

## **PORT OF NEWPORT REGULAR COMMISSION MEETING AGENDA**

Tuesday, April 22, 2014, 6:00 p.m.  
Port of Newport Marina and RV Park Activities Room  
2120 SE Marine Science Drive, Newport, OR 97365

JoAnn Barton (Pos. #3), President; David Jincks (Pos. #2), Vice President;  
Walter Chuck (Pos. #1), Secretary/Treasurer; Dean Fleck (Pos. #5); Ken Brown (Pos. #4)

- I. Call to Order
- II. Changes to the Agenda
- III. Approval of Minutes, Financial Reports and Paid Accounts
  - A. Minutes
    1. Regular Meeting – March 25, 2014 (not completed)
    2. Budget Priorities Work Session – April 8, 2014 (Approve)
    3. Tariff Work Session – April 14, 2014 (not completed)
  - B. Financial Report – Pat Albaugh, Director of Finance
    1. Financial Reports
  - C. Accounts Paid
- IV. Public Comment
- V. Correspondence/Presentations
- VI. Old Business
  - A. Resolution Updating Tariffs (Informational)
  - B. To Read An Ordinance Creating By-Laws for the Port of Newport Board of Commissioners by Title Only (ORS 198) (Approve)
- VII. New Business
  - A. Seafarer Lease Renewal (Approve)
  - B. Resolution Changing Enterprise Zone Boundary (Approve)
  - C. Intergovernmental Agreement with Special Districts Insurance Trust (Approve)
  - D. Resolution Adopting Rates, Fees and Charges (Information)
  - E. Award Auditing Contract with Grimstad & Associates for \$21,100 (Approve)
- VIII. Staff Reports
  - A. Departmental Reports
    1. Kevin Bryant, Commercial Marina Harbormaster
    2. Jim Durkee, Terminal Operations Manager
    3. Rick Fuller, NOAA Facilities Manager
    4. Penny Gabrielson, South Beach Occupancy Report
    5. Chris Urbach, South Beach Marina Harbormaster
    6. Mike Goff, TCB Security
  - B. General Manager's Report
    1. Hoist Dock Grant Progress
    2. Terminal Renovation Project, Dredge/Mitigation Permit Progress
    3. NOAA Recreational Mitigation Projects
    4. Yaquina Bay Fruit Processing Update
- IX. Commissioner Reports
  - A. PMEC Communications Protocol
- X. Calendar/Future Considerations
  - A. Budget Committee Meeting, May 13, 6:00 pm
  - B. Fisherman's Forum, May 14, 8:30am

- C. South Beach User's Meeting, May 21, 8:30am
- D. Regular Meeting, May 27<sup>th</sup>, 6:00pm
- XI. Adjournment

To place a subject or issue on the agenda for presentation to the commission, please submit your request one week or more in advance of the regular scheduled meeting. Regular meetings are scheduled for the fourth Tuesday of every month at 6:00 p.m.

The Port of Newport Marina and RV Park Activities Room is accessible to people with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours in advance of the meeting to Port of Newport Administration Office at 541-265-7758.

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**PORT OF NEWPORT  
MINUTES  
March 25, 2014  
Regular Meeting**

**I. CALL TO ORDER**

Commission President JoAnn Barton called the regular meeting of the Port of Newport Board of Commissioners to order at 6:00 pm. in the South Beach Marina Activities Room.

**Commissioners Present:** JoAnn Barton, President; David Jincks, Vice-President; Walter Chuck, Secretary; Dean Fleck, Assistant Secretary-Treasurer.

**Commissioners Absent:** Ken Brown, Treasurer

**Port of Newport Management and Staff:** Greenwood, General Manager; Albaugh, Director of Finance; Durkee, Terminal Operations Supervisor; Webster, Administrative Assistant.

**Others Present:** Dave Morgan, News Lincoln County; Dennis Anstine, News Times; Wayde and Barb Dudley, Newport residents; Lee Fries; Yale Fogarty and Pat Ruddiman, ILWU Local 53; Jim Cline, Rogue Ales; Jim Shaw, South Beach resident.

**II. MINUTES**

- A. **Work Session—February 25, 2014**
- B. **Regular Meeting—February 25, 2014**
- C. **Work Session/Special Meeting—March 11, 2014**

Commissioner Jincks motioned to approve the minutes of the Work Session of February 25, 2014, Regular Meeting of February 25, 2014 and Work Session/Special Meeting of March 11, 2014 as submitted. Commissioner Chuck seconded the motion. Motion passed 4-0. A declaration on February 25, 2014 during the regular meeting was made by Brown regarding a conflict of interest pertaining to a check that was made to Les Swab.

**III. FINANCIAL STATEMENTS**

- A. **Financial Reports.**
- B. **Accounts Paid.**

There were no questions or discussion on the financial reports and accounts paid.

Commissioner Fleck motioned to approve the Financial Reports & Accounts Paid as submitted. Commissioner Chuck seconded. The motion carried 4-0.

**IV. PUBLIC COMMENT**

There was no public comment.

**V. STAFF REPORTS (\* Indicates no questions or comments.)**

**A. Department Reports.**

- Kevin Bryant, Commercial Marina Harbormaster\*
- Jim Durkee, Terminal Operations Supervisor
- Rick Fuller, NOAA Facilities Manager\*
- Penny Gabrielson, South Beach Occupancy Report
- Chris Urbach, South Beach Marina Harbormaster\*

Commissioner Barton commented on the MOC-P project on how well the project was done. Also conversation by Durkee and Greenwood regarding the disposition activities of the dredge material and how it's being tracked (via service tickets, 3-4 so far) and where it is being used in the local area (6 yards went to the Coast Guard Station landscaping grounds). The commission commented on the South Beach Occupancy report and the positive response in booked reservations due to the Portland Boat Show attendance by Pat Albaugh and staff. Albaugh commented that this event was pulled together with staff at the last minute.

Commission was very happy and would like to see this type of continued effort. Data was captured through the return and use of discount coupons issued during the boat show.

### **B. General Manager**

The General Manager presented an updated organizational liaisons document for review. An addition to be made to the liaison list is "Parking District" and adding Greenwood as the representative for the Port. Next upcoming meeting scheduled is March 27<sup>th</sup> for Cascades West ACT. Greenwood attended the Port of Toledo's Commission meeting last week. The idea is to bring the two Ports efforts together in order to attain greater grant funding to improve both Ports collectively. Dredging impacts both ports. Also noted was a training program for board members. Board member training could start as soon as April 22, 2014 approximately. Greenwood will notify board members of this upcoming training. Greenwood asked that if any commissioners had any concerns regarding working jointly with the Port of Toledo to please direct their emails to him. Report from the USACE 2014/15 work plan showed Yaquina Bay doing well. Additional funds were attained for dredging and some other possible avenues to attain more funding for dredging are being reviewed. With additional funding, ideas are being considered in regards to different projects in various areas, possibly opening up the recreational marina entrance or dredging up to the Terminal. Next year looks very promising for the projects scheduled. The new lease to the Rogue Brewery Distillery expansion has been signed and will be moving forward soon and should take a couple of months.

### **C. Commissioners' Reports.**

Commissioner Chuck and Fleck attended the Oregon Department of Fish and Wildlife-Sport Fishing Advisory Committee/Commercial Fishing Advisory meeting on March 25, 2014 about new impacts to the fishing industry. Port staff is currently working with boat owners to obtain appropriate insurance certification before the end of April. This will be included within the next work session in April as more information is gathered. A "Priority Project" work list is scheduled for April 8<sup>th</sup> at pm to review and prioritize projects identified by staff that need to be completed: Pedestrian taskforce, ODOT & County Reports are needed to be reviewed, personnel manual to be reviewed & presented (possibly in the next six months). Upcoming events to be attended are Marine Tech Fair on April 11<sup>th</sup> and the 40<sup>th</sup> Anniversary of the PCC conference hosted by the Port of Newport, April 8-11, some tours and tastings are scheduled courtesy of Rogue Ales, a gift basket to be given away was assembled with the assistance of the Newport Chamber staff and Barb Martin, the Port will be sponsoring the band for the guests entertainment and a display will need to be put together for the event.

## **VI. OLD BUSINESS**

### **A. Rogue Distillery Expansion**

There were no questions or comments made regarding the amendment to lease agreement with Oregon Brewing Company (Rogue) to expand it's distillery production.

Commissioner Jincks moved to authorize the General Manager to sign the lease amendment between the Port of Newport and Oregon Brewing Company as submitted, Commissioner Fleck seconded, Motion carried 4-0.

### **B. Terminal Renovation Project, Dredge Permit**

The General Manager opened that the Port has received the last invoices for the project to date. Additional funding is still needed and will proceed to attain the additional funding through the State and with additional help from the Corp of Engineers. The Port is still working through the process of attaining permits to dredge the three additional feet necessary for the log ships to load and carry to full capacity. All parties are aware of the critical timing this process is required to take and everyone involved has placed this phase as a high priority within their organization. Soil samples have been submitted and port is awaiting results, Teevin Brothers site plan is needed and when all is captured it will be submitted to all agencies for permit approval which will be approximately 6-7 weeks. As additional funding is being requested, funds for Terminal security and training will also be requested to be funded as well. Next budget cycle a supplemental budget plan will be incorporated to finalize dredging and mitigation. A plan to visit the Port of Longview or Port of Astoria with staff and TCB Security will be scheduled to "Observe and Learn". TCB Security will be included as an extension of Port staff and will be

included in phases pertaining to security. Security will be a large part of the Terminal's expense in the future, as more is learned.

**VII. NEW BUSINESS**

**A. To Read An Ordinance Creating By-Laws for the Port of Newport Board of Commissioners by Title Only (ORS 198)**

It was at the discretion of the board president to postpone this item for the April 22, regular meeting.

**B. Declaration of R/V Hale Kai as Surplus**

There were no questions or comments made regarding the acquisition of the R/V Hale Kai as surplus as long as the title is secured to the Port of Newport.

Commissioner Fleck made a motion to approve the R/V Hale Kai as Surplus, Commissioner Chuck seconded. Motion carried 4-0.

**C. Resolution Updating Tariffs**

Informational copies regarding Tariffs were submitted to commissioners for review and comments at the upcoming work session meeting scheduled for April 14<sup>th</sup>. A resolution would be drafted from this meeting that would allow future changes by the board if necessary. Since this is a highly complex issue, Mr. Haglund would be in attendance to help all board members interpret this lengthy document. Specific agenda topics to be covered would be rates/fees; informational feedback from parties affected by tariffs such as ILWU, log exporters and distant fishing fleet.

**VIII. MEETING RECESS** at the discretion of the chair. (No meeting recess was taken)

**IX. OTHER** (No other business was brought forth)

**X. PUBLIC COMMENT** (No public comments were made)

**XI. UPCOMING MEETINGS/EVENTS**

- A. Project Priorities Work Session, South Beach Marina Activities Room, April 8, 12:00pm
- B. Fishermen's Forum, Port Dock 7 Operations Shop, April 9, 8:30 – 9:30am
- C. Tariff Work Session, South Beach Marina Activities Room, April 14, 12:00pm
- D. Marina Users meeting, South Beach Marina, April 16, 8:30-9:30am
- E. Regular Commission Meeting, South Beach Marina Activities Room, April 22, 6:00 p.m.
- F. Barrel to Keg Relay, Rogue Ales Distillery, July 12, 2014

**XIII. ADJOURNMENT**

There being nothing more to come before the Board of Commissioners, the meeting was adjourned at 6:49 pm

ATTEST:

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JoAnn Barton, President  
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Walter Chuck, Secretary/Treasurer



**PORT OF NEWPORT**  
**MINUTES**  
**April 8, 2014**  
**Commission Work Session**  
**2014-15 Budget Priorities Workshop**

**I. CALL TO ORDER**

Commission Vice-President David Jincks called the work session meeting of the Port of Newport Board of Commissioners to order at 6:00 pm. in the South Beach Marina Activities Room.

**Commissioners Present:** David Jincks, Vice-President; Walter Chuck, Secretary; Dean Fleck, Assistant Secretary-Treasurer.

**Commissioners Absent:** JoAnn Barton, President; Ken Brown, Treasurer.

**Port of Newport Management and Staff:** Greenwood, General Manager; Albaugh, Director of Finance; Webster, Administrative Assistant.

**Others Present:** Yale Fogarty and Pat Ruddiman, ILWU Local 53.

**II. PERSONNEL EXPENSES:**

Greenwood presented a one page summary of current personnel expenses broken down by costs to the Port related to personnel by department and line item; included was also a column summary of the previous year's budget (FY 2013-14). Several positions budgeted in FY 2013-14 no longer exist and evaluations of duties will need to be done. Greenwood recommended \$220,000 to be budgeted for future staffing needs resulting from organizational changes, 70% would be in salaries and 30% towards personnel costs. The change proposed in personnel costs is 3% more than last year's budget. Overall this brings back 2.5 FTE to 3 FTE and we would then still need to evaluate the loss positions of the Port Manager-Engineer Tech and the Special Project Coordinator which will be evaluated at a later time. A salary step structure was presented for recommendation. The first step would increase some employees by 2.5% but these employees would not receive this increase before passing a positive annual performance review. The only position eligible for a COLA is the Maintenance III position that needs to reflect state minimum wage laws. In all this report reflects current cost levels of employees as well as anticipated increases in various personnel benefits, employee paid benefits and taxes.

**III. FEE STRUCTURES:**

Draft of Port of Newport Resolution #2014 xx. This was a tentative summary of all fees, charges and rates that the Port assesses; more information is to be added at a later meeting. Greenwood recommended that this document be reviewed and updated annually. A version of this document will be distributed to port customers via the Fisherman's Forum, SB Users Group, website and others. Overall the summary of fees shows an increase of 3% to cover increases in operations caused by insurance, cost of goods, and employees and various other areas. Recommendations were made regarding job costing to compare current staff to subcontracting projects and choosing the most cost effective method. Question was asked if we were charging for water usage and should we; this will be reviewed. Discussion was made regarding how the moorage rates are not consistent and that the system was designed back in 1970 and does need to be updated. Rates for Live aboard fees and how both marina's charge differently and how we need to have uniformity. Also that the dock box's at the South Beach Marina are doing well and are effect for both the customers and the Port. Some feed back from customers who use the RV Park relayed to us that we are an expensive park. But we are still considering charging for extra vehicles, people and pets. Section 6 of this draft is new regarding civil penalties and no comments were made. Section 9 & 10 covers insurance requirements and guidelines which should reflect standardization for marina or land use. Section 11 a recommendation was made to charge for these items listed in this section. Section 12 requests a delegation to authorize and implement rates listed. A review of how charter services are operating at the South Beach Marina was requested to evaluate uniformity of conducting business in our area. Some charter services operate as an annual business locally and others from other parts of the country that may not be operating in the same format, review and information will be brought forth at a later date.

**IV. PROJECT PRIORITIES:**

A list of projects what was compiled by Department Heads and their staff and prioritized by them was presented. Such projects included new docks on Dock 7, a replacement of the hoist dock, a new customs building, Terminal Warehouse/Tenants Imps, A/E Admin Office and thirteen other projects the first five with the high rating due to urgency of repair and or replacement. Costs and some resources were included in this document.

**V. REMINDER OF BUDGET COMMITTEE MEETING: Tuesday, May 13<sup>th</sup> at 6pm at SB Marina Activities Room**

**VI. MEETING RECESS** at the discretion of the chair. (No meeting recess was taken)

**VII. OTHER** (No other business was brought forth)

**VIII. PUBLIC COMMENT** (No public comments were made)

**IX. UPCOMING MEETINGS/EVENTS**

- A. Work Session, South Beach Marina Activities Room, April 14, 6:00 pm
- B. Marina Users Meeting, South Beach Marina, April 16, 8:30 am
- C. Regular Meeting, South Beach Marina Activities Room, April 22, 6:00 pm
- D. Barrel to Keg Relay, Rogue Ales Distillery, July 12, 2014
- E. Fishermen's Forum, Port Dock 7 Operations Shop, May 14, 8:30 am
- F. Seaport Landing of the Lady Washington & Hawaiian Chieftain May 14<sup>th</sup>
- G. Marina Users Meeting, South Beach Marina, May 21, 8:30 am

**X. ADJOURNMENT**

There being nothing more to come before the Board of Commissioners, the meeting was adjourned at 7:45 pm

ATTEST:

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David Jincks, Vice-President  
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Walter Chuck, Secretary/Treasurer



**PORT OF NEWPORT  
MINUTES  
April 14, 2014  
TARIFF WORK SESSION**

**I. CALL TO ORDER**

Commission Vice-President David Jincks called the work session of the Port of Newport Board of Commissioners to order at 12:19 pm in the South Beach Marina Activities Room

**COMMISSIONERS PRESENT:** David Jincks, Vice-President; Walter Chuck, Secretary/Treasurer; Dean Fleck, Assistant Secretary-Treasurer; Ken Brown, Treasurer.

**COMMISSIONERS ABSENT:** JoAnne Barton, President.

**PORT OF NEWPORT MANAGEMENT AND STAFF:** Greenwood, General Manager; Albaugh, Director of Finance; Durkee, Terminal Operations Supervisor; Webster, Administrative Assistant.

**OTHERS PRESENT:** Mike Haglund, Haglund Kelly LLP Attorneys; Paul Huculak, SSA Pacific; Jeff Lentgis, SSA Pacific; Yale Fogarty, ILWU; Pat Ruddiman, ILWU; Dennis Anstine, News Times; David Morgan, News Lincoln County; Alisha Kein, CSALT.

**II. EXECUTIVE SUMMARY/TARIFF DOCUMENT - Mike Haglund**

The original Tariff document is twenty years old and is due for a major and total reform. Review, recommendations and feed back from all users was the purpose of this meeting. Haglund presented the Tariff document and different areas of reformation. The new draft document was reformed to carry the Port into numerous years of operation and further. The document was comparable to other larger Ports. Review of general rules of operation for users and information necessary to interpret and administer the tariff were discussed. Dockage rules, break bulk rules, use of cargo staging areas, labor rules, equipment rules and storage rules were all highlighted items that Haglund presented to users for comments. Wharfage charges pricing would need to be updated to current prices, Conditional services would need to be reviewed to allow rates per situation. More clarification as to the Ports staging area and the use per customer. Section V an addition to Labor rate categories adding a classification for "truck driver", "crane operator and a "lineman" were suggested. And also noting as part of the Tariff document that the rates change every July 1<sup>st</sup>. Section VII add and define the charge per square foot for Terminal storage (.19cent).

**III. MATRIX OF PEER PORT FEES**

**IV. COMMENTS/CONCERNS FROM AFFECTED USERS**

This was open only for users and as such there were no comments made at this time.

**V. RESOLUTION FORMAT**

This one page document will be brought form at the April 22 regular meeting.

**VI. RECOMMENDED ADOPTION AT APRIL 22 REGULAR MEETING**

No comments made.

**VII. ADJOURNMENT**

There being nothing more to come before the Board of Commissioners, the meeting was

adjourned at 1:50pm.

ATTEST:

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David Jincks, Vice-President  
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Walter Chuck, Secretary/Treasurer



# Memo

**To:** Port of Newport Commissioners  
**From:** Pat Albaugh, Director of Finance  
**Date:** April 14, 2014

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## **General Fund:**

March 2014 financials are attached. Three-quarters of the fiscal year is complete and total financial performance continues to be positive. Total revenues are up and total expenses are down compared to last fiscal year. The Balance Sheet is solid and has been moving in a positive direction. Budgeted revenues and operating expenses continue to stay in line with each other. Expenses are well within budget for this time of year.

## **NOAA Fund:**

NOAA has agreed to pay the difference between actual and estimated costs for insurance and Department of State Land (DSL) leases. This is an \$80,000 annual increase. The NOAA lease was negotiated with insurance and DSL costs estimated at \$51,424 but the actual costs were \$134,000. It has taken a couple years to get through this issue and I would like to thank Molly Kunze, NOAA Real Property Contracting Officer for her cooperation.

## **Facility Maintenance Reserve and Construction Funds:**

There has been little activity in the Facility Maintenance Reserve and Construction Funds. The Construction Fund has concluded almost all the Terminal contracts with the exception of dredging related activity.

## **Bonded Debt Fund:**

It appears the amount levied for General Obligation Bond debt service is right on this year. With a couple months to go the Bonded Debt Fund is only ~\$7,200 short for the June bond payment (\$320,000).

## **Budget Season:**

Staff has been working on next fiscal year's budget and will be delivering the budget message and proposed budget on Tuesday, May 6<sup>th</sup>. Any suggestions on improving the budget document are always appreciated. Please stop by or call anytime. Thank you.

**Port of Newport Operating Fund**  
**Balance Sheet**  
As of March 31, 2014

|  | Mar 31, 14           | Feb 28, 14           | \$ Change         | Mar 31, 13           | \$ Change           |
|--|----------------------|----------------------|-------------------|----------------------|---------------------|
| <b>Current Assets</b>                  |                      |                      |                   |                      |                     |
| <b>Checking/Savings</b>                |                      |                      |                   |                      |                     |
| Available Cash & Equivalents           | 442,313.16           | 452,557.79           | -10,244.63        | 293,597.16           | 148,716.00          |
| Restricted Cash & Equivalents          | 686,816.56           | 658,715.28           | 28,101.28         | 445,276.99           | 241,539.57          |
| <b>Total Checking/Savings</b>          | <b>1,129,129.72</b>  | <b>1,111,273.07</b>  | <b>17,856.65</b>  | <b>738,874.15</b>    | <b>390,255.57</b>   |
| <b>Accounts Receivable</b>             |                      |                      |                   |                      |                     |
| Accounts Receivable                    | 3,057.66             | 47,839.34            | -44,781.68        | 36,946.50            | -33,888.84          |
| <b>Total Accounts Receivable</b>       | <b>3,057.66</b>      | <b>47,839.34</b>     | <b>-44,781.68</b> | <b>36,946.50</b>     | <b>-33,888.84</b>   |
| <b>Other Current Assets</b>            |                      |                      |                   |                      |                     |
| Allow for Bad Debt - CM                | -10,000.00           | -10,000.00           | 0.00              | -10,000.00           | 0.00                |
| Allow for Bad Debt - SB                | -4,000.00            | -4,000.00            | 0.00              | -4,000.00            | 0.00                |
| AR Property Tax                        | 8,054.60             | 8,054.60             | 0.00              | 12,592.46            | -4,537.86           |
| Assets Held For Sale                   | 0.00                 | 0.00                 | 0.00              | 5,448.05             | -5,448.05           |
| Prepaid Expenses                       | 88,277.30            | 67,694.71            | 20,582.59         | 71,094.43            | 17,182.87           |
| Due from other Port Funds              | 123,719.53           | 123,719.53           | 0.00              | -2,280.00            | 125,999.53          |
| <b>Total Other Current Assets</b>      | <b>206,051.43</b>    | <b>185,468.84</b>    | <b>20,582.59</b>  | <b>72,854.94</b>     | <b>133,196.49</b>   |
| <b>Total Current Assets</b>            | <b>1,338,238.81</b>  | <b>1,344,581.25</b>  | <b>-6,342.44</b>  | <b>848,675.59</b>    | <b>489,563.22</b>   |
| <b>Fixed Assets</b>                    |                      |                      |                   |                      |                     |
| Capital Assets                         | 89,128,397.64        | 89,128,397.64        | 0.00              | 84,116,239.00        | 5,012,158.64        |
| <b>Total Fixed Assets</b>              | <b>89,128,397.64</b> | <b>89,128,397.64</b> | <b>0.00</b>       | <b>84,116,239.00</b> | <b>5,012,158.64</b> |
| <b>TOTAL ASSETS</b>                    | <b>90,466,636.45</b> | <b>90,472,978.89</b> | <b>-6,342.44</b>  | <b>84,964,914.59</b> | <b>5,501,721.86</b> |
| <b>Liabilities</b>                     |                      |                      |                   |                      |                     |
| <b>Current Liabilities</b>             |                      |                      |                   |                      |                     |
| Accounts Payable                       | 24,911.48            | 24,752.14            | 159.34            | 42,769.12            | -17,857.64          |
| <b>Total Accounts Payable</b>          | <b>24,911.48</b>     | <b>24,752.14</b>     | <b>159.34</b>     | <b>42,769.12</b>     | <b>-17,857.64</b>   |
| <b>Other Current Liabilities</b>       |                      |                      |                   |                      |                     |
| Due to other Port Funds                | 30,911.89            | 24,699.94            | 6,211.95          | 29,677.06            | 1,234.83            |
| Prepaid Moorage and Deposits           | 32,581.00            | 27,923.00            | 4,658.00          | 31,078.31            | 1,502.69            |
| Payroll Liability                      | 40,573.02            | 40,042.37            | 530.65            | 50,696.00            | -10,122.98          |
| Accrued Property Taxes                 | 32,887.87            | 32,887.87            | 0.00              | 32,887.87            | 0.00                |
| Current Portion-Long Term Debt         | 177,258.39           | 177,258.39           | 0.00              | 0.00                 | 177,258.39          |
| Accrued Interest Payable               | 90,347.00            | 90,347.00            | 0.00              | 86,687.00            | 3,660.00            |
| <b>Total Other Current Liabilities</b> | <b>404,559.17</b>    | <b>393,158.57</b>    | <b>11,400.60</b>  | <b>231,026.24</b>    | <b>173,532.93</b>   |
| <b>Total Current Liabilities</b>       | <b>429,470.65</b>    | <b>417,910.71</b>    | <b>11,559.94</b>  | <b>273,795.36</b>    | <b>155,675.29</b>   |
| <b>Long Term Liabilities</b>           |                      |                      |                   |                      |                     |
| Long Term Debt                         | 8,739,743.61         | 8,739,743.61         | 0.00              | 4,943,158.00         | 3,796,585.61        |
| 2013 FF&C Bond Premium                 | 135,465.75           | 135,465.75           | 0.00              | 0.00                 | 135,465.75          |
| <b>Total Long Term Liabilities</b>     | <b>8,875,209.36</b>  | <b>8,875,209.36</b>  | <b>0.00</b>       | <b>4,943,158.00</b>  | <b>3,932,051.36</b> |
| <b>Total Liabilities</b>               | <b>9,304,680.01</b>  | <b>9,293,120.07</b>  | <b>11,559.94</b>  | <b>5,216,953.36</b>  | <b>4,087,726.65</b> |
| <b>Equity</b>                          |                      |                      |                   |                      |                     |
| Fund Balance                           | 80,854,782.59        | 80,854,782.59        | 0.00              | 79,963,811.75        | 890,970.84          |
| Operating Income                       | 307,173.85           | 325,076.23           | -17,902.38        | -215,850.52          | 523,024.37          |
| <b>Total Equity</b>                    | <b>81,161,956.44</b> | <b>81,179,858.82</b> | <b>-17,902.38</b> | <b>79,747,961.23</b> | <b>1,413,995.21</b> |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>  | <b>90,466,636.45</b> | <b>90,472,978.89</b> | <b>-6,342.44</b>  | <b>84,964,914.59</b> | <b>5,501,721.86</b> |

**Port of Newport Operating Fund  
Year-to-Date Budget Variance  
July 2013 through March 2014**

|                               | <u>Jul '13 - Mar 14</u>  | <u>Budget</u>             | <u>\$ Over Budget</u>    | <u>% of Budget</u>    |
|-------------------------------|--------------------------|---------------------------|--------------------------|-----------------------|
| <b>Income</b>                 |                          |                           |                          |                       |
| Lease Revenues                | 442,332.89               | 535,500.00                | -93,167.11               | 82.6%                 |
| Moorage                       | 805,113.50               | 1,082,000.00              | -276,886.50              | 74.41%                |
| Shipping Terminal Revenues    | 6,519.20                 | 3,500.00                  | 3,019.20                 | 186.26%               |
| Hoist Dock & Services         | 336,899.06               | 335,500.00                | 1,399.06                 | 100.42%               |
| RV Parks                      | 478,372.01               | 528,300.00                | -49,927.99               | 90.55%                |
| Launch Ramp & Trailer Storage | 44,779.00                | 58,000.00                 | -13,221.00               | 77.21%                |
| Miscellaneous Revenue         | 24,551.60                | 40,000.00                 | -15,448.40               | 61.38%                |
| Property & Dredge Sales       | 608.00                   | 0.00                      | 608.00                   | 100.0%                |
| Grant & Loan Proceeds         | 1,938.58                 | 527,200.00                | -525,261.42              | 0.37%                 |
| Property Tax Revenue          | 92,055.64                | 89,000.00                 | 3,055.64                 | 103.43%               |
| Interest Income               | 2,121.81                 | 2,500.00                  | -378.19                  | 84.87%                |
| <b>Total Income</b>           | <u>2,235,291.29</u>      | <u>3,201,500.00</u>       | <u>-966,208.71</u>       | <u>69.82%</u>         |
| <b>Expense</b>                |                          |                           |                          |                       |
| Salaries & Wages              | 518,704.20               | 800,000.00                | -281,295.80              | 64.84%                |
| Payroll Taxes & Benefits      | 201,557.81               | 381,000.00                | -179,442.19              | 52.9%                 |
| Insurance                     | 111,586.17               | 187,000.00                | -75,413.83               | 59.67%                |
| Professional Fees             | 75,593.21                | 115,000.00                | -39,406.79               | 65.73%                |
| Marketing & Promotion         | 13,898.38                | 32,000.00                 | -18,101.62               | 43.43%                |
| Dues & Subscriptions          | 15,730.43                | 16,000.00                 | -269.57                  | 98.32%                |
| Education & Training          | 3,923.82                 | 5,000.00                  | -1,076.18                | 78.48%                |
| Travel                        | 10,521.81                | 16,000.00                 | -5,478.19                | 65.76%                |
| Office Expenses               | 24,931.05                | 65,000.00                 | -40,068.95               | 38.36%                |
| Bank Fees                     | 19,762.13                | 26,000.00                 | -6,237.87                | 76.01%                |
| License & Permit Fees         | 6,651.75                 | 5,000.00                  | 1,651.75                 | 133.04%               |
| Utilities                     | 302,627.32               | 450,000.00                | -147,372.68              | 67.25%                |
| Contract & Support Services   | 165,349.06               | 159,000.00                | 6,349.06                 | 103.99%               |
| Repairs & Maintenance         | 59,574.26                | 178,000.00                | -118,425.74              | 33.47%                |
| Equipment & Small Tools       | 5,592.15                 | 10,300.00                 | -4,707.85                | 54.29%                |
| Operating Supplies & Fuel     | 59,585.53                | 69,300.00                 | -9,714.47                | 85.98%                |
| Shipping Expenses             | 0.00                     | 2,560.00                  | -2,560.00                | 0.0%                  |
| DSL & State Land Fees         | 23,387.95                | 24,000.00                 | -612.05                  | 97.45%                |
| Building & Land leases        | 9,664.00                 | 12,540.00                 | -2,876.00                | 77.07%                |
| Grants & Other                | 34,826.19                | 64,300.00                 | -29,473.81               | 54.16%                |
| <b>Total Expense</b>          | <u>1,663,467.22</u>      | <u>2,618,000.00</u>       | <u>-954,532.78</u>       | <u>63.54%</u>         |
| <b>Other Income/Expense</b>   |                          |                           |                          |                       |
| Other Income                  |                          |                           |                          |                       |
| Fund Transfers In             | 25,000.00                | 25,000.00                 | 0.00                     | 100.0%                |
| <b>Total Other Income</b>     | <u>25,000.00</u>         | <u>25,000.00</u>          | <u>0.00</u>              | <u>100.0%</u>         |
| Other Expense                 |                          |                           |                          |                       |
| Debt Service                  | 289,650.22               | 445,000.00                | -155,349.78              | 65.09%                |
| Capital - Current Year Costs  | 0.00                     | 637,500.00                | -637,500.00              | 0.0%                  |
| <b>Total Other Expense</b>    | <u>289,650.22</u>        | <u>1,082,500.00</u>       | <u>-792,849.78</u>       | <u>26.76%</u>         |
| <b>Operating Income</b>       | <u><u>307,173.85</u></u> | <u><u>-474,000.00</u></u> | <u><u>781,173.85</u></u> | <u><u>-64.81%</u></u> |

**Port of Newport Operating Fund**  
**Year-to-Date Operating Statement**  
 July 2013 through March 2014

|                               | <u>Jul '13 - Mar 14</u>  | <u>Jul '12 - Mar 13</u>   | <u>\$ Change</u>         |
|-------------------------------|--------------------------|---------------------------|--------------------------|
| <b>Income</b>                 |                          |                           |                          |
| Lease Revenues                | 442,332.89               | 398,433.95                | 43,898.94                |
| Moorage                       | 805,113.50               | 694,463.92                | 110,649.58               |
| Shipping Terminal Revenues    | 6,519.20                 | 4,022.36                  | 2,496.84                 |
| Hoist Dock & Services         | 336,899.06               | 272,358.16                | 64,540.90                |
| RV Parks                      | 478,372.01               | 467,647.92                | 10,724.09                |
| Launch Ramp & Trailer Storage | 44,779.00                | 48,149.20                 | -3,370.20                |
| Miscellaneous Revenue         | 24,551.60                | 43,368.67                 | -18,817.07               |
| Gain/(Loss) on Sale of Assets | 0.00                     | 3,000.00                  | -3,000.00                |
| Property & Dredge Sales       | 608.00                   | 0.00                      | 608.00                   |
| Grant & Loan Proceeds         | 1,938.58                 | 89,380.75                 | -87,442.17               |
| Property Tax Revenue          | 92,055.64                | 90,440.36                 | 1,615.28                 |
| Interest Income               | 2,121.81                 | 1,696.08                  | 425.73                   |
| <b>Total Income</b>           | <u>2,235,291.29</u>      | <u>2,112,961.37</u>       | <u>122,329.92</u>        |
| <b>Expense</b>                |                          |                           |                          |
| Salaries & Wages              | 518,704.20               | 556,811.41                | -38,107.21               |
| Payroll Taxes & Benefits      | 201,557.81               | 220,531.47                | -18,973.66               |
| Insurance                     | 111,586.17               | 123,959.20                | -12,373.03               |
| Professional Fees             | 75,593.21                | 78,476.34                 | -2,883.13                |
| Marketing & Promotion         | 13,898.38                | 15,089.80                 | -1,191.42                |
| Dues & Subscriptions          | 15,730.43                | 14,251.56                 | 1,478.87                 |
| Education & Training          | 3,923.82                 | 4,298.80                  | -374.98                  |
| Travel                        | 10,521.81                | 9,964.06                  | 557.75                   |
| Office Expenses               | 24,931.05                | 21,608.20                 | 3,322.85                 |
| Bank Fees                     | 19,762.13                | 20,238.41                 | -476.28                  |
| License & Permit Fees         | 6,651.75                 | 1,376.25                  | 5,275.50                 |
| Utilities                     | 302,627.32               | 293,642.20                | 8,985.12                 |
| Contract & Support Services   | 165,349.06               | 123,546.38                | 41,802.68                |
| Repairs & Maintenance         | 59,574.26                | 80,108.32                 | -20,534.06               |
| Equipment & Small Tools       | 5,592.15                 | 12,464.12                 | -6,871.97                |
| Operating Supplies & Fuel     | 59,585.53                | 52,377.79                 | 7,207.74                 |
| Shipping Expenses             | 0.00                     | 1,577.56                  | -1,577.56                |
| DSL & State Land Fees         | 23,387.95                | 23,104.58                 | 283.37                   |
| Building & Land leases        | 9,664.00                 | 9,405.00                  | 259.00                   |
| Grants & Other                | 34,826.19                | 191,424.83                | -156,598.64              |
| <b>Total Expense</b>          | <u>1,663,467.22</u>      | <u>1,854,256.28</u>       | <u>-190,789.06</u>       |
| <b>Other Income/Expense</b>   |                          |                           |                          |
| <b>Other Income</b>           |                          |                           |                          |
| Fund Transfers In             | 25,000.00                | 25,000.00                 | 0.00                     |
| <b>Total Other Income</b>     | <u>25,000.00</u>         | <u>25,000.00</u>          | <u>0.00</u>              |
| <b>Other Expense</b>          |                          |                           |                          |
| Debt Service                  | 289,650.22               | 465,520.39                | -175,870.17              |
| Capital - Current Year Costs  | 0.00                     | 34,035.22                 | -34,035.22               |
| <b>Total Other Expense</b>    | <u>289,650.22</u>        | <u>499,555.61</u>         | <u>-209,905.39</u>       |
| <b>Operating Income</b>       | <u><u>307,173.85</u></u> | <u><u>-215,850.52</u></u> | <u><u>523,024.37</u></u> |

**Port of Newport Operating Fund**  
**Monthly Operating Statement**  
**March 2014**

|                               | <u>Mar 14</u>            | <u>Feb 14</u>            | <u>\$ Change</u>        | <u>Mar 13</u>            | <u>\$ Change</u>        |
|-------------------------------|--------------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| <b>Income</b>                 |                          |                          |                         |                          |                         |
| Lease Revenues                | 40,665.44                | 45,242.29                | -4,576.85               | 39,588.27                | 1,077.17                |
| Moorage                       | 60,657.96                | 44,784.07                | 15,873.89               | 61,486.14                | -828.18                 |
| Shipping Terminal Revenues    | 104.00                   | 208.00                   | -104.00                 | 82.80                    | 21.20                   |
| Hoist Dock & Services         | 32,675.28                | 30,312.08                | 2,363.20                | 34,550.76                | -1,875.48               |
| RV Parks                      | 23,350.37                | 24,594.71                | -1,244.34               | 20,750.82                | 2,599.55                |
| Launch Ramp & Trailer Storage | 2,438.50                 | 1,854.50                 | 584.00                  | 4,129.00                 | -1,690.50               |
| Miscellaneous Revenue         | 1,565.08                 | 2,291.76                 | -726.68                 | -1,528.46                | 3,093.54                |
| Property & Dredge Sales       | 498.00                   | 0.00                     | 498.00                  | 0.00                     | 498.00                  |
| Grant & Loan Proceeds         | 0.00                     | -898.12                  | 898.12                  | 0.00                     | 0.00                    |
| Property Tax Revenue          | 670.76                   | 2,516.77                 | -1,846.01               | 2,829.76                 | -2,159.00               |
| Interest Income               | 263.53                   | 248.66                   | 14.87                   | 137.59                   | 125.94                  |
| <b>Total Income</b>           | <u>162,888.92</u>        | <u>151,154.72</u>        | <u>11,734.20</u>        | <u>162,026.68</u>        | <u>862.24</u>           |
| <b>Expense</b>                |                          |                          |                         |                          |                         |
| Salaries & Wages              | 51,873.00                | 55,092.61                | -3,219.61               | 62,922.39                | -11,049.39              |
| Payroll Taxes & Benefits      | 22,756.62                | 18,868.59                | 3,888.03                | 24,243.69                | -1,487.07               |
| Insurance                     | 12,173.35                | 12,199.35                | -26.00                  | 15,421.80                | -3,248.45               |
| Professional Fees             | 3,925.25                 | 7,625.00                 | -3,699.75               | 12,221.75                | -8,296.50               |
| Marketing & Promotion         | 324.00                   | 0.00                     | 324.00                  | 1,911.03                 | -1,587.03               |
| Dues & Subscriptions          | 1,054.00                 | 124.25                   | 929.75                  | 405.44                   | 648.56                  |
| Education & Training          | 950.00                   | 271.34                   | 678.66                  | 300.00                   | 650.00                  |
| Travel                        | 2,885.40                 | 0.00                     | 2,885.40                | 4,404.50                 | -1,519.10               |
| Office Expenses               | 5,564.22                 | 1,925.93                 | 3,638.29                | 1,643.23                 | 3,920.99                |
| Bank Fees                     | 629.74                   | 1,163.89                 | -534.15                 | 1,292.10                 | -662.36                 |
| Utilities                     | 32,347.63                | 33,106.03                | -758.40                 | 30,340.62                | 2,007.01                |
| Contract & Support Services   | 13,320.72                | 20,503.39                | -7,182.67               | 16,076.57                | -2,755.85               |
| Repairs & Maintenance         | 8,903.61                 | 8,767.33                 | 136.28                  | 5,469.14                 | 3,434.47                |
| Equipment & Small Tools       | 185.93                   | 253.76                   | -67.83                  | 1,036.21                 | -850.28                 |
| Operating Supplies & Fuel     | 4,535.90                 | 5,512.84                 | -976.94                 | 6,687.72                 | -2,151.82               |
| Building & Land leases        | 1,082.00                 | 1,082.00                 | 0.00                    | 1,045.00                 | 37.00                   |
| Grants & Other                | 2,101.97                 | 2,702.97                 | -601.00                 | 1,590.95                 | 511.02                  |
| <b>Total Expense</b>          | <u>164,613.34</u>        | <u>169,199.28</u>        | <u>-4,585.94</u>        | <u>187,012.14</u>        | <u>-22,398.80</u>       |
| <b>Other Expense</b>          |                          |                          |                         |                          |                         |
| Debt Service                  | 16,177.96                | 12,179.51                | 3,998.45                | 17,668.16                | -1,490.20               |
| <b>Total Other Expense</b>    | <u>16,177.96</u>         | <u>12,179.51</u>         | <u>3,998.45</u>         | <u>17,668.16</u>         | <u>-1,490.20</u>        |
| <b>Operating Income</b>       | <u><u>-17,902.38</u></u> | <u><u>-30,224.07</u></u> | <u><u>12,321.69</u></u> | <u><u>-42,653.62</u></u> | <u><u>24,751.24</u></u> |

**Port of Newport Operating Fund**  
**YTD Operating Statement by Business Unit**  
 July 2013 through March 2014

|                               | SB OPS             | SB Admin & Overhead | SB Marina         | Main RV Park      | Annex             | Total South Beach |
|-------------------------------|--------------------|---------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Income</b>                 |                    |                     |                   |                   |                   |                   |
| Lease Revenues                | 0.00               | 0.00                | 0.00              | 0.00              | 0.00              | 0.00              |
| Moorage                       | 0.00               | 0.00                | 429,075.23        | 0.00              | 0.00              | 429,075.23        |
| Shipping Terminal Revenues    | 0.00               | 0.00                | 0.00              | 0.00              | 0.00              | 0.00              |
| Hoist Dock & Services         | 0.00               | 0.00                | 8,535.76          | 136.50            | 0.00              | 8,672.26          |
| RV Parks                      | 0.00               | 0.00                | 6,054.46          | 369,199.12        | 103,118.43        | 478,372.01        |
| Launch Ramp & Trailer Storage | 0.00               | 0.00                | 43,214.00         | 0.00              | 0.00              | 43,214.00         |
| Miscellaneous Revenue         | 0.00               | 193.33              | 13,469.03         | 4,799.18          | 290.00            | 18,751.54         |
| Property & Dredge Sales       | 0.00               | 0.00                | 0.00              | 0.00              | 0.00              | 0.00              |
| Grant & Loan Proceeds         | 0.00               | 0.00                | 2,836.70          | 0.00              | 0.00              | 2,836.70          |
| Property Tax Revenue          | 0.00               | 0.00                | 0.00              | 0.00              | 0.00              | 0.00              |
| Interest Income               | 0.00               | 0.00                | 0.00              | 0.00              | 0.00              | 0.00              |
| <b>Total Income</b>           | <b>0.00</b>        | <b>193.33</b>       | <b>503,185.16</b> | <b>374,134.80</b> | <b>103,408.43</b> | <b>980,921.74</b> |
| <b>Gross Profit</b>           | <b>0.00</b>        | <b>193.33</b>       | <b>503,185.16</b> | <b>374,134.80</b> | <b>103,408.43</b> | <b>980,921.74</b> |
| <b>Expense</b>                |                    |                     |                   |                   |                   |                   |
| Salaries & Wages              | 110,367.03         | 44,552.70           | 0.00              | 0.00              | 0.00              | 154,919.73        |
| Payroll Taxes & Benefits      | 51,117.38          | 12,148.18           | 0.00              | 0.00              | 0.00              | 63,265.56         |
| Insurance                     | 1,000.00           | 0.00                | 14,066.11         | 0.00              | 0.00              | 15,066.11         |
| Professional Fees             | 850.00             | 0.00                | 0.00              | 0.00              | 0.00              | 850.00            |
| Marketing & Promotion         | 0.00               | 6,470.50            | 1,381.69          | 195.00            | 0.00              | 8,047.19          |
| Dues & Subscriptions          | 0.00               | 110.25              | 0.00              | 0.00              | 0.00              | 110.25            |
| Education & Training          | 0.00               | 795.00              | 0.00              | 0.00              | 0.00              | 795.00            |
| Travel                        | 0.00               | 759.44              | 403.62            | 0.00              | 0.00              | 1,163.06          |
| Office Expenses               | 165.10             | 3,957.70            | 788.18            | 106.70            | 0.00              | 5,017.68          |
| Bank Fees                     | 0.00               | 6,177.78            | 0.00              | 33.51             | 0.00              | 6,211.29          |
| License & Permit Fees         | 144.00             | 6.00                | 0.00              | 0.00              | 0.00              | 150.00            |
| Utilities                     | 31,211.00          | 18,074.82           | 94,425.87         | 19,747.14         | 10,157.98         | 173,616.81        |
| Contract & Support Services   | 5,305.00           | 46,807.28           | 17,906.18         | 17,689.79         | 200.00            | 87,908.25         |
| Repairs & Maintenance         | 8,526.97           | 872.11              | 16,229.01         | 629.72            | 1,224.38          | 27,482.19         |
| Equipment & Small Tools       | 1,197.89           | 104.00              | 46.00             | 0.00              | 0.00              | 1,347.89          |
| Operating Supplies & Fuel     | 20,553.75          | 3,818.99            | 10,800.14         | 1,549.57          | 257.44            | 36,779.89         |
| DSL & State Land Fees         | 0.00               | 0.00                | 10,435.34         | 0.00              | 0.00              | 10,435.34         |
| Building & Land leases        | 0.00               | 0.00                | 0.00              | 0.00              | 0.00              | 0.00              |
| Grants & Other                | 0.00               | 15,927.35           | 0.00              | 14,203.11         | 434.71            | 30,565.17         |
| <b>Total Expense</b>          | <b>230,438.12</b>  | <b>160,582.10</b>   | <b>166,282.14</b> | <b>54,154.54</b>  | <b>12,274.51</b>  | <b>623,731.41</b> |
| <b>Fund Transfers In</b>      | <b>0.00</b>        | <b>0.00</b>         | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       |
| <b>Total Other Income</b>     | <b>0.00</b>        | <b>0.00</b>         | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       |
| <b>Other Expense</b>          |                    |                     |                   |                   |                   |                   |
| Debt Service                  | 3,716.40           | 0.00                | 0.00              | 0.00              | 0.00              | 3,716.40          |
| <b>Total Other Expense</b>    | <b>3,716.40</b>    | <b>0.00</b>         | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       | <b>3,716.40</b>   |
| <b>Operating Income</b>       | <b>-234,154.52</b> | <b>-160,388.77</b>  | <b>336,903.04</b> | <b>319,980.26</b> | <b>91,133.92</b>  | <b>353,473.93</b> |



**Port of Newport Operating Fund**  
**YTD Operating Statement by Business Unit**  
 July 2013 through March 2014

|                               | Admin & Property Mgmt | Commercial Marina | International Terminal | Total General Operating Fund |
|-------------------------------|-----------------------|-------------------|------------------------|------------------------------|
| <b>Income</b>                 |                       |                   |                        |                              |
| Lease Revenues                | 442,332.89            | 0.00              | 0.00                   | 442,332.89                   |
| Moorage                       | 0.00                  | 318,773.27        | 57,265.00              | 805,113.50                   |
| Shipping Terminal Revenues    | 0.00                  | 0.00              | 6,519.20               | 6,519.20                     |
| Hoist Dock & Services         | 0.00                  | 225,077.63        | 103,149.17             | 336,899.06                   |
| RV Parks                      | 0.00                  | 0.00              | 0.00                   | 478,372.01                   |
| Launch Ramp & Trailer Storage | 0.00                  | 1,243.00          | 322.00                 | 44,779.00                    |
| Miscellaneous Revenue         | 1,461.96              | 4,328.59          | 9.51                   | 24,551.60                    |
| Property & Dredge Sales       | 608.00                | 0.00              | 0.00                   | 608.00                       |
| Grant & Loan Proceeds         | 0.00                  | 0.00              | -898.12                | 1,938.58                     |
| Property Tax Revenue          | 92,055.64             | 0.00              | 0.00                   | 92,055.64                    |
| Interest Income               | 2,121.81              | 0.00              | 0.00                   | 2,121.81                     |
| <b>Total Income</b>           | <b>538,580.30</b>     | <b>549,422.49</b> | <b>166,366.76</b>      | <b>2,235,291.29</b>          |
| <b>Gross Profit</b>           | <b>538,580.30</b>     | <b>549,422.49</b> | <b>166,366.76</b>      | <b>2,236,291.29</b>          |
| <b>Expense</b>                |                       |                   |                        |                              |
| Salaries & Wages              | 201,527.18            | 133,481.91        | 28,775.38              | 518,704.20                   |
| Payroll Taxes & Benefits      | 66,998.18             | 58,117.69         | 13,176.38              | 201,557.81                   |
| Insurance                     | 81,453.95             | 15,066.11         | 0.00                   | 111,586.17                   |
| Professional Fees             | 66,636.44             | 0.00              | 8,106.77               | 75,593.21                    |
| Marketing & Promotion         | 3,926.91              | 515.65            | 1,408.63               | 13,898.38                    |
| Dues & Subscriptions          | 15,620.18             | 0.00              | 0.00                   | 15,730.43                    |
| Education & Training          | 2,229.57              | 549.25            | 350.00                 | 3,923.82                     |
| Travel                        | 9,175.59              | 100.81            | 82.35                  | 10,521.81                    |
| Office Expenses               | 18,506.94             | 1,027.27          | 379.16                 | 24,931.05                    |
| Bank Fees                     | 771.54                | 12,779.30         | 0.00                   | 19,762.13                    |
| License & Permit Fees         | 271.45                | 1,438.00          | 4,792.30               | 6,651.75                     |
| Utilities                     | 12,625.29             | 85,411.12         | 30,974.10              | 302,627.32                   |
| Contract & Support Services   | 17,062.71             | 45,669.56         | 14,708.54              | 165,349.06                   |
| Repairs & Maintenance         | 78.06                 | 18,247.28         | 13,766.73              | 59,574.26                    |
| Equipment & Small Tools       | 0.00                  | 730.51            | 3,513.75               | 5,592.15                     |
| Operating Supplies & Fuel     | 1,110.73              | 16,490.52         | 5,204.39               | 59,585.53                    |
| DSL & State Land Fees         | 0.00                  | 12,962.61         | 0.00                   | 23,387.95                    |
| Building & Land leases        | 9,664.00              | 0.00              | 0.00                   | 9,664.00                     |
| Grants & Other                | 3,923.76              | 337.26            | 0.00                   | 34,826.19                    |
| <b>Total Expense</b>          | <b>511,582.48</b>     | <b>402,914.85</b> | <b>125,238.48</b>      | <b>1,663,467.22</b>          |
| <b>Fund Transfers In</b>      | <b>25,000.00</b>      | <b>0.00</b>       | <b>0.00</b>            | <b>25,000.00</b>             |
| <b>Total Other Income</b>     | <b>25,000.00</b>      | <b>0.00</b>       | <b>0.00</b>            | <b>25,000.00</b>             |
| Other Expense                 |                       |                   |                        |                              |
| Debt Service                  | 170,145.96            | 4,800.07          | 110,987.79             | 289,650.22                   |
| <b>Total Other Expense</b>    | <b>170,145.96</b>     | <b>4,800.07</b>   | <b>110,987.79</b>      | <b>289,650.22</b>            |
| <b>Operating Income</b>       | <b>-118,148.14</b>    | <b>141,707.57</b> | <b>-69,859.51</b>      | <b>307,173.85</b>            |

**Port of Newport - NOAA Fund**  
**Balance Sheet**  
As of March 31, 2014

|  | <u>Mar 31, 14</u>     | <u>Feb 28, 14</u>     | <u>\$ Change</u>   | <u>Mar 31, 13</u>     | <u>\$ Change</u>     |
|--|-----------------------|-----------------------|--------------------|-----------------------|----------------------|
| <b>Current Assets</b>                  |                       |                       |                    |                       |                      |
| Checking/Savings                       |                       |                       |                    |                       |                      |
| Cash & Equivalents                     | 4,997,434.59          | 4,917,146.89          | 80,287.70          | 5,259,620.96          | -262,186.37          |
| <b>Total Checking/Savings</b>          | <u>4,997,434.59</u>   | <u>4,917,146.89</u>   | <u>80,287.70</u>   | <u>5,259,620.96</u>   | <u>-262,186.37</u>   |
| Other Current Assets                   |                       |                       |                    |                       |                      |
| Prepaid Expenses                       | 58,653.79             | 69,731.54             | -11,077.75         | 94,078.89             | -35,425.10           |
| Bond Costs (net amortization)          | 587,640.00            | 587,640.00            | 0.00               | 622,207.00            | -34,567.00           |
| <b>Total Other Current Assets</b>      | <u>646,293.79</u>     | <u>657,371.54</u>     | <u>-11,077.75</u>  | <u>716,285.89</u>     | <u>-69,992.10</u>    |
| <b>Total Current Assets</b>            | <u>5,643,728.38</u>   | <u>5,574,518.43</u>   | <u>69,209.95</u>   | <u>5,975,906.85</u>   | <u>-332,178.47</u>   |
| <b>TOTAL ASSETS</b>                    | <u>5,643,728.38</u>   | <u>5,574,518.43</u>   | <u>69,209.95</u>   | <u>5,975,906.85</u>   | <u>-332,178.47</u>   |
| <b>LIABILITIES &amp; EQUITY</b>        |                       |                       |                    |                       |                      |
| <b>Liabilities</b>                     |                       |                       |                    |                       |                      |
| <b>Current Liabilities</b>             |                       |                       |                    |                       |                      |
| Accounts Payable                       |                       |                       |                    |                       |                      |
| Accounts Payable                       | 907.48                | 118,926.32            | -118,018.84        | 46,294.54             | -45,387.06           |
| <b>Total Accounts Payable</b>          | <u>907.48</u>         | <u>118,926.32</u>     | <u>-118,018.84</u> | <u>46,294.54</u>      | <u>-45,387.06</u>    |
| Other Current Liabilities              |                       |                       |                    |                       |                      |
| Vacation Payable                       | 1,732.00              | 1,371.00              | 361.00             | 1,965.00              | -233.00              |
| Current Portion-Long-Term Debt         | 790,000.00            | 790,000.00            | 0.00               | 0.00                  | 790,000.00           |
| Accrued Interest Payable               | 509,285.00            | 509,285.00            | 0.00               | 518,847.00            | -9,562.00            |
| <b>Total Other Current Liabilities</b> | <u>1,301,017.00</u>   | <u>1,300,656.00</u>   | <u>361.00</u>      | <u>520,812.00</u>     | <u>780,205.00</u>    |
| <b>Total Current Liabilities</b>       | <u>1,301,924.48</u>   | <u>1,419,582.32</u>   | <u>-117,657.84</u> | <u>567,106.54</u>     | <u>734,817.94</u>    |
| Long Term Liabilities                  |                       |                       |                    |                       |                      |
| Long-Term Debt                         | 22,343,121.00         | 22,343,121.00         | 0.00               | 23,886,540.00         | -1,543,419.00        |
| <b>Total Long Term Liabilities</b>     | <u>22,343,121.00</u>  | <u>22,343,121.00</u>  | <u>0.00</u>        | <u>23,886,540.00</u>  | <u>-1,543,419.00</u> |
| <b>Total Liabilities</b>               | <u>23,645,045.48</u>  | <u>23,762,703.32</u>  | <u>-117,657.84</u> | <u>24,453,646.54</u>  | <u>-808,601.06</u>   |
| <b>Equity</b>                          |                       |                       |                    |                       |                      |
| Opening Balance Equity                 | -17,956,077.71        | -17,956,077.71        | 0.00               | -17,956,077.71        | 0.00                 |
| Unrestricted Net Assets                | 781,075.07            | 781,075.07            | 0.00               | 0.00                  | 781,075.07           |
| Operating Income                       | -826,314.46           | -1,013,182.25         | 186,867.79         | -521,661.98           | -304,652.48          |
| <b>Total Equity</b>                    | <u>-18,001,317.10</u> | <u>-18,188,184.89</u> | <u>186,867.79</u>  | <u>-18,477,739.69</u> | <u>476,422.59</u>    |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>  | <u>5,643,728.38</u>   | <u>5,574,518.43</u>   | <u>69,209.95</u>   | <u>5,975,906.85</u>   | <u>-332,178.47</u>   |

**Port of Newport - NOAA Fund**  
**Year-to-Date Budget Variance**  
**July 2013 through March 2014**

|                                | <u>Jul '13 - Mar 14</u>   | <u>Budget</u>             | <u>\$ Over Budget</u>     | <u>% of Budget</u>    |
|--------------------------------|---------------------------|---------------------------|---------------------------|-----------------------|
| <b>Income</b>                  |                           |                           |                           |                       |
| Lease Income                   | 1,903,473.27              | 2,535,000.00              | -631,526.73               | 75.09%                |
| Interest Income                | 7,869.70                  | 10,000.00                 | -2,130.30                 | 78.7%                 |
| Misc Income                    | 0.00                      | 100,000.00                | -100,000.00               | 0.0%                  |
| <b>Total Income</b>            | <u>1,911,342.97</u>       | <u>2,645,000.00</u>       | <u>-733,657.03</u>        | <u>72.26%</u>         |
| <b>Expense</b>                 |                           |                           |                           |                       |
| Salary, Wages & Benefits       | 75,088.38                 | 104,980.00                | -29,891.62                | 71.53%                |
| Insurance                      | 94,302.68                 | 139,725.00                | -45,422.32                | 67.49%                |
| Professional Services          | 943.00                    | 12,000.00                 | -11,057.00                | 7.86%                 |
| Office & Admin Expenses        | 3,476.79                  | 17,000.00                 | -13,523.21                | 20.45%                |
| Grants & Other                 | 0.00                      | 37,500.00                 | -37,500.00                | 0.0%                  |
| Licenses & Permits             | 947.00                    | 2,500.00                  | -1,553.00                 | 37.88%                |
| Contracted Services            | 59,633.97                 | 83,100.00                 | -23,466.03                | 71.76%                |
| Dredging                       | 258,889.76                | 250,000.00                | 8,889.76                  | 103.56%               |
| Utilities                      | 6,481.18                  | 10,755.00                 | -4,273.82                 | 60.26%                |
| Materials and Supplies         | 5,771.43                  | 20,800.00                 | -15,028.57                | 27.75%                |
| Fuel (Gas, Diesel, Oil, Lubes) | 804.42                    | 1,350.00                  | -545.58                   | 59.59%                |
| Small Tools & Equipment        | 650.04                    | 2,500.00                  | -1,849.96                 | 26.0%                 |
| Equipment Rental               | 556.00                    | 1,250.00                  | -694.00                   | 44.48%                |
| Office Rent & DSL Leases       | 10,809.02                 | 12,000.00                 | -1,190.98                 | 90.08%                |
| <b>Total Expense</b>           | <u>518,353.67</u>         | <u>695,460.00</u>         | <u>-177,106.33</u>        | <u>74.53%</u>         |
| <b>Other Income/Expense</b>    |                           |                           |                           |                       |
| <b>Other Expense</b>           |                           |                           |                           |                       |
| Capital Expenses               | 0.00                      | 0.00                      | 0.00                      | 0.0%                  |
| Fund Transfers Out             | 218,870.00                | 220,000.00                | -1,130.00                 | 99.49%                |
| Debt Service                   | 2,000,433.76              | 2,000,434.00              | -0.24                     | 100.0%                |
| <b>Total Other Expense</b>     | <u>2,219,303.76</u>       | <u>2,220,434.00</u>       | <u>-1,130.24</u>          | <u>99.95%</u>         |
| <b>Operating Income</b>        | <u><u>-826,314.46</u></u> | <u><u>-270,894.00</u></u> | <u><u>-555,420.46</u></u> | <u><u>305.03%</u></u> |

**Facility Maintenance Reserve Fund**  
**Balance Sheet**  
As of March 31, 2014

|                                       | <u>Mar 31, 14</u> | <u>Feb 28, 14</u> | <u>\$ Change</u> | <u>Mar 31, 13</u> | <u>\$ Change</u>  |
|---------------------------------------|-------------------|-------------------|------------------|-------------------|-------------------|
| <b>ASSETS</b>                         |                   |                   |                  |                   |                   |
| <b>Current Assets</b>                 |                   |                   |                  |                   |                   |
| Checking/Savings                      |                   |                   |                  |                   |                   |
| Umpqua Bank - Money Market            | 290,265.77        | 290,248.51        | 17.26            | 122,873.29        | 167,392.48        |
| <b>Total Checking/Savings</b>         | <u>290,265.77</u> | <u>290,248.51</u> | <u>17.26</u>     | <u>122,873.29</u> | <u>167,392.48</u> |
| <b>Total Current Assets</b>           | <u>290,265.77</u> | <u>290,248.51</u> | <u>17.26</u>     | <u>122,873.29</u> | <u>167,392.48</u> |
| <b>TOTAL ASSETS</b>                   | <u>290,265.77</u> | <u>290,248.51</u> | <u>17.26</u>     | <u>122,873.29</u> | <u>167,392.48</u> |
| <b>LIABILITIES &amp; EQUITY</b>       |                   |                   |                  |                   |                   |
| <b>Liabilities</b>                    |                   |                   |                  |                   |                   |
| <b>Current Liabilities</b>            |                   |                   |                  |                   |                   |
| Accounts Payable                      |                   |                   |                  |                   |                   |
| Accounts Payable                      | 123,719.53        | 123,719.53        | 0.00             | 0.00              | 123,719.53        |
| <b>Total Accounts Payable</b>         | <u>123,719.53</u> | <u>123,719.53</u> | <u>0.00</u>      | <u>0.00</u>       | <u>123,719.53</u> |
| <b>Total Current Liabilities</b>      | <u>123,719.53</u> | <u>123,719.53</u> | <u>0.00</u>      | <u>0.00</u>       | <u>123,719.53</u> |
| <b>Total Liabilities</b>              | 123,719.53        | 123,719.53        | 0.00             | 0.00              | 123,719.53        |
| <b>Equity</b>                         |                   |                   |                  |                   |                   |
| Fund Balance                          | 96,288.94         | 96,288.94         | 0.00             | 22,291.07         | 73,997.87         |
| Operating Income                      | 70,257.30         | 70,240.04         | 17.26            | 100,582.22        | -30,324.92        |
| <b>Total Equity</b>                   | <u>166,546.24</u> | <u>166,528.98</u> | <u>17.26</u>     | <u>122,873.29</u> | <u>43,672.95</u>  |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <u>290,265.77</u> | <u>290,248.51</u> | <u>17.26</u>     | <u>122,873.29</u> | <u>167,392.48</u> |

**Construction Fund - Port of Newport**  
**Balance Sheet**  
As of March 31, 2014

|                                       | <u>Mar 31, 14</u>        | <u>Feb 28, 14</u>        | <u>\$ Change</u>         | <u>Mar 31, 13</u>        | <u>\$ Change</u>          |
|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| <b>ASSETS</b>                         |                          |                          |                          |                          |                           |
| Current Assets                        |                          |                          |                          |                          |                           |
| Checking/Savings                      |                          |                          |                          |                          |                           |
| Construction Fund Bank Accts          | 770,822.89               | 788,070.68               | -17,247.79               | 667,587.95               | 103,234.94                |
| Total Checking/Savings                | <u>770,822.89</u>        | <u>788,070.68</u>        | <u>-17,247.79</u>        | <u>667,587.95</u>        | <u>103,234.94</u>         |
| Accounts Receivable                   |                          |                          |                          |                          |                           |
| Accounts Receivable                   | 0.00                     | 0.00                     | 0.00                     | 239,033.62               | -239,033.62               |
| Total Accounts Receivable             | <u>0.00</u>              | <u>0.00</u>              | <u>0.00</u>              | <u>239,033.62</u>        | <u>-239,033.62</u>        |
| Total Current Assets                  | <u>770,822.89</u>        | <u>788,070.68</u>        | <u>-17,247.79</u>        | <u>906,621.57</u>        | <u>-135,798.68</u>        |
| <b>TOTAL ASSETS</b>                   | <u><u>770,822.89</u></u> | <u><u>788,070.68</u></u> | <u><u>-17,247.79</u></u> | <u><u>906,621.57</u></u> | <u><u>-135,798.68</u></u> |
| <b>LIABILITIES &amp; EQUITY</b>       |                          |                          |                          |                          |                           |
| Liabilities                           |                          |                          |                          |                          |                           |
| Current Liabilities                   |                          |                          |                          |                          |                           |
| Accounts Payable                      |                          |                          |                          |                          |                           |
| A/P - Construction                    | 8,069.55                 | 10,912.32                | -2,842.77                | 16,705.67                | -8,636.12                 |
| Total Accounts Payable                | <u>8,069.55</u>          | <u>10,912.32</u>         | <u>-2,842.77</u>         | <u>16,705.67</u>         | <u>-8,636.12</u>          |
| Other Current Liabilities             |                          |                          |                          |                          |                           |
| Due To Other funds                    | 295.00                   | 0.00                     | 295.00                   | -2,280.00                | 2,575.00                  |
| Total Other Current Liabilities       | <u>295.00</u>            | <u>0.00</u>              | <u>295.00</u>            | <u>-2,280.00</u>         | <u>2,575.00</u>           |
| Total Current Liabilities             | <u>8,364.55</u>          | <u>10,912.32</u>         | <u>-2,547.77</u>         | <u>14,425.67</u>         | <u>-6,061.12</u>          |
| Total Liabilities                     | 8,364.55                 | 10,912.32                | -2,547.77                | 14,425.67                | -6,061.12                 |
| Equity                                |                          |                          |                          |                          |                           |
| Fund Balance                          | 1,212,169.60             | 1,212,169.60             | 0.00                     | 1,110,548.59             | 101,621.01                |
| Operating Income                      | -449,711.26              | -435,011.24              | -14,700.02               | -218,352.69              | -231,358.57               |
| Total Equity                          | <u>762,458.34</u>        | <u>777,158.36</u>        | <u>-14,700.02</u>        | <u>892,195.90</u>        | <u>-129,737.56</u>        |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <u><u>770,822.89</u></u> | <u><u>788,070.68</u></u> | <u><u>-17,247.79</u></u> | <u><u>906,621.57</u></u> | <u><u>-135,798.68</u></u> |

**Bonded Debt Fund - Port of Newport**  
**Balance Sheet**  
As of March 31, 2014

|                                       | Mar 31, 14           | Feb 28, 14           | \$ Change       | Mar 31, 13           | \$ Change          |
|---------------------------------------|----------------------|----------------------|-----------------|----------------------|--------------------|
| <b>ASSETS</b>                         |                      |                      |                 |                      |                    |
| Current Assets                        |                      |                      |                 |                      |                    |
| Checking/Savings                      |                      |                      |                 |                      |                    |
| Gen Obligation Bond MM-OCB            | 306,658.19           | 281,886.43           | 24,771.76       | 246,071.74           | 60,586.45          |
| Total Checking/Savings                | 306,658.19           | 281,886.43           | 24,771.76       | 246,071.74           | 60,586.45          |
| Accounts Receivable                   |                      |                      |                 |                      |                    |
| Due from General Operating Fund       | 6,211.95             | 24,699.94            | -18,487.99      | 29,677.06            | -23,465.11         |
| Total Accounts Receivable             | 6,211.95             | 24,699.94            | -18,487.99      | 29,677.06            | -23,465.11         |
| Other Current Assets                  |                      |                      |                 |                      |                    |
| Property Tax Receivable               | 67,552.12            | 67,552.12            | 0.00            | 64,104.00            | 3,448.12           |
| Total Other Current Assets            | 67,552.12            | 67,552.12            | 0.00            | 64,104.00            | 3,448.12           |
| <b>Total Current Assets</b>           | <b>380,422.26</b>    | <b>374,138.49</b>    | <b>6,283.77</b> | <b>339,852.80</b>    | <b>40,569.46</b>   |
| Other Assets                          |                      |                      |                 |                      |                    |
| Bond Issue costs, net of amort.       | 282,476.00           | 282,476.00           | 0.00            | 294,047.00           | -11,571.00         |
| <b>Total Other Assets</b>             | <b>282,476.00</b>    | <b>282,476.00</b>    | <b>0.00</b>     | <b>294,047.00</b>    | <b>-11,571.00</b>  |
| <b>TOTAL ASSETS</b>                   | <b>662,898.26</b>    | <b>656,614.49</b>    | <b>6,283.77</b> | <b>633,899.80</b>    | <b>28,998.46</b>   |
| <b>LIABILITIES &amp; EQUITY</b>       |                      |                      |                 |                      |                    |
| Liabilities                           |                      |                      |                 |                      |                    |
| Current Liabilities                   |                      |                      |                 |                      |                    |
| Other Current Liabilities             |                      |                      |                 |                      |                    |
| Bonds Payable - Current               | 275,000.00           | 275,000.00           | 0.00            | 0.00                 | 275,000.00         |
| Total Other Current Liabilities       | 275,000.00           | 275,000.00           | 0.00            | 0.00                 | 275,000.00         |
| Total Current Liabilities             | 275,000.00           | 275,000.00           | 0.00            | 0.00                 | 275,000.00         |
| Long Term Liabilities                 |                      |                      |                 |                      |                    |
| 2007 Series Bonds                     | 4,311,895.00         | 4,311,895.00         | 0.00            | 4,526,108.00         | -214,213.00        |
| 2008 Series Bonds                     | 4,414,904.00         | 4,414,904.00         | 0.00            | 4,619,900.00         | -204,996.00        |
| 2011 Series Bonds                     | 5,267,831.00         | 5,267,831.00         | 0.00            | 5,385,901.00         | -118,070.00        |
| Total Long Term Liabilities           | 13,994,630.00        | 13,994,630.00        | 0.00            | 14,531,909.00        | -537,279.00        |
| <b>Total Liabilities</b>              | <b>14,269,630.00</b> | <b>14,269,630.00</b> | <b>0.00</b>     | <b>14,531,909.00</b> | <b>-262,279.00</b> |
| Equity                                |                      |                      |                 |                      |                    |
| Bonded Debt Fund Balance              | 1,108,548.00         | 1,108,548.00         | 0.00            | 1,108,548.00         | 0.00               |
| Retained Earnings                     | 126,399.84           | 126,399.84           | 0.00            | 0.00                 | 126,399.84         |
| Opening Balance Equity                | -15,156,375.83       | -15,156,375.83       | 0.00            | -15,156,375.83       | 0.00               |
| Operating Income                      | 314,696.25           | 308,412.48           | 6,283.77        | 149,818.63           | 164,877.62         |
| Total Equity                          | -13,606,731.74       | -13,613,015.51       | 6,283.77        | -13,898,009.20       | 291,277.46         |
| <b>TOTAL LIABILITIES &amp; EQUITY</b> | <b>662,898.26</b>    | <b>656,614.49</b>    | <b>6,283.77</b> | <b>633,899.80</b>    | <b>28,998.46</b>   |

# Port of Newport

## Construction Fund

March 14, 2014 to April 16, 2014

| Date         | Num   | Name                          | Memo                                      | Amount                  |
|--------------|-------|-------------------------------|---|-------------------------|
| 3/26/14      | 11754 | KPFF Inc                      | Construction Management                   | 7,152.65                |
| 3/26/14      | 11755 | KPFF Inc                      | Construction Management Final             | 326.57                  |
| 4/2/14       | 11756 | Advanced Remediation          | Oversite and Consulting Sediment Sampling | 5,952.30                |
| 4/2/14       | 11757 | KPFF Inc                      | Construction Management                   | 657.25                  |
| 4/2/14       | 11758 | Pacific Habitat Services, Inc | Wetland Consulting Services for Terminal  | 1,460.00                |
| <b>TOTAL</b> |       |                               |   | <b><u>15,548.77</u></b> |

# Port of Newport

## NOAA Fund

March 14, 2014 to April 16, 2014

| Date    | Num   | Name                                      | Memo                                   | Amount                 |
|---------|-------|---|--|------------------------|
| 3/25/14 | 12352 | Denison Surveying, Inc.                   | Calculate Dredging Volume              | 1,450.00               |
| 3/26/14 | 12353 | AVS Elevator                              | Monthly Service                        | 162.42                 |
| 3/26/14 | 12354 | Central Lincoln PUD                       | Electric                               | 76.64                  |
| 3/26/14 | 12355 | Coastal Refrigeration, Heating & A/C      | Filters for HAVC                       | 706.64                 |
| 3/26/14 | 12356 | G & K Floors                              | Janitorial Services                    | 450.00                 |
| 3/26/14 | 12357 | Grainger                                  | Danger Signs                           | 52.87                  |
| 3/26/14 | 12358 | Marine Taxonomic Services, Ltd.           | Gaper Clam Dredge Survey Contract 2014 | 2,500.00               |
| 3/26/14 | 12359 | Pacific Habitat Services, Inc.            | Eel Grass Monitoring Report            | 346.00                 |
| 3/26/14 | 12360 | Pickseed                                  | Grass Seed                             | 360.00                 |
| 3/26/14 | 12361 | Road & Driveway                           | Sweep Parking Lot Around Sand Pile     | 150.00                 |
| 3/26/14 | 12362 | S.D.A.O. - Special Districts Assoc. of OR | NOAA Health Ins                        | 570.70                 |
| 3/26/14 | 12363 | T & L Chemical Toilet Service             | Holding Tank Rental                    | 35.00                  |
| 3/26/14 | 12364 | Ultimate Pest Control, LLC                | Pest Control                           | 125.00                 |
| 3/26/14 | 12365 | Verizon Wireless                          | Phone charges                          | 61.67                  |
| 3/26/14 | 12366 | Williams Scotsman Inc                     | Rent Mobile Office                     | 242.54                 |
| 4/2/14  | 12367 | Advanced Backflow Testing                 | Backflow Testing Post Repair Berth 1-3 | 264.75                 |
| 4/2/14  | 12368 | Road & Driveway                           | Lot Sweeping                           | 150.00                 |
| 4/2/14  | 12369 | Power Alarm                               | Alarm Monitoring Elevator              | 75.00                  |
| 4/2/14  | 12370 | Home Depot Credit Services                | Marine Flashlight                      | 79.83                  |
| 4/1/14  | 12371 | TCB Security Services Inc                 | Monthly Contracted Security            | 120.00                 |
| 4/1/14  | 12372 | Pioneer Telephone Cooperative             | bus-159375                             | 237.90                 |
| 4/15/14 | 12373 | Chase-Visa                                | Hippo Hardware Support                 | 199.00                 |
| 4/15/14 | 12374 | Coastal Refrigeration, Heating & A/C      | Diagnose Diaken Low Pressure           | 100.00                 |
| 4/15/14 | 12375 | SecureCom, Inc.                           | VOID: 5902 service not performed yet   | 0.00                   |
| 4/15/14 | 12376 | Thompsons Sanitary Service                | Disposal & 20YD Dumpster               | 325.10                 |
| 3/31/14 | 12377 | Barrelhead Supply, Inc.                   | Weather Stripping                      | 62.24                  |
| 3/31/14 | 12378 | Lincoln County Public Works               | Fuel                                   | 45.44                  |
| TOTAL   |       |   |  | <u><u>8,948.74</u></u> |



# Port of Newport

## Operating Fund

March 14, 2014 to April 16, 2014

| Date    | Num   | Name                                | Memo                                       | Amount    |
|---------|-------|-------------------------------------|--|-----------|
| 3/20/14 | 35370 | Association of Pacific Ports        | Annual Dues                                | 1,000.00  |
| 3/20/14 | 35371 | Central Coast Excavating, Inc.      | VOID: Electric G Dock                      | 0.00      |
| 3/20/14 | 35372 | Central Lincoln PUD                 | Electric                                   | 927.84    |
| 3/20/14 | 35373 | CenturyLink - Business Service      | Telephone                                  | 31.70     |
| 3/20/14 | 35374 | City of Newport                     | Feb Room Tax                               | 2,101.97  |
| 3/20/14 | 35375 | Design Space                        | Office rental                              | 1,082.00  |
| 3/20/14 | 35376 | Harvey's Lock & Key                 | RR Locks and keys                          | 270.25    |
| 3/20/14 | 35377 | EDGE Analytical Laboratories        | Storm water Testing IT                     | 330.00    |
| 3/20/14 | 35378 | Allegiance Benefit Plan Mgmt        | Insurance Withholding                      | 507.42    |
| 3/20/14 | 35379 | Central Lincoln PUD                 | Electric                                   | 3,413.65  |
| 3/20/14 | 35380 | HR inc. Answers                     | Handbook Review                            | 357.75    |
| 3/20/14 | 35381 | Newport Auto Parts Inc              | Bearings and Seals Boat Trailer for Skiff  | 244.28    |
| 3/20/14 | 35382 | News-Times                          | Lien Sale                                  | 70.25     |
| 3/20/14 | 35383 | Toyota Financial Services           | Forklift                                   | 1,044.20  |
| 3/20/14 | 35384 | Wilco                               | 50# Bag Pre emergent                       | 155.98    |
| 3/20/14 | 35385 | Central Lincoln PUD                 | Electric G Dock                            | 891.78    |
| 3/26/14 | 35386 | Agate Beach Supply                  | Paint and Primer                           | 94.00     |
| 3/26/14 | 35387 | Alan Brown Tire Center              | Tires for Tractor                          | 756.67    |
| 3/26/14 | 35388 | CHEMSEARCH                          | Soap Silo                                  | 75.30     |
| 3/26/14 | 35389 | Coast Crane Co.                     | Crane Service and Steering Cyl Replacem    | 4,726.80  |
| 3/26/14 | 35390 | CoastCom Inc                        | Internet and E-mail                        | 445.00    |
| 3/26/14 | 35391 | Forinash                            | Mount and Frame Chart                      | 125.64    |
| 3/26/14 | 35392 | G & K Floors                        | SB and Customs Monthly Maint               | 2,080.00  |
| 3/26/14 | 35393 | Great America Financial Services    | Copier Lease                               | 139.60    |
| 3/26/14 | 35394 | Kevin Greenwood                     | Temporary Housing and Cell Phone           | 2,012.15  |
| 3/26/14 | 35395 | NW Natural                          | Gas Filled                                 | 320.73    |
| 3/26/14 | 35396 | Pat Albaugh                         | Mileage and Cell Phone                     | 496.40    |
| 3/26/14 | 35397 | S.D.A.O. Special Districts of OR    | Consulting Time and Travel for Hiring Proc | 2,725.00  |
| 3/26/14 | 35398 | Sears Commercial One                | Small Tools                                | 104.95    |
| 3/26/14 | 35399 | Special Districts Insurance Service | March Health Pan                           | 7,989.88  |
| 3/26/14 | 35400 | T & L Chemical Toilet Service       | Chemical Toilets Bayfront                  | 436.00    |
| 3/26/14 | 35401 | Trionic Corp.                       | Dock Boxes                                 | 2,735.00  |
| 3/26/14 | 35402 | Verizon Wireless                    | Port cell phones                           | 243.15    |
| 3/26/14 | 35403 | Special Districts Insurance Service | Quarterly Property/Casualty Insurance      | 36,690.50 |
| 3/26/14 | 35404 | Vern Esplin                         | VOID: Refund Security Deposit from 2013    | 0.00      |
| 3/26/14 | 35405 | Idea Print Works, Inc.              | Port Clothing                              | 74.50     |
| 3/26/14 | 35406 | Vern Esplin                         | Refund Security Deposit from 2013 less clk | 195.00    |
| 3/26/14 | 35407 | Larry Petterson                     | Moorage Refund                             | 200.00    |
| 4/1/14  | 35408 | Cardinal Services, Inc.             | Temp Adm Assistant                         | 1,638.00  |
| 4/1/14  | 35409 | Dahl & Dahl, Inc                    | Debris Disposal                            | 642.30    |
| 4/1/14  | 35410 | Direct TV                           | Cable SB RV Park                           | 492.39    |
| 4/1/14  | 35411 | Industrial Welding Supply, Inc      | Chuck for Drill Press                      | 294.43    |
| 4/1/14  | 35412 | Lincoln Plumbing Inc                | Repair Water line leak in RV Park          | 147.36    |
| 4/1/14  | 35413 | Papé Material Handling Exchange     | Service Fork Lift and New Seat             | 403.79    |
| 4/1/14  | 35414 | Pro-Build                           | Hammers, Pliers, Ripper                    | 74.96     |

# Port of Newport

## Operating Fund

March 14, 2014 to April 16, 2014

|         |       |                                     |   |          |
|---------|-------|-------------------------------------|---|----------|
| 4/2/14  | 35415 | Appliance Service Station           | Lock Switch Repair Washer #3              | 165.00   |
| 4/2/14  | 35416 | Central Lincoln PUD                 | Electric                                  | 1,058.26 |
| 4/2/14  | 35417 | City of Newport                     | Water and Sewer                           | 3,182.45 |
| 4/2/14  | 35418 | Creative Landscape & Maintenance    | Landscape Maintenance                     | 1,200.00 |
| 4/2/14  | 35419 | Moolack Construction, LLC           | 2 Loads Rip Rap for Annex                 | 875.00   |
| 4/2/14  | 35420 | Newport Oregonian                   | Daily Paper March & April                 | 54.00    |
| 4/2/14  | 35421 | Platt                               | Bulbs for Dock lights                     | 136.46   |
| 4/2/14  | 35422 | City of Newport                     | Water and Sewer                           | 1,954.40 |
| 4/3/14  | 35423 | Copelund Lumber Yards, Inc..        | Knee Pads                                 | 44.91    |
| 4/3/14  | 35424 | Englund Marine Supply Co, Inc       | Work Boots                                | 187.92   |
| 4/3/14  | 35425 | Home Wire LLC                       | Evaluate & Order Modulators for Cable Sys | 1,560.00 |
| 4/3/14  | 35426 | Pacific Coast Congress of           | Conference Registration Kevin and Don     | 600.00   |
| 4/3/14  | 35427 | Pioneer Printing, Inc.              | Site Map for Website                      | 15.00    |
| 4/3/14  | 35428 | Pioneer Telephone Cooperative       | Telephone                                 | 214.96   |
| 4/3/14  | 35429 | TCB Security Services, Inc          | Monthly Security contract                 | 6,262.00 |
| 4/3/14  | 35430 | Yaquina Bay Communications          | Blessing of the Fleet KNPT                | 99.00    |
| 4/11/14 | 35431 | ALSCO                               | Rugs and Shop Towel Rental                | 181.95   |
| 4/11/14 | 35432 | Business Oregon-OBDD                | 655-36-02 (Q10001)                        | 3,250.00 |
| 4/11/14 | 35433 | Central Lincoln PUD                 | Electric                                  | 1,327.09 |
| 4/11/14 | 35434 | CenturyLink - Business Service      | Telephone                                 | 34.73    |
| 4/11/14 | 35435 | Design Space                        | Office Rental                             | 835.00   |
| 4/11/14 | 35436 | Direct TV                           | Monthly Cable SB Annex                    | 310.91   |
| 4/11/14 | 35437 | Greater Newport Chamber of Commerce | Don Mann Retirement Party                 | 1,882.00 |
| 4/11/14 | 35438 | Leisure Interactive                 | Annual Software Subscription SB           | 4,100.00 |
| 4/11/14 | 35439 | MACPHERSON, GINTNER & DIAZ          | Review General Business Admin             | 2,687.50 |
| 4/11/14 | 35440 | Neopost USA Inc                     | Postage Machine Rental                    | 149.85   |
| 4/11/14 | 35441 | Oregon Coast Technology Inc         | Copier-Printer Port Office                | 63.24    |
| 4/11/14 | 35442 | Staples                             | Paper, Toner, Misc Supplies               | 336.75   |
| 4/11/14 | 35443 | Thompson's Sanitary Service, Inc    | Trash Disposal Service                    | 4,070.90 |
| 4/11/14 | 35444 | Xerox Corporation                   | Copier Rental and Print Charge            | 150.13   |
| 4/10/14 | 35445 | Yachats Big Band                    | PCC Conference - Band for Awards Banqu    | 700.00   |
| 4/10/14 | 35446 | Giles                               | Bus Driver for PCC Conference Tour        | 120.00   |
| 4/14/14 | 35447 | Employee Draw                       | Mid Month Draw                            | 100.00   |
| 4/14/14 | 35448 | Employee Draw                       | Mid Month Draw                            | 450.00   |
| 4/14/14 | 35449 | Employee Draw                       | Mid Month Draw                            | 500.00   |
| 4/14/14 | 35450 | Employee Draw                       | Mid Month Draw                            | 475.00   |
| 4/14/14 | 35451 | Employee Draw                       | Mid Month Draw                            | 500.00   |
| 4/14/14 | 35452 | Employee Draw                       | Mid month Draw                            | 300.00   |
| 4/14/14 | 35453 | Employee Draw                       | Mid Month Draw                            | 500.00   |
| 4/15/14 | 35454 | Barrelhead                          | Plumbing and Electrical Hardware          | 345.86   |
| 4/15/14 | 35455 | Cardinal Services, Inc.             | Temp Adm Assistant                        | 1,701.70 |
| 4/15/14 | 35456 | Century Link                        | Telephone                                 | 374.53   |
| 4/15/14 | 35457 | Chase - Visa                        | I Drive, Book Shelves                     | 315.05   |
| 4/15/14 | 35458 | Dan Lais Equipment Surgery          | Repair Loader Bucket for Tractor          | 534.00   |
| 4/15/14 | 35459 | Harvey's Lock & Key                 | Service Call CM RR Keys                   | 65.00    |
| 4/15/14 | 35460 | ING (State of Oregon Plan)          | Monthly Employee Cont to Deferred Comp    | 100.00   |
| 4/15/14 | 35461 | Lincoln County Public Works         | Fuel for Trucks                           | 567.06   |
| 4/15/14 | 35462 | Lock Masters                        | Knobs, Deadbolts and Keys                 | 419.00   |

# Port of Newport

## Operating Fund

March 14, 2014 to April 16, 2014

|         |       |                            |  |          |
|---------|-------|----------------------------|--|----------|
| 4/15/14 | 35463 | Newport Glass CO, INC      | Replace Window Glass 4 units SB        | 594.00   |
| 4/15/14 | 35464 | Newport Signs              | Moorage Parking Signs                  | 223.00   |
| 4/15/14 | 35465 | Toyota Financial Services  | Forklift CM                            | 579.65   |
| 4/15/14 | 35466 | City of Newport            | March Room Tax                         | 1,171.58 |
| 4/15/14 | 35467 | Toyota Financial Services  | SB Forklift                            | 464.55   |
| 4/15/14 | 35468 | Fastenal Company           | Fasteners for Mounting Life Ring       | 59.56    |
| 4/15/14 | 35469 | ING (State of Oregon Plan) | Monthly Employee Cont to Differed Comp | 100.00   |
| 4/15/14 | 35470 | JC Market                  | Beverages and Condiments               | 42.52    |

TOTAL

127,080.04



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## INTERNATIONAL TERMINAL TARIFF NO. 1

*(Cancels and replaces Terminal Tariff)*

### PORT OF NEWPORT

NEWPORT, OREGON

Effective: May \_\_\_\_, 2014

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**Style Definition:** Heading 2: Font: Not Bold, Indent:  
Hanging: 0.5"

[Photo of Terminal]

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# INTERNATIONAL TERMINAL TARIFF NO. 1

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## SECTION I - GENERAL RULES

1. The Port

The term the "Port" shall mean the Port of Newport, Newport, Oregon.

2. Application of Tariff

A. Effective Date

This tariff shall be effective on and after the effective date as shown on each page.

B. Notice to Public: Facility Users

This tariff is notice to the public that the provisions of this Tariff, including, but not limited to, the rates, charges, rules, and regulations contained herein, apply to all Facility Users, and are enforceable by an appropriate court as an implied contract without proof of actual knowledge of the provisions contained herein. The term "Facility User" shall mean any cargo interest, vessel owner or operator, ocean carrier (whether vessel operating or non-vessel operating), freight forwarder, broker, motor carrier, rail carrier, container lessor, or any other person or entity who use or benefit from use of the Port's marine terminal facilities. Each Facility User shall be liable for noncompliance with the terms of this tariff by such Facility User's partners, officers, directors, agents, employees, invitees, contractors and/or subcontractors.

C. Reservation of Agreement Rights

The Port reserves the right to enter into agreements with common carriers, shippers, and/or their agents concerning rates

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# INTERNATIONAL TERMINAL TARIFF NO. 1

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Effective: May \_\_\_\_, 2014

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and service providing such agreements are consistent with existing local, state and federal regulations.

D. Specific Commodity Rates Prevail

Rates provided for specific commodities will prevail over not otherwise specified (NOS) rates or any general commodity rate. When no specific or NOS rates are set forth in this tariff, such charges shall be based on a time, equipment, and materials basis.

E. Use of Facilities Deemed Acceptance of Tariff

Use of the Port's marine terminal facilities shall be deemed an acceptance of this tariff along with all the specified terms and conditions contained herein. It is the responsibility of the Facility User to be aware of the physical characteristics of the facilities.

3. Damage to Port Property and the Environment

A. Piling Damage Replacement

Vessels will be responsible for and charged for the replacement of any pilings damaged during their occupancy of a Port berth. Damage identified during or after a vessel's departure will be deemed to have occurred during the vessel's berthage unless the Port is notified by the vessel's agent in writing prior to tie-up of any pre-existing damage to the piling.

B. Environmental Costs

Each Facility User will be responsible for all costs associated with response to, or abatement of any spills, releases, or discharges of pollution, invasive species, or hazardous materials into the air, land, groundwater or waterways in the vicinity of Port marine terminal facilities, and/or on Port property that emanate from or

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# INTERNATIONAL TERMINAL TARIFF NO. 1

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are caused by the Facility User's vessel, equipment, or operations. If a Facility User does not immediately commence clean up, the Port may undertake clean up operations, and the Facility User will reimburse the Port for all such costs within thirty (30) days of written demand by the Port. With respect to invasive species, recoverable environmental costs include without limitation costs associated with quarantine, fumigation, pesticide or herbicide application, and actions taken at the request of state or federal authorities with authority over invasive species control.

C. Other Property Damage

Each Facility User will be responsible for any damage caused by the Facility User, either by act or omission, to Port property or operations, or the property of any terminal operator, tenant, or other user, and shall reimburse the Port or other party for any such damage within thirty (30) calendar days of written demand.

4. Performance of Services on Port Facilities

The Port reserves the right to perform all services and furnish all equipment, supplies, and material in connection with the operation of its marine terminal facilities. No person, firm, or corporation shall be allowed to perform any services on the Port's marine terminal facilities without written permission from the Port. Those permitted to perform services shall apply, as well as adhere to, this tariff and any additions, revisions, or supplements.

5. Shipper's Requests and Complaints

Any party may initiate inquiries or complaints on matters relating to rates, charges, rules, and regulations contained in this tariff by filing a fully documented statement with the General Manager, Port of Newport, 600 SE Bay Boulevard, Newport, OR 97365.

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# INTERNATIONAL TERMINAL TARIFF NO. 1

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## 6. Definitions

### A. Holiday

Any legal holiday proclaimed by state or national authority or designated by applicable collective bargaining agreements.

### B. Point or Place of Rest

That area on the marine terminal facility assigned for receipt of inbound cargo from the vessel and for receipt of outbound cargo for vessel loading.

### C. Unitized Cargo

Cargo prepared or packed for routine handling with Port mechanical equipment.

## 7. Metric Conversion Table

Metric conversion factors to be used in determination of charges assessed under this Tariff are as follows:

| <u>MEASURE</u>    | <u>METRIC EQUIVALENT</u> |
|-------------------|--------------------------|
| 1 pound           | .4536 kgs.               |
| 1 ton (2000 lbs.) | 907.2 kgs.               |
| 1 inch            | 2.54 cms.                |
| 1 yard            | .9144 mtrs.              |
| 1 cu. foot        | .0283 cu. mtrs.          |
| 40 cu. feet       | 1.1327 cu. mtrs.         |
| 1 gallon          | 3.7854 liters            |

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| <u>MEASURE</u>              | <u>U.S. EQUIVALENT</u>              |
|-----------------------------|-------------------------------------|
| 1 kg.                       | 2.2046 lbs.                         |
| 1000 kgs.                   | 2204.6 lbs.                         |
| 1 cm.                       | .3937 inches                        |
| 1 meter                     | 39.37 inches                        |
| 1 cu. mtr.                  | 35.314 cu. ft.                      |
| <del>8.332,204.6</del> lbs. | <del>1264.53</del> gallons of water |

## CONVERSION FORMULAS

|                             |                               |
|-----------------------------|-------------------------------|
| Kilograms to Pounds.....    | Multiply Kilograms by 2.2046  |
| Pounds to Kilograms.....    | Multiply Pounds by .4536      |
| Cu. Meters to Cu. Feet..... | Multiply Cu. Meters by 35.314 |
| Cu. Feet to Cu. Meters..... | Multiply Cu. Feet x .0283     |
| Feet to Meters.....         | Multiply Feet x .3048         |
| Meters to Feet.....         | Multiply Meters x 3.281       |

### 8. Conditions for Acceptance, Retention, or Delivery of Cargo

#### A. Right to Exclude Explosives, Nuclear Materials, Invasive Species, Hazardous and Inflammable Commodities

At the Port's option, subject to federal, state, and city regulations, special arrangements may be made to exclude or to process explosive, nuclear materials, invasive species, hazardous, or inflammable commodities or materials at the marine terminal facilities.

#### B. Right to Refuse Cargo

The Port reserves the right (without responsibility for demurrage, other charges, loss, or damage) to refuse to accept, receive, or unload cargo, or to demand that cargo which has

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## INTERNATIONAL TERMINAL TARIFF NO. 1

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been unloaded be returned to the discharging vessel. In addition, the Port can refuse to allow vessels to discharge:

- (1) Cargo, for which previous arrangements for space, receipt, unloading, or handling have not been made with the Port by the shipper, consignee, or carrier.
- (2) Cargo, deemed extremely offensive, perishable, hazardous, or likely to contain invasive species.
- (3) Cargo not in packages or containers suitable for ordinary handling incidental to its transportation.

C. Right to Remove, Repack or Recondition, Repile, and Transfer Cargo

At the Port's option, cargo shut out at clearance of the vessel may be piled or repiled to make space; transferred to other locations within the marine terminal facilities; or relocated to public or private warehouses with all expense and risk of loss or damage for the account of the owner, shipper, consignee, or carrier.

At the Port's sole discretion, cargo considered hazardous, offensive, or by its nature liable to damage other cargo, can be either removed from the marine terminal facility, repacked, or the original packaging may be reconditioned. All expense and risk of loss or damage will be that of the owner, shipper, consignee, or carrier. These expenses include, but are not limited to, surveying, recovering, containment, government fines or assessments, and additional labor or equipment requirements.

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## INTERNATIONAL TERMINAL TARIFF NO. 1

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D. Right to Sell Cargo

The Port may sell at public or private sale, any cargo on which the owner fails to or refuses to pay marine terminal facility charges. The proceeds of the sale are to be applied first to the cost and expense of sale and thereafter to the charges. Cargo of a perishable nature or of a nature liable to damage other cargo or property may be sold at public or private sale without advertising.

E. Right to Withhold Delivery

The Port reserves the right to withhold delivery of any cargo until all accrued marine terminal facility charges have been paid in full.

9. Information to be Supplied to the Port

The Port may require such information as is reasonably available for the efficient conduct of its operations including, without limitation, the following:

A. Manifests

Masters, owners, agents or operators of vessels are required to furnish the Port with complete copies of vessels' manifests showing cargo descriptions, names of consignees and/or consignors, and the weights or measurements of all cargo loaded or discharged at the Port's marine terminal facilities. Manifests must also designate the basis (weight or measurement) on which rates were assessed. In lieu of manifests, certified cargo lists, copies of ocean bills of lading, or "boat notes" or "mates' receipts" containing all information as required above may be accepted. Such information must be received by the Port within 5 days prior to the vessel's arrival at the Port's marine terminal facilities.



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B. Dangerous Cargo List

Must be received prior to vessel arrival.

10. Billing in U.S. Measure

Upon customer request, billing will be performed on the basis of U.S. Measure in accordance with the conversion factors published with this tariff. The billing rates will reflect the conversion from 1 K/T or C/M basis to a S/T or 40 C/F basis, respectively.

11. Safety, Environmental, and Other Laws

A. Safety

All Facility Users shall comply with all applicable health and safety laws and regulations, including, without limitation the Occupational Safety and Health Act (OSHA), Oregon OSHA and/or the Pacific Marine Safety Code governing longshore safety.

B. Environmental Laws

All Facility Users shall comply with all applicable environmental laws, rules, or regulations promulgated by federal, state, or local regulatory bodies and by the Port.

C. Other Laws

In addition to any laws, rules, or regulations specifically referenced in this tariff, all Facility Users shall comply with any other applicable laws, rules, or regulations promulgated by federal, state, or local regulatory bodies and by the Port.

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### 12. United States Coast Guard Compliance

All ocean-going vessels using or scheduled to use a Port berth shall be in compliance with the United States Coast Guard (USCG) rules and regulations. At any time, while at berth, a vessel is determined by USCG to be in noncompliance or substandard, or if the cargo operation is interrupted or ordered to stop by USCG authorities or the Captain of the Port, the vessel/owner(s)/operator(s) shall be liable for all consequential delays, damages, and costs; and the Port shall have the right to order the vessel to vacate the berth if the cargo operation has not resumed within one hour from the time it stopped, subject to USCG approval.

If at any time, prior to the vessel's berthing, it is determined by the USCG that the vessel is deficient, the vessel's agent/master/owner(s)/operator(s) shall immediately notify the Port indicating the nature of the deficiency so determined. Depending on the deficiency's potential impact on the cargo operation, the Port shall have the right to reject or void the vessel's application for berthing until the deficiency is corrected, and the correction is acceptable to the USCG.

### 13. Security Fees

In order to fulfill its responsibilities for security, including, but not limited to, responsibilities mandated under the Maritime Transportation Security Act of 2002 and the USCG Regulation 33CFR§105, the Port will assess against and collect from ocean-going vessels, their owners, or operators for the use of terminal working areas a Port Security Fee. Such fee, in the amounts set forth in the tariff, shall be in addition to all other fees and charges due under the tariff.

Security fees will be charged at marine terminal facilities for which the Port provides security. For a container vessel, the fee will be assessed against all loaded containers, both import and export. Empty containers will not be assessed this fee. No additional security fee will be assessed against the container vessel itself. For non-container

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vessels, the charge will be assessed against the vessel on a per-dockage-day basis.

At the Port's sole discretion, charges may be assessed to cargo and/or vessels for additional security costs associated with an increase in MARSEC level mandated by the U.S. Department of Homeland Security.

~~The Port Security Fee shall be \$895 per day. [Amount of Security Fee Under Discussion in Light of Recently Issued Security Plan]~~

### 14. Charges and Payment

#### A. Collection and Guaranty of Charges

- (1) Wharfage, Service and Facilities, Loading and Unloading, and Miscellaneous Charges:
  - (a) Wharfage, service and facilities, loading and unloading, and miscellaneous charges shall be assessed to the owner of the cargo when they are not absorbed by the ocean or inland carriers or the shipper.
  - (b) Charges for wharfage, service and facilities, loading and unloading, and other Port charges for services performed on cargo transshipped by ocean carriers shall be billed to and payment guaranteed by the vessel, its owners, or operators.

### 15. Terms of Payment

Use of Port marine terminal facilities or service is conditioned upon satisfactory assurance to the Port that all charges will be paid when due. Charges are due and payable as they accrue or on completion of

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service or use.

### 16. Requirements for Payment in Advance

The Port shall require payment in advance for each of the following:

#### A. Berth Assignment

Before vessel is assigned a berth and commences its loading or unloading operations. These charges are billed to the vessel, its owners, or agents.

#### B. Cargo Custody and Control

Before cargo leaves the custody and control of the marine terminal facilities for inbound shipments and before outbound cargo is released from the custody and control of the terminal. These charges are billed to the cargo owner, shipper, or consignee.

#### C. Perishable, Doubtful Value, Household Goods

For all services provided on perishable cargo, cargo of doubtful value, and household goods.

#### D. Payment Terms are Cash

Unless credit for its charges has been extended by the Port as provided in this Section 16.5.D, all Port invoices for its charges pursuant to this tariff or other agreement are due and payable in United States currency upon presentation to the vessel, her owners or agents.

Port customers, prior to the use of marine terminal facilities or services, may receive extended payment terms, provided they have established credit worthiness or have posted adequate

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security acceptable to the Port. Conditions under which extended payment terms may be granted are outlined in the Supplement to Application for Vessel Berth Reservation.

If payment is not made by the person or persons, or entity or entities, to whom credit has been extended by the Port according to the terms of such credit extension, then such person or persons, entity or entities may be, following the failure to properly make payment, placed on a cash payment basis by the Port.

E. Delay and/or Failure to Pay

In the case of delay or failure to pay invoices when due, the Port reserves the right to demand payment of charges in advance before further services will be performed or before delivery of cargo against which charges have accrued. Any pending or alleged claims against the Port will not be allowed as an offset against outstanding invoices or accrued charges.

F. Delinquent Invoices

Invoices issued by the Port are due and payable no later than 30 days from invoice date. Invoices not paid by the due date shall bear a delinquency charge of 18% per annum or, if less, the maximum rate of interest allowed by law, from the date of delinquency until paid. The delinquency charge on the overdue amounts shall be subject to periodic change in the sole discretion of the Port. The Port's failure to impose a delinquency charge shall not be a waiver of the Port's other rights and remedies for such delinquent payment, nor of the Port's right to later charge and collect a charge for such delinquency. Acceptance of any delinquency charge by the Port shall in no event prevent the Port from exercising any of the other rights and remedies granted under this tariff or by law. Any and all services provided or performed pursuant to this Tariff shall give rise to a lien in favor

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of the Port against the vessel, container, chassis, cargo or any other tangible property whatsoever.

G. Collection Expenses

Any and all additional collection expenses, including, without limitation, attorney fees and costs necessary to effect collection, may also be assessed.

H. Remedies

The Port reserves all rights to pursue any and all remedies available under applicable law or in equity in the event of delinquencies or other noncompliance with this tariff.

17. Insurance and Indemnification

A. Insurance

Every party using Port marine terminal facilities shall obtain and maintain insurance in the type applicable to cover bodily injury and property damage arising out of their work at or upon the marine terminal facilities. The following is the minimum insurance coverage that must be secured:

- (1) Workers' Compensation Insurance (including Longshoremen & Harbor Workers Act, if applicable). This coverage is required under federal and state statutes for all the party's employees performing its work. In addition, Employer's Liability and Maritime Employer's Liability (including Jones Act coverage for masters and members of crew), as applicable, in an amount not less than \$1,000,000 per occurrence.
- (2) Commercial General Liability and/or Comprehensive Marine General Liability, Stevedore's Liability, Protection and Indemnity, Charterer's Legal Liability, Sudden and

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Accidental Pollution Liability, and any other insurance required by state and federal law, as applicable, with separate limits of \$5,000,000 each coverage, per occurrence. Coverage should include liability assumed under contract; broad form property damage covering property in the insured's care, custody, and control; and coverage for claims for bodily injury, personal injury, death, or property damage occurring on, in, or about any vessels being loaded or unloaded by a party on Port premises and adjoining areas.

- (3) Every party shall submit to the Port, upon request, certificate(s) of insurance as evidence of the required coverage. Such insurance shall provide that the Port is to be given 30 days' prior written notice of any cancellation. Such insurance shall be primary, and shall not seek contribution from any insurance or self insurance carried by the Port. Failure of the Port to request the proof of insurance required herein, or to notice discrepancies in the evidence submitted, shall not excuse a party from the insurance requirements of this tariff.

## ~~18.~~ Definitions

### B. Indemnification

Every Facility User shall defend (using legal counsel acceptable to the Port), indemnify, and hold harmless the Port from and against, and reimburse the Port for, any and all actual or alleged claims, damages, expenses, costs, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees), fines, and/or penalties (collectively "Costs") which may be imposed upon or claimed against or incurred by the Port and which, in whole or in part, directly or indirectly, arise from or are in any way connected with any of the following: (a) any act, omission, or negligence of the Facility User; (b) any use,

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occupation, management, or control of any portion of the Port's marine terminal facilities by the Facility User, whether or not due to the Facility User's own act or omission and whether or not occurring on the marine terminal facility; (c) any breach, violation, or nonperformance of the regulations, rules, and terms of this tariff; (d) any damage caused by the Facility User on or to the marine terminal facility; or (e) any spill, release, or discharge of pollution, invasive species, or hazardous materials into the air, land, groundwater, surface water or sediments at or in the vicinity of any of the Port's marine terminal facilities that are associated with or relate to, or are caused by, the Facility User, including but not limited to the Facility User's vessels, equipment, or operations. For purposes of this rule "Facility User" shall be deemed to include Facility User and Facility User's respective partners, officers, directors, agents, employees, invitees, contractors, and/or subcontractors, and the "Port" shall be deemed to include the Port, its commissioners, directors, employees, and agents.

### 19-18 Application of Carrier Bills of Lading

It is hereby expressly agreed between the Port and each carrier using the Port's marine terminal facilities that as a condition and in consideration of using those facilities, the Port, as well as any and all of its employees, servants, agents and/or independent contractors (hereinafter as used in this paragraph, "Port Parties") used or employed in connection with the performance of any of the carriers' obligations under their various bills of lading (each a "B/L") shall be treated as and shall be express beneficiaries under those B/Ls through the inclusion of a Himalaya Clause in each carrier's B/L. As such, the Port and Port Parties shall have the benefit of all rights, defenses, exemptions from, or limitations on liability and immunities of whatsoever nature to which the carrier(s) are or may be entitled under the provision of any B/L or by law so that the Port and Port Parties shall not, under any circumstance, be under any liability in either contract or tort greater than that of the carrier(s) themselves. Each



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carrier shall indemnify the Port and Port Parties from and against, and reimburse the Port and Port Parties for, any liability, damage and claim (and all expenses connected therewith, including, without limitation, reasonable attorneys' fees and costs) arising out of loss or damage of cargo if such carrier fails to incorporate in its B/L, or through contract or otherwise fails to apply to the cargo, such rights, defenses, exemptions, and immunities and as a result the Port or any Port Parties are unable to take advantage of any such rights, defenses, exemptions, and immunities that would otherwise be available to the Port or Port Parties.

### ~~20-19.~~ \_\_\_\_ No Warranty as to Depth of Water at Berth

When accepting a request and issuing a berth assignment the Port of Newport makes no warranty, either expressed or implied, as to the suitability of the berth or available depths of water alongside. The Port of Newport makes every effort to maintain adequate water depths, but depths vary continually because of the influence of tidal changes, volume of river flow and weather conditions. Further, variances in vessel draft, ballast, amount of cargo to be loaded or unloaded and the water depth alongside the berths makes it incumbent upon the vessel to take soundings immediately upon docking and at intervals thereafter to insure the safety of the vessel.

### ~~21-20.~~ \_\_\_\_ Excess Cargo Value

Each carrier will indemnify the Port from and against, and reimburse the Port for, any liability, damage, and claim (and all expenses connected therewith, including, without limitation, attorneys' fees and costs) arising out of cargo loss or damage occurring on the marine terminal facilities in excess of \$500 per package lawful money of the United States, or in case of goods not shipped in packages per customary freight unit, if the shipper has declared a value in excess of \$500 per package or customary freight unit and paid to carrier a higher freight rate by reason of such excess value declaration.

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## 22-21. Limits of Liability

No provision contained in this tariff shall limit or relieve the Port from liability for its own negligence nor require any person, vessel, or lessee to indemnify or hold harmless the Port or Port Parties from liability for the Port's own negligence.

## 23-22. Sovereign Immunity

To the extent any carrier calling the Port terminal has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process, such carrier hereby waives such immunity and agrees not to assert, by way of motion, as a defense or otherwise, in any suit, action or proceeding, the defense or claim of sovereign immunity, any claim that it is not personally subject to the jurisdiction of the above named courts by reason of sovereign immunity or otherwise, that it is immune from any legal process (whether through service of notice, attachment or arrest prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper, or that this tariff may not be enforced in or by such courts. Each carrier waives immunity from attachment or arrest of its vessels and property.

## 24-23. Responsibility for Demurrage and Delays

### A. Demurrage

- (1) Vessels: The Port shall assume no responsibility whatsoever for any vessel demurrage, except for that caused by the Port's own negligence.

### B. Waiver of Charges for Delays

Delays in loading, unloading, receiving, delivering, or handling of cargo arising from strikes, slowdowns, or riots by any persons in the employ of the Port or in the services of others or arising from

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any other cause shall not entitle owners, shippers, consignees,  
or carriers to waive any terminal charges or expenses.

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### 25-24. Responsibility for Loss, Damage & Delay of Merchandise & Cargo

#### A. Port's Responsibility Limited

- (1) The Port shall not be responsible for any loss, damage, or delay of merchandise, cargo, or containers which may arise from any cause beyond its direct authority and control, nor for any cause except for want of due diligence.
- (2) Further, the Port, except for the Port's own negligence, shall not be liable for any personal injury, damage, or loss (including, without limitation, damage to containers) that results from:
  - (a) animals, insects, rodents, or vermin;
  - (b) decay, deterioration, evaporation, shrinkage, or loss of quantity, quality, or value from inherent vice of product;
  - (c) interruptions in electrical power, fire, frost, leakage, or discharge from fire protective sprinklers, oxidation, or rusting;
  - (d) civil disorder, insurrection, terrorism, or riot;
  - (e) strike, labor policies or practices, compliance with collective bargaining agreements, slowdown or labor stoppage whether or not agents or the employees of the Port are involved;
  - (f) delay caused by shortage of qualified labor; or
  - (g) wind, flood, earthquake, governmental action, war, acts of God, or other causes of similar nature.

#### B. Responsibility as Warehouseman

- (1) Except as limited by specific provisions, liability for loss, damage or delay to merchandise, cargo, or containers while in the care, custody, or control of the Port at any time specified in this tariff shall be that of a warehouseman only.

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C. Valuation of Merchandise for Claims Purpose

- (1) Any claims against the Port shall be based upon the actual cost of the merchandise plus freight and insurance, if paid. Claims for partial loss or damage of merchandise shall be prorated based upon the weight of the lost or damaged portion versus the entire shipment.

~~26-25.~~ Claims

A. Loss or Damage Claims

- (1) Notice of claim against the Port for loss of or damage to merchandise, cargo, or containers including, but not limited to, indemnity claims, must be filed with the Port, in writing, within 180 days of the occurrence of the alleged loss of or damage to the merchandise, cargo, or containers. Commencement of an action shall be within 2 years of the occurrence of the alleged loss of or damage to cargo or merchandise.

B. Recovery of Overcharge Claims

- (1) Claims for recovery of overcharges must be filed in writing with the Port within 12 months following the date of the invoice against which the overcharge is claimed.

~~27-26.~~ U.S. Government Cargo - Quoting and Filing Rates and Charges

Rates and charges assessed by the Port for marine terminal facilities and/or services, that are paid directly to the Port by the U.S. government, may be quoted upon request.

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## ~~28-27.~~ Electrical Current

### A. Electrical Rates

- (1) The charge for electric service includes electric power at either Central Lincoln PUD's current tariff rate, use of the power distribution system at the applicable terminal which includes use of portable transformers as available or necessary, common area lighting as well as related administration, services, and equipment. These charges are in addition to the charges for other services and equipment listed elsewhere in this tariff.
- (2) The Port will exercise reasonable care to provide adequate and continuous electric service but does not guarantee the same. The Port shall not be liable for injury, loss, or damage resulting from any failure or curtailment of electric service not occasioned by its tortuous conduct or that of its agents or employees.
- (3) Labor Services performed will be billed at tariff labor rates.

## ~~29-28.~~ Fresh Water

Fresh water will be furnished at tariff rates. Rates include use of couplings, hoses, and labor required between 7 a.m. and 3:30 p.m. Monday through Friday, excluding holidays. Labor for water hooked up and/or disconnected during other hours will be billed at rates calculated from the labor rates table.

## 29. Fuel

Fuel will be provided, if available, through outside third-party suppliers and charged at cost plus three cents per gallon.

## 30. Disposal of Vessel's Oily Waste and Garbage

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Vessels requiring discharge of oily waste or garbage, as defined in Annex V of MARPOL 73/78, at the Port shall obtain the services of an oily waste or garbage hauler that meets all USCG and other government laws and regulations in effect at the time of the haul.

The oily waste or garbage hauler is not an agent or employee of the Port, nor shall the Port be liable for any act, omission, or negligence of any such oily waste or garbage hauler.

31. Materials and Supplies

Materials and supplies furnished by the Port shall be billed at cost, plus 25%.

32. Rates for Cleaning Dock Area

This service performed will be billed at the labor and equipment rates. In addition, disposal costs will be charged to any stevedore firm or Port customer who does not clear the dock areas of dunnage, stevedore gear, equipment, or material upon completion of loading or discharging of vessel.

33. Passenger Traffic Fee

In addition to other tariff provisions, the terms and conditions of this item apply and charges are assessed to cruise ships.

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## SECTION II - DOCKAGE RULES

### 1. Dockage Definition

The charge assessed against the vessel for berthing at a wharf, pier, bulkhead structure, or bank or for mooring to a vessel so berthed.

### 2. Basis For Establishing the Vessel's Length

Dockage charges shall be based upon the vessel's length overall as published in "Lloyd's Register of Shipping." Length overall shall be construed to mean the linear distance, expressed in meters or feet, from the most forward point of the bow to the aftermost point on the stern of the vessel, measured parallel to the baseline of the vessel. If the length overall of the vessel does not appear in "Lloyd's Register of Ships," the Port may obtain the length overall from the "Vessel's Register," or measure the vessel.

### 3. Dockage Period

The Dockage period is calculated by the period of time upon which dockage will be assessed and shall commence when the first line is made fast to a wharf, pier, seawall, slip, or other mooring facility or when a vessel is made fast to a vessel so berthed; or when a vessel comes within, or moors within, a slip; and shall continue until such vessel is completely free (last line free) from and has vacated such berth or slip. No deductions will be allowed for Saturdays, Sundays, holidays, or because of weather or other conditions. Dockage periods are calculated in 24-hour periods beginning with the first line. Idle time from different dockage periods may not be accumulated to constitute a lay period. The number of dockage periods billed, when lay status is involved, will not exceed the total number of dockage periods the vessel is on berth. When lay status is involved, the calculation of total dockage charges will be first based on the number



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of working periods and then lay periods, if any. For vessels charged dockage, the data necessary to charge dockage (data sheet, statement of facts, or other) must be sent to the Port no later than 3 days after departure of the vessel. If this data is not received within the 3 days, a billing/rebilling fee will be assessed.

4. Charge on Vessel Shifting

When a vessel is shifted directly from one wharf (berth) to another wharf (berth) operated by the Port, the total time at such berths will be considered together in computing the dockage charge.

5. Ocean-Going Barges

Ocean-going barges are considered within the definition of vessels.

6. Dockage Charge — Vessel on Lay Status

To qualify for 50% of the regular dockage rate, the vessel must be idle at its working berth waiting to discharge and/or load cargo on a weekend day or holiday. For vessels at a working berth which have operations interrupted for 1 or more consecutive 24-hour periods due to lack of cargo or labor availability, lay status may also be granted. The vessel must have attempted to and been willing to work these hours. Lay status requests at working berths should be received by the Port prior to vessel departure. A vessel may be permitted to moor at an idle port marine terminal berths when such berth is available. Lay status MAY be granted when berths are available and at the discretion of the Port's Operations Manager or designee. Upon vessel's departure from berth, agent will submit Vessel Activity Report, Supercargo Report, Statement of Facts, or other official documentation describing activity of loading/discharge pertinent to vessel stay, to the Port's Billing Department to aid in application of lay status. Such vessels and unmanned barges shall be charged 50% of the applicable dockage charge. For vessels on lay status for 10 consecutive days and longer or vessels performing ship maintenance work upon written permission

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from the Port's Operations Manager or designee, prior to the idle period, a special lay status may be granted when berths are available.

7. Dockage Charge — Tug Boats on Lay Status

Lay status, which is defined as waiting for a berth to discharge and/or load cargo, take on provisions, or make repairs, may be permitted to allow tug boats to moor at idle Port marine terminal berths when such berths are available. Lay status may be granted with a written request to the Port and written permission from the Port prior to the idle period. Lay status MAY be granted when berths are available and at the discretion of the Operations Manager. Tug boats which are granted lay status will be charged per 24-hour period or fraction thereof. The first 12-hour period will be free, then lay status charges will begin.

8. Berth Assignments

Berth Assignments will be issued at the sole discretion of the Port to the owners, agents, or operators of vessels for use of a specific berth by a specific vessel.

9. Vessels Required to Obtain Berth Assignments

No vessel will be permitted to berth at a wharf or marine terminal facility of the Port without a prior berth assignment being granted by the Port. Applications for berth assignments must be made as far in advance of the arrival of vessel as possible and must specify arrival and departure dates and the nature and quantity of the cargo to be loaded or discharged.

10. Vessels Required to Vacate Berths

The Port reserves the right to order a vessel to shift its position at a wharf, to change berths, or to vacate a berth when:

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- A. Not actually engaged in loading or discharging cargo.
- B. When occupying a berth beyond the time limitation named in the assignment.
- C. When a vessel holding an agreement granting the preferential use at that berth at that time presents itself at the berth.

Any vessel refusing or failing to shift, change berth, or vacate berth at request of the Port may be shifted or moved by the Port by means of a tug or otherwise, with all expenses incurred and all risk of damage for the account of such vessel.

### 11. Rafts, Barges, Scows, or River Craft

Rafts, barges, scows, or river craft may not be moored to wharves or piers or tied up to any vessel berthed without the express permission of the Port.

### 12. Ship Maintenance Work

Limited ship maintenance work may be allowed at any marine terminal facility upon written permission from the Port. No spray painting or sandblasting of vessels will be permitted. Dockage rates for ship maintenance will be subject to negotiation. A completed Berth Application Form, Proof of Insurance, and Work Plan must be submitted to the Port Operations Manager for consideration of the request, prior to granting of written permission. Any ship undergoing maintenance must possess a valid Certificate of Financial Responsibility and it must be on file with USCG. Any entity performing ship maintenance work must provide the Port with proof of insurance prior to the commencement of work.

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### 13. Dockage Charges

Dockage charges will be assessed against vessels, barges, their owners, operators and/or agents in accordance with the following schedule:

| <u>LENGTH OVER-ALL<br/>IN METERS</u> | <u>FEET</u>                  | <u>RATE PER DAY</u>                                      |
|--------------------------------------|------------------------------|--|
| 0 – 107                              | 0.00 - 351.05                | \$1,627  |
| 107 – 114                            | 351.05 - 371.02              | \$1,792  |
| 114 – 122                            | 371.02 - 400.26              | \$1,981  |
| 122 – 130                            | 400.26 - 426.51              | \$2,203  |
| 130 – 137                            | 426.51 - 449.48              | \$2,373  |
| 137 – 145                            | 449.48 - 475.72              | \$2,607  |
| 145 – 152                            | 475.72 - 498.69              | \$2,960  |
| 152 – 160                            | 498.69 - 524.93              | \$3,527  |
| 160 – 168                            | 524.93 - 551.18              | \$3,639  |
| 168 – 175                            | 551.18 - 574.15              | \$3,822  |
| 175 – 183                            | 574.15 - 600.39              | \$4,373  |
| 183 – 191                            | 600.39 - 626.64              | \$5,092  |
| 191 – 198                            | 626.64 - 649. <del>996</del> | \$5,787  |
| <u>Above 198</u>                     | <u>Above 650</u>             | <u>\$5,787</u><br><u>(plus \$8.90</u><br><u>per foot</u> |

### 14. Exceptions to Regular Dockage Rates

Vessels meeting all the following requirements:

Not over 200 feet in length

Not loading or unloading cargo for transshipment

Not loading or unloading passengers

And granted permission by the Port of Newport to berth at the Terminal will be charged a dockage rate of \$0.80 per foot per day.

Vessels of the U.S. Government and the State of Oregon may, at the discretion of the Port of Newport, be berthed at the Terminal without charges.

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Effective: May \_\_\_\_, 2014

NEWPORT, OREGON

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## SECTION III - BREAKBULK RULES

### 1. Service and Facilities – Definition

Service and Facility charges are assessed against vessels, barges, their owners, operators or agents, which load and/or discharge cargo at the Terminal, for the use of terminal working areas in the receipt and delivery of cargo to and from vessels or checking, care, custody and control of cargo required in the transfer from:

- A. vessels to consignee, their agents or connecting carriers,
- B. shippers, their agents or connecting carriers to vessels.

Service and Facility charges do not include any cargo handling, loading, unloading, wharfage, dockage or any other charges than that which is essential to performing the service. It does not include the furnishing of supercargoes, supervisors or clerks which by custom of the Port are normally employed by the vessel, its owner, operator or agent.

### 2. Service and Facilities Charge – Charges

Service and Facility Charges will be assessed in accordance with the following schedule based on the 1000 kilos or 1000 board feet, unless otherwise specified under individual items:

|  |        |
|--|--------|
| LOGS - (Per 1000 Boardfeet - Scribner)                         | \$7.75 |
| CANTS - (Packaged per 1000 Boardfeet)                          | \$6.00 |
| LUMBER - (Packaged per 1000 Boardfeet surfaced)                | \$4.63 |
| LUMBER - (Packaged per 1000 Boardfeet rough)                   | \$5.22 |
| PLYWOOD, VENEER, CORESTOCK, HARDBOARD, ETC. - (Per 1000 Kilos) | \$5.87 |
| UNITIZED CARGO - PULP ETC. (Units of minimum 2000 Kilos)       | \$3.49 |
| OTHER COMMODITIES - NOS  |        |
| Per Metric Ton or 1000 Bdft                                    | \$6.83 |
| Per Cubic Meter  | \$5.69 |

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### 3. Direct Transfer Rates

Direct transfer rates apply against cargo loaded or discharged by vessels directly to or from self-propelled vehicles.

### 4. Overside Operation

Overside rates apply against cargo that is loaded or discharged by vessels direct to or from water or barge.

### 5. Wharfage – Definition

Wharfage is a charge assessed against either cargo or vessel on that cargo passing or conveyed over, onto, or under wharves or between vessels (to or from the water, barge, or lighter) when berthed at wharf or when moored in a slip adjacent to a wharf. Wharfage is the charge for use of a wharf and does not include charges for any other service. The tariff rate charged will be that rate in effect on the date the vessel arrives for cargo operations.

### 6. Wharfage Assessment

Wharfage will be assessed subject to the following provisions:

- (1) **Basis for Assessing Wharfage:** Wharfage is considered earned and is assessed irrespective of whether the cargo is loaded to a vessel. Wharfage rates are based upon the commodity description and classification as described in the vessel manifest. Rates are per K/T unless otherwise stated in individual tariff items. When the wharfage rate unit of measure is expressed in either C/Ms or K/Ts, the charge will be made on the unit of measure that is manifested by the vessel. However, if cargo is manifested on a unit basis, the wharfage will be billed on weight or measurement, whichever creates the greater revenue.

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- (2) Wharfage Assessed Against Direct Transfer Services- Trucks: All cargo moved directly from trucks to vessels, or vice versa, is subject to full wharfage assessment. See specific item categories for rates.
- (3) Wharfage Assessed Against Overside Vessel Operations: Cargo discharged or loaded overside a vessel directly to or from another vessel, barge, raft, or the water, while the vessel is berthed or moored in a wharf slip, will be assessed wharfage at one-half the normal wharfage rates. This rule will not apply in cases when any other specific "overside" tariff rate is applicable.
- (4) Exceptions: Ship's stores, repair materials, and supplies, when intended for a vessel's own use, will be exempt from assessment of wharfage unless Port employees are required to receive and account for such supplies or stores on the wharf.
- (5) Dunnage, Lining Lumber, and Fuel: Dunnage for use in stowing cargo not loaded at Port wharves, lining lumber used in lining vessels for shipment of bulk commodities (as distinguished from dunnage lumber used in ordinary stowage), and fuel processed over the wharves are subject to wharfage and other appropriate charges.
- (6) Minimum charge: The minimum wharfage charge for any single B/L is \$10.00.

### 7. Wharfage Charges

Wharfage will be assessed in accordance with the following schedule based on 1000 board feet or 1000 kilos unless otherwise specified under individual items:

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|   |        |
|---|--------|
| LOGS - (1000 board feet Scribner scale) ex dock | \$9.50 |
| CANTS - (Per 1000 board feet)                   | \$6.00 |
| LUMBER - Packaged (Per 1000 Boardfeet Rough)    | \$4.55 |
| LUMBER - Packaged (Per 1000 Boardfeet Surfaced) | \$4.03 |
| PLYWOOD, VENEER, CORESTOCK AND HARDBOARD        | \$3.96 |
| PULP, LINERBOARD - (Bales or Rolls)             | \$2.72 |
| OTHER COMMODITIES NOS - (Per 1000 kilos)        | \$5.57 |
| (Per Cubic Meter)                               | \$4.57 |

8. Services Conditional

The Port reserves the right to refuse to perform services in connection with processing of cargo owned by, consigned to, or received from, persons, firms, or corporations who are involved in strikes or labor disputes. Refusal by the Port to complete such services does not entitle owners, shippers, consignees, or carriers of such cargo to waiver of any charges or costs incurred. Also, the Port is not liable for any claim(s) for damages arising out of its refusal. Should these services be performed by the Port, its employees, or agents, and completion of the service is delayed or hindered by picketing, by a labor "slowdown", or by similar circumstances, all charges and costs associated with the service will be nonetheless assessed according to the rates, regulations, and rules of this tariff.



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9. Truck Loading and Unloading

A. Definition and Conditions

Truck loading and unloading refers to the service of loading or unloading unitized cargo into highway trucks or trailers.

Drivers are responsible for the safe operation of their vehicle including, but not limited to, proper loading while not exceeding documented height, weight, or length limitations. The Port accepts no responsibility for consequences arising out of improper loading of any vehicle to heights, weights, and lengths in excess of the capacity of the vehicle and in excess of local, state, or federal regulations.

10. Labor and Equipment

When rates for labor and equipment are not otherwise specified in this tariff, labor rates and equipment rates will apply.

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## SECTION IV – CARGO STAGING AREA

### 1. Cargo Staging Area

The Port owns approximately 3.3 acres immediately adjacent to the International Terminal berth that is available for rent on a short-term basis to accommodate cargo staging, vessel loading and vessel off-loading needs of Port customers

### 2. Base Rent

The rental charge for the Cargo Staging Area is \$2,000 per week for each period of seven days and \$300 per day for periods of less than seven days. The Cargo Staging Area will be available on a reservation basis and will be documented in a rental agreement. Upon signing of the rental agreement, the user shall tender 1.5 times the base rent. The Port will refund any amount in excess of the actual rental charges for the Cargo Staging Area within 10 days following the expiration of the rental agreement.

### 3. Additional Payments

During the term of the Cargo Staging Area rental agreement, the user will also pay:

- A. All charges for heat, light, power, water, sewage and any other service or utility;
- B. Any assessment, levy, charge, penalty, lien or other amount asserted or imposed as a claim or charge as a result of the use of or activities of the Cargo Staging Area.

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### 4. Indemnification and Insurance

The user of the Cargo Staging Area is required [to comply with all General Rules in Section I of this Tariff and](#) to indemnify the Port and provide insurance consistent with the terms of Section I-17 of this Tariff.

### 5. Remedies on Default

In the event the Rental Agreement for use of the Cargo Staging Area terminates and the user does not immediately surrender possession of the Cargo Staging Area, the Port may lawfully and at its option immediately, or at any time, without demand or notice, enter onto the premises and repossess the same and expel user's effects at the expense of user, forcibly if necessary, and store the same, all without being deemed guilty of trespass or other wrongful act. In addition, if the Port retakes possession of the Cargo Staging Area following termination of Rental Agreement for breach, user will pay the Port all the reasonable costs of reentry, including but not limited to the cost of any clean-up, refurbishing, removal and storage of user's property and other expenses occasioned by user's failure to quit the Cargo Staging Area as required and to leave it in the required condition.

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## SECTION V - LABOR RULES

### 1. General Labor Rules Statements

#### A. Specific Labor and Equipment Rates

When services are performed by the Port or its agent for which no specific tariff rates are applicable, the labor charges for such services shall be billed on an hourly basis using the labor rates in this section. Equipment rates will be billed.

#### B. Dead Time

Billable dead time occurs when the Port is required to furnish labor for a specific service and such service is completed before the expiration of the required paid time under labor's working agreements. The labor charges for such services shall be billed on an hourly basis using the labor rates in this section.

#### C. Standby Time

Billable standby time occurs when the Port is required to order labor for a specific service at a stated time and, through no fault of the Port, the service cannot begin or the service in progress is delayed. The labor charges for such services shall be billed on an hourly basis using the labor rates in this section.

#### D. Commodity Penalty Rates

Commodity penalty rates are those rates established by prevailing labor agreements for the handling of certain types of commodities. These rates are in addition to the published labor rates.

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2. Labor Rates

~~2.~~ Labor will be charged at the rates set out in the current ILWU/PMA West Coast Contract.

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3. Lines Service

The manning and charges derived thereof shall be determined by the Port of Newport and the I.L.W.U. Local #53.

Rate Schedule  
Lines Service

S/T – O/T

|                         |       |                 |
|-------------------------|-------|-----------------|
| Handling Lines. . . . . | 2 men | 520.00-656.00   |
| Handling Lines. . . . . | 4 men | 1061.00-1317.00 |
| Handling Lines. . . . . | 6 men | 1575.00-1973.00 |
| Handling Lines. . . . . | 8 men | 2153.00-2631.00 |

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## SECTION VI - EQUIPMENT RULES

### 1. Equipment Rules

- A. Equipment is rented AS IS with NO WARRANTIES of any kind, express or implied, at the risk of the renter and at the convenience of the Port. Equipment is for use on Port marine terminal facilities.
- B. Rates named do not include operator or operational labor of any kind.
- C. Equipment will be charged for the billable period beginning with requested starting time and ending at the time of release. Crane standby time will be billed. The equipment will be billed at a minimum of 1 hour, and in 15-minute increments after the first hour. The period of time during an equipment failure, other than operator caused, shall not be assessed. The Port is not responsible for labor standby or dead time costs during downtime caused by equipment failure.
- D. The Port cranes are rigged for the purpose for which they are normally used. If the renter requests a change in the rigging, the full cost of that change and changing back to the original rigging will be borne by the renter. When rigging services are provided during weekend shifts, additional charges will be made for appropriate Longshore shift differential costs.
- E. Mechanical equipment cannot be brought into the Port's marine terminal facilities for use on the Port's terminals except when prior permission is granted by the Port. The right is reserved to refuse permission when the Port has available similar equipment or when equipment does not meet the approval of the Port.
- F. Rates for equipment rented for non-cargo (e.g., construction) purposes as well as rates for less frequently used equipment will

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be furnished by the Port upon request.

G. Crane Requests and Cancellations

- (1) Requests for cranes must be made in writing in advance. Also, crane renters must provide legible vessel daily log when work is completed.
- (2) Requests for cranes for weekday work must be received by 3 p.m. the day prior to when the crane is needed. Requests for cranes for weekend and holiday must be received by Friday at 3 p.m.
- (3) Crane cancellations must be received by 3 p.m. the day prior regardless of weekend or weekday work.
- (4) Crane renters will be billed for any labor costs incurred by the Port resulting from failure to cancel equipment orders by the specified time.
- (5) Moving/respotting of cranes and other services will be billed according to the prevailing labor rates when travel is required to perform these services. During weekends and holidays, all labor hours for this service will be billed at the mechanic's and electrician's OT rate. In addition, all call-out requests will be billed for a minimum of 4 hours based upon the prevailing labor rates.

H. Wharfage and other tariff rates and charges will be assessed as appropriate in addition to all equipment rental rates.

I. Any applicable sales tax arising as the result of the rental of equipment will be assessed in addition to all equipment rental rates.

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## SECTION VII - STORAGE RULES

### 1. Terminal Storage

#### A. Definition

Terminal storage is the service of providing warehouse or other marine terminal facilities for the storing of in-transit cargo interchanged with or between water carriers at the Port when arrangements are entered into prior to the arrival of the cargo at the Port.

#### B. Conditions Governing Acceptance of Cargo for Storage

Storage of cargo interchanged with or between water carriers at the Port's marine terminal facilities at Newport, Oregon, will be permitted when space is available, providing arrangements are made prior to the arrival of the cargo. "Arrangements" are defined as a written request submitted to the Port by the prospective storer describing the cargo, type of storage required (covered, open, bonded), length of time storage will be necessary, and name and address of the party responsible for storage payment, and accepted by the Port no later than 24 hours prior to cargo's arrival.

If rehandling, repiling, shifting, or yarding of cargo is required for storage, it will be billed at the tariff labor rates and equipment rates. Invoices will be issued against the owner of the cargo at the time of move.

If drayage is required to make the cargo available for storage, the drayage expense will be in addition to any storage charges and will be invoiced to the owner of the cargo.



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C. Responsibility for Storage Charges

Storage charges shall be assessed against the owner of record for cargo in storage on the first day of the month for which the storage charges accrue. It shall be the responsibility of the cargo owner to notify the Port in writing whenever a change of title takes place giving the complete name and address of the new owner and the date title change takes place.

D. Computing Monthly Storage Charges and Bonded Storage

Storage charges are payable in advance and will be computed on the following basis after the expiration of free time:

- (1) Cargo that becomes subject to storage charges during the first 15 days of a month shall, for the balance of the month, be assessed a full month's storage. Cargo subject to storage charges on or after the 16th day of a month shall, for the balance of the month, be assessed a half month's storage. Thereafter, cargo remaining in storage on the first day of each succeeding calendar month shall be assessed the applicable monthly storage rate.

E. Cargo Removal

The Port reserves the right to have any cargo stored on its premises for a period of four (4) months or longer removed from its premises. If the owner of record fails to remove his cargo within 30 calendar days after notification requesting its removal, the Port may have the cargo removed from its premises with all costs incident to its removal and any subsequent storage elsewhere borne by the owner of the cargo.

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F. Small Lot Fee

A charge will be assessed against inbound wood products and iron or steel for B/Ls below 20 metric tons.

**PORT OF NEWPORT  
ORDINANCE NO. 100**

**AN ORDINANCE CREATING BY-LAWS FOR  
THE PORT OF NEWPORT BOARD OF COMMISSIONERS**

**WHEREAS**, the Port of Newport is a duly organized municipal corporation of Lincoln County, Oregon (ORS 777); and

**WHEREAS**, it is in the best interest of the citizens of the district of this Port and the public generally to have certain ordinances and regulations regarding and relating to the public process of policy development codified; and

**WHEREAS**, an ordinance adopting, amending or repealing a regulation shall not be voted upon unless the ordinance title is included in the published agenda of the meeting (ORS 198.540(1)) and the ordinance title included on the March 25, 2014 agenda was published in the March 21, 2014 issue of the *Newport News Times*; and

**WHEREAS**, the agenda with the ordinance title was published on April 16, 2014 in the *Newport News Times* six days in advance of the regularly scheduled Port of Newport Board Meeting (ORS 198.540(2)); and

**WHEREAS**, a copy of the ordinance was made available to the public (ORS 198.550(1)(a)); and

**WHEREAS**, the board voted to read the ordinance by title only (ORS 198.550(1)(b)) on April 22, 2014 and again on May 27, 2014; and

**WHEREAS**, any interested person who is a landowner within the district or an elector registered in the district may petition the district board to adopt, amend or repeal an ordinance and shall be given a reasonable opportunity to be heard (ORS 198.590); **NOW THEREFORE**,

**THE PORT OF NEWPORT BOARD OF COMMISSIONERS ORDAINS AS  
FOLLOWS:**

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## PART I. GOVERNANCE BY POLICIES

**Section 1. Name.** This document and future amendments to this document will collectively be referred to as “By-laws for the Port of Newport Board of Commissioners” or simply as “By-laws”.

**Section 2. Purpose.** The primary duty and function of the Port of Newport Board of Commissioners is to establish policies for the governance of the Port. It is the policy of the Commission to delegate to the General Manager the responsibility for the day-to-day administration of the Port, in a manner consistent with the policies and interpretations of the Commission.

**Section 3. Responsibility.** Policies shall comply with all applicable federal, state and local laws and regulations. The Principal Act for Port Districts is found in Oregon Revised Statute (ORS) 777. If any policy, rule or portion thereof is found to conflict with any local, state, or federal law or regulation, such policy or portion as determined by the General Manager shall be deemed void until further Commission action. It shall be the responsibility of all Port personnel to bring any such conflict to the Manager’s attention immediately upon discovery for consideration by the Commission.

**Section 4. Compliance.** All Port personnel shall comply with the policies adopted by the Commission. Any failure to comply shall constitute grounds for disciplinary action or termination pursuant to the Port’s Personnel Rules.

## PART II. BOARD OF COMMISSIONERS

### Section 5. Membership

A. Positions and Terms.

1. The Port Commission shall consist of five members serving four year staggered terms.
2. Each Commissioner is identified by a position number. Position numbers shall be transferred to the successors of each Commission position. Positions 1, 2 and 4 run concurrently. Positions 3 and 5 run concurrently.
3. All Commissioners shall serve at large.

B. Election of Commissioners. The election of Commissioners shall be conducted as provided by ORS chapter 777 and 255.

C. Qualifications. No person elected or appointed to the Commission shall be sworn in unless such person meets the qualifications for office set forth in this policy. If questions exist regarding the eligibility of any candidate, the Commission shall obtain an opinion from the Port’s legal counsel prior to swearing in such person. No person shall be eligible to be a Commissioner under the following circumstances:

1. Who, at the time of election or appointment, is not an elector of the Port district. (ORS 236.010(b))
2. Convicted of an infamous crime. (ORS 236.010(c))
3. Violation of Oath of Office. (ORS 236.010(c))

4. Affiliation with organizations advocating the overthrow of the government. (ORS 236.030)
5. An employee of the district. (ORS 198.115)

D. Oath of Office. Each newly elected or appointed Commissioner shall take an oath of office at a Commission meeting prior to assuming the duties of the position. The Justice of the Peace, or the Clerk of the Board, shall give the oath of office:

*“Please raise your right hand. Do you solemnly swear that you will honestly and faithfully discharge the duties of the Office to which you have been elected/appointed, and that you will support the Laws and Constitution of the State, and of the United States of America to the best of your ability?”*

E. Term of Office – Starting Date. Except where the Commission is filling a vacancy on the Commission, terms of office shall start on July 1<sup>st</sup> following the Port of Newport’s regular election.

F. Vacancies.

1. *Occurrence*. The Commission shall formally declare a position vacant before the expiration of the term if an incumbent:
  - a. dies, resigns or is removed;
  - b. ceases to be an elector of the district;
  - c. is convicted of an infamous crime, or any offense involving the violation of the oath of office;
  - d. refuses or neglects to take the oath of office, or to give or renew the official bond of the incumbent, or to deposit such oath or bond within the time prescribed by law;
  - e. incumbent’s election or appointment is declared void;
  - f. ceases to possess any other qualification required for election or appointment to such office;
  - g. is a member of, or affiliated with, any organization which advocates the overthrow of the Government of the United States by force or violence; or
  - h. is absent from four or more consecutive regular meetings of the board. (ORS 777.135)
2. *Filling*. The Commission shall establish a policy for the filling of vacant Commission positions by resolution.
3. *Term*. An individual appointed to fill a vacancy must run for office at the next available regular district election. (ORS 198.320(2))

## **Section 6. Powers and Duties**

A. Meeting the Needs of the Port. It is the policy of the Commission to exercise those powers granted to it, and to carry out those duties assigned to it by law, in such a way as to best meet the needs of the Port District.

B. Commissioner Education/Training. New Commissioners shall receive training sanctioned by the Special Districts Association of Oregon (SDAO), Oregon Public Ports Association (OPPA), Oregon Government Ethics Commission (OGEC) and/or other similar organization within one year of taking office. It is strongly encouraged that Commissioners shall maintain continuing training in subsequent years. The budget shall include funds to train Commissioners. Commissioner education or training shall be codified in the Annual Report to the Commission. (ORS 777.140(2))

C. Represent Constituents. Represent the constituents of the Port District. Inform the public concerning the progress and needs of the Port District and solicit and consider public opinion as it affects the programs and services provided by the port. Contact with the media shall be limited to re-stating the Commission's position and not individual agendas. Official statements from the Commission shall be directed through the President with coordination with the General Manager.

D. Formulation and Interpretation of Port Policy. The Commission shall establish and interpret policy, reserving to itself all authority and responsibility not expressly assigned to the General Manager.

E. Select Officers/Compensation. The Commission shall select board officers, create personnel rules by resolution, create employment classifications and determine compensation and reimbursement amounts.

F. Form Committees. The Commission has the authority to form committees. Committees formed by the Commission shall conform to public meeting and records laws. Committee reports shall be given to the Commission on a monthly basis. Other than those required by state budget law, committees shall be formed by resolution. Committees shall be allowed to determine their own rules of order based upon need and committee characteristics. The resolution should state the following criteria:

1. Membership and quorum requirements;
2. Staff person assignment (if any);
3. Length of membership terms;
4. Adhoc, statutory or permanent;
5. Purpose and authority;
6. Budget (if any) for carrying out the purpose; and
7. Acknowledgement of budgetary impacts to the port (if any)

generated by a recommendation from the committee.

G. Provide Safe Work Environment. The harassment policies that apply to Port personnel also apply to elected officials. Commissioners are responsible for ensuring that the workplace of the Port of Newport is free from harassment at all times.

H. Strategic Business Planning. The Commission shall update its strategic business plan no later than every ten years and use this plan as its guiding document in the development and direction of the Port's mission, vision and goals. The Commission should annually review components and goals stated within the SBP. (OAR 123-0025)



I. Fiduciary Responsibilities. The Commission has final responsibility over the Port's finances including the adoption of the budget (ORS 294), approval of financial reports, payment of bills and the annual audit. The Commission shall adopt a resolution for processing the payment of bills and the development of other financial policies.

J. Membership Liaisons. The Commission shall annually review organizational memberships and assign liaisons to represent the Port's interests to and participation in those organizations.

K. Appointment/Removal of General Manager.

1. The Commission confers chief executive authority to the General Manager. Specific duties of the office shall be created and amended by resolution. A resolution naming the General Manager as the Port's registered agent shall be forwarded to the Secretary of State and County Clerk. (ORS 198.340)

2. The Commission is solely responsible for the appointment and removal of the Manager. The Manager is responsible to the Port Commission.

3. A majority of the full Commission shall appoint and may remove the Manager.

4. When the Manager is temporarily unable to act as Manager or when the office of Manager becomes vacant, the Commission shall appoint a Manager pro tem. The Manager pro tem has the authority and duties of Manager, except that a pro tem Manager may appoint or remove employees only with Commission approval.

5. Upon a vacancy in the office, the Commission shall fill the position within six months. The Commission shall adopt a process for the appointment of the Manager by resolution.

6. No Commissioner shall directly or indirectly attempt to coerce the Manager or a candidate for the office of Manager in the supervision, appointment or removal of any employee, or in administrative decisions regarding the implementation of port policies.

7. The Commission shall review the Manager's work performance annually as set forth in the Port's personnel policy.

L. Approve all Contract, Agreements. The Commission shall approve all contracts and agreements including those which provide personal services such as legal, auditing, real estate or financial. Typically the General Manager shall be authorized to sign on behalf of the Port, or the President in the absence of the General Manager. The Commission shall review the adequacy and job performance of the Port's legal counsel, auditor, insurance agent, and other contractors of record no less than every five years.

M. Access to Attorney; other consultants. The President and/or Manager may request any legal, financial or insurance advice that may be needed in dealing with matters pertaining to the welfare of the Port. Individual Commissioners should direct requests for information from contracted service providers through the President and/or Manager to avoid incurring personal charges for unapproved contact. A quorum of the Commission may request information from Port consultants during any public meeting.

N. Direct Use and Disposal of Real Estate and Property. The Port has real estate holdings that are important strategic assets for the Port and the region. Therefore, the Port engages in acquisition, disposition and leasing of real property on a regular basis. The Port shall adopt a resolution that describes the procedures for management of public property.

## **Section 7. Commissioner Orientation**

A. Cooperation with Commission Candidates. The Commission, through its Manager, shall cooperate impartially with candidates for the Commission and provide them with information about policies, administrative regulations and other aspects of the operation of the Port.

B. Orienting New Commissioners. The Commission and its Manager shall assist each new member-elect and appointee to understand the Commission's functions, policies, and procedures before he/she takes office. The following methods shall be employed:

1. New Commissioners shall be invited to attend and participate as a member of the audience in public Commission meetings prior to being sworn in.
2. New Commissioners shall be invited to meet with the Manager to discuss services provided by the Port.
3. The Manager shall provide material pertinent to Port meetings and respond to questions regarding such material upon request.
4. The Manager shall provide access to each new Commissioner:
  - a. A current copy of the Port's Policy and Procedure Manual which shall include all active ordinances and resolutions.
  - b. A copy of the Port's most recent Strategic Business Plan including Mission, Vision and Goals.
  - c. A copy of the Attorney General's "Public Records and Meetings Manual."
  - d. A list of all Port personnel by position and the General Manager's employment contract.
  - e. Copies of the minutes of all Commission meetings, except for executive sessions, for the preceding twelve (12) months.
  - f. Copies of the Port's current and previous fiscal year budgets and financial audits.
  - g. Copies of the Port's insurance policies upon request.
  - h. Copies of all such documents as the Port's attorney may recommend with respect to any pending claims or lawsuits upon request.
  - i. Such other materials as the Commission may direct or the Manager deems appropriate.

## **Section 8. Reimbursements of Expenses**

A. Commissioner Compensation, Travel Advancement and/or Reimbursement. Commissioners shall be advanced or reimbursed for their actual and reasonable travel and other expenses incurred in the performance of official Port duties, as funds are available through the budget process following the same procedures as identified in the Port's Personnel Policy.

B. Advancement/Reimbursement Documentation. Commissioners incurring reimbursable expenses or requesting advancement shall submit proper documentation of such expenses on a signed form to the Manager for reimbursement or advancement by the Port. Payment shall be made following normal bill paying procedures.

## **Section 9. Commissioners' Actions Authorized by Official Commission Action Only.**

No individual Commissioner may speak for or act on behalf of the Commission or Port, except as authorized to do so by official Commission action as recorded in the official minutes or policies of the Port.

**Section 10. Bonding and Insurance.** The Port Commission shall purchase crime coverage that addresses the fiduciary responsibility set forth in ORS 198.220 and the Port shall pay the premium.

**Section 11. Political Activities.** The Port Commission may publicly discuss and advocate for a political position, and may perform campaign activity at any time. The Commission is, however, prohibited from using any public employee's work time or other public resources to do so. Public funds may be used to inform the public regarding measures, provided the materials are informational only and do not advocate a position. (ORS 260.432)

**Section 12. Public Contracting.** All purchases of goods and services, and all construction projects of the Port, are subject to Oregon's public contracting laws. (ORS 279A, 279B, 279C) All contracts are subject to competitive bidding requirements, which are established by statute, administrative rule and by local resolution adopted by the Board of Commissioners acting as the Port's local contract review board.

**Section 13. Public Records.** The Port Commission shall adopt a Public Records resolution in accordance with ORS 192.440.

## **PART III. DUTIES OF COMMISSION OFFICERS**

### **Section 14. Duties of the President.**

A. The President of the Commission shall preside at meetings of the Board of Commissioners.

B. Shall consult with the Clerk of the Commission regarding the preparation of each Commission meeting agenda.

- C. Shall have the same right as other members of the Commission to discuss and to vote on questions before the Commission.
- D. May call Special Meetings of the Commission as described here forth.
- E. Serve as Commission's media contact.
- F. Shall sign official Port documents on behalf of the Commission when authorized to do so by a majority of the Commission.
- G. Shall submit an annual report to the Commission. (ORS 777.140(2))

**Section 15. Duties of the Vice President.**

- A. The Vice President of the Commission shall, in the President's absence, or during any disability of the President, have the powers and duties of the President of the Commission as prescribed in this Part.
- B. Shall submit an annual report to the Commission. (ORS 777.140(2))
- C. Shall have such other powers and duties as a majority of the Commission may from time to time determine.

**Section 16. Duties of the Secretary/Treasurer.**

- A. The Secretary/Treasurer shall attest the signature of the President on all officially approved documents.
- B. Ensure that minutes, documents and records created through public meetings are properly recorded and codified. These responsibilities shall be delegated to staff.
- C. Ensure that the Commission maintains accounting and financial statements. These responsibilities shall be delegated to staff.
- D. Shall meet annually with the Port's auditor.
- E. Shall submit an annual report to the Commission. (ORS 777.140(2))

**Section 17. Duties of Commissioners Generally.**

- A. All Commissioners are eligible to sign checks upon approval. Public officials, however, are prohibited from signing checks paid to themselves, their relatives or businesses with which the official or their relatives are associated.
- B. Shall have such other powers and duties as a majority of the Commission may from time to time determine.

C. If any office becomes vacant, the vacancy will be filled at the next regular meeting of the Commission following the process set forth in the Election of Commission Officers.

**Section 18. Duties of the Clerk of the Commission.**

- A. Respond directly to routine correspondence.
- B. Handle correspondence of special interest to the Commission as follows:
  - 1. Draft replies in advance, when possible, for Commission consideration.
  - 2. Seek instruction for reply when necessary.
  - 3. Prepare such correspondence as the Commission directs.
- C. Prepare for Commission Meetings.
  - 1. Prepare the agenda with the advice of the President.
  - 2. Maintain a calendar for the Commission's unfinished business.
  - 3. Call to the Commission's attention legal requirements and those matters for which the Port is responsible.
  - 4. Draft policy motions at the request of the majority of the Commission.
  - 5. Prepare Commission meeting packets containing all available pertinent information.
- D. Commission meeting duties.
  - 1. Attend all Commission meetings or designate an alternate.
  - 2. Make physical arrangements for Commission meetings.
  - 3. Provide notice of Commission meetings in accordance with Public Meeting Laws.
  - 4. Record minutes of all official meetings or designate an alternate.
  - 5. Maintain and update the Port's Policy Manuals under the direction of the Commission.

**Section 19. Election of Officers.** At the first regular meeting of July, the Commission shall elect a President, Vice President and Secretary-Treasurer. Unless otherwise determined by the Port Commission, the Clerk of the Commission shall be the General Manager.

- A. The order of nominations shall be President, Vice President and Secretary/Treasurer.
- B. Process:
  - 1. Four of five Commissioners must be in attendance before an officer may be elected.
  - 2. A Commissioner may be elected as an officer upon receiving a nomination, a second and a vote of the majority in attendance. A Commissioner may not nominate or second their nomination, but may vote on the nomination.

3. If the nominated Commissioner does not receive a majority, the sitting Commission President shall continue asking for nominations until the office is filled. If an office is unable to be filled, the sitting office holder shall remain in the position (the office may become vacant if the most recent office holder is not available) until the next scheduled meeting. The business item will then be placed on the next agenda.

4. An alternative process is to elect a plank of officers. Commissioners not on the proposed plank shall nominate and second their nomination. All commissioners are eligible to vote for the plank.

5. In case of emergency, other processes may be used to appoint officers.

C. The one-year term of office is from July 1 until June 30 of the following year.

#### **PART IV. ETHICS AND CONFLICTS OF INTEREST**

**Section 20. Public Officials.** Elected officials are public officials for purposes of Oregon's Ethics Laws. (ORS 244.020(14))

**Section 21. Prohibitions Regardless of Disclosure.** Under the Oregon Code of Ethics (ORS 244.040), the following are prohibited regardless of disclosure:

A. Use of or an attempt to use official position for financial gains or to avoid financial detriment that would not otherwise be available but for the public official's holding of the official position or office for the public official, a relative or household member of the public official, or any business with which the public official or a relative or household member of the public official is association (ORS 244.020(15));

B. Using confidential information to further or attempt to further the personal gain of the public official, a relative or household member of the public official, or any business with which the public official, a relative or household member is associated;

C. Promises of future employment based upon a specific vote, official action, or judgment of the public official;

D. Receipts of gifts over \$50 in a calendar year received by a public official, relative or member of their household from anyone who has a legislative or administrative interest in the business of the district (ORS 244.025);

E. A public official may not participate in any interview, discussion or debate regarding the appointment, employment, promotion, discharge, firing, or demotion of a relative as defined by ORS 244.175(4); or

F. A person may not, for two years after they cease to hold a public official position, have a direct beneficial interest in a public contract that was authorized by:

1. The person acting in the capacity of a public official; or

2. The person participating as a member of the commission authorizing authorized the contract.

**Section 22. Nepotism.** Commissioners cannot participate in any personnel action taken by the Port that would impact the employment of a relative or member of the Commissioner's household. (ORS 244.177) The Commission is prohibited from hiring an applicant for the position of General Manager if a member of the Commission is related to the applicant. The Commission should avoid appointing a Commissioner to fill a vacancy who is related to the General Manager.

**Section 23. Financial Disclosure.** Commissioners are required to file Statements of Economic Interest (SEI) annually (ORS 244.050(r)).

**Section 24. Conflicts of Interest.** There are two types of Conflicts of Interest: potential and actual. There are also exceptions to these rules.

A. Potential Conflict of Interest. A potential conflict of interest is any official action of a public official that *could* result in private pecuniary benefit (money or something of economic value) or avoidance of detriment (relief from financial obligation or loss) to the person or the person's relative or any business with which the person or the person's relative is associated. When a Commissioner becomes aware that he has the opportunity to participate in an action either individually or as part of the Commission that the potential to result in a personal pecuniary benefit to himself or one of his relatives or a business with which he or one of his relatives is associated, then the Commissioner must publicly disclose the nature of the conflict of interest. After publicly announcing the potential conflict of interest at the meeting where the matter giving rise to the conflict is being discussed or acted upon, the Commissioner may participate in the discussion and vote on that matter. The disclosure must be recorded in the meeting minutes. A Commissioner must announce a conflict of interest on each occasion when the matter giving rise to the conflict of interest is discussed or debated.

B. Actual Conflict of Interest. An actual conflict of interest is any official action of a public official that *shall* result in private pecuniary benefit or avoidance of a cost for the person or the person's relative or any business with which the person or the person's relative is associated. As with potential conflicts of interests, the Commissioner must publicly disclose the nature of the conflict of interest at the meeting where the matter giving rise to the conflict is being discussed or acted upon. The disclosure must be recorded in the meeting minutes. When facing an actual conflict of interest the Commissioner must refrain from participating in any official action on the matter, including any discussion or vote. However, a Commissioner may participate in official actions when allowed by ORS 244.120(2)(b)(B). A Commissioner must announce an actual conflict of interest on each occasion when the matter giving rise to the conflict of interest is discussed or debated.

C. Exceptions to Conflicts of Interest. The conflict of interest requirements do not apply when the pecuniary benefit or detriment will affect to the same degree a class of entities or individuals that includes a Commissioner, a relative of a

Commissioner, or a business with which the Commissioner or a relative of the Commission is engaged, is a member of, or is associated. The Commissioner shall contact the Oregon Government Ethics Commission to determine whether the class exemption exists in that particular situation. (ORS 244.020(12)(b))

## **PART V. COMMISSION MEETINGS**

### **Section 25. Preparation for Meetings**

A. Preparation of Agenda. The Manager shall draft the Agenda after conferring with the President. Any Commissioner may submit a request to the President or Manager for an item to be added to the agenda no later than seven days before a scheduled meeting. The Agenda shall include the names and offices of the Commission and approximate the amount of time to be spent on each agenda item.

B. Distribution of Materials to Commissioners. The Agenda, General Manager's Report, updated financial reports and other materials related to Commission business shall be given to each Commissioner at least five (5) days prior to any regularly scheduled Commission meeting. The Port shall attempt to distribute materials electronically or digitally to conserve resources. At the same time, the General Manager shall provide members detailed information relative to the Agenda, references to existing policy pertinent to Agenda items.

C. Anonymous Communications. Anonymous and unsigned communications shall not be introduced in commission meetings or included in the board packet and record.

D. Distribution of Agenda to the Public. The proposed Agenda will simultaneously be distributed via email to all Port offices and other facilities, local and other news media, and posted at the required locations convenient for review by Port personnel and the public.

**Section 26. Order of Business.** The Order of Business may be modified from time to time at the discretion of the President, as necessary. The following order shall be generally observed:

- A. Call to Order
- B. Changes to the Agenda
- C. Approval of Minutes, Financial Reports and Paid Accounts
- D. Public Comment
- E. Correspondence, Presentations
- F. Old Business



- G. New Business
- H. Staff Reports
- I. Commissioner Reports
- J. Public Comment
- K. Calendar/Future Considerations
- L. Adjournment

## **Section 27. Notice and Location of Meetings**

A. Application. This policy applies to all meetings of the Board of Commissioners, and to any meetings of committees or advisory groups appointed by the Commission if such committees or advisory groups normally have a quorum requirement, take votes, and form recommendations as a body for presentation to the Commission.

B. Location of Meetings. All meetings shall be held within the geographic boundaries of the Port District, except for training sessions held without any deliberative action. No meeting shall be held in any place where discrimination on the basis of race, creed, color, sex, age, national origin or disability is practiced. All meetings shall be held in places accessible to the handicapped.

C. Meetings Held by Telephone or E-Mail. The Commission shall refrain from e-mail exchanges or conference calls between a quorum of the Commission that may trigger public meeting rules. A series of one-on-one conversations between members of the Commission with the intent to discuss a vote or the outcome of a vote (a “serial” or “shuttle” meeting) could be considered an improperly noticed meeting.

D. Regular Meetings. The Commission shall hold one regular monthly meeting on the fourth Tuesday of each month. Such meetings shall be held at the Port of Newport’s Registered Business Office or other as stated by resolution at 6:00 p.m. or at such other places and times as the Commission may designate from time to time. (ORS 198.340(2))

E. Special Meetings. The Commission shall hold special meetings at the request of the President or any three members of the Commission. If the President is absent from the Port, special Commission meetings may be held at the request of the Vice-President. No special meeting shall be held upon less than 24 hours' public notice.

F. Work Sessions. Work sessions may be called by the President or by any three members of the Commission. Notices of work sessions will be given and minutes taken the same as with special meetings. Work sessions may be held for the purpose of discussing port business that requires more time and exploration than a regular meeting would allow. Final decisions shall not be made at a work session. However, a workshop

may be held in conjunction with a regular or special meeting where a final decision may be made.

G. Emergency Meetings. Emergency meetings of the Commission may be held upon a call of the President or any three members of the Commission and require as much notice as possible under the circumstances. The minutes of the meetings must reflect the reason for the emergency meeting and explain why less than 24 hours' notice was given. Only such matters as pertain to the emergency may be discussed at such a meeting. Final action may be taken at an emergency meeting.

H. Executive Sessions. The President or any two members of the Commission may call an executive session. Only commissioners and persons specifically invited by a majority of the commission shall be allowed to attend executive sessions. Any person present may disclose no matter discussed during executive sessions during such session. Notices shall be given in the same manner as for regular, special and emergency meetings, except that the notice need only indicate the general subject matter to be considered by citing the statutory basis for call the executive session. The commission shall not take any votes nor make any final decisions while in executive sessions. (ORS 192.660(6))

I. Notice of Meetings.

1. The proposed Agenda will simultaneously be distributed to all Port Commissioners and personnel, local and other news media, and posted at the required locations convenient for review by the public.

2. Notice of the time, place, and principal subjects to be considered shall be given for all meetings. For regular meetings, the notice shall be in the form of an agenda, which shall be given to all Commissioners, local media, and to all persons or other media representatives having requested notice in writing of every meeting.

3. The agenda shall be published in the local newspaper and on the Port's website.

4. E-mailed notice shall also be sent to any persons whom the Port knows may have a special interest in a particular action, unless such notification would be unduly burdensome or expensive. For special meetings, notices shall be issued or phone calls made to local media; and interested persons shall be notified by e-mail or telephone. For emergency meetings, the Port shall attempt to contact local media and other interested persons by telephone to inform them of the meeting. The Port shall attempt to distribute Agendas and Notices via e-mail or the Port's website when possible.

J. Social Gatherings, Public Functions and Training. Gatherings or other functions in which the purpose is not to discuss business items or to receive background information on a potential future business item are not covered by Public Meeting Law. However, Commissioners should be warned that if during the course of the gathering a quorum of the Commission were to deliberate on a matter that would lead to a violation.

**Section 28. Quorum.** Three members shall constitute a quorum. If only a quorum is present, a unanimous vote shall be required to take final action unless otherwise allowed by policy. A lesser number may meet and adjourn from time to time and compel the attendance of absent members. The Commission reserves the right to modify the Quorum definition by resolution.

**Section 29. Roster.** The Clerk of the Commission shall require all members of the public to sign a public roster indicating agenda items of interest and affiliations. The roster shall be part of the public record.

### **Section 30. Minutes of Meetings**

A. Written Minutes. The Commission shall keep and approve written minutes of all of its meetings in accordance with the requirements of ORS 192.650. Minutes shall be signed by the President, attested by the Secretary-Treasurer and codified within a book intended for such purpose. Minutes of public meetings shall include at least the following information:

1. All members of the Commission present;
2. All motions, proposals, resolutions, orders, ordinances and measures proposed and their disposition;
3. Results of all votes, including the vote of each member by name unless unanimous;
4. The substance of any discussion on any matter; and
5. A reference to any document discussed at the meeting.

B. Written Notes Submitted to Record. The Clerk's written notes, used to develop the minutes, shall be submitted into the record. The Port shall refrain from recording meetings. All recordings of public meetings shall be submitted into the record.

C. Minutes of Executive Sessions. Minutes of executive sessions shall be kept separately from minutes of public meetings. Minutes of executive sessions may be kept either in writing, in the same manner as minutes of public sessions, or by tape recording. If minutes of an executive session are kept by tape recording, written minutes are not required, unless otherwise provided by law. (ORS 192.650(2))

D. Disclosure of Executive Session Matters. If disclosure of material in the executive session minutes would be inconsistent with the purpose for which the executive session was held, the material may be withheld from disclosure. No executive session minutes may be disclosed without prior authorization of the Commission. (ORS 192.650 (2))

E. Amendments to Minutes. Additions and corrections to minutes shall be identified in the minutes of the meeting in which the additions and corrections were discussed.

F. Retention. Officially approved minutes, resolutions, ordinances and a meeting packet shall be retained indefinitely as part of the public record. (OAR 166-150)

G. Availability to the Public. Draft and approved minutes of public meetings shall be made available to the public within a reasonable time after the meeting. Every attempt will be made to post minutes to the Port's website to increase public access. (ORS 192.650(1))

## **PART VI: RULES OF ORDER**

**Section 31. Purpose.** The rules of order should be liberally construed to that purpose, and Commissioners should avoid invoking the finer points of parliamentary procedure when such points serve only to obscure the issues before the commission as a whole and confuse the audience at public meetings and the citizens in general.

**Section 32. Presiding Officer.** The President shall preside at Commission meetings. In the President's absence, the Vice President shall preside. If both the President and Vice President are absent, any other member of the Commission may preside.

**Section 33. Convening the Meeting.** At or near the time appointed, the President shall immediately call the meeting to order. The Clerk shall enter in the meeting minutes the names of the Commissioners present.

**Section 34. Recognition.** Every Commissioner, staff member and member of the public shall refrain from discussion until recognized by the President. The President reserves the right to lessen recognition requirements to encourage communication as long as the Clerk of the Commission can adequately record the proceedings.

**Section 35. Changes to the Agenda.** A request to add a business item to the agenda or to otherwise consider a special order of business may be requested by any Commissioner, but shall require a majority concurrence of the members present.

### **Section 36. Public Comment.**

A. Generally. Any member of the general public wishing to address the Commission on a matter of public concern may do so at the time set for public comment during each regular meeting. Public comment shall be limited to three minutes per person. The Commission, in its sole discretion, may extend this time, or may request further information be presented to the Commission at a later date.

B. Complaints and Suggestions to the Commission. When any citizen brings a complaint before or makes a suggestion to the Commission, other than for items already on the agenda, the President shall first determine whether the issue is legislative or administrative in nature and then:

1. If legislative, and a complaint about the letter or intent of the legislative acts or suggestions for changes to such acts, and if the commission finds such complaint suggests a change to an ordinance or resolution of the Port, the Commission may refer the matter to staff for study and recommendation.

2. If administrative, and a complaint regarding staff performance, administrative execution or interpretation of legislative policy, or administrative

policy within the authority of department heads, the President shall then refer the complaint directly to the department head for review, if the complaint has not already been reviewed. The commission may direct the department head to report to the Commission when the review has been made. In a complaint against the Manager, the President may investigate and report back to the Commission at a later date.

**Section 37. Statement of Conflict of Interest/Ex Parte Contact.** If a conflict of interest is declared by a Commissioner prior to discussing or during discussion of a business item, the Clerk of the Board will report to the Commission on whether the conflict -- real or perceived -- exists. In the event any member of the Commission has had any ex parte contact regarding a matter, the member shall declare such contact prior to participating in any vote on the matter.

**Section 38. Forms of Action.** A motion is a procedural device to place a matter before the Commission for consideration and action. Each form of action listed below (except consensus) must be initiated by motion, and shall be recorded in the official minutes kept for such purpose:

A. Ordinances. Ordinances have the force of law. They are generally used to enact rules and regulations that apply to residents or customers of the Port, and can be enforced by the Commission or by local law enforcement personnel. Adoption of ordinances is subject to statutory adoption procedures found in ORS 198.510 to 198.600. Except under emergency provisions, ordinances must be available for the public to comment on in two consecutive meetings. Ordinances shall be numbered consecutively without regard to year, signed by the President, attested by the Secretary-Treasurer, notarized, codified within a book intended for such purpose and a copy sent to the County Clerk.

B. Resolutions. Resolutions are used to establish policy, express a position of the Commission (often associated with a grant or agreement), form committees, incur debt, create rules and policies required by ordinance, set fees and create the budget. Many resolutions are updated annually or more frequently than would be required by an ordinance. Resolutions may be passed at a single meeting. Resolutions shall be numbered first by year and secondly in the order adopted within the year, signed by the President, attested by the Secretary-Treasurer and codified within a book intended for such purpose.

C. Routine Decisions. Routine decisions, decisions of an administrative nature, and other procedural matters may be decided by a simple vote of the Commissioners, which is recorded in the minutes.

D. Consensus. Minor questions of clarification, interpretation, implementation or procedure may be determined by a consensus of the Commission without motion. Consensus shall be used sparingly and not for determining business matters in front of the Commission.

### **Section 39. Motions.**

A. The President shall entertain motions from the Commission, though the President may ask for a staff report in advance to suggest a recommended motion along with background material. The President shall refrain from making or seconding motions.

B. No motion shall be debated until it has been seconded and announced by the President. Before debate, the Clerk of the Board will ensure the accuracy of the motion for the minutes.

C. If a motion does not receive a second, then the issue is not considered. The President shall allow an opportunity for the motion to be rephrased or otherwise discussed before moving on to the next business item.

D. A motion may not be withdrawn without the consent of the Commissioner seconding it.

E. If during discussion, the originator of the motion and the Commissioner seconding it agree, a friendly amendment may be moved forward.

### **Section 40. Debate.**

A. Any Commissioner who has the floor shall confine comments to the question under debate; avoid personalities and refrain from impugning the motives of any member argument or vote.

B. Commissioners shall limit their remarks on a subject to five minutes unless granted additional time by the majority of the commission. No Commissioner shall be allowed to speak more than once upon any one subject, until every other member choosing to speak thereon has spoken.

C. Commissioners, once recognized, shall not be interrupted while speaking, unless called to order by the President, or unless a Commissioner raises a point of order while he or she is speaking, in which case, he or she shall cease speaking immediately until the point is determined. Points of order focus on whether the rules are being followed or in the case of this section, which a Commissioner finds the speaker in violation of this Section. If ruled to be in order, he or she shall be permitted to proceed; if ruled to be out of order, he or she shall remain silent or shall alter his or her remarks as to comply with the ruling. (Robert's Rules of Order Newly Revised, 10<sup>th</sup> Edition, pg. 240)

D. Commissioners desiring to question the administrative staff shall address his or her question to the President, who shall be entitled to either answer the question or designate a staff member for that purpose.

E. Citizens desiring to address the Commission shall first be recognized by the President and shall limit remarks to the question then under discussion. All remarks

and questions shall be addressed to the Commission as a whole and not to any individual Commissioner thereof. The President has full authority to allow or disallow public comments during debate.

F. Subsidiary Motions. When a question is before the commission, no motion shall be entertained except:

1. to postpone indefinitely (dispose the question without a vote).
2. to amend (make changes to the question);
3. to refer (establish a committee to further review);
4. to postpone (consider the question at a later time);
5. for the previous question (end discussion and vote);

These motions shall have precedence in the order indicated. Any such motion, except a motion to amend, shall be put to a vote without debate. (RR, 10<sup>th</sup> Ed., 60)

#### **Section 41. Voting.**

A. Votes Made Public. Upon conclusion of discussion or when the previous question has been called for, the President shall first ask for the 'yes' votes, followed by the 'no' votes. After a vote has been taken, the presiding officer shall announce the results of the vote. Modifications to this policy are allowed, but all individual votes must be made public and entered into the minutes.

B. Voting Required. When the vote has been called for, every present Commissioner shall vote either yes or no, except in a case when a real conflict of interest has been determined. Commissioners shall, at the time of voting, make a statement for the minutes indicating their reason for abstaining. No Commissioner may vote by proxy.

C. Minimum Votes Required. The passage of any motion shall require the affirmative vote of at least a quorum of the whole Commission.

D. Tie Vote. In case of a tie vote, the proposal shall be considered lost.

E. Changes. Any member may request that his or her vote be changed, if such request is made prior to consideration of the next order of business

**Section 42. Recess.** The President may call a recess of a meeting for a specified time whenever it appears, in the opinion of the President, that a meeting will be unusually long or that a recess would be beneficial for other reasons. A recess may be called during debate or at any other time during the meeting.

**Section 43. Adjournment.** The meeting shall be adjourned by decision of the Chair, a majority vote or as a result of the loss of a quorum. The time of adjournment shall be recorded in the minutes.

### **PART VII. ADMINISTRATIVE PROVISIONS**

**Section 44. Amendment.** These by-laws may be amended by Ordinance by following the provisions in ORS 198.510 to 198.600.

**Section 45. Codify.** Staff is directed to organize these bylaws and potential future amendments to these bylaws into a generally accepted professional format for public use and viewing.

**Section 46. Repeal.** Previously adopted policies that conflict with this Ordinance are hereby repealed.

**Section 47.** The recitals of this resolution are incorporated herein by reference and adopted as findings in support of this Ordinance.

**Section 48.** All rights and privileges hereby granted shall be effective 30 days after its adoption. (ORS 198.570(1))

**APPROVED AND ADOPTED BY THE BOARD OF COMMISSIONERS** this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
JoAnn Barton, President

ATTEST:

\_\_\_\_\_  
Walter Chuck, Secretary

**CERTIFICATE  
Attestation of a Copy of a Document**

State of OREGON     )  
County of Lincoln    )

I certify that this is a true and correct copy of a document in the possession of Port of Newport.

Dated: \_\_\_\_\_, 2014

\_\_\_\_\_  
Notary Public - State of Oregon



## LEASE AGREEMENT

This agreement, made as of April 30, 2014, by and between the **PORT OF NEWPORT**, a port district and political subdivision of the State of Oregon, hereinafter called "Lessor", and **Seafarers Permits & Brokerage**, herein referred to as SPB, an Oregon Company, hereinafter called "Lessee".

### WITNESSETH:

**WHEREAS**, Lessee wishes to lease office space to conduct the administrative business of Seafarers Permits & Brokerage. The office space is located in the Port of Newport International Terminal Office Building at 1510 SE Bay Boulevard, Suite 4, Newport, Oregon, which facility is owned and operated by Lessor; and

**WHEREAS**, in reliance on Lessee's request, Lessor is willing to grant a lease to Lessee for the conduct of such business upon the terms and conditions herein below set forth.

Now, **THEREFORE**, Lessor and Lessee, in consideration of the mutual agreements and attachments herein contained and for other good and valuable consideration, acknowledged by each of them to be satisfactory and adequate, do hereby agree as follows:

1. Grant of Lease.

Lessee is hereby granted the right and privilege for the term of one (1) year commencing June 1, 2014, and expiring on May 31, 2015, to lease office space on the premises, which shall include, and be limited to, conducting the administrative business of SPB. The "Premises" shall be only that area as indicated on the attached site drawing (Attachment A-1) and subject to easement restrictions as stated in Section 13 below, which shall be and remain part of this lease agreement. This lease may be renewed for one additional year by providing a written request sixty (60) days prior to expiration of current term. This grant of lease may be cancelled by either the Lessee or Lessor by providing ninety (90) days advance written notice to either party.

2. Consideration.

Commencing June 1, 2014, Lessee shall pay to Lessor, the base rent of \$300.46 at the times and in the manner set forth as consideration for this lease, each month throughout the first year of the term of this lease for the premises described above, approximately 222 square feet. This amount includes the use of water, electric, and sanitary sewer service. Beginning on the first year anniversary of June 1, 2015, and each consecutive year thereafter, the base rent shall be increased by the Consumer Price Index (CPI), Portland Index.

3. Other Utilities.

Individual phone service connection and trash disposal is the responsibility of the Lessee.

4. Waiver of Set-Off or Counterclaim.

Lessee waives and disclaims any present or future right to apply any payment or part payment of consideration due and payable hereunder against any obligation of Lessor however incurred, or to assert any such obligation as a set-off or counterclaim in any action for such consideration, and agrees that it will not claim or assert any such right, set-off or counterclaim.

5. Lessee's Public Liability Insurance.

Lessee shall at all times during the term hereof, at its sole cost and expense, procure and maintain in force and effect a policy or policies of comprehensive public liability insurance issued by an insurance carrier approved by Lessor, insuring against loss, damage or liability of injury to or death of persons and loss or damage to property occurring from any cause whatsoever in, upon or about the premises or in connection with the business operated by Lessee pursuant to this lease. Such liability insurance shall be written with limits of not less than \$1,500,000 combined single limit per occurrence and a \$2,000,000 aggregate or its equivalent insurance in respect of the premises and the conduct or operation of its business, with Lessor added as an additional insured.

6. Certificates of Insurance.

A certificate issued by the insurance carrier for each policy of insurance required to be maintained by Lessee under the provisions of this lease shall be delivered to Lessor upon the execution of this lease and thereafter, as to policy renewals, prior to the expiration of the term of such policy. Each of said certificates of insurance and each such policy of insurance required to be maintained by Lessee hereunder shall expressly evidence insurance coverage as required by this lease (including an express waiver of rights of subrogation as required hereunder) and shall contain an endorsement or provision requiring not less than thirty (30) days' written notice to Lessor prior to the cancellation, diminution in the perils insured against, or reduction of the amount of coverage of the particular policy in question.

7. Taxes and Other Charges

Lessee shall pay promptly to the Lincoln County Tax Assessor, before the same become delinquent, any property taxes, assessments or other charges that may become due against the Premises or by reason of the use or occupancy thereof. Since Lessor is a tax exempt entity, and would not be subject to taxes upon the subject property but for the use and occupancy thereof by Lessee, it is agreed that Lessee shall be responsible for any such taxes that are occasioned by the use, occupancy or possession of the Premises by Lessee, notwithstanding that such taxes may not become due or payable until after the termination of this Lease. At the present time, real property in the state of Oregon is subject to taxation on the basis of a fiscal year, commencing July 1 of each calendar year and ending June 30 of the next calendar year. If, by reason of Lessee's use or occupancy of the Premises, the Premises or any part thereof shall become subject to ad valorem or other taxation for any part of any fiscal year, Lessee shall be responsible for such taxes for the entirety of such fiscal year, whether or not the Lease may terminate or Lessee vacates the premises for any reason prior to the end of such fiscal year.

Lessee shall have the right at Lessee's expense to contest or review the amount or validity of any Tax or to seek a reduction in the assessed valuation on which any Tax is based, by appropriate legal proceedings.

Any contest as to the validity or amount of any Tax, or assessed valuation on which such Tax was computed or based, whether before or after payment, may be made by Lessee in the name of Lessor or of Lessee, or both, as Lessee shall determine, and Lessor agrees that it will, at Lessee's expense, cooperate with Lessee in any such contest to such extent as Lessee may reasonably request, it being understood, however, that Lessor shall not be subject to any liability for the payment of any costs or expenses in connection with any proceeding brought by Lessee, and Lessee covenants to indemnify and save Lessor harmless from any such costs or expenses. Lessee shall be entitled to any refund of any such Tax and penalties or interest that have been paid by Lessee or by Lessor and reimbursed to Lessor by Lessee.

The parties shall use reasonable efforts to see that all communications from the governmental authorities respecting Taxes are sent directly by such authorities to Lessor. Lessor shall forward any and all communications to Lessee within twenty-four (24) hours of Lessor's receipt. The certificate, advice, receipt, or bill of the appropriate official designated by law to make or issue the same or to receive payment of any Tax or nonpayment of such Tax shall be prima facie evidence that such Tax is due and unpaid or has been paid at the time of the making or issuance of such certificate, advice, receipt, or bill.

8. Waiver of Subrogation.

Lessee hereby waives any and all rights of recovery from Lessor, its officers, agents and employees for any loss or damage, including consequential loss or damage caused by any peril or perils (including negligent acts) enumerated in each form of insurance policy required to be maintained by tenant hereunder. This waiver of subrogation shall not apply if it shall be in contravention of any term or provision of Lessee's insurance policies so as to void any coverage thereunder. Lessee shall make reasonable efforts to obtain a policy or policies of insurance not prohibiting such a waiver of subrogation.

9. Indemnification of Port.

Lessee hereby covenants and agrees to indemnify, save and hold Lessor free, clear and harmless from any and all liability, loss, costs, charges, penalties, obligations, expenses, reasonable attorneys' fees, litigation, judgments, damages, claims and demands of any kind whatsoever in connection with, arising out of or by reason of any violation of law, ordinance or regulation by Lessee, its agents or employees, or by reason of any injury or death however occurring to any person or persons whomsoever (including Lessee, its agents, employees, contractors, customers or business invitees), or damage to property of any kind whatsoever and to whomsoever belonging (including Lessee, its agents, employees, contractors, customers or business invitees), from any cause or causes whatsoever arising out of or in any way connected with the business operated by Lessee pursuant to this lease, except however, any injury, death or damage resulting solely from the negligence of Lessor.

10. Compliance with Governmental Rules.

Lessee shall at all times during the term of this lease, at its sole cost and expense, comply with all governmental rules, regulations, ordinances, statutes and laws now or hereafter in effect pertaining to the premises or Lessee's operation of its business pursuant to this lease.

11. General Authority.

Lessee shall at all times during the term hereof comply with all reasonable rules and regulations which Lessor may at any time or from time to time establish concerning the use of the premises, provided, however, that any such rule or regulation so made shall not be inconsistent with any part of this lease and shall not unreasonably interfere with Lessee's business operated pursuant hereto.

12. Covenant of Continuous Operation and Service.

Lessee shall continuously operate the business leased hereunder in a first class manner. Lessee shall offer its merchandise and services for sale at competitive prices, and shall maintain adequate personnel for the efficient service of its customers. Lessee shall employ its best efforts to operate the business in a first class manner.

Lessee covenants and agrees to comply with all laws and governmental rules and regulations applicable to Lessee's business operated pursuant to this lease agreement, including any rules and regulations adopted by the Lessor.

13. Alterations to Premises.

Lessee shall not make any structural changes, alterations or additions to the space within which the business licensed hereunder is operated without the written consent of the Lessor first in advance obtained. Any changes, alterations or additions to such space shall be at Lessee's sole cost and expense. Any painted surfaces different than current colors or any screw or nail holes made for hanging wall decorations, displays or other devices, must be removed and all holes professionally patched at the expiration or earlier termination of this lease; and space returned to its original colors and condition. All permanent improvements made in or to the space occupied by Lessee pursuant to the provisions hereof during the term of this lease shall become at once the property of Lessor with the exception of additional furniture or displays to be installed by Lessee. Lessee expressly acknowledges and agrees that it will have no right to remove and shall not remove any such improvements at any time during or after the term of this lease.

If, at any time after the execution of this lease, the space occupied by Lessee pursuant to the terms hereof, or any portion of such space, should be damaged or destroyed by any casualty to the extent that Lessee is unable to continue the operation of its business herein to the extent practicable from the standpoint of good business, either party may terminate this lease agreement upon ten days' written notice to the other.

14. Easements, Rights of Way.

Lessee shall have permission to use parking at the West end of the Terminal Office Building. At no time shall Lessee or Lessee's employees, contractors, customers or business invitees block the easement or driveway of the warehouse or the Terminal Office Building. Nor shall Lessee block the road or driveway at the South side of the Premises.

15. Assignment and Subleasing.

Lessee shall not assign, sell, transfer, hypothecate or encumber this lease or any interest herein, or sublease the business to be conducted hereunder, without the prior written consent of Lessor first had and obtained therefore. In the event that Lessee is a corporation, a change or changes in the ownership, whether voluntary, involuntary, by operation of law, or otherwise, which aggregates fifty percent (50%) or more of the total capital stock of Lessee or fifty percent (50%) or more of the voting capital of Lessee, shall be deemed an assignment of this lease. An assignment, sale, transfer, hypothecation, encumbrance or sub-lease of this lease, without the prior written consent of Lessor first had and obtained therefor shall be null and void, and shall at the option of the Lessor terminate this lease.

16. Default.

Lessee shall be in breach of this lease agreement if at any time during the term hereof:

16.1 Lessee fails to make payment of any installment of consideration or of any other charge to be paid by Lessee within ten (10) days after the payment is due; or

16.2 Lessee fails to perform any of its other obligations hereunder and such failure is not cured within ten (10) days after Lessor has given written notice to Lessee of such failure; or

16.3 Lessee becomes insolvent, or makes a transfer in fraud of its creditors, or makes an assignment for the benefit of its creditors; or if an execution shall be issued against Lessee; or

16.4 Lessee voluntarily files or has filed against it a petition under any provision of the Federal Bankruptcy Act, as amended, or under any similar law or statute of the United States or any state, and such petition is not dismissed within thirty (30) days thereafter, or Lessee is adjudged bankrupt or insolvent in a proceeding filed by or against Lessee; or

16.5 A receiver or trustee is appointed for all or substantially all of Lessee's assets.

If the Lessee shall become in default hereunder, then this agreement and all rights of the Lessee hereunder shall immediately cease and terminate, without thereby prejudicing Lessor's other rights and remedies at law or in equity as a result of such breach.

17. Partial Invalidity.

If any term, covenant or condition of this lease shall, to any extent, be invalid or unenforceable, the remainder of this lease shall not be affected thereby and each term, covenant or condition of this lease shall be valid and enforced to the fullest extent permitted by law.

18. Nonwaiver of Breach.

The waiver by Lessor of any breach of any term, covenant or condition of this lease shall not be deemed a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition. The acceptance of consideration hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this lease, other than the accepted, regardless of Lessor's knowledge of the preceding breach at the time of acceptance of the consideration. No covenant, term or condition of this lease shall be deemed to have been waived by Lessor unless the waiver is in writing and signed by Lessor.

19. Modifications.

No subsequent alteration, amendment, change or addition to this lease shall be binding upon Lessor or Lessee unless reduced to writing and signed by the party sought to be bound.

20. Notices.

Any notice or demand required or permitted to be given under this lease shall be done so within 10 days of any action and shall be deemed to have been given only when it is in writing and has been deposited in the United States mails, with postage prepaid, to be forwarded by certified or registered mail and addressed to Lessee at the address specified on the signature page hereof or to Lessor at 600 S.E. Bay Boulevard, Newport, Oregon 97365.

21. No Partnership.

Anything contained herein to the contrary notwithstanding, Lessor does not in any way or for any purpose become a partner of Lessee in the conduct of its business, or otherwise, or a joint venturer or member of a joint enterprise with Lessee hereunder.

22. Attorneys' Fees.

Should either party hereto institute or be made a party to any action or proceeding in court to enforce any provision hereof or for damages or other relief by reason of an alleged breach of any provision hereof, the prevailing party shall be entitled to receive from the losing party, and the losing party agrees to pay to the prevailing party, in addition to allowable court costs, such amounts as the court may adjudge to be reasonable as attorneys' fees, including any appeal thereof, and such amount may be made a part of the judgment against the losing party.

23. Time of the Essence.

Time is of the essence of this lease and all of the terms, provisions, covenants and conditions hereof.

24. Captions.

The captions appearing at the commencement of the sections hereof, and any paragraph thereof, are descriptive only and for convenience in reference to this lease and should there be any conflict between any such heading, and the section or paragraph thereof at the head of

which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern the construction of this lease.

25. Joint and Several Liability.

In the event Lessee now or hereafter shall consist of more than one person, firm or corporation, then and in such event all such persons, firms or corporations shall be jointly and severally liable as Lessee hereunder.

26. Successors and Assigns.

The terms, provisions, covenants and conditions contained in this lease shall apply to, bind and inure to the benefit of the heirs, executors, administrators, legal representatives, successors and assigns (where assignment is permitted) of Lessor and Lessee, respectively.

27. Assumed Business Name.

Lessee shall operate under the assumed business name of Seafarers Permits & Brokerage and Lessor consents to the use of such assumed business. Lessee agrees that it will use such assumed business name only subject to proper registration with the Oregon Corporation Commissioner.

28. Lease Subject to Prior Encumbrances.

The Lessee, upon paying the consideration set forth in Section 2 and performing all the other terms and conditions of this lease, shall quietly have and enjoy this lease agreement and the designated facility for conducting business pursuant to this lease agreement, during the term of this lease agreement without hindrance or interference by anyone claiming by or through the Lessor, subject, however, to the reservations and conditions of this lease and the prior encumbrances to which this lease is subordinate, if any. The Lessee's quiet enjoyment of this lease agreement shall be subject to terms of this lease, to dispossession by reason of superior title, and all easements, restrictions of record, and prior encumbrances.

29. Nondiscrimination.

Lessee agrees not to operate its business in such a manner as to discriminate against any person on the basis of sex, color, creed, race, age or national origin in any manner as may be contrary to the requirements of any applicable law or regulation, or to the guarantees of the Constitutions of the United States of America or of the State of Oregon.

30. Repair, Maintenance and Cleanliness.

Lessee agrees that at all times during the term of this lease it will maintain the assigned premises in a neat and presentable condition, and will maintain and keep the same in good order and repair, at Lessee's own cost and expense. Lessor, its agents and representatives, at any reasonable time may enter upon or into said premises for the purposes of examining the condition thereof and for any other lawful purpose.

31. Entire Agreement.

This agreement constitutes the entire agreement of Lessor and Lessee and supersedes all oral and written agreements and understandings made and entered into by the parties hereto prior to the date hereof.

**LESSOR:**


**PORT OF NEWPORT  
600 SE Bay Blvd.  
Newport, OR 97365**

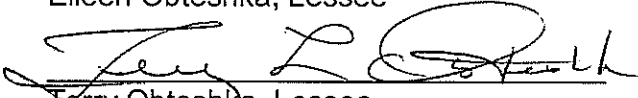
**LESSEE:**

**SEAFARERS PERMITS & BROKERAGE  
PO Box 2156  
Newport, OR 97365**

\_\_\_\_\_  
Kevin Greenwood, General Manager

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Eileen Obteshka, Lessee

  
\_\_\_\_\_  
Terry Obteshka, Lessee

Date: 4/2/14



AGENDA ITEM

NEW BUSINESS: Amending Lincoln County's Enterprise Zone Boundary.

RECOMMENDED ACTION: MOTION TO SUPPORT AMENDING LINCOLN COUNTY'S ENTERPRISE ZONE BOUNDARY.

This is a housekeeping item.

The Port of Newport (along with the county, cities of Lincoln City, Newport, Waldport and Toledo, and the Ports of Toledo and Alsea) is one of several municipalities that make up the Lincoln County Enterprise Zone.

Enterprise Zones allow for new businesses to receive tax deferment for up to five years and are generally regarded as a strong economic development tool. The Rogue Brewery is an example of a local businesses that has benefitted from their EZ status.

The City of Lincoln City has some land that could be developed but is outside the EZ boundary (100 acres), and has 588 acres that they'd like to remove (residential acreage). Caroline Bauman, the Executive Director of the County Economic Development Alliance, is the "manager" of the Enterprise Zone and has the task of facilitating all entities in jointly amending the boundary.

This resolution will help the City of Lincoln City and the EDCTC carry out that mission.

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**PORT OF NEWPORT  
RESOLUTION NO. 2014-02**

**A RESOLUTION AMENDING THE BOUNDARY OF THE  
LINCOLN COUNTY ENTERPRISE ZONE**

**WHEREAS**, the Port of Newport is jointly sponsoring (along with the Cities of Lincoln City, Newport, Waldport and Toledo and the Ports of Toledo and Alsea as well as Lincoln County) the Lincoln County Enterprise Zone all within Lincoln County, Oregon; and

**WHEREAS**, the prior enterprise zone has a total area of 7,561 acres, and meets other statutory limitations on size and configuration.

**WHEREAS**, the enterprise zone contains significant land that is reserved for industrial use, as indicated by land use zoning maps, consistent with Comprehensive Plan(s) acknowledged by the Land Conservation and Development Commission, such industrial sites are accessible, serviced or serviceable, and otherwise ready for use and further development.

**WHEREAS**, the designation of an enterprise zone does not grant or imply permission to develop land within the Zone without complying with prevailing zoning, regulatory and permitting processes and restrictions for applicable jurisdictions; nor does it indicate any intent to modify those processes or restrictions, except as otherwise in accordance with Comprehensive Plans.

**WHEREAS**, the Port fully appreciates the impacts that the enterprise zone has, and the property tax exemptions that eligible business firms might receive therein, as governed by Oregon Revised Statutes (ORS) Chapter 285C and other provisions of Oregon Law.

**WHEREAS**, the enterprise zone and the three to five year property tax exemption that it offers for new investments in plant and equipment by eligible business firms are critical elements of local efforts to increase employment opportunities, to raise local incomes, to attract investments by new and existing businesses and to secure and diversify the local economic base.

**WHEREAS**, all the other municipal corporations, school districts, and special service districts, other than the sponsoring governments that receive operating revenue through the levying of *ad valorem* taxes on real and personal property in any area of the enterprise zone were sent notice and invited to a public meeting regarding this proposal, in order for the sponsoring governments to effectively consult with these other local taxing districts.

**WHEREAS**, a public meeting was held at the Lincoln County Court House on April 23, 2014 in order to hear the responses of the taxing districts and citizenry to the proposed change in the Lincoln County Enterprise Zone requested herein; **NOW THEREFORE**,

**THE PORT OF NEWPORT BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:**

**Section 1.** The Port of Newport requests a change in the boundary of the Lincoln County Enterprise Zone as shown on the attached map and legal description (Exhibits 1 and 2).

**Section 2.** The Executive Director, Economic Development Alliance of Lincoln County, as Zone Manager is authorized to prepare and submit technical memoranda to the Oregon Business Development Department, along with this resolution and other necessary documents, verifying that the requested boundary change to the Lincoln County Enterprise Zone complies with the requirements of ORS 285C.115, so that the request herein may be approved by order of the Department's Director.

**APPROVED AND ADOPTED BY THE BOARD OF COMMISSIONERS** this 22<sup>nd</sup> day of April, 2014.

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David Jincks, President Pro-Tem

ATTEST:

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Walter Chuck, Secretary/Treasurer

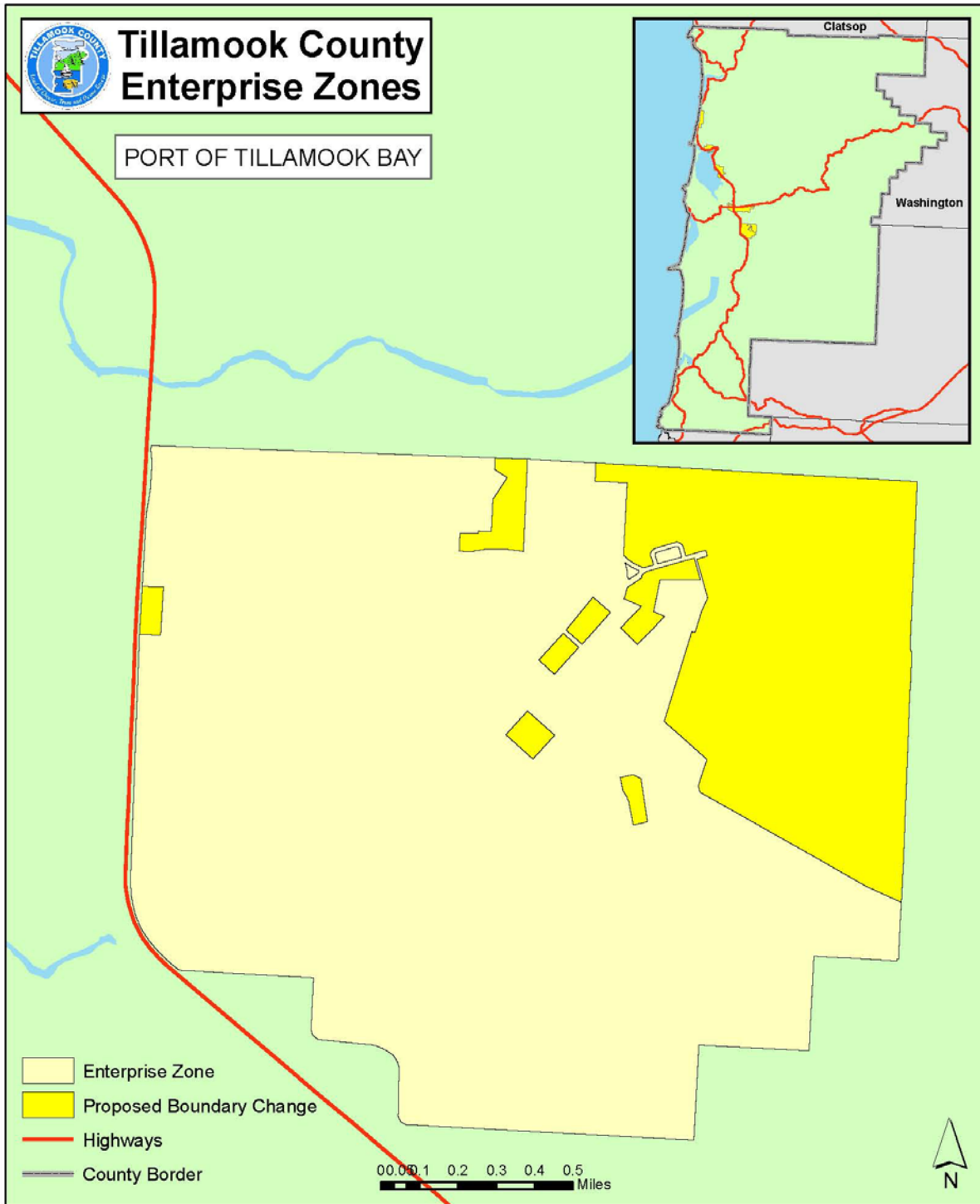
## EXHIBIT 1

### LEGAL DESCRIPTION OF TILLAMOOK COUNTY ENTERPRISE ZONE

Beginning at the point where the south line of Long Prairie Rd meets east line of Hwy 101; thence south along the east line of Hwy 101 to the north line of South Prairie Rd.; thence south and east along South Prairie Rd to Brickyard Rd.; thence north and east along the north and west line of Brickyard Rd to the southeast corner of Sec. 9, Township 2 South, Range 9 West of the Willamette Meridian; thence north along said section line to Brickyard Rd.; thence following the west line of Brickyard Rd. north to the south line of Long Prairie Rd.; thence west to the point of beginning.

EXCEPTING THEREFROM the SE  $\frac{1}{4}$  of the SE  $\frac{1}{4}$  of Sec. 9 Township 2 South Range 9 West of the Willamette Meridian.

EXHIBIT 2








Pacific Ocean

Devils Lake

Siletz Bay

**Lincoln City Draft Enterprise Zone Proposed Changes**

September 2013

|   |                       |           |
|---|-----------------------|-----------|
|  | Remaining             | 199 acres |
|  | Removed               | 564 acres |
|  | Added                 | 100 acres |
|  | City Limits           |           |
|  | Urban Growth Boundary |           |

0 0.25 0.5 Miles

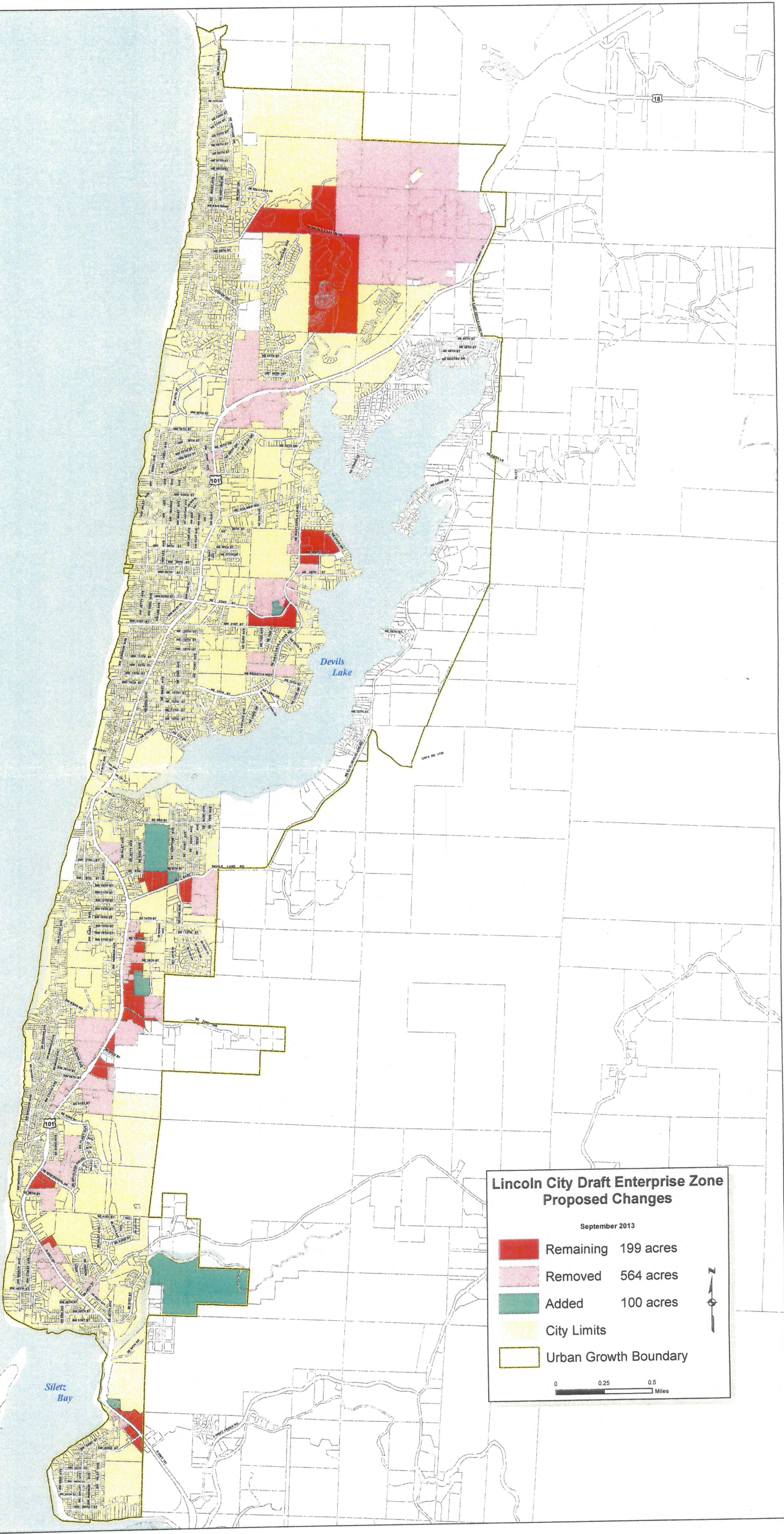



EXHIBIT 2

LINCOLN COUNTY ENTERPRISE ZONE APPLICATION – PAGE 3

LEGAL DESCRIPTION OF ZONE BOUNDARIES

**Lincoln County Unincorporated Area:** The tax lots as listed.

**City and Port of Newport:** All that portion of the City of Newport lying south of Yaquina Bay, plus the tax lots as listed:

**City of Toledo:** All of the City of Toledo.

**City of Waldport:** All of the City of Waldport.

**City of Lincoln City:** The tax lots as listed.

TOTAL SIZE == Just under 12 square miles.

|                      |                    |         |
|----------------------|--------------------|---------|
| 10-11-20-BB-00507-00 | 0.00 Newport       | 0.00159 |
| 10-11-20-BB-00505-00 | 0.00 Newport       | 0.00161 |
| 10-11-20-BB-00506-00 | 0.00 Newport       | 0.00156 |
| 10-11-20-BB-00504-00 | 0.00 Newport       | 0.00159 |
| 10-11-20-BB-00503-00 | 0.00 Newport       | 0.00156 |
| 10-11-20-BB-00502-00 | 0.00 Newport       | 0.00159 |
| 10-11-20-BC-00204-00 | 0.00 Newport       | 0.00156 |
| 10-11-20-BC-00205-00 | 0.00 Newport       | 0.00157 |
| 10-11-20-BC-00203-00 | 0.00 Newport       | 0.00155 |
| 10-11-20-BC-00202-00 | 0.00 Newport       | 0.00156 |
| 11-11-08-AD-08800-00 | 0.00 Newport       | 0.00027 |
| 11-11-08-AD-08900-00 | 0.00 Newport       | 0.00005 |
| 11-11-08-AD-09000-00 | 0.00 Newport       | 0.00001 |
| 11-11-08-AD-09100-00 | 0.00 Newport       | 0.00001 |
| 11-11-08-AD-09200-00 | 0.00 Newport       | 0.00002 |
| 11-11-08-AD-09300-00 | 0.00 Newport       | 0.00004 |
| 11-11-08-AD-09400-00 | 0.00 Newport       | 0.00005 |
| 11-11-08-AD-09500-00 | 0.00 Newport       | 0.00006 |
| 11-11-08-AD-09600-00 | 0.00 Newport       | 0.00009 |
| 11-11-08-AD-09700-00 | 0.00 Newport       | 0.00013 |
| 11-11-09-D0-00600-00 | 0.00 Newport       | 0.02546 |
| 11-11-09-D0-00101-00 | 0.00 Newport       | 0.01373 |
| 11-11-09-D0-00100-00 | 0.00 Newport       | 0.06457 |
| 11-11-09-D0-00103-00 | 0.00 Newport       | 0.00491 |
| 11-11-09-D0-00400-00 | 0.00 Newport       | 0.00079 |
| 11-11-09-D0-00104-00 | 0.00 Newport       | 0.00368 |
| 11-11-09-D0-00102-00 | 0.00 Newport       | 0.01675 |
| 10-11-20-BB-00513-00 | 0.00 Newport       | 0.00161 |
| 06-11-35-00-00301-00 | 19.77 Lincoln City | 0.03089 |
| 06-11-35-00-00100-00 | 39.16 Lincoln City | 0.06119 |
| 06-11-35-00-00402-00 | 43.58 Lincoln City | 0.06809 |
| 06-11-35-00-00300-00 | 59.11 Lincoln City | 0.09235 |
| 06-11-35-00-01000-00 | 60.50 Lincoln City | 0.09452 |
| 06-11-35-00-01102-00 | 20.13 Lincoln City | 0.03145 |
| 06-11-35-00-01100-00 | 20.12 Lincoln City | 0.03144 |
| 06-11-35-00-01001-00 | 20.21 Lincoln City | 0.03157 |
| 06-11-36-00-00401-00 | 37.13 Lincoln City | 0.05802 |
| 06-11-36-00-00700-00 | 31.04 Lincoln City | 0.04849 |
| 06-11-36-BC-00300-00 | 0.51 Lincoln City  | 0.00079 |
| 06-11-36-BC-00200-00 | 14.29 Lincoln City | 0.02233 |
| 06-11-36-BC-00100-00 | 2.29 Lincoln City  | 0.00357 |
| 06-11-36-BC-00700-00 | 7.59 Lincoln City  | 0.01186 |
| 06-11-36-BC-00600-00 | 5.95 Lincoln City  | 0.00929 |
| 06-11-36-BC-00500-00 | 4.81 Lincoln City  | 0.00752 |
| 06-11-36-BC-00400-00 | 4.03 Lincoln City  | 0.00630 |
| 06-11-36-BD-00200-00 | 0.27 Lincoln City  | 0.00043 |
| 06-11-36-BD-00500-00 | 11.73 Lincoln City | 0.01833 |
| 06-11-36-BD-00501-00 | 5.70 Lincoln City  | 0.00891 |
| 06-11-36-BD-00600-00 | 5.68 Lincoln City  | 0.00887 |
| 06-11-36-CB-00100-00 | 16.58 Lincoln City | 0.02591 |
| 07-11-02-B0-00102-00 | 20.20 Lincoln City | 0.03157 |
| 07-11-02-B0-00606-00 | 2.82 Lincoln City  | 0.00441 |



|                      |                    |         |
|----------------------|--------------------|---------|
| 07-11-02-B0-00701-00 | 8.14 Lincoln City  | 0.01272 |
| 07-11-02-B0-01000-00 | 2.61 Lincoln City  | 0.00408 |
| 07-11-02-B0-00700-00 | 2.39 Lincoln City  | 0.00374 |
| 07-11-02-B0-00703-00 | 14.61 Lincoln City | 0.02284 |
| 07-11-02-B0-00705-00 | 0.70 Lincoln City  | 0.00109 |
| 07-11-02-B0-00706-00 | 4.43 Lincoln City  | 0.00693 |
| 07-11-02-B0-00707-00 | 1.64 Lincoln City  | 0.00256 |
| 07-11-02-B0-01100-00 | 1.23 Lincoln City  | 0.00192 |
| 07-11-02-B0-00600-00 | 0.30 Lincoln City  | 0.00047 |
| 07-11-02-B0-00607-00 | 1.38 Lincoln City  | 0.00215 |
| 07-11-02-B0-00704-00 | 0.40 Lincoln City  | 0.00063 |
| 07-11-02-BD-00500-00 | 0.17 Lincoln City  | 0.00026 |
| 07-11-02-BD-00400-00 | 0.38 Lincoln City  | 0.00059 |
| 07-11-02-BD-00300-00 | 0.74 Lincoln City  | 0.00115 |
| 07-11-02-BD-00200-00 | 0.60 Lincoln City  | 0.00094 |
| 07-11-02-BD-00100-00 | 0.28 Lincoln City  | 0.00044 |
| 07-11-02-BD-01000-00 | 0.55 Lincoln City  | 0.00086 |
| 07-11-02-BD-00700-00 | 0.12 Lincoln City  | 0.00018 |
| 07-11-02-BD-00900-00 | 0.19 Lincoln City  | 0.00029 |
| 07-11-02-BD-00600-00 | 0.08 Lincoln City  | 0.00012 |
| 07-11-02-BD-00800-00 | 1.19 Lincoln City  | 0.00185 |
| 07-11-02-CB-04900-00 | 0.14 Lincoln City  | 0.00022 |
| 07-11-02-CB-04800-00 | 0.11 Lincoln City  | 0.00018 |
| 07-11-02-CB-03800-00 | 1.14 Lincoln City  | 0.00178 |
| 07-11-02-CB-05000-00 | 0.46 Lincoln City  | 0.00072 |
| 07-11-02-CB-05100-00 | 0.47 Lincoln City  | 0.00073 |
| 07-11-02-CB-04000-00 | 0.11 Lincoln City  | 0.00018 |
| 07-11-02-CB-03900-00 | 0.13 Lincoln City  | 0.00020 |
| 07-11-02-CB-04200-00 | 0.29 Lincoln City  | 0.00046 |
| 07-11-02-CB-04100-00 | 0.19 Lincoln City  | 0.00029 |
| 07-11-02-CB-04300-00 | 0.24 Lincoln City  | 0.00037 |
| 07-11-02-CB-04600-00 | 0.23 Lincoln City  | 0.00036 |
| 07-11-02-CB-04400-00 | 0.12 Lincoln City  | 0.00018 |
| 07-11-02-CB-04700-00 | 0.76 Lincoln City  | 0.00119 |
| 07-11-11-AB-02100-00 | 7.65 Lincoln City  | 0.01196 |
| 07-11-11-AB-02101-00 | 3.59 Lincoln City  | 0.00561 |
| 07-11-11-AB-02102-00 | 1.54 Lincoln City  | 0.00240 |
| 07-11-11-AB-05400-00 | 2.65 Lincoln City  | 0.00414 |
| 07-11-11-AB-05401-00 | 3.38 Lincoln City  | 0.00529 |
| 07-11-11-BA-00100-00 | 0.46 Lincoln City  | 0.00072 |
| 07-11-11-BA-00200-00 | 0.26 Lincoln City  | 0.00041 |
| 07-11-11-BA-00201-00 | 0.20 Lincoln City  | 0.00031 |
| 07-11-11-BA-00303-00 | 0.46 Lincoln City  | 0.00073 |
| 07-11-11-BA-00300-00 | 0.29 Lincoln City  | 0.00045 |
| 07-11-11-BA-00302-00 | 0.18 Lincoln City  | 0.00028 |
| 07-11-11-BA-00405-00 | 0.56 Lincoln City  | 0.00087 |
| 07-11-11-BA-00402-00 | 0.36 Lincoln City  | 0.00056 |
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| 07-11-11-BA-00407-00 | 0.14 Lincoln City  | 0.00022 |
| 07-11-11-BA-00408-00 | 0.46 Lincoln City  | 0.00072 |
| 07-11-11-BD-00102-00 | 11.88 Lincoln City | 0.01857 |
| 07-11-11-BD-00601-00 | 4.94 Lincoln City  | 0.00772 |

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|----------------------|--------------------|---------|
| 07-11-11-BD-00700-00 | 1.38 Lincoln City  | 0.00215 |
| 07-11-11-BD-00800-00 | 1.95 Lincoln City  | 0.00305 |
| 07-11-11-BD-00702-00 | 0.47 Lincoln City  | 0.00073 |
| 07-11-11-BD-00802-00 | 6.12 Lincoln City  | 0.00956 |
| 07-11-11-BD-00500-00 | 2.49 Lincoln City  | 0.00389 |
| 07-11-11-BD-00103-00 | 1.22 Lincoln City  | 0.00190 |
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| 07-11-11-CA-00300-00 | 2.25 Lincoln City  | 0.00351 |
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| 07-11-14-CC-00200-00 | 3.26 Lincoln City  | 0.00510 |
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| 07-11-15-DB-12301-00 | 3.55 Lincoln City  | 0.00555 |
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| 07-11-22-AD-00800-00 | 0.33 Lincoln City  | 0.00051 |
| 07-11-22-AD-01203-00 | 1.68 Lincoln City  | 0.00262 |
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| 07-11-22-AD-02300-00 | 0.67 Lincoln City  | 0.00105 |

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|----------------------|--------------------|---------|
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| 07-11-22-AD-02900-00 | 0.26 Lincoln City  | 0.00040 |
| 07-11-22-AD-02800-00 | 0.29 Lincoln City  | 0.00046 |
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| 07-11-22-CD-13602-00 | 2.18 Lincoln City  | 0.00341 |
| 07-11-22-CD-13700-00 | 0.32 Lincoln City  | 0.00049 |
| 07-11-22-CD-13603-00 | 0.39 Lincoln City  | 0.00060 |
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| 07-11-27-CA-06101-00 | 0.13 Lincoln City  | 0.00020 |
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| 07-11-27-DB-00400-00 | 0.45 Lincoln City  | 0.00071 |

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|----------------------|-------------------|---------|
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| 07-11-27-DB-00700-00 | 0.47 Lincoln City | 0.00073 |
| 07-11-27-DB-00600-00 | 0.06 Lincoln City | 0.00009 |
| 07-11-27-DC-00200-00 | 0.36 Lincoln City | 0.00056 |
| 07-11-27-DC-00302-00 | 0.62 Lincoln City | 0.00096 |
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| 07-11-27-DC-02400-00 | 0.34 Lincoln City | 0.00054 |
| 07-11-27-DC-02300-00 | 0.17 Lincoln City | 0.00027 |
| 07-11-27-DC-02200-00 | 0.26 Lincoln City | 0.00041 |
| 07-11-27-DC-02605-00 | 1.29 Lincoln City | 0.00201 |
| 07-11-27-DC-02100-00 | 0.17 Lincoln City | 0.00027 |
| 07-11-27-DC-02000-00 | 0.41 Lincoln City | 0.00065 |
| 07-11-27-DC-02601-00 | 0.92 Lincoln City | 0.00144 |
| 07-11-27-DC-00800-00 | 2.60 Lincoln City | 0.00407 |
| 07-11-27-DC-00801-00 | 0.97 Lincoln City | 0.00152 |
| 07-11-27-DC-02607-00 | 0.23 Lincoln City | 0.00036 |
| 07-11-34-DA-00600-00 | 0.37 Lincoln City | 0.00058 |
| 07-11-34-DA-00700-00 | 0.24 Lincoln City | 0.00037 |
| 07-11-34-DA-00200-00 | 1.35 Lincoln City | 0.00211 |
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| 07-11-34-DA-00100-00 | 2.50 Lincoln City | 0.00390 |
| 07-11-34-DA-00500-00 | 0.10 Lincoln City | 0.00016 |
| 07-11-34-DA-01000-00 | 0.11 Lincoln City | 0.00017 |
| 07-11-34-DA-00400-00 | 0.21 Lincoln City | 0.00032 |
| 07-11-34-DA-01101-00 | 0.14 Lincoln City | 0.00022 |
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| 07-11-34-DA-04803-00 | 0.70 Lincoln City | 0.00110 |
| 07-11-34-DA-05000-00 | 1.60 Lincoln City | 0.00250 |
| 07-11-34-DA-05301-00 | 0.10 Lincoln City | 0.00016 |

Total Acres:

7561.10 Total Miles:

11.96861

# ECONOMIC DEVELOPMENT ALLIANCE OF LINCOLN COUNTY

*Strengthening Lincoln County's economy. Attracting and supporting primary jobs.*

RECEIVED APR 01 2014

## Notice To Local Taxing District About an Enterprise Zone Boundary Change

{OAR 123-065-0330 & 123-065-1050}

March 25, 2014

**Subject:** Change in Boundary of the Lincoln County Enterprise Zone. Reason: land has been fully developed or committed to uses outside what is required for an Enterprise Zone business (such as residential).

Dear Sir or Madam:

This letter regards improving the local economic base, business climate and long-run community development for our County by making adjustments to the Enterprise Zone in the Lincoln City area. The City of Lincoln City is seeking to subtract a number of lands that are fully developed to residential or retail uses, and to add 3 new parcels to the Lincoln County Enterprise Zone. Lincoln County and the cities of Newport, Waldport, and Toledo are being asked to also approve the changes as cosponsors. The boundary change request will be submitted to Business Oregon for approval.

At its hearing on April 16 at 9:30 AM, at Lincoln County Courthouse, the Lincoln County Board of Commissioners is expected to consider a resolution requesting a boundary amendment.

The current Lincoln County Enterprise Zone proposed areas to be subtracted and added include relevant tax codes, such that the zones could affect future property tax collections in your district. Therefore, you are being asked to comment on this proposal, either at the hearing or by sending comments to either Lincoln County Planning Department, Lincoln City Planning Dept. or to Caroline Bauman, Zone Manager, at the address shown on this letterhead.

As the total land base for the Enterprise Zone will be smaller than before, we do not expect any negative impact on tax collections for any district involved.

Please understand that an enterprise zone exempts only new property that a job-creating business might build or install in the enterprise zone at some future time. In addition, an enterprise zone exemption is temporary, usually lasting only three years, after which time the

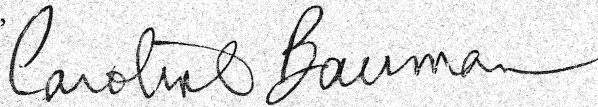
(over)

property induced by these incentives is available for assessment. An extension to four or five years in total is possible in some cases, which needs approval from the local sponsors of the Lincoln County Enterprise Zone.

Finally, none of these property tax exemptions would be available to just any business. Most commercial/retail operations would not be eligible. Rather, the primary beneficiaries of enterprise zone benefits are manufacturing and other more industrially oriented facilities serving other businesses. The properties being added or removed in Lincoln City reflect the most appropriate locations that are correctly zoned for such activity.

Feel free to contact me with any questions or comments.

Sincerely,

A handwritten signature in cursive script that reads "Caroline Bauman". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Caroline Bauman

Lincoln County Enterprise Zone Manager and Executive Director,  
Economic Development Alliance of Lincoln County

**RECEIVED**

**APR 10 2014**

**PORT OF NEWPORT**

**\*\* IMPORTANT \*\***

**ANNOUNCING UPCOMING MEMBERSHIP CHANGES**

Date: April 4, 2014  
To: SDAO Member Districts  
From: Membership Services

Enclosed are important upcoming changes to your SDAO membership. Please review the following documents:

- New SDIS Trust Agreement Requires Board Action
- First Restatement of Declaration of Trust
- New Self-Insured Employee Benefits Program
- Membership Dues

If you have questions, please contact Membership Services at 1-800-285-5461.

**\*\* IMPORTANT \*\***  
**REQUIRES BOARD ACTION**

**DATE:** April 4, 2014  
**TO:** SDIS Members  
**FROM:** Frank Stratton, Executive Director  
**SUBJECT:** New SDIS Trust Agreement Requires Board Action

Over the past year, the SDIS Board of Trustees has been working at creating a new SDIS Trust Agreement. Oregon law requires that self-insured public entity programs be formed through an intergovernmental agreement between the participating entities. The enclosed SDIS Declaration of Trust is an intergovernmental agreement. The original SDIS Declaration of Trust was adopted in 1985 and has never been comprehensively amended to take into account changes to federal tax and state laws over the past 28 years. After a review of the original Declaration of Trust, the Trustees decided that it was necessary to draft a new document which would take into account tax and other legal matters.

Now that the new SDIS Declaration of Trust has been approved by the SDIS Board of Trustees, it is necessary to have all of the Trust members join the Trust by having their Boards adopt the Joinder of Trust Agreement. **The Joinder of Trust Agreement is located on the last page of the enclosed Declaration of Trust.** By signing the Joinder Agreement your Board will be entering into an intergovernmental agreement under ORS Chapter 190.

**Before renewing in the SDIS self-insured employee benefits, property, liability or workers' compensation program, your Board will need to adopt the enclosed Joinder of Trust Agreement and return a signed copy to SDIS.** We understand that this is not an easy task for many members to accomplish, but we assure you we would not be taking this action if the SDIS Trustees did not feel it was absolutely necessary to protect the Trust's assets, which all of the members have helped build over the past 28 years.

Following are the deadlines for sending back the signed resolution to SDIS:

- Districts participating in the new self-insured employee benefits program: 6/1/2014
- Districts participating in the self-insured workers' compensation program: 7/1/2014
- Districts participating in the self-insured property and liability program: 10/1/2014



You only need to submit one signed resolution regardless of the number of programs that your District participates in.

I am sure you and your Board members will have many questions about the new Trust Agreement. In anticipation of your questions, following are some frequently asked questions and answers for your reference.

### **FREQUENTLY ASKED QUESTIONS:**

#### **What is my District's financial risk as part of a self-insured program?**

The revised Declaration of Trust does not increase your District's financial liability any more than you currently have under the existing Trust Agreement. The SDIS Trust is a non-assessable Trust. This means that your District can never be asked to contribute additional funds, other than your annual contributions, to cover your claims or the claims of any other member. It also means, though, that you are ultimately responsible for your own claims liabilities in the event the Trust is not able to pay your claims. The SDIS Trustees are dedicated to making sure this never happens by being extremely conservative with the amount of funds the Trust retains to pay claims. SDIS has over \$38 million more than what its certified actuary estimates is needed to satisfy all claims liabilities. These funds are invested to keep rates low and return to members as a dividend only when the actuary determines that they will not likely be needed to pay claims. In addition, the Trust purchases reinsurance that puts a cap on the Trust's and members' claims liability.

#### **Why is the Trust Agreement an Intergovernmental Agreement?**

Oregon law requires that for local governments to form their own self-insured programs they must do so through joining into an intergovernmental agreement. Intergovernmental agreements are governed under ORS 190 and require each participating organization to have a resolution adopted by its Board of Directors. The enclosed Joinder of Trust Agreement can be considered a board resolution.

#### **What are the primary differences between this new Trust Agreement and the original Agreement?**

The original Trust Agreement was controlled by the Special Districts Association of Oregon (SDAO) Board of Directors. The SDAO Board was the only body that could modify the Trust Agreement and the SDAO Board was also responsible for appointing the SDIS Board of Trustees. Legal counsel has advised SDAO and SDIS that for tax and other legal considerations the members should have a greater participation in the Trust. SDIS and its

participating members will now be responsible for adopting and amending the Trust Agreement. Also, the Trustees will now be appointed by the Trustees themselves. To ensure continuity and ongoing support, the SDAO will still be closely aligned with SDIS as its Sponsoring Member.

**Why can't my District find a resolution adopting the original Trust Agreement?**

When the original Trust Agreement was created in 1985, the originators did not believe the Trust Agreement needed to be approved by the participating members. They had the opinion that the coverage documents issued to members at their insurance renewals were considered an intergovernmental agreement that was entered into with the members when the members paid their contributions. With changes in law and philosophy over time, our current legal counsel feels that the best course of action for the newly amended Declaration of Trust is for each member to sign a resolution agreeing to enter into the Trust Agreement as an intergovernmental agreement.

**What happens if my District does not adopt the Resolution?**

Unfortunately, if your District does not adopt the Trust Agreement then your District will no longer be able to participate in the self-insured health, dental, property, liability or workers compensation programs. Your District will not be able to renew its coverage in these programs when your current policy term expires.

**Who should I contact if I have questions about the enclosed materials?**

Membership Services Department  
sdao@sdao.com  
(503) 371-8667  
(800) 285-5461

## Special Districts Insurance Services Trust

### First Restatement of Declaration of Trust

#### RECITALS

1. Oregon Revised Statutes Chapter 30.282 authorizes Public Bodies within the state of Oregon to create and participate in self-insurance programs through intergovernmental agreements;
2. On July 1, 1985, the Special Districts Association of Oregon and certain trustees entered into a Declaration of Trust for the Special Districts Insurance Services Trust, which set forth the terms and conditions upon which a self-insurance program solely for the benefit of governmental entities would be organized and operated pursuant to Oregon Revised Statutes Chapter 30.282, which Declaration of Trust was amended on October 22, 1987, February 18, 1988, January 25, 1989, June 27, 1991, June 2, 1994, December 9, 1999, September 21, 2000, January 10, 2002, April 17, 2003, and June 7, 2006 (the "Amended Trust Declaration");
3. The Initial Members have made Contributions to the trustees of the Trust and the trustees have implemented a self-insurance program with multiple pools for the benefit of the Initial Members, and the funds associated with such program constitute a trust fund that has been held for the exclusive benefit of the Initial Members participating in a self-insurance program;
4. Article 7 of the Amended Trust Declaration provided that the Amended Trust Declaration could be amended by the Board of Directors of the Special Districts Association of Oregon, by delivery of a copy of the amendment to each Trustee, provided however, that no amendment could operate to the prejudice of any vested rights held by any participant in the program of the Trust under a policy, contract, or other document for the benefit of such participant; and
5. The Board of Directors of the Special Districts Association of Oregon and the trustees of the Trust have determined that a restatement of the Amended Trust Declaration in the form of this First Restatement of Declaration of Trust, is in the best interests of the Initial Members and prospective Members, and have determined that this First Restatement of Declaration of Trust should be submitted to the Initial Members, and to prospective Members as appropriate, to allow them to become Members.

## SECTION 1 DEFINITIONS

1.1 **Definitions.** All capitalized terms in this Agreement shall have the meanings given to them in this Section 1.

1.2 **"Agreement"** means this First Restatement of the Declaration of Trust.

1.3 **"Amended Trust Declaration"** means the Special Districts Insurance Services Trust Declaration of Trust described in the Recitals.

1.4 **"Associated"** means, when used in the phrase "Associated with" an organization, the status of being a current employee of, or a member of the governing body of, that organization, or being a volunteer in good standing of an organization (in accordance with the policies and procedures of that organization) who is nominated in a writing signed by the Chair of the Board of Directors of the organization.

1.5 **"Audit Committee"** means the committee established by the Board, as described in Section 4.8(c).

1.6 **"Board"** means the Board of Trustees of the Trust.

1.7 **"Board Observer"** means the person designated by the Sponsoring Member to attend Board meetings pursuant to Section 4.1(b).

1.8 **"Contribution"** means the amount a Member contributes to the Trust annually pursuant to the Coverage Document.

1.9 **"Coverage Document"** means a contract between the Trust and a Member with respect to self-insurance coverage with respect to which a Member makes a Contribution.

1.10 **"Deadlocked"** means a situation in which the vote of the Trustees on a matter is evenly split for two or more meetings at which such matter is submitted to a vote.

1.11 **"Effective Date"** means April 1, 2014.

1.12 **"Executive Committee"** means the committee established by the Board, as described in Section 4.8(a).

1.13 **"Former Member"** means a Special District, Public Body or Sponsoring Member that was at one time a Member, but whose membership has Terminated.

1.14 **"Initial Members"** means those Special Districts and Public Bodies that had in effect a Coverage Document on the day before the Effective Date.

1.15 **"Joinder"** means a document, substantially in the form attached as Exhibit A, the execution of which constitutes a Member's agreement to be bound by the terms and conditions of this Agreement, and shall include a duly executed resolution in substantially the same form.

1.16 **"Majority"** means more than 50%.

1.17 **"Member"** means a Special District or Public Body that has executed a Joinder to this Agreement and the Sponsoring Member, the membership of which has not Terminated.

1.18 **"Nominating Committee"** means the committee established by the Board as described in Section 4.8(b).

1.19 **"Public Body"** means an entity described in Oregon Revised Statutes 30.260.

1.20 **"Quorum"** means a Majority of the Trustees.

1.21 **"Special District"** means a governmental entity described in Oregon Revised Statutes 198.010.

1.22 **"Sponsoring Member"** means the Special Districts Association of Oregon.

1.23 **"Termination"** means the cessation of the membership of a Member pursuant to this Agreement.

1.24 **"Trust"** means the Special Districts Insurance Services Trust.

1.25 **"Trustee"** means a person who has executed this Agreement or a duplicate thereof agreeing to accept the responsibilities of trusteeship under this Agreement, and who has not resigned or been removed as a Trustee.

1.26 **"Trust Property"** means cash, property or any asset held by the Trustees and subject to this Agreement.

## SECTION 2 PURPOSES AND OPERATON OF TRUST

2.1 Purposes. The purposes of the Trust shall continue to be the operation of a program of self-insurance whereby the Members' exposures in the areas of tort liability, property, workers compensation, and ancillary program areas may be effectively and economically managed, and whereby insurance and risk retention strategies to manage such risks may be most responsibly and economically funded, and to provide life, health, and disability programs and other personnel benefit services to Members. The Trustees shall endeavor to accomplish these goals by:

(a) Acting to ensure that there is available to Members markets for liability, property, workers compensation, and ancillary coverages appropriate to risks to which such Members are exposed and markets, programs and services for employee benefits and health, life, and disability insurance coverage needs of Members.

(b) Aggregating the collective buying power of Members and the economic advantages of individual and pooled risk retention and other strategies, where lawful and actuarially sound, and to reduce and stabilize the cost of funding those risks.

(c) Making available to Members resources and expertise in the management of risk through loss prevention and loss control programs, claims management, consulting, data gathering, information sharing and related services.

(d) Acting as a representative and information resource for Members in presenting to appropriate legislative and administrative bodies and committees, data and policy issues related to the cost of public risk in Oregon.

(e) Creating, upon authorization by the Board, pooled self-insured programs funded by Member Contributions and based on sound actuarial analysis, which may be structured as separate pools for various types of risk, with physical or accounting segregation as determined by the Board.

(f) Developing and providing other insurance programs, retirement programs or other related services as are approved by the Board, including but not limited to loan or grant programs in amounts not material to Trust operations and designed to further the objectives of the Trust.

(g) Providing access for Members to coverages with respect to which the Trust is not an indemnitor.

2.2 Trust Property. The Trustees shall collect and manage Trust Property, including but not limited to insurance premiums, Contributions and other revenues, shall make appropriate disbursements from the Trust, and shall oversee the management and administration of the programs of the Trust, approving the necessary contracts, insurance policies, premium contributions, fee schedule group purchases and making such other arrangements and implementing such strategies as necessary to carry out purposes described herein regarding the self-insurance programs, for the exclusive benefit of the Members and as described in this Agreement.

### **SECTION 3 CONTINUATION OF TRUST AND FUTURE CONTRIBUTIONS**

3.1 Trust Agreement. The Trustees and the Sponsoring Member hereby enter into this First Restatement of Declaration of Trust, to be effective on the Effective Date. The Trustees shall invite the Initial Members, and such other Special Districts or Public Bodies as appropriate, to become Members.

3.2 Trust Continuation. The Trust shall continue without interruption on and after the Effective Date and shall be operated from the Effective Date pursuant to this First Restatement of Declaration of Trust.

3.3 Existing and Future Trust Property. The Members confirm that the Trust Property subject to the Amended Trust Declaration as of the Effective Date of this Agreement, including all Contributions and income and profits therefrom, shall remain Trust Property, to be held, managed and distributed pursuant to this Agreement.

3.4 Contributions. Any Contributions made on or after the Effective Date of this Agreement, along with any and all income and profits therefrom, shall be Trust Property, and shall be held, managed and distributed pursuant to this Agreement. A contributing Member's Contribution is irrevocable.

3.5 Agreement by Trustees. The Trustees hereby declare that they will administer, manage, collect, receive, dispose of and distribute all Trust Property for the exclusive benefit of the Members as provided in this Agreement.

#### **SECTION 4 BOARD OF TRUSTEES**

##### 4.1 Board of Trustees.

(a) *In General.* The Trust shall be governed by a Board of Trustees ("the Board") composed of not fewer than five, nor more than nine, Trustees. Until changed by a vote of the Board, the number of Trustees shall be seven.

(b) *Board Observer.* As long as the Sponsoring Member is a Member, it shall from time to time designate a Board Observer, who shall be entitled to attend all meetings of the Board, but who shall not be a Trustee, shall have no fiduciary duties, and shall not vote. The Board Observer shall advise the Board on matters potentially affecting Special Districts throughout Oregon, as such matters relate to the activities of the Trust. The Board Observer shall be a nonvoting member of all standing and ad hoc committees of the Board. If the Sponsoring Member ceases to be a Member, there shall be no Board Observer position.

(c) *Continuation of Trustees.* Notwithstanding any requirement of Section 4.3, Trustees of the Trust serving as of the Effective Date shall continue to serve as Trustees until the expiration of their terms of office.

(d) *Election of Trustees.* The Board shall elect a Trustee to fill any vacant Trustee position, which elected Trustee shall serve until expiration of the vacated position.

##### 4.2 Meetings.

(a) *Annual Meeting.* An annual meeting of the Trustees shall be held in June of each year.

(b) *Special Meetings.* Special meetings of the Trustees may be called by the Sponsoring Member, Chair, the Vice-Chair, or a Majority of Trustees, by giving written notice to the Chair or the Vice-Chair.

(c) *Quorum.* A Quorum of Trustees must be present to conduct business at a duly called meeting.

(d) *Manner of Acting.* With respect to any matter to be decided by the Trustees, the Trustees shall act by Majority vote of all Trustees.

(e) *Location of Meeting.* All meetings shall be held within the State of Oregon. While every meeting must have a physical location at which at least one Trustee appears, Trustees may participate in the meeting by means of a conference telephone call or electronic communication method if all persons participating in the meeting can hear each other at the same time.

#### 4.3 Qualifications of a Trustee.

(a) *In General.* Except as provided in Section 4.3(b), as a qualification for appointment and continued service, each Trustee shall be a natural person Associated with a Special District which is a Member.

(b) *Continued Service by Trustee.* If a Trustee becomes no longer Associated with a Member during the Trustee's term of office, the Trustee may serve out the remainder of the Trustee's term.

#### 4.4 Term of Office of Trustee.

(a) *Fixed Terms.* Trustees shall be appointed for a fixed term. Terms shall be three years and shall be staggered so that no more than three Trustees' terms expire during any calendar year. There shall be assigned position numbers to each Trustee position.

(b) *Reappointment.* A Trustee may serve any number of consecutive terms.

4.5 Resignation of a Trustee. A Trustee may resign at any time by giving written notice to the Chair, Vice-Chair or Secretary of the Trust, which resignation shall be effective upon delivery or on such later date specified in the resignation.

#### 4.6 Removal of a Trustee.

(a) *Removal by Trustees.* A Trustee may be removed by a Majority Vote of the Trustees other than the Trustee who is being considered for removal.

(b) *Deadlock Process.* If the Board is Deadlocked on removal of a Trustee, the matter shall be submitted pursuant to the Deadlock Process described in Section 4.13. The Board of Directors of the Sponsoring Member shall determine whether the affected Trustee is to be removed as a Trustee, which decision shall be final. If the Board of Directors of the Sponsoring Member determines that a Trustee should not be removed, that Trustee shall serve until the expiration of his or her term, unless the other Trustees determine that the affected Trustee has engaged in intentional misconduct or gross negligence in carrying out his or her duties, in which case such Trustee may be removed using the processes described in Section (a) and (b) of this Section 4.6.

#### 4.7 Officers.

(a) *Officers.* The officers of the Board shall be a Chair, a Vice-Chair, a Secretary, and a Treasurer. The same person may not concurrently occupy more than two offices.



(b) *Appointment.* Officers shall be elected by the Board at the annual meeting and shall serve a one-year term or until their successors are elected by the Board.

(c) *Resignation.* An officer may resign at any time by giving written notice to the Chair, Vice Chair or Secretary of the Trust, which resignation shall be effective upon delivery or on such later date is specified in the resignation. In the event of a vacancy in an officer's position, the Board shall fill the unexpired portion of the term by election at the next Board meeting.

(d) *Duties of Chair.* The Chair shall, when present, preside at all meetings of the Board and of the Members. He or she shall serve as the chair of the Executive Committee and shall be an ex-officio Member of all other standing committees. The Chair shall perform all duties required of him or her by the Board.

(e) *Duties of Vice-Chair.* The Vice-Chair shall preside at all meetings of the Board and of the Members in the absence of the Chair. He or she shall perform such other duties as assigned by the Board or the Chair. The Vice-Chair shall be the chair of the Nominating Committee.

(f) *Duties of Secretary.* The Secretary will keep or cause to be kept at the Trust's principal office all of the minutes of the meetings of the Board and Members showing the time and place of meeting, the notice given, the names of those present and the content of such meeting in reasonable detail. The Secretary shall perform such other duties as assigned by the Board or the Chair.

(g) *Duties of Treasurer.* The Treasurer will be responsible for oversight of (i) the funds of the Trust; (ii) deposits and withdrawals of such funds in such depositories as may be authorized by the Board; and (iii) the keeping of a full and accurate account of receipts and disbursements at the Trust's principal office. The Treasurer shall be the chair of the Audit Committee and shall perform such other duties as assigned by the Board or the Chair.

#### 4.8 Committees.

(a) *Executive Committee.* The Board shall establish an Executive Committee, the objective of which is to prepare for Board meetings, address the business of the Trust between Board meetings in a manner delegated by the Board, and recommend to the Board the admission of new Members and Termination of existing Members, as necessary.

(b) *Nominating Committee.* The Board shall establish a Nominating Committee, the objective of which is to identify and recommend to the Board appropriate candidates for trusteeship from among the Members.

(c) *Audit Committee.* The Board shall establish an Audit Committee, the objective of which is to assure that the Board is adequately and currently informed of the financial condition of the Trust through reports and other methods.

(d) *Other Committees.* The Board may establish such other committees as it deems necessary and appropriate to carry out its responsibilities, which committees may be standing or ad hoc committees, in the discretion of the Board.

4.9 Salaries and Expenses. Trustees shall serve without compensation, but shall be entitled to reimbursement for expenses in accordance with the applicable expense policies of the Trust.

4.10 Policies and Procedures. The Trustees may from time to time adopt policies and procedures for operation of the Board, committees, and the Trust that are not inconsistent with this Agreement. The Trustees shall establish and maintain policies and procedures designed to cause the Trust to retain net assets sufficient to satisfy projected liabilities at appropriately high actuarially determined confidence levels in the event of catastrophic loss.

4.11 Powers of Trustees. The Trustees shall have each and every power accorded to Trustees under Oregon law and the authority to act in all matters relating to the Trust and Trust property, including but not limited to the power to:

- (a) make and enter into contracts;
- (b) incur debts, liabilities, and obligations;
- (c) acquire, hold, or dispose of property, contributions and donations of Property, funds, services, and other forms of assistance from any person;
- (d) sue and be sued in the name of the Trust, and to settle or compromise any claim;
- (e) engage and employ agents, employees, consultants, contractors, advisers, and any other personnel to assist in the activities of the Trust;
- (f) receive, collect, and disburse monies from any source;
- (g) authorize and pay or credit to Members (and not Former Members) such amounts, from the excess of available funds over amounts required or projected by the Board to fund Trust operations and claim liabilities, as determined appropriate by the Board, in its sole discretion; and
- (h) do all other things necessary and appropriate to carry out the purposes of the Trust and permitted by law.

4.12 Services Contract. The Trustees may enter into a contract with a Member to perform duties of administration of the Trust, which duties shall include but not be limited to claims administration, loss control, underwriting, and other consulting services as may be specified by contract between the Trust and the service provider.

4.13 Deadlock. If at any time the Trustees are Deadlocked on any issue, the Chair or Vice-Chair shall prepare a memorandum summarizing the facts and circumstances of the

situation in reasonable detail, and shall submit this memorandum to the Chair of the Board of Directors of the Sponsoring Member. The Board of Directors of the Sponsoring Member shall resolve the Deadlock and inform the Trustees of its decision, which decision shall be binding upon the Board.

## **SECTION 5 MEMBERSHIP**

5.1 Sponsoring Member. The Special Districts Association of Oregon is the Sponsoring Member of the Trust. The role of the Sponsoring Member is to provide the experience and continuity needed by the Trust to best serve its Members. The Sponsoring Member shall have ongoing duties to the Trust, including:

- (a) Working closely with others engaged by the Trust to provide various services;
- (b) Appointment of a Board Observer, as described in Section 4.1(b);
- (c) Providing its Executive Director as Trust Administrator for the Trust, who shall act in the role of chief operating officer and shall carry out the day-to-day duties of trust administration, as delegated by the Trustees;
- (d) Facilitating strategic planning for the Trust and recommending strategies for improving services to Members and improvement of ongoing operations of the Trust; and
- (e) Engaging in such other duties as reasonably requested by the Board to carry out the objectives of the Trust.

5.2 Distribution to Sponsoring Member. The Trust shall make an annual distribution to the Sponsoring Member in an amount to be determined by the Board in consultation with the Sponsoring Member.

5.3 Qualifications for Membership. A Member other than the Sponsoring Member must be a Special District or Public Body, within Oregon, that is a member in good standing of the Special Districts Association of Oregon.

5.4 Effect of Membership. A Member shall be eligible to participate in the coverages and services offered by or through the Trust on such terms and conditions as set forth in the Coverage Documents. Once an entity becomes a Member, such membership shall continue until terminated in accordance with this Agreement.

5.5 Initial Members. All entities who are Initial Members on the day before the Effective Date shall be eligible to become Members of the Trust as of the Effective Date by executing a Joinder.

5.6 New Members. Upon application by a Special District or Public Body to become a Member of the Trust, the Board may approve membership of such entity on such terms and

conditions as Board determines, in its sole discretion. The Board shall have the exclusive authority to approve or deny an application for membership, in its sole discretion.

5.7 Termination of Membership.

(a) *Termination of All Coverages.* Upon the termination of all participation in programs of the Trust, including but not limited to coverage under all Coverage Documents with respect to a Member (other than the Sponsoring Member), a Member's membership shall cease.

(b) *Sponsoring Member.* The Board may Terminate the membership of the Sponsoring Member for intentional wrongdoing or gross negligence, in its conduct as a Member, by a vote of two-thirds of the Trustees.

5.8 Liability after Termination of Membership. Upon Termination of membership, the Member will continue to be liable for the payment of any Contributions due as of the date of Termination. In the event the Trust is unable to perform its contractual obligations on a Former Member's behalf, the Member will continue to be liable for the payment of its own claims and liabilities arising out of the period when the Former Member was a Member.

5.9 Resumption of Membership after Termination. A Former Member may reapply for membership three years after Termination of membership. The Board in its discretion may waive this time limit or impose additional waiting periods.

5.10 Duties and Obligations of Members.

(a) *Joinder to First Restatement.* Each Member (other than the Sponsoring Member) shall execute a Joinder to this Agreement in a form approved by the Board and shall execute such other documents as are reasonable and appropriate, in the determination of the Board, to evidence membership in the Trust.

(b) *Information.* Each Member will furnish to the Trustees such underwriting and other information as may be reasonably required to carry out the purposes of the Trust at least 45 days prior to the end of the coverage period as described in the Coverage Documents.

(c) *Contributions.* Each Member shall make an annual Contribution based on the coverages the Member elects to the Trust in the amount determined by the Trustees, which amount shall be communicated to the Members within a reasonable period prior to renewal of coverage. The amount of the Contribution of each Member shall be determined by the Board, in its sole discretion, based on the coverages the member elects.

(d) *Cooperation.* As participants in a self-insured program, Members have an obligation to control claim costs by minimizing risk by establishing best management and safety practices. Each Member shall cooperate fully with the Trustees and their agents in the mitigation of risk and the administration of claims. Members' required cooperation shall include, but not be limited to:

(i) Following the loss prevention and risk management programs of the Trust, and abiding by all conditions, requirements, rules or regulations regarding loss control and risk management which may be promulgated by the Trust or its agents.

(ii) Annually completing a best practices checklist as requested by the Trust and endeavoring to the best of its abilities to adhere to the best practices identified on the checklist.

(iii) Giving prompt notification of any claim to the Trust as provided in the Coverage Documents.

(iv) Permitting the Trust's agents at any reasonable time to inspect the Member's properties and operations, and to examine the Member's books, documents and records of any and every kind pertinent to membership or in the administration of the Trust.

(v) Answering questionnaires pertinent to the operation of the Trust, or any particular pool maintained by the Trust, regarding the operations of the Member.

(e) *Trust Insolvency.* In the event of insolvency of the Trust, each Member or Former Member will continue to be liable for the payment of its own claims and liabilities arising during the period of membership.

5.11 Appointment as Agent. Each Member hereby appoints the Trust or its designated agent to act as the Member's agent and attorney-in-fact to act on its behalf, to execute all contracts, reports, waivers, agreements and service contracts, and to make an arrangement of payment of claims and all other things required for the proper and orderly operation of the Trust. Each Member agrees that the Trust or its designees shall have the sole responsibility for the adjustment and/or settlement of any and all claims.

## SECTION 6 LIABILITY OF TRUSTEES AND INDEMNIFICATION

6.1 Errors and Omissions Insurance. The Trustees shall secure errors and omissions insurance covering each Trustee in such amounts and on such terms and conditions as determined appropriate by the Board.

6.2 Indemnity.

(a) *In General.* The Trust will indemnify to the fullest extent permitted by law any person who is made or threatened to be made a party to, witness in, or otherwise involved in, any action, suit or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit or proceeding by or in the right of the Trust) by reason of the fact that the person is or was a Trustee, Board Observer, or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to any employee benefit plan of the Trust. The Trust may indemnify to the fullest extent permitted by law any person who is made or threatened to be made a party to, witness in, or otherwise involved in, any action, suit or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit or proceeding by or in the right of the Trust) by reason of the fact that the person is or

was an employee or agent of the Trust. Any indemnification provided pursuant to this Section 5.4(a) will not be exclusive of any rights to which the person indemnified may otherwise be entitled under any provision of any agreement, statute, policy of insurance, vote or resolution of the Board, contract, or otherwise. Notwithstanding the foregoing, the Trust shall not have any obligation to indemnify any person based on actions of such person that are found to constitute gross negligence or intentional misconduct by a court decision from which no appeal may be taken.

(b) *Advancement of Expenses.* The expenses incurred by a Trustee or other person in connection with any threatened, pending or completed action, suit or proceeding (except for an action, suit or proceeding by or in behalf of the Trust), whether civil, criminal, administrative, investigative, or otherwise, which the Trustee or other person is made or threatened to be made a party to or witness in, or is otherwise involved in, will be paid by the Trust in advance upon the written request of the Trustee or other person if he or she (i) furnishes the Trust a written affirmation that in good faith the Trustee believes that he or she is entitled to be indemnified by the Trust; and (ii) furnishes the Trust a written undertaking to repay such advance to the extent that it is ultimately determined by a court that such Trustee or other person is not entitled to be indemnified by the Trust.

(c) *Amendment.* No amendment to this Section 6.2 that limits the Trust's obligation to indemnify any person will have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person.

(d) *Further Action.* To the fullest extent permitted by law, no Trustee of the Trust or Board Observer will be personally liable to the Trust or the Members for monetary damages for conduct as a Trustee. Without limiting the generality of the preceding, if after this Section 6.2 becomes effective the Oregon statutes are amended to authorize Trust action further eliminating or limiting the personal liability of a Trustee or Board Observer, then the liability of Trustees of the Trust and the Board Observer will be eliminated or limited to the fullest extent permitted by the Oregon statutes, as so amended. No amendment or repeal of this Section 6.2 nor a change in the law, will adversely affect any right or protection that is based upon this Section 6.2 and that pertains to conduct that occurred prior to the time of such amendment, repeal, adoption or change. No change in the law will reduce or eliminate the rights and protections set forth in this Section 6.2 unless the change in the law specifically requires such reduction or elimination.

6.3 Use of Trust Assets to Defend Trust. Trust Property may be used to defend claims of any type made against the Trust or Trustees, and such use shall not be deemed a conflict of interest for any Trustee.

## SECTION 7 TERMINATION OF TRUST

7.1 Termination of Trust. The Trust shall terminate upon a vote to terminate the Trust by (A) the Board of Directors of the Sponsoring Member (if the Sponsoring Member is a Member) and (B) either (i) two-thirds of the Trustees or (ii) three-fourths of the Members. The

Trust shall terminate upon a determination by a court of competent jurisdiction that the purposes of the Trust cannot be accomplished, even with amendment or modification of the Agreement or Trust structure. In the event of termination, the Trust shall continue for the purpose of making allowances for claims, retiring any debt, distributing all assets, and performing all other functions necessary to conclude the affairs of the Trust, all of which shall be the responsibility of the Sponsoring Member, for which it will be paid reasonable compensation.

7.2 Distribution of Assets. Upon termination of the Trust, all Trust Property shall be distributed among the Special Districts and Public Bodies who are Members at the date of termination of the Trust, in proportion to their Contributions to the Trust during the 5 years immediately preceding the effective date of termination of the Trust.

7.3 No Assessments. The Trust shall not have the authority to assess Members or Former Members for additional Contributions in the event of Trust insolvency.

## **SECTION 8 AMENDMENT**

8.1 Method of Amendment. This Agreement may be amended by vote of two-thirds of the Trustees and the approval of the Board of Directors of the Sponsoring Member. Amendments shall be distributed to the Members within 60 days of adoption.

8.2 Limitation on Amendments. No amendment to this Agreement shall be adopted which provides for distribution upon dissolution to other than the Members, that causes gratuitous diversion of Trust Property for the benefit of private interests, or retroactively divests a Member of a vested right granted to that Member pursuant to a Coverage Document.

## **SECTION 9 MISCELLANEOUS**

9.1 Title to Trust Property. Legal title to all Trust Property shall be held by the Trustees for the exclusive benefit of the Members as described in this Agreement.

9.2 No Interest in Trust Property by Members. No Member shall have any right to or interest in Trust Property, and no creditor of any Member shall have any claim against Trust Property for any debt or obligation of a Member.

9.3 Intergovernmental Agreement. This Agreement is intended to be an intergovernmental agreement as described in Oregon Revised Statutes 30.282 for three or more Public Bodies to create a program of self-insurance, and shall be interpreted for all purposes as such an agreement.

9.4 Governing Law. This Agreement shall be governed by the laws of the State of Oregon.

9.5 Joinders. Any Joinder to this Agreement executed by a Member will be deemed to be that Member's assent to the entirety of this Agreement, as if such Member had executed an original of this Agreement.

## 9.6 Dispute Resolution.

(a) *Appeal to Board of Trustees.* In the event of any dispute arising from the operation of the Trust, the affected Member shall first appeal to the Board. In a matter relating to a claim under a Coverage Document, the appeal must be made within 30 days of the Trust's proposed resolution of the disputed claim unless otherwise provided in the Coverage Document. To institute an appeal, the Member must give written notice to the Chair or Vice-Chair of the Board, providing a written summary of the dispute, detailing in reasonable detail the facts and circumstances of the issue and the requested remedies. At the next scheduled Board meeting or at such other time as determined by the Chair, the Board will review the matter, using procedures as promulgated by the Board. The Board's decision will be communicated to the Member within 90 days of the Board's hearing of the appeal.

(b) *Mandatory Mediation.* If a dispute is not resolved by appeal to the Board, it must be submitted to the Arbitration Services of Portland ("ASP"), or its successor, for mediation. The Trust or any Member may commence mediation by providing ASP and the other affected parties a written request for mediation, setting forth the subject of the dispute and the relief requested. The Trust and each affected Member shall cooperate with ASP and with one another in selecting a mediator from the ASP panel of neutrals and in scheduling the mediation proceedings. They agree that they will participate in the mediation in good faith and that they will share equally in the costs (the Trust will pay one half of the costs and the other half will be paid by the affected Member, or if more than one Member, each shall contribute equally to that half or otherwise as they may agree). All of the offers, promises and conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator or any ASP employees, are confidential and privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, providing that evidence that is otherwise admissible and discoverable will not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

(c) *Mandatory Arbitration.* If the matter is not resolved through mediation, then it shall be submitted to ASP, or its successor, for final and binding arbitration pursuant to the rules of commercial arbitration for ASP. The Trust or a Member may initiate the arbitration with respect to the matter submitted to mediation by filing a written demand for arbitration at any time following the initial mediation session or at any time following 45 days from the date of filing the written request for mediation, whichever occurs first ("Earliest Initiation Date"). The mediation may continue after the commencement of arbitration if the parties agree. At no time prior to the Earliest Initiation Date will either side initiate an arbitration or litigation related to this Agreement, except as provided by the rules of commercial arbitration for ASP or by agreement of the parties. All applicable statutes of limitations and defenses based upon the passage of time shall be tolled until 15 days after the Earliest Initiation Date. The parties will take such action, if any is required, to effectuate such tolling. The dispute will be settled by a single arbitrator. The parties will cooperate with ASP and with one another in selecting an arbitrator and in scheduling arbitration proceedings. Arbitration will occur in Salem, Oregon unless the parties otherwise agree. The parties will be entitled to conduct discovery in accordance with the Federal Rules of Civil Procedure, subject to limitation by the arbitrator to secure the just and efficient resolution of the dispute. If the amount in controversy exceeds



if any. In any arbitration arising out of or related to this Agreement, the arbitrator may not award any incidental, indirect or consequential damages, including damages for lost profits. The decision of the arbitrator will be final and binding. The party prevailing in the arbitration will also be entitled to recover any amount for his or her costs and attorney fees incurred in connection with the arbitration as determined by the arbitrator. Judgment upon the arbitration award may be entered in any court having jurisdiction.

(d) *Coverage Document Dispute Resolution.* The dispute resolution provisions in any Coverage Document shall apply for the matters to which such provisions are made applicable in the Coverage Document, and shall supersede the dispute resolution provisions of this Section 9.6. If a Coverage Document is silent, or the dispute resolutions contained within it do not apply to a particular dispute, the dispute resolution provisions of this Section 9.6 shall apply.

This First Declaration of Trust is executed by the Sponsoring Member and by the Trustees, who by affixing their signature hereto, agree to accept their appointment as Trustees under this First Restatement of the Declaration of Trust of the Special Districts Insurance Services Trust as of the Effective Date.

**SPONSORING MEMBER:**

Special Districts Association of Oregon

By: Diedre Conkling

Its: SDAO Board of Directors President

**TRUSTEES:**

Position No. 1

Position No. 2

Position No. 3

Position No. 4

Position No. 5

Position No. 6

Position No. 7

**EXHIBIT A**  
**FORM OF**  
**JOINDER TO TRUST AGREEMENT**  
**FOR INITIAL MEMBERS**

By execution of this Joinder, the undersigned public body hereby agrees to become a party to, and is bound by, the First Restatement of Declaration of Trust of the Special Districts Insurance Trust effective as of April 1, 2014 (and as the same may be amended, supplemented or otherwise modified from time to time, the "Agreement"), by and among the Trustees and the Members, in the same manner as if the undersigned were an original signatory to such Agreement.

The undersigned represents and warrants that (i) the undersigned has received a copy of, and has reviewed the terms of, the Agreement and all related or relevant documents and agreements, (ii) undertakes to become a Member of the Special Districts Insurance Trust with all the rights and obligations thereof, and (iii) such undertaking has been duly authorized as an intergovernmental agreement to create a program of self-insurance pursuant to ORS 30.282.

Capitalized terms used but not defined in this Joinder shall have the meanings set forth in the Agreement.

**IN WITNESS WHEREOF**, the undersigned has executed this Joinder as of this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
[Name of District]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address for Notices:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With copies to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**\*\* IMPORTANT ANNOUNCEMENT \*\***

**DATE:** April 4, 2014  
**TO:** SDIS Members  
**FROM:** Frank Stratton, Executive Director  
**SUBJECT:** New Self-Insured Employee Benefits Program

We are excited to announce the creation of the SDIS Self-Insured Employee Benefits Program for health, vision and dental coverage. Starting June 1, 2014, SDIS is converting its fully insured employee benefits program to a self-insured program. The SDIS Board of Trustees made this decision in relation to the success of its self-insured liability, property and workers' compensation programs. Our goal will be to ultimately bring the same rate stability and superior coverage offered by the other SDIS self-insured programs to the SDIS Self-Insured Employee Benefits Program. Following are some of the factors that lead us to making this decision:

- SDIS will be able to retain any surplus earned during years when actual paid claims are better than expected. Our historic claims analysis shows that in the past six years, the average annual addition to surplus would have been \$1.35 million for a total amount of \$8 million. In the past, this amount would have been profit for the insurance company; now, it will be funds the Trust can use to stabilize rate increases.
- The Trust will have greater flexibility of administrative options and can, if it chooses, "unbundle" the administrative functions saving members money.
- Rates charged to members will no longer include a profit margin for the insurance carrier or many of the premium taxes that are currently charged.
- We will continue to use our current rating structure, which will provide greater rate stability for our members. If we stayed fully insured, the new regulations imposed by the Affordable Care Act would have required drastic changes in our rates.
- We will gain complete control and transparency over the program and will own all of the data.

It is important that as a member of SDIS, you understand that you will now be participating in a self-insured program instead of simply purchasing insurance. Following are some of the important considerations that make self-insurance different than insurance:

- SDIS and its participating members will have a greater financial risk. To guard against this risk, the Trust will purchase reinsurance which will set a cap on the claims the Trust is required to pay in any policy period. Once the cap is reached the reinsurance company will be responsible for the payment of all claims. The Trust will also devote part of its surplus earnings gained from its other self-insured programs to provide a financial backstop. The combination of protection provided by reinsurance and surplus earnings from other programs will protect the members from having an unfunded claims liability.
- The Trust will have more regulatory responsibility. The Trustees are responsible for the plan and must seek approval of the plan from the Oregon Department of Insurance.
- During the first year or two, rates will likely be higher than a fully-insured plan as the Trust will need to build its surplus to provide for long-term stability.
- Participating members will be required to sign a board resolution agreeing to join the self-insured Trust. The Trust Agreement is an intergovernmental agreement.

Even though the new plan is now self-insured, it will still feel and act like it is insured by PacificSource to SDIS members and their employees. PacificSource offers a "bundled" approach for self-insured groups. They currently have 28 self-insured groups that they administer. The benefit for our members is that it will feel like nothing will change. PacificSource will still administer the claims, calculate rates, issue the Rx cards, purchase reinsurance on our behalf and everything else they do today.

To the Trust, the only difference will be that instead of PacificSource sending the Trust a monthly bill for the insurance premium, they will send the Trust a monthly bill for reimbursement of claims and administration. Because they have established self-insured groups, they will also guide us on the steps we need to follow to get our self-insured plan approved by the State.

I am sure you and your board members will have many questions about the new SDIS Self-Insured Employee Benefits Program. In anticipation of your questions, following are some frequently asked questions and answers for your reference.

## **FREQUENTLY ASKED QUESTIONS**

### **If part of the reason for forming a self-insured employee benefits program is to ultimately stabilize rate increases, why are my rates going up this year?**

Members will need to view creating a self-insured benefits program as a long-term proposition. If we would have formed a self-insured benefits program six years ago, our analysis shows that today we would have saved approximately \$8 million over that six year period that could have been used to help reduce rate increases. This first year we do not have the benefit of surplus funds to work with. In addition, the new requirements imposed on all insurance companies and self-insured programs by the Affordable Care Act are significantly increasing the actuarially projected claims costs for the upcoming year.

### **What is my District's financial risk by becoming part of a self-insured benefits program?**

SDIS is structuring the self-insured benefits program to protect members from being exposed to financial risk. First, the Trust is purchasing reinsurance that caps the amount of claims exposure the Trust has for any given claim and for the entire policy period. This gives the Trust and its members certainty of knowing that the premiums will be adequate to cover expected claims. In addition, the Trust has surplus earnings from its other self-insured programs that will be used to act as a safety net in case claims are higher than expected.

### **What is the benefit of becoming part of a self-insured program?**

The primary benefit is long-term rate stability. In the past, if we had a good claims year, the insurance company received all of the benefit. After analyzing past years when we were fully insured, the insurance company received a windfall five out of six years. Now that windfall will be retained by participating SDIS members. Another benefit is that because of new laws and regulations applying to insurance companies imposed by the Affordable Care Act, joining a self-insured program will be one of the only ways your District will be able to continue to have the flexibility and options of plans you have come to enjoy in the past.

### **Why is my District required to sign a new Trust Agreement (Declaration of Trust) to participate in the self-insured benefits program?**

All members that participate in any of SDIS's self-insured programs are being asked to sign the new Trust Agreement. In the past, the SDIS Employee Benefits Program was a fully

insured program. SDIS and its members had no financial risk, but also received no financial benefit. Now your District will have a collective financial risk, as explained above, but it will also have the opportunity to contribute toward building a program that members will own and control.

**My District likes the coverage and service it receives from PacificSource. How will that change?**

The service your District receives will not change. SDIS is contracting with PacificSource to be the administrator of the SDIS self-insured plans. PacificSource will continue to pay your claims, send you statements, issue your insurance cards and you will continue to access PacificSource's panel of physicians. The only real differences will not be visible to you. Behind the scenes, instead of PacificSource sending SDIS a bill for premium each month, PacificSource will send SDIS a listing of claims that were paid by PacificSource and then SDIS will reimburse PacificSource.

Some of the plan designs have changes for this year. For instance, all of the plans now include a required prescription and vision plan. These changes are not the result of SDIS forming a self-insured plan. These changes are legally mandated changes brought about by the Affordable Care Act. Even if SDIS decided to maintain its fully insured program with PacificSource, we would still be required to make these changes to the plans plus more.

**Does SDIS have experience with self-insured programs?**

The SDIS property and liability pool was formed in 1985 and now has nearly 900 participating members. In 1988, SDIS formed a self-insured workers' compensation program that has 562 participating districts. Both of these programs have been extremely successful at providing broad coverage and stable pricing to members for over 25 years. Today, SDIS is one of the strongest self-insured public entity pools in the country with over \$38 million in retained earnings. Our goal is to build on this legacy, by having the same success with a self-insured benefits program.

## SDAO MEMBERSHIP DUES NOTICE

**DATE:** April 4, 2014  
**TO:** Port of Newport  
**FROM:** Frank Stratton, Executive Director  
**SUBJECT:** SDAO Membership Dues

Approximately ten years ago, SDAO stopped collecting membership dues. Instead, SDAO's dues were built into the workers' compensation, property, and liability premiums members paid to SDIS. SDIS would then transfer a percentage of the premiums to SDAO as dues. While this was an easy and streamlined process of dues collection, our legal counsel has advised that having a separate dues collection process for SDAO is advisable. As a result, SDAO will now be collecting dues once again.

**Membership in SDAO with dues paid in full is a requirement for participating in any of the Special Districts Insurance Services (SDIS) self-insured programs.** To compensate for the potential increased cost to members from an SDAO dues assessment, SDIS is lowering its premiums by approximately the same amount so that members will not be penalized. Following are the steps SDIS will be taking to mitigate the financial impact of SDAO dues. Please remember for budgeting purposes, the rate indications below are only averages. Your District may be better or worse than average depending on your loss experience and/or workers' compensation rates tied to specific payroll class codes.

- Instead of a projected average 4% liability and property rate increase for the SDIS 2015 liability and property renewal, the rates will actually decrease overall by 1%
- Workers' compensation rates for 2014-2015 will decrease by an average of 1%
- Qualifying special district members will be receiving back a total of \$500,000 in dividends for a new Workers' Compensation Longevity Credit Program. \$500,000 in dividends equates to 9% of the annual special district workers compensation premiums. School districts, education districts and community colleges are not yet eligible for a dividend based on their combined loss experience.

- Special District members that qualified for the 2014-2015 Liability and Property Longevity Credit Program will be receiving \$1 million in dividends for 2015

Being a member of SDAO qualifies your District for the following services:

- Participation in the SDIS liability, property, workers' compensation and employee benefits programs
  - ✓ free pre-loss legal assistance
  - ✓ safety and loss control consultations
  - ✓ assistance dealing with OR-OSHA
  - ✓ management consulting services
  - ✓ safety grants
  - ✓ employee return-to-work assistance for injured workers
  - ✓ on-site risk management and safety training
- Statewide legislative advocacy on the behalf of special districts
- Technical assistance and reference manuals
- Education and training programs
- FlexLease financing program
- Drug-testing
- Criminal background checks
- Free online training

**For budgeting purposes, below are your estimated dues for 2015. This is not a bill.**

Your District will receive an invoice for membership dues in September 2014 to coincide with most members' property and liability renewals. For Port District members the indicated dues include your Oregon Public Ports Association Chapter dues assessment.

**\$13686**

If you have any questions please contact:

Membership Services Department  
sdao@sdao.com  
(503) 371-8667  
(800) 285-5461



**EXHIBIT A**  
**FORM OF**  
**JOINDER TO TRUST AGREEMENT**  
**FOR INITIAL MEMBERS**

By execution of this Joinder, the undersigned public body hereby agrees to become a party to, and is bound by, the First Restatement of Declaration of Trust of the Special Districts Insurance Trust effective as of April 1, 2014 (and as the same may be amended, supplemented or otherwise modified from time to time, the "Agreement"), by and among the Trustees and the Members, in the same manner as if the undersigned were an original signatory to such Agreement.

The undersigned represents and warrants that (i) the undersigned has received a copy of, and has reviewed the terms of, the Agreement and all related or relevant documents and agreements, (ii) undertakes to become a Member of the Special Districts Insurance Trust with all the rights and obligations thereof, and (iii) such undertaking has been duly authorized as an intergovernmental agreement to create a program of self-insurance pursuant to ORS 30.282.

Capitalized terms used but not defined in this Joinder shall have the meanings set forth in the Agreement.

**IN WITNESS WHEREOF**, the undersigned has executed this Joinder as of this 22nd day of April, 2014.

Port of Newport

By: \_\_\_\_\_

Kevin M. Greenwood  
General Manager

Address for Notices:  
General Manager  
600 SE Bay Blvd.  
Newport, OR 97365

With copies to:  
n/a

036308/00001/4360779v7



Wells Fargo Insurance Services  
1231-A SE Bay Boulevard  
P.O. Box 1610  
Newport, OR 97365

Tel: 541 265 4500  
[www.wellsfargo.com/wfis](http://www.wellsfargo.com/wfis)

March 26, 2014

Port of Newport  
600 SE Bay Blvd  
Newport, OR 97365

Attn: Barb Martin

RE: Protection & Indemnity Minimum Limits of Liability

Dear Barb,

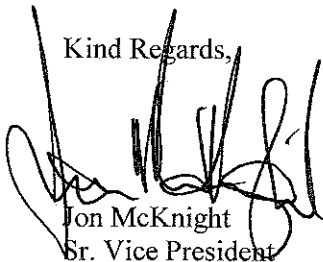
It is truly a pleasure to work with you on the marine insurance requirements for your moorage holders.

We did want to explain what is occurring on our end as we put coverage in place for some of our mutual clients.

You will see that in some instances we are not able to offer a Protection & Indemnity limit of \$300,000.00, as required in your moorage agreement. This occurs because the carrier who is most able to underwrite the P&I for the smaller vessels does not offer a limit of \$300,000, but does offer a limit of \$250,000.00. For your moorage holders we will always try to get the \$300,000.00 limit, but in the majority of the cases we are finding that we can only provide the lower amount.

We hope this doesn't present a problem for you. Please let us know if you need additional information or have questions.

Kind Regards,



Jon McKnight  
Sr. Vice President

/mth

Together we'll go far



**PORT OF NEWPORT  
RESOLUTION NO. 2014-XX**

**A RESOLUTION SETTING RATES, FEES, AND CHARGES**

**WHEREAS**, ORS 294.160 requires the governing body of a unit of local government to provide an opportunity for interested persons to comment on the enactment of any ordinance or resolution prescribing a new fee or a fee increase; and

**WHEREAS**, the Port Commission feels that user fees should help to offset those costs related to the depreciation and on-going maintenance of the port; NOW THEREFORE,

**THE PORT OF NEWPORT BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:**

**Section 1. Service Rates.** Rates apply to all Port of Newport locations unless otherwise noted. Port owned equipment to be operated by port personnel. No forklifts or boom trucks not belonging to the port shall be operated on port property.

|  | OLD      | NEW     | +/- |
|--|----------|---------|-----|
| A. <u>Forklift.</u> In addition to labor rate.             |          |         |     |
| 1. Small. Toyotas and Daewoo.                              |          |         |     |
| a. per hour.....   | \$42.50  | \$10.00 | 34% |
| b. minimum charge, ½ hr.....                               | \$26.50  | \$6.25  | 12% |
| 2. Large. All at International Terminal (IT).              |          |         |     |
| a. per hour.....   | \$57.50  | \$25.00 | 25% |
| b. minimum charge, ½ hr.....                               | \$34.50  | \$15.00 | 11% |
| B. <u>Hoist Dock.</u> Tie up fee, per hour, one hour       |          |         |     |
| minimum. ....  | \$26.50  | \$27.25 | 3%  |
| C. <u>Hoist Dock Cranes.</u>                               |          |         |     |
| 1. Large Capacity. In addition to labor rate.              |          |         |     |
| a. per hour .....  | \$70.25  | \$35.00 | 16% |
| b. minimum charge, ½ hr.....                               | \$50.25  | \$27.00 | 0%  |
| 2. Launch Sail Boats. Includes recovery, per launch.       | \$36.25  | \$40.00 | 10% |
| D. <u>Service Docks.</u>                                   |          |         |     |
| 1. Swede's. In addition to moorage..... daily moorage rate |          | same    | 0%  |
| 2. International Terminal, per day.....                    | \$65.00  | \$67.00 | 3%  |
| E. <u>City Water.</u> at city's rate                       |          |         |     |
| F. <u>Fuel Surcharge.</u> International Terminal only. Per |          |         |     |
| gallon.....  | \$0.03   | \$0.03  | 0%  |
| G. <u>Electricity.</u> Swede's Dock, Dock 1, and IT. Per   |          |         |     |
| day charge.  |          |         |     |
| 1. 208/220 v, single phase & 208 v three phase.....        | \$13.00  | \$14.25 | 10% |
| 2. 220 or 408/440v three phase .....                       | \$13.00  | \$14.25 | 10% |
| 3. PD 7 Service Dock, 110v pumps .....                     | \$5.50   | \$6.00  | 10% |
| 4. PD 7 Yard Charge, trucks .....                          | \$10.00  | \$11.00 | 10% |
| H. <u>Hydraulic Crane.</u> In addition to labor rate. 30   |          |         |     |
| ton capacity, per hour.....                                | \$132.75 | \$90.00 | 3%  |

|  | OLD      | NEW      | +/- |
|--|----------|----------|-----|
| I. <u>Pump/Line Service.</u> Includes one Port employee only. Additional staff required will be billed at the established hourly labor rate. Per hour. ....  | \$45.50  | \$46.75  | 3%  |
| J. <u>Storage.</u>   |          |          |     |
| 1. Outside Lot Storage. Charged monthly.   |          |          |     |
| a. per square foot .....   | \$0.19   | \$0.20   | 5%  |
| b. minimum monthly charge .....  | \$19.00  | \$20.00  | 5%  |
| c. boat trailer only, per night.....   | \$2.00   | \$2.00   | 0%  |
| d. boat on trailer, per night, 10 days limit .....   | \$6.50   | \$7.00   | 8%  |
| 2. Emergency Storage Fee. Per day billed as guest. For vehicles, boats or trailers prior to being considered unclaimed property in possession (ORS 98.245) Charge for improper use of parking lot (i.e. boat repair) ..... | --       | \$20     | n/a |
| K. <u>Gear Work.</u> Boat crew is responsible for clean-up. If Port Employees are required to clean up area, the boat account will be billed at the established hourly labor rate.   |          |          |     |
| 1. Commercial Marina, per day .....  | \$17.25  | \$17.75  | 3%  |
| 2. Terminal Lot, per day. Short term use only. Deep-draft cargo has priority .....   | \$17.25  | \$17.75  | 3%  |
| 3. South Beach Marina, per day.....  | \$17.25  | \$17.75  | 3%  |
| L. <u>Work Barge.</u> In addition to labor rate.   |          |          |     |
| 1. Tug, per day .....  | \$105.00 | \$110.00 | 4%  |
| 2. Wood Barge, per day (tug extra).....  | \$20.00  | \$21.00  | 5%  |
| 3. Skiff, per hour .....   | \$51.50  | \$12.00  | 14% |
| M. <u>Clean-up.</u> Fees will be charged for each man-hour at the established labor. Equipment charges are extra   |          |          |     |
| 1. Oil Spills, per hour .....  | \$80.00  | \$82.00  | 3%  |
| N. <u>Disposal Fees.</u>   |          |          |     |
| 1. Just Oil, per gallon.....   | \$0.27   | \$0.28   | 4%  |
| 2. Oil-Water Mix, per gallon .....   | \$0.70   | \$0.72   | 3%  |
| 3. Net Disposal and/or Related Gear, per pound.....  | \$0.15   | \$0.155  | 3%  |
| 4. Garbage, per pound .....  | \$0.10   | \$0.105  | 3%  |
| O. <u>Port Labor.</u> Includes administration staff.   |          |          |     |
| 1. per hour; 1 hour minimum .....  | \$45.50  | \$46.75  | 3%  |
| 2. Overtime. Any services required outside the established working hours, unless otherwise posted, will be charge at one and one-half times (1.5) the normal rate for labor. Per hour.....                                 | \$68.25  | \$70.25  | 3%  |
| P. <u>Pallet Charge.</u> Any Port owned pallet leaving yard, each.....   | \$5.00   | \$5.15   | 3%  |
| Q. <u>Dredge Spoils.</u> Includes state fees. Per cubic yard. ....   | ---      | \$2.00   | n/  |

**Section 2. Bay Front Moorage.** Per linear foot.

A. Moorage. Per linear foot.

|  |  |    |         |     |
|--|--|----|---------|-----|
| 1.   | Daily .....  | *  | \$0.42  | *%  |
| 3.   | Calendar Month.....                                      | *  | \$7.78  | *%  |
| 4.   | Semi-Annual .....  | *  | \$29.51 | *%  |
| 5.   | Annual.....  | *  | \$39.17 | *%  |
| 6.   | Liveaboard. Monthly rate by agreement only.              |    |         |     |
|  | a. First person .....                                    | -- | \$45.50 | n/a |
|  | b. Each Additional.....                                  | -- | \$39.50 | n/a |
| <b>B. <u>Annual Parking Permit.</u> Rate effective for</b> |  |    |         |     |
|  | calendar year starting July 1 <sup>st</sup> . Commercial |    |         |     |
|  | Fisherman only .....                                     | -- | \$20    | 0%  |

**Section 3. South Beach Charges. Per linear foot.**

|   |   |    |         |       |     |
|---|---|----|---------|-------|-----|
| <b>A. <u>Moorage.</u> Per linear foot.</b>                  |   |    |         |       |     |
| 1.  | Daily .....                                 | *  | \$0.60  | *%    |     |
| 2.  | Weekly .....                                | *  | \$3.60  | *%    |     |
| 3.  | Calendar Month.....                         | *  | \$9.22  | *%    |     |
| 4.  | Semi-Annual .....                           | *  | \$33.97 | *%    |     |
| 5.  | Annual.....                                 | *  | \$53.75 | *%    |     |
| 6.  | Liveaboard. Monthly rate by agreement only. |    |         |       |     |
|   | a. First person .....                       | -- | \$45.50 | n/a   |     |
|   | b. Each Additional.....                     | -- | \$39.50 | n/a   |     |
| <b>B. <u>Dock Box</u> .....</b>                             |   |    | \$265   | \$275 | 3%  |
| <b>C. <u>Electrical Upgrade.</u> From 20 to 30 amp. One</b> |   |    |         |       |     |
|   | time.....                                   |    | \$36    | \$50  | 39% |
| <b>D. <u>Launch Fee.</u></b>                                |   |    |         |       |     |
| 1.  | Daily. ....                                 |    | \$6     | \$6   | 0%  |
| 2.  | Annual                                      |    |         |       |     |
|   | a. Resident .....                           |    | \$55    | \$55  | 0%  |
|   | b. Resident Senior .....                    |    | \$50    | \$50  | 0%  |
|   | c. Non-resident.....                        |    | \$75    | \$75  | 0%  |

**Section 4. Recreational Vehicle Park Fees.**

|   |                               |  |       |       |    |
|---|-------------------------------|--|-------|-------|----|
| <b>A. <u>Peak Season (Summer).</u> May 1 – October 31</b> |                               |  |       |       |    |
| 1.  | Pull Throughs and View Sites. |  |       |       |    |
|   | a. Daily                      |  |       |       |    |
|   | i. Regular .....              |  | \$43  | \$43  | 0% |
|   | ii. Good Sam.....             |  | \$39  | \$39  | 0% |
|   | b. Weekly                     |  |       |       |    |
|   | i. Regular .....              |  | \$261 | \$261 | 0% |
|   | ii. Good Sam.....             |  | \$236 | \$236 | 0% |
|   | c. Monthly Rate .....         |  | \$783 | \$738 | 0% |
| 2.  | Perimeter Sites.              |  |       |       |    |
|   | a. Daily                      |  |       |       |    |
|   | i. Regular .....              |  | \$41  | \$41  | 0% |

|    |  |       |       |     |
|----|--|-------|-------|-----|
|    | ii. Good Sam.....  | \$37  | \$41  | 0%  |
| b. | Weekly   |       |       |     |
|    | i. Regular.....  | \$248 | \$248 | 0%  |
|    | ii. Good Sam.....  | \$224 | \$224 | 0%  |
| c. | Monthly Rate.....  | \$743 | \$743 | 0%  |
| 3. | The Annex.   |       |       |     |
| a. | Daily.....   | \$32  | \$32  | 0%  |
| b. | Weekly.....  | \$195 | \$195 | 0%  |
| c. | Monthly.....   | \$584 | \$584 | 0%  |
| 4. | Dry Camping.....   | \$18  | \$18  | 0%  |
| B. | <u>Off Season (Winter)</u> . November 1 – April 30. Discounts during Seafood and Wine Festival.      |       |       |     |
| 1. | Pull Throughs and View Sites.  |       |       |     |
| a. | Daily  |       |       |     |
|    | i. Regular.....  | \$37  | \$37  | 0%  |
|    | ii. Good Sam.....  | \$34  | \$34  | 0%  |
| b. | Weekly   |       |       |     |
|    | i. Regular.....  | \$221 | \$221 | 0%  |
|    | ii. Good Sam.....  | \$200 | \$200 | 0%  |
| c. | Monthly Rate.....  | \$633 | \$633 | 0%  |
| 2. | Perimeter Sites.   |       |       |     |
| a. | Daily  |       |       |     |
|    | i. Regular.....  | \$33  | \$33  | 0%  |
|    | ii. Good Sam.....  | \$30  | \$30  | 0%  |
| b. | Weekly   |       |       |     |
|    | i. Regular.....  | \$201 | \$201 | 0%  |
|    | ii. Good Sam.....  | \$182 | \$182 | 0%  |
| c. | Monthly Rate.....  | \$604 | \$604 | 0%  |
| 3. | The Annex.   |       |       |     |
| a. | Daily.....   | \$32  | \$32  | 0%  |
| b. | Weekly.....  | \$195 | \$195 | 0%  |
| c. | Monthly.....   | \$584 | \$584 | 0%  |
| 4. | Dry Camping.....   | \$18  | \$18  | 0%  |
| C. | <u>Daily Tent</u> . Annex only.....  | \$10  | \$10  | 0%  |
| D. | <u>Pet Fee</u> . Charged additionally.   |       |       |     |
| 1. | Daily. First pet free; each additional.....  | \$2   | \$2   | 0%  |
| 2. | Weekly. First pet free; each additional.....   | --    | \$10  | n/a |
| 3. | Monthly. Charged per pet including first.....  | --    | \$10  | n/a |
| E. | <u>Individual Fee</u> . First two people free; each additional person charged.                       |       |       |     |
| 1. | Daily.....   | \$1   | \$2   | 50% |
| 2. | Weekly.....  | --    | \$10  | n/a |
| 3. | Monthly.....   | --    | \$30  | n/a |
| F. | <u>Vehicle Fee</u> . Any combination of three axeled pieces of equipment (i.e. trailer, fifth wheel, |       |       |     |

truck/car, storage trailer). Charged for fourth piece.

|    |              |    |      |     |
|----|--------------|----|------|-----|
| 1. | Daily.....   | -- | \$2  | n/a |
| 2. | Weekly.....  | -- | \$10 | n/a |
| 3. | Monthly..... | -- | \$30 | n/a |

G. Non-Refundable Reservation Fee.

|    |                         |     |                    |     |
|----|-------------------------|-----|--------------------|-----|
| 1. | Before 72 hours.....    | \$5 | \$10               | 50% |
| 2. | 72 hours and after..... |     | first night's rate |     |

H. Service Fee Reimbursement. For electric pedestal amperage overloads. First service call included in base rate. All other service reimbursements may be charged at actual cost to port.....

|  |       |    |      |     |
|--|-------|----|------|-----|
|  | ..... | -- | \$75 | n/a |
|--|-------|----|------|-----|

I. Laundry Machines. per load..... \$1.00 \$2.00 50%

J. Process Fees. Any additional fees incurred by the Port as part of an eviction process.

|    |                        |    |       |    |
|----|------------------------|----|-------|----|
| 1. | Notice.....            | -- | \$50  | 0% |
| 2. | FED Complaint.....     | -- | \$200 | 0% |
| 3. | Court Hearing.....     | -- | \$165 | 0% |
| 4. | Writ of Execution..... | -- | \$140 | 0% |

**Section 5. Civil Penalties.** Penalties found in PONFC (Sec. 7.4(a)). Paid in full.

|    |  |         |         |     |
|----|--|---------|---------|-----|
| A. | <u>Class A Violation.</u> Per day..... | \$1,000 | --      | n/a |
| 1. | 0-14 days, per day.....                | ---     | \$300   | n/a |
| 2. | 15-29 days, per day.....               | --      | \$600   | n/a |
| 3. | 30+ days, per day.....                 | --      | \$1,000 | n/a |
| B. | <u>Class B Violation.</u> Per day..... | \$500   | --      | n/a |
| 1. | 0-14 days, per day.....                | ---     | \$150   | n/a |
| 2. | 15-29 days, per day.....               | --      | \$300   | n/a |
| 3. | 30+ days, per day.....                 | --      | \$500   | n/a |
| C. | <u>Class C Violation.</u> Per day..... | \$100   | --      | n/a |
| 1. | 0-14 days, per day.....                | ---     | \$30    | n/a |
| 2. | 15-29 days, per day.....               | --      | \$60    | n/a |
| 3. | 30+ days, per day.....                 | --      | \$100   | n/a |
| D. | <u>Class D Violation.</u> Per day..... | \$50    | --      | n/a |
| 1. | 0-14 days, per day.....                | ---     | \$15    | n/a |
| 2. | 15-29 days, per day.....               | --      | \$30    | n/a |
| 3. | 30+ days, per day.....                 | --      | \$50    | n/a |

**Section 6. Administrative Fees.** Staff may require payment or deposit in advance of service (ORS 192.440(4)(a)).

|   | OLD     | NEW     | +/- |
|---|---------|---------|-----|
| A. <u>Copies</u> . Per page. ....   | 25¢     | 25¢     | 0%  |
| B. <u>Research</u> . Written request required. Hourly rate.   |         |         |     |
| ½-hr. min. ....   | --      | \$46.75 | 3%  |
| C. <u>Computer Time</u> . Port operator. Hourly rate. ½-hr. min. ....   | --      | \$46.75 | 3%  |
| D. <u>Faxes</u> . Per Page  |         |         |     |
| 1. Local. ....  | \$1.00  | \$1.00  | 0%  |
| 2. Long Distance. ....  | \$1.50  | \$1.50  | 0%  |
| 3. Incoming. ....   | \$1.00  | \$1.00  | 0%  |
| E. <u>Long Distance Phone Calls</u> . ....  | \$2.00  | \$2.00  | 0%  |
| F. <u>Lamination</u> . Per Page, letter size. ....  | --      | \$2     | n/a |
| G. <u>Notice Posting</u> . For non-payment of lease or moorage. ....  | --      | \$60    | n/a |
| H. <u>Failure to Register</u> . For research related to unregistered boats. ....  | --      | \$30    | n/a |
| I. <u>South Beach Meeting Room</u> . Must be pre-arranged and authorized. Keys must be obtained and returned. Certain waivers. ....   | \$75    | \$75    | 0%  |
| J. <u>Returned Check Fee</u> . Plus bank fees. ....   | --      | \$25    | 0%  |
| K. <u>Per Annum Interest Rate</u> . Applied to past due accounts. ....  | 18%     | 18%     | 0%  |
| L. <u>Collection Agency Mark-up</u> . Added to past due amount. (ORS 697.105) ....  | --      | +40%    | n/a |
| M. <u>POV Mileage Reimbursement Rate (IRS)</u> . ....   | current | current | 0%  |
| N. <u>Travel Reimbursement Rates</u> follow current IRS per diem rates ( <a href="http://www.gsa.gov/portal/category/104711">http://www.gsa.gov/portal/category/104711</a> ) .... | current | current | 0%  |

**Section 7. Insurance Certificate Limits.**

|   |        |           |      |
|---|--------|-----------|------|
| A. <u>Leases/Tenants</u> .  |        |           |      |
| 1. Each Occurrence. ....  | ---    | \$1.7MM   | n/a  |
| 2. Damaged to Rented Premises (each occurrence) ....  | ---    | \$300,000 | n/a  |
| 3. Medical Expense (any one person) ....  | ---    | \$5,000   | n/a  |
| 4. Personal & Adverse Injury. ....  | ---    | \$1.7MM   | n/a  |
| 5. General Aggregate. ....  | ---    | \$1.7MM   | n/a  |
| 6. Products – Comp/OpAgg. ....  | ---    | \$1.7MM   | n/a  |
| B. <u>Moorage/Vessels</u> .   |        |           |      |
| 1. Commercial Vessels   |        |           |      |
| a. General Liability  |        |           |      |
| i. Protection & Indemnity / Wreck Removal   | \$300k | \$250k    | -17% |
| ii. Pollution Coverage. ....  | \$300k | \$300k    | 0%   |
| b. Annual Moorage Holders shall provide the Port with an Additional Insured Certificate with limits included in Section 9 of this Resolution. |        |           |      |
| c. Transient Vessels shall provide proof of this coverage upon registration with the Port.  |        |           |      |



- 2. Recreational Vessels
  - a. General Liability
    - i. Ocean Marine Liability / Wreck Removal \$300k      \$250k    -17%
    - ii. Pollution Coverage..... \$300k      \$300k    0%
  - b. Annual Moorage Holders shall provide the Port with an Additional Insured Certificate with limits included in Section 9 of this Resolution.
  - c. Transient Vessels shall provide proof of this coverage upon registration with the Port.

**Section 8. Retails Sales, Gift Certificates, Promotions, Sponsorships and Sundries.**

The Commission delegates to Manager the ability to set prices for sundries, cards, magnets, cups, DVDs, gift certificates, coupons, promotions, advertising, sponsorships and other retail and marketing items.

**Section 9. Delegation of Responsibility.** The Commission delegates to Manager the ability to adjust these rates on a temporary basis to better manage services at the Port of Newport. Any adjustments to these rates will be reported to the Commission at its next regular meeting.

**Section 10. Annual Review.** The Commission, through assistance by Port staff, shall annually review and adopt a new rate, fees and charges resolution prior to the subsequent budget's adoption.

**Section 11. Repealer.** All previous rates and/or rate resolutions are hereby repealed.

**APPROVED AND ADOPTED BY THE BOARD OF COMMISSIONERS** this \_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
JoAnn Barton, President

ATTEST:

\_\_\_\_\_  
Walter Chuck, Secretary/Treasurer





# Memo

To: Port Commission  
From: Pat Albaugh, Director of Finance  
Date: April 11, 2014  
Re: Request for Proposals - Audit Services

---

The RFP for auditing services was released March 4<sup>th</sup> and six agencies responded by the March 31<sup>st</sup> due date. All six responding firms are highly qualified, experienced, and respected. The qualifications, staff experience, work plans, and local government auditing experience were similar across the board. Grimstad & Associates had the lowest proposed fees.

The Ports of Toledo, Brookings Harbor, and Umpqua are audited by Grimstad & Associates. The references they provided were universally positive. Comments included, "I couldn't give a higher recommendation", "our Commission isn't interested in working with anyone else regardless of cost savings", and "I've worked with numerous auditors over the last 20 years and Grimstad & Associates have been one of the best".

Staff is recommending the Commission approve selecting Grimstad & Associates as the Port's auditors based on the firm's qualifications, costs, and references.

| Audit RFPs                         | April, 2014 | Fees        |             |             |             |             |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                    |             | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
| Pauly Rogers and Co., PC           |             | 33,000      | 34,100      | 35,200      | 36,300      | 37,250      |
| Merina & Co., LLP                  |             | 36,000      | 37,100      | 38,200      | 39,300      | 40,500      |
| Koontz, Perdue, Blasquez & Co., PC |             | 26,500      | 26,500      | 26,500      | 26,500      | 26,500      |
| Talbot, Korvola & Warwick, LLP     |             | 37,710      | 39,300      | 40,900      | 42,600      | 44,350      |
| Grimstad & Associates              |             | 21,100      | 21,750      | 22,400      | 23,100      | 23,800      |
| Accuity, LLC                       |             | 36,000      | 37,500      | 39,000      | 40,500      | 42,000      |



# YBFP

## Yaquina Bay Fruit Processors

Mr. Kevin Greenwood  
General Manager  
Port of Newport  
600 SE Bay Blvd.  
Newport, Oregon 97365

4/17/14

Dear Kevin,

As per our conversation, Yaquina Bay Fruit Processors (YBFP) would like to seek a long term lease agreement with the Port of Newport. (Port) YBFP would like to suggest a two-step process to formalize an agreement. First the extension of our existing lease until September of 2016. The purpose of this extension is to resolve a number of details that need to be worked out between the Port and YBFP. Those details include agreement on the site plan for the lease area, approval by the City of Newport on zoning modifications and agreement on the terms of the lease itself. The extension will give both parties time to work out all those details.

The second step would be to finalize the long term lease agreement. YBFP would like to request a lease term of twenty five years.

The Port commission has been generally briefed by YBFP on what the company's plans are for the site. With the agreement by the Port on this proposed approach, YBFP will begin detailed planning.

Please let me know if what has been proposed is acceptable to the Port. I look forward to your reply.

*HARRY NORTH*



## **MEMO**

**To:** Port of Newport Commission

**From:** Kevin Bryant, Commercial Marina Harbormaster

**Copy:** Port of Management Staff

**Date:** April 17, 2014

**Re:** April Manager's Report

---

### **Maintenance**

Prep and install fender boards at dock #3 and #5.

Replaced burnt receptacles in power boxes and replaced overhead light at dock#5.  
Replaced faucets and flush valves in public bathrooms.

Three truckloads of wood and debris to recycling.

Removed crab pots from docks and prepped shrimp gear for fishing fleet.

### **Fishing Fleet Activity**

Buyers on a regular basis, lots of crab pots in for storage, and shrimp gear being loaded.

### **Other Activities**

Meet with Marathon committee about the upcoming event regarding the use of the east lot.

### **Overview of Services for this Month**

Overall was very busy with the transition of the crab season gear coming off and the shrimp gear being loaded for the season starting up.



600 S. E. BAY BOULEVARD NEWPORT, OREGON 97365 (541) 265-7758 FAX (541) 265-4235

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To: Port of Newport Commission  
From: Jim Durkee, Terminal Operations Supervisor  
Copy: Port Management Staff  
Date: April 16, 2014  
Re: April Manager's Report

---

### Maintenance

Papé Materials Handling performed the periodic maintenance on the H90 Hyster. I ordered a replacement seat for the H90 from them and installed it myself. Valley Fire Control performed annual inspections on all the fire extinguishers. I've had three flat tires on the H90 in the last couple of weeks. I am ordering new tires from Les Schwab after receiving quotes from them, Tire Factory and Pacific Tire.

### Construction

I continued to help Billeter Marine with their demobilization. I met with Tough Construction and Trevillian Construction to get quotes for the replacement of the roof on the grey warehouse. I am waiting for R & R Construction to give me a quote. K2 Electric replaced the computer controller and then the motherboard and then the entire control panel in the lighting control box in the east CXT building. It seems to be working, for now. I finished dry-walling the storeroom in the loft, installed lights and started painting it. I mounted three life-ring boxes on mobile blocks and put them out on the dock.

### Fishing Fleet Activity

Work with the fishing fleet picked up a little bit, with several boats switching from crab to other fisheries, especially shrimp. There were several crews repairing shrimp nets in the lot. The Alaska Fleet has begun to trickle back in and switch gear for Pacific Whiting.

### Other Activities

I completed an on-line class from Rushing Marine to cover the USCG requirements for a Facility Security Officer. The USCG Columbia River Zone held a drill, raising Mar Sec to level 2, which required action on my part responding by phone, email and on the Homeport website. USCG personnel showed up on site to conduct a security inspection that took all of five minutes given shipping activity.

I attended several budget meetings, security meetings and a Tariff meeting as well as several lengthy phone conversations on all of these subjects.

I took Lance Downs under the dock in the skiff to take soil samples for the dredge permit.

I took the second set of storm water samples for the year per the 1200Z permit and our Storm Water Pollution Prevention Plan and delivered them to Edge Analytical Labs in Corvallis.

I did my quarterly safety inspection.

Somebody did some four wheeling through the ten acre site by the east entrance and along the dredge spoils site. I moved the steel pilings around to block the area, although if they were determined they could just pull them out of the way.

I met with Nael Hanna, U.S. Customs and Border Protection to discuss security aspects and general procedures regarding ship arrivals/departures, which crew members are allowed ashore and how they are identified and recorded, just basic items that I have not had to deal with yet but will soon.

I had a good dry spell so I inspected and cleaned the area storm drains covered by the 1200Z permit which involved lifting off the grates, emptying the strainers, pulling out and emptying the filter bags and cleaning off the trays on all twelve units, heavy, filthy work. I found a hole in one filter bag and a missing four inch plug in another unit. Both items will be replaced. I added this inspection to the Hippo maintenance program.

### Overview of March Services

3 fishing vessels spent a total of 45 days moored at the Terminal dock.

11 fishing vessels used the Terminal dock for work. At least 1 vessel took on fuel.

18 hours of forklift service were provided.

22 hours of crane service were provided.





## FACILITY MANAGER'S MONTHLY REPORT

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**FACILITY:** NOAA MOC-P  
**DATE:** 4/16/2014  
**PERIOD:** April 2014  
**TO:** Kevin Greenwood  
**ISSUED BY:** Rick Fuller

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### Summary

The change of season's shifts focus of facility maintenance to more grounds keeping as weeds, grass and shrubbery are now coming out of dormancy. A few days were spent power washing walkways, patios and wharf systems to remove accumulating algae & moss growths. All equipment continues to operate as expected with the exception of an unexplained shut down this period of one of the air conditioning units servicing the electrical room. Because this AC unit controls room temperature of critical systems, a service inspection was scheduled resulting in the unit passing all diagnostic testing. The cause of the shutdown is inconclusive and the unit is being monitored. NOAA ops recently had a two day detailed facility safety inspection. Only one small item related to an exit sign was noted for the items falling under the Ports responsibility. A work order for repair was created and the item will be corrected when parts are received.

Please contact me with any questions concerning the exterior finish replacement costs for the Rogue Distillery that I provided. 1<sup>st</sup> draft of the NOAA budget was presented for approval. On 3/19 I attended the Portland Facilities Expo which showcases facility related products and specific seminars of which I attended three. Of the three, the most important was the seminar on optimizing economizer testing and operation to achieve energy savings. The NOAA facility relies on economizer control systems which in short, uses lower outside air temperatures to cool the building interior which reduces energy costs along with wear and tear of air conditioning condensing units. Surprisingly, both buildings require air conditioning for IT rooms and conference areas not only in the summer but consistently in the chillier winter months also. The second CMMS instruction session covering equipment and assets was provided to Chris U. and Mark R. at South Beach. All data concerning locations and vehicles has now been collected and reviewed. Pats on the back go to both guys for their diligence.






The NOAA facility was highlighted during the recent PCC conference with Don Mann as the main presenter. As with the other PON facilities, MOC-P was one of the scheduled tour stops focusing on wharf fender systems. I was able to attend a couple of the seminars offered of which I felt the topic "Don't Be Shocked" had the most relevance to port wide operations and shore power safety concerns.

Total full time building occupancy adjusted to approximately 68% of office space in preparation of a significant command change next month. The R/V Rainier is currently portside at berth #3. The McArthur and Ka'lmimoana remain at berth #5 & #6. The State patrol boat "guardian" and the R/V Fairweather departed in March. See changes to bar crossing log in this period.

### **Specific work this period:**

- Regular scheduled monthly preventative maintenance
- Service inspection and analysis of ACU-1-O operation issues
- Grounds maintenance with focus on winter cleanup
- Work with CLPUD concerning power monitoring server and software
- CMMS review and training provided to South Beach mgmt.
- Exterior replacement cost estimate provided for Rogue Distillery building

# NOAA MOC-P Bar Crossing Log      2014

|  | ARRIVAL    | DEPARTURE | NAME                         | ROSTER# | NOTE                            |
|--|------------|-----------|------------------------------|---------|---------------------------------|
|  | 10/7/2013  | 1/13/2014 | Rainier                      | 39      | Bound for Alaska                |
|  | 9/16/2013  | 1/19/2014 | Bell M. Shamada              | 22      | Bound for Alaska                |
|  | 1/20/2014  | 3/31/14   | State Patrol boat "Guardian" | 2       | Small boat dock                 |
|  | 10/23/2013 | 3/26/14   | Fairweather                  | 35      | Bound for Seattle               |
|  | 3/26/2014  |           | Rainier                      | 31      | Crew change/maintenance repairs |
|  |            |           | TOTAL                        | 129     |                                 |

# Occupancy

To: Port of Newport Board of Commissioners

From: South Beach Marina & RV Park

Date: April 9, 2014

Re: **March** South Beach Occupancy Report

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RV occupancy numbers were down from last year. We had a slower spring break this year and a stormy March. RV reservations are picking up for our peak season. We are nearly full for the 4<sup>th</sup> of July week and so far we have 25 groups booked from April through October. On line RV reservations have increased and we looking forward to having the recreational Marina on line soon.

Marina numbers are about normal for April. Long term slip rentals have increased and we have signed up several monthly moorages for the season.

## Occupancy Figures:

|               | 2013       | 2014       | Change         |
|---------------|------------|------------|----------------|
| Marina        | 7090       | 6658       | -6%            |
| Marina<br>RV  | 538        | 492        | -8.55%         |
| Annex<br>RV   | 239        | 137        | -42.68%        |
| <b>Totals</b> | <b>777</b> | <b>629</b> | <b>-19.05%</b> |

# Port of Newport

600 S. E. BAY BOULEVARD NEWPORT, OREGON 97365 (541) 265-7758 FAX (541) 265-4235

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## MANAGERS REPORT

To: Port of Newport Board of Commissioners  
From: Chris Urbach, Harbormaster  
Copy: Port Management Staff  
Date: April 17, 2014  
Re: South Beach Operations

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I have been working with the department heads on the budget.

We finished and have removed all barges and debris from F-dock

Held site visit for PCC members at the launch ramp

We are repairing kiosk with historical pictures for picnic area under bridge

Have been repairing lawn mowers and trying to keep up with the grass

Had the bucket repaired on the tractor

Had Digitalconnex down and we have all channels working in both sites

I have been finding and sharing blue prints with Roque for their expansion



## TCB Security Services, Inc.

437 N.E. 1<sup>st</sup> St  
Newport, Or. 97365

Office: 541-265-5265  
Fax: 541-265-4552  
24hr Dispatch 541-574-2828

### Port Of Newport March 2014 Public Safety Report

**Man Hours Worked: 264 hours**

**Court Time: 4 Hours (DUI case from December, female subject was convicted)**

|                           |     |
|---------------------------|-----|
| Assist Other Agency       | 2   |
| Boat Inventory            | 62  |
| Boat Related Incidents    | 7   |
| DUII                      | 1   |
| Field Interviews/Contacts | 22  |
| Foot Patrols              | 34  |
| Open Doors                | 5   |
| Patrol Checks             | 442 |
| RV Inventory              | 31  |
| Theft Investigation       | 1   |
| Suspicious Activities     | 7   |

#### Meetings Attended:

Meet with Kevin Greenwood, several items were discussed concerning TCB and Port. One of the more notable outcomes was establishing TCB having a seat at the table at department head meetings and port team meetings each month. This will help all of us to maintain open communications.

Meet with International Terminal manager to talk about upcoming security needs surrounding shipping operations at the terminal.

#### Investigations:

Provided investigative assistance concerning theft from the international terminal. Case report was taken. We were able to use security camera footage to obtain license plate information. Case was turned over to NPD for follow up.

#### Other:

We have hired a new Port Authority Officer, Rick Storms. Rick comes to TCB from the Eugene area. He has been assigned to Field Training Officer Ferguson. Rick brings many years of security experience to TCB, we look forward to him joining our team.

TCB is working with Port staff to establish the use of our records management system for tracking citations and violations of the Port Facility Code.

Submitted By: Mike Goff

“Partners in Excellence”



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# COMMUNICATIONS PROTOCOL

Pursuant to FERC regulations (CFR 18, Section 4.34(i)), the Northwest National Marine Renewable Energy Center (NNMREC) at Oregon State University (OSU) is providing this Communications Protocol to guide communications among participants in the licensing process for the Pacific Marine Energy Center South Energy Test Site (PMEC-SETS). Documentation of support for the Request to Use the Alternative Licensing Process (ALP) and this Communications Protocol is provided in Appendix B.

## 1. COLLABORATIVE WORKGROUP

Building on the outreach and engagement efforts to date, and pursuant to FERC regulations for the ALP, NNMREC has formed a Collaborative Workgroup (CWG) and requested participation from state and federal agencies, tribal authorities, local governmental bodies, non-governmental organizations, and local community representatives.<sup>1</sup> A list of entities and individuals invited to join the CWG is provided in Appendix A.<sup>2</sup>

A third-party facilitator will be used to conduct CWG meetings and facilitate communications among participants. The third-party facilitator will ensure that all group participants have an opportunity to be heard and that the meetings are productive and efficient. The third-party facilitator will be paid by NNMREC; however, the third-party facilitator will seek to further the interests of all participants, not just the interests of NNMREC.

### 1.1 ROLES & RESPONSIBILITIES

The CWG will follow the communications procedures described in this document to ensure an open and productive process where all participants may safely voice opinions and work to reach creative solutions. The CWG will convene for the duration of the ALP process and will be self-governing, reaching agreements by consensus (see Section 1.5). Responsibilities of CWG participants<sup>3</sup> include providing NNMREC with input on key components of the licensing process, such as:

- Identifying issues, concerns, goals, statutory responsibilities, and information needs relating to the proposed project.
- Identifying and sharing any relevant information and data that can be used to inform the development and assessment of the proposed project.
- Identifying and assessing any potential gaps in the available information and suggesting ways to gather such information, including how it will be collected and how it will be used.

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<sup>1</sup> While the applicant and agencies maintain responsibilities outside of the CWG, the applicant and members of the Project Team are considered CWG participants for the purposes of this Communications Protocol.

<sup>2</sup> Interested parties may request to join the CWG at any time. Parties who join later in the process agree to accept the established communication protocols and have the responsibility to become knowledgeable regarding the information and agreements on the process and outcomes up to the point of their entry into the process.

<sup>3</sup> Participation in the CWG does not limit any entity or individual from exercising their legal rights or responsibilities.

- With the facilitator’s assistance, establishing priorities, deadlines and critical paths essential for progress and achievement of desired outcomes in an efficient, effective manner.

In addition, participants should make every effort to inform the CWG of their organizations’ technical and legal review processes<sup>4</sup> and requirements, including the time frame required for review, to support schedule planning and avoid delays.

## **1.2 TECHNICAL WORKGROUPS**

The CWG may establish Technical Workgroups (TWGs) to address particular issues or accomplish discrete tasks throughout the process. These groups will be comprised of CWG participants with authority, interest and/or expertise in specific resources or project characteristics, such as fisheries, recreation, and cultural resources.<sup>5</sup> The TWG may elect to appoint a spokesperson to be responsible for providing periodic progress reports and updates to the CWG on TWG work products and recommendations.

The TWGs will endeavor to reach agreement when appropriate and wherever possible, applying the same process utilized by the CWG (as described in Sections 1.4 and 1.5). Any agreements reached by a TWG will be provided in the form of recommendations to the CWG for agreement. Depending upon the number of participants and the complexity of issues, the TWGs may utilize the services of the facilitator or members of the project team to convene and facilitate meetings. The TWGs will communicate through a variety of means, including, but not limited to, meetings, webinars, teleconferences, phone, and e-mail.

## **1.3 WORKGROUP MEETINGS**

To ensure consistent communication with and among participants, agendas and meeting materials will be provided in advance of each meeting, and meeting summaries will be distributed after each meeting.<sup>6</sup> All meeting materials will be stored in an online file management system established for the CWG (see Section 1.6). The meeting procedures and timeframes described here are applicable to CWG and TWG meetings; however, participants may elect to modify these protocols in certain situations, as appropriate. In addition, different deadlines or procedures may be established by the different TWGs.<sup>7</sup>

### **1.3.1 MEETING FREQUENCY & DURATION**

In-person CWG meetings are anticipated to be one day in length and occur at least quarterly. TWG meetings are anticipated to be no more than one day in length and occur as needed between the CWG meetings. The maximum anticipated frequency of CWG and TWG meetings is every six weeks, with conference calls and/or webinars as needed between meetings. The timing and duration of meetings will be determined based on:

- Availability of sufficient and significant new information warranting discussion; and
- Need to get input and/or reach agreement prior to completion of major filings and/or technical activities.

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<sup>4</sup> These processes may vary depending on the topic.

<sup>5</sup> Additional subject matter experts or technical staff may also participate in TWGs, as appropriate. In this situation, it is the responsibility of CWG member to inform outside parties of the group’s discussions to date.

<sup>6</sup> It is anticipated that most meetings will take place in-person; however, conference calls and/or webinars may be held instead of in-person meetings, as deemed appropriated by the CWG and/or TWG.

<sup>7</sup> All timeframes in this document are described in calendar days.



### **1.3.2 AGENDAS**

- An agenda will be distributed at least 14 days in advance of each scheduled meeting.
- Agenda items for upcoming meetings will be developed, in part, using the next steps and actions items identified in meeting summaries of previous meetings. CWG members may request or suggest agenda items.
- Agendas will be stored on the CWG online file management system during the licensing process and may be included in the six month progress reports filed with FERC.

### **1.3.3 MEETING MATERIALS**

- Meeting materials will be developed to inform and guide meeting discussions. While it is anticipated that NNMREC will be responsible for developing most meeting materials, CWG members can also provide meeting materials, per the provisions of this section.
- Meeting materials will be distributed at least 14 days in advance.
- Any materials on which Participants are seeking agreement will be distributed at least 30 days in advance.

### **1.3.4 MEETING SUMMARIES**

- Meetings will be documented by summarizing topics discussed and action items, as well as how and where agreements are reached.
- Meeting summaries will be prepared by the third-party facilitator;
- The facilitator, NNMREC, or its representatives will distribute the meeting summaries to Participants within ten days of the meeting.
- Participants may propose changes to meeting summaries within 21 days of receipt.
  - The facilitator and NNMREC will review any timely changes proposed by participants and revise the meeting summary, as appropriate.
  - Revisions to meeting summaries will be shared with the group (either prior to or at the next meeting) for final review and approval.
- Final meeting summaries will be stored on the CWG online file management system, included in the Public Reference File (see Section 2.1), and submitted to FERC in the applicant's six month progress reports.

## **1.4 COLLABORATIVE PROCESS**

The goal of the ALP process is to collaboratively consider, provide input on and reach agreement on key elements necessary for a successful license application that allows for efficient agency decision-making. Therefore, the CWG forum must be one that allows all participants to voice opinions, create alternatives, and align expectations with the goal of reaching agreement. In particular, CWG participants will review and provide input on applicant-prepared materials documenting key elements on which the group seeks agreement, such as:

- Type and level of information needed to support the regulatory process.
- Study plans, including study questions and methods.

- Interpretation of study results or effects analysis.
- An Adaptive Management Plan that includes a structure for evaluating information and a process to determine how to use that information in the implementation of adaptive management measures and responses.
- Protection, Mitigation and Enhancement Measures (PM&Es).

Given the various topics to be considered, not every party will have an interest or stake in every aspect of the project. While all CWG members are encouraged to participate fully, members are not expected to participate on every issue. In addition, the CWG may rely on technical workgroups to review and provide input on technical materials, as described in Section 1.2.

#### **1.4.1 CWG PRODUCTS**

As part of the collaborative process to achieve comprehensive and timely agreement, the applicant will develop materials (e.g., lists, tables, diagrams, discrete portions of text describing concepts) to document key elements on which the CWG seeks agreement. For the purposes of this Communications Protocol, these materials are referred to as “CWG Products”. An initial task of the CWG will be to identify key elements to be agreed upon and determine what CWG Products will be developed to document those key elements. As such, this Communications Protocol provides examples of key elements (as noted above) but does not attempt to define all the CWG Products that may be developed.

Once agreed to, NNMREC will incorporate or include CWG Products (or portions thereof) into pertinent filings or other regulatory materials, such as the NEPA Scoping Document(s).<sup>8</sup> In instances where a CWG Product is incorporated into or included with an applicant filing, NNMREC may request that participants review the filing (or portions thereof) to ensure that the CWG Product is accurately reflected. In addition, NNMREC will provide courtesy copies of final regulatory materials to CWG members in advance of filing.

#### **1.4.2 DOCUMENT DEVELOPMENT**

The CWG will utilize various discussion documents and reference materials to provide context for consideration and negotiations, and participants may exchange multiple iterations of these materials. For CWG Products (i.e., documents on which the CWG seeks agreement), the procedures described below will be followed:

- A CWG meeting will be scheduled to discuss the document(s) proposed for agreement.<sup>9</sup>
- Documents proposed for agreement will be distributed to the CWG at least 30 days in advance.
- After collective review and discussion at the meeting, the group will use the consensus process to determine whether there is agreement on the document (see section 1.5 below).

---

<sup>8</sup> As with the specific CWG Products to be developed, this Communications Protocol does not attempt to specify precisely how each CWG Product may be entered into the administrative record, as this may vary depending on the nature of the agreement and timing within the licensing proceeding.

<sup>9</sup> It is anticipated that these meetings would take place in-person; however, conference calls and/or webinars may be held instead of in-person meetings, as deemed appropriated by the CWG.

## **1.5 CONSENSUS PROCESS & AGREEMENTS**

Agreement will be determined through a consensus process whereby CWG (or designated TWG) participants either support agreement (i.e., thumbs up) or are not opposed to the agreement (i.e., thumbs sideways). If agreement is reached on a CWG Product, then it will be considered final.<sup>10</sup> If a participant does not support the agreement (i.e., thumbs down) then the CWG lacks full consensus and agreement has not been reached. Lack of consensus can mean one of two things:

- a) The participant(s) needs more information from the group or from their own organization to make a determination; or
- b) The participant(s) does not agree for reasons other than the need for additional information.

In either instance, the CWG will agree to a reasonable timeframe (not to exceed 30 days, unless otherwise agreed to) to compile and consider additional information, seek agreement, and document the basis for lack of consensus.<sup>11</sup>

- Any participant(s) that disagrees will provide a written summary of their position and basis for inability to agree, as well as supporting documentation, as appropriate, for the other group member's consideration.
- Upon receipt of the written summary, the group will review and consider the alternate perspective, followed by a final discussion to attempt to reach agreement.

If agreement cannot be reached after the final discussion,<sup>12</sup> then NNMREC will include the CWG Product proposed for agreement, which it believes meets all applicable statutory and regulatory requirements, and an explanation of the lack of agreement (or a copy of the written summary and basis for inability to agree) in the relevant applicant filing to ensure the issue is fully communicated and documented in the administrative record.<sup>13</sup>

### **1.5.1 EFFECT OF AGREEMENTS**

Absent specific language to the contrary, agreements reached by the CWG or TWG participants are not intended to create legally binding obligations. However, it is the intent of the CWG that parties will support (or not object to) their agreements before FERC and will, without predetermining the outcome of any regulatory process, endeavor to act consistent with the CWG agreements in carrying out their respective authorities. Each participant should ensure that they have the authority to reach agreements with the CWG on behalf of the organization, and that the organization is committed to acting consistent with those agreements, to the extent possible without predetermining the outcome of any regulatory process. To that end, each participant will keep its organization apprised of the activities of the CWG (and the TWGs, as appropriate) and seek feedback from within its organization with regard to these

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<sup>10</sup> In situations where agreements are reached incrementally, the CWG may elect to revisit a previous agreement(s) to consider it in the context of the subsequent agreement(s).

<sup>11</sup> The CWG may also request participation from additional subject matter experts as part of the process to reach agreement.

<sup>12</sup> The CWG may elect to request participation from higher-level representatives of a participating organization as an additional step to reach agreement.

<sup>13</sup> Participants that do not agree may also file their position summary and basis for disagreement with FERC for inclusion in the formal record.

activities, issues, and alternatives and will convey that information to the other participants in a timely manner.

## **1.6 GENERAL COMMUNICATION AND INFORMATION SHARING**

Other than verbal communications at meetings, e-mail will be used as the primary means of communication among CWG participants. The initiator of any such e-mail will distribute the e-mail to all CWG/TWG participants, as appropriate.<sup>14</sup> NNMREC, or its representatives, will maintain a CWG contact list, which will be accessible from the CWG website, included in the Public Reference File, and available upon request. As noted above, meeting materials, reference materials, CWG Products, application materials, environmental documentation, and other documents developed and/or used by CWG participants during the collaborative process will be stored in a password-protected online file management system. All CWG participants will have access to the online file management system. If agreed to by the CWG, final versions of CWG Products or other agreements reached by the group may be included in the Public Reference File (see Section 2.1) and/or submitted to FERC or other agencies as part of the licensing and permitting proceedings.

## **1.7 CONFIDENTIALITY**

Some information developed during the P MEC-SETS licensing process and shared among CWG members may contain confidential, proprietary, or privileged information or trade secrets. For example, sensitive cultural resources information must be deleted from documents made available to the public, in accordance with 18 CFR 5.2(c). Another example is proprietary information or intellectual property provided to NNMREC by private companies to help inform the proposed action (e.g., power conversion system specifications for a particular WEC technology). Other information may constitute Critical Energy Infrastructure Information (CEII) that must be filed confidentially with FERC. It is the responsibility of the party providing confidential information under applicable law to identify the information as confidential in advance of disclosure and inform the group.

CWG members agree that they will, to the best of their ability and in accordance with applicable laws, take reasonable steps to guard the confidentiality of information identified as such and shared with them as part of this process.<sup>15</sup>

## **1.8 PUBLIC STATEMENTS**

In the interest of maintaining trust among CWG participants, no person or entity involved in the alternative licensing process is authorized to make a statement on behalf of any other person or entity with regard to the process or any substantive issue affecting CWG discussions and/or the licensing process. With regards to making public statements, all parties agree not to divulge the substance of positions taken by participants in CWG discussions. Communications with FERC

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<sup>14</sup> Participants' adherence to this Communications Protocol does not limit communications between individual participants or caucus discussions.

<sup>15</sup> Applicable law includes, but is not limited to, the federal Freedom of Information Act (5 USC §552) and the Oregon Public Records Law (ORS 192.410 et seq.).

## **1.9 COMMUNICATIONS WITH FERC**

FERC's involvement in the P MEC-SETS licensing process will be actively encouraged by NNMREC and other participants to ensure the process proceeds in accordance with applicable policy and regulations. Under the ALP, communication between participants and FERC staff occur prior to filing the license application; as such the FERC ex parte rule for contested proceedings (18 CFR 385.2201) does not apply. Therefore, communication among CWG members and FERC is expected and encouraged. In the collaborative spirit of open interaction and transparency reflected in this Communications Protocol, all participants are encouraged to share communications as often as possible during the licensing process.

Written communications, meetings, telephone conversations, or other types of communications within or between State or Federal resource agency staff concerning P MEC-SETS licensing are not subject to the scheduling, notification, and documentation requirements of this Communications Protocol. It is understood that such communications will not be part of the licensing record unless they are submitted to the Commission by a participating agency or to the CWG as part of the collaborative dialogue.

## **1.10 DURATION AND AMENDMENT OF COMMUNICATION PROCEDURES**

This Communications Protocol will become effective upon FERC's approval of the applicant's Request to Use the Alternative Licensing Process and will remain in effect for the duration of the pre-filing process. As noted previously, CWG participants may elect to modify timeframes or procedures for CWG activities, as deemed appropriate and upon agreement by all participants. This document may be amended by the CWG, in accordance with the procedures for document development, review and agreement provided in this Communications Protocol. If amended, the new protocols would be documented and added to the formal record of the P MEC-SETS licensing process.

## **2. PUBLIC PARTICIPATION**

Under the ALP, the licensing process is open to the general public and their participation is encouraged. NNMREC will use several means to support public participation, such as hosting periodic public information meetings or workshops to share project information, and solicit input from interested parties throughout the licensing process. Members of the public may interact with the licensing process at several distinct points, including, but not limited to:

- The public will have an opportunity to learn about the project, identify issues and concerns, and provide comments during NEPA Scoping.
- The public may submit information or comments to NNMREC for inclusion in the public reference file and/or to FERC for inclusion in the project docket at any time during the ALP (see Section 2.1).
- Members of the public may submit comments on the license application and NEPA documents, as well as proposed conditions for the project under Section 10(a) of the Federal Power Act.

Information about online filing of documents and comments for inclusion in the licensing proceeding is available at FERC Online (<http://ferc.gov/docs-filing/ferconline.asp>). Parties may also sign up to receive notifications about specific dockets on FERC's eSubscription page (<http://ferc.gov/docs-filing/esubscription.asp>). In addition, public comments and documents related to the Bureau of Ocean

Energy Management's (BOEM) leasing process for the PMEC-SETS project will be available through BOEM's State of Oregon webpage under the Renewable Energy Program ([www.boem.gov/Oregon](http://www.boem.gov/Oregon)).

## **2.1 PUBLIC REFERENCE FILE**

In addition to providing information about the PMEC-SETS project on its website (<http://nnmrec.oregonstate.edu>), NNMREC will maintain a Public Reference File that consists of relevant documents compiled during the pre-filing process, such as copies of written correspondence, transcripts of public meetings, formal study plans and reports, and six-month progress reports.<sup>16</sup> Except for confidential information, all materials in the Public Reference File will be available to the public for review and copying by request, consistent with the public records procedures set forth in the Freedom of Information Act.

The Public Reference File will be available at NNMREC's OSU office located at 305 Batcheller Hall, Corvallis, OR 97331. Any interested party may submit comments and other materials for inclusion in the Public Reference File. NNMREC requests that materials be provided in electronic format, to the extent reasonably possible. Material to be included in the applicant maintained Public Reference File should be sent to NNMREC at one of the following addresses:

- Electronically: e-mail to [brenda.langley@oregonstate.edu](mailto:brenda.langley@oregonstate.edu)
- By U.S. Mail: Belinda Batten, Director, Oregon State University NNMREC, 350 Batcheller Hall, Corvallis, OR 97331

All material submitted for inclusion in the public reference file must clearly display the following information on the first page: Pacific Marine Energy Center South Energy Test Site, Project No. TBD.<sup>17</sup>

FERC will also maintain a formal record with the Preliminary Application Document (PAD), scoping document(s), progress reports, the preliminary draft environmental assessment, and other relevant documents filed by the applicant in licensing record, including CWG Products and/or supporting documentation, as appropriate.<sup>18</sup> In addition, any party may submit something to FERC for inclusion in the project docket at any time. Materials should be sent to FERC in accordance with Commission guidelines; information is provided on the Document and Filing page of FERC's website (<http://ferc.gov/docs-filing/docs-filing.asp>).

## **2.2 MAILING LIST**

NNMREC will maintain a mailing list to maintain regular communication with all parties who are interested in the licensing process.<sup>19</sup> The mailing list will be included in the Public Reference File. The list will include all interested parties that:

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<sup>16</sup> The CWG will determine which materials developed or utilized by the group during the pre-filing process will be included in the Public Reference File.

<sup>17</sup> The project number will be issued by FERC once the licensing proceeding commences.

<sup>18</sup> As with the Public Reference File, the CWG will determine which materials developed or utilized by the group during the licensing process will be filed for inclusion in FERC's formal record.

<sup>19</sup> Pursuant to 18 CFR 4.38 and 5.1(d), and 16.8, applicants seeking an exemption, original license, new license, or an amendment to a license for a hydropower project must consult with relevant Federal, State, and interstate

- Ask to be placed on the list by submitting a request to NNMREC
- Provide mailing information on a sign-in sheet at a public information meeting hosted by NNMREC

The mailing list will be used by NNMREC to provide notice of public meetings and notice that information or documents are available for public review.

### **2.3 PUBLIC INFORMATION MEETINGS**

NNMREC will host periodic public information meetings to share information about the project with and solicit input from all interested stakeholders and the public throughout the licensing process. It is likely these meetings will occur in Lincoln County. NNMREC will provide notice, in a local newspaper of general circulation in Lincoln County, of each public meeting and NEPA scoping. In addition, NNMREC will send notice of these stages to all entities on the mailing list.<sup>20</sup> FERC will also give notice in the Federal Register, and BOEM will provide notice on its website. NEPA Scoping meetings will be transcribed, and other Public information meetings may be transcribed, at NNMREC's discretion. If the meeting is transcribed, NNMREC will include the transcript in the Public Reference File.

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resource agencies, Indian tribes, and non-governmental agencies. FERC has created this list for applicants to assist in their consultation efforts, available at <http://www.ferc.gov/industries/hydropower/enviro/consultlist.aspx>.

<sup>20</sup> NNMREC will also provide advance email notification of scheduled public meetings to the CWG, and outcomes of public meetings will be shared at the following CWG meeting.

## APPENDIX A: COLLABORATIVE WORKGROUP INVITEES

|                         | Organization  | Representative         | Title  | E-mail   | Phone        |
|-------------------------|---|------------------------|--|--|--------------|
| <b>Federal Agencies</b> | Bureau of Ocean Energy Management                     | Greg Sanders           | Wildlife Biologist                                     | <a href="mailto:greg.sanders@boem.gov">greg.sanders@boem.gov</a>                         | 805-389-7863 |
|                         |   | Jean Thurston          | Renewable Energy Program Specialist                    | <a href="mailto:jean.thurston@boem.gov">jean.thurston@boem.gov</a>                       | 805-384-4704 |
|                         | Federal Energy Regulatory Commission                  | Jim Hastreiter         | Fish Biologist   | <a href="mailto:james.hastreiter@ferc.gov">james.hastreiter@ferc.gov</a>                 | 503-552-2760 |
|                         | National Marine Fisheries Service - West Coast Region | Keith Kirkendall       | Supervisory Natural Resource Specialist                | <a href="mailto:keith.kirkendall@noaa.gov">keith.kirkendall@noaa.gov</a>                 | 503-230-5431 |
|                         |   | Kim Hatfield           | Biologist  | <a href="mailto:kim.hatfield@noaa.gov">kim.hatfield@noaa.gov</a>                         | 503-231-2315 |
|                         | NOAA Office of General Counsel, NW Section            | Jane Hannuksela        | Attorney Advisor                                       | <a href="mailto:jane.hannuksela@noaa.gov">jane.hannuksela@noaa.gov</a>                   | 206-526-6515 |
|                         | US Fish & Wildlife Service                            | Stefanie Stavrakas     | Alternative Energy/404 Coordinator                     | <a href="mailto:Stefanie_Stavrakas@fws.gov">Stefanie_Stavrakas@fws.gov</a>               | 503-231-2262 |
|                         |   | Roberta Swift          | Seabirds, Migratory Birds & Habitat Program            | <a href="mailto:roberta_swift@fws.gov">roberta_swift@fws.gov</a>                         | 503-231-2015 |
|                         | Environmental Protection Agency                       | Bridgette Lohrman      | Ecologist, Sediment Management & Ocean Dumping Program | <a href="mailto:lohrman.bridgette@epa.gov">lohrman.bridgette@epa.gov</a>                 | 503-326-4006 |
|                         | US Army Corps of Engineers                            | Debra Henry            | Biologist, Regulatory Project Manager                  | <a href="mailto:debra.j.henry@usace.army.mil">debra.j.henry@usace.army.mil</a>           | 503-808-4391 |
|                         | US Department of Energy                               | Jocelyn Brown-Saracino | Senior Analyst   | <a href="mailto:jocelyn.brown-saracino@ee.doe.gov">jocelyn.brown-saracino@ee.doe.gov</a> | 202-287-6097 |
|                         | <i>US Coast Guard</i>                                 | <i>TBD</i>             |  | <i>To be invited</i>   |              |



|                       | <b>Organization</b>                                  | <b>Representative</b> | <b>Title</b>                                | <b>E-mail</b>  | <b>Phone</b>         |
|-----------------------|--|-----------------------|---|--|----------------------|
| <b>State Agencies</b> | Oregon Department of Fish & Wildlife                 | Delia Kelly           | Ocean Energy Coordinator                    | <a href="mailto:delia.r.kelly@state.or.us">delia.r.kelly@state.or.us</a>               | 541-867-0300<br>x292 |
|                       | Oregon Department of State Lands                     | Carrie Landrum        | Resource Coordinator                        | <a href="mailto:carrie.landrum@state.or.us">carrie.landrum@state.or.us</a>             | 503-986-5285         |
|                       |  | Mike Deblasi          | Land Manager                                | <a href="mailto:michael.deblasi@state.or.us">michael.deblasi@state.or.us</a>           | 503-986-5309         |
|                       |  | Chris Castelli        | Senior Policy Analyst                       | <a href="mailto:chris.castelli@dsl.state.or.us">chris.castelli@dsl.state.or.us</a>     | 503-986-5782         |
|                       | Oregon Department of Environmental Quality           | Marilyn Fonseca       | 401 Hydro Water Quality Assessments         | <a href="mailto:fonseca.marily@deq.state.or.us">fonseca.marily@deq.state.or.us</a>     | 503-229-6804         |
|                       |  | Sara Christensen      | 401 Certification Coordinator               | <a href="mailto:christensen.sara@deq.state.or.us">christensen.sara@deq.state.or.us</a> | (503) 229- 6030      |
|                       | Oregon Parks & Recreation Department                 | Laurel Hillman        | Ocean Shore Planner                         | <a href="mailto:laurel.hillmann@state.or.us">laurel.hillmann@state.or.us</a>           | 503-986-0700         |
|                       |  | Tony Stein            | Central Coast - Lincoln City                | <a href="mailto:tony.stein@state.or.us">tony.stein@state.or.us</a>                     | 541-265-9871         |
|                       |  | Dennis Griffin        | State Archeologist (SHPO)                   | <a href="mailto:dennis.griffin@state.or.us">dennis.griffin@state.or.us</a>             | (503) 986-0674       |
|                       | Oregon Department of Land Conservation & Development | Juna Hickner          | Coastal State-Federal Relations Coordinator | <a href="mailto:juna.hickner@state.or.us">juna.hickner@state.or.us</a>                 | 503-373-0050<br>x253 |
|                       |  | Paul Klarin           | Marine Affairs Coordinator                  | <a href="mailto:paul.klarin@state.or.us">paul.klarin@state.or.us</a>                   | 503-373-0050<br>x249 |
|                       | Office of the Governor                               | Gabriela Goldfarb     | Natural Resources Advisor                   | <a href="mailto:gabriela.goldfarb@state.or.us">gabriela.goldfarb@state.or.us</a>       | 503-378-5232         |
|                       | Oregon Department of Energy                          | Rebecca O'Neil        | Senior Policy Analyst                       | <a href="mailto:rebecca.oneil@state.or.us">rebecca.oneil@state.or.us</a>               | 503-373-2295         |

|                            | Organization                              | Representative  | Title                          | E-mail   | Phone          |
|----------------------------|---|---|--------------------------------|--|----------------|
| Community/Local Government | City of Newport                           | Derek Tokos   | Community Development Director | <a href="mailto:D.Tokos@NewportOregon.gov">D.Tokos@NewportOregon.gov</a>         |                |
|                            | Lincoln County                            | Onno Husing   | Planning Director              | <a href="mailto:ohusing@co.lincoln.or.us">ohusing@co.lincoln.or.us</a>           | (541) 265-0230 |
|                            | Port of Toledo                            | Bud Shoemake  | Port Manager                   | <a href="mailto:bud.shoemake@portoftoledo.org">bud.shoemake@portoftoledo.org</a> |                |
|                            | FINE/Port of Newport                      | Walter Chuck  | Port Commissioner              | <a href="mailto:wchuck@portofnewport.com">wchuck@portofnewport.com</a>           |                |
|                            | Newport Community                         | Paul Amundson   | Citizen                        | <a href="mailto:paulhamundson@earthlink.net">paulhamundson@earthlink.net</a>     |                |
| Tribes                     | Confederated Tribes of the Siletz         | Tracy Bailey  | Energy Manager                 | <a href="mailto:TracyB@ctsi.nsn.us">TracyB@ctsi.nsn.us</a>                       | 541-444-8278   |
|                            | <i>Confederated Tribes of Grand Ronde</i> | <i>Eirik Thorsgard,<br/>Briece Edwards,<br/>Michael Karnosh</i> | <i>To be Invited</i>           | <a href="mailto:THPO@grandronde.org">THPO@grandronde.org</a>                     |                |
| NGOs                       | Surfrider                                 | Gus Gates   | Oregon Policy Manger           | <a href="mailto:ggates@surfrider.org">ggates@surfrider.org</a>                   | 541-999-0272   |
|                            | Oregon Shores                             | Robin Hartmann  | Ocean Program Director         | <a href="mailto:robinhartmann@msn.com">robinhartmann@msn.com</a>                 | 541-817-2275   |
|                            | Oregon Wave Energy Trust                  | Jason Busch   | Executive Director             | <a href="mailto:jbusch@oregonwave.org">jbusch@oregonwave.org</a>                 | 503-224-1966   |

|                                | Organization   | Representative | Title                       | E-mail   | Phone        |
|--------------------------------|--|----------------|-----------------------------|--|--------------|
| <b>Project Team</b>            | Northwest National Marine Renewable Energy Center at Oregon State University | Belinda Batten | Director                    | <a href="mailto:belinda.batten@oregonstate.edu">belinda.batten@oregonstate.edu</a> | 541-737-9492 |
|                                |  | Sean Moran     | Test Facilities Manager     | <a href="mailto:sean.moran@oregonstate.edu">sean.moran@oregonstate.edu</a>         | 541-737-5315 |
|                                |  | Dan Hellin     | Compliance Manager          | <a href="mailto:dan.hellin@oregonstate.edu">dan.hellin@oregonstate.edu</a>         | 541-737-5452 |
|                                |  | Sarah Henkel   | Lead Principle Investigator | <a href="mailto:sarah.henkel@oregonstate.edu">sarah.henkel@oregonstate.edu</a>     | 541-867-0316 |
|                                |  | Greg McMurray  | Environmental Advisor       | <a href="mailto:gmcmurrayphd@comcast.net">gmcmurrayphd@comcast.net</a>             | 503-635-8622 |
|                                | Pacific Energy Ventures  | Justin Klure   | Managing Partner            | <a href="mailto:ijklure@peventuresllc.com">ijklure@peventuresllc.com</a>           | 503-475-2999 |
|                                |  | Anna Hofford   | Senior Associate            | <a href="mailto:ahofford@peventuresllc.com">ahofford@peventuresllc.com</a>         | 834-478-7690 |
|                                | Stoel Rives  | Cherise Oram   | Partner                     | <a href="mailto:cmoram@stoel.com">cmoram@stoel.com</a>                             | 202-386-7622 |
| <b>Third Party Facilitator</b> | Sapere Consulting  | Kevin Kytola   | Vice President              | <a href="mailto:kkytola@sapereconsulting.com">kkytola@sapereconsulting.com</a>     | 509-524-2343 |