asset thresholds, so some projects that would have been capitalized will be included in repairs and maintenance.



Capital Investments made by the Port of Columbia County

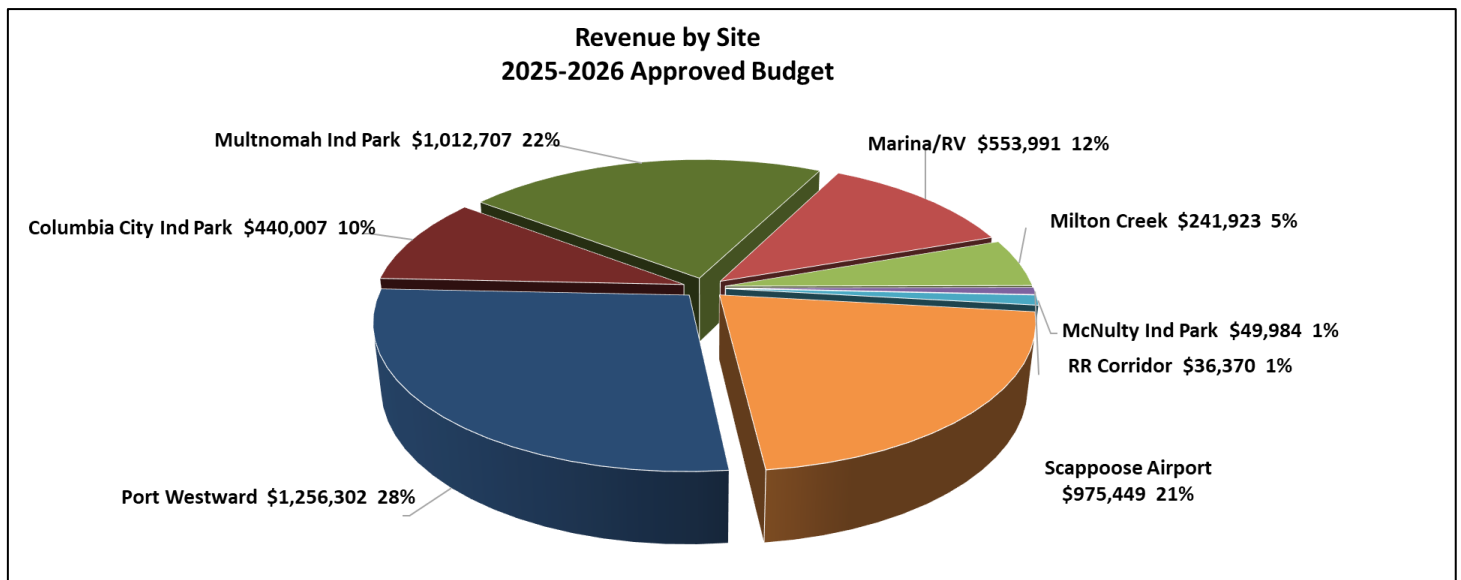
Over the past 14 fiscal years, the Port has invested over \$40 million throughout the district. The chart on the next page shows the level of spending by site for FY 2011- FY 2024.



Operating Revenue

There are about 42 commercial/ industrial tenants spread throughout the Port's facilities and over 100 individual tenants each at the airport and marina. Combined budgeted revenues for all tenant leases, permits, and licenses are approaching \$6 million annually. The amounts budgeted do not include past due or deferred revenue. The following chart shows the proposed revenue by site for FY 2025-26.

Operating revenue growth is an important consideration for the Port to continue its core mission to create a positive economic impact in the County. Investing in new projects that materially raise operating revenue is necessary to position the Port to operate in an environment with escalating costs. Being strategic and prioritizing projects that achieve this objective will take discipline and a long-term commitment to develop and execute projects and cultivate strategic relationships in the public and private sectors.

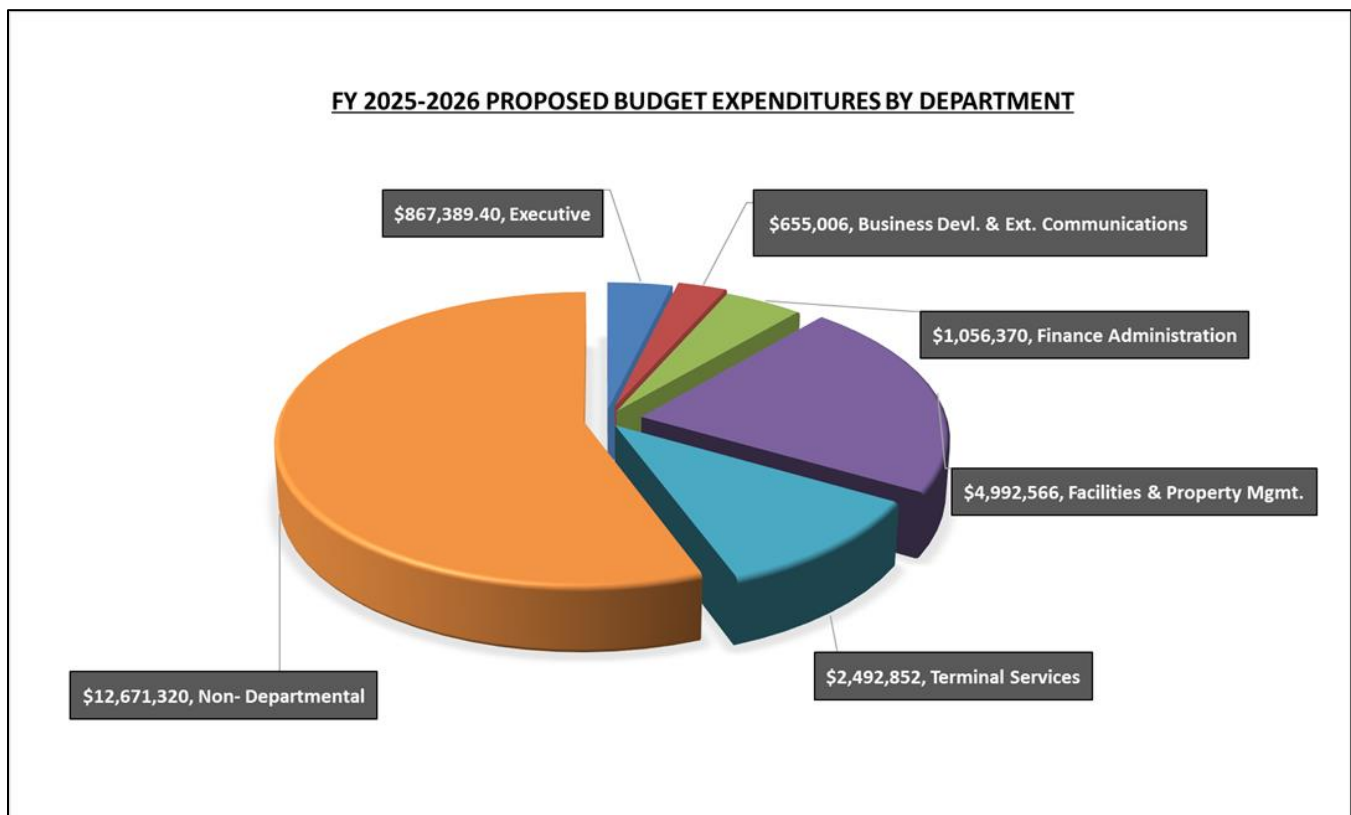


Operating Expenditures

Beginning in FY 2016-2017, expenditures are allocated by object classification in each program including Personnel Services, Materials and Services, and Capital Outlay. The only exception is Debt Service and Operating Contingency, which will be reported in the non-departmental section. The graph below looks at the total Proposed expenditures by program.

The Approved budget estimates operating costs to be held at 5%. Staffing full-time equivalents remain at 19 FTE. The Proposed budget includes a COLA wage increase of 2.5% and up to 5% merit increases. PERS rates are adjusted every three years and our specific OPSRP rate will increase by 3.86%. Health insurance premiums have increased by approximately 13% with exposure mitigated by a higher deductible plan and Port funded HRA.

Escalating operating costs are an ongoing challenge across the economy in large part due to inflationary pressures beyond our ability to control. Prudently managing expenses is a priority for the Port and this budget reflects our cost-conscious approach to management, while also continuing to provide funding needed to maintain our existing assets and provide the necessary services needed to operate the Port.



It is important for the budget to align with the Port's Strategic Business Plan and identify key priorities and objectives. A key element of financial accountability is risk management, and this is in part from the prudent leadership of the Board of Commissioners and the Executive Director. This budget document illustrates the expected financial performance of the Port of Columbia County for the coming fiscal year if assumptions materialize as stated.

The Port maintains and continuously seeks to improve a system of financial controls and processes that are in place to ensure public-informed decision-making, fiscal accountability, and transparency.



Guy Glenn, Jr.
Executive Finance Manager



This table summarizes actual amounts from Fiscal Years 2022-2024, the adopted amounts for the Fiscal Year 2025 budget, which ends on June 30th this year, and proposed amounts for the Fiscal Year 2026 budget.

The following pages provide additional details and figures, which have been incorporated into this summary.

Summary of Resources & Requirements							
Resources by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-2025	Proposed FY 2025-26	Approved FY 2025-2026	Adopted FY 2025-2026
Property Taxes	\$ 14,945	\$ 11,065	\$ 8,237	\$ 0	\$ 500,000	\$ 500,000	\$ 500,000
Licenses and Permits	\$ 607,845	\$ 681,705	\$ 694,860	\$ 559,057	\$ 595,350	\$ 595,350	\$ 595,350
Rents and Reimbursements	\$ 4,541,939	\$ 4,737,732	\$ 5,137,047	\$ 4,298,527	\$ 4,019,299	\$ 4,019,299	\$ 4,019,299
Terminal Services	\$ 577,512	\$ 578,254	\$ 721,615	\$ 730,000	\$ 657,900	\$ 657,900	\$ 657,900
Bayport RV Park	\$ 143,375	\$ 158,992	\$ 117,157	\$ 147,860	\$ 134,400	\$ 134,400	\$ 134,400
Launch Fees/Other Marina Fees	\$ 93,821	\$ 86,246	\$ 118,595	\$ 96,400	\$ 128,100	\$ 128,100	\$ 128,100
Grants	\$ 259,877	\$ 47,035	\$ 377,292	\$ 1,305,000	\$ 2,720,000	\$ 2,720,000	\$ 2,720,000
Loan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earnings	\$ 132,348	\$ 249,144	\$ 516,220	\$ 376,757	\$ 425,000	\$ 425,000	\$ 425,000
Tenant Capital Reimbursement	\$ -	\$ -	\$ 230,018	\$ 230,018	\$ 230,018	\$ 230,018	\$ 230,018
Miscellaneous/Insurance Proceeds	\$ 1,155,105	\$ 983,616	\$ 3,616,026	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Subtotal	\$ 7,526,767	\$ 7,533,789	\$ 11,537,068	\$ 7,793,621	\$ 9,460,068	\$ 9,460,067	\$ 9,460,068
Beginning Fund Balance	\$ 7,370,256	\$ 8,092,245	\$ 9,771,350	\$ 9,771,350	\$ 13,648,141	\$ 13,648,141	\$ 13,648,141
Fund Total	\$ 14,897,024	\$ 15,626,034	\$ 21,308,417	\$ 17,564,971	\$ 23,108,209	\$ 23,108,208	\$ 23,108,209
Expenditures by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-2025	Proposed FY 2025-2026	Adopted FY 2025-2026	Adopted FY 2025-2026
Personnel Services	\$ 1,847,130	\$ 2,038,102	\$ 2,513,075	\$ 2,906,505	\$ 3,135,848	\$ 3,135,848	\$ 3,135,848
Materials and Services	\$ 1,823,242	\$ 2,159,804	\$ 2,370,134	\$ 3,679,763	\$ 3,837,880	\$ 3,837,880	\$ 3,837,880
Capital Outlay	\$ 628,272	\$ 732,368	\$ 741,454	\$ 4,152,000	\$ 3,511,911	\$ 3,511,911	\$ 3,511,911
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ 1,190,990	\$ 653,182	\$ 765,391	\$ 386,743	\$ 383,507	\$ 383,507	\$ 383,507
Subtotal	\$ 5,489,634	\$ 5,583,456	\$ 6,390,054	\$ 11,125,011	\$ 10,869,146	\$ 10,869,146	\$ 10,869,146
Contingency	\$ 1,315,145	\$ 271,228	\$ 1,270,222	\$ 6,439,959	\$ 12,239,063	\$ 12,239,063	\$ 12,239,063
Ending Fund Balance	\$ 8,092,245	\$ 9,771,350	\$ 13,648,141	\$ -	\$ -	\$ -	\$ -
Fund Total	\$ 14,897,024	\$ 15,626,034	\$ 21,308,417	\$ 17,564,971	\$ 23,108,209	\$ 23,108,209	\$ 23,108,209

Resources Detail							
Resources by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-2025	Proposed FY 2025-26	Approved FY 2025-26	Adopted FY 2025-26
Property Taxes							
Current Year's Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 500,000	\$ 500,000
Prior Year's Taxes	\$ 14,945	\$ 11,065	\$ 8,237	\$ 0	\$ 0	\$ 0	\$ 0
Total Property Taxes	\$ 14,945	\$ 11,065	\$ 8,237	\$ 0	\$ 500,000	\$ 500,000	\$ 500,000
Licenses							
Hangar Rentals	\$ 315,171	\$ 313,481	\$ 342,721	\$ 321,650	\$ 346,500	\$ 346,500	\$ 346,500
Slip Rentals	\$ 260,023	\$ 235,883	\$ 242,058	\$ 237,404	\$ 248,850	\$ 248,850	\$ 248,850
Total Licenses	\$ 575,194	\$ 549,364	\$ 584,779	\$ 559,054	\$ 595,350	\$ 595,350	\$ 595,350
Rents and Reimbursements							
Leases and Permits - Industrial/Commercial							
Industrial Parks:							
Columbia City	\$ 348,393	\$ 390,978	\$ 356,571	\$ 443,572	\$ 440,007	\$ 440,007	\$ 440,007
McNulty Creek	\$ 41,534	\$ 44,232	\$ 46,663	\$ 48,063	\$ 49,984	\$ 49,984	\$ 49,984
Milton Creek	\$ 218,895	\$ 224,568	\$ 228,329	\$ 245,616	\$ 241,923	\$ 241,923	\$ 241,923
Multnomah	\$ 788,232	\$ 836,770	\$ 833,562	\$ 924,936	\$ 1,012,707	\$ 1,012,707	\$ 1,012,707
Port Westward	\$ 1,928,478	\$ 2,141,480	\$ 1,015,283	\$ 1,036,135	\$ 598,402	\$ 598,402	\$ 598,402
Railroad Corridor	\$ 29,736	\$ 31,536	\$ 22,996	\$ 22,205	\$ 36,370	\$ 36,370	\$ 36,370
Scappoose Bay Marine Park	\$ 36,087	\$ 37,232	\$ 39,245	\$ 40,422	\$ 42,641	\$ 42,641	\$ 42,641
Scappoose Airport	\$ 565,165	\$ 460,216	\$ 478,875	\$ 578,910	\$ 628,949	\$ 628,949	\$ 628,949
Sub Total Leases/Permits - Industrial /Commercial	\$ 3,956,520	\$ 4,167,012	\$ 3,021,523	\$ 3,339,859	\$ 3,050,984	\$ 3,050,984	\$ 3,050,984
Reimbursements							
Property Taxes	\$ 115,421	\$ 133,938	\$ 138,217	\$ 145,126	\$ 157,967	\$ 157,967	\$ 157,967
Miscellaneous	\$ 10,226	\$ 8,098	\$ 19,017	\$ 10,184	\$ 12,360	\$ 12,360	\$ 12,360
Property Insurance	\$ 120,742	\$ 108,371	\$ 145,203	\$ 216,159	\$ 133,335	\$ 133,335	\$ 133,335
Water and Sewage	\$ 69,246	\$ 95,813	\$ 244,716	\$ 247,200	\$ 319,300	\$ 319,300	\$ 319,300
O&M	\$ 293,060	\$ 258,910	\$ 272,264	\$ 340,000	\$ 345,354	\$ 345,354	\$ 345,354
Tenant Capital Improvement	\$ 684,569	\$ 0	\$ 92,276	\$ 230,018	\$ 230,018	\$ 230,018	\$ 230,018
Subtotal Reimbursements	\$ 1,293,264	\$ 605,130	\$ 911,693	\$ 1,188,687	\$ 1,198,333	\$ 1,198,333	\$ 1,198,333
Total Rents and Reimbursements	\$ 5,249,784	\$ 4,772,142	\$ 3,933,216	\$ 4,528,546	\$ 4,249,317	\$ 4,249,317	\$ 4,249,317
Terminal Services							
Dockage	\$ 277,512	\$ 293,169	\$ 360,623	\$ 340,000	\$ 311,750	\$ 311,750	\$ 311,750
Wharfage	\$ 300,000	\$ 285,084	\$ 360,992	\$ 390,000	\$ 346,150	\$ 346,150	\$ 346,150
Total Terminal Services	\$ 577,512	\$ 578,253	\$ 721,615	\$ 730,000	\$ 657,900	\$ 657,900	\$ 657,900
Marina/RV Park							
Campground Sites/Coin Showers	\$ 142,820	\$ 158,992	\$ 117,857	\$ 147,860	\$ 134,400	\$ 134,400	\$ 134,400
Launch Permit (Making Day Use - all categories)	\$ 55,823	\$ 49,574	\$ 115,790	\$ 91,000	\$ 123,900	\$ 123,900	\$ 123,900
Parking	\$ 33,602	\$ 33,492	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other	\$ 3,876	\$ 3,180	\$ 2,805	\$ 5,400	\$ 4,200	\$ 4,200	\$ 4,200
Total Marina/ RV Park	\$ 236,121	\$ 245,238	\$ 236,452	\$ 244,260	\$ 262,500	\$ 262,500	\$ 262,500
Grants							
Federal Grants	\$ 245,250	\$ 0	\$ 182,456	\$ 770,000	\$ 2,720,000	\$ 2,720,000	\$ 2,720,000
State Grants	\$ 7,127	\$ 47,035	\$ 194,836	\$ 535,000	\$ 0	\$ 0	\$ 0
Total Grants	\$ 252,377	\$ 47,035	\$ 377,292	\$ 1,305,000	\$ 2,720,000	\$ 2,720,000	\$ 2,720,000
Total Loan Proceeds	\$ 0	\$ 483,186	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Insurance Reimbursement	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Interest Earnings	\$ 132,316	\$ 249,144	\$ 516,220	\$ 376,757	\$ 425,000	\$ 425,000	\$ 425,000
Miscellaneous							
Late Fees	\$ 3,774	\$ 14,626	\$ 37,286	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Promissory Note Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous Income	\$ 484,745	\$ 583,736	\$ 38,456	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Total Miscellaneous	\$ 488,519	\$ 598,362	\$ 75,742	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Subtotal	\$ 7,526,768	\$ 7,533,789	\$ 6,453,554	\$ 7,793,619	\$ 9,460,067	\$ 9,460,067	\$ 9,460,067
Beginning Fund Balance	\$ 7,370,256	\$ 8,092,245	\$ 9,771,350	\$ 9,771,350	\$ 13,648,141	\$ 13,648,141	\$ 13,648,141
Total All Resources	\$ 14,897,024	\$ 15,626,034	\$ 16,224,904	\$ 17,564,969	\$ 23,108,209	\$ 23,108,208	\$ 23,108,208

Department Requirements Detail				Executive			
Expenditures by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-25	Proposed FY 2025-26	Approved FY 2025-26	Adopted FY 2025-26
Personnel Services							
Full-Time Equivalent	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Salaries and Wages	\$ 132,400	\$ 173,068	\$ 395,618	\$ 442,448	\$ 478,711	\$ 478,711	\$ 478,711
Payroll Taxes	\$ 14,136	\$ 27,704	\$ 36,194	\$ 51,805	\$ 53,557	\$ 53,557	\$ 53,557
Employee Benefits	\$ 42,699	\$ 56,298	\$ 102,087	\$ 108,209	\$ 131,871	\$ 131,871	\$ 131,871
Total Personnel Services	\$ 189,235	\$ 257,072	\$ 533,898	\$ 602,462	\$ 664,139	\$ 664,139	\$ 664,139
Materials and Services							
Professional and Contract Services	\$ 57,533	\$ 61,783	\$ 19,049	\$ 99,600	\$ 50,000	\$ 50,000	\$ 50,000
Legal Services	\$ 386,765	\$ 212,443	\$ 11,992	\$ 385,000	\$ 75,000	\$ 75,000	\$ 75,000
Audit Services	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Advertising/Marketing/Promotions	\$ 131	\$ 4,797	\$ 1,456	\$ 1,650	\$ 1,250	\$ 1,250	\$ 1,250
Property Taxes/Waterway Leases	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Insurance	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Utilities	\$ 4,513	\$ 2,611	\$ 2,041	\$ 3,410	\$ 4,000	\$ 4,000	\$ 4,000
Operating Supplies	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Office Supplies	\$ 12,426	\$ 18,637	\$ 1,146	\$ 4,400	\$ 4,500	\$ 4,500	\$ 4,500
Postage	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Maintenance & Repairs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Minor Equipment Purchase	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicle Maintenance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Subscriptions	\$ 2,990	\$ 539	\$ 458	\$ 3,410	\$ 1,000	\$ 1,000	\$ 1,000
Registration, Dues & Fees	\$ 47,720	\$ 72,379	\$ 49,883	\$ 67,100	\$ 42,500	\$ 42,500	\$ 42,500
Travel & Training Expenses	\$ 22,202	\$ 27,508	\$ 16,588	\$ 26,100	\$ 25,000	\$ 25,000	\$ 25,000
Permits & Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Materials and Services	\$ 534,280	\$ 400,697	\$ 102,613	\$ 590,670	\$ 203,250	\$ 203,250	\$ 203,250
Capital Outlay							
Land	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Improvements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Machinery and Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicles	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Infrastructure	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Capital Outlay	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service							
Principal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Debt Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Contingency	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Budget	\$ 723,515	\$ 657,769	\$ 636,511	\$ 1,193,132	\$ 867,389	\$ 867,389	\$ 867,389

Department Requirements Detail							
Business Development & External Communications							
Expenditures by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-25	Proposed FY 2025-26	Approved FY 2025-26	Adopted FY 2025-26
Personnel Services							
Full-Time Equivalent	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Salaries and Wages	\$ 167,185	\$ 251,124	\$ 257,189	\$ 311,450	\$ 334,600	\$ 334,600	\$ 334,600
Payroll Taxes	\$ 13,303	\$ 20,523	\$ 22,836	\$ 41,344	\$ 42,026	\$ 42,026	\$ 42,026
Employee Benefits	\$ 31,537	\$ 71,793	\$ 75,889	\$ 102,083	\$ 115,980	\$ 115,980	\$ 115,980
Total Personnel Services	\$ 212,025	\$ 343,444	\$ 355,914	\$ 454,880	\$ 492,606	\$ 492,606	\$ 492,606
Materials and Services							
Professional Services	\$ 54,497	\$ 5,756	\$ 61,739	\$ 60,000	\$ 65,000	\$ 65,000	\$ 65,000
Legal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Audit Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Advertising/Marketing/Promotions	\$ 50,283	\$ 65,668	\$ 52,898	\$ 85,000	\$ 60,000	\$ 60,000	\$ 60,000
Property Taxes/Waterway Leases	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Insurance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Utilities	\$ 1,814	\$ 3,232	\$ 3,084	\$ 3,500	\$ 7,500	\$ 7,500	\$ 7,500
Operating Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Office Supplies	\$ 741	\$ 404	\$ 1,197	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400
Postage	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Maintenance & Repairs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Minor Equipment Purchase	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicle Maintenance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Subscriptions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Registration, Dues & Fees	\$ 5,520	\$ 19,365	\$ 11,197	\$ 12,000	\$ 13,500	\$ 13,500	\$ 13,500
Travel & Training Expenses	\$ 4,783	\$ 18,107	\$ 12,516	\$ 20,156	\$ 15,000	\$ 15,000	\$ 15,000
Permits & Fees	\$ 0		\$ 0		\$ 0	\$ 0	\$ 0
Miscellaneous	\$ 0		\$ 0		\$ 0	\$ 0	\$ 0
Total Materials and Services	\$ 117,638	\$ 112,532	\$ 142,631	\$ 182,056	\$ 162,400	\$ 162,400	\$ 162,400
Capital Outlay							
Land	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Improvements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Machinery and Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicles	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Infrastructure	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Capital Outlay	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service							
Principal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Debt Service	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Contingency	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Budget	\$ 329,663	\$ 455,976	\$ 498,545	\$ 636,936	\$ 655,006	\$ 655,006	\$ 655,006

Department Requirements Detail		FINANCE ADMINISTRATION					
Expenditures by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-25	Proposed FY 2025-26	Approved FY 2025-26	Adopted FY 2025-26
Personnel Services							
Full-Time Equivalent	4.5	5.0	5.0	5.0	5.0	5.0	5.0
Salaries and Wages	\$ 319,095	\$ 361,898	\$ 455,535	\$ 405,462	\$ 446,775	\$ 446,775	\$ 446,775
Payroll Taxes	\$ 25,527	\$ 27,831	\$ 33,052	\$ 48,056	\$ 48,118	\$ 48,118	\$ 48,118
Employee Benefits	\$ 89,095	\$ 103,626	\$ 151,521	\$ 172,008	\$ 213,728	\$ 213,728	\$ 213,728
Total Personnel Services	\$ 433,717	\$ 493,356	\$ 640,107	\$ 625,526	\$ 708,620	\$ 708,620	\$ 708,620
Materials and Services							
Professional Services	\$ 40,286	\$ 76,415	\$ 61,500	\$ 85,000	\$ 115,000	\$ 115,000	\$ 115,000
Legal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Audit Services	\$ 23,300	\$ 24,500	\$ 25,000	\$ 28,750	\$ 36,000	\$ 36,000	\$ 36,000
Advertising/Marketing/Promotions	\$ 2,371	\$ 786	\$ 358	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Property Taxes/Waterway Leases	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Insurance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Utilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Office Supplies	\$ 12,409	\$ 17,085	\$ 17,463	\$ 17,500	\$ 19,500	\$ 19,500	\$ 19,500
Postage	\$ 3,567	\$ 4,444	\$ 3,885	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
Maintenance & Repairs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Minor Equipment Purchase	\$ 11,597	\$ 4,830	10857	18000	\$ 18,000	\$ 18,000	\$ 18,000
Vehicle Maintenance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Subscriptions	\$ -	\$ 0	200	250	\$ 250	\$ 250	\$ 250
Registration, Dues & Fees	\$ 725	\$ 1,110	\$ 2,563	\$ 2,000	\$ 3,500	\$ 3,500	\$ 3,500
Travel & Training Expenses	\$ 2,214	\$ 1,031	\$ 4,837	\$ 6,250	\$ 6,250	\$ 6,250	\$ 6,250
Permits & Fees	\$ 24,816	\$ 28,850	\$ 46,032	\$ 32,750	\$ 50,000	\$ 50,000	\$ 50,000
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Materials and Services	\$ 121,285	\$ 159,051	\$ 172,695	\$ 197,000	\$ 255,000	\$ 255,000	\$ 255,000
Capital Outlay							
Land	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Improvements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Machinery and Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicles	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Infrastructure	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Capital Outlay	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service							
Principal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Debt Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Contingency	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Budget	\$ 555,002	\$ 652,407	\$ 812,802	\$ 822,526	\$ 963,620	\$ 963,620	\$ 963,620

Department Requirements Detail		Facility & Property Management					
Expenditures by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-25	Proposed FY 2025-26	Approved FY 2025-26	Adopted FY 2025-26
Personnel Services							
Full-Time Equivalent	6.0	7.0	8.0	8.0	8.0	8.0	8.0
Salaries and Wages	\$ 529,641	\$ 517,767	\$ 513,337	\$ 616,946	\$ 653,836	\$ 653,836	\$ 653,836
Payroll Taxes	\$ 44,130	\$ 40,543	\$ 42,463	\$ 64,526	\$ 70,418	\$ 70,418	\$ 70,418
Employee Benefits	\$ 183,234	\$ 227,311	\$ 257,296	\$ 299,085	\$ 342,556	\$ 342,556	\$ 342,556
Total Personnel Services	\$ 757,005	\$ 785,628	\$ 813,095	\$ 980,556	\$ 1,066,810	\$ 1,066,810	\$ 1,066,810
Materials and Services							
Professional Services	\$ 110,714	\$ 141,635	\$ 132,832	\$ 255,000	\$ 150,000	\$ 150,000	\$ 150,000
Legal Services	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Audit Services	\$ 0		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Advertising/Marketing/Promotions	\$ 1,291	\$ 1,335	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Property Taxes/ Water Leases	\$ 143,492	\$ 161,151	\$ 164,827	\$ 176,626	\$ 180,000	\$ 180,000	\$ 180,000
Insurance	\$ 299,188	\$ 345,510	\$ 404,043	\$ 491,753	\$ 510,000	\$ 510,000	\$ 510,000
Utilities	\$ 212,185	\$ 258,550	\$ 197,316	\$ 247,158	\$ 250,000	\$ 250,000	\$ 250,000
Operating Supplies	\$ 21,273	\$ 29,010	\$ 60,764	\$ 27,091	\$ 45,000	\$ 45,000	\$ 45,000
Office Supplies	\$ 2,874	\$ 2,714	\$ 2,500	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Postage	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Maintenance & Repairs	\$ 110,415	\$ 118,506	\$ 318,947	\$ 855,800	\$ 1,013,500	\$ 1,013,500	\$ 1,013,500
Minor Equipment Purchase	\$ 12,000	\$ 1,540	\$ 12,467	\$ 15,600	\$ 35,000	\$ 35,000	\$ 35,000
Vehicle Maintenance	\$ 13,613	\$ 18,844	\$ 15,816	\$ 24,833	\$ 25,000	\$ 25,000	\$ 25,000
Subscriptions	\$ 0		\$ 200	\$ 200	\$ 300	\$ 300	\$ 300
Registration, Dues & Fees	\$ 1,125	\$ 664	\$ 1,041	\$ 3,301	\$ 3,250	\$ 3,250	\$ 3,250
Travel & Training Expenses	\$ 1,040	\$ 617	\$ 9,870	\$ 10,857	\$ 10,000	\$ 10,000	\$ 10,000
Permits & Fees	\$ 29,547	\$ 25,341	\$ 8,495	\$ 34,827	\$ 60,000	\$ 60,000	\$ 60,000
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Materials and Services	\$ 958,757	\$ 1,105,417	\$ 1,330,618	\$ 2,147,544	\$ 2,286,550	\$ 2,286,550	\$ 2,286,550
Capital Outlay							
Land	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	\$ 0	\$ 0	\$ -	\$ 150,000			
Improvements	\$ 620,772	\$ 699,942	\$ 1,493,523	\$ 800,000	\$ 1,869,911	\$ 1,869,911	\$ 1,869,911
Machinery and Equipment	\$ 7,500	\$ 0	\$ -	\$ 452,000	\$ 35,000	\$ 35,000	\$ 35,000
Vehicles	\$ 0	\$ 0	\$ 0	\$ 0			
Infrastructure	\$ 0	\$ 0	\$ 0	\$ 800,000			
Total Capital Outlay	\$ 628,272	\$ 699,942	\$ 1,493,523	\$ 2,202,000	\$ 1,904,911	\$ 1,904,911	\$ 1,904,911
Debt Service							
Principal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Debt Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Contingency	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Budget	\$ 2,344,034	\$ 2,590,987	\$ 3,637,236	\$ 5,330,100	\$ 5,258,271	\$ 5,258,271	\$ 5,258,271

Department Requirements Detail		Terminal Services					
Expenditures by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-25	Proposed FY 2025-26	Approved FY 2025-26	Adopted FY 2025-26
Personnel Services							
Full-Time Equivalent	2.0	1.0	1.0	1.0	1.0	1.0	1.0
Salaries and Wages	\$ 162,336	\$ 98,080	\$ 107,691	\$ 112,625	\$ 119,838	\$ 119,838	\$ 119,838
Payroll Taxes	\$ 16,379	\$ 8,094	\$ 10,011	\$ 13,251	\$ 12,907	\$ 12,907	\$ 12,907
Employee Benefits	\$ 51,927	\$ 41,691	\$ 38,103	\$ 45,681	\$ 53,927	\$ 53,927	\$ 53,927
Total Personnel Services	\$ 230,642	\$ 147,866	\$ 155,805	\$ 171,557	\$ 186,672	\$ 186,672	\$ 186,672
Materials and Services							
Professional Services	\$ 9,135		\$ 37,487	\$ 47,150	\$ 85,000	\$ 85,000	\$ 85,000
Legal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Audit Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Advertising/Marketing/Promotions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Property Taxes/Waterway Leases	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Insurance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Utilities	\$ 23,255	\$ 23,265	\$ 18,212	\$ 26,450	\$ 24,780	\$ 24,780	\$ 24,780
Operating Supplies	\$ 78	\$ 314	\$ 667	\$ 780	\$ 1,000	\$ 1,000	\$ 1,000
Office Supplies	\$ 1,449	\$ 0	\$ -	\$ 810	\$ -	\$ -	\$ -
Postage	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Maintenance & Repairs	\$ 1,315,145	\$ 299,188	\$ 858,888	\$ 420,000	\$ 750,000	\$ 750,000	\$ 750,000
Minor Equipment Purchase	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicle Maintenance	\$ 2,636	\$ 2,068	\$ -	\$ 5,250	\$ -	\$ -	\$ -
Subscriptions	\$ 0	\$ 0	\$ -	\$ 300	\$ 300	\$ 300	\$ 300
Registration, Dues & Fees	\$ 1,190	\$ 810	\$ 1,025	\$ 1,155	\$ 1,100	\$ 1,100	\$ 1,100
Travel & Training Expenses	\$ 9,209	\$ 3,131	\$ 2,790	\$ 5,723	\$ 5,000	\$ 5,000	\$ 5,000
Permits & Fees	\$ 30,180	\$ 34,301	\$ 32,199	\$ 37,400	\$ 39,000	\$ 39,000	\$ 39,000
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Materials and Services	\$ 1,392,276	\$ 363,077	\$ 951,268	\$ 545,018	\$ 906,180	\$ 906,180	\$ 906,180
Capital Outlay							
Land	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Improvements	\$ 0	\$ 0	\$ 29,975	\$ 1,950,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
Machinery and Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicles	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Infrastructure	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Capital Outlay	\$ 0	\$ 0	\$ 29,975	\$ 1,950,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
Debt Service							
Principal	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interest	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Debt Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Contingency	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Budget	\$ 1,622,918	\$ 510,943	\$ 1,137,048	\$ 2,666,574	\$ 2,492,852	\$ 2,492,852	\$ 2,492,852

Department Requirements Detail		Non-Departmental					
Expenditures by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-25	Proposed FY 2025-26	Approved FY 2025-26	Adopted FY 2025-26
Personnel Services							
Salaries and Wages	\$ 13,500	\$ 9,950	\$ 11,906	\$ 19,200	\$ 15,000	\$ 15,000	\$ 15,000
Payroll Taxes	\$ 1,005	\$ 800	\$ 2,350	\$ 2,280	\$ 2,000	\$ 2,000	\$ 2,000
Employee Benefits	\$ 0	\$ 0	\$ 0	\$ 0	\$ -	\$ -	\$ -
Total Personnel Services	\$ 14,505	\$ 10,750	\$ 14,256	\$ 21,480	\$ 17,000	\$ 17,000	\$ 17,000
Materials and Services							
Professional Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Support/Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Legal Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Audit Services	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Advertising/Marketing/Promotions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Property Taxes/Waterway Leases	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Insurance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Utilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Operating Supplies	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Office Supplies	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 7,500	\$ 7,500	\$ 7,500
Postage	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Maintenance & Repairs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Minor Equipment Purchase	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicle Maintenance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Subscriptions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Registration, Dues & Fees	\$ 3,500	\$ 3,240	\$ 5,140	\$ 6,168	\$ 5,000	\$ 5,000	\$ 5,000
Travel & Training Expenses	\$ 8,000	\$ 6,791	\$ 11,250	\$ 13,500	\$ 12,000	\$ 12,000	\$ 12,000
Permits & Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Materials and Services	\$ 20,500	\$ 19,031	\$ 25,390	\$ 28,668	\$ 24,500	\$ 24,500	\$ 24,500
Capital Outlay							
Land	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Improvements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Machinery and Equipment	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Vehicles	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Infrastructure	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Capital Outlay	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service							
Principal	\$ 622,077	\$ 255,950	\$ 312,591	\$ 226,355	\$ 232,406	\$ 232,406	\$ 232,406
Interest	\$ 568,913	\$ 397,232	\$ 452,801	\$ 160,387	\$ 151,101	\$ 151,101	\$ 151,101
Total Debt Service	\$ 1,190,990	\$ 653,182	\$ 765,392	\$ 386,742	\$ 383,507	\$ 383,507	\$ 383,507
Total Contingency	\$ 1,315,145	\$ 271,228	\$ 1,270,222	\$ 6,439,959	\$ 12,239,063	\$ 12,239,063	\$ 12,239,063
Total Ending Fund Balance	\$ 0	\$ 0	\$ 0		\$ 0	\$ 0	\$ 0
Total Budget	\$ 2,541,140	\$ 682,963	\$ 2,075,260	\$ 6,876,849	\$ 12,664,070	\$ 12,664,070	\$ 12,664,070

Department Requirements Detail				All Department			
Expenditures by Category	Actual FY 2021-22	Actual FY 2022-23	Actual FY 2023-24	Revised FY 2024-25	Proposed FY 2025-26	Approved FY 2025-26	Adopted FY 2025-26
Personnel Services							
Full-Time Equivalent	17.5	18.0	19.0	19.0	19.0	19.0	19.0
Salaries and Wages	\$ 1,366,960	\$ 1,411,887	\$ 1,741,274	\$ 1,973,131	\$ 2,048,760	\$ 2,048,760	\$ 2,048,760
Payroll Taxes	\$ 116,784	\$ 125,495	\$ 146,905	\$ 226,262	\$ 229,026	\$ 229,026	\$ 229,026
Employee Benefits	\$ 423,024	\$ 500,720	\$ 624,896	\$ 707,112	\$ 858,062	\$ 858,062	\$ 858,062
Total Personnel Services	\$ 1,906,769	\$ 2,038,102	\$ 2,513,075	\$ 2,906,505	\$ 3,135,848	\$ 3,135,848	\$ 3,135,848
Materials and Services							
Professional and Contract Services	\$ 302,043	\$ 285,589	\$ 312,607	\$ 546,750	\$ 465,000	\$ 465,000	\$ 465,000
Legal Services	\$ 182,433	\$ 212,443	\$ 11,992	\$ 385,000	\$ 75,000	\$ 75,000	\$ 75,000
Audit Services	\$ 23,500	\$ 24,500	\$ 25,000	\$ 28,750	\$ 36,000	\$ 36,000	\$ 36,000
Advertising/Marketing/Promotions	\$ 86,348	\$ 72,586	\$ 56,212	\$ 89,150	\$ 63,750	\$ 63,750	\$ 63,750
Property Taxes/Waterway Leases	\$ 134,522	\$ 161,151	\$ 164,827	\$ 176,626	\$ 180,000	\$ 180,000	\$ 180,000
Insurance	\$ 242,279	\$ 345,510	\$ 404,043	\$ 491,753	\$ 510,000	\$ 510,000	\$ 510,000
Utilities	\$ 187,490	\$ 287,658	\$ 220,653	\$ 280,518	\$ 286,280	\$ 286,280	\$ 286,280
Operating Supplies	\$ 23,564	\$ 29,324	\$ 62,577	\$ 27,871	\$ 46,000	\$ 46,000	\$ 46,000
Office Supplies	\$ 28,139	\$ 38,840	\$ 22,306	\$ 36,110	\$ 28,400	\$ 28,400	\$ 28,400
Postage	\$ 6,000	\$ 13,444	\$ 3,885	\$ 5,500	\$ 13,000	\$ 13,000	\$ 13,000
Maintenance & Repairs	\$ 310,832	\$ 417,694	\$ 1,177,835	\$ 1,275,800	\$ 1,763,500	\$ 1,763,500	\$ 1,763,500
Minor Equipment Purchase	\$ 22,000	\$ 6,370	\$ 12,467	\$ 33,600	\$ 53,000	\$ 53,000	\$ 53,000
Vehicle Maintenance	\$ 10,492	\$ 20,912	\$ 15,816	\$ 30,083	\$ 25,000	\$ 25,000	\$ 25,000
Subscriptions	\$ 3,120	\$ 539	\$ 858	\$ 4,160	\$ 1,850	\$ 1,850	\$ 1,850
Registration, Dues & Fees	\$ 56,787	\$ 94,328	\$ 65,709	\$ 88,423	\$ 63,850	\$ 63,850	\$ 63,850
Travel & Training Expenses	\$ 34,759	\$ 53,634	\$ 46,601	\$ 82,586	\$ 66,250	\$ 66,250	\$ 66,250
Permits & Fees	\$ 69,979	\$ 95,283	\$ 86,726	\$ 97,084	\$ 161,000	\$ 161,000	\$ 161,000
Miscellaneous	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Materials and Services	\$ 1,724,286	\$ 2,159,805	\$ 2,690,115	\$ 3,679,764	\$ 3,837,880	\$ 3,837,880	\$ 3,837,880
Capital Outlay							
Land	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Buildings	\$ 0	\$ 0	\$ 0	\$ 150,000	\$ 0	\$ 0	\$ 0
Improvements	\$ 620,772	\$ 732,368	\$ 741,654	\$ 2,750,000	\$ 3,491,911	\$ 3,491,911	\$ 3,491,911
Machinery and Equipment	\$ 7,500	\$ 0	\$ 0	\$ 452,000	\$ 20,000	\$ 20,000	\$ 20,000
Vehicles	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Infrastructure	\$ 0	\$ 0	\$ 0	\$ 800,000	\$ 0	\$ 0	\$ 0
Total Capital Outlay	\$ 628,272	\$ 732,368	\$ 741,654	\$ 4,152,000	\$ 3,511,911	\$ 3,511,911	\$ 3,511,911
Debt Service							
Principal	\$ 622,077	\$ 255,950	\$ 312,591	\$ 226,355	\$ 232,406	\$ 232,406	\$ 232,406
Interest	\$ 568,913	\$ 397,232	\$ 452,801	\$ 160,387	\$ 151,101	\$ 151,101	\$ 151,101
Total Debt Service	\$ 1,190,990	\$ 653,182	\$ 765,392	\$ 386,742	\$ 383,507	\$ 383,507	\$ 383,507
Total Contingency	\$ 1,315,145	\$ 271,228	\$ 3,062,743	\$ 6,439,958	\$ 12,239,063	\$ 12,239,063	\$ 12,239,063
Total Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Budget	\$ 6,765,462	\$ 5,854,685	\$ 9,772,979	\$ 17,564,969	\$ 23,108,209	\$ 23,108,209	\$ 23,108,209

Capital Projects

Fiscal year 2026

PROJECTS	Proposed
	FY 2025-26
<u>CBC</u>	
No capital projects	\$ 0
<u>Columbia City</u>	
Total: Phase 1 - Clearwater Dock Piles	\$ 250,000
<u>McNulty Creek</u>	
Total: Site Readiness - Engineering & Permitting	\$ 200,000
<u>Milton Creek Industrial Park</u>	
Total: Roof Assessment/Replacement Allowance	\$ 180,000
<u>Multnomah Industrial Park</u>	
Shop Building - Roof Replacement	\$ 38,000
Roof Assessment/Replacement Allowance	\$ 250,000
Total: Multnomah Industrial Park	\$ 288,000
<u>Port Westward</u>	
Beaver Dock - Seismic Ph. 1	\$ 3,900,000
Contingency	\$ 200,000
Connect OR Grant	\$ (2,700,000)
SubTotal: Beaver Dock - Seismic Ph. 1 - Net Port Cash	\$ 1,400,000
Beaver Dock - Substructure - Walkway	\$ 250,000
Total: Port Westward	\$ 1,650,000
<u>Pope & Talbot at Railroad Ave.</u>	
Total: Pope & Talbot - Action Area 1	\$ 500,000
<u>SB Marine Park</u>	
No capital Projects	\$ 0
<u>Scappoose Airport</u>	
Runway Rehab Phase III	\$ 323,911
<u>General Admin & Operations</u>	
All Terrain Forklift	\$ 20,000
Accounting/CRM Software Conversion	\$100,000
Total: General Admin & Operations	\$ 120,000
<u>Total Capital Projects</u>	\$ 3,511,911

Note: Major Maintenance Projects Included in Department Budgets

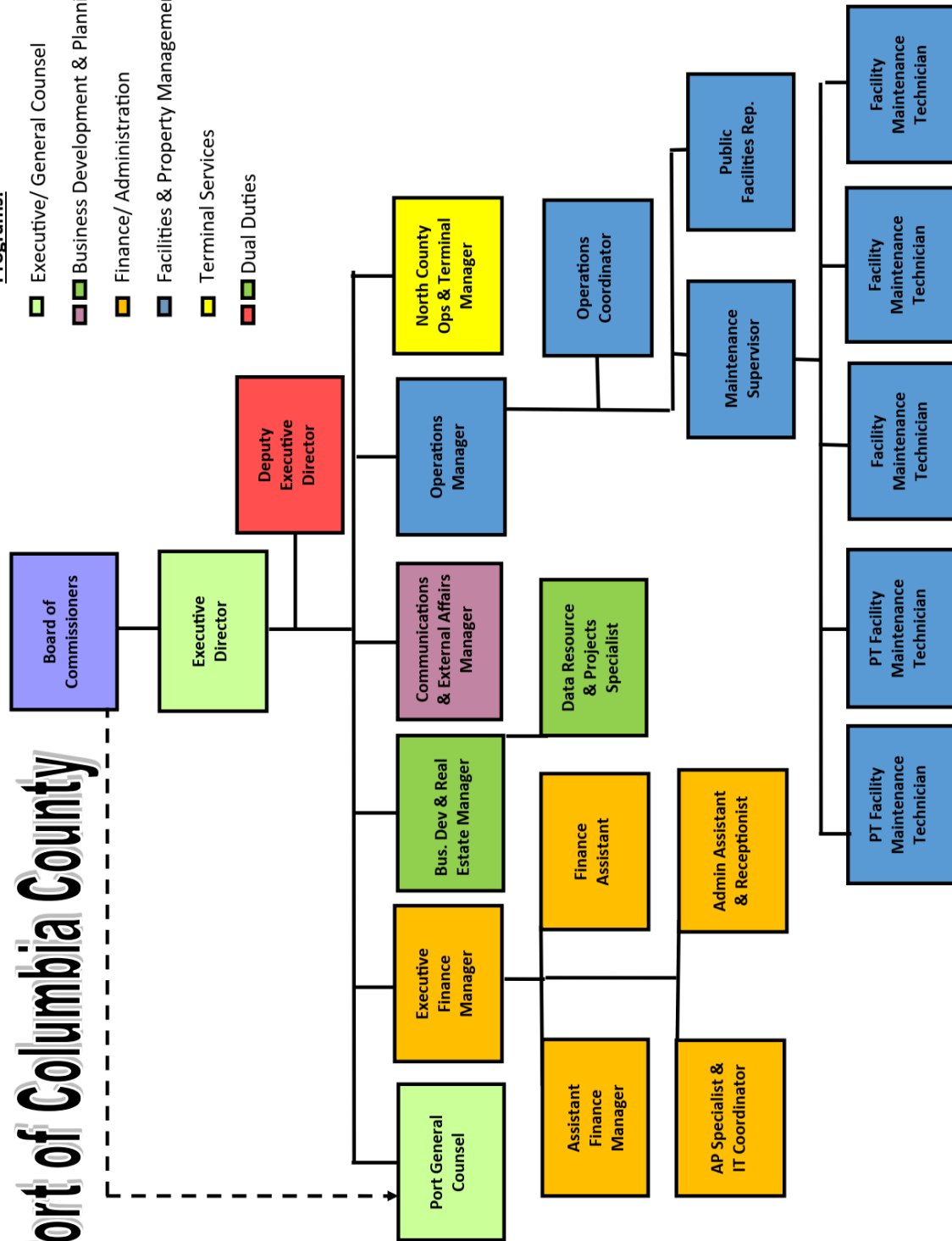
Debt Service

Category	Interest	Final Payment	Balance at July 1, 2025	Budget FY 2025-26	Notes
<u>Active</u>					
Debt service					
Loans					
CPBR Rail/Col County					
Oregon Aero Building	3.92	12.01.32	\$ 598,464	\$ 94,980	
Mult. Bldg. B improv.	3.30	12.01.37	\$ 99,667	\$ 10,364	
RainShadow Labs	3.37	01.01.26	\$ 158,547	\$ 11,869	
Mult. Composite Bldg E	3.43	01.01.40	\$ 709,393	\$ 62,371	
SIA Water/Sewer	3.96	04.01.45	\$ 450,151	\$ 32,963	
SA Hangar Bldg	3.31	10.01.41	\$ 2,358,084	\$ 170,959	
<u>Planned</u>					
Loans					
None			\$ -	\$ -	
Total requirements			\$ 4,374,305	\$ 383,507	

Port of Columbia County

Programs:

- Executive/ General Counsel
- Business Development & Planning
- Finance/ Administration
- Facilities & Property Management
- Terminal Services
- Dual Duties



PORT OF COLUMBIA COUNTY COMMISSION

Port of Columbia County Commissioners are elected by Port District residents and serve a four-year term.

<u>Position</u>	<u>Name</u>	<u>Title</u>	<u>Term of Office</u>
Position 1	Nancy Ward	2 nd Vice President	2023-2027
Position 2	Chip Bubl	Vice President	2023-2027
Position 3	Nick Sorber	Treasurer	2023-2027
Position 4	Robert Keyser	Secretary	2021-2025
Position 5	Brian Fawcett	President	2021-2025

Budget Committee members consist of the Port Commissioners and an equal number of citizens appointed by the Commission to serve three-year terms. Currently, appointed members include:

Position	Name	Term of Office
Position 1	Rachel Armitage	2024-2026
Position 2	Dan Garrison	2024-2026
Position 3	Rachael Barry	2023-2025
Position 4	Paul Langner	2024-2026
Position 5	Robert Gadotti	2023-2025



Res. 2025-09 STAFF REPORT

Marina Moorage Rate Adjustments

DATE: June 11, 2025

TO: Port Commission

FROM: Guy Glenn, Jr., Executive Finance Manager
Miriam House, Operations Manager
Elizabeth Millager, Property Manager

RE: **Marina Moorage Rate 6.3% Increase – Effective July 1, 2025**

Discussion

Historically, the rates for Scappoose Bay Marina non-commercial tenants have been adjusted by resolution every other year. The last increase to Marina rates was approved by the Board effective August 9, 2023. In this cycle, staff calculated the two-year Consumer Price Index (CPI) effect, amounting to a 6.3% increase. Attached is a spreadsheet showing the historical as well as proposed rates.

Staff are recommending an increase equal to the two-year CPI for all Marina rates. The recent marina study completed by BST & Associates indicates that Scappoose Bay Marine Park rates are at the lower end of pricing. This adjustment will better position Scappoose Bay Marine Park, assist with the rising costs of operations and lessen competition with local marinas per our mission. A market adjustment above CPI rates may need to be considered in the near future.

The Marina Advisory Committee members have reviewed the proposed rates and voted in favor of supporting the increase of 6.3% to all rates.

Recommendation

Adopt Resolution 2025-09, increasing the moorage rates at Scappoose Bay Marine Park by 6.3% effective July 1, 2025.

RESOLUTION NO. 2025-09

A RESOLUTION ESTABLISHING MOORAGE RATES AT THE SCAPPOOSE BAY MARINE PARK AND REPEALING RESOLUTION 2023-17

WHEREAS, Ordinance No. 2007-01 authorizes the Port Commission to establish and charge rates at the Scappoose Bay Marine Park and the Port Commission adopted the current moorage rate schedule in Resolution 2023-17; and

WHEREAS, historically the Port has adjusted the rate schedule according to the Consumer Price Index (CPI) every two years, which in this cycle would amount to a 6.3% increase in rates; Now, therefore

BE IT RESOLVED by the Port Commission that the following are established as moorage rates at the Scappoose Bay Marine Park:

<u>TYPE OF FEE</u>	<u>MONTHLY AMOUNT</u>
Open Moorage without Utilities	\$4.72/feet x boat length
Open Moorage with Utilities	\$6.15/feet x boat length
20' Uncovered without Utilities	\$94.00
25' Uncovered without Utilities	\$118.00
30' Uncovered with Utilities	\$185.00
30' Covered with Utilities	\$233.00
Boathouse Moorage (by area):	
0 – 800 square feet	\$154.00
801 – 1,000 square feet	\$185.00
over 1,000 square feet	\$0.1981 per square foot
Floating Home (by area):	\$0.3468 per square foot, but not less than \$580.00 per month
Additional Floats (by area):	\$0.0866 per square foot

BE IT FURTHER RESOLVED that Resolution No. 2023-17 is hereby repealed and the fees established herein take effect on July 1, 2025.

PASSED AND ADOPTED this 11th day of June 2025 by the following vote:

AYES: _____ **NAYS:** _____
ABSTAIN: _____

PORT OF COLUMBIA COUNTY

By: _____
President

Attested By:

Secretary



Res. 2025-10 STAFF REPORT

Marina Fee Adjustments

DATE: June 11, 2025

TO: Port Commission

FROM: Guy Glenn, Jr., Executive Finance Manager
Miriam House, Operations Manager
Elizabeth Millager, Property Manager

RE: **Marina Fee Increase 6.3% – Effective January 1, 2026**

Discussion

Historically, the fees for Scappoose Bay Marina non-commercial tenants have been adjusted by resolution every other year. The last increase to Marina fees was approved by the Board effective January 1, 2024. In this cycle, staff calculated the two-year Consumer Price Index (CPI) effect, amounting to a 6.3% increase. Attached is a spreadsheet showing the historical as well as proposed fees.

Staff are recommending an increase equal to the two-year CPI for all Marina fees except for the Daily Use Fee and the fee for In-County Senior and Military annual passes, which would remain the same. These adjustments will better position Scappoose Bay Marine Park, assist with the rising costs of operations and lessen competition with local marinas per our mission.

The Marina Advisory Committee reviewed the proposed fees and voted in favor of supporting the increase of 6.3%.

Recommendation

Adopt Resolution 2025-10, increasing the moorage fees at Scappoose Bay Marine Park by 6.3% effective January 1, 2026.

RESOLUTION NO. 2025-10

A RESOLUTION ESTABLISHING DAILY and ANNUAL USE FEES AT THE SCAPPOOSE BAY MARINE PARK AND REPEALING RESOLUTION 2023-18

WHEREAS, Ordinance No. 2007-01 authorizes the Port to establish and charge fees at the Scappoose Bay Marine Park; and

WHEREAS, historically the Port has evaluated the fee schedule every other year taking Consumer Price Index (CPI) and other market factors into account; and

WHEREAS, staff finds that in this cycle a CPI-based adjustment would amount to a 6.3% increase in the fees; and

WHEREAS, staff recommend that the Daily Use fee and the fee for In-County Senior and Military annual passes be excluded from the 6.3% adjustment and remain the same; now, therefore

BE IT RESOLVED that the following fees are hereby established for the Scappoose Bay Marine Park:

<u>TYPE OF FEE</u>	<u>AMOUNT OF FEE</u>
Daily Use Fee (Parking and/or Launch)	\$10.00
Annual Use Pass (Parking and/or Launch)	
In-County Residents	\$91.00
Out-of-County Residents	\$120.00
Discounted Annual Use Pass for Persons Over 62 Years or Qualified Military (Parking and/or Launch)	
In-County Residents	\$51.00
Out-of-County Residents	\$71.00
Transient Moorage Fee	\$25.00
Fine for No User Fee Ticket or Annual Pass Displayed or Parking Violation	\$50.00
Fines Doubled in Posted Areas	\$100.00
Boat Trailer Parking (tenant only)	\$32.00

BE IT FURTHER RESOLVED that the Executive Director, or his designee, provide passes to those who pay the appropriate fees. Passes must be displayed when launching watercraft or parking at the Scappoose Bay Marine Park. Fines will be assessed for any vehicle without the appropriate pass. Moorage, boathouse, and floating home tenants of the Scappoose Bay Marine Park shall be entitled to receive one annual use pass as part of their tenancy. Floating home tenants shall be entitled to receive one additional annual use pass. The maximum number of discounted annual use passes is limited to two per person in one calendar year.

BE IT FURTHER RESOLVED that Resolution 2023-18 is hereby repealed and the fees established herein take effect on the 1st day of January 2026.

PASSED AND ADOPTED this 11th day of June 2025 by the following vote:

AYES: _____ **NAYS:** _____ **ABSTAIN:** _____

ATTESTED BY:

PORT OF COLUMBIA COUNTY

Secretary

By: _____
President



Res. 2025-11 STAFF REPORT

RV Park and Dump Station Fee Adjustments

DATE: June 11, 2025

TO: Port Commission

FROM: Guy Glenn, Jr., Executive Finance Manager
Miriam House, Operations Manager
Elizabeth Millager, Property Manager

RE: **Increase RV Park Fee to \$40/night and Dump Station Fee to \$25- Effective July 1, 2025**

Discussion

The Bayport RV Park and Campground has been successful, with largely positive comments from our guests and other marina patrons. One of the most frequent comments had been the need for an RV dump station, which was installed and became operational in 2022. The system is fully automated and located to minimize demand for operations personnel. The service provider (Sanistar) recommended at the time of installation to set the user fee at \$25. The Marina Advisory Committee resolved to set the fee at \$15 instead. At the current rate, we are not seeing the return on investment as desired and the costs for servicing the system have risen over the years.

The Marina Advisory Committee has discussed the value of the dump station, operational costs, comparative fees and accessibility. After thoughtful consideration, the Committee, by unanimous vote, recommended that the fee be increased to \$25 per use. Staff believe this amenity has improved occupancy and provides convenience to not only our guests but to other travelers and users. The Committee and Port staff believe that neither occupancy nor frequency of use would be hindered by this increase.

The Bayport RV Park was constructed back in 2013 and since then the overnight guest fee has been adjusted only once, while costs of utilities, labor and maintenance have increased greatly. Port staff and the Marina Advisory Committee have looked at market rates for private, and publicly owned parks. Currently private parks are charging \$60-\$75 per night whether full hookups are available or not. Oregon State Park fees range from \$30 to \$42 (\$40 power/water), in addition to charging a 25% fee for non-residents. As our RV park provides power and water the Committee and Port staff recommend increasing overnight guest fees to \$40 and suggest using State Parks as a comparative guide for future fee adjustments.

Recommendation

Adopt Resolution 2025-11, increasing the dump station fee to \$25.00 and increasing RV park guest fees to \$40.00 per night at Scappoose Bay Marine Park, effective July 1, 2025.

RESOLUTION NO. 2025-11

A RESOLUTION ESTABLISHING BAYPORT RV PARK AND DUMP STATION FEES AT THE SCAPPOOSE BAY MARINE PARK AND REPEALING RESOLUTION 2013-38

WHEREAS, Ordinance No. 2007-01 authorizes the Port to establish and charge rates at the Scappoose Bay Marine Park and the Port Commission adopted the current moorage rate schedule in Resolution 2013-38; and

WHEREAS, Port staff recommend that fees for overnight stays at the RV Park and fees for the Marine Park dump station be reviewed for adjustments every two years; and

WHEREAS, Port staff recommend that the RV Park fee adjustments use Oregon State Park rates as a comparative guide; Now, therefore

BE IT RESOLVED that the following fees are hereby established at the Scappoose Bay Marine Park:

<u>TYPE OF FEE</u>	<u>MONTHLY AMOUNT</u>
RV Park Guest Fee	\$40.00 per night
Dump Station Fee	\$25.00 per use

BE IT FURTHER RESOLVED that Resolution No. 2013-38 is repealed and the fees established herein take effect on July 1, 2025.

BE IT FURTHER RESOLVED that the Executive Director shall promulgate and apply administrative rules as needed from time to time regarding use of the RV Park and its facilities, to include a restriction of not more than fourteen (14) consecutive days of RV parking.

BE IT FURTHER RESOLVED that the Executive Director may establish group rates as deemed appropriate.

PASSED AND ADOPTED this 11th day of June 2025 by the following vote:

AYES: _____ **NAYS:** _____
ABSTAIN: _____

PORT OF COLUMBIA COUNTY

By: _____
President

Attested By:

Secretary



Resolution 2025-12 STAFF REPORT

Scappoose Bay Marine Park
OSMB Grant for Painting and
Pavement Maintenance

DATE: June 11, 2025
TO: Port Commission
FROM: Miriam House – Operations Manager
RE: **OSMB Grant for \$45,597.48 with Port match of \$15,199.16**
Painting and Pavement Maintenance

Discussion

The Port submitted a grant request to the Oregon State Marine Board (OSMB) in May 2025 to fund two maintenance projects at the Scappoose Bay Marine Park. The first project is for pavement crack fill, sealcoat and striping and the second is to repaint the public restrooms and gazebo.

As a major recreation destination, it is imperative that we protect infrastructure from deterioration. The pavement work will extend the lifespan of the asphalt by preventing water intrusion, oxidation, and other damage from the elements and also prevent potholes. To preserve access for motorized and nonmotorized users, it is vital that this preventative maintenance be done on a regular three-year cycle. This project has been budgeted for FY25 and is planned to be completed this summer.

The Marine Park public restrooms and gazebo are aging assets that are heavily used. Painting the gazebo, the interior and exterior of the public restrooms, and applying a weather sealer to the exposed wood will shield against further damage from inclement weather, condensation and daily use.

The OSMB reviewed our application and awarded the Port a Small Grant in the amount of \$45,597.48 with a Port match of \$15,199.16 but the project must be completed by June 30, 2025. The total amount towards painting and pavement maintenance is \$60,796.64.

Recommendation

Adopt Resolution No. 2025-12, authorizing acceptance of OSMB Small Grant offer #2425-24 of \$45,597.48 for maintenance costs for the Scappoose Bay Marine Park, and approval of the associated \$15,199.16 cash match.

RESOLUTION NO. 2025-12

A RESOLUTION APPROVING AN OREGON STATE MARINE BOARD GRANT FOR PAINTING AND PAVEMENT MAINTENANCE AT THE SCAPPOOSE BAY MARINE PARK

WHEREAS, the parking areas and driveways of the Port's Scappoose Bay Marine Park, while fundamentally sound, need crack sealing, surface sealcoating and striping; and

WHEREAS, the aging and heavily used public restroom and gazebo buildings need painting and maintenance; and

WHEREAS, the Oregon State Marine Board (OSMB) provides funding for such improvement projects from its Boating Facility Grant funds; and

WHEREAS, the Port submitted a Small Grant Application and was awarded funding of \$45,597.48 from OSMB with a Port match of \$15,199.16 for a total of \$60,796.64; and

WHEREAS, Port Staff find the grant conditions and requirements acceptable and recommend acceptance of the attached Grant Agreement; Now, therefore,

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

The Board approves the Oregon State Marine Board Small Grant offer #2425-24 for \$45,597.48, and the associated \$15,199.16 Port match, and authorizes the Executive Director to sign the attached Grant Agreement.

PASSED AND ADOPTED this 11th day of June 2025, by the following vote:

AYES: _____

NAYS: _____

PORT OF COLUMBIA COUNTY

ABSTAIN: _____

By: _____
President

Attested By:

Secretary

**BOATING FACILITY GRANT
INTERGOVERNMENTAL AGREEMENT**
Agreement No. 2425-24

This Agreement is between the State of Oregon acting by and through its State Marine Board (“OSMB”) and the Port of Columbia County (“Recipient”), each a “Party” and, together, the “Parties”.

SECTION 1: AUTHORITY

This Agreement is authorized by ORS 190.110. OSMB is authorized to provide grants for boating facility projects under ORS 830.150 and OSMB has sufficient small grant funds available within its current biennial budget and has authorized expenditure on the Recipient’s Project as defined below, and the Recipient agrees to comply with Boating Facility Grant Program rules in OAR 250-014 and other OSMB adopted policies and procedures.

SECTION 2: PURPOSE

The purpose of this Agreement is to set forth the obligations of both Parties in the development of recreational boating facilities at *Scappoose Bay Marina, for the crack seal, seal coat, and restriping of the boat trailer parking, access aisles, and maneuver areas that support the boat ramp and repaint the public restroom*, hereinafter called the “Project,” as described in the Recipient’s Small Grant Application 2425-24. With this reference, the Small Grant Application is made part of this Agreement. If a conflict exists between the Small Grant Application and this Agreement, the Agreement will govern.

SECTION 3: EFFECTIVE DATE AND DURATION

- 3.1 Term.** This Agreement is effective on the date of the last signature and terminates on the date 10 years after the date of Project completion or the date of final payment issuance, whichever is later, unless terminated earlier in accordance with Section 16.
- 3.2 Project Completion.** The Project shall be completed, and final billing for the Project shall be submitted to OSMB, on or before June 30, 2025. Unless approved in writing, OSMB shall not be obligated to disburse any payments after this date.

SECTION 4: AUTHORIZED REPRESENTATIVES

- 4.1** OSMB’s Authorized Representative is:
Janine Belleque, Boating Facilities Program Manager
PO Box 14145, 435 Commercial Street NE Suite #400, Salem Oregon 97309
(503) 877-7850 Office, Janine.Belleque@boat.oregon.gov
- 4.2** Recipient’s Authorized Representative is:
Miriam House, Operations Manager
PO Box 190, Columbia City, OR 97018
503-928-3259 Office, house@portofcolumbiacounty.org
- 4.3** A Party may designate a new Authorized Representative by written notice to the other Party.

SECTION 5: RESPONSIBILITIES OF EACH PARTY

5.1 Responsibilities of Recipient:

- 5.1.1 Project Timeline.** The Recipient is responsible for maintaining the project timeline for all dates and activities outlined as the Recipient's responsibility as identified in Attachment "A".
- 5.1.2 Matching Cash Funds.** The Recipient shall contribute the total sum of \$15,199.16 in cash as described in the Small Grant Application.
- 5.1.3 Matching Non-cash Resources.** The Recipient shall contribute the total sum of \$0.00 *administrative match and \$0.00 force account labor, materials, or equipment.* These are non-reimbursable items.
- 5.1.4 Construction.** The Recipient shall award and monitor the contractor's performance under the construction contract or construction consultant contract in such a manner as to ensure compliance with Project plans and specifications. The Recipient must notify OSMB immediately of any proposed change in Project design, cost modifications, proposed change orders or modification of scope. The Recipient shall be responsible for all costs associated with unauthorized changes or modifications unless otherwise specifically agreed to in writing by OSMB.

5.1.5 Commercial and Other Uses.

- a. For purposes of this Section 5, Commercial Use means any activity on or affecting the Project that was not described in the Small Grant Application or not approved pursuant to OSMB Policy 93-06 or 93-02, where the Recipient:
 1. has financial profit as a goal,
 2. charges any fees or receives any benefit to provide services, supplies or goods, or allows third parties to charge any fees or receive any benefit to provide services, supplies or goods.
- b. Commercial Use is prohibited.
- c. Recipient must have the capability to make an ordinance, rule, or other regulation to the effect that the Projects are for the benefit of recreational boaters, including, but not limited to prohibiting single cars from parking in boat trailer parking spots. If, in the sole discretion of OSMB, the use by non-recreational boaters such as swimmers, fishermen, divers, crabbers, impact recreational boating uses or diminishes the useful life of the Project, then the Recipient must establish and enforce its ordinance, rule, or other regulation.
- d. If Project funded a pumpout or dump station in a marina or short-term tie-up dock, the Recipient must include language in its moorage agreement requiring use of the pumpout and/or dump station if a boat has a holding tank or marine toilet.
- e. Recipient must restrict use of the Project to only boats that comply with ORS 830.770 and 830.775.

- 5.1.6 Project Sign.** If the existing credit sign is faded or damaged, it will need to be replaced.
- 5.1.7 Publications and Advertising.** The Recipient shall include the following statement if publishing any report, news release or publication regarding the project: *"Partial funding was provided by the Oregon State Marine Board Boating Facility Grant Program investing fees and marine fuel taxes paid by motorized boaters."*
- 5.1.8 Public Access to Project.** During the term of this Agreement the Recipient shall allow open and unencumbered public access to the Project to all persons without regard to race, color, religious or political beliefs, sex, national origin, or place of primary residence.
- 5.1.9 User Fees.** Recipient shall notify and request written approval from OSMB of any user fees charged to recreational boaters for the use of the improvements described herein throughout the term of this Agreement. Fees charged shall be reasonable and are subject to review and approval by OSMB. If user fees are charged for the use of the completed Project, the Recipient shall maintain sufficient records and accounting procedures that demonstrate all of the gross income from the fees is used to defray direct operational costs (for example, maintenance and repair costs) for the Project. User fees may affect Maintenance Assistance Program, as described in OAR 250-014-0040 eligibility on publicly owned and operated Projects.
- 5.1.10 Maintenance.** The Recipient shall at all times be responsible for the maintenance and operation of the Project and related facilities during the term of the Agreement. This does not restrict the Recipient's ability to subcontract for the performance of maintenance and operation services. Such subcontractors would be subject to Section 5.1.12, Indemnification by Subcontractors.
- 5.1.11 Payments.** Recipient agrees to:
- a. Make payment promptly as due to all contractors, subcontractors, vendors or any other persons supplying labor or materials for the Project;
 - b. All employers, including Recipient that employ subject workers as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for those workers, unless they meet the requirement for exemption under ORS 656.126(2). Recipient shall require and ensure that each of its subcontractors complies with these requirements (unless inapplicable as a matter of federal law); and
 - c. Not permit any lien or claim to be filed or prosecuted against OSMB, due to any construction or maintenance activities at the Project.
- 5.1.12 Alternative Dispute Resolution.** The Parties should attempt in good faith to resolve any dispute arising out of this agreement. This may be done at any management level, including at a level higher than persons directly responsible for administration of the agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
- 5.1.13 Indemnification by Subcontractors.** The Recipient shall take all reasonable steps to cause its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers,

employees and agents ("Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys' fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Recipient's contractor or any of the officers, agents, employees or subcontractors of the contractor ("Claims"). It is the specific intention of the Parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by the contractor from and against any and all Claims.

5.1.14 Boating Facility Operation. The Parties have entered into other grant agreement(s), *1300, 1326, 1460, 1501, 1553, 1679, and 1732, which* provide for the Recipient to operate boating facilities, including but not limited to, [restrooms, boat trailer parking, docks, boat ramps]. The Recipient shall continue to operate those boating facilities for the duration of this Agreement, even if the terms of the other grant agreement(s) have expired.

5.2 Responsibility of OSMB:

5.2.1 OSMB shall pay Recipient as described in Sections 6 and 7.

SECTION 6: CONDITIONS TO DISBURSEMENT

6.1 Conditions Precedent to Any Reimbursement. OSMB shall not be obligated to disburse any of the grant funds to reimburse the Recipient for Project costs hereunder unless OSMB has received from the Recipient:

- a. Prior to Project solicitation or construction, the final architectural and engineering plans, specifications, and cost estimate(s), statement of work, request for proposals or other documentation for the Project, documents must be in form and substance satisfactory to OSMB;
- b. Prior to Project construction a copy of all required, federal, state, and local permits or approvals for the Project; and
- c. A copy of the contractor's, vendor's, supplier's bid pricing, unless the Recipient is completing the Project; and
- d. Reimbursement Requests must be submitted on the approved OSMB Boating Facility Grant Reimbursement form along with all supporting documentation. Reimbursements shall be prorated between the Parties based on the percentage of their respective cash contributions as set forth in Section 5 and Section 7.

6.2 Conditions Precedent to Partial Progress Payment(s). OSMB shall not be obligated to make partial progress reimbursement payment(s) hereunder until supporting documentation of the percentage of Project completion has been received, reviewed, and approved by OSMB. In no event shall OSMB disburse more than ninety percent (90%) of the amount indicated in Section 7.1. as progress payments.

6.3 Conditions Precedent to Final Payment. OSMB shall not be obligated to make final payment hereunder until the following have been completed or supplied:

- a. Supporting documentation in form and content determined by OSMB,

- has been received reviewed and approved by OSMB; and
- b. Recipient provides a minimum of three photographs detailing the completed work. One photo must be of the installed sign crediting OSMB with funding the Project; and
 - c. Inspection and approval of the Project by OSMB.

SECTION 7: COMPENSATION AND PAYMENT TERMS

- 7.1 Grant Funds.** Upon approval by its governing body, OSMB shall provide grant funds in the amount of *\$45,597.48 Boating Facility Grant* to the Recipient to fund the Project. OSMB shall not provide to the Recipient, and the Recipient shall not use any funds described in this section for administrative or for accounting costs whether or not related to this Agreement.
- 7.2 Payments.** After the Recipient awards the contract for the Project, and activities commence, OSMB shall, upon receipt of the Recipient's request for reimbursement and appropriate documentation all in form and substance satisfactory to OSMB, disburse funds to the Recipient in accordance with Section 6 "CONDITIONS TO DISBURSEMENT".
- 7.3 Overpayment.** In the event that the aggregate amount of OSMB's interim progress payments to the Recipient exceeds the allowable reimbursable costs of the Recipient for the Project, the Recipient agrees to refund to OSMB the amount paid in excess of such allowable expenses within thirty (30) days of final billing by the Recipient or the Project Completion Date, whichever is earlier.
- 7.4 Disallowed Costs.** The Recipient agrees that payment(s) made by OSMB under this Agreement shall be subject to offset or reduction for any amounts previously paid hereunder that are found by OSMB not to constitute allowable costs under this Agreement based on the results of an audit examination. If such disallowed amount exceeds the payment(s), the Recipient shall pay OSMB the amount of such excess within 30 days after written notice of disallowed costs is provided by OSMB.
- 7.5 Cost Savings.** Any cost savings realized on the Project shall be prorated between the Parties based on the percentage of their respective cash contributions as set forth in Section 7.1. and Section 5.1 "RESPONSIBILITIES OF EACH PARTY."

SECTION 8: REPRESENTATIONS AND WARRANTIES

Recipient represents and warrants to OSMB that:

- 8.1** Recipient is a Port duly organized and validly existing. Recipient has the power and authority to enter into and perform this Agreement;
- 8.2** The making and performance by Recipient of this Agreement (a) have been duly authorized by Recipient, (b) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Recipient's charter or other organizational document and (c) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is party or by which Recipient may be bound or affected. No authorization, consent, license, approval of, or filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient of this Agreement, other

than those that have already been obtained;

- 8.3** This Agreement has been duly executed and delivered by Recipient and constitutes a legal, valid and binding obligation of Recipient enforceable in accordance with its terms;
- 8.4** Recipient has the skill and knowledge possessed by well-informed members of the industry, trade or profession most closely involved in providing the services under this Agreement, and Recipient will apply that skill and knowledge with care and diligence to perform its obligations under this Agreement in a professional manner and in accordance with the highest standards prevalent in the related industry, trade or profession; and
- 8.5** Recipient shall, at all times during the term of this Agreement, be qualified, professionally competent, and duly licensed to perform its obligations under this Agreement.

The representations and warranties set forth in this section are in addition to, and not in lieu of, any other representations or warranties provided by Recipient.

SECTION 9: GOVERNING LAW, CONSENT TO JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively "Claim") between OSMB or any other agency or department of the State of Oregon, or both, and Recipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this Section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, to or from any Claim or from the jurisdiction of any court. RECIPIENT, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

SECTION 10: OWNERSHIP OF WORK PRODUCT

- 10.1** As used in this Section 10 and elsewhere in this Agreement, the following terms have the meanings set forth below:

- 10.1.1 Project Ownership.** OSMB acknowledges and agrees that the Project is the exclusive property of the Recipient. OSMB is neither responsible nor liable in any manner for the construction, operation or maintenance of the Project.

SECTION 11: NO DUPLICATE PAYMENT

The Recipient shall not be compensated for, or receive any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon, including, but not limited to, the Oregon Department of Fish and Wildlife, or the United States of America or any other party.

SECTION 12: CONTRIBUTION

- 12.1** If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (a "Third Party Claim") against a Party (the "Notified

Party”) with respect to which the other Party (the “Other Party”) may have liability, the Notified Party shall promptly notify the Other Party in writing of the Third-Party Claim and deliver to the Other Party, along with the written notice, a copy of the claim, process and all legal pleadings with respect to the Third Party Claim that have been received by the Notified Party. Each Party is entitled to participate in the defense of a Third-Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this Section and a meaningful opportunity for the Other Party to participate in the investigation, defense and settlement of the Third-Party Claim with counsel of its own choosing are conditions precedent to the Other Party’s contribution obligation under this Section 12 with respect to the Third-Party Claim.

- 12.2** With respect to a Third-Party Claim for which OSMB is jointly liable with Recipient (or would be if joined in the Third-Party Claim), OSMB shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Recipient in such proportion as is appropriate to reflect the relative fault of OSMB on the one hand and of Recipient on the other hand in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of OSMB on the one hand and of Recipient on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines, or settlement amounts. OSMB’s contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if the State had sole liability in the proceeding.
- 12.3** With respect to a Third-Party Claim for which Recipient is jointly liable with OSMB (or would be if joined in the Third-Party Claim), Recipient shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by OSMB in such proportion as is appropriate to reflect the relative fault of Recipient on the one hand and of OSMB on the other hand in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Recipient on the one hand and of OSMB on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines, or settlement amounts. Recipient’s contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

SECTION 13: REMEDIES

- 13.1** In the event Recipient is in default under Section 16.3, OSMB may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity, including, but not limited to: (a) termination of this Agreement under Section 16, (b) reducing or withholding payment for work or Work Product that Recipient has failed to deliver within any scheduled completion dates or has performed inadequately or defectively, (c) requiring Recipient to perform, at Recipient’s expense, additional work necessary to satisfy its performance obligations or meet performance standards under this Agreement, (d) initiation

of an action or proceeding for damages, specific performance, or declaratory or injunctive relief, or (e) exercise of its right of recovery of overpayments under Section 14 (in addition to the remedies provided in Section 7.3) of this Agreement or setoff, or both. These remedies are cumulative to the extent the remedies are not inconsistent, and OSMB may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.

- 13.2** In the event OSMB is in default under Section 16.3 and whether or not Recipient elects to exercise its right to terminate this Agreement under Section 16, or in the event OSMB terminates this Agreement under Sections 16.1, 16.2, or 16.3, Recipient's sole monetary remedy will be (a) for work compensable at a stated rate, a claim for unpaid invoices for work completed and accepted by OSMB, for work completed and accepted by OSMB within any limits set forth in this Agreement but not yet invoiced, for authorized expenses incurred, and for interest within the limits of ORS 293.462, less any claims OSMB has against Recipient, and (b) for deliverable-based work, a claim for the sum designated for completing the deliverable multiplied by the percentage of work completed on the deliverable and accepted by OSMB, for authorized expenses incurred, and for interest within the limits of ORS 293.462, less previous amounts paid for the deliverable and any claims that OSMB has against Recipient. In no event will OSMB be liable to Recipient for any expenses related to termination of this Agreement or for anticipated profits. If previous amounts paid to Recipient exceed the amount due to Recipient under this Section 13.2, Recipient shall promptly pay any excess to OSMB.

SECTION 14: RECOVERY OF OVERPAYMENTS

In addition to the remedies provided in Section 7.4, if payments to Recipient under this Agreement, or any other agreement between OSMB and Recipient, exceed the amount to which Recipient is entitled, OSMB may, after notifying Recipient in writing, withhold from payments due Recipient under this Agreement, such amounts, over such periods of times, as are necessary to recover the amount of the overpayment.

SECTION 15: LIMITATION OF LIABILITY

EXCEPT FOR LIABILITY ARISING UNDER OR RELATED TO SECTION 12, NEITHER PARTY WILL BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, OR OTHER INDIRECT DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, REGARDLESS OF WHETHER THE LIABILITY CLAIM IS BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE. NEITHER PARTY WILL BE LIABLE FOR ANY DAMAGES OF ANY SORT ARISING SOLELY FROM THE TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH ITS TERMS.

SECTION 16: TERMINATION

- 16.1 Termination for Convenience.** The Recipient may terminate this Agreement at any time upon thirty (30) days prior written notice to OSMB; provided, however, that the Recipient shall, within thirty (30) days of such termination, reimburse OSMB for all funds contributed by OSMB to the Project; provided further that until the Recipient has fully reimbursed OSMB for such funds, the Recipient shall comply with the terms hereof. Delinquent payments shall bear interest at the rate of 8 percent, or, if such rate shall exceed the maximum rate allowed by law, then as such maximum rate, and shall be payable on demand.

16.2 Termination Because of Non-Appropriation or Project Ineligibility. OSMB, as provided in Section 27 “FORCE MAJEURE,” may modify or terminate this Agreement and at any time upon 30 days prior written notice to the Recipient, may modify or terminate this Agreement if:

- a. OSMB fails to receive funding or allotments, appropriations, limitations, or other expenditure authority at levels sufficient to pay for the allowable costs of the Project to be funded hereunder or should any state law, regulation or guideline be modified, changed or interpreted in such a way that the Project, or any portion of the Project, is no longer eligible for facility grant funds as described in ORS 830.150.
- b. In the event insufficient funds are appropriated for the payments under this Agreement and the Recipient has no other lawfully available funds, then the Recipient may terminate this Agreement at the end of its current fiscal year, with no further liability to OSMB. The Recipient shall deliver written notice to OSMB of such termination no later than 30 days from the determination by the Recipient of the event of non-appropriation. OSMB shall pay for all authorized Project costs expended up to the date of written notice of termination.

16.3 Termination for Default. OSMB, at any time upon 30 days prior written notice of default to the Recipient, may modify or terminate this Agreement if:

- a. The design, permitting, or construction of the Project is not pursued with due diligence; or
- b. The Recipient’s fee simple title to or other interest in the construction sites or Project is not sufficient, legal, and valid; or
- c. The construction of the Project is not permissible under federal, state, or local law; or
- d. The Recipient, does not abide by the nondiscrimination and affirmative action provisions of this Agreement; or
- e. The Recipient, without the prior written approval of OSMB, uses the funds provided by OSMB hereunder to build any project other than the Project described in the final architectural and engineering drawings approved by OSMB; or
- f. The construction is not completed in a good and workmanlike manner or fails to comply with any required permits; or
- g. During the term of this Agreement, the Recipient fails to perform any obligation or requirement of this Agreement, including, but not limited to, exceeding the length of stay at a short term tie-up dock, allowing non-recreational boating use such as crabbing, fishing, swimming, diving or other activities to impact a recreational boaters ability to use the Project or coveys the Project or the Project property or any part thereof or converts the use of the Project or the Project property to a use that precludes free and unencumbered recreational public boating access.

h. The Recipient defaults under any other agreement between the Parties.

16.4 Rights and Remedies. The Recipient shall, within 30 days of its receipt of a notice of default, reimburse OSMB for all funds contributed by OSMB to the Project. Further, OSMB shall have any and all rights and remedies available at law or in equity.

SECTION 17: NONAPPROPRIATION

OSMB's obligation to pay any amounts and otherwise perform its duties under this Agreement is conditioned upon OSMB receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow OSMB, in the exercise of its reasonable administrative discretion, to meet its obligations under this Agreement. Nothing in this Agreement may be construed as permitting any violation of Article XI, section 7 of the Oregon Constitution or any other law limiting the activities, liabilities, or monetary obligations of OSMB.

SECTION 18: AMENDMENTS

The terms of this Agreement may not be altered, modified, supplemented, or otherwise amended, except by written agreement of the Parties.

SECTION 19: NOTICE

Except as otherwise expressly provided in this Agreement, any notices to be given relating to this Agreement must be given in writing by facsimile, email, personal delivery, or postage prepaid mail, to a Party's Authorized Representative at the physical address, fax number or email address set forth in this Agreement, or to such other addresses as either Party may indicate pursuant to this Section 20. Any notice so addressed and mailed becomes effective five (5) days after mailing. Any notice given by personal delivery becomes effective when actually delivered. Any notice given by email becomes effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system. Any notice given by facsimile becomes effective upon electronic confirmation of successful transmission to the designated fax number.

SECTION 20: SURVIVAL

All rights and obligations of the Parties under this Agreement will cease upon termination of this Agreement, other than the rights and obligations arising under Sections 9, 10, 12, 14, 15 and 20 hereof and those rights and obligations that by their express terms survive termination of this Agreement; provided, however, that termination of this Agreement will not prejudice any rights or obligations accrued to the Parties under this Agreement prior to termination.

SECTION 21: SEVERABILITY

The Parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

SECTION 22: COUNTERPARTS

This Agreement may be executed in several counterparts, all of which when taken together shall constitute one agreement, notwithstanding that all Parties are not signatories to the same

counterpart. Each copy of the Agreement so executed constitutes an original.

SECTION 23: COMPLIANCE WITH LAW

23.1 Compliance with Law Generally. Recipient shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to Recipient and the Agreement. **Oregon False Claims Act.** Recipient acknowledges the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any action by Recipient pertaining to this Agreement, including the procurement process relating to this Agreement that constitutes a "claim" (as defined by ORS 180.750(1)). By its execution of this Agreement, Recipient certifies the truthfulness, completeness, and accuracy of any statement or claim it has made, it makes, it may make, or causes to be made that pertains to this Agreement. In addition to other penalties that may be applicable, Recipient further acknowledges that if it makes, or causes to be made, a false claim or performs a prohibited act under the Oregon False Claims Act, the Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against Recipient. Recipient understands and agrees that any remedy that may be available under the Oregon False Claims Act is in addition to any other remedy available to the State or OSMB under this Contract or any other provision of law.

23.2 Tax Compliance. As set forth on Exhibit B, Recipient has complied with the tax laws of this state and the applicable tax laws of any political subdivision of this state. Recipient shall, throughout the duration of this Agreement and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. For the purposes of this Section, "tax laws" includes: (i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318; (ii) Any tax provisions imposed by a political subdivision of this state that applied to Recipient, to Recipient's property, operations, receipts, or income, or to Recipient's performance of or compensation for any work performed by Recipient; (iii) Any tax provisions imposed by a political subdivision of this state that applied to Recipient, or to goods, services, or property, whether tangible or intangible, provided by Recipient; and (iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Any failure to comply with the provisions of this subsection 23.3 constitutes a material breach of this Agreement. Further, any failure to comply with Recipient's certifications set forth in Exhibit B also shall constitute a material breach of this Agreement. Any failure to comply shall entitle OSMB to terminate this Agreement, to pursue and recover any and all damages that arise from the breach and the termination of this Agreement, and to pursue any or all of the remedies available under this Agreement, at law, or in equity, including but not limited to:

23.2.1 Termination of this Agreement, in whole or in part;

23.2.2 Offsetting against any amount owed to Recipient, and withholding of amounts otherwise due and owing to Recipient, in an amount equal to State's setoff right, without penalty; and

23.2.3 Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. OSMB may recover any and all damages suffered as the result of Recipient's breach of this Agreement, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing

replacement Services and applications.

In addition, this Agreement will be reported to the Oregon Department of Revenue. The Department of Revenue may take any and all actions permitted by law relative to the collection of taxes due to the State of Oregon or a political subdivision, including (i) garnishing the Recipient's compensation under this Agreement or (ii) exercising a right of setoff against Recipient's compensation under this Agreement for any amounts that may be due and unpaid to the State of Oregon or its political subdivisions for which the Department of Revenue collects debts.

These remedies are cumulative to the extent the remedies are not inconsistent, and OSMB may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

SECTION 24: INDEPENDENT CONTRACTORS

The Parties agree and acknowledge that their relationship is that of independent contracting parties and that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265 or otherwise.

SECTION 25: PERSONS NOT TO BENEFIT

No member of or delegate to Congress, resident commissioner, officer, agent or employee of the United States of America, member of the Oregon Legislative Assembly, elected official of the State of Oregon, or official, agent, or employee of the State of Oregon, or elected member, officer, agent, or employee of any political subdivision, municipality or municipal corporation of the State of Oregon shall be admitted to any share or part of this Agreement or derive any financial benefit that may arise therefrom.

SECTION 26: INTENDED BENEFICIARIES

OSMB and Recipient are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement provides, is intended to provide, or may be construed to provide any direct or indirect benefit or right to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of this Agreement.

SECTION 27: FORCE MAJEURE

Neither Party is responsible for any failure to perform or any delay in performance of any obligations under this Agreement caused by fire, civil unrest, labor unrest, natural causes, or war, which is beyond that Party's reasonable control. Each Party shall, however, make all reasonable efforts to remove or eliminate such cause of failure to perform or delay in performance and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement. OSMB may terminate this Agreement upon written notice to Recipient after reasonably determining that the failure or delay will likely prevent successful performance of this Agreement.

SECTION 28: ASSIGNMENT AND SUCCESSIONS IN INTEREST

Recipient may not assign or transfer its interest in this Agreement without the prior written

consent of OSMB and any attempt by Recipient to assign or transfer its interest in this Agreement without such consent will be void and of no force or effect. OSMB's consent to Recipient's assignment or transfer of its interest in this Agreement will not relieve Recipient of any of its duties or obligations under this Agreement. The provisions of this Agreement will be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.

SECTION 29: SUBCONTRACTS

Recipient shall not, without OSMB's prior written consent, enter into any subcontracts for any of the work required of Recipient under this Agreement. OSMB's consent to any subcontract will not relieve Recipient of any of its duties or obligations under this Agreement.

SECTION 30: TIME IS OF THE ESSENCE

Time is of the essence in Recipient's performance of its obligations under this Agreement.

SECTION 31: MERGER, WAIVER

This Agreement and all exhibits and attachments, if any, constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver or consent under this Agreement binds either Party unless in writing and signed by both Parties. Such waiver or consent, if made, is effective only in the specific instance and for the specific purpose given. EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

SECTION 32: RECORDS MAINTENANCE AND ACCESS

Recipient shall maintain all financial records relating to this Agreement in accordance with generally accepted accounting principles. In addition, Recipient shall maintain any other records, books, documents, papers, plans, records of shipments and payments and writings of Recipient, whether in paper, electronic or other form, that are pertinent to this Agreement in such a manner as to clearly document Recipient's performance. All financial records, other records, books, documents, papers, plans, records of shipments and payments and writings of Recipient, whether in paper, electronic or other form, that are pertinent to this Agreement, are collectively referred to as "Records." Recipient acknowledges and agrees that OSMB and the Oregon Secretary of State's Office and the federal government and their duly authorized representatives will have access to all Records to perform examinations and audits and make excerpts and transcripts. Recipient shall retain and keep accessible all Records for a minimum of six (6) years, or such longer period as may be required by applicable law, following termination of this Agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to this Agreement, whichever date is later. Subject to foregoing minimum records retention requirement, Recipient shall maintain Records in accordance with the records retention schedules set forth in OAR Chapter 166.

SECTION 33: HEADINGS

The headings and captions to sections of this Agreement have been inserted for identification

and reference purposes only and may not be used to construe the meaning or to interpret this Agreement.

SECTION 34: ADDITIONAL REQUIREMENTS

Recipient shall comply with the additional requirements set forth in Exhibit C, attached hereto and incorporated herein by this reference.

SECTION 35: AGREEMENT DOCUMENTS

This Agreement consists of the following documents, which are listed in descending order of precedence: this Agreement less all exhibits, the Small Grant Application, attached Exhibit A (the Project Timeline), Exhibit B (Certificate of Tax Compliance), and Exhibit C (Additional Requirements).

SECTION 36: SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

STATE OF OREGON acting by and through its State Marine Board.

Larry Warren, Director

Date

Port of Columbia County

Name/Title

Date

Approved for Legal Sufficiency in accordance with ORS 291.047

Approval Authorized by Letter

August 2, 2017

Steven Marlowe, Assistant Attorney General

Date

EXHIBIT A **PROJECT TIMELINE**

Responsibility	Date	Description
OSMB	May 2025	Contract awarded, begin work
OSMB	Ongoing	Provide assistance to Recipient throughout process.
Recipient	June 2025	Receive contractor invoices, issue payment and request final reimbursement from OSMB.
OSMB	July 2025	Issue final reimbursement, close the grant and term of the grant begins.

EXHIBIT B

CERTIFICATION OF TAX COMPLIANCE

The individual signing on behalf of Recipient hereby certifies and swears under penalty of perjury to the best of the individual's knowledge that:

1. The number shown on this form is Recipient's correct taxpayer identification;

Federal Tax Number: 93-6012258

Oregon Tax Number: 005140901-1

Unique Identity Identifier: 046401423

2. Recipient is not subject to backup withholding because:

(i) Recipient is exempt from backup withholding,

(ii) Recipient has not been notified by the IRS that Recipient is subject to backup withholding as a result of a failure to report all interest or dividends, or

(iii) the IRS has notified Recipient that Recipient is no longer subject to backup withholding.

3. S/he is authorized to act on behalf of Recipient; s/he has authority and knowledge regarding Recipient's payment of taxes,

4. For a period of no fewer than six calendar years preceding the Effective Date of this Contract, Recipient faithfully has complied with:

(i) All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;

(ii) Any tax provisions imposed by a political subdivision of this state that applied to Recipient, to Recipient's property, operations, receipts, or income, or to Recipient's performance of or compensation for any work performed by Recipient;

(iii) Any tax provisions imposed by a political subdivision of this state that applied to Recipient, or to goods, services, or property, whether tangible or intangible, provided by Recipient; and

(iv) Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

Recipient Signature _____ Date May 20, 2025

EXHIBIT C

ADDITIONAL REQUIREMENTS

1. Notify OSMB in advance of when work is scheduled to share information on our website, social media and Opportunities and Access Report.
2. Recipient will post notices onsite to inform recreational boaters of when work will be happening.



**Scappoose Airport
Runway Rehabilitation Project -
Bid Award Contract**

Res. 2025-13 STAFF REPORT

DATE: June 11, 2025
TO: Port Commission
FROM: Lacey Tolles, Airport Manager
RE: Scappoose Airport Runway Rehabilitation Phase III - Bid Approval

Discussion

The Oregon Department of Aviation (ODAV) commissioned a 2021 study to evaluate the pavement at the Scappoose Airport and the runway condition was determined to need rehabilitation by 2026.

In 2025, Airport Engineer Century West submitted a Federal Aviation Administration ("FAA") grant on behalf of the Port for Phase III of the Runway Rehabilitation Project. Following a public Invitation to Bid process, Century West reviewed the bids under criteria established by the FAA which directs that the lowest cost, most responsible bidder be selected. The lowest cost, most responsible bid was from Western United Civil Group, LLC.

Cost Breakdown

Total:	\$ 3,759,089.00
FAA 95%	\$ 3,571,135.55
ODAV:	\$ 147,200.00
Port:	\$ 40,754.00

Recommendation

Adopt Resolution 2025-13, authorizing the Executive Director to sign the attached contract with Western United Civil Group, LLC of \$ 3,759,089.00

RESOLUTION NO. 2025-13

A RESOLUTION APPROVING THE SELECTION OF WESTERN UNITED CIVIL GROUP, LLC FOR THE SCAPPOOSE AIRPORT RUNWAY REHABILITATION PROJECT

WHEREAS, the Scappoose Airport has prioritized Runway 15/33 pavement rehabilitation in the Airport Master Plan and Capital Improvement Plan; and

WHEREAS, the Oregon Department of Aviation commissioned a 2021 study to evaluate the pavement at the Scappoose Airport and the runway condition was determined to need rehabilitation by 2026; and

WHEREAS, Port staff and Century West ("Port Airport Engineer of Record") solicited an Invitation to Bid under FAA rules and received two bids; and

WHEREAS, Port staff and the Port Airport Engineer of Record thoroughly evaluated the bid and selected Western United Civil Group, LLC as the lowest cost, responsible bidder who provides lasting quality, excellent workmanship and professional service; and

WHEREAS, Port staff finds the Scope of Work reasonable at \$3,759,089.12.

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

The Board authorizes the Executive Director to execute a contract for the Runway Rehabilitation Project with Western United Civil Group, LLC in the amount of \$3,759,089.12.

PASSED AND ADOPTED this ____ day of June 11, 2025, by the following vote:

AYES: ____

NAYS: ____

Port of Columbia County

ABSTAIN: ____

By: _____
President

Attested By:

Secretary



**SCAPPOOSE RUNWAY REHABILITATION PROJECT
A.I.P. PROJECT No. 3-41-0056-034-2025
PROJECT AGREEMENT**

THIS Agreement (“Agreement”) is entered into this 1st day, of June, 2025, by and between **Western United Civil Group LLC** (“Contractor”), with an address of 26819 173rd Street E, Buckley, Washington, 98321 and the **PORT OF COLUMBIA COUNTY**, a municipal corporation and Port District of the State of Oregon, with an address of P.O. Box 190, Columbia City, Oregon 97018 (“the Port”).

NOW, THEREFORE, in consideration of the mutual undertakings and subject to the terms set forth below and intending to be legally bound, the parties agree as follows:

1. **SERVICES:** The Contractor will commence the work required by the Contract Documents (**Exhibit 1, Linked here: [Exhibit 1: Project Documents](#)** within 10 calendar days after the date of the notice to proceed and complete the construction within 24 days unless the period for completion is extended otherwise by written agreement.

(“Project”). See **Exhibit 2** attached and incorporated by reference, (collectively hereinafter referred to as the “Services”). This Agreement is for all Services proposed and purchased from Contractor, including labor, equipment, any necessary materials beyond those that may be provided by the Port, overhead, ancillary costs, profit, and any other aspect of performance contemplated in this Agreement.

2. **COMPENSATION AND PAYMENT:** See **Exhibit 2** for reference. The total cost for the Services is agreed to be \$3,759,089.12, not to exceed \$3,759,089.12, for all upgrades, subject to additional costs or credits as jointly agreed upon by the Contractor and the Port, per Section 6. The Contractor agrees to perform all the Services described in the full Invitation to Bid Contract Documents attached as **Exhibit 1**, incorporated by reference. The Port retains the right to calculate and hold back retainage until such time as full performance of all project Services is confirmed by the Port.

3. **INDEPENDENT CONTRACTOR:** Contractor shall be fully independent and shall not act as an agent or employee of the Port. Contractor shall be solely responsible for its employees and subcontractors, and for their compensation, benefits, contributions, and taxes, if any. Contractor to comply with all applicable regulations of the Oregon Bureau of Labor and Industries (BOLI), as may be required by law.

4. **INSURANCE:** Contractor shall carry Worker’s Compensation Insurance as required by applicable law and Commercial General Liability and Automobile Liability Insurance for bodily injury and property damages. Contractor shall procure, and continuously maintain during the term

of this Agreement, Commercial General Liability and Automobile Liability Insurance with combined single limits, or their equivalent, of not less than \$2,000,000.00 for each occurrence and a \$4,000,000.00 aggregate for bodily injury and/or property damage. It shall also include contractual liability coverage for the indemnity provided under this Agreement, shall name the Port as an Additional Insured under the liability provisions, and shall be in sufficient form to protect both Contractor and Port against claims of third persons for personal injury, death or property damage arising from the service performed by Contractor pursuant to this Agreement. Contractor is to provide proof of such insurance in the form of a Certificate or similar instrument within 30 days of contract execution or prior to Contractor entering the Property or doing any work on the Project, whichever occurs first. The Port requires and shall be entitled to any broader coverage and/or higher policy limits maintained by the Contractor. Any and all available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Contractor.

5. PUBLIC WORKS CONTRACTS AND CONTRACT SPECIFICATIONS -- REQUIRED CONDITIONS: Contractor understands and agrees or certifies that:

A. They are registered, and licensed and bonded as a specialty or general contractor in the State of Oregon and that such registration license and bond shall remain in full force and effect throughout the entire duration of this contract.

B. If Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to the contractor or a subcontractor by any person, or the assignee of the person, in connection with the public works contract as such claim becomes due, the proper officer or officers of the public agency may pay such claim and charge the amount of the payment against funds due or to become due the contractor by reason of the contract, per ORS 279C.515.

C. No person will be employed for more than 10 hours in any one day, or 40 hours in any one week except in cases of necessity, emergency, or where the public policy absolutely requires it, and in such cases the person so employed must be paid at least time and one-half the regular rate of pay for all time worked:

(1) For all overtime in excess of eight hours a day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or

(2) For all overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and

(3) For all work performed on Saturday and on any legal holiday specified in ORS 279C.540, and per ORS 279C.520 (1).

D. The contractor must give notice to employees who work on this contract in writing, either at the time of hire or before commencement of work on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work, per ORS 279C.520 (2).

E. Contractor must promptly, as due, make payment to any person, co-partnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury, to employees of such contractor, of all sums which the contractor agrees to pay for such services and all moneys and sums which the contractor collected or deducted from the wages of the contractor's employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service, per ORS 279C.530.

F. Contractor acknowledges they understand Prevailing Wage Laws and associated requirements. Projects over \$50,000 are to be paid prevailing wage rates per the prevailing wage provisions of ORS 279C.800-870 when applicable. Contractor to comply with all applicable regulations of the Oregon Bureau of Labor and Industries (BOLI), as may be required by law.

G. Contractor is required to have a public works bond filed with the Construction Contractors Board before starting work on the project, unless exempt under ORS 279C.836(4), (7), (8) or (9), and require such a bond in every subcontract unless exempt under the same ORS provisions.

6. **CHANGES:** To be coordinated and negotiated by the Port and Contractor before commencement of any work identified as a result. The Contractor is to communicate the additional requirement(s) prior to commencement of any additional work and to provide an estimate of expected time and costs for the expected additional work. Upon receipt, and after review and agreement, the Port will issue a change order authorizing the additional work. Based on the change order, supplemental compensation may be authorized per Section 3. Likewise, should any work specified in **Exhibit 1** be determined not to be necessary or desired in the course of the project, the initiating party will notify the other and a written change order will be produced and agreed to by both parties. In that case, a credit to the Port may be authorized per Section 3.

7. **PORT RESPONSIBILITIES:** The Port agrees to: (i) provide Contractor all available material, data, and information pertaining to the Project or the Services; (ii) convey and discuss such material, data and information with Contractor; (iii) ensure cooperation of Port employees; and (iv) assist in a liaison capacity with any tenants currently leasing or renting any facilities, buildings or other structures that may be impacted by the Services.

8. **INDEMNIFICATION:**

A. Contractor agrees to indemnify, hold harmless, and defend the Port, including its Commissioners, officers, volunteers, agents and employees, (using legal counsel acceptable and approved by Port) for, from and against any and all costs, claims, actions, liabilities or expenses (including, without limitation, all costs, demands, charges, suits, judgments, fines, penalties, liabilities, debts, attorneys' fees and causes of action), of whatsoever nature of character, including without limitation, claims, losses and expenses for property damage, bodily injury or death, which may be imposed upon or claimed against or incurred by the Port and which arise from any of the following, except and to the extent resulting from the Port's gross negligence or willful misconduct: (a) any act, omission or negligence of the Contractor or the Contractor's partners, officers, directors, agents, employees, invitees or Subcontractors; (b) any use, occupation, management or control of Port property by the Contractor or the Contractor's employees, agents, subcontractors, or suppliers, whether or not due to the Contractor's own act or omission and whether or not occurring on Port property; (c) any condition created on Port property by the Contractor or the Contractor's employees, agents, Subcontractors, or suppliers, and any accident, injury or damage arising from the condition; (d) any breach, violation or nonperformance of any of the Contractor's obligations under this Contract; or (e) any damage caused by the Contractor or the Contractor's employees, agents, subcontractors, or suppliers on or to Port property.

B. Waiver of Subrogation. Each party waives any right of action that it and/or its insurance carrier(s) might have against the other party (or its commissioners, employees and agents) for any loss, cost, damage, or expense (collectively, "Loss") covered by any property insurance policy or policies maintained or required to be maintained pursuant to this Agreement. If any party's applicable insurance policies do not allow the insured to waive the insurer's rights of recovery prior to a Loss, such party shall cause such policies to be endorsed to allow the waivers of subrogation required by this Section.

9. SITE ACCESS: The Port shall provide unimpeded and timely access to any site necessary for the successful and timely completion of Services per this Agreement.

10. SAFETY: It is the responsibility of the Contractor to furnish safety devices and safeguards to its employees as well as any other workers under its direct supervision. Furthermore, the Contractor shall adopt and use safe practices, methods, operations and processes while performing the Services under this contract. The Contractor is liable for all fines, including fines and costs incurred by the Port due to labor and industry violations directly attributable to the Contractor.

11. SEVERABILITY: If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of Contractor and the Port shall be construed as if this Agreement did not contain the particular term or provision held invalid.

12. GOVERNING LAW: This agreement shall be governed by, interpreted under and construed and enforced in accordance with the laws of the State of Oregon. Any litigation arising out of this agreement shall be brought in Columbia County, Oregon, with the substantially prevailing party entitled to legal fees and costs including but not limited to those incurred in negotiation, mediation, arbitration, litigation and appeal.

13. FORCE MAJEURE: Neither party shall be liable for any delay or inability to perform caused by: act of God; extremely adverse weather conditions, strikes or labor troubles, hostilities, war or government action; act of terrorism; riot or civil commotion; fire or explosion; and/or any other similar or dissimilar circumstances which arises and is not within the direct control of a party.

14. COUNTERPARTS: This agreement may be executed in counterparts each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument. A facsimile or PDF electronically sent signature hereto shall be deemed equivalent to an original.

15. TERMINATION FOR CONVENIENCE: The Port, may, without cause and at any time, terminate this Agreement, in whole or in part, by written notice to the Contractor. In the event of such termination, the Contractor shall be entitled to payment for work performed and demobilization. Contractor will not be entitled to any other costs, damages, or allowances for overhead or profit on work not performed or provided.

16. LIENS: The Contractor agrees that if any lien is filed or if a claim of any nature is asserted against the Port on account of any obligation of the Contractor, the Contractor shall, within five

(5) days thereafter, at its own cost and expense, cause such lien or claim to be satisfied or discharged. The Contractor's failure to do so shall constitute a default hereunder.

17. ATTORNEYS' FEES: If any suit, action, or arbitration is instituted to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sums as a court may adjudge reasonable as attorneys' fees at trial, on appeal, or on any petition for review, and in any proceedings in bankruptcy or arbitration, in addition to all other sums provided by law.

18. ENTIRE AGREEMENT: This Agreement, with its Exhibits, constitutes the entire Agreement between Contractor and the Port for the Services. All understandings and agreements between Contractor and Port and representations by either party concerning this Agreement are contained within this Agreement. No waiver, consent, modification, amendment or change in the terms of this Agreement shall bind either party unless in writing and signed by both parties. Any written waiver, consent, modification, amendment or change only in the specific instance and for the specific purpose given.

IN WITNESS hereof, Contractor and the Port, having caused their respective duly authorized representatives to sign this Agreement, do hereby acknowledge that they have read this Agreement, understand it, and agree to be bound by its terms and conditions as of the Effective Date listed above.

CONTRACTOR

By: Josiah Thomas
Signer ID: LSJPKIR015...

Name: Josiah Thomas

Title: Owner

PORT OF COLUMBIA COUNTY

By: _____

Name: Sean P. Clark

Title: Executive Director

Exhibit 2 (Insert Contractor Bid)

**PORT OF COLUMBIA COUNTY
SCAPPOOSE AIRPORT
RUNWAY 15-33 REHABILITATION PROJECT
A.I.P. PROJECT No. 3-41-0056-034-2025
BIDDER'S CHECKLIST**

To all Plan Holders and/or Prospective Bidders:

Use the following checklist to ensure that your bid package is complete upon submittal to the Owner on the date listed in the Invitation to Bid. This checklist has been prepared and furnished to aid Bidders in including all necessary supporting information with their bid. Bidder's submittals shall include, but are not limited to, the following:

- | | <u>Checked</u> |
|--|-----------------------|
| 1. Contractor's Qualification Statement, in accordance with Section 20-02, including "Evidence of Competency" and "Evidence of Financial Responsibility". | ✓ |
| 2. Proposal (Bid) Fully Executed. Complete the Proposal in clearly written ink or typed characters. Changes may be made provided all changes are initialed. | ✓ |
| 3. Acknowledgement of Addenda (on Proposal). Acknowledge receipt of all Addenda. Bidders are strongly encouraged to contact the Owner/Engineer to verify that all addenda are in hand prior to submittal of the bid package. | ✓ |
| 4. Certification of Non-segregated Facilities. | ✓ |
| 5. Bidder's Statement on previous contracts subject to EEO Clause. | ✓ |
| 6. Letter of Intent (if DBE subcontractors are to be used). | ✓ |
| 7. Restrictions of Federal Public Works Projects. | ✓ |
| 8. Tax Delinquency and Felony Convictions. | ✓ |
| 9. Bidders Certification. | ✓ |
| 10. Buy American Certification. | ✓ |
| 11. Bidder's Bond or other Security. Include an executed Bid Bond or other acceptable Bid Security in the amount of ten percent (10%) of the total bid amount. | ✓ |
| 12. Power-of-Attorney for Surety's Agent to execute Bidder's Bond. | ✓ |
| 13. Complete and submit the First-tier Subcontractors Disclosure Form prior to the time listed in the advertisement for bids. Failure to submit the disclosure form will result in the bid being declared "non-responsive". | ✓ |
| 14. Bidders List. The Bidder shall submit the name, address, DBE status, age, and gross receipts of all firms bidding or quoting subcontracts on DOT-assisted projects. The attached form in the Proposal shall be used to report this information. The Bidders List shall be submitted with the Bidder's sealed proposal. | ✓ |
| 15. Submit the bid package, prior to the Bid Closing time, at the place indicated in the Invitation to Bid. The bid package shall be enclosed in an opaque, sealed envelope, marked with the project title, date of the opening, and the name and address of the Bidder. | ✓ |

**PORT OF COLUMBIA COUNTY
SCAPPOOSE AIRPORT
RUNWAY 15-33 REHABILITATION PROJECT
A.I.P. PROJECT No. 3-41-0056-034-2025**

TO: ***Lacey Tolles, Airport Coordinator***
Port of Columbia County
100 E Street
Columbia City, Oregon 97018

Contractor Western United Civil Group LLC

Contractor's State License No. 239867

Contractor's State Tax Reg. No. 87-2053907

Federal Tax ID No. 87-2053907

This Proposal is submitted as an offer by the undersigned, having examined the Contract Documents and considered all conditions to be encountered, to enter into a Contract with the Port of Columbia County ("Owner") to furnish all labor, materials, and equipment, and to perform all work necessary to complete this project, in accordance with the Contract Documents, in consideration of the amounts stated in this Proposal.

BIDDERS DECLARATION:

The undersigned, hereinafter called the Bidder, declares that the only persons or parties interested in this proposal are those named herein, that this proposal is, in all respects, fair and without fraud, that it is made without collusion with any official of the Owner, and that the proposal is made without any connection or collusion with any person making another proposal on this contract.

The Bidder further declares that the Bidder has carefully examined the Contract Documents for the construction of the project, that the Bidder has personally inspected the site, that the Bidder is satisfied as to the quantities involved, including the fact that the description of the quantities of work and materials, as included herein, is brief and is intended only to indicate the general nature of the work and to identify the said quantities with the detailed requirements of the Contract Documents, and that this proposal is made according to the provisions and under the terms of the Contract Documents, which documents are hereby made a part of this proposal.

The Bidder further declares that the provisions required pertaining to Federal and State prevailing wage rates shall be included in his contract and will be complied with.

The Bidder further agrees that the Bidder has exercised the Bidder's own judgment regarding the interpretation of subsurface information and has utilized all data believed to be pertinent from the Engineer, Owner, and other sources in arriving at the Bidder's conclusions.

CONSTRUCTION TIME LIMITS:

The Bidder agrees to begin work within ten (10) calendar days after the date of the Port's written Notice to Proceed and to substantially complete the construction of all work within Seventy-five (75) calendar days, with a final completion date at ninety (90) days. Contract time will commence on the Notice to Proceed date.

In the event that certain items not required for substantial completion, as defined in the Supplementary Conditions herein, but required for final completion of the work as put forth in this Contract Document fail to arrive at the work site in time to be properly installed during normal working hours within the time allowed for substantial completion of the work, then an allowance of not more than thirty (30) calendar days following the receipt of the last item required will be given to the Contractor to effect the final completion of said work.

NOTICE TO PROCEED:

The Owner reserves the right to delay the Notice to Proceed until such time that soil conditions and weather conditions are conducive to efficient construction and project funds are secured. No work shall begin prior to issuance of Notice to Proceed by the Owner.

No adjustments will be made to the pricing established in this proposal regardless of when Notice to Proceed is issued. No work shall begin prior to issuance of Notice to Proceed by the Owner.

Notice to Proceed for work segments shall be as follows:

1. NTP for commencement of material, product and equipment submittals process; Production and/or procurement of materials and long lead-time items for construction. NTP is anticipated on or about August 25, 2025, at the convenience of the Owner. The NTP is contingent on the Port receiving the FAA grant funding.
2. Notice to Proceed for construction is anticipated on or around August 25, 2025, at the convenience of the Owner. No adjustments will be made to the pricing established in this proposal regardless of when Notice to Proceed is issued. The NTP is contingent on the Port receiving the FAA grant funding.

LIQUIDATED DAMAGES:

The Owner shall be entitled to liquidated damages of \$2,000 per calendar day, for non-use, and for failure of the Bidder to complete the work within the specified contract time. In addition, for work restrictions that have daily time certain (specific work hour) requirements, the liquidated damages will be assessed at an hourly rate of \$100 per hour, for non-use.

In addition:

- A. The Bidder further agrees to pay liquidated damages for expenses incurred by the Owner for unscheduled employment of the Engineer during the contract time overrun.
- B. As compensation for expenses incurred for unscheduled employment of the Engineer, the Contractor shall be assessed an additional liquidated damage equal to the expense incurred for each day that the work remains uncompleted beyond the contract period. The

liquidated damage amounts shall also apply to phases or work areas that have limited or specific time constraints.

C. The Bidder further agrees to pay liquidated damages according to the following hourly rates for the unscheduled employment of the Engineer necessitated by the Contractor:

1. Working more than ten (10) hours per day, more than five (5) days per week and Saturdays (time and one-half), and holidays, and Sundays (double time).
2. Furnishing materials or equipment not in conformance with Contract Documents necessitating redesign by the Engineer.
3. Working beyond the time of completion established in the Notice to Proceed with Construction.

	<u>Straight Time</u>	<u>Time and One-Half Mon.-Sat.</u>	<u>Double Time Sundays and Holidays</u>
Engineer	\$175.00/Hr.	\$175.00/Hr.	\$175.00/Hr.
Resident Project Rep.	\$120.00/Hr.	\$180.00/Hr.	\$240.00/Hr.
Out of Pocket Cost material, equipment, supplies, transportation, subsistence	At Cost+10%	At Cost+10%	At Cost+10%

D. The Engineering budget will be analyzed at the end of the project to determine whether any unscheduled employment of the Engineer, during the scheduled contract time, resulted in a cost savings to the Owner. If, as a result of working more than ten hours per day, five days per week, the Contractor completes the project within the scheduled time, and if the overtime results in a reduced contract time and cost savings to the Owner, no liquidated damages will be assessed for the unscheduled employment of the Engineer during the scheduled contract time. Liquidated damages will be assessed as stipulated for each day the work remains uncompleted beyond the scheduled contract time.

BASIS OF AWARD:

Bidders must bid all portions and bid schedules for all of the work. The bidder understands that the award shall be made to the lowest responsible and responsive bidder for the total of Schedule A and Schedule B. The Owner reserves the right to withdraw any item(s) or Alternates from award consideration. Contract is subject to receipt of FAA grant funding.

DBE GOAL:

Contract Goals: 9.0% goal has been established for this project.

Bidders List: The Bidder shall submit the name, address, DBE status, age, and gross receipts of all firms bidding or quoting subcontracts on DOT-assisted projects. The attached form in the Proposal shall be used to report this information. The Bidders List shall be submitted with the Bidder's sealed proposal.

SCAPPOOSE AIRPORT - RUNWAY 15-33 REHABILITATION PROJECT PHASE III

BID PRICING FORMS

Bidder Company Name: Western United Civil Group LLC

City, State:

Yacolt, WA

ESTIMATE OF QUANTITIES: Quantities indicated below are intended to serve only as a guide to Bidders, and are not to be construed as a guarantee. All quantities are estimated, and are for Bid purposes only. Payment will be made based on actual, measured quantities.

The bidder proposes to furnish all material, equipment and labor, and perform all work for the Port of Columbia County, in strict accordance with the invitation to Bid and Specifications attached, on the basis of the lump sum and unit prices as follows:

Bid Item	Description	Unit	Estimated Quantity	Unit Price	Extended Price
BID SCHEDULE A - RUNWAY REHABILITATION					
1	Mobilization (Item C-105)	LS	1	\$370,000.00	\$370,000.00
2	Temporary Flagging, Marking and Signing (Section 01300)	LS	1	\$40,000.00	\$40,000.00
3	Construction Staking (Section 01406)	LS	1	\$65,000.00	\$65,000.00
4	Installation and Removal of Silt Fence (Item C-102-5.1a)	LF	11,700	\$4.69	\$54,873.00
5	Temporary Erosion Control Measures (Item C-102-5.1b)	LS	1	\$20,000.00	\$20,000.00
6	Pavement Removal (Item P-101-5.1)	SY	11,807	\$9.46	\$111,694.22
7	Cold Milling (Item P-101-5.3)	SY	48,939	\$3.30	\$161,498.70
8	Unclassified Excavation (Item P-152-4.1)	CY	5,220	\$42.50	\$221,850.00
9	Separation Geotextile (Item P-209-5.2)	SY	11,807	\$2.00	\$23,614.00
10	Crushed Aggregate Base Course (Item P-209-5.1)	CY	5,220	\$67.00	\$349,740.00
11	Asphalt Surface Course (Item P-401-8.1)	TON	9,913	\$157.00	\$1,556,341.00
12	Emulsified Asphalt Prime Coat (Item P-602-5.1)	GAL	3,544	\$5.00	\$17,720.00
13	Emulsified Asphalt Tack Coat (Item P-603-5.1)	GAL	5,873	\$5.00	\$29,365.00
14	Marking (Item P-620-5.2)	SF	27,256	\$1.00	\$27,256.00
15	Temporary Runway and Taxiway Marking (Item P-620-5.3)	SF	27,256	\$1.20	\$32,707.20
16	Seeding (Item T-901-5.1)	KSF	100	\$200.00	\$20,000.00
TOTAL BID SCHEDULE A:					\$3,101,659.12

Bid Item	Description	Unit	Estimated Quantity	Unit Price	Extended Price
BID SCHEDULE B - RUNWAY LIGHTING REPLACEMENT					
1	Removal of Existing Lights (Item L-125-5.3)	EA	70	\$180.00	\$12,600.00
2	Removal of Existing Guidance Signs (Item L-125-5.1)	EA	12	\$560.00	\$6,720.00
3	Regulator and Existing Electrical Vault Equipment Removal (Item L-109-7.6)	EA	1	\$2,800.00	\$2,800.00
4	Removal of Existing PAPIs (Item L-125-5.6)	EA	2	\$6,720.00	\$13,440.00
5	Removal of Existing REILs (Item L-125-5.8)	LS	1	\$1,120.00	\$1,120.00
6	New 7.5 kW Constant Current Regulator (Item L-109-7.1)	EA	1	\$16,800.00	\$16,800.00
7	New work in the existing electrical panelboard (Item L-109-7.2)	LS	1	\$1,120.00	\$1,120.00
8	Installation of Equipment within existing vault (Item L-109-7.3)	LS	1	\$13,400.00	\$13,400.00
9	Lighting Control Panel - 4 Relay (Item L-109-7.4)	LS	1	\$10,000.00	\$10,000.00
10	New L-854 pilot control panel and radio (Item L-109-7.5)	LS	1	\$12,300.00	\$12,300.00
11	PAPI Boost Transformer (Item L-125-5.12)	EA	1	\$2,800.00	\$2,800.00
12	Electrical Handhole (Item L-115-5.1)	EA	1	\$5,000.00	\$5,000.00
13	L-867 Junction Base Can (Item L-115-5.2)	EA	14	\$560.00	\$7,840.00
14	Medium Intensity Runway Edge Lights (LED; L-861(L)) (Item L-125-5.5)	EA	48	\$1,350.00	\$64,800.00
15	Medium Intensity Runway Threshold Lights (LED; L-861SE(L)) (Item L-125-5.11)	EA	16	\$1,350.00	\$21,600.00
16	Medium Intensity Taxiway Edge Lights (LED; L-861T(L)) (Item L-125-5.4)	EA	0	\$0.00	\$0.00
16	Runway End Identifying Light (REIL, LED; L-849(L)) (Item L-125-5.9)	EA	1	\$15,500.00	\$15,500.00
17	Precision Approach Path Indicators (PAPI, 4 box; L-880) (Item L-125-5.7)	EA	2	\$48,000.00	\$96,000.00
18	Non-encased, 1-way 2" PVC Electrical Conduit and Trenching (Item L-110-5.1)	LF	9,900	\$13.50	\$133,650.00
19	No. 8 AWG, 5kV, L-824, Type C Cable, Installed in Conduit (Item L-108-5.1)	LF	18,000	\$2.80	\$50,400.00
20	No. 6 AWG with No. 8 AWG GND, 600V, THWN-2 or XHHW-2 Cable, Installed in Conduit (PAPI Cable) (Item L-108-5.2)	LF	8,700	\$3.90	\$33,930.00
21	No. 6 AWG, Solid, Bare Copper Counterpoise Wire, Installed in Trench/Above the Conduit Including Connections/Terminations (Item L-108-5.3)	LF	9,900	\$3.90	\$38,610.00
22	Lighted Hold Signs (L-858(R)) (Item L-125-5.10)	EA	10	\$8,500.00	\$85,000.00
23	Taxiway Exit Signs (L-858(L)) (Item L-125-5.2)	EA	2	\$6,000.00	\$12,000.00
TOTAL BID SCHEDULE B:					

TOTAL BID: A+B \$3,759,089.12

ADDENDUM 1&2 INCLUDED

BID BOND:

Accompanying this Proposal is a certified check, cashier's check or bid bond payable to the Port of Columbia County, Oregon, in the sum of:

10% of Total bid Dollars (\$ 10%), said amount being equal to ten percent (10%) of the Total Bid Amount, based on the foregoing prices. If this proposal shall be accepted by the Port of Columbia County and the undersigned shall fail to execute a satisfactory Public Improvement Contract, performance bond, and payment bond within seven (7) days from the date of the Notice of Award, then the Owner may, at its option, determine that the undersigned has abandoned the Contract and thereupon this proposal shall be null and void, and the above check or bond accompanying this proposal shall be forfeited to and become the property of the Owner.

PUBLIC WORKS BOND:

For projects over \$100,000, before starting work on a contract or subcontract for a public works project, a contractor or subcontractor shall comply with the requirements of ORS 279C.836, and related Oregon Administrative Rules, pertaining to the filing of a Public Works Bond.

PREVAILING WAGE STATEMENT:

The undersigned Bidder declares by the signing of this Bid that the provisions required by ORS 279C.840, or by the U.S. Secretary of Labor, whichever is greater, pertaining to prevailing wage rates are included in this Bid, and that the Bidder will comply with said requirements throughout the duration of the contract.

NON-DISCRIMINATION STATEMENT:

By signing and submitting a Bid to the City, Bidder certifies that bidder has not discriminated and will not discriminate against a disadvantaged business enterprise, a minority-owned business, a woman-owned business, a business that a service-disabled veteran owns or an emerging small business in awarding a subcontract.

ADDENDA:

By signing and submitting this Proposal to the Owner, the Bidder represents that the Bidder has examined and carefully studied the Contract Documents, and other data identified in the Contract Documents, and the following Addenda, receipt of which is hereby acknowledged:

<i>ADDENDUM NO.</i>	<i>ADDENDUM DATE</i>
1	05/09/2025
2	05/12/2025

CERTIFICATION OF NONSEGREGATED FACILITIES

The federally-assisted construction contractor certifies that she or he does not maintain or provide, for his employees, any segregated facilities at any of his establishments and that she or he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The federally-assisted construction contractor certifies that she or he will not maintain or provide, for his employees, segregated facilities at any of his establishments and that she or he will not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The federally-assisted construction contractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms, and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directives or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason. The federally-assisted construction contractor agrees that (except where she or he has obtained identical certifications from proposed subcontractors for specific time periods) she or he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause and that she or he will retain such certifications in his files.

Certification: The information above is true and complete to the best of my knowledge and belief.

Josiah Thomas / Owner

Name and Title of Signer (Please type)

Signature

05/15/2025

Date

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

**BIDDER'S STATEMENT ON PREVIOUS
CONTRACTORS SUBJECT TO EEO CLAUSE**

The Bidder (proposer) has ✓ has not _____ participated in a previous contract subject to the nondiscrimination clause prescribed by Section 202 of Executive Order No. 11246 dated September 24, 1965.

The Bidder (proposer) has ✓ had not _____ submitted compliance reports in connection with any such contract as required by applicable instructions.

If the Bidder (proposer) has participated in a previous contract subject to the nondiscrimination clause and has not submitted compliance reports as required by applicable instructions, the Bidder (proposer) shall submit Standard Form 100 (for federal construction contracts) with the bid or proposal indicating current compliance.

Josiah Thomas / Owner

Name and Title of Signer (Please type)

Signature

05/15/2025

Date

RESTRICTION ON FEDERAL PUBLIC WORKS PROJECTS

- (a) General: This clause implements provisions contained in the Airport and airway Safety and Capacity Expansion Act of 1987, Public Law No. 100223.
- (b) Restrictions on Contract Award: No contract will be awarded to a bidder (1) who is owned or controlled by one or more citizens or nationals of a foreign country included on the list of countries that discriminate against U.S. firms, published by the United States Trade Representative (USTR) or (2) whose subcontractors are owned or controlled by one or more citizens or nationals of a foreign country on such USTR list or (3) who incorporates in the project any production of a foreign country on such USTR List; unless a waiver to these restrictions is granted by the President of the United States or the Secretary of Transportation. (Notice of the granting of a waiver will be published in the Federal Register.)
- (c) Certification: By this page the bidder certifies that with respect to this solution, and any resultant contract the bidder:
1. Is ____ Is not ☒ a contractor of a foreign country included on the USTR list;
 2. Has ____ Has not ☒ entered into any contract with a subcontractor of a foreign country included on the USTR list;
 3. Has ____ Has not ☒ entered into any contract for any product to be used on this project that is produced in a foreign country included on the USTR list.
- (d) The bidder may rely upon the certification of a prospective subcontractor for the above conditions unless the bidder has knowledge that the certification is erroneous.
- (e) Erroneous Certification: This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the bidder knowingly rendered an erroneous certification, the sponsor may cancel this contract for default at no cost to the sponsor.
- (f) Subcontracts: The bidder shall incorporate this clause, without modification, including this paragraph (f) in all solicitations and subcontracts under this contract.
- (g) Applicability of 18 U.S.C. 1001: This certification concerns a matter within the jurisdiction of the federal Aviation Administration and the making of a false or fraudulent certification may render the maker subject to prosecution under Title 18, Unites States Code, Section 1001.

Firm Name: Western United Civil Group LLC

Authorized Signature: _____

Title: Owner

Date: 05/15/2025

BIDDER'S CERTIFICATION

The Bidder hereby certifies that neither the Bidder nor the Bidder's principals are presently debarred, suspended or proposed for debarment by any federal agency. Bidder further agrees to include this clause in all subcontracts. Where the Bidder or any subcontractors is unable to certify to this statement an explanation shall be attached to this proposal.

Firm Name: Western United Civil Group LLC

Authorized Signature: _____

Title: Owner

Date: 05/15/2025

Certificate of Buy America Compliance for Manufactured Products
(Non-building construction projects, equipment acquisition projects)

PROJECT NAME:	Runway 15-33 Rehabilitation Project
AIRPORT NAME:	Scappoose Airport
AIP NUMBER:	3-41-0056-034-2025

Certificate of Buy American Compliance for Manufactured Products

As a matter of bid responsiveness, the bidder or offeror must complete, sign, date, and submit this certification statement with their proposal. The bidder or offeror must indicate how they intend to comply with 49 USC § 50101 by selecting one on the following certification statements. These statements are mutually exclusive. Bidder must select one or the other (not both) by inserting a checkmark (✓) or the letter "X".

- ☒ Bidder or offeror hereby certifies that it will comply with 49 USC § 50101 by:
- a) Only installing steel and manufactured products produced in the United States;
 - b) Installing manufactured products for which the Federal Aviation Administration (FAA) has issued a waiver as indicated by inclusion on the current FAA Nationwide Buy American Waivers Issued listing; or
 - c) Installing products listed as an Excepted Article, Material or Supply in Federal Acquisition Regulation Subpart 25.108.

By selecting this certification statement, the bidder or offeror agrees:

1. To provide to the Owner evidence that documents the source and origin of the steel and manufactured product.
2. To faithfully comply with providing U.S. domestic product.
3. To furnish U.S. domestic product for any waiver request that the FAA rejects
4. To refrain from seeking a waiver request after establishment of the contract, unless extenuating circumstances emerge that the FAA determines justified.

- ☐ The bidder or offeror hereby certifies it cannot comply with the 100 percent Buy American Preferences of 49 USC § 50101(a) but may qualify for either a Type 3 or Type 4 waiver under 49 USC § 50101(b). By selecting this certification statement, the apparent bidder or offeror with the apparent low bid agrees:

1. To the submit to the Owner within 15 calendar days of the bid opening, a formal waiver request and required documentation that supports the type of waiver being requested.
2. That failure to submit the required documentation within the specified timeframe is cause for a non-responsive determination may result in rejection of the proposal.
3. To faithfully comply with providing U.S. domestic products at or above the approved U.S. domestic content percentage as approved by the FAA.

4. To refrain from seeking a waiver request after establishment of the contract, unless extenuating circumstances emerge that the FAA determines justified.

Required Documentation

Type 3 Waiver – The cost of the item components and subcomponents produced in the United States is more than 60 percent of the cost of all components and subcomponents of the “item”. The required documentation for a Type 3 waiver is:

- a) Listing of all product components and subcomponents that are not comprised of 100 percent U.S. domestic content (Excludes products listed on the FAA Nationwide Buy American Waivers Issued listing and products excluded by Federal Acquisition Regulation Subpart 25.108; products of unknown origin must be considered as non-domestic products in their entirety).
- b) Cost of non-domestic components and subcomponents, excluding labor costs associated with final assembly at place of manufacture.
- c) Percentage of non-domestic component and subcomponent cost as compared to total “item” component and subcomponent costs, excluding labor costs associated with final assembly at place of manufacture.

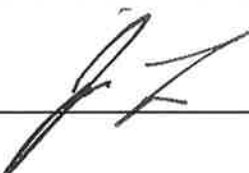
Type 4 Waiver – Total cost of project using U.S. domestic source product exceeds the total project cost using non-domestic product by 25 percent. The required documentation for a Type 4 of waiver is:

- a) Detailed cost information for total project using U.S. domestic product
- b) Detailed cost information for total project using non-domestic product

False Statements: Per 49 USC § 47126, this certification concerns a matter within the jurisdiction of the Federal Aviation Administration and the making of a false, fictitious or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code.

05/15/2025
Date

Western United Civil Group LLC
Company Name


Signature

Owner
Title

CERTIFICATION OF OFFERER/BIDDER REGARDING TAX DELINQUENCY AND FELONY CONVICTIONS

The Bidder must complete the following two certification statements. The Bidder must indicate its current status as it relates to tax delinquency and felony conviction by inserting a checkmark (✓) in the space following the applicable response. The Bidder agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification in all lower tier subcontracts.

Certifications

- 1) The Bidder represents that it is (✓) is not (✓) a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.
- 2) The Bidder represents that it is (✓) is not (✓) is not a corporation that was convicted of a criminal violation under any Federal law within the preceding 24 months.

Note

If a Bidder responds in the affirmative to either of the above representations, the Bidder is ineligible to receive an award unless the sponsor has received notification from the agency suspension and debarment official (SDO) that the SDO has considered suspension or debarment and determined that further action is not required to protect the Government's interests. The Bidder therefore must provide information to the owner about its tax liability or conviction to the Owner, who will then notify the FAA Airports District Office, which will then notify the agency's SDO to facilitate completion of the required considerations before award decisions are made.

Term Definitions

Felony conviction: Felony conviction means a conviction within the preceding twenty-four (24) months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the U.S. code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18

U.S.C. § 3559.

Tax Delinquency: A tax delinquency is any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

Firm Name: Western United Civil Group LLC
Authorized Signature: _____
Title: Owner
Date: 05/15/2025

**PORT OF COLUMBIA COUNTY
SCAPPOOSE AIRPORT**

**RUNWAY 15-33 REHABILITATION PROJECT
AIP #3-41-0056-034-2025**

FIRST-TIER SUBCONTRACTOR DISCLOSURE FORM

Bid Closing: Month XX, 2025 / 3:00pm (Local time)

For projects with a contract value of more than \$100,000, this form must be submitted at the located specified in the Invitation to Bid on the advertised bid closing date within two (2) working hours after the advertised bid closing time.

List below, the "Name" "Dollar Value" and "Category of Work" of each subcontractor that:

- (A) Will be furnishing labor or will be furnishing labor and materials in connection with the public improvement; and
- (B) Will have a contract value that is equal to or greater than five percent (5%) of the total project bid or \$15,000, whichever is greater, or \$350,000 regardless of the percentage of the total project bid.

Enter "NONE" if there are no subcontractors that need to be disclosed (if needed attach additional sheets).

SUBCONTRACTOR NAME	DOLLAR VALUE	CATEGORY OF WORK
Lake Side Industries	(\$) 1,580,196.50	Paving
A & H RoadWurx	(\$) 56,074.21	Asphalt Milling
North East Electric LLC	(\$) 678,300.00	Electrical
Specialized Pavement Marking, LLC	(\$) 62,649.20	Pavement Striping
C&R Tractor and Landscaping, Inc.	(\$) 120,000.00	Landscape, Trucking
O'Bunco Engineering International Incorporated	(\$) 48,095.00	Survey
	(\$)	

FAILURE TO SUBMIT THIS FORM BY THE DISCLOSURE DEADLINE WILL RESULT IN A NONRESPONSIVE BID. A NONRESPONSIVE BID WILL NOT BE CONSIDERED FOR AWARD.

Form submitted by (Bidder name):

Western United Civil Group LLC

Contact Name: RUNWAY 15-33 REHABILITATION PROJECT AIP #3-41-0056-034-2025 Phone #: (360) 309-7114

NOTE: Faxed copies of this form will not be accepted.

STATEMENT OF PROPOSED SUBCONTRACTORS:

The Bidder will list all proposed subcontractors by their proper corporate name and the portion of the work the subcontractor intends to perform in the spaces provided below.

The Owner reserves the right to reject any subcontractor that the Owner deems unfit for the scope of the work proposed.

	Subcontractor	Work to be performed
1.	Lakeside Industries	Paving
2.	A&H Roadwurx	Asphalt Milling
3.	Specialized Pavement Marking, LLC	Pavement Marking
4.	O'Bunco Engineering International Incorporated	Survey
5.	C&R Tractor & Landscaping, Inc.	Landscape
6.	C&R Tractor & Landscaping, Inc.	Trucking
7.	NorthEast Electrical LLC	Electrical
8.		
9.		
10.		

UNIT PRICES:

The Bidder further proposes to accept as full payment for the work proposed herein the amounts computed under the provisions of the Contract Documents and based on the following lump sum price or unit price amounts. The Bidder agrees that the lump sum prices or unit prices represent a true measure of the labor and materials required to perform the work, including all allowances for overhead and profit for each type and unit of work called for in these Contract Documents. The amounts shall be shown in both words and figures. In case of discrepancy, the amount shown in words shall govern.

All blanks on the Proposal must be completed by clearly printing in ink or by typewriter. Changes may be made provided that the Bidder initials all changes.

All items in the proposal form shall be completed in full showing a unit or lump sum price or prices for each and every item. The price per item shall be clearly shown in the space provided. The pricing shall be extended to show the total when required.

The extensions in the column headed "EXTENDED TOTAL" are made for the sole purpose of facilitating bid comparisons and if there are any discrepancies between the unit prices and the total amount shown, the unit prices shall govern.

Bidders List

All firms bidding or quoting on subcontracts for this DOT-assisted project are listed below:

<u>Firm Name</u>	<u>Address</u>	<u>CERTIFIED DBE</u> (Y or N)	<u>Age of Firm</u>	<u>GRS*</u>
Northeast Electric, LLC	1780 DOWN RIVER DRIVE · WOODLAND, WA · 98674	N	20 Years	5
A & H RoadWurx	26819 173rd St E Buckley, WA 98321	Y	2 Years	1
O'Bunco Engineering International Incorporated	33650 6th Ave S Suite 102 Federal Way, WA 98003-4606	Y	27 Years	3
	4101 SE International Way, Suite 406, Milwaukie, Oregon 97222	N	57 Years	3
Specialized Pavement Marking, LLC	11095 SW Industrial Way Tualatin, OR 97062	N	25 Years	5
C&R Tractor & Landscaping, Inc.	3829 Pleasant Hill Rd. Kelso, WA 98626	Y	19 Years	4
Lakeside Industries		N	70 years	5

*GRS – Annual Gross Receipts

Enter 1 for less than \$1 million

Enter 2 for more than \$1 million, less than \$5 million

Enter 3 for more than \$5 million, less than \$10 million

Enter 4 for more than \$10 million, less than \$15 million

Enter 5 for more than \$15 million

BID BOND
PORT OF COLUMBIA COUNTY
SCAPPOOSE AIRPORT
RUNWAY 15-33 REHABILITATION PROJECT
A.I.P. PROJECT No. 3-41-0056-034-2025

KNOW ALL PEOPLE BY THESE PRESENTS, that we, the undersigned,

Western United Civil Group, LLC

as Principal and

Markel Insurance Company

as Surety are hereby held and firmly bound unto

Port of Columbia County

as OWNER in the penal sum of Ten Percent of Total Amount Bid (10%)

for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, successors and assigns.

Signed this 13th day of May, 2025.

The Condition of the above obligation is such that whereas the Principal has submitted to

Port of Columbia County

a certain BID attached hereto and hereby made a part hereof to enter into a contract in writing, for the

Scappoose Airport, Runway 15-33 Rehabilitation Project, AIP Project No. 3-41-0056-034-2025

NOW, THEREFORE,

(a) If said BID shall be rejected, or

(b) If said BID shall be accepted and the Principal shall execute and deliver a contract in the Form of Contract attached hereto (property completed in accordance with said BID) and shall furnish a BOND for his faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said BID, then this obligation shall be void, otherwise the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its BOND shall be in no way impaired or affected by any extension of the time within which the OWNER may accept such BID; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

Western United Civil Group, LLC (L.S.) Markel Insurance Company
Principal Surety
By: Signature Leticia Romano, Attorney-In-Fact

IMPORTANT- Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the project is located.

JOINT LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That SureTec Insurance Company, a Corporation duly organized and existing under the laws of the State of Texas and having its principal office in the County of Harris, Texas and Markel Insurance Company (the "Company"), a corporation duly organized and existing under the laws of the state of Illinois, and having its principal administrative office in Glen Allen, Virginia, does by these presents make, constitute and appoint:

Brent Olson, Gloria Bruning, Vicki Mather, Joel Dietzman, Andrew Choruby, Casey Geske, Richard Kowalski, Sterling Drew Roddan, Justin Cumnock, Christopher A. Reburn, Leticia Romano, Chloe Lyons, Philip O. Forker, Patrick Dooney, Ashlee Pingree, Jessi Wimer

Their true and lawful agent(s) and attorney(s)-in-fact, each in their separate capacity if more than one is named above, to make, execute, seal and deliver for and on their own behalf, individually as a surety or jointly, as co-sureties, and as their act and deed any and all bonds and other undertaking in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

Fifty Million and 00/100 Dollars (\$50,000,000.00)

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolutions adopted by the Board of Directors of SureTec Insurance Company and Markel Insurance Company:

"RESOLVED, That the President, any Senior Vice President, Vice President, Assistant Vice President, Secretary, Assistant Secretary, Treasurer or Assistant Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the SureTec Insurance Company and Markel Insurance Company, as the case may be, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

IN WITNESS WHEREOF, Markel Insurance Company and SureTec Insurance Company have caused their official seal to be hereunto affixed and these presents to be signed by their duly authorized officers on the 1st day of October, 2024.

SureTec Insurance Company

By: 
Michael C. Keimig, President



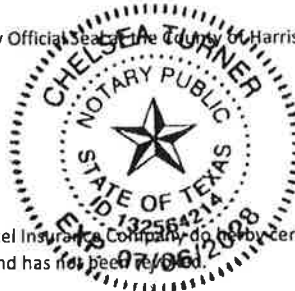
Markel Insurance Company

By: 
Lindsey Jennings, Vice President

State of Texas
County of Harris:

On this 1st day of October, 2024 A. D., before me, a Notary Public of the State of Texas, in and for the County of Harris, duly commissioned and qualified, came THE ABOVE OFFICERS OF THE COMPANIES, to me personally known to be the individuals and officers described in, who executed the preceding instrument, and they acknowledged the execution of same, and being by me duly sworn, disposed and said that they are the officers of the said companies aforesaid, and that the seals affixed to the proceeding instrument are the Corporate Seals of said Companies, and the said Corporate Seals and their signatures as officers were duly affixed and subscribed to the said instrument by the authority and direction of the said companies, and that Resolutions adopted by the Board of Directors of said Companies referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal to the County of Harris, the day and year first above written.




By: 
Chelsea Turner, Notary Public
My commission expires 7/6/2028

We, the undersigned Officers of SureTec Insurance Company and Markel Insurance Company, do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, we have hereunto set our hands, and affixed the Seals of said Companies, on the 13th day of May, 2025.

SureTec Insurance Company

By: 
M. Brent Beaty, Assistant Secretary



Markel Insurance Company

By: 
Andrew Marquis, Assistant Secretary

Any Instrument Issued in excess of the penalty stated above is totally void and without any validity. 3710009
For verification of the authority of this Power you may call (713)812-0800 on any business day between 8:30 AM and 5:00 PM CST.

PORT OF COLUMBIA COUNTY
SCAPPOOSE AIRPORT
RUNWAY15-33 REHABILITATION PROJECT
A.I.P. PROJECT No. 3-41-0056-034-2025

APPENDIX

- BUY AMERICA CONFORMANCE LISTING
- BUY AMERICA WAIVER REQUEST
- CONSTRUCTION SAFETY AND PHASING PLAN (CSPP)
- GEOTECHNICAL REPORT

Buy America Waiver Request
Title 49 U.S.C Section 50101 (b)
*For Airfield Development Projects funded under the
Airport Improvement Program*
Instructions for Permissible Waivers

Nationwide Waivers: The FAA Office of Airports publishes national waivers for equipment and products that meet Buy American requirements under 49 USC 50101. Nationwide waivers are published at:
http://www.faa.gov/airports/aip/procurement/federal_contract_provisions/media/buy_american_waiver.xls

Section 50101(b)(1) & (b)(2) Waivers:

The bidder may request a waiver based upon the best interests of the public, Section 50101 (b)(1) or request a waiver based upon insufficient supply of U.S. manufactured products, Section 50101 (b)(2), however approval is rare and waivers may only be approved by the FAA Office of Airports in Washington DC.

Section 50101(b)(3) Waiver:

The bidder may request a waiver if 60% or more of the components are produced in the United States and final assembly occurs in the U.S. Bidder is hereby advised that the Owner's approval with the bidder's waiver request is contingent upon FAA approval.

1. "Equipment" in Section 50101 shall mean the following:
 - a) Individual type "L" items (Airfield Lighting Equipment) as listed in FAA Advisory Circular 150/5345-53.
 - b) Individual bid items as established within FAA Advisory Circular 150/5370-10.
 - c) A waiver request may only address one specific equipment item. Submit separate requests for each equipment item for which a waiver.
 - d) Items listed under the Nationwide Waiver referenced above do not require further review.
2. The bidder must base the U.S. percentage upon the value that results from completing a component cost calculation table similar to the attached format. The Bidder must submit the component cost calculation table as an attachment to the waiver request.
3. Components/subcomponents are the material and products composing the "equipment".
4. The final assembly of the AIP-funded "equipment" must be within the USA (*Section 50101(b)(3)(B)*). Final assembly is the substantial transformation of the components and subcomponents into the end product.
5. All steel used in the "Equipment" must be produced in the United States.
6. The Buy American requirements apply to all tier contractors and subcontractors. All contractors/subcontractors are required to provide appropriate documentation that indicates origin of manufacturer and percentage of domestic made product.
7. The bidder is hereby advised there is no implied or expressed guarantee that a requested waiver will be issued by the Federal Aviation Administration (FAA). Less than 60% USA component/subcomponent proposed for this facility CANNOT be waived. Products made with foreign steel are not eligible for a waiver.
8. North America Free Trade Act (NAFTA): Free Trade Agreements such as NAFTA do not apply to the AIP. Products and material made in Canada or Mexico must be considered as foreign made products.
9. Preparation of a Component Cost Calculation Table is not necessary for equipment listed on the FAA national listing:
http://www.faa.gov/airports/aip/procurement/federal_contract_provisions/media/buy_american_waiver.xls. Bidder however shall submit a listing of any equipment it proposes to install on the project that is included on the National Buy American conformance list.

Instructions for Section 50101(b)(4) Waiver:

1. The bidder may request a waiver if application of Buy America preferences results in a 25% cost increase in the overall project. This waiver is rarely applicable. Consult the Owner before making this request.

Buy America Conformance Listing
Title 49 U.S.C Section 50101 (b)

**For Airfield Development Projects funded under the
Airport Improvement Program**

- Preparation of a Component Cost Calculation Table is not necessary for equipment listed on the FAA national listing:

<https://www.faa.gov/airports/aip/buy-american/media/nationwide-buy-american-waivers-issued.pdf>

- Bidder shall submit a listing of equipment it proposes to install on the project that is included on the current National Buy American conformance list.
- This form is to be filled out and submitted to the Owner within 7 days of the notice of apparent low bid.

Equipment Type	Name of Manufacturer	Product Number
L828 CCR	HUGHEY & PHILLIPS	L8282211111230
L858 GUIDANCE SIGNS	LUMACURVE	AS REQUESTED
S1 EXTERNAL CUTOUT	HUGHEY & PHILLIPS	A3-06-3177-002
L821 CONTROL PANEL	RURAL ELECTRIC	CUSTOM
L854 RADIO CONTROLLER	RURAL ELECTRIC	RDL8541A
STEEL PRODUCTS	MILLERBERND	AS REQUESTED
RUBBER PRODUCTS	INTEGRO	AS REQUESTED
L861 LIGHT FIXTURES	HUGHEY & PHILLIPS	AS REQUESTED
TRANSFORMERS	INTEGRO	AS REQUESTED
L861 SE LIGHT FIXTURES	HUGHEY & PHILLIPS	AS REQUESTED
L849 REIL	HUGHEY & PHILLIPS	L-849I-L-1-0
L880 PAPI	HUGHEY & PHILLIPS	L-880-LB-1-0
#8 L824 CABLE	DRAKA	389171
#6 COPPER WIRE	HARGER	6 SOLID

Certification Signature:

Bidder hereby certifies that the above listed equipment, which we propose for installation on the subject project, are on the current National Buy America Conformance list as established at:

<https://www.faa.gov/airports/aip/buy-american/media/nationwide-buy-american-waivers-issued.pdf>

I hereby certify the above information is accurate and complete.

AIRSIDE SOLUTIONS, INC
Bidder's Firm Name

5/15/2025
Date

MARNI STAMM
Signature

Digitally signed by MARNI STAMM
Date: 2025.05.15 09:27:19 -0700

Buy America Waiver Request
Title 49 U.S.C Section 50101 (b)(3)

**For Airfield Development Projects funded under the
Airport Improvement Program**

COMPONENT COST CALCULATION TABLE (Type 3 Waiver)

- In lieu of completing this table, bidder may prepare a spreadsheet that addresses the same information and calculations as presented herein.
- Preparation of a Component Cost Calculation Table is not necessary for equipment listed on the FAA national listing: http://www.faa.gov/airports/aip/procurement/federal_contract_provisions/media/buy_american_waiver.xls.
- The component breakout shall be along major components of the equipment. Submit separate calculation for each different equipment types. Do not combine the component cost calculations of different types of equipment.
- For Airfield development projects, equipment is defined as the "L" items (Airfield Lighting Equipment) as listed in FAA Advisory Circular 150/5345-53 and the b) individual bid items as established within FAA Advisory Circular 150/5370-10. The individual bid item method may not be applied to the "L" type items.
- An authorized person shall attest under signature and date that the submitted information is accurate and complete.

Equipment Type: _____

Component/Subcomponents	Name of Manufacturer	Country of Origin	Cost of Foreign Manufactured Components/Subcomponents	Cost of USA Manufactured Components/Subcomponents

Sum of US Manufactured Component/Subcomponent Costs: _____

Sum of all Equipment Components and Subcomponents: _____

Percentage of Equipment Components Manufactured in the United States: _____

Place of Final Assembly: _____

Certification Signature

Bidder hereby requests a waiver to Buy America preferences based upon Section 50101(b)(3) for the equipment identified above. The bidder certifies that _____ % of the cost of components and subcomponents comprising the equipment are produced in the United States and that final assembly occurs within the United States.

I hereby certify the above information is accurate and complete.

Bidder's Firm Name

Date

Signature

LETTER OF INTENT

Name of Bidder's Firm: Western United Civil Group LLC

Bidder's Address: PO Box 236

City: Yacolt State: WA Zip Code 98675

Name of DBE Firm: C&R Tractor & Landscaping, Inc.

Address: 3829 Pleasant Hill Rd.

City: Kelso State: WA Zip Code 98626

Telephone: (360) 577-8288 Area Code: 360

State DBE Certification Number: 14922

Description of work to be performed by DBE firm:

Dump trucking of rubble or brush with collection or disposal

Landscaping Services

Bidder intends to utilize the above-named minority firm for the work described above. The estimated amount of work is valued at \$120,000.00. If the above-named bidder is not determined to be the successful bidder, the Letter of Intent shall be null and void.

(Copy this page for each DBE subcontractor)

(Letter of intent is not required if no DBE firms participate in the project)

LETTER OF INTENT

Name of Bidder's Firm: Western United Civil Group LLC

Bidder's Address: PO Box 236

City: Yacolt State: WA Zip Code 98675

Name of DBE Firm: Mobile Electrical Supplier

Address: 14050 Lake City Way NE

City: Seattle State: WA Zip Code 98125

Telephone: 363-2400 Area Code: 206

State DBE Certification Number: 143677

Description of work to be performed by DBE firm:

Electrical Supplier

Bidder intends to utilize the above-named minority firm for the work described above. The estimated amount of work is valued at \$ 120,566.27 (60% of \$200,943.79). If the above-named bidder is not determined to be the successful bidder, the Letter of Intent shall be null and void.

(Copy this page for each DBE subcontractor)

(Letter of intent is not required if no DBE firms participate in the project)

LETTER OF INTENT

Name of Bidder's Firm: Western United Civil Group LLC

Bidder's Address: PO Box 236

City: Yacolt State: WA Zip Code 98675

Name of DBE Firm: A&H Roadwurx

Address: 26819 173rd St E

City: Buckley State: WA Zip Code 98321

Telephone: (253) 329-0184 Area Code: 253

State DBE Certification Number: 15612

Description of work to be performed by DBE firm:

Specialized Freight (except Used Goods) Trucking, Local; Asphalt paving (i.e., highway, road, street,
public sidewalk); asphalt milling; bituminous planning; street sweeping, Construction management,
highway, road, street and bridge; Culverts, highway, road and street, construction; Grading, highway,
road, street and airport runway; Highway construction; Highway, Street, and Bridge Construction

Bidder intends to utilize the above-named minority firm for the work described above. The estimated amount of work is valued at \$59,074.21. If the above-named bidder is not determined to be the successful bidder, the Letter of Intent shall be null and void.

(Copy this page for each DBE subcontractor)

(Letter of intent is not required if no DBE firms participate in the project)

LETTER OF INTENT

Name of Bidder's Firm: Western United Civil Group LLC

Bidder's Address: PO Box 236

City: Yacolt State: WA Zip Code 98675

Name of DBE Firm: O'Bunco Engineering International Incorporated

Address: 33650 6th Ave S Suite 102

City: Federal Way State: WA Zip Code 98003-4606

Telephone: 425-451-7300 Area Code: 425

State DBE Certification Number: 12183

Description of work to be performed by DBE firm:

Land surveying: GPS control, boundary and construction, layout/staking.

Bidder intends to utilize the above-named minority firm for the work described above. The estimated amount of work is valued at \$48,095.00. If the above-named bidder is not determined to be the successful bidder, the Letter of Intent shall be null and void.

(Copy this page for each DBE subcontractor)

(Letter of intent is not required if no DBE firms participate in the project)



Oregon

Tina Kotek, Governor

Department of Transportation
ODOT Procurement Office - Construction
355 Capitol Street NE, MS#33
Salem OR, 97301
Phone: (503) 986-2710

March 12, 2025

WESTERN UNITED CIVIL GROUP LLC
KAELEY MULL
22414 NE SAINT HELENS VIEW RD
YACOLT, WA 98675

Your prequalification application has been approved. This prequalification pertains only to the submission of bid proposals and does not cover your financial ability.

Your bids will be considered responsive on ODOT projects on or after: **May 01, 2025**

Your prequalification application is valid through: **April 30, 2027**

Your vendor number is: **CV30024537**

Work Classifications:

(AB)-AGGREGATE BASE

(EART)-EARTHWORK AND DRAINAGE

(LS)-LANDSCAPING

(PAVE)-PAVEMENT MARKINGS

(SIGN)-SIGNING (PERMANENT)

(ACP)-ASPHALT CONCRETE PAVING AND OILING

(ELEC)-ELECTRICAL

(MHA)-MISC. HIGHWAY APPURTENANCES

(PCP)-PORTLAND CEMENT CONCRETE PAVING

(TTC)-TEMPORARY TRAFFIC CONTROL

Applicants must update their prequalification application with ODOT when information changes. An addendum change form and instructions are available on our Bid and Award Information website at:

https://www.oregon.gov/ODOT/Business/Procurement/Pages/Bid_Award.aspx

This prequalification application covers Oregon Department of Transportation projects that are advertised on the ODOT Procurement Office - Construction Contract Unit website:

<https://www.oregon.gov/ODOT/Business/Procurement/Pages/NTC.aspx>

This prequalification application does not cover Oregon Department of Transportation projects advertised in OregonBuys which may be posted on our website.

ODOT eBIDS provides free downloading of plans and specifications and related bid documents. You will need to self register as a holder of bidding plans in order for your bid to be responsive for each project for which you submit a bid.

<https://ecmnet.odot.state.or.us/ebidse/>

If you wish to appeal any of the conditions of this prequalification you must notify this office in writing in accordance with ORS 279C.445 and ORS 279C.450 within three business days after receipt of this notice.

Betty Fears

Oregon Department of Transportation
Procurement Office - Construction Contracts Unit, MS#33
355 Capitol Street NE
Salem, OR 97301-3870
Phone: 503-986-2710

SIGNATURE OF BIDDER:

Name of Bidder: Western United Civil Group LLC

Signature of Authorized Agent: _____

Date: 05/15/2025

Title: Owner



Brian S. Johnson
exp. 12.16.2028
(SEAL)

Business Address: PO Box 236 Yacolt, WA 98675

Phone #: (360) 309-7114

Construction Contractors Board Registration No.: 239867

Workers Comp. Insurance Company: SAIF Corporation

Workers Comp. Policy/Binder Number: #100062471



May 15, 2025

To: Port of Columbia County/ Scappoose Airport

RE: Runway 15-33 Rehabilitation Project

Evidence of Financial Responsibility

Please see the attached 2023 reviewed financial statement for Western United Civil Group, LLC as evidence of our financial responsibility. We certify that we expect the 2024 financial statements to be consistent with prior years and that we will be in a good financial position to complete this project.

Thank you,

Josiah Thomas, Owner/Estimator

WESTERN UNITED CIVIL GROUP, LLC

Financial Statements

December 31, 2023 and 2022

(With Independent Accountant's Review Report Thereon)

WESTERN UNITED CIVIL GROUP, LLC

Financial Statements

December 31, 2023 and 2022

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Members
Western United Civil Group, LLC
Yacolt, WA

We have reviewed the accompanying financial statements of Western United Civil Group, LLC (a limited liability company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income and retained earnings and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Western United Civil Group, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The supplementary information included in Schedules I, II, III, IV, V, and VI are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Massie & Company, PLLC

May 23, 2024

WESTERN UNITED CIVIL GROUP, LLCBalance Sheets
December 31, 2023 and 2022

Assets	2023	2022
Current assets:		
Cash and cash equivalents	\$ 1,032,118	\$ 345,191
Contracts receivable, net (note 2)		
Current billings	1,085,115	991,282
Retainage	14,567	61,613
Deferred tax asset, current (note 1(i))	70,000	90,000
Other current assets (note 4)	114,265	59,431
Costs and estimated earnings in excess of billings on uncompleted contracts	464,832	60,336
Total current assets	<u>2,780,897</u>	<u>1,607,853</u>
Property, plant, and equipment (note 1(f)):		
Construction equipment	593,387	318,023
Trucks and autos	537,781	251,644
Land	52,336	0
Gross property, plant, and equipment	<u>1,183,504</u>	<u>569,667</u>
Less: Accumulated depreciation	<u>(134,249)</u>	<u>(39,144)</u>
Net property, plant, and equipment	<u>1,049,255</u>	<u>530,523</u>
Total assets	<u>\$ 3,830,152</u>	<u>\$ 2,138,376</u>

See Independent Accountant's Review Report and Accompanying Notes to Financial Statements

Liabilities and Members' Equity	2023	2022
Current liabilities:		
Trade accounts payable	\$ 801,905	\$ 344,415
Subcontractor retention payable	152,666	46,714
Other current liabilities (note 5)	267,210	181,050
Billings in excess of costs and estimated earnings on uncompleted contracts	124,907	10,420
Deferred tax liability, current (note 1(i))	170,000	220,000
Current portion of long term debt	10,912	17,485
Total current liabilities	1,527,600	820,084
Long term liabilities:		
Deferred tax liability, net of current portion (note 1(i))	210,000	110,000
Long-term liabilities, net of current portion (note 7)	17,810	45,510
Total long term liabilities	227,810	155,510
Total liabilities	1,755,410	975,594
Members' equity		
Member contributed capital	100,000	100,000
Retained earnings	1,974,742	1,062,782
Total members' equity	2,074,742	1,162,782
Total liabilities and members' equity	\$ 3,830,152	\$ 2,138,376

See Independent Accountant's Review Report and Accompanying Notes to Financial Statements

WESTERN UNITED CIVIL GROUP, LLC
Statements of Income and Retained Earnings
Years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Contract revenues earned	\$ 10,172,331	\$ 6,539,028
Contract costs	8,652,832	4,979,588
Gross Profit	<u>1,519,499</u>	<u>1,559,440</u>
General and administrative expenses	342,899	369,113
Operating income	<u>1,176,600</u>	<u>1,190,327</u>
Other income (expense):		
Interest expense	(4,775)	(4,415)
Other income (expense)	(9,309)	557
Income before income taxes	<u>1,162,516</u>	<u>1,186,469</u>
Income tax (expense) benefit	(250,556)	(242,264)
Net income	<u>911,960</u>	<u>944,205</u>
Retained earnings, beginning	1,062,782	118,577
Retained earnings, ending	<u>\$ 1,974,742</u>	<u>\$ 1,062,782</u>

See Independent Accountant's Review Report and Accompanying Notes to Financial Statements

WESTERN UNITED CIVIL GROUP, LLC

Statements of Cash Flows

Years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows provided by (used in) operating activities:		
Net income	\$ 911,960	\$ 944,205
Adjustments to reconcile net income to cash provided by (used in) operating activities:		
Depreciation	95,211	37,842
(Gain) loss on disposal of assets	3,895	0
Changes in operating assets and liabilities:		
(Increase) decrease in contracts receivable	(46,787)	(1,033,258)
(Increase) decrease in deferred tax assets	20,000	(72,451)
(Increase) decrease in other current assets	(54,834)	(52,743)
(Increase) decrease in costs and estimated earnings in excess of billings on uncompleted contracts	(404,496)	62,686
Increase (decrease) in accounts payable	563,442	323,115
Increase (decrease) in other current liabilities	86,160	134,667
Increase (decrease) in deferred tax liabilities	50,000	285,147
Increase (decrease) in billings in excess of costs and estimated earnings on uncompleted contracts	114,487	10,420
Cash provided by (used in) operating activities	<u>1,339,038</u>	<u>639,630</u>
Cash flows from investing activities:		
Capital expenditures	(627,838)	(497,438)
Proceeds from sales of assets	10,000	0
Cash provided by (used in) investing activities	<u>(617,838)</u>	<u>(497,438)</u>
Cash flows from financing activities:		
Proceeds from new loans	0	94,351
Principal payments on debt	(34,273)	(31,356)
Principal payments on short-term borrowings	0	(987)
Cash provided by (used in) financing activities	<u>(34,273)</u>	<u>62,008</u>
Net increase (decrease) in cash and cash equivalents	686,927	204,200
Cash and cash equivalents at beginning of year	<u>345,191</u>	<u>140,991</u>
Cash and cash equivalents at end of year	\$ <u>1,032,118</u>	\$ <u>345,191</u>
Supplemental cash flow information:		
Interest paid during the year	\$ 4,775	\$ 4,415
Income taxes paid during the year	\$ 55,312	\$ 8,587

See Independent Accountant's Review Report and Accompanying Notes to Financial Statements

WESTERN UNITED CIVIL GROUP, LLC

Notes to Financial Statements
Years ended December 31, 2023 and 2022

(1) Summary of Significant Accounting Policies

(a) Description of Business

Western United Civil Group, LLC ("the Company") is a heavy civil excavation and utilities construction contractor operating in Washington and Oregon. The Company was incorporated February 26, 2021 and previously operated under the name Jet Construction NW, LLC.

(b) Revenue Recognition

The Company recognizes revenues from fixed-price and modified fixed-price construction contracts using the cost-to-cost input method, which measures progress toward completion based on the percentage of cost incurred to date to estimated total cost for each contract. That method is used because management considers total cost to be the best available measure of progress on the contracts. Because of inherent uncertainties in estimating costs, it is at least reasonably possible that estimates used will change within the near term.

The Company recognizes contract revenue over the satisfaction of each performance obligation within the respective contract. Typically, the excavation, underground utilities, or site preparation of an industrial or commercial building project is a single performance obligation that is satisfied over time. Payment is also due over time in installments, based on project phases as specified in the contract, with a final payment due at the time the construction project is completed and accepted by the owner.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs, and depreciation. Costs of inefficiencies or wasted resources (material or labor) are excluded when measuring progress and are expensed as incurred. Selling, general, and administrative costs are charged to expense as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions, and estimated profitability may result in revisions to costs and income, which are generally recognized in the period in which the revisions are determined. Changes in estimated job profitability resulting from variable consideration (such as incentives for completing a contract early or on time, penalties for not completing a contract on time, claims for which the Company has enforceable rights, or contract modifications/change orders in which the scope of modification has been approved, but the price has not been determined or approved) are accounted for as changes in estimates in the current period, but limited to an amount that will not result in a significant reversal of revenue in future periods.

The contract asset, "Costs and estimated earnings in excess of billings on uncompleted contracts," represents revenues recognized in excess of amounts billed. The contract liability, "Billings in excess of costs and estimated earnings on uncompleted contracts," represents billings in excess of revenues recognized.

In accordance with normal practice in the construction industry, the Company includes in current assets and liabilities amounts realizable and payable over a period in excess of one year. Consistent with this practice, asset and liability accounts relating to construction contracts are classified as current. The lives of contracts entered into by the Company generally range from 1 to 18 months.

See Independent Accountant's Review Report

(c) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the useful lives of fixed assets; allowances for doubtful accounts and sales returns; fixed assets, inventory, environmental liabilities, and other contingencies.

(d) Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Cash and cash equivalents were secured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at December 31, 2023 and 2022 and at times exceeded the federally insured limit during 2023 and 2022.

(e) Trade Accounts Receivable

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The Company does not find it necessary to maintain an allowance for doubtful accounts for estimated losses inherent in its accounts receivable portfolio. The Company follows the practice of filing a contractor's lien against the property or bond of the party from whom payment is due, so accounts receivable are generally collectable and therefore presented at invoice amount.

(f) Property, Plant and Equipment

Property, plant, and equipment are stated at cost.

Depreciation on plant and equipment is calculated on the straight-line method over the estimated useful lives of the assets. The useful lives of plant and equipment are;

Construction equipment	5 - 10 Years
Trucks and autos	5 - 10 Years
Land is not depreciated	

Land used for staging of equipment and storage jobsite tools is stated at historical cost, with no markup for appreciation or depreciation reflecting current market conditions. Market conditions could reflect a different value than historical costs if the land has depreciated or in appreciated in value. Management expects the value of land to generally increase, and does not consider the historical cost to be materially different than the cash flows generated from a sale of the Land.

(g) Major Maintenance Activities

The Company incurs maintenance costs on its major equipment and facilities. Repair and maintenance costs are expensed as incurred.

(h) Advertising

Advertising costs are expensed as incurred. Advertising costs amounted to \$0 and \$1,082 in 2023 and 2022, respectively.

(i) **Income Taxes**

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the difference are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that management believes that these assets are more likely than not to be realized. In making such determination, management considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies, and results of recent operations. If the Company determines that it would be able to realize the deferred tax assets in the future in excess of their net recorded amount, an adjustment would be made to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company's federal income tax return treats various items differently from the financial statements. The cumulative amounts of these differences between tax and financial statement methods of accounting are summarized as follows as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Retained Earnings	\$ 1,974,742	\$ 1,062,782
Timing of accrued income and expenses	326,376	415,070
Timing of depreciation	(998,921)	(532,525)
Timing of contract revenue recognition	(795,174)	(1,060,232)
Income recognized and taxed, net of dividends issued	<u>\$ 507,023</u>	<u>\$ (114,905)</u>

These temporary differences reflect an accumulated deferred tax liability and asset as follows as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Deferred tax asset		
Timing of accrued income and expenses	\$ 70,000	\$ 90,000
Total deferred tax asset	<u>70,000</u>	<u>90,000</u>
Deferred tax liability		
Timing of depreciation	210,000	110,000
Timing of contract revenue recognition	170,000	220,000
Total deferred tax liability	<u>\$ 380,000</u>	<u>\$ 330,000</u>

(j) **Commitments and Contingencies**

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

See Independent Accountant's Review Report

(k) Reclassification

Certain 2022 balances have been reclassified to conform to 2023 presentation.

(2) Contract Receivables

Contract receivables as of December 31, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Completed contracts	\$ 7,831	\$ 79,321
Contracts in progress	1,077,284	911,961
	<u>1,085,115</u>	<u>991,282</u>
Retainage	14,567	61,613
Total contract receivables	\$ <u><u>1,099,682</u></u>	\$ <u><u>1,052,895</u></u>

The Company follows the practice of filing statutory liens on all projects where collection problems are anticipated. The liens serve as collateral for contract receivables.

(3) Construction Contracts in Progress

Revenues recognized on contraction contracts in progress contrast the related billings as follows:

	<u>2023</u>	<u>2022</u>
Cost incurred on uncompleted contracts	\$ 6,944,899	\$ 3,621,649
Estimated earnings	1,531,110	1,024,128
	<u>8,476,009</u>	<u>4,645,777</u>
Less billings to date	(8,136,084)	(4,595,861)
Under (Over) billings	\$ <u><u>339,925</u></u>	\$ <u><u>49,916</u></u>

The foregoing balance is included in the accompanying balance sheet under the following captions:

Costs and estimated earnings in excess of billings on uncompleted contracts	\$ 464,832	\$ 60,336
Billings in excess of costs and estimated earnings on uncompleted contracts	(124,907)	(10,420)
Under (Over) billings	\$ <u><u>339,925</u></u>	\$ <u><u>49,916</u></u>

See Independent Accountant's Review Report

(4) Other Current Assets

Other current assets as of December 31, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Due from related parties (note 9)	\$ 66,721	\$ 23,037
Prepaid expenses	38,927	35,567
Other receivables	6,267	0
Employee advances	2,150	400
Prepaid taxes	200	0
Other	0	427
Total other current assets	\$ <u>114,265</u>	\$ <u>59,431</u>

(5) Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities as of December 31, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Federal income taxes payable	\$ 150,556	\$ 25,312
Payroll taxes	40,126	36,188
Accrued wages	35,148	14,426
State and local taxes payable	20,128	0
Paid time off	16,428	6,559
Credit cards	3,564	14,569
Retirement plan payable	1,134	0
Sales and excise tax	126	79,480
Insurance payable	0	4,516
Total other current liabilities	\$ <u>267,210</u>	\$ <u>181,050</u>

(6) Short-Term Note Payable

In 2021, the Company borrowed \$2,400 to fund annual insurance premiums. Payments of \$252 are due monthly with interest payable at 6.0%. The note matured on May 8, 2022.

(7) Long Term Liabilities

On January 01, 2022, the Company borrowed \$65,000 from a member (note 9) to purchase a vehicle. The terms are 2.00% interest with 60 monthly payments of \$1,139. This debt matures over the next 5 years as follows:

2024	\$ 6,353
	\$ <u>6,353</u>

See Independent Accountant's Review Report

On April 26, 2022, the Company borrowed \$29,351 to purchase a vehicle. The terms are 8.24% interest with 72 monthly payments of \$520. This debt matures over the next 5 years as follows:

2024	\$	4,559
2025		4,955
2026		5,379
2027		5,839
2028		1,637
	\$	<u>22,369</u>

(8) Contract Backlog

The following schedule summarizes the contract backlog on contracts during the year ended December 31, 2023:

	<u>Contract Revenue</u>	<u>Gross Profit</u>
Contract backlog balance at December 31, 2022	\$ 1,835,071	\$ 324,890
Plus: New contracts and contract adjustments during the year	16,044,955	2,861,904
Less: Contract revenue earned during the year	(10,172,331)	(2,107,466)
Contract backlog balance at December 31, 2023	<u>\$ 7,707,695</u>	<u>\$ 1,079,328</u>

(9) Related Parties

The Company borrowed \$65,000 from a member to purchase a vehicle in 2022, see note 7. The balance was \$6,353 and \$36,304 as of December 31, 2023 and 2022, respectively.

During 2022 and 2023, the Company borrowed funds to a member to construct a shop building. The funds are not secured and do not bear interest. The balance due from members was \$66,721 and \$23,037, as of December 31, 2023 and 2022, respectively. The Member expects to repay these funds in 2024 when the Company begins using the shop for its operations.

(10) Retirement Plan

Company adopted a salary reduction plan under the provisions of the Internal Revenue Code Section 401(k) on January 1, 2023. Employees are immediately eligible to participate in the plan. Employer contributions under the plan are discretionary. The Company made non-elective contributions of \$14,780 for the year ended December 31, 2023.

The plan also provides for prevailing wage contributions. The Company contributes to the plan those hourly benefits subject to the Davis-Bacon Act for employees performing prevailing wage contracts. The Company made prevailing wage contributions of \$58,808 for the year ended December 31, 2023.

(11) Customer Concentration

For the years ended December 31, 2023 and 2022, 55% and 62% of the Company's revenue was attributable to three customers, respectively.

See Independent Accountant's Review Report

(12) Litigation

Management is of the opinion that any potential litigation will not have a material effect on the financial statements.

(13) Subsequent Events

The Company has evaluated subsequent events from the balance sheet date through May 23, 2024, the date on which the financial statements were available to be issued, and determined there are no other items to disclose.

See Independent Accountant's Review Report

SUPPLEMENTAL INFORMATION

WESTERN UNITED CIVIL GROUP, LLC
Schedule of Earnings from Construction Contracts – Schedule I
Year ended December 31, 2023

	<u>Contract Revenue</u>	<u>Contract Costs</u>	<u>Gross Profit</u>
Construction contracts, completed	\$ 1,745,945	\$ 1,162,168	\$ 583,777
Construction contracts, in progress	8,426,386	6,902,697	1,523,689
Under(over) allocated direct costs	0	15,431	(15,431)
Under(over) allocated indirect costs	0	572,536	(572,536)
	<u>\$ 10,172,331</u>	<u>\$ 8,652,832</u>	<u>\$ 1,519,499</u>

See Independent Accountant's Review Report

WESTERN UNITED CIVIL GROUP, LLC
Schedule of Construction Contracts in Progress and Total Earnings from Contracts – Schedule II
Year ended December 31, 2023

Total Contracts						From Inception to December 31, 2023				At December 31, 2023				For the Year ended December 31, 2023			
Job Number	Contract Description	Estimated Contract Amount	Estimated Contract Costs	Gross Profit (Loss)	Gross Profit Percent	Revenues Earned	Cost of Revenues Earned	Gross Profit (Loss)	Percent Complete	Estimated Cost to Complete	Billings to Date	Costs in Excess of Billings	Billings in Excess of Costs	Contract Revenue	Cost of Revenues	Gross Profit (Loss)	Gross Profit Percent
23016	COR - S. Royle Rd., S. 15th St. to S. 4th Way	4,659,712	3,862,741	796,971	17%	906,591	751,533	155,058	19%	3,111,208	907,396	-	605	906,591	751,533	155,058	17%
23011	ODOT - Grant County Corb Ramps	4,200,000	3,800,000	400,000	10%	720,412	651,801	68,611	17%	3,348,199	256,394	464,016	-	720,412	651,801	68,611	10%
23008	COHV - Happy Valley Park Playfield Upgrades	2,244,763	1,699,878	544,885	24%	2,070,213	1,567,730	502,523	92%	132,158	2,097,162	-	26,919	2,070,213	1,567,730	502,523	24%
23017	COV - Devine Road Bicycle and Pedestrian Safety Imp	1,264,163	999,184	264,979	21%	1,195,644	945,027	250,617	95%	54,157	1,239,548	-	63,924	1,195,644	945,027	250,617	21%
23008	COV - NE Ross Street LID Retrofit	1,262,880	1,162,000	100,880	8%	1,218,985	1,148,215	99,770	99%	12,785	1,248,313	672	-	1,218,985	1,148,215	99,770	8%
23004	COV - 2025 Fourth Plank Blvd Curb Ramps	812,106	744,604	67,502	8%	809,277	742,010	67,267	100%	2,594	812,106	-	2,829	809,277	742,010	67,267	8%
23010	WA DES - CEC - Walnut Street Storage Canopied	632,611	455,000	180,611	28%	634,231	454,012	180,219	100%	98	635,611	-	1,350	634,231	454,012	180,219	28%
23007	City of Kebo - Huntington MS Safe Routes to School	489,501	424,303	65,198	13%	373,438	323,690	49,739	76%	100,604	401,604	-	28,168	373,438	323,690	49,739	13%
23023	CC - Strengthening Bridge Bunch #2	405,843	307,703	98,140	24%	351,170	266,251	84,919	87%	41,453	351,028	142	-	351,170	266,251	84,919	24%
23009	COC - Centralia Streetscape Foundation and Sign Install	190,431	107,000	83,433	44%	147,395	82,810	64,577	77%	24,182	148,208	-	813	147,395	82,810	64,577	44%
Projects under \$20,000		18,692	10,353	7,839	42%	18,623	10,813	7,810	100%	40	18,692	-	69	18,623	10,813	7,810	42%
Completed Contracts														1,745,945	1,162,168	583,777	33%
Totals		16,183,708	13,573,266	2,610,438	16%	8,476,007	6,944,899	1,531,110	51%	6,623,367	8,126,054	464,832	124,907	10,172,331	8,064,865	2,107,466	31%
														572,536	Underallocated indirect costs		
														15,431	Underallocated direct costs		

See Independent Accountant's Review Report

WESTERN UNITED CIVIL GROUP, LLC
Schedule of Completed Construction Contracts – Schedule III
Year ended December 31, 2023

Total Contract					Prior to December 31, 2022				For the Year ended December 31, 2023			
Job Number	Contract Description	Contract Amount	Contract Costs	Gross Profit (Loss) Percent	Contract Revenue	Contract Costs	Gross Profit (Loss) Percent		Contract Revenue	Contract Costs	Gross Profit (Loss) Percent	
22009	COV - Lower Grand Industrial Area LID Retrofits	1,587,504	1,218,007	369,497 23%	1,562,207	1,185,306	376,901 24%		25,297	32,701	(7,404) -29%	
22014	POV - Terminal 2 Berths 3-4 Upland Paving Project	896,482	797,196	99,286 11%	877,715	776,941	100,774 11%		18,767	20,255	(1,488) -8%	
22010	Clark County - NE Munch Rd.	802,430	574,376	228,054 28%	793,367	567,749	225,618 28%		9,063	6,627	2,436 27%	
23013	COC - NW Sierra St. Pavement and ADA	790,889	553,258	237,631 30%	-	-	-		790,889	553,258	237,631 30%	
22008	VPS - Harney Parking Lot Addition	707,771	510,641	197,130 28%	703,834	493,241	210,593 30%		3,937	17,400	(13,463) -342%	
22007	COV - Columbia Street Safety & Mobility Project	667,254	567,373	99,881 15%	544,404	468,346	76,058 14%		122,850	99,027	23,823 19%	
22021	COC - 2022 Sidewalk Access Ramp Replacement	342,218	257,911	84,307 25%	114,627	87,864	26,763 23%		227,591	170,047	57,544 25%	
23006	City of Lacey - 2022-23 Lift Station A	164,930	103,828	61,102 37%	-	-	-		164,930	103,828	61,102 37%	
23014	COV - 2022 NTSA Traffic Calming	137,227	86,079	51,148 37%	-	-	-		137,227	86,079	51,148 37%	
22002	CRWWD-Flagging & Traffic Control Services 2022	119,781	25,555	94,226 79%	43,751	9,077	34,674 79%		76,030	16,478	59,552 78%	
23003	CC - Padden Parkway Fencing & Bar	49,000	23,102	25,898 53%	-	-	-		49,000	23,102	25,898 53%	
23002	Sietau construction - Walmart	43,173	14,672	28,501 66%	-	-	-		43,173	14,672	28,501 66%	
23015	City of Kelso - SW WA Regional Airp	33,000	6,611	26,389 80%	-	-	-		33,000	6,611	26,389 80%	
	Projects under \$20,000	44,191	12,083	32,108 73%	-	-	-		44,191	12,083	32,108 73%	
Totals		6,385,850	4,750,692	1,635,158 26%	4,639,905	3,588,524	1,051,381 23%		1,745,945	1,162,168	583,777 33%	

See Independent Accountant's Review Report

WESTERN UNITED CIVIL GROUP, LLC
Schedule of Contract Costs – Schedule IV
Years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Direct Costs		
Subcontractors	\$ 4,166,683	\$ 2,900,912
Labor	1,659,571	864,301
Materials	1,364,844	531,922
Equipment rental	556,339	326,333
Other direct costs	332,859	135,533
Total direct costs	<u>8,080,296</u>	<u>4,759,001</u>
Indirect Costs		
Salaries, wages and benefits	145,151	8,546
Repairs and maintenance	127,715	40,261
Equipment depreciation	95,211	37,842
Liability insurance	67,255	51,606
Small tools and consumables	63,277	30,821
B&O and state use taxes	34,503	27,822
Fuel	18,215	13,617
Continuing education	7,777	3,101
Other indirect costs	6,740	3,216
Plans and permits	5,125	1,211
Licenses and taxes	1,567	2,544
Total indirect costs	<u>572,536</u>	<u>220,587</u>
Total contract costs	<u>\$ 8,652,832</u>	<u>\$ 4,979,588</u>

See Independent Accountant's Review Report

WESTERN UNITED CIVIL GROUP, LLC
Schedule of General and Administrative Expenses – Schedule V
Years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
General and administrative expenses		
Officer wages	\$ 138,642	\$ 202,222
Salaries, wages and benefits	69,743	85,607
Computer and internet	29,570	6,548
Professional fees	24,661	31,617
State and local taxes	22,892	0
Office and shop rent	14,419	9,502
Travel and entertainment	11,447	7,921
Communications	7,911	4,503
Utilities	5,358	3,807
Office supplies	4,948	1,698
Charitable contributions	4,645	10,205
Membership dues	3,502	2,136
Business licenses	2,162	1,738
Bank and credit card fees	1,633	527
Office repairs and maintenance	966	0
Bad debt	400	0
Advertising and promotion	0	1,082
Total general and administrative expenses	\$ <u>342,899</u>	\$ <u>369,113</u>

See Independent Accountant's Review Report

WESTERN UNITED CIVIL GROUP, LLC
Schedule of Other Income (Expenses) – Schedule VI
Years ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Other income (expense)		
Gain (loss) on disposal of assets	\$ (3,895)	\$ 0
Penalties	(5,414)	0
Other income	0	557
Net other income (expenses)	\$ <u>(9,309)</u>	\$ <u>557</u>

See Independent Accountant's Review Report



Scappoose Airport

East Side Pavement Maintenance - Phase I

Scope of Work with Century West

Res. 2025-14 STAFF REPORT

DATE: June 11, 2025
TO: Commission Board
FROM: Lacey Tolles, Airport Manager
RE: **Airport East Side Pavement Maintenance: Century West Design Service**

Discussion

The Port intends to move forward with a pavement maintenance project at Scappoose Airport to address deferred maintenance items identified in the 2021 Oregon Department of Aviation Pavement Evaluation Program Report. The project will focus on preserving the integrity and extending the lifespan of existing airport pavements by addressing critical areas in need of attention.

Century West Engineering has been retained to provide engineering design, bidding, and project closeout services related to the pavement maintenance work. The scope of services includes all necessary technical support and project management to ensure a successful outcome.

Total Project Cost: \$98,166.00
FAA Share (95%): \$93,257.70
Local Match (ODAV): \$2,800.00
Sponsor Match (Port): **\$2,109.00**

The proposed improvements include:

- Minor crack repair on Taxiway A and three connector taxiways extending to the hold lines;
- Surface sealing of Taxiway A and the same three connector taxiways, as needed, based on field condition assessments;

- Installation of updated taxiway markings in compliance with current FAA standards.

These maintenance activities are aimed at improving surface condition, increasing pavement longevity, and ensuring safety for airport users.

Recommendation

Adopt Resolution 2025-14, authorizing the Executive Director to execute a contract for the East Side Pavement Maintenance project with Airport Engineer, Century West.

RESOLUTION NO 2025-14

A RESOLUTION APPROVING CENTURY WEST SCOPE OF WORK FOR EAST SIDE PAVEMENT MAINTENANCE – DESIGN SERVICES

WHEREAS, the Scappoose Airport has prioritized pavement maintenance in the Airport Master Plan and Capital Improvement Plan; and

WHEREAS, the Oregon Department of Aviation commissioned a 2021 study to evaluate the pavement at the Scappoose Airport and the east side taxiways, taxi lanes, and aprons were determined to require seal coat treatment, minor crack repair, and wide crack repair; and

WHEREAS, Century West, the Port's Airport Engineer, submitted a Scope of Work for design services; and

WHEREAS, Port staff finds the Century West Scope of Work reasonable and necessary at \$98,166.00 and recommends approval of the attached Scope of Work to submit a grant to the Federal Aviation Administration (FAA). The FAA will reimburse 95% or \$93,257.70.00 and the Oregon Department of Aviation COAR grant will match \$2,800.00 and the Port will be responsible for \$2,109.00 of the total project costs; Now, therefore; and

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

The Board authorizes the Executive Director to sign the attached Scope of Work with Century West for Design Services for the East Side Pavement Maintenance Project at Scappoose Airport in the total amount of \$98,166.00, with FAA reimbursement to the Port of 95% or \$93,257.70 and the Port responsible for \$2,109.00.

PASSED AND ADOPTED this 11th day of June 2025, by the following vote:

AYES: _____

NAYS: _____

Port of Columbia County

ABSTAIN: _____

By: _____
President

Attested By:

Secretary

**ENGINEERING STATEMENT OF SERVICES
FOR
SCAPPOOSE AIRPORT
EAST SIDE PAVEMENT MAINTENANCE PROJECT
PHASE I – DESIGN SERVICES**

PORT OF COLUMBIA COUNTY

Updated April 14, 2025

GENERAL

The general scope of the project is to provide engineering design services for Port of Columbia County (“POCC or Owner”) for the maintenance of airport pavements at Scappoose Airport (“SPB”). The extent of the sealing will be based on deferred maintenance identified in the 2021 Oregon Department of Aviation PEP Report.

This Scope of Work details activities and work elements needed for Century West Engineering (“the Consultant”) to perform design, bidding, and project closeout services for the work.

The improvements include:

1. Minor crack repair on Taxiway A and three (3) connector taxiways to hold lines;
2. Surface seal (as needed) of Taxiway A and three (3) connector taxiways to hold lines;
3. Installation of taxiway markings.

The seal coat treatment may consist of either a slurry seal or fog seal, as determined through preliminary design evaluation of existing conditions. FAA Specifications will be used.

Minor crack repair is anticipated to consist of routing, cleaning, and preparation of small quantities of narrow cracks less than 1 inch. Minor crack repair will also consist of a “burn and seal” treatment of existing cracks, by heating existing crack fill material with a heat lance and “topping off” with additional, new, crack seal material.

Wide crack repair (if required) is anticipated to consist of 12”-24” wide pavement removal, centered on wide cracks greater than 1 inch, and repair with new pavement, centered over wide cracks, as necessary. In addition, pavement dig outs and patching may be needed on a limited basis to repair larger areas of alligator cracking or minimal areas of depressions.

Services to be performed are as follows:

PHASE I – DESIGN SERVICES

Task 1 Project Management

1. Finalize work scope and negotiate contract.
2. Carry out project administration including, but not limited to, monitoring design and project schedules, coordination of project with the POCC and FAA, monitoring and reporting technical and budget issues to the POCC and FAA, preparation of monthly Consultant invoices for submittal to the POCC.

Administrative activity for the project is expected to occur over a 6-month period, an allowance of 2 hours per month of activity is provided.

3. Assist the POCC as necessary with preparation of grant application including updated data sheet and sponsor certifications for the project and submit to the POCC for review and signatures.
4. Provide a project schedule to the POCC and FAA. Up to 2 revisions are anticipated.
5. Prepare FAA form 7460 for submittal to FAA for overall construction.
6. Coordinate project team and sub-consultants.
7. Conduct in-house QA/QC review of design elements and project deliverables.
8. Prepare and submit FAA Quarterly Performance Reports throughout the project.

Deliverables:

- **Scope of work**
- **Budget**
- **Project Schedule**
- **Grant Pre-Application**
- **Monthly Invoices**
- **FAA QPRs**

Task 1 Due: May 30, 2025, with invoices for the project duration

Task 2 CatEx Review

FAA environmental staff have indicated that this project will be performed under an undocumented Categorical Exclusion under the National Environmental Policy Act (“CATEX”) . As a result, no environmental work is included in this scope of work.

Task 3 Design Surveying

1. Establish horizontal (NAD 83 2011 EPOCH 2010) and vertical control (NAVD 88) for survey work at the airport. Establish one benchmark for elevation control and a minimum of two additional points for horizontal control. The survey will be tied to Scappoose Airport PACS and SACS, if they exist.
2. Consultant will perform one site visit during the topographic survey.
3. Conduct limited surveying of the Scappoose Airport pavement (excluding the Runway and connectors from hold lines to Runway). The purpose of the survey is to identify existing pavement markings, surface features/structures, building edges, edge lights, and guidance signs so that the existing layout and geometry can be accurately reestablished.
4. Limited surveying shall include edges of pavement for tapers, radii, runway centerline, taxiway centerlines, and pavement markings. For tangent pavement edges, the survey may be captured on approximately 200 ft intervals. The survey shall note the color and width of all existing pavement markings.
5. The survey shall also include physical surface features such as edge lights, guidance signs, catch basins, inlets, trench drains, manholes, valve boxes, vaults, duct bank markers, buildings, and other structures that could be impacted by the project.
6. Using the data collected from the topographic survey, develop a model of the area surveyed in AutoCAD Civil 3D format.
7. Develop a base map at a scale of 1”=50’ for use in the design.

Deliverables:

- **Survey Map**

Task 3 Due: August 1, 2025

Task 4 Preliminary Design

1. Review past mapping, plans, documents, and other available information pertaining to the project.
2. A site visit will be performed by the Designer and an Inspector to quantify the pavement distresses to be repaired. The quantities will be separated into the various bid items including (but not limited to): small crack repair, wide crack repair, burn-and-seal crack repair, and AC patching. Senior Project Manager will review photos and notes on the condition of the pavement as it relates to the available treatment options.
3. Complete 50% preliminary design of the proposed improvements to provide sufficient information related to the location, limits, material quantities, and construction requirements of the proposed improvements to perform evaluations based on the various impact categories. The preliminary plan view for the proposed improvements and the survey base map will be used to complete a 50% preliminary design of the proposed improvements. The level of design will allow the consultant to identify locations and limits of work and ensure that FAA design standards can be met to complete the proposed improvements. The preliminary design will also include finalization of project access and staging limits, preliminary material quantities, and a detailed construction cost estimate commensurate with the level of design. This preliminary design will be submitted to the FAA for review and comment, along with contract documents, and a list of anticipated FAA Technical Specifications. FAA comments from this submittal will be used to advance the work to the 90% submittal package.
4. Prepare up to (2) two phasing alternatives for consideration by POCC .
5. Prepare a preliminary Construction Safety and Phasing Plan (CSPP) and recommendations. Safety plan is to be reviewed by the FAA and Sponsor. Solicit comments and incorporate into final form for approval by FAA. Final version shall be submitted via the OE/AAA portal for approval a minimum of 90 days prior to bid opening.
6. Prepare preliminary quantity and construction estimates for the project.
7. Prepare preliminary (90%) plans. The plan set is expected to consist of approximately 18 drawings and will include the following components:
 - Cover Sheet (1 Sheet)
 - Site & Safety Plans (4 Sheets)
 - Construction phasing/work area plan and details (2 Sheets)
 - Crack repair/sealing and seal coat plans and details (7 Sheets)
 - Pavement marking plan and details to replace all current pavement markings impacted by the project. (4 Sheets)

8. Prepare a 90% preliminary Engineer's Design Report to the established FAA requirements.
9. Prepare 90% preliminary specifications manual using Advisory Circular 150/5370-10 (latest edition), Standards for Specifying Construction of Airports. It is anticipated that the project bidding documents will be developed as a Base Bid with Additive Alternates, if necessary, so the work to be constructed can be matched with available project funding.
10. Provide electronic files of 90% preliminary contract documents (plans, specifications, design report, and cost estimate). One copy will be sent to the FAA, and one copy will be sent to the POCC.
11. Solicit, receive, and record and incorporate into the final form of the 90% preliminary contract documents, all comments provided by the POCC and FAA.

Deliverables:

- **Preliminary (50%) exhibits, cost estimate, and plan sheets**
- **CSPP**
- **FAA Form 7460-1**
- **Project Documents (90%) plans, specifications, estimated quantities and costs**
- **Engineer's Design Report (90%)**

Task 4 Due: November 14, 2025

Task 5 Final Design

1. Incorporate preliminary design comments and respond as necessary to requests for additional information.
2. Provide final construction drawings.
3. Provide the final contract specifications.
4. Complete final quantity calculations and prepare an Engineer's detailed estimate of construction costs for the project.
5. Submit final construction documents to POCC and FAA for review and approval.
6. Provide electronic files for POCC to distribute for bidding.

Deliverables:

- **Final Construction Drawings**
- **Final Bid Documents and Specifications**
- **Final Engineer's Construction Cost Estimate**

Task 5 Due: February 6, 2026

Task 6 Bidding

1. Assemble and coordinate bid advertisement for public bidding of the project. It is assumed the bid documents will be distributed by utilizing QuestCDN for distribution and document control. POCC will place ads for the project in the Daily Journal of Commerce and other media outlets as appropriate. Advertising costs will be paid by the POCC.
2. Assist in answering technical questions from potential bidders during the bidding period.
3. Prepare addenda as necessary to clarify bid documents and any technical-related content. This scope assumes one addendum will be prepared and distributed. Any additional addenda will be considered additional work and may require a subsequent agreement. Addenda will be submitted to the POCC for review and approval prior to posting to the online distribution center.
4. Prepare for and attend the pre-bid conference at the POCC Office. Consultant will arrange and conduct the pre-bid conference. The Senior Project Manager and Project Manager will attend the pre-bid conference.
5. Prepare a bid tabulation and analysis for POCC and FAA review.
6. Prepare recommendation of award to the FAA and solicit FAA concurrence. POCC will prepare a Notice of Award to be submitted by the POCC to the Contractor.
7. Prepare draft FAA construction grant application for FAA comment and review.
8. Prepare final FAA construction grant application for POCC signature and submit to FAA.

Deliverables:

- **Addenda, as necessary**
- **Prebid Conference Agenda & Meeting Minutes**

- **Bid Tab**
- **Recommendation of Award Letter**
- **FAA Grant Application**

Task 2 Due: March 31, 2026

Task 7 Grant Closeout

1. Provide final report to include administrative tasks/costs and engineering fees, as well as FAA Final Payment Summary Sheet.

Deliverables:

- **Final Closeout Report**
- **FAA Final Payment Summary Sheet**

Task 3 Due: May 15, 2026

PHASE II - CONSTRUCTION

Construction services are not included. These services will be performed under a separate agreement or work order.



Intergovernmental Agreement with Clatskanie Fire District

Res. 2025-19 STAFF REPORT

DATE: June 11, 2025
TO: Port Commission
FROM: Bob Salisbury, Port General Counsel
RE: **Intergovernmental Agreement (IGA) with Clatskanie Fire District**

Discussion

The attached IGA allows Clatskanie Fire District (“Clatskanie Fire”) to take over ownership and maintenance of the Clatskanie Business Center located at 520 Tichenor St. in Clatskanie. Clatskanie Fire provides Fire, Rescue and Emergency Medical Services to the City of Clatskanie and over 135 square miles of rural area. Clatskanie Fire will take over the 41,000 square foot building and 1.54-acre property in AS IS condition. If the property is sold within 5 years, Clatskanie Fire and the Port will split any net proceeds of the sale after subtracting up to \$200,000 in capital improvement costs paid by Clatskanie Fire.

By owning the property, Clatskanie Fire will be better able to serve the citizens of Clatskanie and the surrounding area.

Recommendation

Adopt Resolution No. 2025-19, authorizing the Executive Director to sign the attached IGA.

RESOLUTION NO. 2025-19

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH CLATSKANIE FIRE DISTRICT

WHEREAS, the Port currently owns the Clatskanie Business Center located at 520 Tichenor in Clatskanie Oregon; and

WHEREAS, the Clatskanie Fire District ("Clatskanie Fire") provides Fire, Rescue and Emergency Medical Services to the City of Clatskanie and over 135 square miles of rural area; and

WHEREAS, the attached Intergovernmental Agreement ("IGA") allows Clatskanie Fire to take over ownership and maintenance of the Clatskanie Business Center in AS IS condition; and

WHEREAS, this IGA will allow Clatskanie Fire to better serve the citizens of Clatskanie and the surrounding area; Now, therefore

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

The Board authorizes the Executive Director to sign the attached IGA and any other documents necessary to transfer ownership and maintenance of the Clatskanie Business Center to Clatskanie Fire.

PASSED AND ADOPTED this 11th day of June 2025, by the following vote:

AYES: _____ **NAYS:** _____

Port of Columbia County

ABSTAINED: _____

By: _____
President

Attested By:

Secretary

INTERGOVERNMENTAL AGREEMENT

PORT OF COLUMBIA COUNTY

and

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

This Intergovernmental Agreement ("IGA") is entered into as of this ____ day of _____, 2025 ("Effective Date"), by and between the Port of Columbia County ("the Port") and the Clatskanie Rural Fire Protection District ("Clatskanie Fire") for the purpose of allowing Clatskanie Fire to take over ownership, management and maintenance of the Clatskanie Business Center located at 520 Tichenor St., Clatskanie, OR 97016 ("the Property"). The Port and Clatskanie Fire are each generically referred to herein as "Party" and collectively referred to herein as the "Parties."

RECITALS:

- A. The Port is an Oregon Port district authorized to conduct economic development activities pursuant to ORS Chapter 777 and is authorized to enter into this IGA per ORS Chapter 190.
- B. Clatskanie Fire provides Fire, Rescue and Emergency Medical Services to the city of Clatskanie and over 135 square miles of rural area and is a local government governed by ORS Chapter 478 ("the Activities").
- C. The Port no longer wishes to manage and maintain the 41,000 square foot building and 1.54 attached acres on the Property and Clatskanie Fire has agreed to take over management, maintenance and eventual ownership of the property in AS IS condition.
- D. Both parties wish to enter into this IGA to allow Clatskanie Fire to better serve the Clatskanie community with the use of the Property.

NOW THEREFORE, the Parties agree as follows:

1. INCORPORATION OF RECITALS

The Parties acknowledge and agree that the above-stated Recitals are true and correct to the best of their knowledge and are incorporated into this Agreement as though fully set forth herein.

2. TERM

This IGA shall be effective only upon approval by a majority vote of the Port of Columbia County Commission ("the Port Commission") in a public meeting and shall continue for a period of ten (10) years or until a transfer deed is recorded with Columbia County Records, whichever occurs first. This IGA may be modified, amended or altered from time to time but only in writing and with the agreement of the Parties.

3. PROPERTY USE

Clatskanie Fire may use the Property for the Activities or for any other uses at the discretion of Clatskanie Fire. However, Clatskanie Fire will allow the Port and any current Port tenants to continue to utilize office space at the Property. Clatskanie Fire will also work with other local agencies in providing reasonable accommodations for public meetings. Clatskanie Fire may at times expect compensation or maintenance assistance in exchange for such accommodations.

4. TRANSFER CONSIDERATION

The consideration for this transaction are the mutual promises of the Parties to perform their obligations under this IGA. No earnest money deposit is required by this IGA.

5. CLOSING

The Closing shall occur in the offices of _____ within thirty (30) days of all conditions to Closing. Clatskanie Fire will pay the costs of the escrow fee, title insurance premium, recording fees and any other Closing costs normally attributable to both Buyer and Seller. Clatskanie Fire is also fully responsible for all other real estate costs, such as any necessary partitioning of the Property. For purposes of this IGA, "Closing" shall mean the date on which a transfer deed is recorded on behalf of Clatskanie Fire.

6. CLATSKANIE FIRE TAKES THE PROPERTY "AS IS"

Clatskanie Fire agrees to take the Property "AS IS" condition, with all faults, and without any representations, guarantees, or warranties from the Port, either expressed or implied, as to suitability or condition. Clatskanie Fire will be responsible for all maintenance and utility costs related to the Property.

7. FUTURE PROPERTY TRANSFER

Should the Property be sold by Clatskanie Fire within five (5) years from the Effective Date, Clatskanie Fire and the Port agree to equally split any net proceeds from such sale. "Net proceeds" is intended to mean that Clatskanie Fire may deduct up to a maximum of \$200,000 in capital improvement costs previously paid by Clatskanie Fire. Clatskanie Fire will provide proof of such capital improvement costs to the Port, upon request.

8. MUTUAL INDEMNIFICATION

The Port agrees to defend, indemnify and hold harmless Clatskanie Fire, its directors, officers, employees, agents, and representatives, against and from any and all loss, claims, actions, or suits, including costs and attorneys' fees, at trial and upon any appeal, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction of property belonging to the Port, Clatskanie Fire, or others resulting from: (a) any negligence whatsoever on the part of Port or any of its Commission, directors, officers, agents, contractors, employees, sublessees, licensees, or invitees in connection with this Agreement; or (b) any failure on the part of Port to perform or comply with any of the terms, provisions, or conditions in connection with this Agreement. Clatskanie Fire agrees to defend, indemnify and hold harmless the Port, its Commission, directors, officers, employees, agents, and representatives, against and from any and all loss, claims, actions, or suits, including costs and attorneys' fees, at trial and upon any appeal, for or on account of injury, bodily or otherwise, to, or death of, persons, or for damage to, or destruction of property belonging to the Port, Clatskanie Fire, or others, resulting from: (a) any negligence whatsoever on the part of Clatskanie Fire or any of its directors, officers, agents, contractors, employees, sublessees, licensees, or invitees in connection with this Agreement; or (b) any failure on the part of Clatskanie Fire to perform or comply with any of the terms, provisions, or conditions in connection with this Agreement.

9. LIMITATION OF LIABILITY

In no event shall either Party be liable to the other Party for any lost or prospective profits or any other punitive, exemplary, consequential, incidental or indirect losses or damages (in Tort, Contract or otherwise) regarding any performance or failure of performance howsoever caused under this IGA.

10. GENERAL PROVISIONS

This IGA shall be governed and construed according to the laws of the State of Oregon with venue in Columbia County Oregon. The Port and Clatskanie Fire are the only parties to this IGA and as such are the only parties entitled to enforce its terms. Time is of the essence in the performance of and adherence to each and every covenant and condition of this IGA. Port and Clatskanie Fire each warrant and represent to one another that this IGA constitutes a legal, valid and binding obligation of that party and that the individuals executing this IGA have full and lawful authority to execute this IGA on behalf of the entity for whom they are acting.

11. DOCUMENT EXECUTION

This IGA may be executed in identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each Party and delivered to the other Party.

12. NOTICES

All notices required or desired to be given under this IGA shall be in writing and may be delivered by personal delivery or by deposit in the United States mail, postage prepaid, as certified mail, return receipt requested, and addressed as follows:

Port of Columbia County
100 E St., P.O. Box 190
Columbia City, Oregon 97018

Clatskanie Fire
280 SE Third St, PO Box 87
Clatskanie, OR 97016

or such other addresses as may be designated by either party by written notice to the other, including electronic mail ("email") if both parties consent in writing to such notice by email reply and receipt is confirmed in writing. Any notice delivered by personal delivery shall be deemed received by the addressee upon actual delivery. The addresses to which notices are to be delivered may be changed by giving written notice of such change in accordance with this notice provision.

IN WITNESS WHEREOF, Port and Clatskanie Fire have each executed this IGA as of the Effective Date.

PORT OF COLUMBIA COUNTY

CLATSKANIE FIRE

By: _____
Sean P. Clark, Executive Director

By: Robert Keyser
Robert Keyser, President



RES. 2025-17 STAFF REPORT

American Jet Center New Purchase and Sale Agreement

DATE: June 11, 2025

TO: Port Commission

FROM: Amy Bynum
Real Estate & Business Development Manager, Deputy Executive Director

RE: **American Jet Center – Purchase and Sale Agreement**

Discussion

The Port of Columbia County listed the commercial hangar located at the Scappoose Airport at 34090 Sky Way Drive, Scappoose, Oregon for sale in 2024. The hangar was built-to-suit for a prospective tenant that unfortunately went bankrupt during Covid-19. American Jet Center, a commercial aviation business headquartered in Chino, California sent a purchase proposal to buy the commercial hangar for \$3,760,000 in April 2025.

American Jet Center intends to make Scappoose Airport its West Coast hub for their health transport division, FlyNow Health. They will also use the hangar for commercial jet management and maintenance, with associated delivery of Jet-A fuel via vehicle mounted fuel dispensing tanks. They plan to hire 20 employees initially and operate 24/7.

The Port has worked in good faith to negotiate a Purchase and Sale Agreement (PSA) which was executed, subject to Commission approval, on May 23rd and attached as an Exhibit to Resolution 2025-17. The associated Ground Lease is presented as Resolution 2025-18. The Port will retain a mortgage interest in the hangar until all the agreed upon non-refundable payments have been made (scheduled for May 2028).

Summary of PSA terms:

1. **Purchase Price:** \$3,760,000 to be paid to the Port over a 36-month Non-Refundable Payment Schedule
2. **Earnest Money:** \$20,000 deposited with the Port at the execution of the PSA

3. **Contingencies:** If the Port Commission does not approve the PSA and/or the associated ground lease, the agreement will be rendered null and void
4. **Assignment:** The building may not be assigned without prior written approval by the Port
5. **Terms:** The agreement contains late fees, events of default, and opportunities to cure

Recommendation

Adopt Resolution No. 2025-17, authorizing the Executive Director to execute a new Ground Lease with American Jet Center.

RESOLUTION NO. 2025-17

A RESOLUTION AUTHORIZING THE PORT TO SELL A HANGAR BUILDING LOCATED AT 34090 SKY WAY DRIVE, SCAPPOOSE OR

WHEREAS, the Port owns a commercial hangar located at the Scappoose Airport, 34090 Sky Way Drive, Scappoose, Oregon (the Property); and

WHEREAS, the Port received a purchase offer for three million seven hundred and sixty thousand (\$3,760,000) from American Jet Center; and

WHEREAS, the Port wishes to move forward with the sale; now, therefore

BE IT RESOLVED, that the Board approves the executed and incorporated Purchase and Sale Agreement and associated Promissory Note. The Board also authorizes the Executive Director to execute all closing documents related to the sale.

PASSED AND ADOPTED this 11th day of June, 2025 by the following vote:

AYES: _____

NAYS: _____

ABSTAIN: _____

Port of Columbia County

By: _____
President

Attested By:

Secretary

PURCHASE AND SALE AGREEMENT

34090 SKYWAY DRIVE, SCAPPOOSE, OREGON

This **Purchase and Sale Agreement** ("Agreement") effective this 23rd day of May, 2025 ("Effective Date") is by and between the Port of Columbia County, 100 E Street, Columbia City, OR 97018 an Oregon municipal corporation ("Seller") and American Jet Center, 7000 Merrill Avenue, Unit B, Chino, CA 91710, a California Corporation ("Purchaser"). Seller owns a corporate hangar building located at 34090 Skyway Drive, Scappoose, Oregon 97056 at the Scappoose Airport as depicted on **Exhibit A** attached hereto ("the Property"). Purchaser and Seller engaged in mutually beneficial negotiations the result of which was that Purchaser offered to purchase the Property, and Seller has accepted Purchaser's offer ("the Sale"), as follows:

1. **PURCHASE PRICE.** The purchase price for the Property shall be Three Million Seven Hundred and Sixty Thousand Dollars (\$3,760,000) to be paid from Purchaser to Seller ("Purchase Price"). The Purchase Price is due in escalating installments as outlined in the schedule below and are non-refundable ("Non-Refundable Payments"). The Port shall remain the owner of the Property, including all rights, privileges and appurtenances belonging to or pertaining thereto, until such time as all Non-Refundable Payments have been paid in full by Purchaser to Seller. This Agreement is secured by the attached Promissory Note, incorporated by reference. Separately, basic rent shall be paid monthly as outlined in a Ground Lease Agreement, also referred to in section 3 below.

Month/Year	Non-Refundable Monthly Payments	Balance
Jun-25	\$ 20,000	\$ 3,740,000
Jul-25	\$ 20,000	\$ 3,720,000
Aug-25	\$ 20,000	\$ 3,700,000
Sep-25	\$ 35,000	\$ 3,665,000
Oct-25	\$ 35,000	\$ 3,630,000
Nov-25	\$ 35,000	\$ 3,595,000
Dec-25	\$ 50,000	\$ 3,545,000
Jan-26	\$ 50,000	\$ 3,495,000
Feb-26	\$ 50,000	\$ 3,445,000
Mar-26	\$ 70,000	\$ 3,375,000
Apr-26	\$ 70,000	\$ 3,305,000
May-26	\$ 70,000	\$ 3,235,000
Jun-26	\$ 100,000	\$ 3,135,000
Jul-26	\$ 100,000	\$ 3,035,000
Aug-26	\$ 100,000	\$ 2,935,000
Sep-26	\$ 100,000	\$ 2,835,000
Oct-26	\$ 100,000	\$ 2,735,000
Nov-26	\$ 100,000	\$ 2,635,000

Dec-26	\$ 100,000	\$ 2,535,000
Jan-27	\$ 100,000	\$ 2,435,000
Feb-27	\$ 100,000	\$ 2,335,000
Mar-27	\$ 140,000	\$ 2,195,000
Apr-27	\$ 140,000	\$ 2,055,000
May-27	\$ 140,000	\$ 1,915,000
Jun-27	\$ 140,000	\$ 1,775,000
Jul-27	\$ 140,000	\$ 1,635,000
Aug-27	\$ 140,000	\$ 1,495,000
Sep-27	\$ 140,000	\$ 1,355,000
Oct-27	\$ 140,000	\$ 1,215,000
Nov-27	\$ 140,000	\$ 1,075,000
Dec-27	\$ 140,000	\$ 935,000
Jan-28	\$ 140,000	\$ 795,000
Feb-28	\$ 140,000	\$ 655,000
Mar-28	\$ 140,000	\$ 515,000
Apr-28	\$ 140,000	\$ 375,000
May-28	\$ 375,000	\$ -

2. **EARNEST MONEY DEPOSIT.** Earnest money in the amount of Twenty Thousand Dollars (\$20,000) ("Earnest Money") shall be delivered by the Purchaser to the Seller within three (3) business days of the Effective Date ("Commencement of Due Diligence Period"). The Earnest Money will be credited as the first Non-Refundable Payment after a fifteen (15) business day due diligence period starting from the Commencement of Due Diligence Period ("Due Diligence Period"), unless accelerated by mutual agreement of the Parties. The Earnest Money will become nonrefundable on the third business day at 5 pm Pacific Standard Time after the Due Diligence Period expires if, by that time, the Purchaser has not communicated their intent to terminate this Agreement per section 14 Notices ("Termination Deadline").

3. **CONTINGENCIES.** Seller's obligation to sell the Property is contingent upon approval of this Agreement by a majority vote in a public meeting by the Port of Columbia County Commission ("the Port Commission"). The Port Commission is a five-member local government that governs sale and leasing activities of Seller. Seller's obligation to sell the Property is also contingent upon a successfully negotiated Ground Lease between Seller and Purchaser ("a Ground Lease"), signed by Seller and Purchaser and approved by a majority vote of the Port Commission in a public meeting prior to Closing. If the Port Commission does not approve this Agreement and a Ground Lease in its sole and absolute discretion, this Agreement will be rendered null and void without further liability or cause of action available to either party and the Earnest Money will be returned to Purchaser.

4. **CLOSING.** Closing shall occur as soon as practicable after the final Non-Refundable Payment (currently scheduled for May 1, 2028) is made by Purchaser ("Closing Date").

5. **CLOSING COSTS AND LIENS.** Purchaser and Seller shall each pay one-half (1/2) of all costs and fees related to this Agreement.

6. **COMMISSIONS.** Neither party will pay a commission for a broker representing the other party in connection with this transaction.

7. **REPRESENTATIONS.**

7.1 **Purchaser takes Property "As Is"**: Purchaser represents that it accepts and executes this Agreement based on their own examination and personal knowledge of the Property; that except for as provided in this Agreement, Seller has made no representations, warranties, or other agreements concerning matters relating to the Property; that Seller has made no agreement or promise to alter, repair, or improve the Property; and that Purchaser takes the Property "AS IS," with all faults, and without any representations, guarantees, or warranties from the Seller, either expressed or implied, as to suitability or condition. Seller makes no representation as to the exact size of the Property. Purchaser is advised, if desired, at its sole cost and expense, to obtain a survey of the Property to determine the size and boundaries.

7.2 **Purchaser's Compliance with FAA:** Purchaser represents that the Property use is aeronautical and will comply with Federal Aviation Administration (FAA) Order 5190.6B – FAA Airport Compliance Manual. Further, the Purchaser acknowledges receipt of the Scappoose Airport Minimum Standards, both of which will be included as exhibits to the Ground Lease.

8. **TAXES/PRORATIONS.** There shall not be any proration of taxes, as Seller is a tax-exempt entity. Purchaser will be responsible for all property taxes from the Closing Date. Annual Property Insurance premiums shall be billed to the Purchaser as a prorated charge based on the Closing Date and annually after the first year.

9. **UTILITIES.** Seller shall pay all utility bills accrued until the Closing Date and any necessary payments shall be handled outside of escrow.

10. **POSSESSION.** Purchaser is entitled to possession on the Closing Date, unless otherwise agreed to in writing between the parties.

11. **BINDING EFFECT/ASSIGNMENT RESTRICTED.** This Agreement is binding on and will inure to the benefit of Seller, Purchaser, and their respective heirs, legal representatives, successors, and assigns.

11.1 **Assignment of Interest or Rights:** Except for Transfers to Affiliates as outlined herein, Purchaser shall not sell, assign, or otherwise transfer its interest in this Agreement either voluntarily or by operation of law, without the prior written consent of the Port. Any such transfer or assignment, or attempted assignment without such consent, shall be null and void.

11.2 **Transfers to Affiliate:** Purchaser may transfer this Agreement to any entity that Purchaser controls, directly or indirectly, is under common control with, or is controlled by the Purchaser ("Affiliate") by providing prior written notice to the Port for review and approval by Port staff. Purchaser shall promptly notify Port of

any such proposed transfer and take no further action until such time as Port staff complete their review and approval process. Any such review is not required to be taken before the Port of Columbia County Commission. Any such Affiliate shall assume all obligations and liabilities of the Purchaser under the associated Promissory Note and Ground Lease which shall be separately reassigned.

12. **ESCROW DEPOSITS.** Escrow is authorized to hold, apply and/or release the Earnest Money as provided for in this contract.

13. **ENTIRE AGREEMENT.** This Agreement sets forth the entire understanding of the parties regarding the Sale of the Property. This Agreement may not be modified or amended except by a written agreement signed and executed by both parties. The parties were represented by legal counsel and/or had the opportunity to be represented by legal counsel. This contract was negotiated between the parties and is voluntarily executed.

14. **NOTICES.** All notices and communications in connection with this contract must be given in writing and transmitted by first class mail and/or email to Purchaser and to Seller at the address provided by each party below. Notices given in accordance with this paragraph are deemed given upon the date of receipt or the date of mailing, with proof of mailing. Either party may, by written notice, designate a different address for purposes of this contract. For email delivery purposes, receipt is only confirmed with a reply by the recipient acknowledging receipt of the message.

15. **APPLICABLE LAW.** This Agreement is construed, applied and enforced in accordance with the laws of the State of Oregon. Venue is in Columbia County Circuit Court, St. Helens, Oregon.

16. **WAIVER BY PURCHASER.** If Purchaser, with knowledge of (i) a default in any of the covenants, agreements or obligations to be performed by Seller under this Agreement and/or (ii) any breach of or inaccuracy in any representation or warranty of Seller made in this Agreement, nonetheless elects to proceed to Closing Date, then, upon the consummation of the Closing, Purchaser shall be deemed to have waived any such default and/or breach or inaccuracy and shall have no claim against Seller with respect thereto.

17. **SEVERABILITY.** Should any term, provision, or portion of this contract at any time be in conflict with any law, ruling or regulation, or be unenforceable, then such provision will continue in effect only to the extent that it remains valid. In the event that any provision of this contract becomes less than fully operative, the remaining portion of that provision and all other provisions of this contract will nevertheless remain in full force and effect.

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE

CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

18. INTENT TO BE BOUND. This Agreement sets forth the essential terms of the transaction contemplated between the Seller and Purchaser, and all parties hereto intend to be bound by this Agreement.

19. ATTORNEY'S FEES. If either Party incurs attorney fees, costs, or other legal expenses to enforce the provisions of this Agreement against the other party, all such fees, costs and expenses shall be recoverable by the prevailing party.

20. DOCUMENT EXECUTION. This Agreement may be executed in identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts, have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains an electronic file of an executed signature page, such signature page shall be deemed to constitute an original instrument, with the same force and effect as execution and delivery of an original and shall create a valid and binding obligation of the party executing the Agreement.

AGREED AND ACCEPTED BY THE UNDERSIGNED AS OF THE EFFECTIVE DATE:

SELLER:

PORT OF COLUMBIA COUNTY

By: 

Sean P. Clark

Executive Director

PO Box 190

Columbia City, OR 97018

clark@columbiacounty.org

PURCHASER:

AMERICAN JET CENTER

By: 

Denis Oliver

President and CEO

7000 Merrill Avenue

Hangar B210-B, Chino, CA 91710

Denis@americanjetcenter.com

Exhibit A





RES. 2025-18 STAFF REPORT

American Jet Center New Ground Lease

DATE: June 11, 2025

TO: Port Commission

FROM: Amy Bynum
Real Estate & Business Development Manager, Deputy Executive Director

RE: **American Jet Center – Ground Lease**

Discussion

American Jet Center operates a commercial jet management and maintenance business with affiliated businesses involved in fire safety, drone technology, and health transport. Working through our real estate agent, Brendan Clarke, American Jet Center sent a purchase proposal to buy the commercial hangar located at 34090 Sky Way Drive, Scappoose, Oregon. The Port has worked in good faith to negotiate a sale of the hangar building and must have an associated ground lease with building ownership reversion to stay in compliance with Scappoose Airport grant assurances related for the Federal Aviation Administration (FAA). The proposed ground lease adheres to the grant assurances and is attached as an Exhibit to Resolution 2025-18.

Summary of Lease terms:

1. **Premises:** 77,500 square feet (SF) of land including the building footprint, buffer, parking courtyard, and adjacent apron with an option to expand and build an additional apron at the tenant's expense.
2. **Use of Premises:** To operate a commercial business engaged in maintenance and storage of jets, sale of Jet A jet fuel via a vehicle mounted fuel storage and dispensing tank, as well as ancillary office and administrative activities related to the conduct of an aviation business.
3. **Term:** Thirty-year lease with two successive ten-year renewal terms.
4. **Rent:** Rent is structured in tiers with the initial tier set at \$0.15 per SF (\$989 per month) until the building purchase schedule is completed after a pre-determined 36-months per

Resolution 2025-17 and the title transfer is complete, at which point the rent will increase to \$0.50 per SF (\$3,229 per month). Rent includes annual rent adjustments of 4% and a 5-year comparable rate adjustment.

5. **Additional Charges:** Fuel Flowage Fees are set at \$0.06 per gallon of Jet Fuel delivered to the Premises. American Jet Center will report fuel sold and pay the associated Fuel Flowage Fee by the 5th of each month.
6. **Reversion:** At the end of the final term (50- years maximum) the ownership of the hangar building will revert to the Port of Columbia County.
7. **Structure:** Net Net Ground Lease. Property Insurance, maintenance, and utilities are the obligation of American Jet Center Note that property taxes are not assessed at Scappoose Airport. A security deposit will be kept on file.
8. **Insurance:** Property Insurance, General Liability Insurance, Workers Compensation Insurance, Pollution Liability Insurance, Automobile Insurance, and Aircraft Insurance are required per the terms of the ground lease.

Recommendation

Adopt Resolution No. 2025-18, authorizing the Executive Director to execute a new Ground Lease with American Jet Center.

RESOLUTION 2025-18

A RESOLUTION APPROVING A GROUND LEASE WITH AMERICAN JET CENTER AT THE SCAPPOOSE AIRPORT

WHEREAS, American Jet Center, a commercial jet management and maintenance company has been working with Port Staff to negotiate a new ground lease; and

WHEREAS, American Jet Center has made a purchase offer for a commercial hangar located at the Scappoose Airport, 34090 Sky Way Drive, Scappoose, OR; and

WHEREAS, the Port is ; and

WHEREAS, the Purchase and Sale Agreement between American Jet Center and the Port is predicated on an executed ground lease for the adjacent property, Airport apron, and parking lot; and

WHEREAS, American Jet Center and Port staff have successfully negotiated a ground lease on terms agreeable to both parties; and

WHEREAS, Port staff recommends the adoption of the ground lease, which is attached; now, therefore

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

The Board authorizes the Executive Director to execute a ground lease with American Jet Center.

PASSED AND ADOPTED this 11th day of June 2025, by the following vote:

AYES: _____

NAYS: _____

Port of Columbia County

ABSTAIN:

By: _____
President

Attested By:

Secretary

GROUND LEASE

BETWEEN

PORT OF COLUMBIA COUNTY

AND

AMERICAN JET CENTER, INC.

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GROUND LEASE

This GROUND LEASE (the "**Lease**"), entered into this ____ day of _____, 2025 (the "**Lease Date**") by and between THE PORT OF COLUMBIA COUNTY, a Municipal corporation of the State of Oregon ("**the Port**"), and American Jet Center, Inc., A South Dakota Corporation ("**Lessee**").

1. AGREEMENT TO LEASE; DESCRIPTION OF PREMISES

Subject to the terms and conditions of the Purchase and Sale Agreement ("PSA"), attached and incorporated herein by reference, dated May 23, 2025, between the Port and Lessee, and this Lease, the Port hereby leases to Lessee, and Lessee leases from the Port the real property located at and adjacent to 34090 Skyway Drive, Scappoose, Columbia County, Oregon as shown on **Exhibit A** (the "**Premises**"). The Premises are located within the Port owned property known as the Scappoose Airport and are therefore subject to the Airport Minimum Standards attached and incorporated by reference.

1.1 Right of First Refusal on Adjacent Additional Land

Subject to the Lessee's not being in Default per the terms of this Lease, Lessee shall have the continuing right of first refusal to lease 26,000 square feet of land owned by the Port and adjacent to the Premises ("Additional Land") as specified in Exhibit A during the Term and any exercised Extension Term of this Lease. Lessee may exercise their right to lease the Additional Land by notifying the Port in writing their intent to do so, in which case the Additional Land shall be incorporated into the Premises under this Lease, subject to the same terms (including rent adjustments proportionate to the added square footage). The parties shall execute a lease amendment within 60 days formalizing the expansion.

1.2 Use of the Premises

Lessee's use of the Premises shall be limited to operating a commercial business engaged in aircraft and unmanned aircraft systems management, upgrades, engineering, maintenance, storage, office and administrative, and other activities directly related to the conduct of an aviation business. Lessee may perform medical procedures on the Premises aligned with their health transportation activities. Lessee may make customary use of the apron within the Premises as depicted in Exhibit A; however, they shall not permanently store any items on the apron without prior written approval by the Port. Lessee is allowed to maintain a vehicle mounted fuel storage and dispensing tank on the Premises in accordance with Section 6.4 and all applicable fire codes. Associated Fuelage Rates are defined and specified per Section 3. Per Section 6.1.2, Hazardous Substances may not be used, stored, or otherwise handled on or near the Premises except as authorized by Section 6.4 of this Lease.

1.3 Compliance with the Law

Lessee's use of the Premises must comply with all applicable laws, ordinances, rules and regulations of the State of Oregon and the United States, and all city, county or other public government authorities or agencies, including, but not limited to, building permit requirements,

local fire code, zoning and occupancy codes. Lessee shall also comply with all Port Rules, as amended and updated from time to time, a copy of which the Port shall provide Lessee within 60 days of such amendments or updates. Lessee shall promptly provide to the Port copies of all written communications (including electronic communications) from any such government entities which relate to Lessee's noncompliance or alleged noncompliance with any law or other government requirements. Lessee shall be permitted to seek or obtain approval to rezone, change the use of, or obtain other land use or land division approvals for, the Premises with the Port's prior written approval, which may be granted, conditioned or denied at the Port's sole discretion.

2. TERM

2.1 Lease Effective Date

The term of this Lease ("**Term**") shall commence on the Effective Date ("**Effective Date**") and shall continue for thirty (30) years from the Effective Date ("**Expiration Date**") unless sooner terminated or extended pursuant to the terms of this Lease. The Term shall be split into two separate periods with different respective rent, per Section 3. The period from the Effective Date through the final payment of the Non-Refundable Payment Schedule outlined in the separate Promissory Note attached as Exhibit B, shall be known as the "**Payoff Period**". The remaining term after the Payoff Period ends shall be known as the "**Remaining Lease Period**".

2.2 Lease Year

As used in this Lease, "**Lease Year**" shall mean, in the case of the first Lease Year, the period beginning on the Effective Date and ending June 30 of that year, and thereafter, each successive twelve (12) month period beginning July 1 and ending June 30 during the Initial or any Extension Term. Lease Years do not affect the Initial Term or any Extension Terms of the Lease.

2.3 Extension Options

So long as no uncured Event of Default (defined in Section 10) exists under this Lease, Lessee shall have options to extend ("**Extension Options**") the Expiration Date of this Lease for two (2) successive terms (each an "**Extension Term**"). Each Extension Term shall be for ten (10) years.

2.3.1 Lessee's Notice of Intent to Extend

Lessee must notify the Port in writing of Lessee's intent to exercise any Extension Option, subject only to Lessee's acceptance of: (i) the Port's proposed new Rent (as defined in Section 3.1.2 and pursuant to Section 3.2); (ii) any proposed Extension Amendments (defined in Section 2.4.2) ; and (iii) any proposed adjustment to the Security Deposit pursuant to Section 3.7. Such notice by Lessee must be given not more than three hundred sixty (360) days and not less than one hundred eighty (180) days prior to expiration of the then current Lease Term or Extension Term, as applicable. Failure of Lessee to deliver such notice to the Port as provided in this Section 2.4.1 shall automatically extinguish the then applicable Extension Option and any remaining Extension Options.

2.3.2 Conditions of Extension

The terms and conditions of the Lease for each Extension Term shall be the same as those for the initial Lease Term except that: (a) Rent shall be increased at the beginning of each Extension Term in accordance with the formula set forth in Section 3.2; (b) the Security Deposit will be adjusted to reflect adjustment in Rent or Additional Rent as provided in Section 3; (c) insurance provisions will be updated, subject to the provisions of Section 7.5; (d) environmental provisions will be updated, as necessary, to comply with then current Environmental Laws, Environmental Audit requirements and Best Management Practices as those terms are defined in Section 6; and (e) the Port will require any modifications or changes legally required to bring the Lease into compliance with then current law, government regulations or government mandates (except that any improvements the use or design of which are grandfathered or otherwise permitted under then existing law or regulations need not be modified or upgraded) (collectively, items (c) through (e) in this Section 2.4.2 are the "**Extension Amendments**"). Upon receipt of Lessee's notice of intent to extend pursuant to Section 2.4.1, the Port shall have sixty (60) days thereafter to notify Lessee, in writing, of the proposed Rent, any proposed adjustments to the Security Deposit, including the basis for the adjustment, and any Extension Amendments required by the Port as a condition of granting the then applicable Extension Option, together with a proposed Amendment to the Lease ("**Amendment Form**") (collectively, "**Notice of Amendments and Proposed Rent**"). Lessee shall have sixty (60) days from receipt of the Notice of Amendments and Proposed Rent to notify the Port in writing of Lessee's disapproval of any term thereof. If Lessee fails to deliver written notice of Lessee's disapproval of any term in the Notice of Amendments and Proposed Rent, then Lessee shall be deemed to have approved the Extension Amendments, Rent, and adjusted Security Deposit and shall be obligated for the Extension Term. Lessee shall be responsible for completing all general maintenance, repair and clean-up requirements set forth in Section 4.10, on or before the first day of any Extension Term.

2.4 Holdover

If Lessee does not vacate the Premises at the time required (upon expiration or termination of the Lease), the Port shall have the option to treat Lessee as a tenant from month to month and Lessee shall pay Rent at an increased rate of 150% or at a rate to be determined by the Port, above the then-applicable Rent as outlined in Section 3 ("**Holdover Rent Increase**"), subject to all the provisions of this Lease except the provisions for term. The Holdover Rent Increase shall take effect immediately on the first day of the month after the expiration or termination of the Lease. The holdover tenancy shall be terminable at the end of any monthly rental period on written notice from Lessor given not less than 30 days prior to the termination date, which shall be specified in the notice. Lessee waives any notice which would otherwise be provided by law with respect to a month-to-month tenancy.

3. RENT

3.1 Rent and Additional Rent

3.1.1 Payoff Period Rent

During the thirty-six (36) months of the Payoff Period, Lessee shall make payments to the Port per Exhibit B for the purchase of the building. In addition, Lessee shall pay "**Payoff**

Period Rent" on or before the first of each month calculated as follows ("**Payoff Period Rental Rate**"): the total square feet (SF) of the hangar building footprint, building buffer, adjacent parking lot, and apron (77,500 SF) multiplied by \$0.15 per SF per year and divided by twelve (12) and rounded to the closest dollar for a total monthly ground lease rent of Nine Hundred Sixty-Nine Dollars (\$969.00) per month. Throughout the Term, and not more than once per calendar year, the Port reserves the right to remeasure the SF of the Premises. If Lessee is found to be occupying area different than the SF provided in this Section 3.1 and Exhibit A, Lessee's monthly Rent shall be adjusted to reflect the actual SF occupied using the then current rate per SF.

3.1.2 Remaining Lease Period Rent

Commencing on the Thirty-seventh (37th) month from the Effective Date, also known as the Remaining Lease Period, Lessee shall pay to the Port a monthly "**Remaining Lease Rent**" calculated as follows ("**Remaining Lease Rental Rate**"): the total number of square feet of the land established and agreed by the Port and Lessee multiplied by a price of fifty cents (\$0.50) per year divided by 12 and rounded to the closest dollar amount ("**Remaining Lease Period Rent**". In no case shall Rent be less than the Payoff Period Rent. All other sums which become payable by Lessee under this Lease shall be considered "Additional Rent".

3.1.3 Additional Rent: Fuel Flowage Fees

Lessee shall pay to the Port "**Fuel Flowage Fees**" of Six Cents (\$0.06) per gallon of jet fuel delivered to the Premises. All fuel delivered to the Premises shall be deemed to be sold or dispensed at the time of delivery. Fuel Flowage Fees are payable in accordance with the terms of this Lease and specifically this Section 3 including Due Dates and Delinquency Charge. Fuel Flowage Fees shall be a separate payment from Rent. By the fifth day of each month, Lessee shall submit a report to the Port at finance@portofcolumbiacounty.org ("**Flowage Report**"). The Flowage Report must include the total number of delivered gallons of fuel for the preceding month and include an estimate of the amount of Fuel Flowage Fees based on the rate in this section. The Port reserves the right to examine, inspect, and audit the fuel delivery records and receipts of the Lessee, with 10 days advanced notice. If a discrepancy is identified, the Lessee shall pay the Port the amount found to be underreported.

3.2 Rent Adjustment

Except as provided below, after the initial year, on the first day for each successive Lease Year ("Adjustment Date") subsequent to the Effective Date, the amount of Rent for each such Lease Year period will be adjusted by a set 3%. In no event will said Rent be less than the Rent paid per month during the immediately preceding year.

Every Five (5) years and at the beginning of each Extension Term monthly Rent may be adjusted by comparable rates provided by the Port and confirmed by the Lessee. This adjustment may be made in lieu of the stipulated 3% Rent Adjustment described above in this Section. Should no comparable leases be available, the Port may use Fair Market Value, as defined in Section 3.2.1, multiplied by ten percent (10%) divided by twelve (12).

3.2.1 Fair Market Value

As used in this Lease, "Fair Market Value" shall mean the most probable sale or lease price in terms of money which the land and improvements should bring in a competitive and open market under the condition's requisite to a fair sale or lease, the buyer/lessee and seller/Port each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale/lease as of the applicable Adjustment Date and the passing of title from seller/Port to buyer/lessee under the conditions whereby: (a) the buyer/lessee and seller/Port are typically motivated; (b) each party is well informed or advised and is acting in what it considers its own best interests; (c) a reasonable time is allowed for exposure in the open market, not to exceed 12 months; (d) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; (e) the price represents the normal consideration for the property sold or leased unaffected by special or creative financing or sales concessions granted by anyone associated with the sale/lease; and (f) the land and improvements are clean and uncontaminated. Fair Market Value further means the value of the land and improvements based on: (a) its use as an commercial hangar property; and (b) the value of the land exclusive of any improvements except those installed and paid for solely by the Port and not reimbursed solely by Lessee. Furthermore, sale/lease transactions used in the determination of Fair Market Value shall be of property with comparable infrastructure improvements, including, but not limited to, road access and utilities, common areas and other comparable site amenities.

If Lessee disagrees with the Port's new Rent using Fair Market Value, the Port and Lessee will each have thirty (30) days from the date the Port receives Lessee's notice objecting to the Port's new Rent to select an independent Oregon licensed appraiser to determine the current Fair Market Value. The selected appraisers shall be licensed members of the Appraisal Institute ("MAI") and be in good standing, unless otherwise agreed upon, in writing, by the parties, and shall be experts in the appraisal of industrial property in Oregon, with at least five (5) years of commercial appraisal experience. Each party must notify the other, within the thirty (30)-day period, of the name, address, and telephone number of such party's selected appraiser. The selected appraisers, within sixty (60) days of being selected, must complete their final appraisal reports, and deliver copies of the appraisal reports concurrently to the Port and to Lessee ("First Appraisal"). If the two appraisers and the parties cannot come to an agreement concerning the Fair Market Value within fifteen (15) days of issuance of both appraisal reports, the two appraisers will select a third MAI appraiser to determine which appraisal comes closest to the Fair Market Value. The appraisers shall conduct a full and independent appraisal of the Property and deliver the report documenting his/her findings concurrently to the Port and to Lessee ("Final Appraisal"). The Final Appraisal will take into consideration all information contained in both the Port's and Lessee's appraisals and the third appraiser's own independent analysis, upon which the third appraiser will then choose, as the Fair Market Value, either the Port's appraisal or Lessee's appraisal, based on which one comes closest to the third appraiser's independent appraisal. The third appraiser shall not propose a middle ground or any modification of either of the two proposed determinations of Fair Market Value. The determination of Fair Market Value by the third appraiser shall be final and binding upon the parties. All court costs and appraisal costs incurred pursuant to this Section 3.2.1 shall be shared equally by the Port and Lessee.

3.2.2 Effective Date of Adjustment; Payment of Adjustments

Lessee acknowledges that adjustments to the Rent will be effective as of the Adjustment Date, even though the new rate may not be able to be calculated until after the Adjustment Date. Lessee agrees to (i) begin paying the increased Rent upon notification by the Port; and (ii) pay any difference between the Rent actually paid to the Port after the Adjustment Date and the adjusted Rent due for such period within thirty (30) days of notification by the Port.

3.3 Rent Payments

3.3.1 Due Dates

Lessee shall make payment of the Rent on or before the first (1st) day of each and every calendar month thereafter during the Term and any Extension Terms ("Due Date"). In the event that proration of Rent is required under this Lease, Rent shall be prorated based on the number of days in said month. All other Additional Rent shall be paid within thirty (30) days of the issuance by the Port of an invoice submitted to Lessee or within the time period otherwise expressly provided in this Lease. Payment of Rent shall be made without demand, notice, offset, abatement, or deduction of any kind, to the Port at the following address or such other address as the Port may later designate as provided herein, or by direct deposit to an account specified by the Port:

Port of Columbia County
PO Box 190
100 E. Street
Columbia City, OR 97018

3.4 Delinquency Charge

All Rent and other amounts not paid when due shall bear a "**Delinquency Charge**" of one and a half percent (1.5%) per month, if rent remains unpaid for five (5) or more days following its due date. Such interest shall be charged from the date due until the Rent or other amount is paid in full. This Delinquency Charge is subject to periodic change, subject to any limitation on the maximum rate of interest allowed by law, at the Port's sole discretion. No change shall occur, however, without prior written notice to Lessee. Imposition of a Delinquency Charge shall not constitute a waiver of any other remedies available to the Port for failure to timely pay Rent.

3.5 Returned Checks

If Lessee's check for payment of Rent due under this Lease is returned to the Port for any reason, the payment shall be considered not to have been made and shall be delinquent. In addition to the Delinquency Charge set forth in Section 3.4, the Port may charge Lessee a returned check fee of Twenty-Five Dollars (\$35.00), per returned check. The Delinquency Charge shall continue to accrue until the returned check fee is paid, the check can be cashed, and the Port receives all funds due.

3.6 Acceptance of Rent

The Port's acceptance of a late or partial payment of Rent and/or a Delinquency Charge shall not constitute a waiver of any Event of Default nor shall it prevent the Port from exercising

any of its other rights and remedies granted to the Port under this Lease or by law. Any endorsements or statements on checks of waiver, compromise, payment in full or any other similar restrictive endorsement shall have no legal effect. Lessee shall remain in violation of this Lease and obligated to pay all Rent due even if the Port has accepted a partial or late payment of Rent.

3.7 Security Deposit

On or before the Effective Date Lessee shall deposit with the Port the sum equal to two-months worth of Rent equal to One Thousand Nine Hundred and Thirty Eight Dollars (\$1,938.00) as Security Deposit. The Security Deposit shall secure Lessee's full and faithful performance and observance of all of Lessee's obligations under this Lease. The Security Deposit shall not be considered to be held in trust by the Port for the benefit of Lessee and shall not be considered an advance payment of Rent or a measure of the Port's damages in the case of an Event of Default by Lessee. The Port may, but shall not be obligated to, draw upon and apply the Security Deposit to: (a) pay any Rent or any other sums due to the Port by Lessee and not paid on or before the date it is due and the Port shall not be required to give notice or opportunity to cure before drawing on the Security Deposit; or (b) to pay attorney fees and costs for any legal work which has been requested by Lessee as outlined in Section 3.7.1; or (c) to remedy any other Event of Default of this Lease, after Lessee has received notice and opportunity to cure, if such notice and opportunity to cure is required under this Lease. If the Port applies any of the Security Deposit to any of the above, Lessee shall, immediately upon demand, replenish the Security Deposit to its full amount. If Lessee fully performs all of its obligations under this Lease, the Security Deposit, or any balance remaining, will be released within thirty (30) days from the Expiration Date or termination of this Lease and delivery of the Premises to the Port. However, if any question exists concerning Lessee's full compliance with the Lease or if there is any obligation under this Lease to be performed after the Expiration Date or earlier termination of this Lease, the Port shall be entitled to require that the Security Deposit remain in place until the Port is fully satisfied that there has been no Default of the Lease and all obligations due under this Lease have been fully performed. In addition to any other remedy provided in this Lease or at law, the Port shall have the option but not the obligation to use the Security Deposit or a portion thereof to offset any costs or damages incurred as a result of Lessee's failure to perform its obligations at the termination or expiration of the Lease. The Port shall have the right at any time during the Lease Term or any Extension Term to require Lessee to deposit additional Security Deposit with the Port and/or provide additional financial assurance reasonably acceptable to the Port, in an amount or amounts reasonably determined by the Port to be commensurate with any increased risk associated with any of the following events: (i) as a condition of Port approval, as provided in Section 6.4, of Lessee's or any Sublessee's use, storage, handling, processing, manufacturing or recycling of Hazardous Substances not authorized under Section 6.4.1; or (ii) if the Port has given notice of violation of any provision of this Lease more than three (3) times during any consecutive twelve (12) month period.

3.7.1 Attorney Fees to be Paid by Lessee During Term of Lease

Lessee hereby acknowledges and agrees that, in the event Lessee requests that the Port incur attorney fees for legal work or staff time which is solely the result of Lessee requesting that such work be completed, then Lessee shall bear the responsibility to pay for any and all Port

costs associated with such a request made by Lessee. Prior to the commencement of any work, Lessee agrees to sign an Agreement to Pay Costs Agreement provided by the Port.

3.8 Taxes

If the Premises are subject to Taxes, the Lessee shall pay all taxes and assessments of any public authority levied against the Premises or upon any taxable interest of Lessee acquired pursuant to this Lease or any taxable possessory right Lessee may have in or to the Premises or the improvements located thereon, as well as all taxes on all taxable Premises, real or personal, owned by Lessee in or about the Premises, including any other tax or charge levied wholly or partly in lieu thereof (together, the "Taxes"). Lessee shall make all payments on or before the date payment is due. Lessee shall supply the Port with proof that Taxes have been paid timely if requested by the Port. Lessee shall be permitted to pay Taxes in installments, as allowed by the tax assessing authority. In the event that the Port is billed directly for the Taxes by the tax assessing authority or Lessee fails to pay Taxes on or before their due date, then, in addition to all other remedies set forth in Section 10.2, the Port shall automatically have the right, but not the obligation, to pay the Taxes and any interest and penalties due thereon, and Lessee shall immediately reimburse the Port for any sums so paid upon receipt from the Port of: (i) written notice that the Port has paid the Taxes; and (ii) documentation of such payment. Notwithstanding the foregoing, Lessee shall also be allowed to contest the validity of any assessment on the Premises without the Port stepping in and paying Taxes on Lessee's behalf as long as monies sufficient to pay the Taxes and interest are placed in escrow with an escrow agent approved by the Port, with irrevocable escrow instructions to pay the Port the funds immediately upon demand by the Port (which demand shall not be made until the earlier of: (a) the conclusion of such contest and exhaustion of appeals; or (b) the termination of this Lease. In any case, all Taxes must be paid prior to any foreclosure proceeding by a taxing authority being instituted or before the Port incurs any liability as a result of such failure to pay the Taxes. Lessee understands that should this Lease expire, or be terminated prior to the end of any given fiscal tax year ("**Tax Year**") that Lessee will nonetheless be responsible to pay real Premises taxes assessed for the entire Tax Year. The Tax Year for Columbia County is currently July 1 through June 30.

3.9 Non-Remonstrance

Lessee waives any right to remonstrate against and shall support local improvement districts or similar shared funding mechanisms to fund future utility and roadway improvements pertaining to the Premises, should such mechanisms be used. Lessee and the Port shall cooperate in working with the city, county and/or state on the allocation of costs among the benefited properties and Lessee shall promptly sign the necessary waiver forms requested by the city, county and/or state.

4. LESSEE'S OTHER OBLIGATIONS

4.1 Improvements

Lessee shall own the hangar building located on the Premises, assuming all obligations are satisfied according to Exhibit B during the Term. Upon Termination of this Lease, all Improvements located on the Premises (including the hangar building) shall revert to Port ownership, free of any claim of the Lessee. Lessee may alter existing improvements with prior written approval from the Port. Unless otherwise agreed, it shall be the obligation of the Lessee to construct and pay for and Improvements to the Premises except as allowed in Section 4.2. All proposed new Improvements must have prior written permission from the Port.

4.2 Ownership of Improvements

The Port shall be the sole owner of Improvements made or paid for by the Port ("**Port Improvements**") and Lessee shall not take depreciation or any other form of tax deduction, based on any Port Improvements. The Lessee shall be the sole owner of Improvements made or paid for by the Lessee ("**Lessee Improvements**"). In the event that (a) Lessee requests and the Port agrees to construct a specific improvement on the Premises for Lessee's use; (b) Lessee reimburses the Port in full for such improvement; and (c) the parties agree in writing prior to such construction that Lessee shall become the owner of the improvement upon the Port's completion and Lessee's reimbursement to the Port for such improvement, then upon completion such improvement shall be considered Lessee Improvements owned by Lessee, subject to the Port's reversionary rights as set out in Section 9.

4.3 Title to Improvements

Upon Termination of this Lease the Port shall assume ownership and take title to all Improvements on the Premises.

4.4 Wetlands Prevention

Lessee shall not create any "wetlands" (as defined under any federal, state, regional or local jurisdiction) on the Premises during the term of this Lease or extension thereof, or on any adjacent Port-owned Premises. Lessee shall also manage the Premises so that no wetlands are allowed to form on the Premises and so that Lessee's development and use of the Premises does not cause the formation of wetlands on any adjacent Port owned or non-Port owned Premises. If the Port believes that wetlands are likely to form on the Premises and Lessee has not taken corrective action, the Port shall have the right, but not the obligation, upon ten (10) days prior written notice to Lessee (except in the case of an emergency), to enter onto the Premises to correct the situation and charge Lessee for such work. Lessee shall reimburse the Port for such work within thirty (30) days of receipt of invoice from the Port. Lessee shall cooperate with and perform any obligations required under any wetlands remediation plan.

4.5 Signs

Lessee shall contact the Port in order to place any signage at the Scappoose Airport. Lessee shall not erect, install, nor permit upon the Premises any sign or other advertising device without

first obtaining the Port's written consent, which the Port may withhold or condition in its sole discretion. Lessee shall remove all signs and sign hardware upon termination or expiration of this Lease and restore the sign location to its former state, unless the Port elects to retain all or any portion of the signage.

4.6 No Liens

Lessee agrees to pay, when due, all sums for labor, services, materials, supplies, utilities, furnishings, machinery, or equipment which have been provided or ordered with Lessee's consent to the Premises. Lessee shall not suffer or permit any liens to attach to all or any part of the Premises by reason of any work, labor, services, or materials done for, or supplied to, or claimed to have been done for or supplied to, Lessee or anyone occupying or holding an interest of Lessee in all or any part of the improvements through or under Lessee. If any lien is filed against the Premises which Lessee wishes to protest, then Lessee shall promptly deposit cash with the Port, or procure a bond acceptable to the Port, in an amount sufficient to cover the cost of removing the lien from the Premises or file a bond or deposit money and cause the Premises to be freed of the lien pursuant to ORS 87.076 et. seq. Notwithstanding any notice and cure periods provided in Section 10.1, failure to remove the lien or furnish the cash or bond acceptable to the Port or to cause the Premises to be freed of the lien pursuant to ORS 87.076 et. seq. within thirty 90 days of receipt of notice of the lien shall constitute an Event of Default under this Lease and the Port shall automatically have the right, but not the obligation, to pay the lien off with no further notice to Lessee and Lessee shall immediately reimburse the Port for any sums so paid to remove any such lien. Except as provided herein, Lessee shall not encumber the Premises or any Lessee Improvements thereon without prior written approval of the Port, which may be withheld or conditioned in the Port's sole discretion.

4.7 Utilities and Services

The Port makes no representations or warranties regarding the availability and/or quality of utilities and other services available to the Property. Lessee is responsible for verifying, obtaining and paying for any additional utility installations and connections and all utility services necessary for Lessee's operation. Lessee shall be responsible for paying all fees and charges imposed by the various utilities, including those paid for and apportioned by the Port. Fees shall include, but are not limited to, all installation and connection fees and charges and monthly or periodic fees and assessments charged by the utilities and by any governmental agencies having jurisdiction over the Premises. Before Lessee installs any other utility lines on, under, or above the Premises, Lessee must first obtain the Port's written approval to do so. Before approval is granted Lessee must provide the Port with a detailed survey showing the exact location of such lines, along with a precise metes and bounds description of the same. In no event shall the Port be obligated to use any of its powers to acquire easement or utility access for Lessee. Notwithstanding the foregoing, the Port represents and warrants to the Lessee that: (a) sewer, water, electric, propane tank, and broadband are available directly at the Premises; (b) separate meters for measuring all utilities to be paid for by the Lessee are currently available and installed at the Premises.

4.8 Safety Requirements

Lessee shall conduct its operations, activities and duties under this Lease in a safe manner and shall comply with all safety standards imposed by applicable Laws. Lessee shall ensure compliance with the same by all customers, subcontractors, and all other persons transacting business with or for Lessee in any way connected with the conduct of Lessee pursuant to this Lease. Lessee shall comply with any safety rules adopted by the Port after thirty (30) days' notice of such adopted rules to Lessee, unless exigent circumstances require immediate compliance therewith.

4.9 Fire Safety

Lessee shall exercise due and reasonable care and caution to prevent and control fire on the Premises and, to that end, shall provide and maintain any fire suppression and other fire protection equipment as may be required or appropriate for Lessee's use of the Premises pursuant to applicable Laws and the Port's fire insurance carrier for the purpose of protecting the Premises and restricting the spread of any fire from the Premises. Lessee shall comply with any fire safety rules adopted by the Port after thirty (30) days' notice of such adopted rules to Lessee, unless exigent circumstances require immediate compliance therewith.

4.10 Security

Lessee shall be fully responsible for security of the Premises and the Port shall have no responsibility or liability under this Lease for security of the Premises.

4.11 Waste, Removal and Demolition

Lessee shall not cause or permit any waste or damage, disfigurement or injury to the Premises or the Improvements. Subject to Section 8, Lessee shall not remove or demolish, in whole or in part, any Port Improvements on the Premises without the prior written approval of the Port, which the Port may condition upon the obligation of Lessee to replace the same by an equal or better Port Improvement or other improvement specified in such approval.

4.12 Maintenance

Lessee shall keep and maintain the Premises (including buildings, adjacent pavements, parking lot, foundation, all improvements, and Lessee Improvements, systems, utilities and equipment) in good condition and shall carry out preventive maintenance, repairs, and replacements necessary and appropriate to maintain such condition. Lessee may be asked to provide a written record to the Port of all maintenance performed on the Premises at any point during the Lease. The Port shall not be responsible for any maintenance of the Premises.

4.13 Conduct of Business

At all times during the Lease Term and any Extension Terms, Lessee shall be registered and in good standing to do business in Oregon. Lessee shall notify the Port of any cessation in operations that are expected to last more than eight (8) weeks and must continuously secure and maintain the Premises at all times during the Lease Term and any Extension Terms. In the event Lessee's cessation in operations lasts longer than eight (8) weeks, the Port shall have the right, but not the obligation, to terminate this Lease.

5. PORT AUTHORITY AND OBLIGATIONS

5.1 Quiet Enjoyment

Subject to Lessee performing all of Lessee's obligations under this Lease and subject to the Port's rights under this Lease and its rights of condemnation under Oregon law, Lessee's possession and quiet enjoyment of the Premises will otherwise not be disturbed by the Port or its officers, commissioners, agents, employees and contractors.

5.2 Delivery of Premises

Lessee shall have the right to possession of the Premises on the Effective Date. The Port shall have no liability to Lessee for any delay in delivering possession; however, all of Lessee's monetary obligations hereunder, including without limitation Lessee's obligation to pay Rent, will be abated, delayed and forever excused until possession is actually delivered to Lessee. Lessee shall have a right to terminate this Lease if possession is not delivered by Effective Date.

5.3 Condition of Premises

The Port makes no warranties, guarantees or averments regarding the condition of the Premises, including, without limitation, the suitability of the Premises for Lessee's intended uses or the availability of accessible utilities or roadways needed for Lessee's intended purposes, or zoning, development, or occupancy requirements. Prior to the Effective Date Lessee may inspect the Premises and accepts the Premises in "AS IS" condition, with all defects and conditions known and unknown, upon taking possession. The Port shall have no liability to Lessee and Lessee shall have no claim against the Port for any damage or injury caused by any condition of the Premises. Unless otherwise agreed to, in writing, by the Port, the Port shall have no responsibility to bring the Premises into compliance with any laws, including, without limitation, any building or occupancy codes. Lessee shall be solely responsible for thoroughly inspecting the Premises and ensuring that it is in compliance with all laws.

5.4 Port Construction and Repair Obligation on Premises

The Port shall have no responsibility for the repair or maintenance of the Premises or for construction of any roadways, utilities or any other improvements on or off of the Premises unless otherwise specifically provided in this Lease. Should the Port undertake any repair or maintenance work on the Premises, the Port shall have no liability for interference with Lessee's use of the Premises which might result from the Port's repair and maintenance efforts and no such efforts shall be construed as a constructive eviction or other eviction of Lessee. Notwithstanding the foregoing and to the extent allowed by law, the Port will be responsible to Lessee for any actual damages caused by the gross negligence or willful misconduct of the Port or any agent, employee or contractor of the Port who performs work which damages Lessee's Premises (but in no event for lost profits or consequential damages). Any repair of damage caused by negligence or breach of this Lease by Lessee, employees, agents, contractors or invitees, shall be Lessee's responsibility and shall be made at Lessee's sole expense.

5.5 Port and Third-Party Access

The Port shall have the right to enter upon the Premises for the purposes of: (a) confirming the performance by Lessee of all obligations under this Lease; and (b) doing any other act which

the Port may be obligated or has the right to perform under this Lease. Such entry shall be made with reasonable advance written notice of at least twenty-four (24) hours and conducted during normal business hours to Lessee, except in cases of emergency. In an emergency, the Port shall have the right to use any and all means which the Port may deem reasonable to obtain entry onto the Premises or into any building located on the Premises without liability to Lessee. Lessee may have its representative, if such a representative is reasonably available, accompany the Port. If prior notice of an inspection is not provided under the circumstances set forth in this Section 5.5, the Port shall notify Lessee of the scope and findings of the inspection as soon as practicable after it occurs.

6. ENVIRONMENTAL MANAGEMENT AND COMPLIANCE

6.1 Definitions

For the purposes of this Lease, the following definitions shall apply:

6.1.1 Environmental Laws

"**Environmental Laws**" shall include any and all federal, State of Oregon, regional and local laws, regulations, rules, permit terms, codes, ordinances and guidance documents now or hereafter in effect, as the same may be amended or recodified from time to time, and applicable decisional law, which govern materials, substances, regulated wastes, emissions, pollutants, water, storm water, ground water, wellfield and wellhead protection, , animals or plants, noise, or products and relate to the protection of health, natural resources, or the environment.

6.1.2 Hazardous Substance

"**Hazardous Substance**" shall include any and all substances defined or designated as hazardous, toxic, radioactive, dangerous wastes or materials or any other similar term in or under any applicable Environmental Laws. Hazardous Substance shall also include, but not be limited to, fuels, petroleum and petroleum-derived products.

6.1.3 Environmental Audit

"**Environmental Audit**" means an environmental site assessment or compliance audit conducted of the Premises consistent with CERCLA Section 9601(35)(B), 42 U.S.C., 40 C.F.R. part 312, ORS 465.255(6), and any other applicable or relevant and appropriate assessment or auditing standard, including ASTM Standard E2107-00 Standard Practice for Environmental Regulatory Compliance Audits, or its successor, as the same may be amended or recodified from time to time.

6.1.3.1 Initial Environmental Audit

Lessee will have, at its own cost, the option of conducting an Environmental Audit assessment and work before the Effective Date. The Environmental Audit ("**Initial Audit**"), shall document the onsite environmental condition of the Premises as of the Effective Date. Lessee and the Port acknowledge that the Initial Audit may establish a presumption of conditions as of the Effective Date ("**Baseline Conditions**") and may be used to determine (but shall not be completely determinative of) Lessee's environmental liability or lack thereof in connection with the Premises.

6.1.3.2 Special Environmental Audit

If the Port, at any time during the term of the Lease or any extension thereof, has reason to suspect that there has been a Hazardous Substance Release or there is an imminent threat of a Hazardous Substance Release caused by Lessee, Lessee's employees, agents, contractors, licensees, or invitees (including occurring in connection with their occupancy, possession or use of the Premises), the Port may, after written communication of those reasons to Lessee, without limiting its other rights and remedies, conduct an Environmental Audit of the Premises ("**Special Audit**"). If the Special Audit confirms a Hazardous Substance Release which Lessee, Lessee's employees, agents, contractors, licensees, or invitees caused (including occurring in connection with their occupancy, possession or use of the Premises), then Lessee will be required to reimburse the Port for the reasonable costs of the Special Audit as an Environmental Cost. If no Material Violation is found, the Port will pay for the Special Audit.

6.1.3.3 Exit Environmental Audit

At the expiration or termination of this Lease, the Lessee will conduct, at Lessee's expense, an Environmental Audit ("**Exit Audit**") of the Premises and related property to determine: (i) the environmental condition of the Premises; (ii) whether any Hazardous Substance Release which Lessee, Lessee's employees, agents, contractors, licensees, or invitees caused (including occurring in connection with their occupancy, possession or use of the Premises) has occurred or exists on or about the Premises; and (iii) whether there is evidence of any violation of Environmental Laws or the environmental provisions of this Lease which Lessee, Lessee's employees, agents, contractors, licensees, or invitees caused (including occurring in connection with their occupancy, possession or use of the Premises). If Lessee fails to conduct an Exit Audit as required, Port has the option to conduct such Exit Audit at Lessee's expense. The Exit Audit shall be performed not more than sixty (60) days after the later of, (i) the Expiration Date of this Lease or (ii) the completion of the removal of any Lessee Improvements as required under this Lease. A complete copy of the results of the Exit Audit shall be provided to each party no later than 45 days after the Exit Audit is performed unless approved in writing by Port staff. In the event this Lease is terminated prior to the scheduled Expiration Date for any reason, Lessee may complete the Exit Audit within sixty (60) days of such actual termination date of this Lease. The Port shall have the right to approve the scope of and consultant for the Exit Audit, though such approval shall not be unreasonably withheld.

6.2 Environmental Inspection

The Port reserves the right, at any time and from time to time, after reasonable advance written notice to Lessee, of two (2) Business Days or more (except that no notice to Lessee shall be required in the event the Port reasonably believes that there exists a condition constituting an imminent and substantial endangerment to human health or the environment) to inspect the Premises and Lessee's operations on and use of the Premises: (i) for the presence of or Lessee's management of Hazardous Substances not allowed under this Lease; (ii) for the purpose of sampling Lessee's storm water discharge; (iii) for compliance with Environmental Laws or the environmental provisions of this Lease; and (iv) to facilitate the Port's environmental management, permitting and analysis related to the Premises or any other premises of the Port. Lessee shall use commercially reasonable efforts to arrange these inspections on behalf of the Port. The Port agrees

to use commercially reasonable efforts to conduct such inspections in a manner that will minimize disruption to Lessee's use of the Premises. Lessee may have its representative, if such a representative is reasonably available; accompany the Port during an inspection authorized by this Section 6.2. The Port shall notify Lessee of the scope and findings of the inspection as soon as practical after it occurs.

6.2.1 Environmental Cost

"**Environmental Cost**" shall include, but is not limited to, costs and damages arising from or relating to: (a) any actual or claimed violation of or noncompliance with any applicable Environmental Laws; (b) claims for damages, response costs, any audit costs, fines, fees or other relief relating to matters addressed in any applicable Environmental Laws; (c) injunctive relief relating to matters addressed in any applicable Environmental Laws; (d) Hazardous Substance Releases; and (e) violations of any environmental provisions of this Lease. "**Environmental Cost**" as used in this Section 6 and elsewhere in this Lease shall include but not be limited to: (i) costs of preliminary assessment, evaluation, testing, analysis, remedial investigation, feasibility study, removal, remedial action, disposal, monitoring and maintenance, natural resources injury assessment, restoration and compensation; (ii) the cost of decommissioning and removing any underground or aboveground storage tank(s); (iii) Port, Oregon Department of Environmental Quality ("**DEQ**"), United States Environmental Protection Agency ("**EPA**") and Natural Resource Trustees oversight costs related to violations of environmental laws; (iv) fees of attorneys, engineers, consultants, experts, and Port employees and costs, whether or not taxable as costs, incurred at, before or after trial, on appeal or petition for review, or in any bankruptcy or administrative proceedings; (v) lost revenue; and (vi) diminution of value, loss, or restriction on use of Premises, including diminution of value resulting from the residual risk associated with a risk based cleanup.

6.2.2 Hazardous Substance Release

"**Hazardous Substance Release**" shall include the spilling, discharge, deposit, injection, dumping, emitting, releasing, leaking or placing of any Hazardous Substance into the air or into or on any land or waters. However, Hazardous Substance Release excludes a release specifically authorized by a valid permit or authorization or a de minimis release of Hazardous Substances on an impervious surface that does not and will not likely, either individually or cumulatively with other releases of Hazardous Substances, come in contact with surface water contained in a river water body, or with groundwater, that is appropriately responded to under Environmental Laws and that is promptly reported to the Port under Section 6.8.

6.2.3 Best Management Practices

"**Best Management Practices**" shall mean those environmental or operational standards which are either: (a) applicable to a particular business or industry group as a matter of common and accepted practices; (b) adopted or articulated by any of the following: trade associations or professional associations for the particular business or industry group; the business or industry group's own standard operating procedures; or (c) practices specifically defined or identified for a particular business operation or industry group by regulatory agency guidelines.

6.2.4 UST Facility

"UST Facility" shall include underground storage tanks, underground piping, dispensers, related underground and aboveground structures and equipment, including without limitation spill containment features and oil water separators, and the surrounding area used in connection with the operation, activity or purpose for which the entire system is designed, including without limitation the fueling of motor vehicles and the containment of Hazardous Substances or other materials. A UST Facility shall not include piping that is placed underground solely for purposes of a road crossing, railroad crossing, or similar crossing.

6.2.5 AST Facility

"AST Facility" shall include mobile storage tanks and aboveground storage tanks, aboveground piping, dispensers, related underground and aboveground structures and equipment, including without limitation spill containment features and oil water separators, and the surrounding area used in connection with the operation, activity or purpose for which the entire system is designed, including without limitation the fueling of motor vehicles or airplanes and the containment of Hazardous Substances or other materials.

6.3 General Environmental Obligations of Lessee

Lessee shall manage and conduct all of its activities on or relating to the Premises: (a) in compliance with all applicable Environmental Laws and the environmental provisions of this Lease; (b) in reasonable cooperation with the Port (but at no significant additional cost to Lessee) in the Port's efforts to comply with applicable laws and regulations; and (c) in compliance with Best Management Practices applicable to Lessee's use of the Premises. Lessee shall manage and, as appropriate, secure the Premises and Lessee's occupation or use of the Premises so as to prevent any violation of law and regulations by any party.

6.4 Hazardous Substances Use on Premises

Lessee shall not use, store, handle, manage, generate, manufacture, dispose of, recycle, or process on the Premises any Hazardous Substances ("**Hazardous Substance Use**") except as provided in Section 6. Lessee shall maintain Safety Data Sheets ("**SDS Materials**") for each Hazardous Substance Use by Lessee, Lessee's agents, employees, contractors, licensees, invitees, to the extent required under Environmental Laws and shall provide them to the Port if requested in writing. Lessee agrees to provide a list of Hazard Substance Use on Premises to the Port if requested in writing. Lessee shall dispose of all Hazardous Substances according to applicable Environmental Laws. Except as specifically allowed by state or federal discharge permits, Lessee shall not dispose of any Hazardous Substance, regardless of the quantity or concentration, into any storm or sanitary sewer systems within the Premises or on other Premises of the Port, to the ground, into surface water or groundwater.

6.4.1 Permitted Use of Hazardous Substances

In accordance with Section 1.1 above, Lessee's permitted use of the Premises involves use, storage, and distribution of Hazardous Substances. Lessee shall be permitted to store, handle, or use such quantities of Hazardous Substances as are necessary for the Lessee to conduct ongoing operations in accordance with, and as allowed under, all permits held by Lessee for use

of Hazardous Substances. All storage and use of Hazardous Substances shall be in compliance with any Environmental Law and shall be limited to quantities necessary for the Lessee to conduct its business and operations (each such use a "**Permitted Use of Hazardous Substances**"). Such Permitted Use of Hazardous Substances shall include: (a) petroleum products or lubricants removed from aircraft under maintenance and being temporarily preserved in appropriately labeled containers for eventual return to those aircraft; (b) chemicals, solvents, lubricants, paints, primers, adhesives, sealants, anti-corrosives, chemicals and any and all other materials that are routinely used in the course of Lessee's business activities or in the maintenance of aircraft; (c) Hazardous Substances contained in office, janitorial and landscape supplies and cleaning fluids of types and quantities ordinarily used for maintenance of the Premises; (d) petroleum products and lubricants fully contained in equipment, machinery and vehicles on the Premises; and (e) Hazardous Substances contained in equipment, machinery and materials used in the construction and installation of any improvements on the Premises, excluding any stockpiling of Hazardous Substances in connection with such construction or of Off-Site Waste-Like Materials (defined in Section 6.5) containing any Hazardous Substances; (f) Medical biohazard related Hazardous Substances reasonably necessary for the conduct of Lessee's Use on the Premises.

6.4.2 Conditional Hazardous Substances Use with Port Approval

If Lessee's proposed Hazardous Substance Use falls into one or more of the following categories, such use shall be in the Port's sole discretion: (a) a conditionally exempt small quantity generator or small quantity generator of hazardous waste under the Resources Conservation and Recovery Act ("RCRA"); (b) requires an Operating Permit under either federal or state Clean Air laws; (c) requires a National Pollution Discharge Elimination System (NPDES) permit; (d) requires response planning or reporting under the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. §§ 11001-11050; (e) materials regulated under the Federal Insecticide, Fungicide, Rodenticide Act (FIFRA); and (f) any other use that creates a material risk to human health or the environment, including, but not limited to, uses that may result in explosion, evacuation, or imminent threat to the waterways, groundwater, land, or air (each such use under items (a) through (f) of this Section 6.4.2 is a "Conditional Hazardous Substance Use").

6.4.3 Above Ground and Mobile Hazardous Substances Storage Tanks

Lessee may install, maintain and operate an AST Facility (including fueling trucks), or use fueling entities based offsite for the storage, transportation, transfer and dispensing on the Premises of Hazardous Substances. Any material change in the use of above-ground or mobile storage tanks on the Premises shall be reviewed by the Port on a case-by-case basis and subject to the Port's prior written approval at the Port's sole discretion.

6.4.5 Discharge and Treatment of Industrial Wastewater

No industrial wastewater discharge shall be made by Lessee into the ground, any surface waters, other body of water, or any Port-owned conveyance or storage system unless such discharge meets the requirements of all applicable laws and regulations. The Port shall have the right, but not the duty, in its sole discretion, to review and approve or disapprove any industrial waste water management, treatment or discharge system constructed or modified by or on behalf of Lessee on the Premises during the term of this Lease.

6.5 Off-Site Waste-Like Materials

Lessee shall not allow any person to store, manage, treat, deposit, place or dispose of slag, debris, recycled concrete, recycled asphalt, construction or demolition debris, wood waste, dredged material, Hazardous Substance-contaminated material, or other wastes from off of the Premises ("**Off-Site Waste-Like Materials**") on the Premises without the prior written approval of the Port. In the event that the Port in its sole discretion is not satisfied with the origin and likely contents of such Off-Site Waste-Like Materials, the Port may require Lessee, at Lessee's cost, to test such materials to ensure that, in the Port's sole opinion, such materials contain no unacceptable levels of Hazardous Substances.

6.6 Lessee's Liability

6.6.1 Hazardous Substance Releases

Except as provided in Section 6.6.2, Lessee shall be responsible for any Hazardous Substance Release occurring on the Premises or emanating and originating from the Premises onto or into other properties, or in the air or in adjacent or nearby waterways (including ground water) and any Environmental Cost resulting therefrom, which results from or occurs in connection with Lessee's occupancy, use or possession of the Premises (including acts of uninvited third parties who cause a Hazardous Substance Release to occur on the Premises) (a) occurring at any time during the Lease Term or extension thereof; (b) occurring at any time during any holdover period; or (c) occurring during the Lease Term or extension thereof and continuing after the Lease Term or extension thereof (the "**Triggering Environmental Event**").

6.6.2 Limitation of Lessee's Liability

Notwithstanding anything to the contrary provided in Section 6.6 of this Lease, Lessee shall have no responsibility or liability for any Triggering Environmental Event that: (a) existed on the Premises prior to the Effective Date of this Lease (except if caused by Lessee or Lessee's agents, employees or contractors); (b) is caused by the Port or its agents, employees or contractors after the Effective Date of this Lease; (c) results exclusively from a Hazardous Substance Release that constitutes a contiguous properties situation, as defined in 42 U.S.C.A. § 9607(q) or similar state law, involving a release that occurred from an off-site location not owned, operated, leased or otherwise controlled by Lessee, and migrated onto the Premises; or (d) first occurred after Lessee's vacation of the Premises. The Port shall be responsible, to the extent required by law, for any Triggering Environmental Event caused by the Port, its agents, employees, contractors, or other tenants whether occurring before or after the Effective Date of this Lease.

6.7 Environmental Remediation

6.7.1 Immediate Response

In the event of a violation of applicable Environmental Laws for which Lessee is responsible under this Lease, a violation of an environmental provision of this Lease for which Lessee is responsible under this Lease, a Hazardous Substance Release for which Lessee is responsible under this Lease, or the threat of or reasonable suspicion of a Hazardous Substance Release for which Lessee is responsible under this Lease, Lessee shall immediately undertake and diligently pursue all acts necessary or appropriate to do the following: (a) eliminate the threat or

reasonable suspicion of such Hazardous Substance Release; (b) correct the violation of Environmental Laws or of environmental provisions of this Lease; and/or (c) investigate, contain, stop, and accomplish source control (if the source is on the Premises) for, Hazardous Substance Releases for which Lessee is responsible under this Lease and remove such Hazardous Substance Releases to the extent required by Environmental Laws and consistent with the permanent remediation requirements of Section 6.7.2. If the source is off the Premises, Lessee will immediately notify the Port upon becoming aware of the Hazardous Substance Release.

6.7.2 Remediation

Lessee shall promptly undertake all actions necessary or appropriate to ensure that any Hazardous Substance Release for which Lessee is responsible under this Lease is permanently remediated and that any violation of any applicable Environmental Laws for which Lessee is responsible under this Lease or any violation by Lessee of an environmental provision of this Lease is corrected. In addition, with respect to any Hazardous Substance Release for which Lessee is responsible under this Lease, Lessee shall restore the Premises or other affected Premises or water to such condition that: (a) a determination of "**No Further Action**" which may include conditions, has been obtained from the Oregon DEQ or other pertinent authority such as the EPA, or site closure acceptable to the Port in its sole discretion; (b) no ongoing monitoring of Hazardous Substances on the Premises is required under applicable Environmental Laws unless approved by the Port and at the sole cost of Lessee; (c) no Hazardous Substances are left in place and capped with either soil or other material; and (d) there are no restrictions or institutional controls under applicable Environmental Laws on the use or development of the Premises other than those consistent with current and reasonably anticipated future land uses at the Premises and surrounding properties. Nothing in this Section 6.7.2 shall require Lessee to remediate any Hazardous Substance Release for which Lessee is not responsible under Section 6.6.1 or for which Lessee's liability is limited as provided in Section 6.6.2.

6.7.3 Natural Resources Damages Assessment and Restoration

Lessee shall promptly undertake, at Lessee's sole expense, all actions necessary to ensure that any natural resources damages associated with the violation of Environmental Laws on or associated with the Premises for which Lessee is responsible under this Lease, and the environmental provisions of this Lease or any Hazardous Substance Release by Lessee, contractors, invitees, agents, or employees, is investigated, determined, quantified, assessed, and permanently restored and compensated for, such that a final resolution, settlement, or "No Further Action" determination is obtained from all involved natural resources trustees with jurisdiction over the Hazardous Substance Release.

6.7.4 Report to the Port

Within thirty (30) days following completion of any assessment, investigation, feasibility study, containment, removal, or remedial action required by this Lease, Lessee shall provide the Port with a written report outlining, in detail, what has been done and the results thereof.

6.7.5 Port's Approval Rights

Except in the case of an emergency or an agency order requiring immediate action, Lessee shall give the Port advance notice before beginning any investigatory, remediation or removal procedures. The Port shall have the right to approve or disapprove the proposed investigatory, remediation and removal procedures and the company(ies) and/or individuals conducting such procedures which are required by this Lease or by applicable Environmental Laws, whether on the Premises or on any affected Premises or water. The Port will have the right to require Lessee to request oversight from the DEQ or other pertinent authority such as the EPA or to require Lessee to participate under an agreement in DEQ's voluntary cleanup program, if applicable, regarding any investigatory, containment, remediation and removal activities or require Lessee to seek a formal determination from DEQ of No Further Action or site closure.

6.8 Notice

Lessee shall promptly notify the Port upon becoming aware of: (a) a violation or alleged violation of any applicable Environmental Laws related to the Premises or to Lessee's occupation or use of the Premises or any environmental provision of this Lease; and (b) any Hazardous Substance Release on, under or adjacent to the Premises or threat of or reasonable suspicion of any of the same. If Lessee fails to notify the Port of a matter as required in this Section 6.8, and if the Port does not otherwise acquire knowledge of the matter, Lessee shall be liable for any aggravation of a Hazardous Substance Release that could reasonably have been avoided if such notification by Lessee had been provided.

6.9 Split Sampling

Except in the case of an emergency or an agency order requiring immediate action, Lessee shall notify the Port at least forty-eight (48) hours in advance of any proposed sampling associated with a Hazardous Substance Release in order to allow the Port to be present or to collect duplicate (or "split") samples so that the Port may conduct its own analysis. Lessee shall provide the Port with copies of any sampling results and associated chain-of-custody and quality assurance and quality control information within ten (10) days of request by the Port.

6.10 Port's Right to Perform on Behalf of Lessee

In the event Lessee is in default of any of its obligations under this Section 6 or any Environmental Laws, the Port shall have the right, after written notice to Lessee and a period of thirty (30) Business Days provided for Lessee to cure, to perform such obligations and charge Lessee all resulting Environmental Cost, together with interest at the Delinquency Rate, from the date the expense is incurred by the Port until the date paid. The Port may not commence performance on behalf of Lessee under this Section 6.10 if, during the thirty (30) day period, Lessee promptly begins and diligently pursues to completion the performance of the obligations set forth in the Port's notice. Notwithstanding the foregoing, in the event the Port determines that an emergency exists and Lessee is either unwilling or unavailable to take immediate and appropriate action, the Port may take commercially reasonable action, and charge Lessee all resulting Environmental Cost from the date the expense is incurred by the Port until the date paid. If such Environmental Cost is not reimbursed within thirty (30) days of written demand, the Delinquency Charge will be imposed retroactive to the date the Environmental Cost was incurred.

The Port agrees to make a good faith effort to attempt to notify Lessee before beginning any clean-up operation.

7. INDEMNITY, INSURANCE

7.1 Lessee's General Indemnity; Reimbursement of Damages

Lessee agrees to defend (using legal counsel reasonably 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, Environmental Cost 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 Lessee; (b) any use, occupation, management or control of the Premises by Lessee, whether or not due to Lessee'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; (d) any Triggering Environmental Event for which Lessee is responsible under this Lease, including without limitation any injury or damage occurring therefrom; and (e) any breach, violation or nonperformance of any of Lessee's obligations under this Lease. For purposes of this Section 7.1 (a) through (e), Lessee shall be deemed to include Lessee and Lessee's partners, officers, directors, employees, agents, invitees, suppliers, subcontractors and contractors, and the Port shall mean the Port, its commissioners, directors, agents, employees and volunteers. Neither Lessee's partners, officers, directors, employees, and agents nor the Port's commissioners, directors, agents and employees shall be held personally liable under the provisions of this Section 7.1.

7.2 Insurance Requirements

Insurance requirements set forth below do not in any way limit the amount or scope of liability of Lessee under this Lease. 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 Lease. All insurance required by Lessee under this Lease shall meet the following minimum requirements.

7.2.1 Certificates; Notice of Cancellation

Prior to the Effective Date and at all times thereafter during the Lease Term (and any extension thereof), but in any event and all times prior to Lessee being allowed on the Premises, Lessee shall provide the Port with current certificates of insurance, including a copy of the additional insured endorsement required in Section 7.2.2, executed by a duly authorized representative of each insurer, evidencing the existence of all insurance policies required under this Section 7. The Port shall receive at least thirty (30) days' written notice prior to cancellation, non-renewal, or material change in any policy required under this Section 7. Insurance must be maintained without any lapse in coverage during the Lease Term. The Port shall also be given copies of Lessee's policies of insurance, upon request. Failure of the Port to demand such certificates or other evidence of full compliance with these insurance requirements or failure of

the Port to identify any deficiency or noncompliance with coverage requirements shall not be construed as a waiver of Lessee's obligation to maintain the insurance required by this Lease.

7.2.2 Additional Insured; Separation of Insureds

The Port shall be named as an additional insured in each general liability policy, other than employer's liability. Such insurance shall provide cross liability coverage equivalent to the standard Separation of Insureds clause published by the Insurance Services Offices ("ISO") or a successor organization.

7.2.3 Primary Coverage

The required policies shall provide that the coverage is primary and will not seek any contribution from any insurance or self-insurance carried by the Port.

7.2.4 Company Ratings

All policies of insurance must be written by companies having an A.M. Best rating of "A-" or better, or equivalent. The Port may, upon ninety (90) days' written notice to Lessee, require Lessee to change any carrier whose rating drops below an "A-" rating.

7.2.5 Deductibles and Retentions

Any deductible or self-insured retention of the per-occurrence or per-accident limit of a required policy in excess of the following is subject to approval by the Port: three percent (3%) of the insured value for earthquake with ONE HUNDRED THOUSAND DOLLARS (\$100,000) minimum per occurrence; ONE HUNDRED THOUSAND DOLLARS (\$100,000) for flood and pollution; and FIFTY THOUSAND DOLLARS (\$50,000) for any other coverage required in this Section 7.

7.3 Required Insurance

On or before the Effective Date, but in any event and at all times prior to Lessee being allowed on the Premises, Lessee shall provide and maintain the following types of coverage:

7.3.1 General Liability Insurance

Lessee shall maintain an occurrence form commercial general liability policy or policies insuring against liability arising from premises operations, independent contractors, products completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract) occurring on or in any way related to the Premises or occasioned by reason of the operations of Lessee in an amount of not less than TWO MILLION DOLLARS (\$2,000,000) or the Lessee's policy limits, whichever is greater, per occurrence. The Port requires and shall be entitled to any broader coverage and/or higher policy limits maintained by the Licensee. Any and all available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be made available to the Port. The Port may pursue additional limits from the Lessee, and Lessee will be required to provide additional requested coverage, if the policy is exhausted or inadequate in case of a loss.

7.3.2 Property Insurance

Lessee shall throughout the Lease Term keep the Premises and all other structures, improvements, and buildings on the Premises insured against loss by fire and other casualties as may be included in risk insurance as available. Coverage shall be in an amount equal to one hundred percent (100%) of the replacement value. Such insurance shall include the insurer's waiver of subrogation in accordance with Section 7.4. Lessee shall bear the expense of any insurance insuring the property of Lessee on the Premises against such risks.

7.3.3 Automobile Liability Insurance

In the event that automobiles are used in connection with Lessee's business or operations at the Premises, Lessee shall maintain an automobile liability policy or policies insuring against liability for bodily injury, death, or damage to Premises, including loss of use thereof, and occurring in any way related to the use, loading or unloading of any of Lessee's automobiles (including owned, hired and non-owned vehicles) on and around the Premises. Coverage shall be in an amount of not less than TWO MILLION DOLLARS (\$2,000,000) each accident. The Port requires and shall be entitled to any broader coverage and/or higher policy limits maintained by the Licensee. Any and all available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be made available to the Port.

7.3.4 Workers' Compensation Insurance

Lessee, Lessee's contractors and subcontractors shall all maintain in force Workers' Compensation insurance in accordance with all requirements of Oregon law. Lessee shall also maintain employer's liability coverage in an amount of not less than ONE MILLION DOLLARS (\$1,000,000) per accident and ONE MILLION DOLLARS (\$1,000,000) per employee for disease. In lieu of such insurance, Lessee may maintain a self insurance program meeting the requirements of the State of Oregon and a policy of excess workers' compensation and employer's liability insurance.

7.3.5 Pollution Liability Insurance

Lessee shall provide and maintain Pollution Liability Insurance for bodily injury and property damage carrying limits of not less than TWO MILLION DOLLARS (\$2,000,000) per occurrence or per claim, and in the aggregate. The Port requires and shall be entitled to any broader coverage and/or higher policy limits maintained by the Licensee. Any and all available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be made available to the Port.

7.3.6 Aircraft Liability Insurance

Lessee shall provide and maintain Aircraft Liability Insurance for property damage, bodily injuries, or death of any owned or hired aircraft on the Premises with a minimum combined single limit of ONE MILLION DOLLARS (\$1,000,000) per occurrence.

7.3.7 Personal Property Insurance

Lessee will be responsible for insuring all Lessee's own Personal Property on the Premises.

7.3.8 Lessee's Risks

Lessee shall be responsible for obtaining any insurance it deems necessary to cover its own risks, including without limitation: (a) personal property, and/or (b) automobile physical damage and/or theft. In no event shall the Port be liable for any: (i) business interruption or other consequential loss sustained by Lessee; (ii) damage to, or loss of, personal property; or (iii) damage to, or loss of, an automobile, whether or not such loss is insured, even if such loss is caused by the negligence of the Port.

7.4 Waiver of Subrogation

Lessee waives any right of action that it and/or its insurance carrier(s) might have against the Port (including the Port's commissioners, employees and agents) for any loss, cost, damage, or expense (collectively "**Loss**") covered by any property insurance policy or policies maintained or required to be maintained pursuant to this Lease. Lessee also waives any right of action it and/or its insurance carrier(s) might have against the Port (including the Port's commissioners, employees and agents) for any Loss to the extent such Loss is a property loss covered under any applicable automobile liability policy or policies required by this Lease. If any of Lessee's applicable insurance policies does not allow the insured to waive the insurer's rights of recovery prior to a Loss, Lessee shall cause such policies to be endorsed to allow the waivers of subrogation required by this Section 7.4.

7.5 Periodic Review

The Port shall have the right to periodically review, including at the beginning of each Extension Term, the types, minimum coverage, limits and terms of insurance coverage for consistency with then current types, minimum coverage, limits and terms of insurance coverage for similar operations. If the Port determines that certain types of insurance are not generally available in the marketplace at reasonable terms and pricing for similar operations, Lessee shall not be required to carry such insurance until such insurance becomes available for similar operations. In the event the Port reasonably determines that such types, minimum coverage, limits, and/or terms should be changed to be consistent with then current types, minimum coverage, limits and terms of insurance coverage generally available in the marketplace at reasonable terms and pricing for similar operations, the Port will give Lessee a minimum of ninety (90) days' notice of such determination and Lessee shall modify its coverage to comply with the new insurance requirements of the Port. Lessee shall also provide the Port with proof of such compliance by giving the Port an updated certificate of insurance within fifteen (15) calendar days of Lessee's receipt of such updates. Lessee shall have the right to periodically request the Port to conduct a review of the then current types, minimum coverage, limits and terms of insurance coverage generally available in the marketplace at reasonable terms and pricing for similar operations if Lessee believes the current types, minimum coverage, limits and terms of insurance coverage generally available in the marketplace at reasonable terms and pricing for similar operations have changed. The Port shall reasonably consider such request to determine if Lessee's current

coverage comports with what is generally available in the marketplace at reasonable terms and pricing for similar operations and make changes to the insurance requirements under this Lease accordingly.

7.6 Survival of Indemnities

The indemnity agreements set forth in this Section 7 shall survive the expiration or earlier termination of this Lease and be fully enforceable thereafter.

8. DAMAGE AND DESTRUCTION

8.1 General

Lessee shall promptly notify the Port of damage or destruction to any Port or Lessee Improvements located on the Premises ("**Casualty**"). The Port reserves the right to make proof of loss to the insurance carrier in the event Lessee fails to do so within thirty (30) days of any Casualty. Lessee shall fully cooperate with the Port and the Port's insurance carrier in connection with any Casualty.

8.2 Restoration

In the event of any Casualty, Lessee shall restore the Lessee Improvements and Premises and cooperate with the Port with the same. If Lessee is unable to operate on the Premises for any period of time following a Casualty, Lessee must take appropriate measures to secure the Premises during any period of such non-use and to prevent unauthorized parking or other unauthorized uses on the Premises.

8.3 Termination of Lease Following Casualty

8.3.1 Funds to Restore; Restoration Standards

If Lessee elects to restore or replace the damaged Premises in lieu of terminating the Lease, insurance proceeds shall be used by Lessee to promptly restore the damaged Premises. All costs and expenses of restoration of the Premises shall be paid by Lessee, whether or not the insurance proceeds are sufficient to accomplish such restoration. Any restoration, rebuilding, repair and cleanup shall be at Lessee's expense and shall comply with all provisions of this Lease.

If any building or structure should be totally destroyed by fire, earthquake or other casualty, or if it should be so damaged thereby that rebuilding or repairs cannot in the Lessee's estimation be completed within two (2) years after the date upon which the Port is notified by Lessee of such damage, this Lease may be terminated, at Lessee's option, and the Rent shall be abated during the unexpired portion of this Lease, effective upon the date of the occurrence of such damage.

The Lessee shall give notice to Port in writing of its determination to complete the restoration or terminate this Lease within ninety (90) days following the date of the occurrence of such damage. If Lessee elects to restore or replace the Improvements then the Rent shall continue during the restore and rebuild period.

If Lessee fails to rebuild the Premises, then all insurance proceeds shall be retained by the Port. The Port may but shall not be obligated to rebuild the improvements. To the extent the cost to rebuild the improvements exceeds the insurance proceeds, Lessee shall pay the difference to the Port.

8.3.2 Right to Terminate

In lieu of repairing, restoring or replacing damaged Improvements or damage to the Premises and allowing this Lease to continue, Lessee may elect to terminate this Lease in the event of a Casualty in which over 50 % of the Premises are destroyed by written notice to the Port given within ninety (90) days after the date of the Casualty, provided that prior to such termination Lessee must first remove and properly dispose of damaged Improvements and other Improvements as provided in Section 9; restore the Premises by thoroughly removing all debris and surface Improvements; regrade the Premises to a rough grade condition and plant with grass or other ground cover acceptable to the Port; remove all foundations, vaults, tanks and other underground Improvements; remove all utilities; and remediate any environmental damage for which Lessee is responsible under this Lease in accordance with the standard provided in Section 6.7, and otherwise meet with all termination requirements under this Lease including without limitation the requirements in Section 9. All removal and restoration provided in this Section and all other termination obligations under this Lease shall be completed no later than three-hundred sixty (360) days from the termination date set forth in Lessee's written termination notice to the Port of Lessee's election to terminate. Notwithstanding the foregoing, if Lessee reasonably requires additional time to perform the requirements of the preceding sentence, Lessee shall notify the Port and, provided that Lessee has been diligently pursuing the restoration following the date of Casualty and can demonstrate that such additional time is reasonably required, the termination date shall be extended by a time period determined by the Port in its reasonable discretion, but in no event shall such termination date as extended exceed the earlier of (a) five-hundred forty (540) days after the date of the Casualty; or (b) the Expiration Date. If Lessee does not elect to terminate under the provisions of this Section, Lessee shall be obligated to rebuild the Improvements. In such event, the Port will oversee the reconstruction of the Port Improvements and expend the insurance proceeds to complete any such restoration, and Lessee will oversee the rebuild of the Lessee Improvements, provided that Lessee agrees to safeguards reasonably required by the Port to assure that the work is completed in a timely fashion and according to plans approved by the Port.

8.3.3 Effect of Election to Terminate

In the event that Lessee elects to terminate under Section, this Lease shall terminate as soon as Lessee has removed all liens and encumbrances affecting the Premises (other than those created by the Port or already existing at the Effective Day of this Lease) and has satisfied all obligations arising upon expiration or termination of this Lease, including but not limited to the obligations set forth in this Section and in Section 9. In the event of such termination, Lessee shall be responsible for payment of all Taxes due and owing through the end of the then current Tax Year.

If Lessee does not give the Port notice of its election to terminate this Lease under this Section within the required time period, Lessee will be conclusively deemed to have elected to promptly restore and/or replace the Improvements and this Lease will remain in full force and effect.

9. TERMINATION

9.1 Duties of Termination

Upon the Expiration Date or earlier termination of this Lease for any reason, Lessee shall complete all of Lessee's obligations under this Lease, including, but not limited to, meeting all of Lessee's environmental requirements under Section 6 (including without limitation the payment of all Environmental Costs for which Lessee is responsible under this Lease), delivering to the Port all keys and all manuals, warranties and other information in Lessee's possession relating to any of the improvements and surrendering the Premises and all improvements in good clean condition, reasonable wear and tear excepted (subject to the requirement to remove the improvements as set forth in this Lease). All Lessee Improvements shall, at the Port's sole option, be deemed Port Premises (including any buildings, additions, and pavements constructed on the Premises) and shall not be removed unless the Port directs Lessee to remove such Lessee Improvements, in which case Lessee shall remove the Lessee Improvements and then restore the Premises. All repairs or removals for which Lessee is responsible shall be completed at Lessee's cost within one (1) year from the date of termination. Except in the event of early termination pursuant to the terms of this Lease, the Port shall give Lessee written notice not later than one-hundred eighty (180) days prior to the end of the initial Lease Term or the then current Extension Term ("**Removal Notice**") of the Port's election to have Lessee remove some or all of the Lessee Improvements. If the Port fails to timely provide such Removal Notice, such failure shall not be deemed a Default under this Lease and Lessee's obligation to remove the Lessee Improvements, if desired by the Port, shall not be extinguished; however, the date upon which the Lessee Improvements must be removed and any damage to the Premises repaired by Lessee shall be extended by the number of days the Removal Notice was late. If the Lessee Improvements are damaged after the Port has indicated in its Removal Notice that the improvements could remain, the Port may elect, in its sole discretion, to require Lessee to remove the Lessee Improvements and restore the Premises.

10. DEFAULT

10.1 Event of Default

The occurrence of any of the following shall constitute an "**Event of Default**" (also referred to as a "**Default**").

10.1.1 Default of Monetary Obligations

An Event of Default shall occur if Lessee fails to pay any monetary obligation required under this Lease and such failure to pay is not cured within ten (10) days after written notice to Lessee by the Port, except that a failure to pay Rent must be cured within ten (10) days of its due date without notice from the Port. Any default by either party under the terms of the SDOA will also be considered an Event of Default under this Lease.

10.1.2 Default in Covenants

An Event of Default shall occur if Lessee violates any term, covenant or condition of this Lease or the SDOA (other than as provided in Sections 10.1.1 and 10.2.3) and such violation is not cured within thirty (30) days after written notice to Lessee by the Port describing the nature of the violation. If the violation is of such a nature that it cannot be completely cured within the

thirty (30) day period, this provision shall be complied with if Lessee begins diligent correction of the violation within such thirty (30) day period and, thereafter, proceeds in good faith and with all due diligence to effect the cure as soon as reasonably possible. If Lessee violates the same provision of this Lease more than three (3) times in any calendar year, then the Port may declare an immediate Event of Default for which no opportunity to cure need be given, except as provided in Section 10.2.1.

10.1.3 Bankruptcy/Insolvency

The Insolvency of Lessee shall be an immediate Event of Default for which no notice or opportunity to cure need be given. For the purposes of this Lease, and to the extent permitted by the United States Bankruptcy Code, "**Insolvency**" shall mean: (a) an assignment by Lessee for the benefit of creditors; (b) the filing by Lessee of a voluntary petition in bankruptcy; (c) dissolution of Lessee; (d) the appointment of a receiver of the properties of Lessee and failure of Lessee to secure discharge of the receiver within ninety (90) days; (e) the filing of an involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the petition within ninety (90) days after filing; and (f) attachment of, or the levying of execution on, the leasehold interest and failure of Lessee to secure discharge of the attachment, or release of the levy of execution, within ninety (90) days.

10.2 Remedies on Event of Default

Immediately upon the occurrence of an Event of Default, the Port may, at its option, exercise any of the following rights and remedies, in addition to any other rights and remedies provided elsewhere in this Lease or otherwise at law or in equity.

10.2.1 Termination of Lease

The Port may terminate this Lease and Lessee's right to possession of the Premises. However, the Port shall provide Lessee with an additional ninety (90) days' prior written notice of the Port's intention to terminate this Lease for an Event of Default except in the case of Holdover, during which time period Lessee shall have another opportunity to fully cure the Default and avoid termination even though an Event of Default has already occurred. If Lessee fails to fully cure the Default within ninety (90) day notice period, provided under this Section 10.2.1, the Port may automatically terminate this Lease and Lessee's right to possession of the Premises with no additional notice. No other extensions of time will be granted, and no partial cure shall be accepted.

10.2.2 Re-Entry

Either with or without terminating this Lease or accepting surrender, the Port may re-enter the Premises, or any part thereof, by suitable action or proceeding at law, or as otherwise permitted by applicable law, without being liable for indictment, prosecution or damages therefor, and may repossess the Premises and remove any person or Premises therefrom, to the end that the Port may have, hold and enjoy the Premises.

10.2.3 Reletting

Following such re-entry either with or without acceptance of surrender, the Port may relet the whole or any part of the Premises from time to time, either in the name of the Port

or otherwise, to such Lessees, for such terms ending before, on or after the Expiration Date of this Lease and upon such conditions as the Port may determine to be appropriate. Acts of maintenance, preservation or efforts to relet the Premises, or the appointment of a receiver upon initiative of the Port to protect the Port's interest under this Lease, shall not constitute a termination of the Lease or an acceptance of surrender of the Lease. The Port, at its option, may make such physical changes to the Premises as the Port, in its discretion, considers advisable and necessary in connection with any such reletting, without relieving Lessee of any liability under this Lease or otherwise affecting Lessee's liability.

10.2.4 Right to Sue More than Once

The Port may sue periodically to recover damages and no action for damages shall bar a later action for damages subsequently accruing.

10.3 No Waiver of Default

No failure by the Port to insist on the strict performance of any agreement, term, covenant, or condition of this Lease or to exercise any right or remedy consequent upon a breach, and no acceptance of partial Rent during the continuance of any such breach, constitutes a waiver of any such breach or of such agreement, term, covenant, or condition. No agreement, term, covenant, or condition to be performed or complied with by Lessee, and no breach by Lessee, shall be waived, altered, or modified, except by a written instrument executed by the Port. No waiver of any breach shall affect or alter this Lease, but each and every agreement, term, covenant, and condition of this Lease shall continue in full force and effect with respect to any other then-existing or subsequent breach.

10.4 Remedies Cumulative and Nonexclusive

Each right and remedy in this Lease will be cumulative and will be in addition to every other right or remedy in this Lease, or existing at law or in equity, including, without limitation, suits for injunctive relief and specific performance. The exercise or beginning of the exercise by the Port of any such rights or remedies will not preclude the simultaneous or later exercise by the Port of any other such rights or remedies. All such rights and remedies are nonexclusive.

10.5 Curing Lessee's Default

If Lessee fails to perform any of Lessee's obligations under this Lease, and such failure becomes an Event of Default, the Port, without waiving such failure, may (but shall not be obligated to) perform the same for the account of and at the expense of Lessee, with whatever notice is reasonably possible, if any, in a case of emergency, and in any other cases, only if such failure to begin cure or diligently pursue cure continues after the expiration of thirty (30) days from the date the Port gives Lessee notice of the failure. The Port shall not be liable to Lessee for any claim for damages resulting from such action by the Port except to the extent caused by the gross negligence or willful misconduct of the Port, its agents, employees and contractors (but in no event for lost profits or consequential damages). Lessee agrees to reimburse the Port, upon demand, any amounts the Port spends in curing Lessee's Default.

10.6 Administrative Costs

If the Port gives Lessee one (1) written notice of a violation of a specific provision of this Lease and Lessee violates the same provision again during any twelve (12) month period of the Lease Term, in addition to all other rights and remedies set forth herein, Lessee agrees to reimburse the Port for its reasonable administrative costs incurred as a result of any notice of any subsequent violation. Failure by Lessee to pay such costs shall be deemed an Event of Default.

10.7 Default by Port

In the event of any Default by the Port, prior to being entitled to maintain any action, Lessee shall give the Port written notice specifying such Default with particularity, and the Port shall have thirty (30) days within which to cure any such Default, or if such Default is non-monetary and cannot reasonably be cured within thirty (30) days, the Port shall then be deemed in compliance with this provision so long as it begins the cure within the thirty (30) day period and diligently pursues the cure to completion. Unless and until the Port fails to so cure such Default after such notice, Lessee shall not have any remedy or cause of action by reason thereof. All obligations of the Port hereunder shall be construed as covenants, not conditions, and all such obligations shall be binding upon the Port only during the period of its ownership of the Premises and not thereafter.

11. TRANSFER BY THE PORT

At any time after the Effective Date of this Lease, the Port shall have the right to transfer its interest in the Premises or in this Lease. In the event of such a transfer, Lessee shall attorn to said transferee and recognize transferee as the new lessor under the Lease. Thereafter, the Port shall be relieved, upon notification to Lessee of the name and address of the Port's successor, of any obligations accruing from and after the date of the transfer so long as the transferee agrees to assume all obligations of the Port under this Lease.

12. TRANSFER BY LESSEE

12.1 Transfers to Affiliate: Port Staff Review and Approval

Lessee may transfer all or any parts of this Lease or the Lessee Improvements (“**Leasehold Estate**”) to any entity that Lessee controls, directly or indirectly, is under common control with, or is controlled by the Lessee (“**Affiliate**”) by providing prior written notice to the Port for review and approval by Port staff. Lessee shall promptly notify Port of any such proposed transfer and take no further action until such time as Port staff complete their review and approval process, such approval not to be unreasonably denied or withheld. Any such review is not required to be taken before the Port of Columbia County Commission. Any such Affiliate shall assume all obligations and liabilities of the Lessee under this Lease. From and after Lessee’s assignment of this Lease and assumption of this Lease by Affiliate, Lessee shall be relieved, released and discharged from any obligation or liability under this Lease accruing after the date of such Transfer. If Lessee transfers this Lease, then as between Port and Lessee, Lessee shall be deemed to have transferred to the Affiliate all claims against Port then existing, together with all liabilities and obligations of Lessee then existing or thereafter arising under this Lease (except as otherwise expressly provided in this Lease).

12.2 Transfer to Non-Affiliates: Port Commission Review and Approval

Lessee may transfer all or any parts of the Leasehold Estate to any non-affiliated entity ("Change of Control") by providing prior written notice to the Port for Port staff review and approval. **"Change of Control"** means a transfer of control to a person, entity or group of persons or entities acting in concert which has acquired, directly or indirectly, control over all or any parts of the Leasehold Estate and such person, entity or group of persons or entities was not already the ultimate controlling party ("Transferee"). Lessee shall promptly notify Port of any such proposed Change of Control and take no further action until such time as the Port of Columbia County Commission approves the Change of Control by majority vote at a regularly scheduled meeting. From and after Lessee's assignment of this Lease and assumption of this Lease by the Transferee, Lessee shall be relieved, released and discharged from any obligation or liability under this Lease accruing after the date of such transfer. If Lessee transfers this Lease after approval by majority vote of the Port of Columbia County Commission, then as between Port and Lessee, any such Transferee shall assume all obligations and liabilities of the Lessee under this Lease. Lessee shall be deemed to have transferred to the Transferee all claims against Port then existing, together with all liabilities and obligations of Lessee then existing or thereafter arising under this Lease (except as otherwise expressly provided in this Lease)

Any transfer made to a Transferee without the consent by majority vote of the Port of Columbia County Commission as outlined herein shall be null, void, and of no valid legal force or effect.

13. ASSIGNMENT OF INTEREST OR RIGHTS

Except for Transfers to Affiliates or Non-Affiliates as outlined herein, Lessee shall not sell, sublease, assign, or otherwise transfer its interest in this Lease, the Port Improvements, the Lessee Improvements and or/the Premises, either voluntarily or by operation of law, without the prior written consent of the Port, which shall not be unreasonably withheld, but may be reasonably conditioned to the extent necessary or appropriate to protect Port's interest in the Premises. Any such transfer or assignment, or attempted assignment, subletting or attempted subletting, without such consent, shall be absolutely null and void and shall, at the option of the Port, terminate all rights of the Lessee under or by virtue of this Lease. Lessee's interests, in whole or in part, cannot be taken by operation of law, nor under or by virtue of any execution or legal process, attachment, or proceeding instituted against the Lessee, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the Lessee, or in any other manner except as above mentioned. The Port may, in its discretion, consent to an assignment or sublease provided the following conditions are satisfied: a) Lessee has satisfied all conditions of the Lease precedent to assignment or sublease; b) Lessee and its assignee have completed an assignment form provided by the Port and assured the Port that the assignee the capacity to perform on the Lease; c) The Port has determined that such assignment or sublease is in the best interest of the Port.

14. CONDEMNATION

14.1 General

In the event any public or private entity having the power of eminent domain exercises its right or power of eminent domain, the parties' rights and obligations shall be governed by the common law of the State of Oregon, the applicable Oregon statutes, and this Lease. To the extent allowed by law, in the event of conflict among the statute, common law and this Lease, this Lease shall prevail. If the condemning authority is the Port, Lessee agrees that it will not contest the Port's right to condemn the Premises, or any portion thereof, for whatever purpose the Port deems necessary, but Lessee may contest the value payable to Lessee due to such condemnation. In cases where the condemning authority is an entity other than the Port, Lessee and the Port agree to cooperate, in good faith, to resolve any issues relating to value and/or authority to condemn.

14.2 Definitions

As used in this Lease, the following definitions shall apply:

14.1.1 Partial Taking

"Partial Taking" means the taking by right of eminent domain or other authority of law, or a voluntary transfer under the threat of the exercise of the right of eminent domain or other authority, of any portion of the Premises which does not constitute a Total Taking.

14.2.2 Total Taking

"Total Taking" means the taking by right of eminent domain or other authority of law, or a voluntary transfer under the threat of the exercise of the right of eminent domain or other authority, of so much of the Premises as is necessary for Lessee's occupancy that the Premises, after the taking, is no longer suitable for Lessee's intended use.

14.2.3 Taking

"Taking" refers to either a Partial Taking or a Total Taking.

14.2.4 Date of Taking

"Date of Taking" means: (i) the date on which the condemning authority takes legal ownership or actual physical possession of the Premises being condemned; (ii) the date given in a written notice from the condemning authority as the date that it is deemed to have taken possession or is granted possession by a court; or (iii) such date as is agreed to, in writing, in the event of a sale in lieu of condemnation.

14.2.5 Premises Award

The **"Premises Award"** shall mean the Fair Market Value of the Premises (as defined in Section 3.3.2 above), including the Premises and all infrastructure improvements made to the Premises by any party and including the Port's Reversionary Interest in Lessee Improvements but excluding the Leasehold Award, described in Section 16.2.6, which Lessee shall be entitled to claim. The Premises Award shall also include any consequential damages to any part of the Premises that may not be taken. The Premises Award is payable solely to the Port.

14.2.6 Leasehold Award

The "**Leasehold Award**" shall mean the sum of: (i) the present value, determined as of the Date of Taking, of Lessee's Improvements; (ii) the present value, determined as of the Date of Taking, of Lessee's interest in the leasehold estate, including any claim for reimbursement of any prepaid Rent including prepaid Rent; and (iii) provided the Lease is not terminated, any consequential damages such as the cost of any alterations, modifications, or repairs which may be reasonably required by Lessee in order to place the remaining portion of the Premises not taken in a suitable condition for the continuance of Lessee's occupancy. The Leasehold Award is payable solely to Lessee. No portion of the value attributable to the Premises or improvements owned, made by or paid for by the Port or other government authority, or any infrastructure improvements, or the Port's residual interest in other improvements, shall be considered a part of the Leasehold Award.

14.2.7 Port's Reversionary Interest

The "**Port's Reversionary Interest**" shall mean the present value, determined as of the Date of Taking, of any right of the Port under this Lease to receive the taken Lessee Improvements at the end of the Lease Term.

14.2.8 Distribution of Takings Award

The Port shall have the right to and shall be entitled to receive directly from the condemning authority, in its entirety and not subject to any trust, the entire Premises Award. Lessee shall have the right to and shall be entitled to receive directly from the condemning authority, in its entirety and not subject to any trust, the entire Leasehold Award. It is the intent of the parties that the Premises Award and the Leasehold Award will equal the total amount of the award paid as a result of a Taking of the Premises.

14.3 Total Taking

If a Total Taking occurs during the Lease Term, this Lease will terminate as of the Date of Taking.

14.4 Partial Taking

If a Partial Taking occurs during the Lease Term, this Lease shall terminate as of the Date of Taking as to the portion of the Premises taken. The Lease will continue in full force and effect as to the remainder of the Premises unless Lessee reasonably determines that the remaining portion of the Premises is inadequate for Lessee's purposes, in which event Lessee may elect to terminate the Lease within thirty (30) days of the date of the Taking by providing the Port written notice of termination, to be given in accordance with Section. If notice of termination is not received by the Port within thirty (30) days of the Partial Taking, the Lease will continue in full force and effect as to the remainder of the Premises. Unless the Taking is by the Port, there shall be no refund of any prepaid Rent by the Port to Lessee, but Lessee may make a claim for such prepaid Rent against the condemning authority, as part of the Leasehold Award. Lessee shall promptly make, at Lessee's sole expense, all necessary repairs or alterations to restore the remaining Premises after a Partial Taking.

14.5 Claims Against Condemning Authority

In any case where the Port is not the condemning authority, Lessee and the Port agree to work together, in good faith, in making their respective claims against the condemning authority, in accordance with the provisions of this Section. The Port also agrees to work together, in good faith, with any of Lessee's Permitted Leasehold Mortgagees, in making their respective claims against the condemning authority, in accordance with the provisions of this Section. Each party shall be responsible for making its own claim for court costs and attorney fees incurred in the condemnation proceedings.

14.6 Adjustment of Award

To the extent that the court does not distribute the Takings award in accordance with the distribution rights set forth in this Section, the parties agree, upon receipt of the award, to promptly pay to the other any amount of the award belonging to the other in accordance with the distribution set forth in this Section. If the parties cannot agree upon the distribution within twenty (20) days of the date the judgment or decree is entered in the condemnation proceedings, the controversy shall be resolved in the same court as the condemnation action was brought. The cost of resolving any such controversy, including the prevailing party's attorney fees, shall be paid by the losing party, as determined by the court. The award allocation may also be resolved by mediation or arbitration if the Port and Lessee both agree to submit the issue to mediation or arbitration.

14.7 Effect of Termination

If this Lease is terminated pursuant to the provisions of this Section, then all charges payable by Lessee to the Port under this Lease, if applicable, will be paid up to the Date of Taking. In the event of termination as a result of a Total Taking, the Port and Lessee will then be released from all further liability under this Lease or, in the event of a Partial Taking, from all further liability under this Lease with respect to the portion of the Premises so taken, except such liability which survives termination.

14.8 Notice of Taking

Either party receiving any notice of intended taking, any service of legal process relating to condemnation, or any other notification in connection with any taking, condemnation, or sale or transfer in lieu of condemnation, shall promptly give the other party notice of such receipt. No sale, transfer, agreement, or settlement with the condemning authority shall be made without the written consent of the Port and Lessee.

15. PORT CONDEMNATION RIGHTS

Nothing in this Lease shall in any way limit the powers and rights of the Port to exercise its governmental rights and powers, including its powers of condemnation and eminent domain. Lessee hereby agrees to waive any right it may have to contest the Port's right or authority to condemn, or its rights of condemnation based on a qualifying public purpose. Lessee agrees that it shall limit any contest with the Port relating to the Port's condemnation/eminent domain rights or authority only to the issue of Lessee's interest in the value of the Premises and Lessee Improvements being condemned. Lessee hereby agrees that the Port will have the full right and authority to condemn this Leasehold interest as long as Lessee is paid for its value.

16. GENERAL PROVISIONS

16.1 Covenants, Conditions, and Restrictions

This Lease is subject and subordinate to the effect of any covenants, conditions, restrictions, easements, mortgages, deeds of trust, rights of way, and any other matters of record imposed upon the Premises and to any applicable land use or zoning laws or regulations. This Lease is also subject to the Port's right to grant, in the future, underground utility easements through the portions of the Premises not covered by buildings or other structures. Lessee shall, upon request of the Port, execute and deliver agreements of subordination in the form requested by the Port respecting matters covered by this Section. The Port agrees to make reasonable attempts to minimize any disturbance to Lessee that may result from installation of any underground utility lines and will be responsible for prompt restoration of the Premises.

16.2 Governing Law

This Lease shall be governed and construed according to the laws of the State of Oregon, without regard to its choice of law provisions. Venue shall be in Columbia County.

16.3 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 Lease. In no event shall the Port be deemed liable therefor. Lessee shall be solely responsible for such matters.

16.4 Notices

All notices required or desired to be given under this Lease shall be in writing and may be delivered by hand delivery, by email, or by placement in the U.S. mail, postage prepaid, as certified mail, return receipt requested, addressed to the Port at:

Real Estate Manager
Port of Columbia County
if by US mail: P.O. Box 190, Columbia City, OR 97018
bynum@portofcolumbiacounty.org

and to Lessee at:

American Jet Center
7000 Merrill Ave Hangar B210
Chino, CA 91710
Attention: Denis Oliver
denis@americanjetcenter.com

Any notice delivered by hand delivery shall be conclusively deemed received by the addressee upon actual delivery; any notice delivered by facsimile shall be conclusively deemed received by the addressee upon receipt of a confirmation of facsimile by the party sending the notice; any notice delivered by email shall be conclusively deemed received by the addressee upon acknowledgement by return email; any notice delivered by certified mail as set forth herein shall

be conclusively deemed received by the addressee on the third Business Day after deposit in the United States mail.

16.5 Time of the Essence

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

16.6 Non-Waiver

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

16.7 Survival

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

16.8 Partial Invalidity

If any provision of this Lease is held to be invalid or unenforceable, the remainder of this Lease, 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 Lease shall be valid and enforceable to the fullest extent permitted by law.

16.9 Limitation on Liability

Notwithstanding anything to the contrary contained herein, and without limiting the protections against liability stated elsewhere in this Lease, the parties acknowledge that it is in their mutual interests to limit their liability to each other, and expressly bargain for and agree to the following:

(a) The Port shall have no liability to Lessee for loss, damage or injury suffered by Lessee on account of theft or any act or omission of any third party (other than Port commissioners, employees, agents, and contractors), including other lessees. References in this Section 16.9(a) to the Port's agents shall be limited solely to those agents acting within the authority of their agency relationship with the Port, and references in this Section 16.9(a) to Port contractors shall be limited solely to those contractors acting on the Premises and within the express scope of their contract with the Port.

(b) Although this Lease gives the Port certain rights of inspection, such rights shall impose no obligation on the Port to make any inspections, nor impose liability on the Port if the Port fails to make such inspections, or makes inspection, but fails to disclose or require correction of any defect.

(c) With respect to any liability of the Port under this Lease, the Port shall only be liable for any injury or damage to Lessee to the extent of actual damages and only to the extent allowed by law, and shall not be liable for consequential damages (including without limitation lost profits).

(d) With respect to any liability of Lessee under this Lease, Lessee shall only be liable for any injury or damage to the Port to the extent of actual damages and only to the extent allowed by law, and shall not be liable for consequential damages (including without limitation lost profits).

(e) With respect to claims made by entities or persons who are not parties to this Lease, the Port and Lessee, as between them, shall retain all rights to common law indemnity, statutory contribution, and sovereign immunity available under applicable Oregon law. This Section 16.9 is not intended to confer any benefit or right to any entity or person who is not a party to this Lease.

16.10 Headings, Table of Contents and Table of Definitions

The article and section headings, table of contents and table of definitions contained in this Lease are for convenience in reference and are not intended to define or limit the scope of any provision of this Lease.

16.11 Exhibits Incorporated by Reference

All Exhibits attached to this Lease are incorporated by reference in this Lease for all purposes.

16.12 Modifications

This Lease may not be modified except by a writing signed by the Port and Lessee.

16.13 Provisions Applicable to Others

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

16.14 Calculation of Time

All periods of time referred to in this Lease 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 Lease, "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.

16.15 Brokers

Lessee and the Port each represent to one another any commission owed to any agent or broker in connection with this Lease shall not be paid on behalf of the other party.

16.16 Attorney Fees

If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code), is instituted in connection with any controversy arising out of this Lease 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 Lease requires Lessee to defend the Port, it is agreed that such defense shall be by legal counsel acceptable to the Port.

16.17 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 Lease permit, successors and assigns of the parties hereto. The words 'Port' and 'Lessee' and their accompanying verbs or pronouns, wherever used in this Lease, shall apply equally to all persons, firms, or corporations which may be or become such parties hereto.

16.18 Joint and Several Obligations

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

16.19 Defined Terms

Capitalized terms shall have the meanings given them in the text of this Lease.

16.20 Execution of Multiple Counterparts

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

16.21 Estoppel Certificates

Each party (the "**Certifying Party**") agrees to execute and deliver to the other (the "**Requesting Party**"), at any time within thirty (30) days after written request, a statement certifying, among other things: (a) that this Lease is unmodified and is in full force and effect (or, if there have been modifications, stating the modifications); (b) the dates to which Rent has been paid; (c) to the best of the Certifying Party's knowledge, whether or not the Requesting Party is in Default in performance of any of its obligations under this Lease and, if so, specifying the nature of each such Default; and (d) to the best of the Certifying Party's knowledge, whether or not any event has occurred which, with the giving of notice, the passage of time, or both, would constitute a Default by the Requesting Party and, if so, specifying the nature of each such event (referred to herein as an "**Estoppel Certificate**"). The parties agree that any statement delivered pursuant to this Section may be relied upon by the Requesting Party and by potential or actual purchasers and/or lenders with whom the parties may be dealing, regardless of independent investigation. The Requesting Party agrees to pay to the Certifying Party any administrative and legal costs related to providing such Estoppel Certificate.

16.22 Force Majeure Event

If the performance by Lessee of its obligations under **Section 8.2** of this Lease (excluding monetary obligations, including, but not limited to taxes and insurance) is delayed or prevented by any extraordinary acts of nature (including floods, explosions, earthquakes), or fires, epidemic, war, terrorism, labor strikes, material shortages, riots, orders of restraint by governmental authority

which prevent Lessee from meeting such obligations under this Lease, or other extraordinary casualty which is not reasonably within Lessee's control, and is not due to the fault or negligence of Lessee, one or more of which is defined as a "**Force Majeure Event**", then Lessee shall be temporarily excused from performance to the extent that performance is delayed by any of the foregoing, without liability under this Lease. Lessee agrees, however, to proceed with all reasonable dispatch to perform such obligations under this Lease after the Force Majeure Event preventing Lessee from carrying out such obligations under this Lease ceases to exist.

16.23 Mediation

Should any dispute arise between the parties to this Lease related to matters set forth in Section 6.10 of this Lease, then it is agreed that such dispute will be submitted to non-binding mediation prior to any litigation. The provisions of this Section shall also apply to any non-binding mediation with respect to matters covered under Section if the parties have agreed to such mediation as provided in Section. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Columbia County, Oregon, unless both parties agree otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this Section through the mediation process. If a party requests mediation and the other party fails to respond within ten (10) days, or if the parties fail to agree on a mediator within ten (10) days, a mediator shall be appointed by the presiding judge of the Columbia County Circuit Court upon the request of either party. The parties agree that mediation shall occur on an expedited schedule and that they will not attempt to delay mediation, the scheduling of the mediation or continue the mediation once it has been set. The parties shall retain all rights at law or in equity with respect to any dispute not covered by this Section and also with respect to those disputes covered by this Section after mediation has been completed. In no event shall the provisions of this Section limit the Port's right to seek immediate injunction relief following an Event of Default to stop an activity or use on the Premises prohibited under this Lease. Nothing in this Section shall be deemed to prevent the Port from taking immediate injunctive or other action in response to an emergency or in response to third-party acts or omissions that pose an imminent threat to the environment or to the health, safety, or security of Port Lessees or of the public.

16.24 Entire Agreement

This Lease and the SDOA represent the entire agreements between the Port and Lessee relating to Lessee's leasing and development of the Premises. It is understood and agreed by Lessee that neither the Port nor the Port's agents or employees has made any representations or promises with respect to this Lease or the making or entry into this Lease, except as expressly set forth in this Lease. No claim for liability or cause for termination shall be asserted by Lessee 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 Lease or the SDOA. All oral agreements with the Port are expressly waived by Lessee. This Lease has been negotiated at arm's length between the parties, with both parties being represented by legal counsel. Therefore, no alleged ambiguity or other drafting issues of the terms of this Lease shall be construed, by nature of the drafting, against either party.

16.25 Capacity to Execute

The Port and Lessee each warrant and represent to one another that this Lease constitutes a legal, valid and binding obligation of that party. The individuals executing this Lease personally warrant that they have full authority to execute this Lease 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.

AMERICAN JET CENTER

THE PORT OF COLUMBIA COUNTY

By:  _____
Denis Mouterde [Jun 6, 2025 13:48 MDT]

By: _____

Print Name: Denis Mouterde

Print Name: _____

As Its: CEO

As Its: _____

REVIEWED AS TO LEGAL SUFFICIENCY
FOR THE PORT

By: _____

Print Name: _____

As Its: _____

EXHIBIT A



Pink area = the defined Premises including the apron, parking lot, building footprint, and 5-foot building buffer

Yellow area = the defined Additional Land

EXHIBIT B

PURCHASE AND SALE AGREEMENT

34090 SKYWAY DRIVE, SCAPPOOSE, OREGON

This **Purchase and Sale Agreement** ("Agreement") effective this 23rd day of May, 2025 ("Effective Date") is by and between the Port of Columbia County, 100 E Street, Columbia City, OR 97018 an Oregon municipal corporation ("Seller") and American Jet Center, 7000 Merrill Avenue, Unit B, Chino, CA 91710, a California Corporation ("Purchaser"). Seller owns a corporate hangar building located at 34090 Skyway Drive, Scappoose, Oregon 97056 at the Scappoose Airport as depicted on **Exhibit A** attached hereto ("the Property"). Purchaser and Seller engaged in mutually beneficial negotiations the result of which was that Purchaser offered to purchase the Property, and Seller has accepted Purchaser's offer ("the Sale"), as follows:

1. **PURCHASE PRICE.** The purchase price for the Property shall be Three Million Seven Hundred and Sixty Thousand Dollars (\$3,760,000) to be paid from Purchaser to Seller ("Purchase Price"). The Purchase Price is due in escalating installments as outlined in the schedule below and are non-refundable ("Non-Refundable Payments"). The Port shall remain the owner of the Property, including all rights, privileges and appurtenances belonging to or pertaining thereto, until such time as all Non-Refundable Payments have been paid in full by Purchaser to Seller. This Agreement is secured by the attached Promissory Note, incorporated by reference. Separately, basic rent shall be paid monthly as outlined in a Ground Lease Agreement, also referred to in section 3 below.

Month/Year	Non-Refundable Monthly Payments	Balance
Jun-25	\$ 20,000	\$ 3,740,000
Jul-25	\$ 20,000	\$ 3,720,000
Aug-25	\$ 20,000	\$ 3,700,000
Sep-25	\$ 35,000	\$ 3,665,000
Oct-25	\$ 35,000	\$ 3,630,000
Nov-25	\$ 35,000	\$ 3,595,000
Dec-25	\$ 50,000	\$ 3,545,000
Jan-26	\$ 50,000	\$ 3,495,000
Feb-26	\$ 50,000	\$ 3,445,000
Mar-26	\$ 70,000	\$ 3,375,000
Apr-26	\$ 70,000	\$ 3,305,000
May-26	\$ 70,000	\$ 3,235,000
Jun-26	\$ 100,000	\$ 3,135,000
Jul-26	\$ 100,000	\$ 3,035,000
Aug-26	\$ 100,000	\$ 2,935,000
Sep-26	\$ 100,000	\$ 2,835,000
Oct-26	\$ 100,000	\$ 2,735,000
Nov-26	\$ 100,000	\$ 2,635,000

Dec-26	\$	100,000	\$	2,535,000
Jan-27	\$	100,000	\$	2,435,000
Feb-27	\$	100,000	\$	2,335,000
Mar-27	\$	140,000	\$	2,195,000
Apr-27	\$	140,000	\$	2,055,000
May-27	\$	140,000	\$	1,915,000
Jun-27	\$	140,000	\$	1,775,000
Jul-27	\$	140,000	\$	1,635,000
Aug-27	\$	140,000	\$	1,495,000
Sep-27	\$	140,000	\$	1,355,000
Oct-27	\$	140,000	\$	1,215,000
Nov-27	\$	140,000	\$	1,075,000
Dec-27	\$	140,000	\$	935,000
Jan-28	\$	140,000	\$	795,000
Feb-28	\$	140,000	\$	655,000
Mar-28	\$	140,000	\$	515,000
Apr-28	\$	140,000	\$	375,000
May-28	\$	375,000	\$	-

2. **EARNEST MONEY DEPOSIT.** Earnest money in the amount of Twenty Thousand Dollars (\$20,000) ("Earnest Money") shall be delivered by the Purchaser to the Seller within three (3) business days of the Effective Date ("Commencement of Due Diligence Period"). The Earnest Money will be credited as the first Non-Refundable Payment after a fifteen (15) business day due diligence period starting from the Commencement of Due Diligence Period ("Due Diligence Period"), unless accelerated by mutual agreement of the Parties. The Earnest Money will become nonrefundable on the third business day at 5 pm Pacific Standard Time after the Due Diligence Period expires if, by that time, the Purchaser has not communicated their intent to terminate this Agreement per section 14 Notices ("Termination Deadline").

3. **CONTINGENCIES.** Seller's obligation to sell the Property is contingent upon approval of this Agreement by a majority vote in a public meeting by the Port of Columbia County Commission ("the Port Commission"). The Port Commission is a five-member local government that governs sale and leasing activities of Seller. Seller's obligation to sell the Property is also contingent upon a successfully negotiated Ground Lease between Seller and Purchaser ("a Ground Lease"), signed by Seller and Purchaser and approved by a majority vote of the Port Commission in a public meeting prior to Closing. If the Port Commission does not approve this Agreement and a Ground Lease in its sole and absolute discretion, this Agreement will be rendered null and void without further liability or cause of action available to either party and the Earnest Money will be returned to Purchaser.

4. **CLOSING.** Closing shall occur as soon as practicable after the final Non-Refundable Payment (currently scheduled for May 1, 2028) is made by Purchaser ("Closing Date").

5. **CLOSING COSTS AND LIENS.** Purchaser and Seller shall each pay one-half (1/2) of all costs and fees related to this Agreement.

6. **COMMISSIONS.** Neither party will pay a commission for a broker representing the other party in connection with this transaction.

7. **REPRESENTATIONS.**

7.1 **Purchaser takes Property "As Is":** Purchaser represents that it accepts and executes this Agreement based on their own examination and personal knowledge of the Property; that except for as provided in this Agreement, Seller has made no representations, warranties, or other agreements concerning matters relating to the Property; that Seller has made no agreement or promise to alter, repair, or improve the Property; and that Purchaser takes the Property "AS IS," with all faults, and without any representations, guarantees, or warranties from the Seller, either expressed or implied, as to suitability or condition. Seller makes no representation as to the exact size of the Property. Purchaser is advised, if desired, at its sole cost and expense, to obtain a survey of the Property to determine the size and boundaries.

7.2 **Purchaser's Compliance with FAA:** Purchaser represents that the Property use is aeronautical and will comply with Federal Aviation Administration (FAA) Order 5190.6B – FAA Airport Compliance Manual. Further, the Purchaser acknowledges receipt of the Scappoose Airport Minimum Standards, both of which will be included as exhibits to the Ground Lease.

8. **TAXES/PRORATIONS.** There shall not be any proration of taxes, as Seller is a tax-exempt entity. Purchaser will be responsible for all property taxes from the Closing Date. Annual Property Insurance premiums shall be billed to the Purchaser as a prorated charge based on the Closing Date and annually after the first year.

9. **UTILITIES.** Seller shall pay all utility bills accrued until the Closing Date and any necessary payments shall be handled outside of escrow.

10. **POSSESSION.** Purchaser is entitled to possession on the Closing Date, unless otherwise agreed to in writing between the parties.

11. **BINDING EFFECT/ASSIGNMENT RESTRICTED.** This Agreement is binding on and will inure to the benefit of Seller, Purchaser, and their respective heirs, legal representatives, successors, and assigns.

11.1 **Assignment of Interest or Rights:** Except for Transfers to Affiliates as outlined herein, Purchaser shall not sell, assign, or otherwise transfer its interest in this Agreement either voluntarily or by operation of law, without the prior written consent of the Port. Any such transfer or assignment, or attempted assignment without such consent, shall be null and void.

11.2 **Transfers to Affiliate:** Purchaser may transfer this Agreement to any entity that Purchaser controls, directly or indirectly, is under common control with, or is controlled by the Purchaser ("Affiliate") by providing prior written notice to the Port for review and approval by Port staff. Purchaser shall promptly notify Port of

any such proposed transfer and take no further action until such time as Port staff complete their review and approval process. Any such review is not required to be taken before the Port of Columbia County Commission. Any such Affiliate shall assume all obligations and liabilities of the Purchaser under the associated Promissory Note and Ground Lease which shall be separately reassigned.

12. **ESCROW DEPOSITS.** Escrow is authorized to hold, apply and/or release the Earnest Money as provided for in this contract.

13. **ENTIRE AGREEMENT.** This Agreement sets forth the entire understanding of the parties regarding the Sale of the Property. This Agreement may not be modified or amended except by a written agreement signed and executed by both parties. The parties were represented by legal counsel and/or had the opportunity to be represented by legal counsel. This contract was negotiated between the parties and is voluntarily executed.

14. **NOTICES.** All notices and communications in connection with this contract must be given in writing and transmitted by first class mail and/or email to Purchaser and to Seller at the address provided by each party below. Notices given in accordance with this paragraph are deemed given upon the date of receipt or the date of mailing, with proof of mailing. Either party may, by written notice, designate a different address for purposes of this contract. For email delivery purposes, receipt is only confirmed with a reply by the recipient acknowledging receipt of the message.

15. **APPLICABLE LAW.** This Agreement is construed, applied and enforced in accordance with the laws of the State of Oregon. Venue is in Columbia County Circuit Court, St. Helens, Oregon.

16. **WAIVER BY PURCHASER.** If Purchaser, with knowledge of (i) a default in any of the covenants, agreements or obligations to be performed by Seller under this Agreement and/or (ii) any breach of or inaccuracy in any representation or warranty of Seller made in this Agreement, nonetheless elects to proceed to Closing Date, then, upon the consummation of the Closing, Purchaser shall be deemed to have waived any such default and/or breach or inaccuracy and shall have no claim against Seller with respect thereto.

17. **SEVERABILITY.** Should any term, provision, or portion of this contract at any time be in conflict with any law, ruling or regulation, or be unenforceable, then such provision will continue in effect only to the extent that it remains valid. In the event that any provision of this contract becomes less than fully operative, the remaining portion of that provision and all other provisions of this contract will nevertheless remain in full force and effect.

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE

CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

18. **INTENT TO BE BOUND.** This Agreement sets forth the essential terms of the transaction contemplated between the Seller and Purchaser, and all parties hereto intend to be bound by this Agreement.

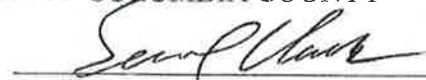
19. **ATTORNEY'S FEES.** If either Party incurs attorney fees, costs, or other legal expenses to enforce the provisions of this Agreement against the other party, all such fees, costs and expenses shall be recoverable by the prevailing party.

20. **DOCUMENT EXECUTION.** This Agreement may be executed in identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts, have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains an electronic file of an executed signature page, such signature page shall be deemed to constitute an original instrument, with the same force and effect as execution and delivery of an original and shall create a valid and binding obligation of the party executing the Agreement.

AGREED AND ACCEPTED BY THE UNDERSIGNED AS OF THE EFFECTIVE DATE:

SELLER:

PORT OF COLUMBIA COUNTY

By: 

Sean P. Clark

Executive Director

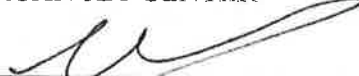
PO Box 190

Columbia City, OR 97018

clark@columbiacounty.org

PURCHASER:

AMERICAN JET CENTER

By: 

Denis Oliver

President and CEO

7000 Merrill Avenue

Hangar B210-B, Chino, CA 91710

Denis@americanjetcenter.com

Exhibit A



INSTALLMENT PROMISSORY NOTE

\$3,760,000.00
May 21, 2025

For value received, the undersigned American Jet Center ("Borrower"), at 7000 Merrill Avenue, Unit B, Chino, CA 91710 promises to pay to the order of Port of Columbia ("the Port"), at PO Box 190, 100 E Street, Columbia City, Oregon 97018 (or at such other place as the Port may designate in writing), the sum of \$3,760,000.00 with no interest except as set forth in section 1.1.

1. TERMS OF REPAYMENT

1.1 Non-Refundable Payments. The unpaid principal shall be payable in non-refundable monthly installments ("Non-Refundable Payments") according to the attached schedule (**Exhibit A**) beginning in June 2025 and continuing until May, 2028 (the "Final Due Date"). The Non-Refundable Payments are due on the 1st day of each month (the "Due Date"). On the Final Due Date, the remaining unpaid principal shall be due in full. Unpaid principal after the Due Date shall accrue interest at a rate of 10% annually until paid. All monthly installment payments are non-refundable when paid by Purchaser to the Port.

1.2 Late Fees. The Borrower promises to pay a late fee of 1.5% for each Non-Refundable Payment that remains unpaid more than 5 business days (excluding weekends and holidays) after its Due Date ("Late Fees"). Late Fees shall be paid as liquidated damages in lieu of actual damages, and not as a penalty. Payment of Late Fees shall, under no circumstances, be construed to cure any default arising from or relating to such late payment.

1.3 Port Fees and Expenses. Borrower agrees to pay to the Port, immediately upon written notice from the Port, all actual costs, expenses, disbursements, and legal fees and expenses incurred by the Port and its counsel in connection with: (a) the collection, attempted collection, or negotiation and documentation of any settlement or workout of any payment due hereunder, and (b) any suit or proceeding whatsoever in regard to this Note or the protection or enforcement of the lien of any instrument securing this Note, if applicable, including, without limitation, in connection with any litigation, mediation, arbitration, bankruptcy or administrative proceeding, and including any appellate proceeding or judicial or non-judicial foreclosure proceeding in connection therewith. It is the intent of the parties that Borrower pay all expenses and attorneys' fees incurred by the Port as a result of the Port's entering into the transaction evidenced by this Promissory Note.

2. PREPAYMENT. The Borrower reserves the right to prepay this Note (in whole or in part) prior to the Due Date with no prepayment penalty.

3. COLLECTION COSTS and ATTORNEY FEES. If any payment obligation under this Note is not paid when due, the Borrower promises to pay all costs of collection, including reasonable attorney fees and all real estate commissions paid for by the Port in association with this Note, whether or not a lawsuit is commenced as part of the collection process.

4. DEFAULT.

4.1 Events of Default. If any of the following events of default occur, this Note and any other obligations of the Borrower to the Port, shall become due immediately:

- A) the failure of the Borrower to pay Non-Refundable Payments when due;
- B) any uncured default on the Ground Lease related to the property located at 34090 Skyway Drive, Scappoose, Oregon 97056;
- C) the filing of bankruptcy proceedings involving the Borrower as a debtor;
- D) the application for the appointment of a receiver for the Borrower;
- E) the making of a general assignment for the benefit of the Borrower's creditors;
- F) the insolvency of the Borrower; or
- G) a misrepresentation by the Borrower to the Port for the purpose of obtaining or extending credit.

4.2 Opportunity to Cure. In the event of any Default by the Borrower, the Port may send a formal notice of Default, specifying the breach, the required cure, and the timeline ("Notice of Default"). Whether the Port allows an opportunity to cure is solely in the Port's discretion. Within the Notice of Default, the Port will specify a timeframe by which point the Borrower must cure the Default ("Cure Period"). During the Cure Period, the Borrower must take the necessary actions to rectify the breach. If the breach is resolved during the Cure Period, no further action will be taken or required. If the Borrower fails to resolve the breach during the Cure Period, the Port shall notify the Borrower of their intended course of action including eviction and termination of this agreement including but not limited to imposition of damages. In some cases, a Default may be considered incurable. Late Fees pursuant to Section 1 still apply at all times.

5. SEVERABILITY OF PROVISIONS. If any one or more of the provisions of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative.

6. MISCELLANEOUS. All payments of principal and any interest on this Note shall be paid in the legal currency of the United States. The Borrower waives presentment for payment, protest, and notice of protest and demand of this Note. No delay in enforcing any right of the Port under this Note, or assignment by the Port of this Note, or failure to accelerate the debt evidenced hereby by reason of default in the payment of a monthly installment or the acceptance of a past-due installment shall be construed as a waiver of the right of the Port to thereafter insist upon strict compliance with the terms of this Note without notice being given to Borrower. All rights of the Port under this Note are cumulative and may be exercised concurrently or consecutively at the Port's option.

7. GOVERNING LAW. This Note shall be construed in accordance with the laws of the State of Oregon with venue in Columbia County Circuit Court, St. Helens, Oregon. Nothing contained herein shall prevent the Port from bringing any action or exercising any rights against any security given to the Port by Borrower, or against any property of Borrower, within any other state. Commencement of any such action or proceeding in any other state or commonwealth shall not constitute a waiver of the agreement as to the laws of the state or commonwealth which shall govern the rights and obligations of Borrower and the Port hereunder.

8. WAIVERS. Borrower and each present or future maker, surety, endorser, and signatory to this Note, in whatever capacity, waives presentment, demand, protest, notice of dishonor, and all suretyship defenses, and agrees that the Port may exercise its rights under the Note in any order and at any time. Without notice to any such person (except for any notice to Borrower specified in this Note and without the need to obtain further consent from any party), and without in any way diminishing the obligations of any person, The Port may (a) deal with any such person with reference to this Note by way of forbearance, extension, modification,

compromise, or otherwise; (b) extend, release, surrender, exchange, compromise, discharge, or modify any right or obligation secured by or provided in this Note, or any other document securing this Note; and (c) take any other action that the holder may deem reasonably appropriate to protect its interest in the collateral under any security document.

9. BORROWER NOT RELEASED. No delay or omission of the Port to exercise any of its rights and remedies under this Note at any time following the happening of an Event of Default shall constitute a waiver of the right of the Port to exercise such rights and remedies at a later time by reason of such Event of Default or by reason of any subsequently occurring Event of Default. The acceptance by the Port of payment of any sum payable hereunder after the due date of such payment shall not be a waiver of the Port's right to either require prompt payment when due of all other sums payable hereunder or to declare a default for failure to make prompt payment.

10. BANKRUPTCY. Borrower agrees that, notwithstanding ORS 73.0602 and 73.0604, any payment under this Note that is avoided in a later bankruptcy proceeding or otherwise will not be deemed a payment, and Borrower's obligations under the Note will be reinstated and/or supplemented to the extent of any payment so avoided. In that event, Borrower will not be discharged even if this Note has been canceled, renounced, or surrendered.

11. BUSINESS PURPOSE. Borrower represents and warrants to the Port that the indebtedness evidenced by this Note is a business loan transacted solely for the purpose of carrying on the business of Borrower and not a consumer transaction.

12. DISBURSEMENT. Funds representing the proceeds of the indebtedness evidenced hereby are deemed advanced and received by Borrower.

13. SUCCESSORS AND ASSIGNS. The provisions of this Note shall be binding upon Borrower and its successors and assigns and shall inure to the benefit of the Port and its successors and assigns. As used herein the words "successors and assigns" shall also be deemed to include the heirs, representatives, administrators and executors of any natural person who is a party to this Note.

14. REMEDIES CUMULATIVE. The remedies of the Port as provided in this Note and the warranties contained herein or therein shall be cumulative and concurrent, may be pursued singly, successively or together at the sole discretion of the Port, may be exercised as often as occasion for their exercise shall occur and in no event shall the failure to exercise any such right or remedy be construed as a waiver or release of such right or remedy. No remedy under this Note conferred upon or reserved to the Port is intended to be exclusive of any other remedy provided in this Note or provided by law, but each shall be cumulative and shall be in addition to every other remedy given under this Note or now or hereafter existing at law or in equity or by statute.

15. NO ORAL MODIFICATION. This Note may not be modified or discharged orally, but only by an agreement in writing signed by the Port and Borrower.

16. JOINT AND SEVERAL LIABILITY. In the event that this Note is made by more than one Borrower, the promises and agreements herein shall be construed to be and are hereby declared to be the joint and several promises and agreements of all Borrowers and shall constitute the joint and several obligations of each of Borrowers and shall be fully binding upon and enforceable against each of Borrowers. Neither the death nor release of any person or party to this Note shall affect or release the joint and several liability of any other person or party. The Port may at its option enforce this Note against one or all of Borrowers, and the Port shall

not be required to resort to enforcement against each of Borrowers and the failure to proceed against or join any Borrower shall not affect the joint and several liability of any other Borrower.

17. WAIVER OF JURY TRIAL. THE PORT BY ITS ACCEPTANCE HEREOF AND BORROWER HEREBY VOLUNTARILY, KNOWINGLY AND INTENTIONALLY WAIVE ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING UNDER THIS NOTE OR CONCERNING THE INDEBTEDNESS EVIDENCED HEREBY AND/OR ANY COLLATERAL SECURING SUCH INDEBTEDNESS, REGARDLESS OF WHETHER SUCH ACTION OR PROCEEDING CONCERNS ANY CONTRACTUAL OR TORTIOUS OR OTHER CLAIM. BORROWER ACKNOWLEDGES THAT THIS WAIVER OF JURY TRIAL IS A MATERIAL INDUCEMENT TO THE PORT IN EXTENDING CREDIT TO BORROWER, THAT THE PORT WOULD NOT HAVE EXTENDED SUCH CREDIT WITHOUT THIS JURY TRIAL WAIVER, AND THAT BORROWER HAS BEEN REPRESENTED BY AN ATTORNEY OR HAS HAD AN OPPORTUNITY TO CONSULT WITH AN ATTORNEY IN CONNECTION WITH THIS JURY TRIAL WAIVER AND UNDERSTANDS THE LEGAL EFFECT OF THIS WAIVER.

18. ORS 82.150 DISCLOSURE: COMMERCIAL LOAN.

THE LOAN IS NOT A LOAN OF MONEY THAT IS PRIMARILY FOR PERSONAL, FAMILY OR HOUSEHOLD USE WITHIN THE MEANING OF ORS 82.150.

19. ORS 41.580 DISCLOSURE: ORAL AGREEMENTS NOT ENFORCEABLE.

UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY US CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE GRANTOR'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY US TO BE ENFORCEABLE.

The undersigned caused this Installment Promissory Note to be duly executed on the day and year first written above.

BORROWER

Printed Name: Denis Oliver

Title: President and CEO

Signature: _____

A handwritten signature in black ink, appearing to be 'D. Oliver', is written over a horizontal line. A long, sweeping horizontal line extends from the end of the signature line across the page.

Exhibit A

Month/Year	Non-Refundable Monthly Purchase Payments	Balance
Jun-25	\$ 20,000	\$ 3,740,000
Jul-25	\$ 20,000	\$ 3,720,000
Aug-25	\$ 20,000	\$ 3,700,000
Sep-25	\$ 35,000	\$ 3,665,000
Oct-25	\$ 35,000	\$ 3,630,000
Nov-25	\$ 35,000	\$ 3,595,000
Dec-25	\$ 50,000	\$ 3,545,000
Jan-26	\$ 50,000	\$ 3,495,000
Feb-26	\$ 50,000	\$ 3,445,000
Mar-26	\$ 70,000	\$ 3,375,000
Apr-26	\$ 70,000	\$ 3,305,000
May-26	\$ 70,000	\$ 3,235,000
Jun-26	\$ 100,000	\$ 3,135,000

Jul-26	\$ 100,000	\$ 3,035,000
Aug-26	\$ 100,000	\$ 2,935,000
Sep-26	\$ 100,000	\$ 2,835,000
Oct-26	\$ 100,000	\$ 2,735,000
Nov-26	\$ 100,000	\$ 2,635,000
Dec-26	\$ 100,000	\$ 2,535,000
Jan-27	\$ 100,000	\$ 2,435,000
Feb-27	\$ 100,000	\$ 2,335,000
Mar-27	\$ 140,000	\$ 2,195,000
Apr-27	\$ 140,000	\$ 2,055,000
May-27	\$ 140,000	\$ 1,915,000
Jun-27	\$ 140,000	\$ 1,775,000
Jul-27	\$ 140,000	\$ 1,635,000
Aug-27	\$ 140,000	\$ 1,495,000
Sep-27	\$ 140,000	\$ 1,355,000
Oct-27	\$ 140,000	\$ 1,215,000
Nov-27	\$ 140,000	\$ 1,075,000
Dec-27	\$ 140,000	\$ 935,000
Jan-28	\$ 140,000	\$ 795,000
Feb-28	\$ 140,000	\$ 655,000
Mar-28	\$ 140,000	\$ 515,000
Apr-28	\$ 140,000	\$ 375,000
May-28	\$ 375,000	\$ -