

PORT OF NEWPORT REGULAR COMMISSION MEETING AGENDA

Tuesday, December 19, 2017, 6:00 p.m.
South Beach Activities Room
2120 SE Marine Science Drive, Newport, OR 97365

- I. Call to Order.....*6:00
- II. Changes to the Agenda
- III. Public Comment.....6:01
- IV. Consent Calendar6:04
 - A. Minutes
 - 1. Regular Commission Meeting 11/28/2017..... p 3
 - B. Financial Reports..... p 29
 - C. DSL Waterway Lease – NOAA p 43
 - D. Leases
 - 1. TNMP Properties – Fish Meal Plant & Storage Renewal p 45
 - 2. NOAA MOC-P Lease Amendment..... p 49
 - E. Contracts
 - 1. Vertiv – NOAA HVAC maintenance..... p 51
 - F. Special Use Permits
 - 1. U-Da-Man Fishing Tournament..... p 57
 - G. Declaration of Surplus Propertyp 63
- V. Correspondence/Presentations.....6:10
 - A. Todd Kimball – Port of Newport Financial Review. p 65
- VI. Old Business.....6:40
 - A. Items Removed from Consent Calendar
 - B. Accounts Paid.....p 91
 - C. Commission Meeting Procedures
 - 1. Audio Recordings
 - 2. Phone-in Meeting
- VII. Staff Reports.....6:45
 - A. Director of Finance.....p 97
 - 1. November Occupancy Reportp 99
 - B. Director of Operations
 - 1. TCB Public Safety Report for November (not available)
 - 2. Commercial Fishing Users Group Committee
 - a) Minutes 11/6/17 Draft.....p 101
 - C. General Manager Pro Temp 111
 - 1. DulsEnergy Proposal.....p 115
 - 2. NIT Space Diagram.....p 125
 - 3. Personnel Service Cost Analysis.....p 127
 - 4. OBEC Engineering Plans & Cost Estimate
Port Dock 5 Pier Approachp 129
- VIII. Commissioner Reports7:00
- IX. Calendar/Future Considerations
 - 12/25/17..... Christmas Holiday, Port Office Closed
 - 1/1/17 New Year Holiday, Port Office Closed
 - 1/6/18 Resolution Run & Polar Bear Plunge
 - 1/15/18 Martin Luther King Day, Port Office Closed
 - 1/23/18 Regular Commission Meeting

2/19/18Presidents’ Day, Port Office Closed
 2/22 – 2/25/18.....Newport Seafood & Wine Festival
 2/27/18Regular Commission Meeting

- X. Public Comment7:05
- XI. EXECUTIVE SESSION PURSUANT TO ORS 192.660(2)(a) – TO
 CONSIDER THE EMPLOYMENT OF AN OFFICER, EMPLOYEE,
 STAFF MEMBER OR AGENT.7:10
 No decisions will be made in Executive Session.
- XII. Re-enter Regular Meeting8:10
- XIII. Adjournment.....8:11

*Times are estimated.

Regular meetings are scheduled for the fourth Tuesday of every month at 6:00 p.m.

The Port of Newport South Beach Marina and RV Park Activity 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.

Link for directions to the RV Park Activity Room: <http://portofnewport.com/rv-parks/map.php>

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PORT OF NEWPORT MINUTES

November 28, 2017

Regular Commission Meeting

I. CALL TO ORDER

Commission President Patricia Patrick-Joling called the Regular Commission Meeting of the Port of Newport Board of Commissioners to order at 6:00 pm at the South Beach Activities Room, 2120 SE Marine Science Drive, Newport, Oregon.

Commissioners Present: Walter Chuck (Pos. #1); Sara Skamser (Pos. #2); Stewart Lamerdin (Pos. #3), Secretary/Treasurer; Jeff Lackey (Pos. #4), Vice President; and Patricia Patrick-Joling (Pos. #5), President.

Management and Staff: Aaron Bretz, General Manager Pro Tem; Mark Harris, Staff Accountant; Becca Bishop, Accounting Clerk; and Karen Hewitt, Administrative Assistant.

Members of the Public and Media: Robert Smith, F/V Raven; Rex Capri, Newport resident; Jim Shaw, Newport resident; Heather Mann, Midwater Trawlers Cooperative (MTC); David Jincks; Pete Gintner, Port of Newport Attorney; Pat Ruddiman, ILWU; Doug Cooper, Hampton Lumber; Barrett Tower, ILWU; Mark Wilson, Yaquina Bay Communications (YBC); and Chuck Toombs, DulseEnergy.

II. CHANGES TO THE AGENDA

Bretz added to the consent calendar appointing Gary Ripka, F/V, as Alternate to Mike Pettis, Port Dock 5 Moorage sector, for the Commercial Fishing Users Group Committee as item IV. E(2).

Chuck added minutes from the Commission Work Session on November 8, 2017, to the consent calendar as item IV.A(2).

III. PUBLIC COMMENT

Capri asked Bretz if, since assuming the management of the Port, there was any new interest in using the International Terminal. Bretz said he had previously mentioned John May and Kevin Mannix, but nothing that had yet reached negotiations. OSU had also discussed wave energy, but had only looked to see what may be available. Bretz had also received a call from a 180' fishing vessel asking about long term moorage.

IV. CONSENT CALENDAR

- A. Minutes:
 - 1. Regular Commission Meeting October 30, 2017
 - 2. Commission Work Session November 8, 2017
- B. Financial Reports
- C. Contracts
 - 1. GSA Lease for Customs Building
- D. Special Use Permits
 - 1. 2018 Seafood & Wine Festival
- E. Commercial Fishing Users Group Committee Alternates
 - 1. Appoint Jerry Biddinger, F/V Refuge, as Alternate to Bob Aue, Tuna/Salmon sector.
 - 2. Appoint Gary Ripka, F/V Redeemer, as Alternate to Mike Pettis, Port Dock 5 Moorage sector.

A motion was made by Chuck and seconded by Lackey to approve the Consent Calendar. The motion passed 5 – 0.

V. CORRESPONDENCE/PRESENTATIONS

A. Richard Stellner, General Manager Search Update

Bretz referred to the email included in the Meeting Packet. There was no discussion on this item.

B. Kevin Mannix – Oregon Shipping Group

Bretz referred to the email included in the Meeting Packet. He advised the Commission that Mannix had requested to make a presentation at the December Regular Commission Meeting, and had asked for a letter of support.

C. Rob Mills, SDAO – Board Practices Assessment

Bretz introduced Rob Mills from SDAO. Mills said the Board Practices Assessment was a relatively new tool intended for Special District boards. This was a self-assessment using a 90 minute facilitated discussion. Mills said most member boards get consumed with content but rarely take time to discuss how they are doing as a board. SDAO had identified factors associated with high risk/low risk boards in six key performance areas. The facilitated discussion would focus on these areas and would include a simple rating scheme. Mills said as the facilitator he would follow up after approximately a week with rating summaries along with his comments, so the board could then look at their strengths and weaknesses. This self-assessment process had been done with about 50 member districts, approximately six of which were Ports. Most participants gave the feedback that this was a conversation they had not had before. The conversation was not about content, but about process. There would also be follow ups in 60 days and 90 days on the areas the board wanted to take action to improve and close out the intervention. This is a free service provided to members of SDAO. Skamser asked if this was open to the insurance discount. Mills said in 2018 this would be eligible for a 4% insurance discount, up from the previously offered 2% discount, because of the program's perceived value. Mills said that Chuck as a member of the Board of Commissioners had been part of the self-assessment completed in January of 2015. Chuck said the process is worthwhile and should be scheduled by the Commission. Mills asked for a two month lead time to coordinate the date.

VI. OLD BUSINESS

A. Items Removed from Consent Calendar

There were no items removed from the Consent Calendar.

B. Accounts Paid

A motion was made by Chuck and seconded by Lackey to approve the Accounts Paid. The motion passed 5 – 0.

C. Dulse Energy (Dulse)

(This item took place following the discussion of item VII(A) since Toombs arrived late.) Toombs said he wanted to update the Commission on where the company is now. He gave a PowerPoint presentation which is appended to the minutes. He said that Dulse is aligned with a specialty food distributor in the Portland area who deals in high-end restaurant products around the country. There is also the "blue carbon" possibility. The key is

sea water and the location in Newport near the Hatfield Marine Science Center. They were looking at possibilities for bringing in the sea water: a pipe from HMSC, wells or trucks. Toombs said this business is important for the future and not just a fashion. If this location is ground zero, it could bring money and other benefits to the area. Chuck asked if Dulse was seeking grants for funding. Toombs said they had applied for a grant and would know in March if it was awarded. He said Business Oregon, the City of Newport, and Lincoln County may also have grants. Toombs recommended that everyone pitch in. If sea water can be brought to the property, the Port of Newport would have a tenant for life. Chuck added there are some aquaculture grants available through NOAA. Bretz also mentioned a USDA Rural Business Development grant as a possibility. Patrick-Joling thanked Toombs for his presentation and said she was looking forward to seeing some numbers.

VII. NEW BUSINESS

A. NOAA Moorage Policy

Bretz introduced the staff report included in the Meeting Packet. He added that Pete Gintner had also reviewed the lease with NOAA, which refers back to the Solicitation for Offers (SFO). Bretz said the Port would have projected maintenance costs at NOAA per that agreement. He was called by the new Commanding Officer (CO) at NOAA with a request that the Port clarify the permissible moorage, since the use by other vessels has increased. Bretz said if the Commission decided to do so, they would have to establish a moorage rate and require commensurate insurance. Alternatively, the Port could require non-NOAA vessels to moor at the Terminal. The additional vessels could increase the cost of maintenance. Patrick-Joling asked if the vessels were doing work for NOAA. Bretz said some were associated with national science associations, but were not directly affiliated with NOAA. Lamerdin asked why the Port would want to allow moorage for other than NOAA vessels, since that would increase risks of damage to the dock and liability. Bretz said this might lead to some additional revenue, but it would not be significant. He mentioned that the NOAA Pier could be in competition with the International Terminal for moorage. Bretz said the Port could research what the vessels pay elsewhere for moorage and charge enough to make sure that costs were covered. If someone set up an industry needed by research vessels, allowing moorage could increase traffic in the area that would benefit related industries. Chuck asked what the CO at NOAA preferred. Bretz said the CO just wanted it addressed explicitly in the lease. The vessels are currently not charged. Patrick-Joling said Lamerdin made some good points and what door may be opened by allowing other vessels to moor at the NOAA dock. Skamser commented that NOAA is giving the vessels permission to dock. If moorage fees are charged, traffic might decrease. Bretz said this had come about because NOAA has control of the dock and someone in the past had taken the liberty to say okay to the request to tie up. Chuck said that the Coast Guard and Army Corps of Engineers had moored there before because it was secure; maybe there should be an exemption for government or research vessels.

Gintner said that the benefit of NOAA having sole control of the dock is they also have sole liability. The Port may have to go to court to collect on a claim. A concern is that incidental use has increased. In the lease, it includes that damage beyond normal wear and tear is NOAA's responsibility. If it were formalized that NOAA did not have sole control, it could be a 20 page amendment to the lease. Bretz asked if the Port could try to work it out in the lease a moorage rate but still keep the control with NOAA. Gintner said that could be possible, and NOAA could reimburse the Port for unanticipated wear and tear. NOAA did tell the Port there would be some incidental use, but not lengthy stays. He urged the Port to be careful what it acquiesces to. Bretz said the CO wanted the policy to be less ambiguous. Patrick-Joling asked if a decision had to be made at this meeting. Bretz suggested he could discuss this further with the CO. Lamerdin said ultimately it is the Port's risk. The CO may want the Port to say no except for emergencies. One ship had a crew member who made active threats, and armed guards were on the docks. If the Port takes control, it would become the Port's problem. There is another option for moorage at NIT. Skamser suggested it would be worth pursuing a daily rate without taking control or liability. Gintner said this could possibly be worked into the current tariff rates rather than the NOAA lease. Lamerdin said some of the visitors were ships from SCRIPPS, University of Washington, and the University of

Alaska. Balfour also wanted to moor there but had pilot issues. Lamerdin said it would be a concern how or whether to exclude anyone; the issue needs further consideration. Patrick-Joling asked Bretz, Gintner, and Lamerdin to engage in a discussion with NOAA's CO. Bretz will set up the time.

VIII. DEPARTMENTAL REPORTS

A. Director of Finance

1. October Occupancy Report

Harris referred to the report included in the Meeting Packet. Lackey said he had forwarded some questions to Bretz and Harris, and thanked them for providing information and appreciated the gains that have been made. The email and response are included in the Meeting Packet Addendum.

B. General Manager Pro Tem

1. TCB Public Safety Reports for September and October

Bretz referred to the report included in the Meeting Packet. Bretz requested feedback from the Commission on fish buyers' charges. This would be based on fish tickets, which they are already mandated to file. It would be easier for the buyers to attribute costs to the boats. Service tickets billing process can be clunky. Bretz said there is some interest in Port Dock 1, but this would need to be coordinated with the City, particularly because of the sea lion docks. As for the Terminal, Bretz said it is most people's impression that shipping can't be done at this time, and the Port needs to manage usage. He added that the Coast Guard had brought a boat into the South Beach Marina that had gotten hung up under the terminal, apparently a derelict vessel. There was a fuel spill from a vessel near Port Dock 7. Bretz said that earlier in the day a Port crane operator backed into the door of a pick-up truck at the Terminal. The operator will be off for the next 24 hours and there will be an accident investigation. The truck will likely need a new door and some body work. There were no injuries.

Bretz said as the Port has attempted to hire temp labor to cover vacancies and surge capacity over the crab opener, staff once more found the wages that the Port offers to be prohibitive. The wage step matrix has not been adjusted for cost of living increases in recent years, and particularly with the rise of minimum wage, pay bumps have not kept the Port competitive in its labor offerings. Many of the lower-level wage steps have been cancelled out because they are below minimum wage. The rise in the cost of labor in the area is out-pacing the Port's wage steps, and the Port is currently being out-bid by other ports, municipalities, and industries in the region who are keeping up. As a result, the Port cannot effectively hire and retain employees at the current rates.

Bretz added that a recent survey of 7 other ports along the west coast revealed that for maintenance and accounting wages, the Port of Newport is the low bid for labor. He did not anticipate hiring on the maintenance crew this year because:

- The Port doesn't pay enough to bring people into these positions who possess the qualifications being asking for
- The Port hasn't funded the projects that these employees would perform

The good news is that there is ample room in the budget to adjust current wages to make the Port of Newport more competitive as a consumer of labor.

Bretz said he intended to adjust current employees' wages in a fashion that will target the lower-level maintenance and accounting staff as well as the RV park manager. After making the adjustments, staff projects still to have a \$70,000 surplus, which includes ALL ancillary benefits such as PERS, insurance, PTO, etc. This has become an operational necessity so that the Port can keep current employees and bring in new ones as operations dictate. As the ProTem GM, Bretz said he had not intended to touch this issue, but as staff has tried

to bring in help, this has come up again and again as a major barrier. He further recommended that during the budget cycle for the next year, the Port take a hard look at the pay scale and adjust as needed to compete for labor.

Skamser said she is aware of “boots on the ground”, and poor wages do not attract the best people. She hoped to see this addressed. Poor wages lead to losing good workers and keeping bad ones. Skamser also suggested a more robust evaluation process. She suggested it is important to get a better corporate culture. Bretz said the Port of Newport provides unique services. There is room for improvement in the delivery of service, and developing more of a customer service mentality. Bretz recommended identifying customers, delivering top-notch services, and developing service standards. It would be an internal process to develop service standards and time expectations. Lackey said he agreed with the recommendation to look at the pay scale in the next budget cycle, while taking a holistic look at personnel services. In the years 2012-2016 actual personnel services averaged less than \$1MM, but the budget this year is for over \$1.3MM. Everything should be put on the table. Bretz said he recommended modernization across the board. Currently the finance department uses technology for data processing, then manually enters that information in another medium. There needs to be a real time flow. For wages, there was a 5 – 6 years period when no bumps in pay were made and no cost-of-living adjustment (COLA). This ended up cutting wages over time. The Federal Government generally uses a 1% - 2% COLA. Bretz recommended the Port consider this in the future.

IX. COMMISSIONERS REPORTS

Patrick-Joling said she would give her report next month.

Chuck that OCZMA approved a letter supporting disaster relief. The letter should be out next week. They had also discussed a task force for maritime education.

Lackey said he went to the City of Newport parking study meeting. There was still a mention of space for parking on Port property, but it was downplayed. Derrick Tokos requested information on about how many fisherman parking permits are currently issued per year. At the meeting they talked about installing meters at the west end of the Bayfront, and using permits at the east end. There is a lot they are still working through. There is no time frame yet for decisions, and they want to focus on the positive impacts of their proposal.

Skamser said she had been reading about the trend in Oregon of recruiting young people for the fisheries.

X. CALENDAR/FUTURE CONSIDERATIONS

12/8 Port Holiday Party
12/19 Regular Commission Meeting
12/25 Christmas Holiday – Office Closed

There were no changes to the Calendar/Future Considerations.

XI. PUBLIC COMMENT

Jincks said the pay matrix was a four year project with the Port Commission, management and staff. The Port wanted to break away from COLA and CPI, which did not work for the Port. The result was an incentive pay matrix. When starting to work with COLA and CPI, the Port should also consider that employees are offered health insurance, clothing and education. The matrices do need to be reviewed, in particular because of the minimum wage increase. He would not advise going back to COLA. Jincks said that NOAA having sole control over the dock had been closely reviewed. The Commission felt more comfortable with that choice at that time, and some of the same discussions had taken place then regarding incidental use. He recommended taking a

close look legally before making any changes. As for Port Dock 1, in 2010 it was estimated that it would cost \$800K to repair. He said trying to use that as a landing dock would accelerate damage.

XII. ADJOURNMENT

Having no further business, the meeting adjourned at 7:26 pm.

ATTESTED:

Patricia Patrick-Joling, President

Stewart Lamerdin, Secretary/Treasurer

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11/15/2017

SFA's Trendspotters' Top Trends for 2018

Author: Denise Purcell

Source: Specialty Food News

Categories: Industry Operations; Foodservice; Suppliers; Retailers

- 1. Plant-based foods.** Plant-based options are proliferating many categories beyond meat substitutes. Segments like cheese and frozen desserts are enjoying growth in plant-based subcategories. As for meat alternatives, algae is winning fans as the next superfood as it's sustainable and offers two times the protein as meat. 2018 will bring more plant-based convenience foods too, says Vasquez. As people become more health conscious and concerned with how food is sourced, they're veering away from traditional on-the-go snacks. The food industry is recognizing the need for healthy, plant-based food to be convenient and in line with busy schedules, she adds.

What we do really well.....

- * farm “restaurant quality” sustainable sea vegetables
- * produce and market great tasting food
- * process sea vegetables into high quality ingredients



What the market really wants.....

- * alternate protein sources
- * sustainable food
- * products from around the world



What the world really needs.....

- * technologies to produce enough food to feed 10 billion people
- * a solution to climate change
- * to conserve the worlds arable land and fresh water



NEW SEASONS MARKET

Fastest Selling Salad Dressing - 450 Bottles In First Week



POUNDS PER MONTH PER TANK	150
OUNCES PER MONTH PER TANK	2400
SALAD DRESSING (DULSE COMPONENT)	6.5%
SALAD DRESSING IN OUNCES	37,037
NUMBER OF BOTTLES (6 OUNCES)	6,173
WHOLESALE COST PER BOTTLE	\$2.74
MANUFACTURING COST PER BOTTLE	\$1.55
PROFIT PER BOTTLE	\$1.19
SALES PER MONTH PER TANK	\$16,914
PROFIT PER MONTH PER TANK	\$7,346
SALES PER YEAR PER TANK	\$202,963
PROFIT PER YEAR PER TANK	\$88,148

4 Weeks



\$800 Billion Industry
1,000,000 restaurants



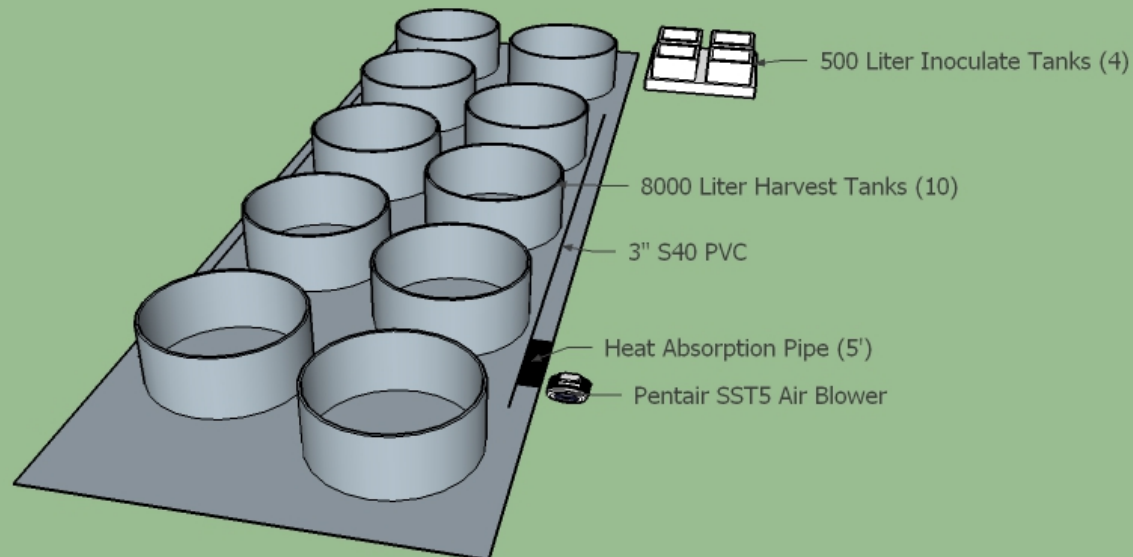
WELCOME TO MARTINA

VEGETABLES

Ensalada mixta	4/8
<u>Swiss chard <i>dulse seaweed, toasted garlic, lime</i></u>	<u>8</u>
Roasted portabella mushrooms <i>herbed aioli</i>	8
Charred cucumber <i>chili oil, colatura, feta, rice vin</i>	7
Potato puree <i>nutmeg, butter, chives</i>	5
Roasted carrots <i>salmoriglio, carrot reduction, farro</i>	8

How did we do it?

- Licensed a patented C-3 dulse (Oregon State University)
- Developed an optimal tumble culture
- Created and validated a scalable model farm



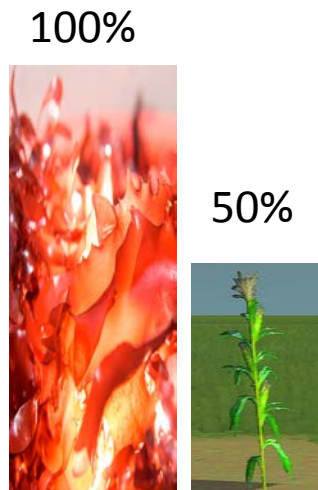
What markets want our sea vegetables?

- restaurants (fresh)
- grocery stores
- supplements
- nutraceuticals
- skin care
- health & beauty
- pet food
- animal feed

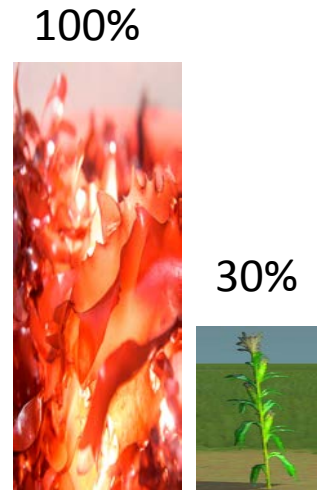


Why is the world is better off with our product?

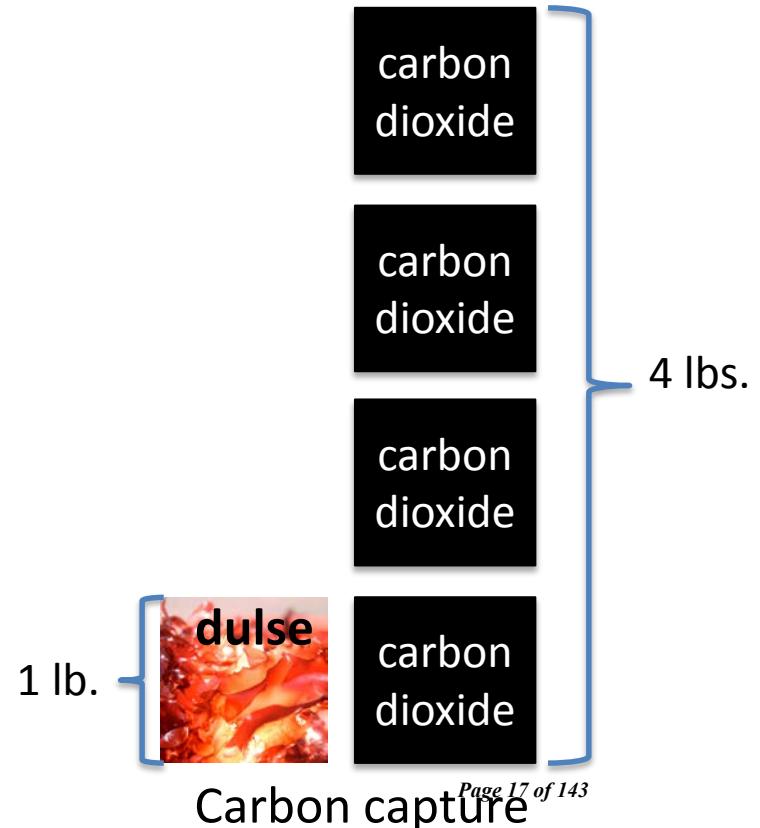
- For every pound that grows it consumes 4 pounds of CO2
- It doesn't need to be planted, because it doesn't come from a seed
- It doesn't use any fresh water
- It doesn't need to be fertilized
- The whole product can be consumed
- Twice the protein of corn



Port of Newport Regular Commission Meeting
Protein



December 19, 2017
Plant productivity



Total Available Market (food) \$15 Billion

- Salty Snacks \$7.6 Billion
- Dressing \$7.0 Billion
- Dry Soup \$1.5 Billion
- Meatless Burger \$54.8 Million
- Non Chocolate Confectionary \$45.2 Million



Products In Pipeline



3 SKU's



3 SKU's



3 SKU's

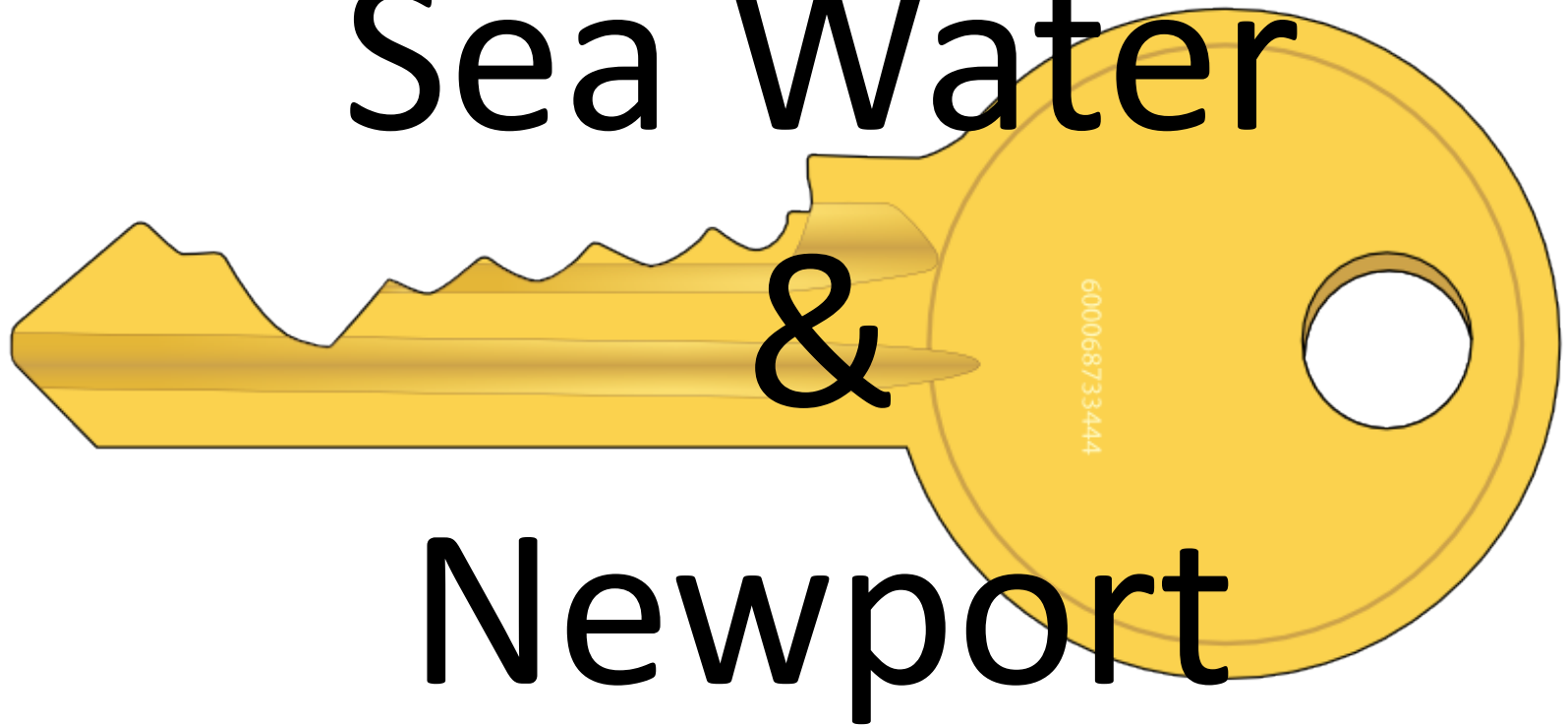
Team

- Chuck Toombs – Founder
 - Instructor – Oregon State University
 - 25 year marketing and sales experience, manufacturing
 - MBA – Marketing, University of Chicago
- Jason Busch– Operations
 - Director of Oregon Wave Energy Trust
 - J.D. Lewis & Clark
- Joshua Gonzales – Seaweed Production
 - M.S. Aquaculture, Oregon State University

Sea Water

&

Newport





Sea Water (Oregon Coast)

- Summer upwelling
- Only growth media needed
- Pioneering Industry
- Jobs
- Climate Change

Newport

- HMSC
- Marine Studies Initiative
- Aquaculture Research

Key Factors Of Success

- Sea water is the key
- No water, no seaweed, no profit
- Significant Investment
- DulsEnergy can't fund entire amount
- Port has asked for alternatives
- DulsEnergy has developed two

Option A - HMSC

- We don't need any new permits (time & money)
- It's an adequate amount of water
- The quality is adequate
- It's relatively simple
- We've asked Vernon Wiles for alternative quote

Option B – Drill Well On Site

- Geo Engineers Inc. (Portland)
- \$10,000 drill two test wells
- Permanent water supply for property
- Downsides
 - Permits
 - Disposal
 - Quality

Combined Effort

- DulsEnergy
- The Port
- The City
- The County
- The State
- OSU





CONSENT CALENDAR AGENDA ITEM

DATE: *December 19, 2017*
RE: *Financial Reports as of November 30, 2017*
TO: *Port of Newport Board of Commissioners*
ISSUED BY: *Finance Department*

The interim financial reports as of November 30, 2017 have been submitted for review.

Below are brief explanations for the larger variances in the interim financial reports:

General Operating Fund

Balance Sheet

\$93k decrease in accounts receivables

This variance is due to delays in monthly billings at the end of 2016.

\$165K decrease in accounts payable

In November 2016, there were \$156k in payables to Bergerson Construction for work on the PD5 pile replacement project.

\$326k increase in payables due to other funds

This is due to 2017-18 current year property tax revenues received in November in the General Operating Fund and due to the Bonded Debt Fund. These funds were transferred in December 2017.

\$149k decrease in long-term debt

See explanation in October 30, 2017 regular meeting packet.

Profit & Loss Budget vs. Actual

The percentage-of-budget target for November 30 is 42%. Overall, year-to-date income is over and expenses are under this target.

(Please note: the Profit and Loss Budget vs. Actual reports included in the 4th quarter 2016 commission meeting packets were incomplete drafts due to delays in month-end closing procedures and shouldn't be used in a comparison with this year's reports.)

NOAA Lease Revenue Fund

Balance Sheet

\$22k increase in accounts payable

This is due to a \$24k payable to Billeter Marine for work on the recreational access capital project.

Bonded Debt Fund

Balance Sheet

\$325k increase in receivables due from other funds

As noted above, 2017-18 current year property tax revenues were received in November in the General Operating Fund and are due to the Bonded Debt Fund. These funds were transferred in December 2017.

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Port of Newport - General Operating Fund

Balance Sheet

As of November 30, 2017

	Nov 30, 17	Nov 30, 16	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
11000 · Available Cash & Equivalents	2,540,172.08	2,291,074.79	249,097.29
11070 · Restricted Cash & Equivalents	749,983.80	385,211.58	364,772.22
Total Checking/Savings	3,290,155.88	2,676,286.37	613,869.51
Accounts Receivable			
11200 · Accounts Receivable	506,098.53	599,081.09	(92,982.56)
Total Accounts Receivable	506,098.53	599,081.09	(92,982.56)
Other Current Assets			
11250 · AR Property Tax	10,334.60	10,334.60	0.00
11255 · Allow for Bad Debt - CM	(20,000.00)	(20,000.00)	0.00
11260 · Allow for Bad Debt - SB	(10,000.00)	(10,000.00)	0.00
11270 · Undeposited Funds	(1,150.57)	5,502.50	(6,653.07)
11300 · Prepaid Expenses	54,410.49	34,850.46	19,560.03
11400 · Due from Other Funds	42,026.42	29,694.95	12,331.47
11480 · PERS - NPA(L)	(163,496.00)	(163,496.00)	0.00
11485 · PERS - Deferred OF	17,803.00	17,803.00	0.00
Total Other Current Assets	(70,072.06)	(95,310.49)	25,238.43
Total Current Assets	3,726,182.35	3,180,056.97	546,125.38
Fixed Assets			
11500 · Capital Assets	80,525,303.51	82,607,341.77	(2,082,038.26)
Total Fixed Assets	80,525,303.51	82,607,341.77	(2,082,038.26)
TOTAL ASSETS	84,251,485.86	85,787,398.74	(1,535,912.88)
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
12000 · Accounts Payable	147,853.61	312,906.35	(165,052.74)
Total Accounts Payable	147,853.61	312,906.35	(165,052.74)
Other Current Liabilities			
12020 · Lodging/Room Tax Payable	1,242.41	0.00	1,242.41
12100 · Payroll Liabilities	51,255.71	28,548.57	22,707.14
12200 · Due to other Funds	834,539.49	508,726.14	325,813.35
12250 · Deferred Revenue	170,736.37	144,409.51	26,326.86
12300 · Accrued Interest Payable	9,833.12	6,209.00	3,624.12
12350 · Current Portion-Long Term Debt	458,179.00	406,827.00	51,352.00
Total Other Current Liabilities	1,525,786.10	1,094,720.22	431,065.88
Total Current Liabilities	1,673,639.71	1,407,626.57	266,013.14
Long Term Liabilities			
2013 FF&C Bond Premium	105,116.75	105,116.75	0.00
12400 · Long Term Debt	7,578,221.78	7,726,954.74	(148,732.96)
12900 · PERS - Deferred IF	151,722.00	151,722.00	0.00
Total Long Term Liabilities	7,835,060.53	7,983,793.49	(148,732.96)
Total Liabilities	9,508,700.24	9,391,420.06	117,280.18

Port of Newport - General Operating Fund

Balance Sheet

As of November 30, 2017

	<u>Nov 30, 17</u>	<u>Nov 30, 16</u>	<u>\$ Change</u>
Equity			
13000 · Fund Balance	67,111,271.80	69,114,539.32	(2,003,267.52)
13050 · FB - Contributed Capital	7,130,788.00	7,130,788.00	0.00
13730 · FB - GAAP-Pension Expense	0.00	(1.00)	1.00
Net Income	500,725.82	150,652.36	350,073.46
Total Equity	<u>74,742,785.62</u>	<u>76,395,978.68</u>	<u>(1,653,193.06)</u>
TOTAL LIABILITIES & EQUITY	<u>84,251,485.86</u>	<u>85,787,398.74</u>	<u>(1,535,912.88)</u>

Port of Newport - General Operating Fund
Profit & Loss Budget vs. Actual
 July through November 2017

	<u>Jul - Nov 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14000 · Lease Revenues	282,252.34	665,178.00	(382,925.66)	42.4%
14100 · Moorage	593,546.79	1,274,000.00	(680,453.21)	46.6%
14200 · Hoist Dock & Services	259,820.07	615,000.00	(355,179.93)	42.2%
14300 · Shipping Terminal Revenues	6,577.24	10,000.00	(3,422.76)	65.8%
14400 · RV Parks	527,262.93	830,000.00	(302,737.07)	63.5%
14500 · Launch Ramp & Trailer Storage	40,384.00	70,000.00	(29,616.00)	57.7%
14600 · Miscellaneous Revenue	38,505.37	58,000.00	(19,494.63)	66.4%
Total Income	<u>1,748,348.74</u>	<u>3,522,178.00</u>	<u>(1,773,829.26)</u>	<u>49.6%</u>
Gross Profit	1,748,348.74	3,522,178.00	(1,773,829.26)	49.6%
Expense				
15000 · Personnel Services	457,593.50	1,349,370.00	(891,776.50)	33.9%
16000 · Materials & Services	566,161.97	1,626,550.00	(1,060,388.03)	34.8%
17000 · Debt Service	325,296.85	732,680.00	(407,383.15)	44.4%
Total Expense	<u>1,349,052.32</u>	<u>3,708,600.00</u>	<u>(2,359,547.68)</u>	<u>36.4%</u>
Net Ordinary Income	399,296.42	(186,422.00)	585,718.42	(214.2)%
Other Income/Expense				
Other Income				
18100 · Property Tax Revenue	96,320.45	98,500.00	(2,179.55)	97.8%
18200 · Interest Income	3,529.28	5,000.00	(1,470.72)	70.6%
18300 · Grants	2,772.50	122,500.00	(119,727.50)	2.3%
18400 · Loan Proceeds	0.00	96,000.00	(96,000.00)	0.0%
18600 · Gain/(Loss) on Sale of Assets	(7,345.91)	0.00	(7,345.91)	100.0%
18700 · Property & Dredge Sales	(2,041.00)	2,000.00	(4,041.00)	(102.1)%
18800 · Miscellaneous - Non-operating	8,194.08			
Total Other Income	<u>101,429.40</u>	<u>324,000.00</u>	<u>(222,570.60)</u>	<u>31.3%</u>
Other Expense				
19000 · Capital Outlay	0.00	197,900.00	(197,900.00)	0.0%
19600 · Contingency	0.00	100,000.00	(100,000.00)	0.0%
19700 · Transfers Out to Other Funds	0.00	160,000.00	(160,000.00)	0.0%
Total Other Expense	<u>0.00</u>	<u>457,900.00</u>	<u>(457,900.00)</u>	<u>0.0%</u>
Net Other Income	101,429.40	(133,900.00)	235,329.40	(75.8)%
Net Income	<u>500,725.82</u>	<u>(320,322.00)</u>	<u>821,047.82</u>	<u>(156.3)%</u>

Port of Newport - General Operating Fund

Profit & Loss Budget vs. Actual - Admin

July through November 2017

	<u>Jul - Nov 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14000 · Lease Revenues	282,252.34	665,178.00	(382,925.66)	42.4%
14100 · Moorage	840.00	0.00	840.00	100.0%
14200 · Hoist Dock & Services	2,290.00	0.00	2,290.00	100.0%
14600 · Miscellaneous Revenue	10,566.48	0.00	10,566.48	100.0%
Total Income	<u>295,948.82</u>	<u>665,178.00</u>	<u>(369,229.18)</u>	<u>44.5%</u>
Gross Profit	295,948.82	665,178.00	(369,229.18)	44.5%
Expense				
15000 · Personnel Services	184,078.64	539,210.00	(355,131.36)	34.1%
16000 · Materials & Services	153,084.54	452,000.00	(298,915.46)	33.9%
17000 · Debt Service	21,405.35	47,802.00	(26,396.65)	44.8%
Total Expense	<u>358,568.53</u>	<u>1,039,012.00</u>	<u>(680,443.47)</u>	<u>34.5%</u>
Net Ordinary Income	(62,619.71)	(373,834.00)	311,214.29	16.8%
Other Income/Expense				
Other Income				
18100 · Property Tax Revenue	96,320.45	98,500.00	(2,179.55)	97.8%
18200 · Interest Income	3,529.28	5,000.00	(1,470.72)	70.6%
18300 · Grants	0.00	122,500.00	(122,500.00)	0.0%
18600 · Gain/(Loss) on Sale of Assets	(7,345.91)	0.00	(7,345.91)	100.0%
Total Other Income	<u>92,503.82</u>	<u>226,000.00</u>	<u>(133,496.18)</u>	<u>40.9%</u>
Other Expense				
19000 · Capital Outlay	0.00	75,000.00	(75,000.00)	0.0%
19600 · Contingency	0.00	100,000.00	(100,000.00)	0.0%
19700 · Transfers Out to Other Funds	0.00	160,000.00	(160,000.00)	0.0%
Total Other Expense	<u>0.00</u>	<u>335,000.00</u>	<u>(335,000.00)</u>	<u>0.0%</u>
Net Other Income	<u>92,503.82</u>	<u>(109,000.00)</u>	<u>201,503.82</u>	<u>(84.9)%</u>
Net Income	<u>29,884.11</u>	<u>(482,834.00)</u>	<u>512,718.11</u>	<u>(6.2)%</u>

Port of Newport - General Operating Fund

Profit & Loss Budget vs. Actual - NIT

July through November 2017

	<u>Jul - Nov 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14100 · Moorage	38,690.40	100,000.00	(61,309.60)	38.7%
14200 · Hoist Dock & Services	137,224.28	278,000.00	(140,775.72)	49.4%
14300 · Shipping Terminal Revenues	6,577.24	10,000.00	(3,422.76)	65.8%
14600 · Miscellaneous Revenue	310.00	0.00	310.00	100.0%
Total Income	<u>182,801.92</u>	<u>388,000.00</u>	<u>(205,198.08)</u>	<u>47.1%</u>
Gross Profit	182,801.92	388,000.00	(205,198.08)	47.1%
Expense				
15000 · Personnel Services	26,265.86	77,575.00	(51,309.14)	33.9%
16000 · Materials & Services	35,475.10	137,400.00	(101,924.90)	25.8%
17000 · Debt Service	119,228.40	452,652.00	(333,423.60)	26.3%
Total Expense	<u>180,969.36</u>	<u>667,627.00</u>	<u>(486,657.64)</u>	<u>27.1%</u>
Net Ordinary Income	1,832.56	(279,627.00)	281,459.56	(0.7)%
Other Income/Expense				
Other Income				
18400 · Loan Proceeds	0.00	60,000.00	(60,000.00)	0.0%
Total Other Income	0.00	60,000.00	(60,000.00)	0.0%
Other Expense				
19000 · Capital Outlay	0.00	66,900.00	(66,900.00)	0.0%
Total Other Expense	0.00	66,900.00	(66,900.00)	0.0%
Net Other Income	0.00	(6,900.00)	6,900.00	0.0%
Net Income	<u><u>1,832.56</u></u>	<u><u>(286,527.00)</u></u>	<u><u>288,359.56</u></u>	<u><u>(0.6)%</u></u>

Port of Newport - General Operating Fund

Profit & Loss Budget vs. Actual - SB

July through November 2017

	<u>Jul - Nov 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14100 · Moorage	332,911.43	714,000.00	(381,088.57)	46.6%
14200 · Hoist Dock & Services	2,206.92	17,000.00	(14,793.08)	13.0%
14400 · RV Parks	527,262.93	830,000.00	(302,737.07)	63.5%
14500 · Launch Ramp & Trailer Storage	40,384.00	70,000.00	(29,616.00)	57.7%
14600 · Miscellaneous Revenue	34,164.98	54,000.00	(19,835.02)	63.3%
Total Income	<u>936,930.26</u>	<u>1,685,000.00</u>	<u>(748,069.74)</u>	<u>55.6%</u>
Gross Profit	936,930.26	1,685,000.00	(748,069.74)	55.6%
Expense				
15000 · Personnel Services	154,648.97	363,262.00	(208,613.03)	42.6%
16000 · Materials & Services	277,080.40	673,550.00	(396,469.60)	41.1%
17000 · Debt Service	179,786.20	216,321.00	(36,534.80)	83.1%
Total Expense	<u>611,515.57</u>	<u>1,253,133.00</u>	<u>(641,617.43)</u>	<u>48.8%</u>
Net Ordinary Income	325,414.69	431,867.00	(106,452.31)	75.4%
Other Income/Expense				
Other Income				
18300 · Grants	2,772.50	0.00	2,772.50	100.0%
18700 · Property & Dredge Sales	(2,041.00)	2,000.00	(4,041.00)	(102.1)%
Total Other Income	<u>731.50</u>	<u>2,000.00</u>	<u>(1,268.50)</u>	<u>36.6%</u>
Net Other Income	731.50	2,000.00	(1,268.50)	36.6%
Net Income	<u>326,146.19</u>	<u>433,867.00</u>	<u>(107,720.81)</u>	<u>75.2%</u>

Port of Newport - General Operating Fund

Profit & Loss Budget vs. Actual - CM

July through November 2017

	<u>Jul - Nov 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
14100 · Moorage	221,104.96	460,000.00	(238,895.04)	48.1%
14200 · Hoist Dock & Services	118,098.87	320,000.00	(201,901.13)	36.9%
14600 · Miscellaneous Revenue	1,657.99	4,000.00	(2,342.01)	41.4%
Total Income	<u>340,861.82</u>	<u>784,000.00</u>	<u>(443,138.18)</u>	<u>43.5%</u>
Gross Profit	340,861.82	784,000.00	(443,138.18)	43.5%
Expense				
15000 · Personnel Services	92,600.03	255,535.00	(162,934.97)	36.2%
16000 · Materials & Services	100,521.93	357,700.00	(257,178.07)	28.1%
17000 · Debt Service	4,876.90	15,905.00	(11,028.10)	30.7%
Total Expense	<u>197,998.86</u>	<u>629,140.00</u>	<u>(431,141.14)</u>	<u>31.5%</u>
Net Ordinary Income	142,862.96	154,860.00	(11,997.04)	92.3%
Other Income/Expense				
Other Income				
18400 · Loan Proceeds	0.00	36,000.00	(36,000.00)	0.0%
Total Other Income	0.00	36,000.00	(36,000.00)	0.0%
Other Expense				
19000 · Capital Outlay	0.00	36,000.00	(36,000.00)	0.0%
Total Other Expense	0.00	36,000.00	(36,000.00)	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	<u>142,862.96</u>	<u>154,860.00</u>	<u>(11,997.04)</u>	<u>92.3%</u>

Port of Newport - NOAA Fund

Balance Sheet

As of November 30, 2017

	Nov 30, 17	Nov 30, 16	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
51000 · Cash & Equivalents	5,239,530.54	5,219,431.16	20,099.38
Total Checking/Savings	5,239,530.54	5,219,431.16	20,099.38
Other Current Assets			
51300 · Prepaid Expenses	16,441.98	21,487.61	(5,045.63)
51400 · Due from Other Funds	362.57	127.82	234.75
Total Other Current Assets	16,804.55	21,615.43	(4,810.88)
Total Current Assets	5,256,335.09	5,241,046.59	15,288.50
TOTAL ASSETS	5,256,335.09	5,241,046.59	15,288.50
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
52000 · Accounts Payable	27,953.53	6,305.63	21,647.90
Total Accounts Payable	27,953.53	6,305.63	21,647.90
Other Current Liabilities			
52110 · Accrued PTO	7,016.67	2,264.04	4,752.63
52200 · Due to Other Funds	6,086.86	4,764.95	1,321.91
52300 · Accrued Interest Payable	462,477.40	476,972.00	(14,494.60)
52350 · Current Portion Long-Term Debt	910,000.00	810,000.00	100,000.00
Total Other Current Liabilities	1,385,580.93	1,294,000.99	91,579.94
Total Current Liabilities	1,413,534.46	1,300,306.62	113,227.84
Long Term Liabilities			
52400 · Long-Term Debt	19,855,587.00	20,725,587.00	(870,000.00)
52800 · Less Current Portion LT Debt	(910,000.00)	(810,000.00)	(100,000.00)
Total Long Term Liabilities	18,945,587.00	19,915,587.00	(970,000.00)
Total Liabilities	20,359,121.46	21,215,893.62	(856,772.16)
Equity			
53000 · Fund Balance	(14521682.95)	(15423252.85)	901,569.90
Net Income	(581,103.42)	(551,594.18)	(29,509.24)
Total Equity	(15102786.37)	(15974847.03)	872,060.66
TOTAL LIABILITIES & EQUITY	5,256,335.09	5,241,046.59	15,288.50

Port of Newport - NOAA Fund
Profit & Loss Budget vs. Actual
 July through November 2017

	<u>Jul - Nov 17</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
54000 · Lease Revenue	1,058,806.10	2,542,000.00	(1,483,193.90)	41.7%
Total Income	1,058,806.10	2,542,000.00	(1,483,193.90)	41.7%
Expense				
55000 · Personnel Services	27,109.56	82,385.00	(55,275.44)	32.9%
56000 · Materials & Services	129,679.50	366,470.00	(236,790.50)	35.4%
57000 · Debt Service	1,464,966.88	2,001,734.00	(536,767.12)	73.2%
Total Expense	1,621,755.94	2,450,589.00	(828,833.06)	66.2%
Net Ordinary Income	(562,949.84)	91,411.00	(654,360.84)	(615.8)%
Other Income/Expense				
Other Income				
58200 · Interest Income	4,535.97	10,500.00	(5,964.03)	43.2%
58800 · Miscellaneous Revenue	910.45	0.00	910.45	100.0%
58900 · Transfers In from Other Funds	0.00	500,000.00	(500,000.00)	0.0%
Total Other Income	5,446.42	510,500.00	(505,053.58)	1.1%
Other Expense				
59000 · Capital Outlay	23,600.00	6,000.00	17,600.00	393.3%
59600 · Contingency	0.00	100,000.00	(100,000.00)	0.0%
59700 · Transfers Out to Other Funds	0.00	750,000.00	(750,000.00)	0.0%
Total Other Expense	23,600.00	856,000.00	(832,400.00)	2.8%
Net Other Income	(18,153.58)	(345,500.00)	327,346.42	5.3%
Net Income	<u>(581,103.42)</u>	<u>(254,089.00)</u>	<u>(327,014.42)</u>	<u>228.7%</u>

Port of Newport - Facility Maintenance Reserve Fund

Balance Sheet

As of November 30, 2017

	<u>Nov 30, 17</u>	<u>Nov 30, 16</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
31000 · Cash & Cash Equivalents			
31060 · FMR Money Market - Umpqua Bank	72,368.25	133,824.30	(61,456.05)
Total 31000 · Cash & Cash Equivalents	<u>72,368.25</u>	<u>133,824.30</u>	<u>(61,456.05)</u>
Total Checking/Savings	<u>72,368.25</u>	<u>133,824.30</u>	<u>(61,456.05)</u>
Total Current Assets	<u>72,368.25</u>	<u>133,824.30</u>	<u>(61,456.05)</u>
TOTAL ASSETS	<u>72,368.25</u>	<u>133,824.30</u>	<u>(61,456.05)</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
32000 · Accounts Payable	34,139.56	24,930.00	9,209.56
Total Accounts Payable	<u>34,139.56</u>	<u>24,930.00</u>	<u>9,209.56</u>
Total Current Liabilities	<u>34,139.56</u>	<u>24,930.00</u>	<u>9,209.56</u>
Total Liabilities	<u>34,139.56</u>	<u>24,930.00</u>	<u>9,209.56</u>
Equity			
33000 · Fund Balance	22,322.76	48,777.66	(26,454.90)
33020 · FB - Assigned for Future Expend	50,000.00	25,000.00	25,000.00
Net Income	(34,094.07)	35,116.64	(69,210.71)
Total Equity	<u>38,228.69</u>	<u>108,894.30</u>	<u>(70,665.61)</u>
TOTAL LIABILITIES & EQUITY	<u>72,368.25</u>	<u>133,824.30</u>	<u>(61,456.05)</u>

Port of Newport - Construction Fund

Balance Sheet

As of November 30, 2017

	Nov 30, 17	Nov 30, 16	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
41000 · Cash & Cash Equivalents	47,972.40	62,908.04	(14,935.64)
Total Checking/Savings	47,972.40	62,908.04	(14,935.64)
Total Current Assets	47,972.40	62,908.04	(14,935.64)
TOTAL ASSETS	47,972.40	62,908.04	(14,935.64)
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
42000 · Accounts Payable	0.00	572.00	(572.00)
Total Accounts Payable	0.00	572.00	(572.00)
Other Current Liabilities			
42200 · Due To Other funds	1,800.00	0.00	1,800.00
Total Other Current Liabilities	1,800.00	0.00	1,800.00
Total Current Liabilities	1,800.00	572.00	1,228.00
Total Liabilities	1,800.00	572.00	1,228.00
Equity			
43000 · Fund Balance	52,839.66	79,229.46	(26,389.80)
Net Income	(6,667.26)	(16,893.42)	10,226.16
Total Equity	46,172.40	62,336.04	(16,163.64)
TOTAL LIABILITIES & EQUITY	47,972.40	62,908.04	(14,935.64)

Port of Newport - Bonded Debt Fund

Balance Sheet

As of November 30, 2017

	Nov 30, 17	Nov 30, 16	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
21000 · Cash & Cash Equivalents	298,062.83	683,138.29	(385,075.46)
Total Checking/Savings	298,062.83	683,138.29	(385,075.46)
Other Current Assets			
21270 · Property Tax Receivable	86,925.12	86,925.12	0.00
21400 · Due from Other Funds	834,176.92	508,598.32	325,578.60
Total Other Current Assets	921,102.04	595,523.44	325,578.60
Total Current Assets	1,219,164.87	1,278,661.73	(59,496.86)
Other Assets			
21800 · Bond Issue costs, net of amort.	4,662.00	4,662.00	0.00
21825 · Advance Refunding Valuation	436,957.00	436,957.00	0.00
Total Other Assets	441,619.00	441,619.00	0.00
TOTAL ASSETS	1,660,783.87	1,720,280.73	(59,496.86)
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
22350 · Bonds Payable - Current	325,000.00	465,000.00	(140,000.00)
Total Other Current Liabilities	325,000.00	465,000.00	(140,000.00)
Total Current Liabilities	325,000.00	465,000.00	(140,000.00)
Long Term Liabilities			
22505 · 2007 Series Bonds	0.00	124,830.00	(124,830.00)
22510 · 2008 Series Bonds	124,995.00	244,995.00	(120,000.00)
22515 · 2011 Series Bonds	5,093,243.00	5,158,243.00	(65,000.00)
22520 · 2016 Series Bonds	7,455,000.00	7,610,000.00	(155,000.00)
22590 · Bond Premiums	880,746.00	880,746.00	0.00
22800 · Less Current Portion LTD	(325,000.00)	(465,000.00)	140,000.00
Total Long Term Liabilities	13,228,984.00	13,553,814.00	(324,830.00)
Total Liabilities	13,553,984.00	14,018,814.00	(464,830.00)
Equity			
23000 · Fund Balance	(12,777,958.93)	(13,189,865.77)	411,906.84
Net Income	884,758.80	891,332.50	(6,573.70)
Total Equity	(11,893,200.13)	(12,298,533.27)	405,333.14
TOTAL LIABILITIES & EQUITY	1,660,783.87	1,720,280.73	(59,496.86)



**Oregon
Department
of State Lands**

INVOICE

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Fax: 503-378-4844
Phone: 503-986-5288
Contact: Perino Chuck

Newport Port of 600 SE Bay Blvd Newport OR 97365	Invoice #: 18980 Invoice Date: December 15, 2017 Due Date: December 15, 2017 Account Type: Application Account ID: APP0045552
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---- Current Charges ----

Date	Transaction	Fee No.	Amount
09/01/2017	Charge	670-1	\$9,707.53
Waterway lease fee, Comm'l Marina (11/1/2017 through 10/31/2018)			

Total Current Charges: \$9,707.53

Account Summary			
Prev. Balance	Current Charges	Payments	Balance Due
\$0.00	\$9,707.53	\$0.00	\$9,707.53

Tear off and return bottom portion with payment. Please do not send cash.

Mail Payments to: Oregon Dept. of State Lands 775 Summer Street NE Suite 100 Salem, OR 97301	Applicant: Newport Port of Account Type: Application Account ID: APP0045552 Invoice #: 18980 Invoice Date: December 15, 2017 Balance Due: \$9,707.53 Amount Paid: _____
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LEASE EXTENSION, MODIFICATION OF LEASE AND OPTION TO LEASE

Dated December ____, 2017

RECITALS

1. On January 22, 1992, the Port of Newport, an Oregon port district, hereinafter referred to as Landlord, entered into a lease, hereinafter referred to as the Lease, with the predecessors in interest of TNMP Properties, LLC hereinafter referred to as Tenant.

2. The present description of the premises is as described in the Lease.

3. The Lease called for options to renew for four additional five year terms which, in fact, were all exercised.

4. Subsequent thereto and on December 16, 2016 Landlord and the predecessors in interest of Tenant executed a One-Year Lease Extension and Modification of Lease.

5. On April 26, 2017 Landlord executed a consent to assignment of the subject Lease. As a result, the existing Lease consists of the January 22, 1992 Lease as modified by the December 16, 2016 Lease Extension and Modification of Lease.

6. The Lease term, with the One-Year Extension mentioned above presently in effect, is set to end December 31, 2017.

7. Tenant desires that the options for renewal under the terms and in the same manner as provided in the existing Lease, be retained.

8. The parties agree to four additional 5-year terms under the terms exercised and in the same manner as originally provided by the Lease, beginning January 1, 2018.

NOW THEREFORE, THE PARTIES DO HEREBY COVENANT AND AGREE AS FOLLOWS:

1. Landlord agrees to four additional 5-year renewal terms, to be exercised in the same manner as provided in the Lease.

2. The parties covenant and agree that the first such renewal term of the Lease shall be from January 1, 2018 through and including December 31, 2022.

3. The rent calculation shall be as provided in the Lease.

4. All other terms, including the modification contained in the One-Year

LEASE EXTENSION, MODIFICATION OF LEASE AND OPTION TO LEASE

Lease Extension and Modification of Lease mentioned above, remain the same.

5. The extension and additional renewal terms, the subject of this Agreement, shall continue the existing status quo of the Lease in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Lease Extension and Modification of Lease and Option to Lease on the date first above written.

LANDLORD:
PORT OF NEWPORT

TENANT:
TNMP PROPERTIES, LLC

By: _____

By: _____

LEASE EXTENSION, MODIFICATION OF LEASE AND OPTION TO LEASE

STORAGE LEASE EXTENSION, MODIFICATION OF LEASE AND OPTION TO
LEASE

Dated December ____, 2017

RECITALS

1. On March 14, 2013 the Port of Newport, an Oregon port district, hereinafter referred to as Landlord, entered into a lease, hereinafter referred to as the Lease, with the predecessors in interest of TNMP Properties, LLC hereinafter referred to as Tenant.

2. The present description of the premises is as described in the Lease.

3. The Lease called for an option to renew which would coincide with the expiration of the final five year term of the January 22, 1992 Lease mentioned therein which, in fact, was exercised.

4. Subsequent thereto and on December 16, 2016 Landlord and the predecessors in interest of Tenant executed a Lease Extension, which included an annual rent increase calculation.

5. On April 26, 2017 Landlord executed a consent to assignment of the subject Lease. As a result, the existing Lease consists of the March 14, 2013 Lease as modified by the December 16, 2016 Lease Extension, including the annual rent increase calculation.

6. The Lease term, with the Lease Extension mentioned above presently in effect, is set to end December 31, 2017.

7. Tenant desires that options for renewal be under the same terms and conditions and in the same manner as provided in the January 22, 1992 Lease, as modified by the Lease Extension, Modification of Lease and Option to Lease of said Lease.

8. The parties agree to four additional 5-year terms under the terms exercised and in the same manner as originally provided by the January 22, 1992 Lease as modified by the Lease Extension, Modification of Lease and Option to Lease of said Lease, beginning January 1, 2018.

NOW THEREFORE, THE PARTIES DO HEREBY COVENANT AND AGREE AS FOLLOWS:

1. Landlord agrees to four additional 5-year renewal terms, to be exercised in the same manner as provided in the January 22, 1992 Lease as modified by the Lease Extension, Modification of Lease and Option to Lease of said Lease.

2. The parties covenant and agree that the first such renewal term of the

LEASE EXTENSION, MODIFICATION OF LEASE AND OPTION TO LEASE

Lease shall be from January 1, 2018 through and including December 31, 2022.

3. The rent calculation shall be as provided in the December 16, 2016 Lease Extension.

4. All other terms remain the same.

5. The extension and additional renewal terms, the subject of this Agreement, shall continue the existing status quo of the Lease in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Lease Extension and Modification of Lease and Option to Lease on the date first above written.

LANDLORD:
PORT OF NEWPORT

TENANT:
TNMP PROPERTIES, LLC

By: _____

By: _____

LEASE EXTENSION, MODIFICATION OF LEASE AND OPTION TO LEASE



NO: 19

DATE: December 15, 2017

LEASE AMENDMENT

LEASE NO.: 09WSA0200C

ADDRESS OF PREMISES: 2002 SE Marine Science Drive, Newport, Oregon 97365

THIS AGREEMENT, made and entered into this date by and between Port of Newport, whose address is: 600 SE Bay Boulevard, Newport, Oregon 97365

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease;

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, as follows:

Pursuant to Solicitation for Offers No. 09WSA0200C (Paragraph 3.6 (BUILDING AND SITE INFORMATION SUBMITTALS (AUG 2008)), B.3, Page 23), Amendment No. 3 (Sections 4 and 5 (pages 5 and 6)), the Lease (Standard Form 2, Section 7 (page 3)), and Lease Amendment No. 7, the amounts for the insurance premium and DSL Lease for May 1, 2016 through April 30, 2017 are as follows:

INSURANCE PREMIUM

Base year =		\$126,365.96	
May 1, 2016 through April 30, 2017			
	Pollution	\$1,180.69	
	Port Liability Package		
	5/1/2016 – 12/31/2016 [3,056.82x8]	\$24,454.56	
	1/1/2017 – 4/30/2017 [3,203.85x4]	\$12,815.40	
	Additional Flood Insurance	\$72,136.50	
	Warehouse & Admin Flood	<u>\$1,630.67</u>	
	Total =	<u>\$112,217.82</u>	
			Difference = -\$14,148.14 [112,217.82 – 126,365.96]

DSL Lease

Base Year =		\$7,630.14	
May 1, 2016 through April 30, 2017			
	5/1/2016 – 10/31/2016 [9,150.28 / 2]	\$4,575.14	
	11/1/2016 - 4/30/2017 [9,424.79 / 2]	<u>\$4,712.40</u>	
	Total =	<u>\$9,287.54</u>	
			Difference = + \$ 1,657.40 [9,287.54 – 7,630.14]

TOTAL = -\$12,490.75 [-14,148.14 + 1,657.40]

The amount of **\$12,490.75** will be reduced by the Government from the next month's rental payment.

All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR

Signature _____ Title _____

UNITED STATES OF AMERICA

Signature _____ Real Property Contracting Officer

Proposal for Service

Vertiv Services, Inc.

November 28, 2017

Jim Durkee
NOAA
2002 MARINE SCIENCE DRIVE
NEWPORT, OR 97365



November 28, 2017

Jim Durkee

NOAA

2002 MARINE SCIENCE DRIVE
NEWPORT, OR 97365

Quote Number: AA770

Phone: 541 270-0545

Email: jim@portofnewport.com

Site ID: 134458

SP Reference: 242699

Discovery Ticket:

Tracker ID No: 64863

Hi Jim,

Thank you for your interest in Vertiv Services.

This price quotation does not include all applicable taxes, shipping and handling costs, unless otherwise noted. Sales Tax and shipping/handling costs, if there are any, will be added at the time of invoicing.

Please complete all required fields on the signature page and attach your Purchase Order to assist timely order processing. Should you have any questions regarding the proposal, feel free to contact me directly at (614) 841-7038.

I look forward to your response and the opportunity to work together to improve your data center investment.

Sincerely,

Antonette Abella

610 Executive Campus Drive
Westerville, Ohio 43082

PHONE (614) 807-4014

FAX (614) 841-6676

EMAIL: Antonette.Abella@vertivco.com

Quote Number: AA770

**CC: Renee Benedetti
Helen Dy
Brian Powell**



Description of work:

Labor and Parts Quotation to replace evap coil to keep the system charged and operating.

- Found the evaporator coil has leaks and cannot be repaired.

MODEL NUMBER	SERIAL NUMBER	TAG NUMBER
BU060E7ADSI138A	N11C740235	1549342

Materials		
QTY	DESCRIPTION	EXT. PRICE
1	195576G1L / Evaporator Coil	\$3,082.80
1	178082P1S / Liquid Filter Drier	\$25.87
Sub-Total		\$3,108.67

Miscellaneous		
QTY	DESCRIPTION	EXT. PRICE
25 lbs	Reclaim / Refrigerant	\$187.50
1 ea	EVAC / Weld	\$49.50
25 lbs	407C Refrigerant	\$417.00
	Couplings	\$14.93
Sub-Total		\$668.93

Labor and Travel		
HRS	DESCRIPTION	EXT. PRICE
16	\$ 120 / hr	\$1,920.00
2	\$ 120 / hr	\$240.00
Sub-Total		\$2,160.00

Total price not including tax: \$5,937.60
any tax required must be included in customer purchase order

NOTE: Work has been quoted to be completed during regular business hours, Monday-Friday, 8am-4pm. This require (2) technician.

This is to remind you that quote **AA770** was released on **11/28/2017** will expire on **12/28/2017**
 If you approve this work please **SIGN THE ATTACHED SERVICE AUTHORIZATION FORM AND INDICATE YOUR PO NUMBER.**
 Thank you for your kind consideration and attention to this matter.



Proposal for Service

Quote Number: AA770

Purchase Order must be assigned to:

Vertiv Services, Inc.
610 Executive Campus Dr
Westerville OH 43082

Payment remittance address:

Vertiv Services, Inc.
PO Box 70474
Chicago, IL 60673

FID# 43-1798453

PO should be e-mailed or faxed with signed proposal to:

Vertiv Services, Inc.
Attn: ANTONETTE ABELLA
Email: antonette.abella@vertivco.com
Fax: (614) 841-6676

Please complete the following information (All fields are required):

Purchase Order Number: _____ Purchase Order attached: Yes No

If PO NOT attached, please specify reason: _____

Invoice Delivery Method: Web Billing (Attach Instructions) Email Mail Other _____

Billing Contact Person: _____ Phone: _____

Email: _____ Fax #: _____

Bill-To Company Name: _____ Bill-To Address: _____

Federal Tax ID # _____ Bill-To City, ST Zip: _____

Tax Exempt: Yes (Attach tax exempt certificate) No

Site Services/IT Contact Person: _____ Phone: _____

**** COVERAGE DETAILS ****

For equipment not currently under a Service Agreement or for equipment for which the warranty has expired in excess of thirty (30) days, parts required to bring equipment back to manufacturers specifications are the responsibility of the Buyer and billable at the time of the first preventive maintenance visit or Service call. All pricing is valid only for Service coverage stated and is subject to change if this Proposal is modified in any way. This Proposal is valid for 30 days from the date of this Proposal unless otherwise noted. INFORMATION TO BUYER: This order between the Buyer and Seller is limited to Seller's Terms and Conditions located at termsconditions.vertivco.com unless a formal agreement governing this Purchase Order/transaction has been executed by the parties, in which case the Terms and Conditions of the signed agreement shall govern. Seller hereby objects to all Buyer's terms and conditions received by Seller and/or issued by Buyer.

Signature of this agreement authorizes Seller to invoice for Services mentioned herein and to utilize the provided purchase order number. If a purchase order number is not used, then the Buyer authorizes and guarantees Seller the payment of such invoices by authority of the signature below.

Thank you for your business.

Proposed By:

Accepted By:

Antonette Abella 11/28/2017

Buyer Signature Required Date

Printed Name Title Phone



SERVICES TERMS AND CONDITIONS

Vertiv Services, Inc. is herein referred to as the "Seller" and the customer or person or entity purchasing services ("Services") and parts required for Services ("Parts") from Seller is referred to as the "Buyer." These Services Terms and Conditions, any price list or schedule, quotation, acknowledgment, Seller's scope of work, or invoice from Seller relevant to the provision of Services and all documents incorporated by specific reference herein or therein, constitute the complete and exclusive statement of the terms of this agreement ("Agreement") governing the sale of Services and Parts by Seller to Buyer. Any discrepancies between the terms of the above referenced documents shall be resolved by Seller. Seller's acceptance of Buyer's purchase order is expressly conditional on Buyer's assent to all of the terms of this Agreement, including terms and conditions that are different from or additional to the terms and conditions of Buyer's purchase order. Buyer's acceptance of the Services and Parts will manifest Buyer's assent to the terms of this Agreement. Seller reserves the right in its sole discretion to refuse orders.

1. **PRICES:** Unless otherwise specified in writing by Seller, the price quoted or specified by Seller for the Services shall remain in effect for thirty (30) days after the date of Seller's quotation. Seller's scope of work or acknowledgment of Buyer's order for the Services, whichever occurs first, provided an unconditional authorization from Buyer for the performance of the Services is received and accepted by Seller within such time period. If authorization is not received by Seller within such thirty (30) day period, Seller shall have the right to change the price for the Services. All prices are exclusive of taxes, which are to be borne by Buyer. Unless otherwise specified by Seller, Parts will be furnished at Seller's then prevailing prices.

2. **TAXES:** Any current or future tax or governmental charge (or increase in same) affecting Seller's costs of Services or costs of production, sale, delivery or shipment of Parts, or which Seller is otherwise required to pay or collect in connection with the provision of Services and Parts, shall be for Buyer's account and shall be added to the price or billed to Buyer separately, at Seller's election.

3. **TERMS OF PAYMENT:** Unless otherwise specified by Seller, terms of payment are net 30 days from date of Seller's invoice. Seller shall have the right, among other remedies, either to terminate this Agreement or to suspend further performance under this Agreement and/or other agreements with Buyer in the event Buyer fails to make any payment when due, which other agreements Buyer and Seller hereby amend accordingly. Buyer shall be liable for all expenses, including attorneys' fees, relating to the collection of past due amounts. If any payment owed to Seller is not paid when due, it shall bear interest, at a rate to be determined by Seller, which shall not exceed the maximum rate permitted by law, from the date on which it is due until it is paid. Seller may preserve its interests in payment by enforcing any applicable mechanic's, construction or similar lien rights. Should Buyer's financial responsibility become unsatisfactory to Seller, cash payments or security satisfactory to Seller may be required by Seller for future performance of Services or provision of Parts. If such cash payment or security is not provided, in addition to Seller's other rights and remedies, Seller may discontinue performance of Services and provision of Parts. All purchases paid by credit card shall be charged a 2.0% usage surcharge of the invoice total, for fees paid by Seller to accept credit card transactions.

4. **SHIPMENT AND DELIVERY:** While Seller will use all reasonable commercial efforts to maintain the performance dates acknowledged or quoted by Seller, all performance dates are approximate and not guaranteed. Seller, at its option, shall not be bound to tender delivery of any Parts for which Buyer has not provided shipping instructions and other required information. If the provision of Services or shipment of the Parts is postponed or delayed by Buyer for any reason, Buyer agrees to reimburse Seller for any and all storage costs and other additional expenses resulting therefrom. Unless otherwise specified by Seller, for sales of Parts in which the end destination of the Parts is outside of the United States, risk of loss and legal title to the Parts shall transfer to Buyer immediately after the Parts have passed beyond the territorial limits of the United States. For all other shipments, risk of loss and legal title shall pass from Seller to Buyer upon delivery to and receipt by carrier at Seller's shipping point. Notwithstanding the above, risk of loss and legal title to Parts shall transfer to Buyer (i) when delivered by the individual providing the Services, or (ii) at the time Parts are placed in storage due to Buyer's delay or postponement. Any claims for shortages or damages suffered in transit are the responsibility of Buyer and shall be submitted by Buyer directly to the carrier. Shortages or damages must be identified and signed for at the time of delivery.

5. **LIMITED WARRANTY:** Subject to the limitations of Section 6, Seller warrants that it will perform the Services as described in this Agreement and will exercise all reasonable skill, care and due diligence in the performance of the Services and shall perform the Services in accordance with professional practice. Seller warrants that all Services performed shall be free from faulty workmanship for a period of thirty (30) days from completion of Services. To the extent assignable, Seller assigns to Buyer any warranties that are made by manufacturers and suppliers of Parts. EXCEPT AS SPECIFIED ABOVE, PARTS FURNISHED HEREUNDER ARE FURNISHED AS IS, WHERE-IS, WITH NO WARRANTY WHATSOEVER. THE WARRANTIES SET FORTH IN THIS SECTION ARE THE SOLE AND EXCLUSIVE WARRANTIES GIVEN BY SELLER WITH RESPECT TO THE SERVICES AND PARTS AND ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHETHER OR NOT THE PURPOSE OR USE HAS BEEN DISCLOSED TO SELLER IN SPECIFICATIONS, DRAWINGS OR OTHERWISE.

This warranty does not extend to any losses or damages due to misuse, accident, abuse, neglect, normal wear and tear, negligence (other than Seller's), unauthorized modification or alteration, use beyond rated capacity, unsuitable power sources or environmental conditions, improper installation, repair, handling, maintenance or application or any other cause not the fault of Seller. To the extent that Buyer or its agents have supplied specifications, information, representation of operating conditions or other data to Seller that is used in (i) the selection of the Services and/or Parts and (ii) the preparation of Seller's quotation and/or scope of work, and in the event that actual operating conditions or other conditions differ from those represented by Buyer, any warranties or other provisions contained herein that are affected by such conditions shall be null and void.

Buyer assumes all other responsibility for any loss, damage, or injury to persons or property arising out of, connected with, or resulting from the use of Services or Parts, either alone or in combination with other parts.

6. **LIMITATION OF REMEDY AND LIABILITY: THE SOLE AND EXCLUSIVE REMEDY FOR BREACH OF ANY WARRANTY HEREUNDER SHALL BE LIMITED TO, AT SELLER'S SOLE OPTION, EITHER CORRECT PERFORMANCE FOR THAT PORTION OF THE SERVICES FOUND BY SELLER TO BE DEFECTIVE OR REFUND OF THE PRICE PAID FOR SERVICES. SELLER SHALL NOT BE LIABLE FOR DAMAGES CAUSED BY DELAY IN PERFORMANCE AND THE REMEDIES OF BUYER SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE. IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), SHALL SELLER'S LIABILITY TO BUYER AND/OR ITS CUSTOMERS EXCEED THE PRICE PAID BY BUYER FOR THE SPECIFIC SERVICES OR PARTS PROVIDED BY SELLER GIVING RISE TO THE CLAIM OR CAUSE OF ACTION.**

BUYER AGREES THAT SELLER'S LIABILITY TO BUYER AND/OR ITS CUSTOMERS SHALL NOT EXTEND TO INCLUDE INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES. The term "consequential damages" shall include, but not be limited to, loss of anticipated profits, business interruption, loss of use, revenue, reputation and data, costs incurred, including without limitation, for capital, fuel, power and loss or damage to property or equipment.

It is expressly understood that any technical advice furnished by Seller with respect to the use of the Parts and/or Services is given without charge, and Seller assumes no obligation or liability for the advice given, or results obtained, all such advice being given and accepted at Buyer's risk.

7. **INSURANCE:** Seller shall maintain the following insurance or self-insurance coverage: **Worker's Compensation** in accordance with the statutory requirements of the state in which the work is performed. **Employer's Liability** with a limit of liability of \$2,000,000 per occurrence for bodily injury by accident or bodily injury by disease. **Commercial General Liability (CGL)** for bodily injury and property damage with a limit of \$2,000,000 per occurrence and aggregate. **Automobile Liability** insurance that covers usage of all owned, non-owned and leased vehicles and which is subject to a combined single limit per occurrence of \$2,000,000. **Automobile Liability** insurance includes Contractual Liability, but no special endorsements.

Buyer expressly acknowledges and agrees that Seller has set its prices and entered into this Agreement in reliance upon the limitations of liability, insurance coverage, and other terms and conditions specified herein, which allocate the risk between Seller and Buyer and form a basis of this bargain between the parties.

8. **EXCUSE OF PERFORMANCE:** Seller shall not be liable for delays in performance or for non-performance due to acts of God; war; epidemic; fire; flood; weather; sabotage; strikes or labor disputes; civil disturbances or riots; governmental requests, restrictions, allocations, laws, regulations, orders or actions; unavailability of or delays in transportation; default of suppliers; or unforeseen circumstances; acts or omissions of Buyer, including without limitation, those specified in Section 19; or any events or causes beyond Seller's reasonable control. Performance of Services and deliveries of Parts may be suspended for an appropriate period of time or canceled by Seller upon notice to Buyer in the event of any of the foregoing, but the balance of this Agreement shall otherwise remain unaffected as a result of the foregoing. If Seller determines that its ability to supply the total demand for the Services or Parts or to obtain material used directly or indirectly in the manufacture of the Parts is hindered, limited or made impracticable due to causes set forth in the preceding paragraph, Seller may delay performance of Services or allocate its available supply of the Parts among its purchasers on such basis as Seller determines to be equitable without liability for any failure of performance which may result therefrom.

9. **CANCELLATION:** Buyer may cancel orders only upon reasonable advance written notice and upon payment to Seller of Seller's cancellation charges which include, among other things, all costs and expenses incurred and to cover commitments made by the Seller, and a reasonable profit thereon. Seller's determination of such cancellation charges shall be conclusive.

10. **CHANGES:** Buyer may request changes or additions to the Services. In the event such changes or additions are accepted by Seller, Seller may revise the price and performance dates. Seller reserves the right to change designs and specifications for the Parts without prior notice to Buyer, except with respect to Parts being made to order for Buyer. Seller shall have no obligation to install or make such change in any Parts manufactured prior to the date of such change.

11. **NUCLEAR/MEDICAL: SERVICES AND PARTS SOLD HEREUNDER ARE NOT FOR USE IN CONNECTION WITH ANY NUCLEAR, MEDICAL, LIFE-SUPPORT AND RELATED APPLICATIONS.** Buyer accepts Services and Parts with the foregoing understanding agrees to communicate the same in writing to any subsequent purchasers or users and to defend, indemnify and hold harmless Seller from any claims, losses, suits, judgments and damages, including incidental and consequential damages, arising from such use, whether the cause of action be based in tort, contract or otherwise, including allegations that the Seller's liability is based on negligence or strict liability.

12. **ASSIGNMENT:** Buyer shall not assign its rights or delegate its duties hereunder or any interest herein without the prior written consent of Seller, and any such assignment or delegation, without such consent, shall be void.

13. **INSPECTION:** Buyer shall have ten (10) days from the date of completion of each portion of the Services to inspect the Services, and in the event of any non-conformity, Buyer must give written notice to Seller within said period stating why the Services are not conforming. Failure by Buyer to give such notice constitutes unqualified acceptance of the Services.

14. **BILLABLE SERVICES:** Additional charges will be billed to Buyer at Seller's then prevailing labor rates for any of the following: a) any Services not specified in Seller's quotation, Seller's order acknowledgment, Seller's scope of work, or other documents referenced herein and therein; b) any Services performed at times other than Seller's normal service hours; c) if timely and reasonable site and/or equipment access is denied the Seller service representative; d) if it is necessary, due to local circumstances, to use union labor or hire an outside contractor, Seller Service personnel will provide supervision only and the cost of such union or contract labor will be charged to Buyer; e) if Service or repair is necessary to return equipment to proper operating condition as a result of other than Seller (i) maintenance, repair, or modification (including, without limitation, changes in specifications or incorporation of attachments or other features), (ii) misuse or neglect, (including, without limitation, failure to maintain facilities and equipment in a reasonable manner), (iii) failure to operate equipment in accordance with applicable specifications, and (iv) catastrophe, accident, or other causes external to equipment; (f) Seller's performance is made more burdensome or costly as a result of Buyer's failure to comply with its obligations herein, or (g) any additional obligations or requirements, including but not limited to those related to insurance requirements, service delivery, building entry or technical training.

15. **DRAWINGS:** Seller's documentation, prints, and drawings ("Documents") (including without limitation, the underlying technology) furnished by Seller to Buyer in connection with this Agreement are the property of Seller and Seller retains all rights, including without limitation, exclusive rights of use, licensing and sale. Notwithstanding the foregoing, Buyer may use the Documents in connection with the Services and Parts.

16. **EXPORT/IMPORT:** Buyer agrees that all applicable import and export control laws, regulations, orders and requirements, including without limitation those of the United States, and the jurisdictions in which the Seller and Buyer are established or from which Services and Parts may be supplied, will apply to their receipt and use. In no event shall Buyer use, transfer, release, import, or export Parts in violation of such applicable laws, regulations, orders or requirements.

17. **NON-SOLICITATION:** Buyer shall not solicit, directly or indirectly, or employ any employee of Seller during the period any Services are being provided to Buyer and for a period of one (1) year after the last provision of Services.

18. **GENERAL PROVISIONS:** These Services Terms and Conditions supersede all other communications, negotiations and prior oral or written statements regarding the subject matter of these Services Terms and Conditions. No change, modification, rescission, discharge, abandonment, or waiver of these Services Terms and Conditions shall be binding upon the Seller unless made in writing and signed on its behalf by a duly authorized representative of Seller. No conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, or supplement this Agreement shall be binding unless hereunder made in writing and signed by the party to be bound, and no modification or additional terms shall be applicable to this Agreement by Seller's receipt, acknowledgment, or acceptance of purchase orders, shipping instruction forms, or other documentation containing terms at variance with or in addition to those set forth herein. Any such modifications or additional terms are specifically rejected and deemed a material alteration hereof. If this document shall be deemed an acceptance of a prior offer by Buyer, such acceptance is expressly conditional upon Buyer's assent to any additional or different terms set forth herein. Seller reserves the right to subcontract Services to others. No waiver by either party with respect to any breach or default of or any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default of or any other right or remedy, unless such waiver be expressed in writing and signed by the party to be bound. All typographical or clerical errors made by Seller in any quotation, acknowledgment or publication are subject to correction.

The validity, performance, and all other matters relating to the interpretation and effect of this Agreement shall be governed by the law of the state of Ohio without regard to its conflict of laws principles. Buyer and Seller agree that the proper venue for all actions arising in connection herewith shall be only in the county of Franklin, state of Ohio, and the parties agree to submit to such jurisdiction. No action, regardless of form, arising out of transactions relating to this contract, may be brought by either party more than two (2) years after the cause of action has accrued. The U.N. Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

19. **ADDITIONAL SERVICE CONDITIONS:** The Buyer shall furnish to Seller, at no cost, suitable working space, storage space, adequate heat, telephone, light, ventilation, regulated electric power and outlets for testing purposes. The facilities shall be within a reasonable distance from where the Services are to be provided. Seller and its representatives shall have full and free access to the equipment in order to provide the necessary Services. Buyer authorizes Seller to send a service technician or an authorized agent to access any site requested by Buyer to perform Services, including services on different scopes of work and equipment as requested by Buyer. Buyer shall provide the means to shut-off and secure electric power to the equipment and provide safe working conditions. Seller is under no obligation to remove or dispose of Parts or equipment unless specifically agreed upon in Seller's scope of work. Buyer shall immediately inform Seller, in writing, at the time of order placement and thereafter, of any unsafe or hazardous substance or condition at the site, including, but not limited to, the presence of asbestos or asbestos-containing materials, and shall provide Seller with any applicable Material Data Safety Sheets regarding the same. Any losses, costs, damages, claims and expenses incurred by Seller as a result of Buyer's failure to so advise Seller shall be borne by Buyer. Seller, in its sole discretion and without cost or penalty, reserves the right to cancel its performance under this Agreement or any order immediately upon written notice to Buyer following Seller discovery of unsafe or hazardous substance or condition or any other circumstance altering Seller performance of Services. Buyer shall appoint a representative familiar with the site and the nature of the Services to be performed by Seller to be accessible at all times that Seller personnel are at the site. Seller shall not be liable for any expenses incurred by Buyer in removing, replacing or refurbishing any Buyer equipment or any part of Buyer's building structure that restricts Seller access. Buyer personnel shall cooperate with and provide all necessary assistance to Seller. Seller shall not be liable or responsible for any work performed by Buyer.

20. **INDEMNITY:** Each party shall indemnify and hold the other party harmless from loss, damage, liability or expense resulting from damage to personal property of a third party, or injuries, including death, to third parties to the extent caused by a negligent act or omission of the party providing indemnification or a party's subcontractors, agents or employees during performance of Services hereunder. Such indemnification shall be reduced to the extent damage or injuries are attributable to others. The indemnifying party shall defend the other party in accordance with and to the extent of the above indemnification, provided that the indemnifying party is: i) promptly notified by the other party, in writing, of any claims, demands or suits for such damages or injuries; ii) given all reasonable information and assistance by the other party; iii) given full control over any resulting negotiation, arbitration or litigation, including the right to choose counsel and settle claims; or the indemnifying party's obligations herein shall be deemed waived.

PORT OF NEWPORT SPECIAL USE PERMIT

This permit, effective October 12, 2018, 12:00 noon, from the Port of Newport, organized and existing under the laws of the State of Oregon, hereinafter referred to as “Port”, to U-DA-MAN Fishing Tournament, hereinafter referred to as “Permittee.”

The Port hereby grants permission to Permittee to use South Beach Marina complex, in particular the RV Park Activities Room, patio, bathrooms, 3-4 parking spots on the west side of the activities room/patio, Marina Ramp and 6 - 8 parking spots near the Marina Ramp fish cleaning station, final location to be approved by Chris Urbach, South Beach Harbormaster. Use of designated area by Permittee is for U-DA-MAN Fishing Tournament. (Exhibit A detailed description of event.)

Permit is subject to the rules, regulations, and ordinances of the Port of Newport and subject to the following terms and conditions:

1. **Application Fee.** A nonrefundable application fee in the amount of \$100.00.
2. **Usage Fees.** WAIVED in consideration of sponsorship rights and community benefit.
3. **Reservation of Rights.** Port reserves the right to alter or amend the terms and conditions of this permit.
4. **Liability, indemnity of Port.** Permittee agrees to exercise due care in the activities described above and to abide by all Port rules, regulations and ordinances. Permittee shall indemnify and hold Port harmless from and against all claims, actions, proceedings, damages, and liabilities, including attorney fees, arising from or connected with Permittee’s use of Port facilities. Permittee will carry a comprehensive general liability insurance policy with limits of \$2,000,000.00 per occurrence and \$2,000,000.00 in aggregate, and will provide the Port with a Certificate of Insurance naming the Port as an additional insured.
5. **Limitation of Port’s Liability.** Permittee acknowledges that Permittee has inspected the grounds and related facilities and is satisfied that these facilities are adequate for safe use for the above-described purpose. This permit is not a contract. Port’s liability is limited to its sole negligence. Port’s employees will make reasonable efforts to contact Permittee and notify Permittee of conditions requiring Permittee’s attention, but Port assumes no responsibility of Permittee’s use of the Port’s facilities. Permittee confirms and assures that there are not alcoholic beverages used or provided during this event and that certified and trained emergency response providers are on site.
6. **Nontransferability/Term.** This permit is nontransferable. This permit expires October 13, 2018, 8:00 pm.

IN WITNESS WHEREOF, the Port has caused this permit to be issued on the date indicated above.

Port of Newport:

Accepted By:

Aaron Bretz
Interim General Manager

Tom Simpson
Secretary, UDM Fishing Tournament

ATTACHMENTS: Exhibit A (detailed description of event)



Sponsorship Agreement: In Kind Sponsorship Value \$ 1,550.

Event Name: U-DA-MAN Fishing Tournament

Event Date: October 13, 2018

Applicant: U-DA-MAN, Tom Simpson, Secretary

Applicant will provide:

Logo placement on poster Link to the Port of Newport on website

Logo on event shirt Banner displayed at event

Booth space at event Goodie Bag insert

Mention in radio advertising

Other (please describe):

The Port of Newport is listed as a sponsor on flyers, radio and print ads. U-DA-MAN partners with PON on volunteer projects. ***I have asked U-DA-MAN about including the Port of Newport on posters and a link on Facebook.***

Port of Newport will provide:

Parking and fee waivers: usage fee (\$650) and launch fees (\$900).

_____ Date: _____
Aaron Bretz, Interim General Manager
Port of Newport

_____ Date: _____

Tom Simpson, Secretary
U-DA-MAN

SPECIAL USE PERMIT APPLICATION

Submit to: Administrative Assistant
Port of Newport
600 SE Bay Blvd.
Newport, Oregon 97365

SUP CHECKLIST

- Application
- App Fee
- Facility Supervisor Review
- Security Review
- General Manager Review
- Usage Fee
- Insurance Certificate
- SUP Issued

This application must be completed, signed, and submitted with a nonrefundable \$100.00 application fee. Any usage fees required of the applicant must be submitted prior to the special use permit being issued by the Port. Any request for a full or partial waiver of the usage fees must be submitted with this application. The criteria used to evaluate a waiver request are listed below. Applications should be submitted far enough in advance of the event to allow the Port to determine the impact of the event on Port property and other Port guests and / or moorage holders. At least 45 days' notice is recommended.

Event Name: U DA MAN Fishing Tournament (UDM)

Event Date: 10/13/2018 Time(s) 5:30 AM to 8 PM

Location: South Beach Marina Complex

Facilities to Be Used: Marina Office meeting room, patio, bathrooms, 3-4 parking spots on the west side of the meeting room/patio

Marina Ramp & 6-8 parking spots near the Marina Ramp fish cleaning station

Set-up Dates and Start Times: 10/12/2018 approx 12 noon

Take-down Dates and End Times: 10/13/2018 by 8PM

Estimated Number of Participants: Contestants: 120-150

Vendors / Volunteers: Multiple / 30

Attendees: 250-300

Applicant / Signer: Tom Simpson-Secretary for UDM Fishing Tournament

Mailing Address: PO Box 425 Seal Rock, OR 97367

Telephone: (541) 351-0666 E-mail fishon11556@yahoo.com

Contact Person (if different than applicant): Ryan Miner - Treasurer UDM

Contact Person's address, phone number and e-mail: (541) 270-5745 Coastalproguideservice@hotmail.com

Please provide a detailed description of the event, and attach a map of the location(s) if applicable:

UDM Fishing Tournament (Annual) Contestants launch at SB Marina Facility starting at 5:30AM on 10/13, returning no later than 3PM. Salmon tournament on the Yaquina River from the tips of the jetties to the Red Barn Hole upriver from Cannon Quarry County Park. Contestants & spectators return to SB Marina facility for fish weigh in, drawings, prizes by 3PM. Event wraps up by 5PM & clean up completed by 8PM on 10/13.

Weigh in location is at the SB Marina Office meeting room, patio & adjoining parking spots on the west side of the building. 1 to 2 tents provided by sponsor set up over patio & parking spots as in 2016 event. Set up in Marina Office meeting room begins (10/06) 10/12 at about 3PM in order to store equipment, prizes & display items in secure location. Use of keys to the room needed for this time period. Use of 4-5 barricades needed from PON staff on sandwich boards needed as in 2016 for UDAMAN Tournament NO PARKING signs as provided by the applicant.

Sign up location near the fish cleaning station (ramp) includes a cargo trailer, lights, tables, chairs, awning all provided by UDM sponsors from 12 NOON PM on 10/12 to 8 PM on 10/13. This will require 6-8 parking spots designated as NO Parking for this time period.

Please indicate if you are requesting a full or partial waiver of the usage fee, and explain the reasons for the request based upon the criteria described below:

UDM is requesting full waiver of the usage fee based on past practice of the PON being a long time sponsor of this event. UDM is requesting "fee boat launches" for registered participants in the event on 10/13 based on past practice with the PON and in conjunction with the PON being a long time sponsor.

UDM is a 501(c)3 non profit and all proceeds of this event go back into the Yaquina River system for fish habitat and restoration projects.

UDM organized a long overdue river clean up in conjunction with the Ports of Newport & Toledo, other local vendors & sponsors & coordinated with Oregon SOLVE on Earth Day, 04/22/2017. UDM volunteers collected approx 3500 lbs of trash from the river banks during this 7 hour event. UDM is in the planning stages of a second river cleanup in April of 2018. UDM has participated in past clean up & beautification projects at the SB Marina complex which have directly assisted the PON. UDM has purchased a banner with the PON logo, which is displayed at our events and was given to the PON for use at their events. PON logo appears on tournament flyers, tshirts and advertising in local media outlets.

UDM cleans the areas to be used near the fish cleaning station during our set up & completely cleans and removes all garbage from our use sites during clean up at the end of the event. Marina Office meeting room is swept & mopped in addition to removing garbage at the end of the event.

How will the Port of Newport be featured in your marketing/sponsorship promotions?

The PON has been a long time (almost 20 year) sponsor & contributor to this event. The PON is mentioned in all of our radio and print advertising for this event.

The PON & its logo will be featured on our tshirts this year, which are provided to all of the registered participants and are available for purchase by non-participants.

During the weigh in, the PON is featured on our list of sponsors & is directly promoted during our event & thanked during the prize drawings and official weigh in ceremony.

PON logo is on all of our printed advertising and promoted via local media outlets in tournament PSA's and advertising.

The following criteria may be used by the Port management to fully or partially waive the usage fee:

1. Is the applicant a non-profit or a for-profit entity? Yes 20-5379466
2. Will proceeds from the event be donated to charitable causes? If so, what percentage of the proceeds will be donated and to which charitable causes? Estimated 90% of proceeds to river/salmon habitat restoration & clean up
3. What is the Port's cost to provide services for the event? Approx \$800 in free launches & use of facilities
4. Does the event provide any direct benefit to the Port? Yes - direct advertising & exposure of participants & spectators to the Marina Complex

USAGE FEE SCHEDULE

PARTICIPANTS	NUMBER	FEE
Attendees, Contestants, Volunteers at Event	1-200	\$400.00
	201-500	\$650.00
	501-1000	\$900.00
	1,001- 5000	\$1400.00
	5,001-10,000	\$1,900.00
	More than 10,000	\$2,400.00
	Vendors	N/A

Permittee will also need to carry comprehensive general liability insurance with limits of \$2,000,000.00 per occurrence and \$2,000,000.00 in aggregate, and will provide the Port with a Certificate of Insurance naming the Port as an additional insured.



To: Port of Newport Commissioners
From: Finance Department
Date: December 14, 2017
Re: Declaration of surplus property

Declaration of Surplus Property

The Port would like to declare the following concrete dock sections as surplus property to be sold or traded.

<u>No. of Sections</u>	<u>Size</u>
6	10' x 3.5' x 3'
2	8' x 3.5' x 3'
3	10' x 3.5' x 2.1'
26	8' x 3.5' x 2.1'
1	6' x 3.5' x 2.1'
1	14.2' x 6' x 3,

Port of Newport Financial Review

December 19, 2017

Financial Review | CFO Selections | Todd Kimball, CPA

Agenda

- Oregon & Washington Ports – Financial comparison
- PON 5-year historical review
- Long-term NIT financial review
- PON Business Unit Profit & Loss
- Summary & Recommendations

Oregon & Washington Ports – Financial comparison

- Compared PON to 12 Oregon Ports and 3 Washington Ports (2016)
- Reviewed 5 years of PON financial results from 2012-2016, with isolated reviews dating to 2004.
- Most comparison Ports are smaller, while 3 are larger or of similar size.
- All analysis is viewed as a percentage of revenue (relative size).

Oregon & Washington Ports – Financial comparison

- All but 1 of the 16 Ports had Net Operating Losses.
- Of the 15 Ports with losses, PON had the smallest loss (as % of Revenue)
- The Port has had Operating Income in 3 of the 5 last years, with a 5-year total of \$435K positive income.
- However, PON was the only Port with a non-operating loss:
 - Generally Property Tax Revenues + Grant Revenue > Interest Expense
 - PON: Interest Expense exceeds Property Tax + Grant Revenue by \$797,000.
 - There have been non-operating losses in 4 of the last 5 years.

Oregon & Washington Ports – Financial comparison

- PON spends the least amount on personnel services (as a % of revenue).
 - 21% of PON Revenues expended on Personnel
 - 44.9% average for other Ports
- PON's interest expense is over 4 times the average Port reviewed
- Property tax revenue is on par with the average Port reviewed
- Grant income is significantly below the average Port.
 - In the past 5 years, the highest amount of grant income was \$1.25m, and even this amount is below average.
 - The PON 5-year average grant income is approximately 7 times lower than comparison Ports.

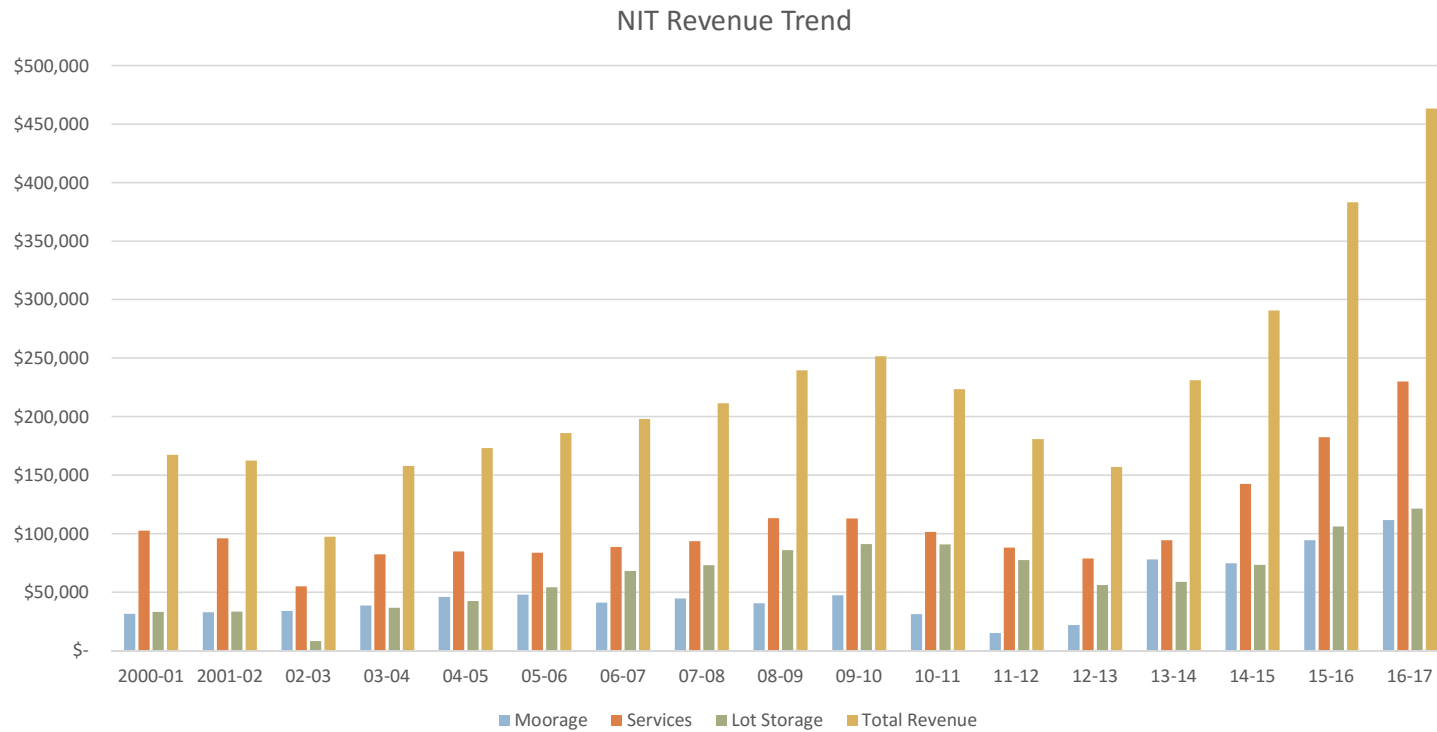
Oregon & Washington Ports – Financial comparison

- Current Assets (cash, A/R, etc) are on par with other Ports.
- Capital Assets are much higher than comparative Ports and conversely long-term debt is also much higher. (more on this next)
- Days of cash on hand:
 - PON = 486 days, vs. Port Average = 280 days
- Current ratio (current assets vs. current liabilities)
 - PON = 3.46, vs. Port Average = 2.16

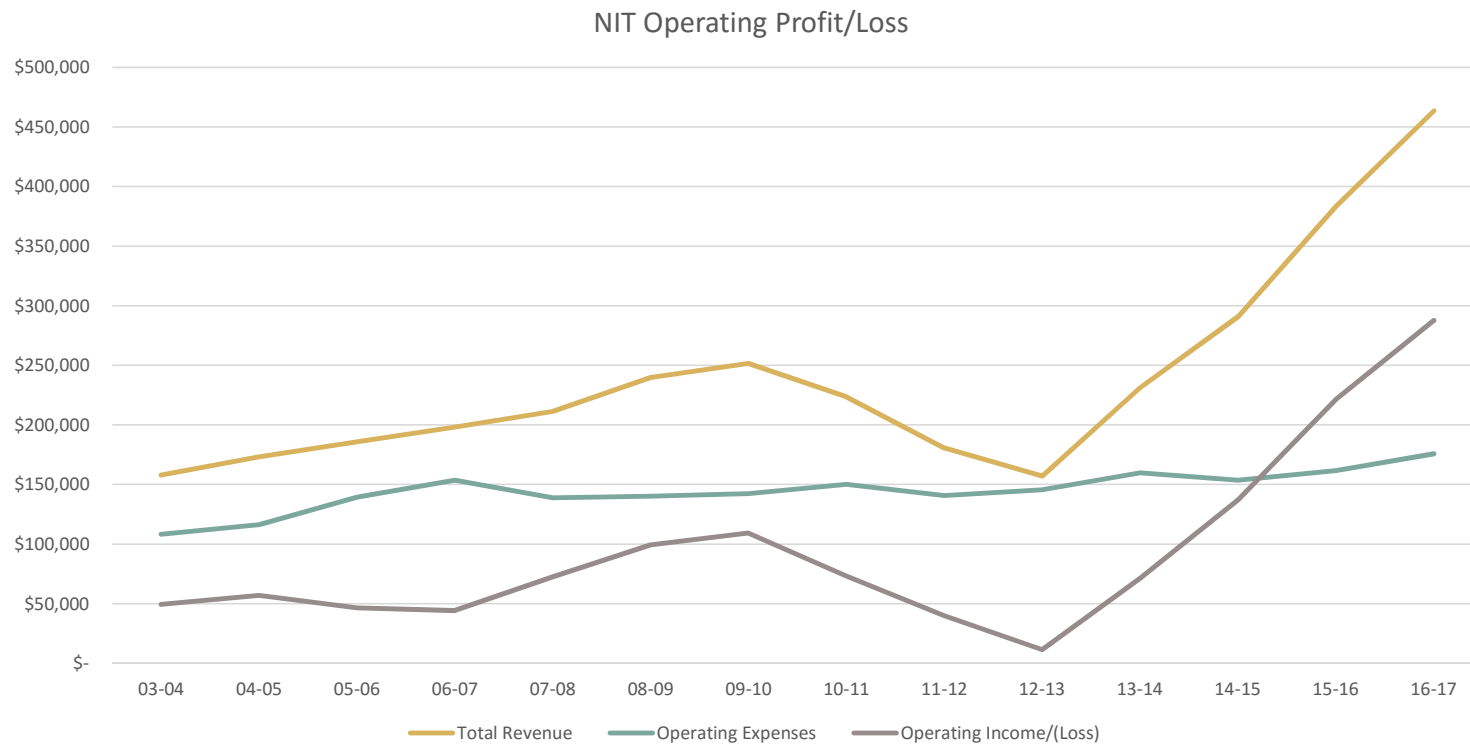
Oregon & Washington Ports – Financial comparison

- Port of Newport is highly leveraged
- The Port's Debt to Assets ratio is nearly 2.5 times that of average Ports. 18.3% for Ports analyzed vs. 45.1% for PON.
- Interest expense for average Ports is 7.5% of revenues. PON pays 31.7% of revenue towards Interest. Over 4 times.
- PON has leveraged its assets and committed itself to be productive with those assets.
- Margin for error is thin, and risks are higher during an economic downturn. Cost reduction options are limited.

International Terminal - Revenue

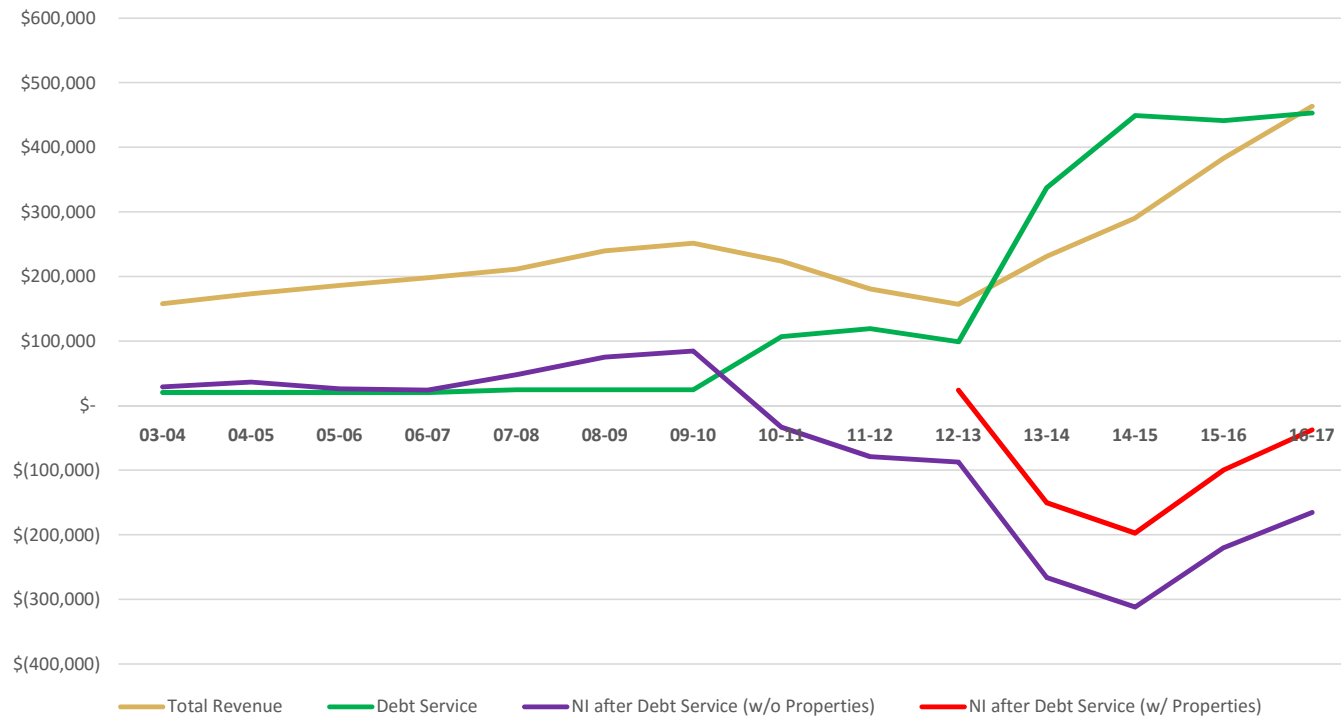


International Terminal – Operating Profit/Loss



International Terminal – Debt Service Impact

NIT - Debt Service Impact



Profit & Loss Statement – by Business Unit

	Total South Beach	Commercial Marina	International Terminal	Admin & Property Mgmt	NOAA	TOTAL
Income						
Lease Revenues	-	-	-	631,802	2,533,302	3,165,104
Allocated Lease Revenues	380,991	122,704	128,107	(631,802)		(0)
Moorage	749,323	420,801	111,743	2,016		1,283,884
Hoist Dock & Services	10,530	274,769	328,745	4,080		618,124
Shipping Terminal Revenues	-	-	22,252	-		22,252
RV Parks	785,972	-	-	-		785,972
Launch Ramp & Trailer Storage	65,871	39	-	-		65,910
Bond Levy Proceeds			982,564			982,564
Miscellaneous Revenue	63,658	3,796	756	3,654		71,864
Total Operating Revenues	2,056,345	822,110	1,574,167	9,750	2,533,302	6,995,673
Expense						
Personnel Services	336,365	221,802	66,771	506,622	74,966	1,206,526
Materials & Services	567,621	290,951	109,033	365,908	442,358	1,775,870
Debt Service	216,664	6,956	1,490,010	32,827	1,997,334	3,743,791
Total Operating Expenses	1,120,650	519,709	1,665,814	905,357	2,514,658	6,726,187
Net Operating Income	935,696	302,401	(91,647)	(895,607)	18,644	269,486
Other Income/Expense						
Other Income	14,414	5,008	1,253	132,581	10,863	164,118
Other Expense						
Estimated Annual Capital Reserve	690,000	730,000	60,000	50,000	185,000	1,715,000
Net Income before Admin Alloc	260,109	(422,591)	(150,394)	(813,026)	(155,493)	(1,281,395)
Admin Basis (per Personnel & MS)						
	42.8%	24.3%	8.3%	-100.0%	24.5%	0.0%
Admin Allocation (per Personnel & MS)	(348,346)	(197,587)	(67,745)	813,026	(199,348)	-
Net Income after Admin Alloc	(88,237)	(620,177)	(218,139)	-	(354,842)	(1,281,395)

Profit & Loss Statement – by Business Unit

- 2016-17 Profit & Loss Statements (Modified Accrual & Unaudited)
- Allocated lease revenues based on geographical location and removed from Admin (yellow)
- Shifted the Bonded Debt fund to NIT (green)
- Removed current year capital expenditures and inserted estimated annualized repair and replacement costs (based on master Capital Projects list, annualized over 20 years) (blue)
- Allocated Admin department across remaining Business Units, based on Personnel and Materials & Services expense (gray)

Profit & Loss Statement – by Business Unit

- Net Operating Income before Capital Reserve (orange)
 - Clearest picture of Cashflow before Capital
 - Best performing are South Beach, and then Commercial Marina
 - Poorest performing are NIT and NOAA Why??...
 - ...Improvements were made here (increasing costs), and ROI is inadequate
- Estimated Annual Capital Reserve (blue)
 - Estimate based on master Capital Projects list, annualized over 20 years
 - Best performing, NIT
 - The most deferred maintenance at South Beach & Commercial Marina

Profit & Loss Statement – by Business Unit

- Admin Allocation (gray)
 - Lots of ways to allocate Admin. All have pros and cons and are subjective
 - Allocated based on Materials & Services
 - Impacts South Beach the most, then Commercial Marina and NOAA
 - Impacts NIT the least
 - Alternatives could include allocating by Revenue or estimated time & effort by Admin employees (GM, Dir Ops, Finance, Office)

Profit & Loss Statement – by Business Unit

- Net Income after Admin Alloc (purple)
 - After all allocations and projections, net losses are prevalent in all Business Units.
 - South Beach appears to be in the best position, and the Commercial Marina in the weakest.

NIT – Return on Investment

- Approximately \$26m was invested into the International Terminal between 2008 and 2014.
 - Net Operating Income Increased from \$11,520 in 12'-13' to \$287,692 in '16-'17. Good, except...
 - **Return on Invested Capital = 1.07%**
 - The Port's Weighted Average Cost of Capital is approximately 4.1%.
 - Therefore, at this time, the Port is spending 4% interest in order to receive a 1% increase in profits.
 - This poor return is not fully borne by the Port, since \$15.45m is being funded by tax payers. Increased property taxes are providing an additional \$980K annually to the NIT.

NOAA – Return on Investment

- Approximately \$37.5m was invested into the NOAA facility between 2008 and 2012.
 - Net Operating Income was \$899K in '16-'17.
 - **Return on Invested Capital = 2.4%**
 - This project was funded by Revenue bonds and a \$19.5 grant from Oregon Lottery funds.
 - The Port's Weighted Average Cost of Capital was approximately 2.2%.
 - Based on prior projections, the overall project appears to be covering it's expenses. However, adequate reserves should continue to be set aside to fund future capital expenditures.

Challenges

- Significant investments to Port property were made in the past 10 years, and they were primarily financed with debt.
 - As a result:
 - Net Income from these properties is minimal and are not distributing sufficient surpluses to fund the “next” project.
 - The Port may find it more challenging to secure additional debt.
 - Local tax payers are currently supplementing the NIT facility, and therefore this is also not likely an immediate source of additional financing.
 - The Port’s high debt to asset ratio leaves a small margin for under-performing projects and investments, and therefore increases the risk of financial trouble if revenues decline.

Challenges

- Deteriorating Infrastructure
 - Port assets have incurred several years of deferred maintenance
 - Deteriorating infrastructure often leads to reactionary and emergency-based spending, rather than careful, long-term planning.

Strengths

- The Port of Newport has sufficient cash balances to fund operations without the use of a Line of Credit
 - Similarly, its Current Ratio (Current Assets/Current Liabilities) is healthy.
- Low operational costs (Personnel & Mat/Services), could help translate increased revenues into net income.
- Opportunities may exist to benefit from strong tourism in Newport. This may provide avenues for increased revenue at the Commercial Marina and South Beach.
- The revenue potential at the NIT. The new and improved dock represents a significant opportunity for increased and/or new business.

Recommendations

- Implement a process whereby capital improvement projects undergo a financial review, prior to approval.
 - Projects selected should be selected based on it's anticipated Return on Investment and its expected Payback Period.
- Additional effort appears necessary to secure State & Federal grant funds.
- Continue efforts to seek business opportunities that fully utilize the NIT.
 - The asset is currently a significant under-performing investment.

Recommendations

- Evaluate opportunities to expand services, raise rates, or add tariffs.
 - Consideration should be given to other West Coast Ports.
- Continue efforts to set-aside cash reserves
 - These reserves may then hopefully be used to fund the match portion of future grants.
- Review NOAA reserve calculations to ensure operating revenues will cover long-term capital needs.
- Continually seek opportunities to refinance portions of the Port's LT debt.

Other Recommendations

- Develop a finance manual
- Consider allocating Admin across all business units on a monthly basis
- Consider permanently shifting lease (property) income to their geographical location. Alternative options also exist
- Modify existing service ticket revenue processes to facilitate a proper month-end close, that includes all revenue
- Consider adding a narrative portion to the monthly financial statement packet.

Other Recommendations

- Efforts should continue to eliminate duplicative and inefficient processes in the accounting office
- Check stock access should be segregated from staff who have accounting access. Additionally, accounting needs to gain access to cancelled checks.
- Purchase Orders should be reviewed by Department Managers as part of the approval process

Questions?



Operating Fund

November 16, 2017 through December 15, 2017

Date	Num	Name	Memo	Amount
11/28/2017	39501	Alan Brown Tire Center	Rear tires for Hyster HD90	243.52
11/28/2017	39502	AlSCO	Floor mats and towel rental	92.68
11/28/2017	39503	Alsea Bay Power Products	Equipment repair and maintenance	262.14
11/28/2017	39504	Appliance Service Station	Repair washer and dryer	300.00
11/28/2017	39505	Business Oregon - OBDD	Debt service	12,263.00
11/28/2017	39506	Cardinal Services	Temp services	2,804.18
11/28/2017	39507	Carson Oil Co	Fuel	1,081.01
11/28/2017	39508	Century Link	Telephone	395.72
11/28/2017	39509	CenturyLink - Business Service	Telephone	43.22
11/28/2017	39510	CFO Selections	Professional services	4,524.27
11/28/2017	39511	Civil West Engineering Services	Engineering - Dulcenergy seawater line	291.50
11/28/2017	39512	CoastCom	Internet and email - December 2017	937.00
11/28/2017	39513	Dahl & Dahl	Trash disposal	840.08
11/28/2017	39514	David Williams	Refund - Cancelled boat reservation	68.00
11/28/2017	39515	Design Space	Modular office rentals	1,094.00
11/28/2017	39516	Edge Analytical	Storm water testing	338.00
11/28/2017	39517	Fastenal Company	Hardware	14.11
11/28/2017	39518	Fred Meyer Customer Charges	Boots, food for meetings, electrical supplies	227.01
11/28/2017	39519	G & K Floors	Janitorial services	2,200.00
11/28/2017	39520	Greater Newport Chamber of Com.	Membership renewal	100.00
11/28/2017	39521	Halco Welding	Sandblast and spray zinc equipment	100.00
11/28/2017	39522	Lincoln County Public Works	Fuel for trucks	351.53
11/28/2017	39523	MacPherson Gintner & Diaz	Professional services	4,342.50
11/28/2017	39524	National Photocopy Corporation	Server and IT support	336.91
11/28/2017	39525	Neopost USA	Postage machine rental	149.85
11/28/2017	39526	Newport News-Times	Advertising	498.00
11/28/2017	39527	NW Natural	Natural gas	278.66
11/28/2017	39528	Papé Material Handling Exchange	Forklift maintenance Hyster HD90	204.67
11/28/2017	39529	Rushing Marine Service	Online facility security training - D. Moon	350.00
11/28/2017	39530	Special Districts Insurance Services	December health-dental-life insurance	11,430.30
11/28/2017	39531	Staples	Office supplies	374.03
11/28/2017	39532	Suburban Propane	Propane	588.03
11/28/2017	39533	T & L Septic Tank Service	Pump out holding tanks - NIT	450.00
11/28/2017	39534	Thompson's Sanitary Service	Trash disposal	5,228.05



Operating Fund
November 16, 2017 through December 15, 2017

Date	Num	Name	Memo	Amount
11/28/2017	39535	Toyota Industries Commercial Finance	Forklift leases	2,168.30
11/28/2017	39536	Toyota Lift NW	Lights for forklift	165.96
11/28/2017	39537	Troyer's Marine Supply	Gloves	80.00
11/28/2017	39538	United Grocers - Cash & Carry	Office and cleaning supplies	365.21
11/28/2017	39539	Verizon Wireless	Port cell phones	304.94
11/28/2017	39540	Westech Rigging Supply	Equipment supplies	36.30
11/28/2017	39541	Xerox Corporation	Copier leases	412.40
12/07/2017	39542	City of Newport	Estuarine use permit and land use compatibility signoff - PD5 pier approach	660.00
12/07/2017	39543	Oregon Department of State Lands	Processing fee for permit - PD5 pier approach	742.00
12/08/2017	39544	Oregon Coast Aquarium	Holiday party 2017 - catering	1,348.00
12/12/2017	39545	AA Rowleys-Towing	Tow crane-damaged truck - NIT to Power Collision	100.00
12/12/2017	39546	Employee	Mid-month draw	1,000.00
12/12/2017	39547	Agate Beach Supply	Paint and supplies	338.95
12/12/2017	39548	Alan Brown Tire Center	Forklift flat repair	48.00
12/12/2017	39549	Alsco	Floor mats and towel rental	343.54
12/12/2017	39550	Barrelhead Supply	Repair and operating supplies	370.18
12/12/2017	39551	Employee	Mid-month draw	450.00
12/12/2017	39552	Business Oregon - IFA	Debt service	7,520.00
12/12/2017	39553	Cardinal Services	Temp services	3,130.29
12/12/2017	39554	Carson Oil Co	Fuel	82.99
12/12/2017	39555	CenturyLink - Business Service	Telephone	25.66
12/12/2017	39556	CFO Selections	Professional services	2,853.75
12/12/2017	39557	Chase - Visa	Repair and maintenance supplies, small tools, meeting supplies/expenses, office supplies, employee training, vehicle registration, subscription, holiday party supplies, background checks, IT expenses	2,994.98
12/12/2017	39558	Employee	Mid-month draw	500.00
12/12/2017	39559	City of Newport Room Tax	Transient room tax - November 2017	1,490.58
12/12/2017	39560	City of Newport SDC Financing	Debt service-SDC for permit #13743, December 2017	8,153.00
12/12/2017	39561	City of Newport Water/Sewer	Water	263.05
12/12/2017	39562	Civil West Engineering Services	Engineering - Dulcenergy seawater line	446.00



Operating Fund

November 16, 2017 through December 15, 2017

Date	Num	Name	Memo	Amount
12/12/2017	39563	Coastal Paper & Supply	Paper products and cleaning supplies	1,611.33
12/12/2017	39564	Creative Landscape & Maintenance	Landscape maintenance	990.00
12/12/2017	39565	Dahl & Dahl	Trash disposal	612.45
12/12/2017	39566	Employee	Mid-month draw	500.00
12/12/2017	39567	Department of Environmental Quality	Stormwater NPDES GEN12Z permits	3,027.00
12/12/2017	39568	Design Space	Modular office rental	877.00
12/12/2017	39569	Direct TV	Cable - RV parks	1,306.09
12/12/2017	39570	Employee	Mid-month draw	600.00
12/12/2017	39571	Doug's Electric	Electrical work on E dock - SB	231.72
12/12/2017	39572	Englund Marine Supply Co	Emergency auto float switch pump, gloves, and liners	392.05
12/12/2017	39573	Employee	Mid-month draw	300.00
12/12/2017	39574	Fastenal Company	Hardware	42.20
12/12/2017	39575	Employee	Mid-month draw	475.00
12/12/2017	39576	Fred Meyer Customer Charges	Pest control supplies	16.97
12/12/2017	39577	Grimstad & Associates	2016-17 audit - work in progress	1,500.00
12/12/2017	39578	Idea Print Works	Port clothing	1,141.50
12/12/2017	39579	JC Market	Food for meeting	94.58
12/12/2017	39580	Lincoln County Public Works	Fuel for trucks	272.37
12/12/2017	39581	Lincoln Glass	Repair electric vehicle windshield	160.00
12/12/2017	39582	MacPherson Gintner & Diaz	Professional Services	3,667.50
12/12/2017	39583	National Photocopy Corporation	Server and IT support	336.91
12/12/2017	39584	Newport Glass Co	Sliding window for shop	799.92
12/12/2017	39585	Northwest Parking Equipment	Pay station update, maintenance, and repairs	996.99
12/12/2017	39586	OBEC Consulting Engineers	Engineering - PD5 pier approach	11,536.25
12/12/2017	39587	Old Republic Surety Group	Annual sand and gravel license bond	100.00
12/12/2017	39588	OR Dept of Administrative Services	OR Cooperative Procurement Prog. membership	500.00
12/12/2017	39589	OR Assoc. of Municipal Recorders	2018 associate membership	50.00
12/12/2017	39590	Pacific Coast Congress HMPM	2018 membership dues and directory	285.00
12/12/2017	39591	Pacific Habitat Services	Environmental consulting for NIT dredging	1,619.00
12/12/2017	39592	Petroleum Compliance Services	NIT annual cathodic protection testing	1,500.00
12/12/2017	39593	Pioneer Printing	Envelopes and GM prospectus	360.90
12/12/2017	39594	Pioneer Telephone Cooperative	Telephone	227.15
12/12/2017	39595	Platt	Electrical repair supplies	532.90



Operating Fund
November 16, 2017 through December 15, 2017

Date	Num	Name	Memo	Amount
12/12/2017	39596	Employee	Mid-month draw	650.00
12/12/2017	39597	Richard Stellner	Human resource management consulting	2,681.65
12/12/2017	39598	Roy Bonnett	Refund for cancelled monthly RV reservation	672.00
12/12/2017	39599	Special Districts Insurance Services	Property/casualty insurance and January health-dental-life insurance	10,500.79
12/12/2017	39600	Staples	Service charge	46.60
12/12/2017	39601	State Forester	Fire protection fee	15.48
12/12/2017	39602	Suburban Propane	Propane	261.76
12/12/2017	39603	T & L Septic Tank Service	Chemical toilet rental	566.00
12/12/2017	39604	Employee	Mid-month draw	650.00
12/12/2017	39605	TCB Security Services	Monthly security contract	6,516.00
12/12/2017	39606	Thompson's Sanitary Service	Trash disposal	3,703.84
12/12/2017	39607	TWGW NAPA Auto Parts	Equipment repair supplies	93.67
12/12/2017	39608	United Grocers - Cash & Carry	Fisherman Appreciation Day and office supplies	1,178.46
12/12/2017	39609	Voya (State of Oregon Plan)	Monthly employee contributions	50.00
12/12/2017	39610	WA Department of Licensing	Vessel records	10.00
12/12/2017	39611	Westech Rigging Supply	Equipment supplies	38.25
12/12/2017	39612	Xerox Corporation	Copier leases	401.17
12/12/2017	39613	Yaquina Bay Communications	Advertising	150.00
12/13/2017	39614	Harvey's Lock & Key	Restroom locks - CM	113.40
12/13/2017	39615	Kelly Printing Supplies	Printer ink cartridges	1,498.84
12/13/2017	39616	Oregon Department of State Lands	11865-SG material removal license - NOAA	375.00
			Total	156,031.74



NOAA Fund

November 16, 2017 through December 15, 2017

Date	Num	Name	Memo	Amount
11/28/2017	13268	All-Ways Painting	Common area painting contract	20,672.00
11/28/2017	13269	Lincoln County Public Works	Fuel for truck	42.85
11/28/2017	13270	Performance System Integration	Annual fire alarm, sprinkler and hydrant inspections	2,461.00
11/28/2017	13271	Special Districts Insurance Services	October/November health-dental-life insurance	1,352.34
11/28/2017	13272	Thompsons Sanitary Service	October service	367.70
11/28/2017	13273	Verizon Wireless	Phone charges and mifi	26.42
12/12/2017	13274	Billeter Marine	Recreational access floating dock construction	23,600.00
12/12/2017	13275	Chase-Visa	Replacement LED lamps for floating dock	27.87
12/12/2017	13276	Idea Print Works	Port of Newport clothing	91.50
12/12/2017	13277	Lincoln County Public Works	Fuel for truck	35.01
12/12/2017	13278	Performance System Integration	Service fire alarm system	1,805.56
12/12/2017	13279	Petroleum Compliance Services	Annual service on cathodic protection	1,500.00
12/12/2017	13280	Pioneer Telephone Cooperative	Telephone	240.62
12/12/2017	13281	Special Districts Insurance Services	December health-dental-life insurance	676.17
12/12/2017	13282	TCB Security Services	Elevator phone monitoring	20.00
12/12/2017	13283	Thompsons Sanitary Service	November service	383.22
12/12/2017	13284	Ultimate Pest Control	Pest control	135.00
12/12/2017	13285	United Grocers - Cash & Carry	Trash cans	63.54
12/13/2017	13286	Kelly Printing Supplies	Printer ink cartridges	374.71
12/13/2017	13287	OR Dept of State Lands	11865-SG material removal license renewal - NOAA	375.00
Total				54,250.51



FINANCE DEPARTMENT MONTHLY REPORT

DATE: December 19, 2017
PERIOD: November 1 to November 30, 2017
TO: Port of Newport Board of Commissioners
ISSUED BY: Finance Department

Financials

Financial reports as of November 30, 2017 have been included in the meeting packet. In the General Operating Fund, year-to-date net operating income increased \$130k over the same period in the prior year. In the NOAA Lease Revenue Fund, year-to-date net operating income decreased \$16k from the prior year due solely to scheduled increases in debt service expenses in the current year.

Financial Operations

Grimstad & Associates conducted their audit fieldwork during the first week of December. They plan to deliver a draft of the 2016-17 audit report around January 5, 2018 with a final report completed in mid-January allowing time for review and adoption at the January regular commission meeting. We will be requesting an extension from the State Division of Audits to accommodate this schedule.

South Beach Marina and RV Parks

A summary of activity and the occupancy report for the South Beach Marina and RV Parks for November 2017 have been included in the meeting packet. Year-to-date revenues increased \$46k over the same period in the prior year.

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November 2017 Occupancy Report

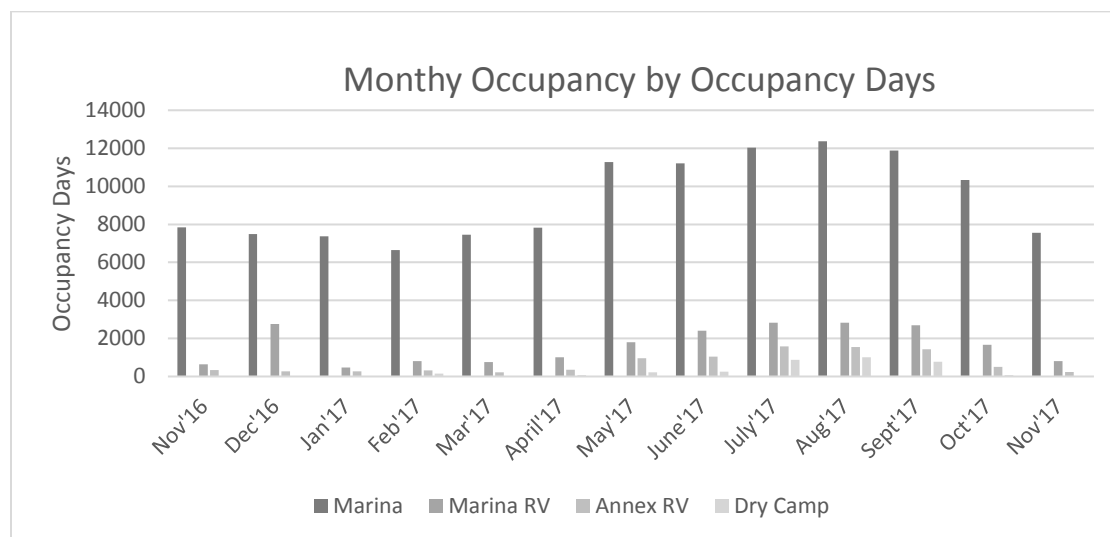
To: Port of Newport Commissioners

From: Bill Hewitt, South Beach Marina and RV Parks Manager

The numbers for November were a mixed bag for the South Beach facilities. The Marina and the RV Annex numbers were a little bit lower than November 2016, however the Marina RV Park and dry camping were a little bit higher. Our year to date numbers are ahead of last year in all four categories. The staff has been busy during these slow months painting, cleaning and sprucing up the facilities. Monthly reservations are down in the Annex RV Park due to our diligence with background checks.

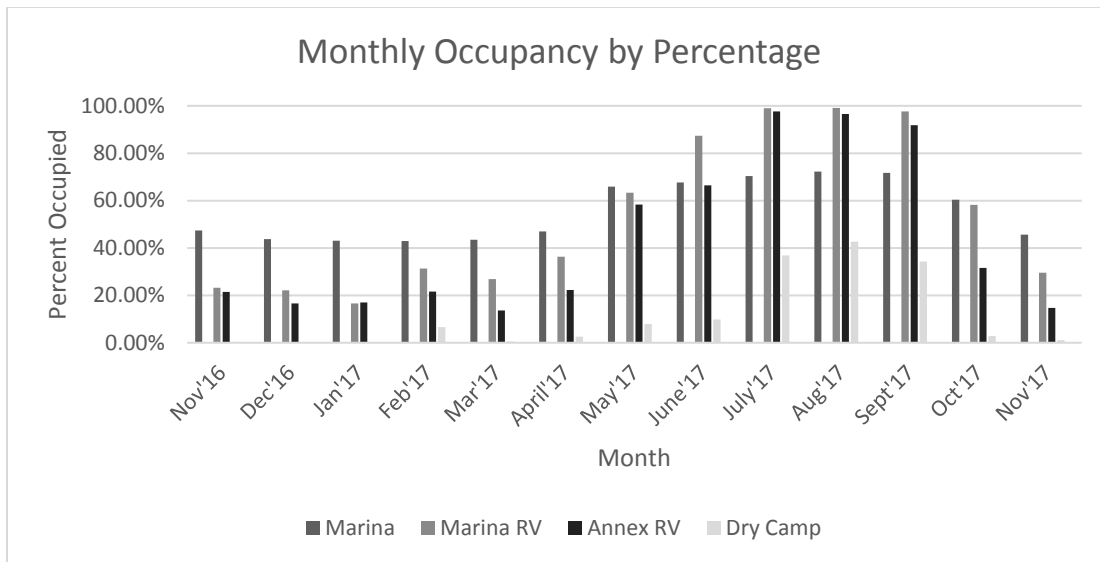
OCCUPANCY DAYS MONTH & TYD

Nov'17	2016	2017	Change	YTD 2016	YTD 2017	Change
Marina	7842	7557	-36.34%	104475	105839	1.31%
MarinaRV	640	815	27.34%	16855	18086	7.30%
AnnexRV	335	230	-31.34%	8370	8442	0.86%
Dry Camp	9	25	177.78%	2131	3436	61.24%



OCCUPANCY PERCENT MONTH & TYD

Nov'17	2016	2017	Change	YTD 2016	YTD 2017	Change
Marina	47.36%	45.63%	-1.73%	56.50%	57.41%	0.91%
Marina RV	23.19%	29.53%	6.34%	54.68%	58.85%	4.17%
Annex RV	21.47%	14.74%	-6.73%	48.04%	48.60%	0.56%
Dry Camp	0.40%	1.11%	0.71%	8.48%	13.36%	4.88%



PORT OF NEWPORT
COMMERCIAL FISHING USERS GROUP COMMITTEE MINUTES

November 6, 2017
Regular Committee Meeting

I. CALL TO ORDER

Committee Chair Heather Mann called the Regular Meeting of the Port of Newport Commercial Fishing Users Committee to order at 9:03 am at the OSU Extension Office, 1211 SE Bay Blvd., Newport, Oregon.

Committee Members Present: Mark Newell (Pos. #3); Heather Mann, Chair(Pos. #5); Gene Law (Pos. #7); Bob Aue (Pos. #8); Dave Thalman (Pos. #10); and David Jincks (Pos. #11).

Alternates Present: Doug Morrison, (Alt Pos, #9)

Committee Members Absent: Clint Funderburg (Pos. #1); Mike Pettis (Pos. #2); Ernie Phillips (Pos. #5); Ted Gibson (Pos. #6); and Bob Eder (Pos. #9).

Port Commission Liaison: Sara Skamser.

Management and Staff: Aaron Bretz, General Manager Pro Tem; Kent Gibson, Commercial Marina Harbormaster; Don Moon, Interim Newport International Terminal Supervisor; and Karen Hewitt, Administrative Assistant.

Members of the Public and Media: Steve Beck, Newport Resident; Dietmar Goebel, Newport City Council; John Holt, Shrimper/Trawler; Rex Capri, Newport Resident; Cari Brandberg, Fish Buyer.

II. CHANGES TO THE AGENDA

The International Terminal Shipping Facility Report/Recruiting Update was discussed after the Chairman Report as item VII(a).

III. PUBLIC COMMENT

Steve Beck said that the set-aside time requested by commercial fishermen at the International Terminal (NIT) was a big deal, and he asked if there was any agreement in place with the Port. The Port Commission had decided not to move forward with shipping agreements. He had gone on a drive Sunday morning and saw almost no boaters or campers at South Beach, but there were boats mooring and changing gear at NIT. The asphalt at NIT was not in good condition. He suggested the Committee start negotiating with the Port.

IV. APPROVE MINUTES: REGULAR MEETING 9/6/17

A motion was made by Jincks and seconded by Newell to approve the minutes. The motion passed by consensus of the Committee.

V. SERVICE STANDARDS

Bretz introduced the staff report. He said CMMS has been used at the Port to identify what maintenance was needed. There should be standards for services throughout the Port. This would involve looking at how long it takes to deliver service, standards for the quality of services provided, and how much notice should be given for

service needed. Port staff needs to know the needs and expectations of the users, so Bretz asked the Committee for input. Mann asked what prompted this inquiry Bretz said it was internal, and the Port would rather be able to deliver what's needed, and look to find efficiencies. Jincks said the Port's services have ramped up over the years. The concern was wasted manpower if staff was waiting to provide service when they could be working on the docks. Services should be delivered when called in. The needs varied by season. There was a greater need for service at NIT during certain times of the year. Jincks said when there were no boats, staff should be working on maintenance. Bretz said this was a queueing problem. He said there are ways to optimize service; there are patterns, and staff could work with the probability when service would be needed, that service could be expected to be delivered in x-amount of time, and has the ability to provide the service needed.

Mann asked how the Port of Newport compared to other Ports. Jincks said the Port of Newport is different from other ports and is more service oriented, which leads to the productivity at the Port. This year, there was a longer season than in other years. Moving crab gear and fish buying are big service areas at the Port. Aue said that over the years he has moved away from using the fish plant, and there is also a cost factor. Bretz said the dock has gotten busier and he wants to get the best efficiency. Mann asked if there was a draft of service standards. Bretz said it will take a while, and wanted to get an idea from the fishermen what was needed. Brandberg said sometimes there is only one employee available at the hoist dock. If Port staff knew the high usage times then can provide staff. She would recommend the Port let buyers know what they want as far as notice. Thalman said if there are complaints they need to be addressed. He said it is good staff is looking for efficiencies, but studies and models take tweaking. Mann said it sounds like the catchers are fine, but the buyers have some concerns. Bretz said he also wanted to discuss who might be interested in extended service hours. Law said that shrimper/traulners need access at all hours, not necessarily service. Skamsner said if the fishing business keeps growing there will increased use of the hoists. Gibson said the Port could use another 50 ft of dock and a swing hoist, but this is down on the list of priorities behind repairs to Port Docks 5 and 7. He has recently turned down some annual moorage because of decreased dock availability. Beck asked how much revenue was lost. Gibson said it was \$3K on the one vessel. Bretz said that Gibson said that there was a need for more pier capacity. Bretz said it may be better to take something that is going well and throttle up.

Brandberg said there was a time when the hoists were locked off after 5 pm. Gibson said there were a lot of issues with people not informing the Port and not being billed. The cameras installed now allowed staff to be aware of hoist use after hours. Brandberg said there could be a card lock system on the hoists. After hours service was always an issue because staff was not always available even when called. She said it would be great if more after-hours help was available. Bretz said staff was also looking to ease congestion during regular hours. However, staff did not want to make a decision without getting feedback from the users. Jincks suggested Gibson do an analysis of hoist dock use after hours to see if it was worth having the extra staff availability. Gibson said staff was considering one employee on a swing shift, and he was analyzing now. Bretz said the thought was to give it a trial and move back if it doesn't work. Jincks said service was good for revenue if staff can keep up.

Newell asked if there were any maintenance plans for the hoist this winter. Gibson said inspections were completed 2 ½ months ago, so the hoists should be good for another year unless something causes damage. Newell asked how the maintenance schedule worked. Gibson said staff tried to have the hoist ready to go for crab season. Jincks said the Port had submitted for Connect Oregon grants twice, and it would be worth looking into again. A recent grant wasn't sought because the Port was supporting the Port of Toledo. Gibson said he would like to see if the Port can replace the center of the dock, add a hoist, replace the pilings at Swede's dock, and redo the access. Jincks said it is best to keep the project small for a Connect Oregon grant. Skamsner asked if the hoist dock was the only place to offload fish. Brandberg said for now, yes. There used to be others. She has had some conversations with Pacific Seafood about their dock as an option. Newell said Pacific Seafoods allowed use depending on who was asking and what Frank allowed, based on experience with Trident. Mann said Olivera had said that Pacific Seafood would continue the services provided by Trident. Brandberg said they

still sell ice and bait. Newell added that whiting took priority during that season. Every year more product comes across the Commercial Marina. Brett can no longer unload large boats.

Brandberg said there is a new crab buyer and at least two eel catchers now at the hoist dock. Crab is looking at big years again, so it might be worth seeking a grant because of increased use, and then have boats/buyers schedule ahead. Mann said it sounds like there is already an indication that extended hours would be good. Bretz said staff was considering 18 hrs a day, 5 days a week. Newell said boats could look to schedule ahead. Gibson said that did not stop someone else from coming in. Bretz said he understands that gear changing is a priority. He is trying to make sure that is not pushed out by other services at the hoist dock. Jincks said it needs to make financial sense.

Bretz said this would be increasing service that is not currently there, so he would like to open it up and see. Thalman asked if seafood products can be unloaded at the Terminal. Mann said they would have to talk with the longshoremen. Jincks said if the product was going overseas, it would be unloaded by the ILWU. Newell said most product goes first to Canada, then overseas. Jincks said there used to be a fish plant, then onions, going out of the Terminal. Mann asked Bretz to explore the option of unloading fish at NIT. Brandberg said that use of services dictated the growth of business. Additional availability will lead to more use. Newell said the number of buyers has gone down at the Port.

Law asked if there was an option to use the dock in South Beach alongside the brewery. Jincks said gear used to be unloaded there. Mann asked the committee to formulate some ideas for a future discussion. She suggested the Port extend service through this season and look into a Connect Oregon grant, and perhaps leverage other grant funds. Jincks said the Port puts more manpower into service than maintenance. The cost of service is not keeping up with needed maintenance. This is a huge cost over time. Newell suggested Bretz reach out to the ILWU about unloading at NIT. Goebel asked if the nature of fish buying was changing. Brandberg said there are more users but not necessarily more volume. Eels have been a game changer; unloading is time consuming and always needs a forklift. Another change is adding hake fish. Gibson said squid had also been added. The pump was taken out of the hoist dock, but the equipment is still here. More black cod and bottom fish were unloaded this year. Capri asked if the Port had explored cooperation with private river/bay front property owners as a place to unload and buy fish. Bretz said he had heard some rumors but has not engaged in that discussion yet. Skamser said she would want the Port to get the business.

VI. PARKING DISCUSSION

Bretz encouraged CFUG Committee members to get involved in the parking discussion with the City parking committee and City Council. Mann said that at the September meeting of CFUG they had talked about inviting Gary Ripka to one of the CFUG meetings. She said CFUG needs to figure out the best way to provide information about this process without have to attend every parking meetings. Bretz said most of the discussion about the Port was about using gear storage space at Port Dock 7 for parking, which would lose money for the Port. He didn't know how many fishermen used street parking. Jincks said gear may be organized to provide parking for fishermen, but he would discourage the use of any other Port property for parking. The property at Port Dock 7 is important to the Port and shouldn't be used for general parking. Aue asked if the gravel was going away. Gibson said that when the City's crew leaves, they will level off 200+ feet. This area between the administrative office and the Yacht Club could be paved for more gear storage to free up space closer to the hoist dock. This will be evaluated once the area is leveled.

Brandberg commented that street parking is taken at 5:00 am by processor workers. If they could be required to have a permit or move, this would help parking for fishermen and tourists. She liked the idea of meters because that may discourage processor employees from street parking. Law said those employees were still part of the mix and need parking spots. Bretz said he was just trying to spread the word. The concern from the Port is gear vs. parking. Mann said she is concerned with the availability for fishermen and fish buyers. Goebel said the

concerns need to be brought to the committee. Mann asked if there was anyone CFUG can communicate with. Holt added that there was an issue years ago with angled parking. Jincks said the Port joined the parking committee because they need a voice. The committee is run by the Bayfront Association. Now the fishermen's interest is part of the process but they need to be more active. Mann said there needs to be work with the fish processors; they also have a right to park. Goebel said he will check if the next meeting of the Parking Committee has been scheduled. Bretz said when he goes to the meeting, he represents the Port. He and Derrick Tokos are the only Port/City representatives on the committee.

VII. CHAIR REPORT

Mann said she wanted to consider how CFUG can be effective, and she is open to suggestions. The Commission could also ask for information from CFUG. In the interest of transparency, she shared that she was contacted by Kevin Mannix who works with small scale agriculture shippers that could work within the commercial fishing schedule at the Terminal. Mann said she shared this at the Commission meeting. She encouraged Committee members to attend Commission meetings.

VII(a). INTERNATIONAL TERMINAL SHIPPING FACILITY REPORT/RECRUITING UPDATE

Bretz introduced the staff report. Mann asked if Evan Hall of Rondys had had a conversation with John May. Bretz said May was part of the shipping group working with Mannix. Bretz had spoken with May a few times, he wants to be clear he understands the NIT base, that fishing is a longstanding user of NIT, and is interested in working in concert. There is no real offer at this point. Bretz attached the Commercial Fishing platform to make sure he was working in the same vein. He asked if there was anything else he should keep in mind. Mann said she would prefer that the platform reference that other fishermen signed the document. Hewitt said she would attach additional information to the minutes. Bretz said there is a lot of "junk" out at NIT. Some gear could be removed. Jincks asked why the Port would get rid of the gear if there is not a problem and it was generating storage revenue. Skamser pointed out that some midwater fishermen from Seattle want their nets fixed which takes room even with the best equipment. Jincks said if there is room, it will be used. Bretz said he was still looking at net space. Moon said he has been cleaning up the last couple of months and would like to make more room because it will be tight at NIT shortly. Bretz said that gear is stored on Rondys property, and Jincks said it may have to move back to Port Dock 7. Jincks said the question is the mitigation site, or the 9 acres will be useless. Rondys would furnish property for mitigation. Mann said she had queried member of the Midwater Trawlers' Cooperative, and they have been happy with Don Moon so far as Interim NIT Supervisor.

VIII. HARBORMASTER REPORT

Law asked if there was progress on the Port Dock 5 pier access improvements. Gibson said the Port is moving forward with 30% engineering. Skamser suggested getting in touch with McDougall. Bretz said he spoken with them and with OBEC to see if there could be cost savings on the design. OBEC is starting on permits. Jincks said the Port is behind on the CMCG process. Engineering is needed to get permits. Mann said there may be some information in past minutes.

IX. FUTURE MEETING SCHEDULE

Mann said that March 12th is during the Pacific Council meeting. Bretz said he could ask Eder about chairing the CHFUG meeting. Bretz also said he would send out a text before the next meeting. Newell said he would also be at the Pacific Council meeting. Mann said CFUG may consider moving the March meeting

X. FUTURE AGENDA ITEMS

A. Vendor's License?

1. List of Licensed Vendors

Bretz said that the Port of Toledo requires vendors who do business at their location to have a vendor's license issued by the Port so they know who is doing work on their property. There was a recent report at the Port of Newport that someone wanted to make a claim against a service provider, but the Port had no information on file. The Port does not have a current process to keep track of who is here or obtain certificates of insurance. Beck said if a claim was made against the vessel's insurance, they still would subrogate against the vendor, and would also look at the Port's insurance. Anyone who does service at the Port should have insurance. Mann said if people signed up as a vendor, they could also be advertised on the Port's website. Aue said he has taken for granted that this would be covered under the boat's insurance. Jincks said it would be the Port and the boat together. It would depend on what was requested; there are some excellent craftsmen. Thalman said there was also a difference between waterfront and business insurance. Mann suggested Bretz research what is done at other ports. Beck said the only person who would be exposed would be the party who does not have insurance. Brandberg said vessel owners who are lessees have to show a \$2MM policy. Insurance is a cost of doing business, and policies are not that expensive. If a vendor was doing good work they can afford insurance and it would be reasonable to expect them to have a policy.

XI. PUBLIC COMMENT

Beck suggested CFUG document how important NIT is to commercial fishing, including gear, moorage and condition.

Brandberg thanked the Port for looking at how to expand services. At times in the past her business has felt unwanted, so she appreciated the Port recognizing business need.

Law asked if there was a reason someone couldn't bring their own forklift to the Port docks. Gibson said it was part of the Port's Ordinance and would cause problems.

XII. ADJOURNMENT

Having no further business, the meeting adjourned at 10:33 am.

ATTESTED:

Heather Mann, Committee Chair

Bob Eder, Committee Vice-Chair

Walter Chuck, President

Port of Newport Port Commission 600 SE Bay
Boulevard
Newport, OR 97365

July 25, 2017

Dear President Chuck and Commissioners

Please accept these comments on behalf of the commercial fishing industry that utilizes the facilities in the Port of Newport. Newport is home to a successful and diversified commercial fishing industry that contributes tens of millions of dollars annually into the economy of Lincoln County. Hundreds of residents are employed directly in the commercial fishing industry as boat owners, crew and processing plant workers. Hundreds more are employed by the dozens of support businesses that exist to service the industry. The commercial fishing industry contributes greatly to the success of the Port of Newport and it is in the best interest of the commercial industry to see the Port thrive.

Based on all the information that is publicly available we have strong concerns about the Port of Newport moving forward with the agreements it is considering with Teeven Brothers and Silvan Forestry. Our concerns are two-fold. First, the current agreements do not appear to be beneficial to the Port and could jeopardize the Port's financial future which will harm the fishing industry and the larger community. Second, the Port has not recognized the importance of the International Terminal to the commercial fishing industry (the primary users of the facility for the last thirty years) and has not authentically negotiated on our behalf with the logging and shipping companies to secure priority access during our high use times.

On July 17th, General Manager Kevin Greenwood made a telling statement on the Boss radio show. After saying he plans to bring the same agreements in front of the Commission from last month, he then said, "We have heard anywhere from 2-4 months of exclusivity from the fishing community and I think if you look at four months that pretty much makes shipping infeasible as a real viable business opportunity here in Newport."

There are certain times of the year when the IT is fully subscribed with vessels. For many of these vessels there is nowhere else in the Port that can accommodate them. For those vessels that could potentially be moored at Port Dock 5, there is growing concern from the vessels that are already moored there about increased competition for limited space.

We keep hearing that having exclusive use for the fishing industry does not work with the shipping company's business plans. Being displaced from the IT does not work with our business plans or the business plans of all the companies that provide services to the industry and depend on our business during these peak use times. We are an existing, successful and growing industry. We have been the primary users of the International Terminal for the last thirty years. It is a sad day when the Port of Newport chooses to neglect its current customers

and local investments in favor of out of town interests. Especially when the revenue being generated at the International Terminal by the commercial industry has more than doubled in the last four years. The trend is continued growth!

Revenue from Commercial Vessels at International Terminal

Fiscal Year	Moorage	No. of Vessels	Services	No. of Vessels	Total
2016-2017*	\$115,238	52	\$351,606	103	\$466,844
2015-16	\$94,570	43	\$281,559	93	\$376,129
2014-15	\$74,750	45	\$213,683	93	\$288,433
2013-14	\$77,935	45	\$152,004	108	\$229,939

Source: Public records request to Port of Newport

At the same time, even under the best-case scenario it will be close to a decade before the Port realizes any significant profit from the shipping operations being currently considered. Jeopardizing an existing industry that means so much to the community to take on \$4.5 million in additional debt that does not result in positive profits to the Port for many years seems nonsensical at best and a clear abdication of the Port Commission’s fiduciary responsibility.

Based on all that has been made publicly available over the last few months and the General Manager’s statements from July 17th, we urge the Commission to terminate any further consideration of the current proposals. Further, we encourage the Commission to consider and adopt the “Commercial Fishing Industry Platform Regarding International Terminal Access” which is included with this letter and broadly supported by the industry.

The fishing industry continues to support the reintroduction of shipping if the companies the Port is partnering with propose economically viable plans that protect the fishing industry’s access to the International Terminal and that do not jeopardize the financial status of the Port of Newport. The current proposals from Teeven Brothers and Silvan Forestry do neither.

Thank you for your consideration. Sincerely,

Fishermen / Fishing Businesses

F/V Bay Islander – Kurt Cochran

F/V Coast Pride – Mike Retherford and Chris Retherford

F/V Excalibur – Mike Retherford

F/V Excalibur II – Kent Leslie and Bill Jacobson

F/V Gold Rush – Don Ashley and Bert Ashley

F/V Golden Pisces – Dennis McMannus

F/V Grumpy J – Pacific Seafood

F/V Kylie Lynn – Corey Rock

F/V Lady Kaye – Ted Gibson

Fishermen / Fishing Businesses Cont.

F/V Lisa Melinda – Dave Smith and Jerry Bates F/V

Majesty – Trident Seafoods

F/V Mandy J – Mike Retherford, Mikey Retherford and Chris Retherford F/V

Marathon – Kurt Cochran

F/V Michele Ann – Raysha and Pogy Lapham F/V

Michelle Renee – Stoian Iankov

F/V Miss Berdie – Stan Schones and Tom Stam F/V Miss

Sarah – Todd Whaley

F/V Miss Sue – Jim Seavers

F/V Muir Milach – Aleutian Spray Fisheries F/V New

Life – Kurt Cochran

F/V Northern Ram – Trident Seafoods

F/V Pacific – Mark Cooper and Chris Cooper F/V Pacific

Future – Pacific Seafood

F/V Pacific Ram – Trident Seafoods F/V

Pegasus – Brian North

F/V Perseverance – Mark Cooper and Chris Cooper F/V Raven –

Robert Smith and Lyle Yeck

F/V Redeemer – Gary Ripka

F/V Seadawn – Fred Yeck and David Jincks F/V Seeker

– Jim Seavers

F/V Tauny Ann – Taunette & Kevin Dixon F/V

Timmy Boy – Robert Eder

F/V Western Breeze – Gary Ripka

F/V Winona – Mike Retherford, Mikey Retherford and Chris Retherford

Newport Seafood Processors

Bornstein Seafoods Pacific

Seafood Pacific Surimi

Support Businesses

Carson Oil

Curry Marine Supply

Englund Marine Supply

Kevin Hill Marine

Midwater Trawlers Cooperative

Fishermen's Wives Association

Refrigeration

Management, LLC

Oregon Coast Bank

Schiewe's Marine Supply

Schiewe's Electric

Troyer's Marine Supply

West Coast Seafood Processors Association

Yaquina Boat Equipment Newport

Port of Toledo Boat Yard Northern

J Lamb Marine Electric NW Vessel

cc Kurt Schrader, U.S. Congressman Dave
Gomberg, OR Representative Sandy
Roumagoux, Mayor, Newport
Spencer Noble, City Manager, Newport Lincoln
County Commissioners
James Rand, Newport News Times Dave
Morgan, News Lincoln County



DIRECTOR OF OPERATIONS / PRO TEM
GENERAL MANAGER'S REPORT

DATE: 12/14/2017
PERIOD: November 2017 – December 2017
TO: Port of Newport Board of Commissioners
ISSUED BY: Aaron Bretz

OVERVIEW GENERAL MANAGER:

DulsEnergy has submitted a proposal from GeoEngineers of Portland to drill a test well, and I've included it in the meeting packet. The proposed cost for the company to complete the well is \$17,500. GeoEngineers is optimistic that a vertical well would provide the appropriate amount of salt water to the facility to grow seaweed. There may be additional funding for economic development with the county that has not been explored and we are working to learn more about that. I've contacted DEQ and confirmed that it is likely that DulsEnergy would be able to draw water by truck and discharge seawater back into the bay without a permit. We are working to solidify that.

I worked up a very rough, preliminary drawing of space at the NIT, and in doing so tried to incorporate what the Newport Fishing Industry established as their needs at the terminal alongside what container shippers and barge cargo shippers have indicated they would need to work. The intent is to give a concept of what operations might need to look like in order to provide a situation wherein everyone would be able to operate alongside one another. I request public feedback on this idea, and would be very interested to know how a layout similar to the one in the meeting packet would affect users of the terminal. This is simply one idea, and could be changed or developed in many different ways. My goal here is to get as much feedback and information as possible so that the Port can make a good decision in the future about what operations can fit at the terminal. The choices about what the Port can do financially must be based upon the numbers in future individual opportunities.

There has been a few points brought forth regarding rising personnel service cost at the Port. Please see the attached analysis that was prepared by staff and CFO Selections regarding the Port's budgeted personnel service cost vs. the Port's actual personnel service cost. Particularly in light of CFO Selection's analysis of the Port of Newport's personnel cost in comparison to other Ports, I recommend that the Port finds ways in the future to make us more competitive in wage offerings.

The 30% engineering plans for Port Dock 5 are in the meeting packet, along with an updated cost estimate. I included the old cost estimate as well, and in the newest estimate, the price for the finished pier increased by about \$300,000. The next step for us to keep the cost down will be to request that a general contractor review the plans and search for cost savings. The permit applications have been submitted for the project.

NEXT MONTH CALENDAR/MEETINGS:

Out of the Office on PTO, 12/20, 12/22, 12/26, 12/29

South Beach Staff Meeting, 1/03
Commercial Fishing User’s Group Meeting, 1/08
Commercial Marina Staff Meeting, 1/17

OVERVIEW DIROPS

Summary:

I have had several inquiries over the past month about people and businesses operating on Port property who may or may not have various types of required insurance. I’ve been working with our insurance agent to make a clear list of what activities require which types of insurance, and although they are required we need to tighten up our processes to ensure that those operating on Port property are properly insured.

The Rogue Brewery acknowledged that they still need to contract for a mural on the distillery and will be hiring an artist to get the work started for the spring. They are considering a request to extend their building for a final time to increase the footprint of their restaurant.

International Terminal – Don Moon, Interim MGR

Billable Services Performed this Period (November):

- Forklift – 36 Hrs
- 30 Ton Hydraulic Crane – 32.5 Hrs
- Labor – 55.75 Hrs
- Other (Net Work) – 12 Days
- Moorage – 120.5 Days
- Hoist Dock Tie Up – 34 Hrs
- 120V power – 11 Days
- 208V power – 106 Days

Special Projects: *(Not regular maintenance & repair tasks. Enter project name and notes)*

- Completed In Progress Paving project approved waiting for weather to cooperate.
- Completed In Progress Applying for SDAO Grant for fire detection system
- Completed In Progress Implementation of fisherman parking area
- Completed In Progress Fire detection system
- Completed In Progress Ordered spill containment unit with drain for terminal fuel tank

Other: *Purchased Ryobi cordless power tools for shop.*

Commercial Marina – Kent Gibson, Harbormaster

Billable Services Performed this Period:

- Forklift – 60.25 Hrs
- Hoist Dock Crane(s) – 7.75 Hrs.
- 30 Ton Hydraulic Crane - Enter #. Hrs
- Dock Tie Up – 53.25 Hrs
- Launch Tickets - Enter #. passes sold
- Other (Labor) – Hrs

Special Projects: *(Not regular maintenance & repair tasks. Enter project name and notes)*

- Completed InProgress
- Completed InProgress
- Completed InProgress
- Completed InProgress [Click here to enter text.](#)
- Completed InProgress [Click here to enter text.](#)
- Completed InProgress [Click here to enter text.](#)

Other Port crews saved the F/V Sunrise from sinking at the dock. Battery switch had been left in the off position. Water came in through a thru hole fitting after filling up from heavy rains for several weeks. Water was over both engines and battery's and 2 feet deep on the back deck when we arrived. Fishermen's Appreciation Day went off with no problems. Weather was better than expected and everyone seemed to have a good time.

NOAA MOC-P – Jim Durkee, Facility Manager

Special Projects:

- Completed In Progress **NOAA Recreational Access. Extension to dock is in place and checked by the state. This was the last requirement for recreational mitigation for the NOAA construction project.**
- Completed In Progress **NOAA 2017 Painting. Painters completed public area painting in the warehouse and the office building.**

Other:

Vessels Using the Facility Since My Last Report – Oscar Dyson, Rainier, Fairweather, OSP Guardian. For 2017, 1836 passengers have crossed the bar on vessels using the NOAA wharf.

Office Occupancy Admin Building – 63 Work Stations Total, 48 Occupied
Warehouse Bldg. – 23 Work Stations Total, 11 Occupied
Occupancy Rate – 69%

Brought in a contractor to work on the Daikin Air Conditioner in the warehouse Server Room. This unit was low on gas but had no locatable leak like the one in the office data room. We will keep an eye on it. There are six air conditioning units keeping data and electrical rooms cool at the facility. We can expect to start needing to replace or do major repairs to them over the next few years.

December 8, 2017

Port of Newport
600 SE Bay Boulevard
Newport, Oregon 97365

Attention: Aaron Bretz, General Manager

Subject: Proposal
Hydrogeologic Services
DulsEnergy Seawater Supply Well
Port of Newport – South Beach
Newport, Oregon
File No. 4067-003-00

INTRODUCTION

This proposal is for hydrogeologic services for the proposed DulsEnergy Seawater Supply Well project at the Port of Newport (South Beach) in Newport, Oregon. Our proposal was requested by Jason Busch with DulsEnergy.

DulsEnergy and the Port of Newport are proposing to develop a property at South Beach to grow dulse seaweed. The property is on land owned by the Port, located several hundred feet northwest of the Hatfield Marine Science Center. The project is currently in the conceptual design stage, but a primary consideration is the seawater supply needed to grow the seaweed. One option for supplying seawater is a groundwater well located on the property that would have a minimum capacity of approximately 250 to 300 gallons per minute of saltwater having sufficient salinity to grow the seaweed.

We propose to provide hydrogeologic exploration and analysis services to evaluate the feasibility of using a well to supply the saltwater.

PROJECT UNDERSTANDING

We understand that DulsEnergy requires a saltwater supply for their proposed facility at the Port of Newport, and are interested in exploring the possibility of securing this from a conventional water-supply well constructed at the project site. The Hatfield Marine Center uses a similar approach on the eastern side of South Beach, although their ‘well’ may be more like a saltwater intake in Yaquina Bay.

We expect that having its own supply will help to make the DulsEnergy project self-sufficient and that using saline groundwater from directly below the project site will be highly sustainable for future operations. We

understand that the South Beach area is constructed from fill or 'made ground' that was used to create reclaimed land within the bay, and this likely provides the following unique hydrogeologic conditions that the project can take advantage of:

1. The site is near the mouth of Yaquina Bay and the water of the bay should have a relatively high salinity due to tidal action.
2. Salinity is likely close to but less than seawater due to freshwater flow from the Yaquina River.
3. The reclaimed land was likely created by placing predominantly granular materials (e.g., sand, gravel) into the saltwater estuary formed by Yaquina Bay.
4. The pore water within the man-made and natural subsurface soils beneath South Beach are therefore likely to contain saltwater, possibly below a thin lens of fresh water.
5. Fresh water is less dense than saltwater and tends to float on the saltwater at and a few feet below the water table.
6. The freshwater lens is likely thin or limited because of the restricted infiltration and recharge of stormwater at the site, due to a high proportion of impervious surfaces at South Beach.
7. There is likely a transition zone that exhibits increasing salinity with depth.
8. Construction of a well that taps into the body of saline groundwater at depth will provide natural filtering and avoid the problems with a surface water intake in the bay (fish, debris, biofouling, etc.).

Much of basis for this assumes that saltwater inundates the subsurface, and that the subsurface is sufficiently pervious to support the required well yield. We propose to drill a small-diameter exploration boring to check both salinity and permeability, which we will estimate from the grain-size of soil samples recovered during drilling.

If this work is successful, by demonstrating saline groundwater and adequately permeable subsurface formations, we will firm up a proposal for moving to the second and third stages, which will involve drilling and testing a water-supply well.

RECOMMENDED OVERALL APPROACH

We recommend a staged approach to securing a saltwater supply from groundwater at the site:

1. Subsurface Exploration
2. Test Well Drilling and Installation
3. Aquifer Pumping Test

This proposal and scope of services covers the first stage, which involves drilling an exploratory boring to obtain samples of subsurface soil and geologic formations for estimating permeability and confirming the subsurface salinity profile. The boring will be completed by installing a 2-inch-diameter piezometer. The piezometer will be important in subsequent stages following test well drilling, for observing water levels during the pumping test.

SCOPE OF SERVICES

We proposed to complete the following scope of services described below.

The exploratory boring will be located and observed by one of our staff geologists or engineers, who will provide the following:

1. A continuous log of the boring in general accordance with ASTM International (ASTM) Standard Practice D 5434.
2. Collection of soil samples at 2½- to 5-foot-depth intervals using standard penetration tests (SPT) or Shelby tube sampling equipment.
3. Classification of soils encountered in the boring in general accordance with the Unified Soil Classification System outlined in ASTM D 2488.
4. Collect water quality samples for every 5 feet of depth in saturated soils. Water will be pumped out of the borehole and analyzed in the field with a multi-parameter sensor for salinity, conductivity, temperature, pH and turbidity.
5. Oversee installation of a small-diameter (2-inch) PVC piezometer, including filter pack and surface seal installed per Oregon Department of Environmental Quality (DEQ) regulations.

Upon completion of the site exploration program, samples acquired during exploration will be returned to our laboratory for selection of representative samples for grain-size testing. Latitude and longitude of the exploratory boring will be measured using an iPad with geographic information system (GIS) survey applications and recorded on the boring log.

Laboratory Testing

Soil samples acquired from the borings will be returned to our soil laboratory for further examination in conjunction with reviewing the boring log. Representative samples will be selected for testing. We envision the following laboratory testing, completed in general accordance with applicable ASTM standards, for general classification purposes:

- Grain-size distribution tests, including fines content determinations (percent passing the U.S. No. 200 sieve).

From the results of the grain-size distribution tests, we will estimate the permeability of the subsurface formations encountered.

Deliverables

Our findings will be conveyed to you in a letter report. Specifically, our deliverables will include:

1. A description of the project and regional geology.
2. A description of the field procedures, drilling and sampling equipment.
3. Soil conditions, including a log of the exploration indicating soil classification and geologic unit, depth to water table, and water salinity readings.
4. A hydrogeologic assessment as to the feasibility of installing a water-supply well on site to provide saltwater for the proposed dulse growing facility.

5. If the supply is feasible, we will discuss the next stages with you - to include our proposed design and implementation plan for installing and testing the water-supply well.
6. A final report summarizing our findings and opinions, including the boring log, test results, and a site plan showing the location of the boring. We will provide an electronic copy of our report, reviewed and signed by a Professional Engineer (PE) and Geologist registered in the State of Oregon.

PROJECT ASSUMPTIONS

- We assume that hazardous materials will not be encountered during our field subsurface exploration. If hazardous materials are encountered during our subsurface exploration, we will immediately stop drilling, put the drilling subcontractor and our field staff on standby, and contact you for further guidance. The standby time has not been accounted for in our cost estimate and will be billed on a time-and-expense basis.
- We assume that excess cuttings from the boring (soil and associated water) may be disposed on site.

COST

We propose to complete the scope outlined above for a lump sum of **\$17,500**. If additional work is required, we will negotiate additional fees with you at that time. We will not exceed these fees without your prior approval.

SCHEDULE, TERMS AND FEES

We will schedule our work immediately after receiving your authorization to proceed (ATP). Fieldwork should take 1 day to complete and can usually be completed within 3 to 6 weeks of ATP depending on the availability of an exploratory driller. We can provide preliminary verbal results within 1 week of completing the fieldwork. We plan to issue our final work product approximately 3 weeks after completing the fieldwork.

Our services will be completed in accordance with the terms described in our General Conditions, which are attached and form a part of this proposal. Please review our General Conditions carefully and advise us if you have any questions or desire to modify the terms of our agreement. Alternatively, we can review contract terms and conditions provided to us for the project.

LIMITATIONS

Our services are for the exclusive use of DulsEnergy and the Port of Newport, Oregon, and your authorized agents. There are no intended third-party beneficiaries arising from the services described in this proposal and no party other than those listed above shall have the right to legally rely on the product of our services without prior written permission of GeoEngineers.

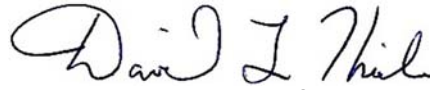
This proposal is valid for a period of 60 days commencing from the first date listed above and subject to renegotiation by GeoEngineers, Inc., after the expiration date.

We appreciate the opportunity to submit this proposal. Please call if you have any questions regarding this submittal. Formal authorization for our services can be provided by returning one signed copy of this agreement.

Sincerely,
GeoEngineers, Inc.



Joel W. Purdy, RG
Associate Hydrogeologist



David L. Thielen, PE, GE
Principal Geotechnical Engineer

JWP:MAPK:DLT:cje

Attachments:

General Conditions—Standard 2017

One electronic copy submitted

cc: Jason Busch, DulsEnergy



The parties hereto have made, executed and agreed to this Agreement as of the day and year first above written. By signature below, Client accepts the scope of services and all terms described herein. In addition, Client's signature shall constitute as authorization to proceed on the date listed below Client's printed/typed name unless such authorization has been otherwise provided in writing.

Port of Newport	
ORGANIZATION	* SIGNATURE
DATE	TYPED OR PRINTED NAME
	*Individual with contracting authority.

Proprietary Notice: The contents of this document are proprietary to GeoEngineers, Inc. and are intended solely for use by our clients and their design teams to evaluate GeoEngineers' capabilities and understanding of project requirements as they relate to performing the services proposed for a specific project. Copies of this document or its contents may not be disclosed to any other parties without the written consent of GeoEngineers.

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GENERAL CONDITIONS

Definitions

The words and phrases listed below have the following meanings when used in this Agreement:

“Agreement” means the complete agreement between Client and GeoEngineers, and consists of all of the following: 1) The Services Agreement or Proposal, including the Scope of Services contained within it; 2) These General Conditions and its attached Schedule of Charges, as applicable; 3) Any documents expressly incorporated by reference into the Services Agreement, Proposal or General Conditions; 4) Any modifications to this Agreement, if mutually agreed to by the parties in writing.

“Client” means the individual(s) or entity that has entered into this Agreement with GeoEngineers.

“GeoEngineers” means GeoEngineers, Inc., a Washington corporation, and any of its employees, officers and directors. GeoEngineers is sometimes referred to as “us,” “we” or “our” throughout this Agreement.

“Hazardous Materials” means any toxic substances, chemicals, radioactivity, pollutants or other materials, in whatever form or state, known or suspected to impair the environment in any way whatsoever. Hazardous Materials include, but are not limited to, those substances defined, designated or listed in any federal, state or local law, regulation or ordinance concerning hazardous wastes, toxic substances or pollution.

“Scope of Services” means the sum total of all of our activities and all of the Instruments of Service undertaken or provided pursuant to this Agreement.

“Excluded Services” means those services that we are not providing under this Agreement, which includes any services recommended to Client and which Client chooses not to include in our Scope of Services.

Integrated Written Agreement

This Agreement represents the entire and integrated agreement between Client and GeoEngineers and supersedes all prior communications, negotiations, representations or agreements, either written or oral between the parties. No agreement or understanding varying or extending this Agreement shall bind either party, other than by a subsequent written agreement, signed by Client and GeoEngineers.

GeoEngineers has made no promise or inducements to Client to enter into this agreement other than what is explicitly provided in the agreement. Client is not relying on any representations made by GeoEngineers outside of those embodied in this Agreement.

Conflicts

Any alteration to these General Conditions or appended terms and conditions by Client shall be void and not included as part of this Agreement unless mutually agreed to in writing by both parties. In the event of conflict between these General Conditions and any terms appended by the Client that are agreed to by the parties and incorporated as part of this Agreement, the terms of these General Conditions shall prevail.

Standard of Care and Warranty Disclaimer

GeoEngineers will endeavor to perform its professional services with that degree of care and skill ordinarily exercised under similar conditions by professional consultants practicing in the same discipline at the same time and location. No warranty or guarantee, either express or implied, is made or intended by this Agreement or by any report, opinion, or other Instrument of Service provided pursuant to this Agreement.

Client Furnished Information and Obligations

Client will provide GeoEngineers with the following: a description of the property; the locations of any underground utilities, facilities or structures on or adjacent to the property which could impact our work; and the nature and location of any known or suspected hazardous materials that may exist on the property. Client understands that GeoEngineers is not responsible for damages to underground utilities, facilities or structures known by Client to exist and not specifically or correctly identified to us, and Client agrees to indemnify

GeoEngineers for these damages to the extent provided in the INDEMNIFICATION section of these GENERAL CONDITIONS. GeoEngineers is neither responsible nor liable for the creation, existence, or presence of any hazardous materials, including asbestos, present at the work site prior to or during the performance of this Agreement, except any hazardous materials generated solely by us, our agents or subcontractors.

Additionally, the Client shall furnish, at the Client's expense, all information, requirements, reports, data, surveys, and instructions required by this Agreement. GeoEngineers may use such information, requirements, reports, data, surveys and instructions in performing the services and is entitled to rely upon their accuracy and completeness.

Permits and Agency Arrangement

If included in the Scope of Services, GeoEngineers will assist Client in applying for necessary permits and licenses. Client may, upon written acceptance by GeoEngineers, designate GeoEngineers as its agent for the purposes of drafting permit and/or license applications. GeoEngineers' agency authority under this arrangement shall be limited solely to the completion and submission of the permit and/or license applications. GeoEngineers will rely upon data collected by and information provided by Client in preparing the applications. GeoEngineers shall not be responsible for errors or inaccuracies contained in data and information supplied by Client. Client shall assume full responsibility for reviewing, understanding and signing all permit and license applications drafted by GeoEngineers.

GeoEngineers cannot and does not guarantee that permits or approvals will be issued by the governing authorities, and will not be subject to any claims, losses or damages allegedly incurred as a result of Client's failure to obtain the necessary permits and approvals.

Client waives any claim against GeoEngineers relating to errors or inaccuracies in data and information provided by Client and permit-related project delays caused by other parties, including, but not limited to Client, project opponents, and permitting or licensing agencies.

Rights of Entry

Unless otherwise agreed to in writing, Client will provide for right of entry and any authorizations needed for us to enter upon property to perform our Services under this Agreement.

Surface and Subsurface Disturbance

GeoEngineers will take reasonable precautions to minimize surface and subsurface disturbance. However, in the normal course of exploratory work some surface disturbance may occur, the restoration of which is not part of this Agreement unless specifically included in our Scope of Services.

Discovery of Hazardous Materials

“Unanticipated hazardous materials” are any hazardous materials that may exist at the project site, but which this Agreement does not identify as present and whose existence is not reasonably anticipated. The discovery of unanticipated hazardous materials will constitute a changed condition that will require renegotiation of the Scope of Services or termination of this Agreement.

The discovery of unanticipated hazardous materials may necessitate that we take immediate protective measures. If we discover unanticipated hazardous materials, we will notify Client as soon as practicable. Based on our professional judgment, we may also implement protective measures in the field. Client will pay the cost of any such additional protective measures.

Client is responsible for reporting releases of hazardous substances to appropriate government agencies as required by law.

Client waives any claim against GeoEngineers relating to the discovery of unanticipated hazardous materials and will indemnify GeoEngineers to the extent provided in the INDEMNIFICATION section of these GENERAL CONDITIONS.

Off-site Disposal of Hazardous Materials

Client acknowledges that GeoEngineers is not and shall not be required to be in any way an ‘arranger’, ‘operator’, or ‘transporter’ of hazardous materials present or near the project site, as these terms are defined in applicable Federal or State Statutes. In addition, Client shall sign all manifests for the disposal of substances affected by regulated contaminants.

However, if the parties mutually agree that GeoEngineers sign such manifests and/or to hire for Client a contractor to transport, treat, or dispose of the hazardous materials, GeoEngineers shall do so only as Client’s agent. Client agrees to defend, indemnify, and hold harmless GeoEngineers, its officers, directors, employees and agents from any claim, suit, arbitration, or administrative proceeding, damages, penalties or liability that arise from the executing of such manifests on Client’s behalf.

Further, GeoEngineers will, at Client’s request, help Client identify appropriate alternatives for off-site treatment, storage, or disposal of such substances, but GeoEngineers shall not make any independent determination about the selection of a treatment, storage, or disposal facility.

Unanticipated and Changed Conditions

Actual subsurface conditions may vary from those encountered at the specific locations where GeoEngineers conducts its surveys or explorations. We can only base our site data, interpretations and recommendations on information reasonably available to us. Practical and reasonable limitations on available data will result in some level of uncertainty, and therefore risk, with respect to the interpretation of environmental, geological and geotechnical conditions even when we have followed the standard of care.

The discovery of unanticipated or changed conditions may require renegotiation of the Scope of Services or termination of services. GeoEngineers reserves the right to solely determine the continued adequacy of this Agreement in light of any discovery of conditions that were not reasonably anticipated or known at the time of this Agreement. If we determine that renegotiation is necessary, GeoEngineers and Client will in good faith enter into renegotiation of this Agreement to permit us to continue to meet Client’s needs. If Client and GeoEngineers cannot agree on new terms, we reserve the right to terminate this Agreement and receive payment from Client for all services performed and expenses incurred up to and including the date of termination. Underground utilities that are not properly indicated on plans and specifications provided to GeoEngineers by others or not reasonably located by the utility owner will be considered a changed condition under this clause.

Site Safety

GeoEngineers will maintain a safety program for our employees. GeoEngineers specifically disclaims any authority or responsibility for general job site safety and for the safety of persons who are not employed by us. GeoEngineers is not responsible for the job safety or site safety of the general project and is not responsible for compliance with safety programs and related OSHA and state regulations that apply to other entities or persons. Client is independently responsible for requiring that its construction or remediation contractors take responsibility for general job site safety.

Construction and Remediation Observation

The conclusions and recommendations for construction or remediation in our reports are based on limited sampling and the interpretations of variable subsurface conditions. Therefore, our conclusions and recommendations shall be deemed preliminary unless or until we are requested by Client to validate our assumptions and finalize our conclusions and recommendations by reviewing preconstruction design documents and observing actual construction or remediation activities on site. If our Scope of Services does not include preconstruction plan review and construction/remediation observation, then any reliance by Client or any other party on our preliminary assumptions, conclusions or recommendations is at the risk of that party and without liability to GeoEngineers.

Our job site activities do not change any agreement between Client and any other party. Only Client has the right to reject or stop work of its contractors or agents. Our presence on site does not in any way guarantee the completion, quality or performance of the work by any other party retained by Client to provide field or construction/remediation services. We are not responsible for, and do not have control or charge of, the specific means, methods, techniques,

sequences or procedures selected by any contractor or agent of Client or any third party to this Agreement.

Further, a duty to provide contract administration or contract management services may not be imputed from GeoEngineers’ professional actions or affirmative conduct when on the job site.

Sample Retention and Disposal

We will discard nonhazardous samples 60 days after they are obtained, unless Client makes prior arrangements to store or deliver the samples. Samples containing hazardous materials regulated under federal, state or local environmental laws are the property and responsibility of Client. Client will arrange for lawful disposal, treatment and transportation of contaminated samples at Client’s expense, unless Client makes other written agreements regarding their disposal.

Identification of Other Contaminants

Sampling and Analysis Plans (SAPs) typically specify the contaminants of interest (COIs) on a site and the standard EPA/state agency analytical methods (Standard Methods) to be used by laboratories for determining the estimated concentration of such COIs in soil and water samples. GeoEngineers’ instructions notwithstanding, application of Standard Methods by an analytical laboratory may occasionally result in the inadvertent identification of contaminants that are not COIs. If in the course of GeoEngineers’ laboratory data validation review non-COI contaminants are identified with COI-equivalent data quality and analytical values at or above regulatory action levels, GeoEngineers will disclose such results to Client with appropriate recommendations, which may include recommendations for reporting to regulatory agencies. Client actions subsequent to any such disclosure shall be at Client’s sole risk, and Client shall indemnify and hold harmless GeoEngineers from any claims, liabilities, damages or costs arising from the discovery of regulated non-COIs to the extent provided in the INDEMNIFICATION SECTION in these GENERAL CONDITIONS.

Confidential Information

Unless otherwise agreed to in writing by the parties, each party expressly undertakes to retain in confidence, and to require its employees and consultants to retain in confidence, all data and/or information of the other party that is not generally known to the public, whether of a technical, business or other nature, that has been identified as being proprietary and/or confidential or that by the nature of the circumstances surrounding the disclosure reasonably ought to be treated as proprietary and confidential (“Confidential Information”). Each party agrees not to use the Confidential Information of the other party except pursuant to this Agreement. The receiving party will not disclose any item of Confidential Information to any person other than its employees, agents or contractors who need to know the same in the performance of their duties except as may be required by law or judicial order. The receiving party will protect and maintain the confidentiality of all Confidential Information of the disclosing party with reasonable care, including but not limited to informing all employees, agents or contractors to whom Confidential Information is disclosed of the confidentiality obligations imposed by this Agreement. Confidential Information does not include any data or information which the receiving party can prove (a) was in the receiving party’s lawful possession prior to its disclosure by the disclosing party; (b) is later lawfully obtained by the receiving party from a third party not under an obligation of confidentiality; (c) is independently developed by the receiving party; or (d) is, or later becomes, available to the public through no breach of an obligation of confidentiality. Notwithstanding the foregoing, GeoEngineers may use the Client’s name and logo in connection with identifying its prior customers and projects.

Instruments of Service and Proprietary Methodologies

Reports, field data, laboratory data, analyses, calculations, estimates, designs and other documents prepared by GeoEngineers are Instruments of Service and remain our property. We will retain final project records for a period of 20 years from completion of our services.

Neither Client nor any other party may modify or use the Instruments of Service for additions or alterations to this project, or for other projects, or otherwise outside the scope of this Agreement, without our prior written permission. GeoEngineers is not responsible for such modification or reuse (unless such modification or reuse is expressly authorized by GeoEngineers in writing). Client

will defend, indemnify, and hold GeoEngineers harmless against any claims, damages, or losses relating to such modification or reuse to the extent of the INDEMNIFICATION section in these GENERAL CONDITIONS.

GeoEngineers grants Client a limited license to utilize its Instruments of Service for the purposes described in the scope of services, and for maintenance of the Project thereafter, subject to any limitations expressed in the Instruments of Service. GeoEngineers may withdraw or terminate that limited license at any time if Client fails to comply with this Agreement, including but not limited to the circumstance in which Client fails to timely pay outstanding invoices. In the event that GeoEngineers withdraws the limited license, Client herein acknowledges that Client is prohibited from using the Instruments of Service for any purpose from that date forward. GeoEngineers will not be responsible nor liable, and Client will hold GeoEngineers harmless for any damages or injury flowing, or allegedly flowing, from Client's inability to utilize the Instruments of Service as a result of the circumstances described herein. Client herein agrees that injunctive or other relief is appropriate if GeoEngineers believes that Client is utilizing the Instruments of Service in a manner contrary to this paragraph or as otherwise described in the preceding paragraphs under this Article titled "Instruments of Service and Proprietary Methodologies." This paragraph shall survive the termination of this Agreement.

GeoEngineers may provide Client with Instruments of Service that include pre-existing content or data which are generated at least in part by or derived from proprietary and or patented methodologies and systems. GeoEngineers may also apply proprietary and or patented methodologies and systems in fulfilling the terms of this agreement, and may also make temporarily available to Client a working knowledge of such proprietary and or patented methodologies and systems during the term of this agreement.

Notwithstanding anything to the contrary, GeoEngineers shall retain ownership over all intellectual property rights including, but not limited to, inventions, patents, copyrights, know how, trade secrets, and trademarks in such Instruments of Service and their associated data and in the proprietary and or patented methodologies and systems. Subject to full payment by Client to GeoEngineers of all amounts owed hereunder and the terms of any licensing agreement between the parties, GeoEngineers grants to Client a nonexclusive, nontransferable license to use the Instruments of Service. Client shall not distribute, rent, lease, service bureau, sell, sublicense, or otherwise transfer the Instruments of Service or their data or content, unless previously agreed to in writing by GeoEngineers, and shall not decompile, reverse engineer, disassemble, reverse translate, or in any way derive any trade secrets or source code from the Instruments of Service. Unless otherwise specified in writing between the parties, no such Client use of Instruments of Service shall give rise to any right in the Client to use the proprietary and or patented methodologies and systems referred to herein. During and only during the term of this agreement, GeoEngineers grants to Client a nonexclusive, nontransferable license to employ such proprietary and or patented methodologies and systems as have been disclosed to Client by GeoEngineers pursuant to fulfilling the terms of this agreement.

Data stored in electronic media format can deteriorate or be modified inadvertently or otherwise. When transferring documents in electronic media format, we make no representations as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by us.

We shall not be responsible for any alterations, modifications or additions made in the electronic data by the Client or any reuse of the electronic data by the Client or any other party for this project or any other project without our consent. Client shall defend, indemnify and hold us harmless against any claims, damages or losses arising out of the reuse of the electronic data without our written consent and arising out of alterations, modifications, or additions to the electronic data made by anyone other than GeoEngineers to the extent of the INDEMNIFICATION section in these GENERAL CONDITIONS.

All documents, including the electronic files that are transferred by us to Client are Instruments of Service of GeoEngineers and created for this project only, and no representation or warranty is made, either express or implied, concerning the files and data.

Billing and Payment

We will bill for our services monthly. Payment is due on receipt of the invoice unless otherwise agreed to in writing. Client will notify GeoEngineers within 20

days of receipt of invoice of amounts in dispute. A service charge of 1-1/2% per month shall apply to any undisputed amounts that are more than 30 calendar days past due and amounts in dispute where Client has not notified GeoEngineers within the 20-day period. In addition to any past due amount, Client will pay all of our reasonable expenses necessary for collection of any past due amounts including, but not limited to, attorneys' fees and expenses, filing fees, lien costs and our staff time. Collection efforts for past due amounts by GeoEngineers shall not be subject to the DISPUTES clause of these GENERAL CONDITIONS.

Payment of invoices shall not be subject to any discounts or set-offs by the Client, unless agreed to in writing by GeoEngineers. Payment to GeoEngineers for services rendered and expenses incurred shall be due and payable regardless of any subsequent suspension or termination of this Agreement by either party. Payment to GeoEngineers shall not be withheld, postponed or made contingent on the construction, completion or success of the project or upon receipt by the Client of offsetting reimbursement or credit from other parties.

Adjustment for Increased Costs

GeoEngineers reserves the right to invoice Client for additional charges incurred in the event of an unanticipated increase in project-related taxes, fees or similar levies; or if GeoEngineers must modify project-related services, facilities or equipment to comply with new laws or regulations or changes to existing laws or regulations that become effective after execution of this Agreement.

GeoEngineers revises its Schedule of Charges annually. Therefore, we reserve the right to modify our Schedule of Charges applicable to our services if performance of this Agreement extends beyond 12 months, or if changes in the project schedule result in our services extending into the next calendar year.

Scope of Services and Additional Services

Our engagement under this Agreement includes only those services specified in the Scope of Services. GeoEngineers has no duty to provide services beyond those explicitly described in the scope of services, or as may be added to the scope of services via a signed directive by the Client, as described more fully in the next paragraph. Client understands and agrees that GeoEngineers' scope will not be expanded by, and no duties or responsibilities may be imputed from GeoEngineers' actions or affirmative conduct when onsite.

If agreed to in writing by the Client and GeoEngineers, GeoEngineers shall provide additional services which shall become part of the Scope of Services and subject to the terms of this agreement. Such services shall be paid for by the Client in accordance with GeoEngineers' then prevailing Schedule of Charges unless otherwise agreed to in writing by the parties.

Client agrees it will not hold us liable and expressly waives any claim against GeoEngineers for 1) not performing additional services that Client instructed us not to perform, 2) not performing additional services that were not specifically requested in writing by Client and agreed to by both parties, 3) not performing recommended additional services that Client has not authorized us to perform.

Termination of Services

Termination for Cause

Either party may terminate this Agreement upon at least seven (7) days written notice, in the event of substantial failure by the other party to perform in accordance with this Agreement through no fault of the terminating party. Such termination is not effective if the failure is cured before expiration of the period specified in the written notice. Upon termination for cause by either party, all invoices for services performed up to the date of termination are immediately due and payable.

Termination for Convenience

Either party may terminate this Agreement for convenience upon seven (7) days written notice to the other. In the event that Client requests early termination of our services for convenience, we reserve the right to complete such analyses and records as are necessary to place our files in order and to complete a report on the services performed to date. Charges for these termination activities are in addition to all charges incurred up to the date of termination. Upon termination for convenience by either party, all invoices for services performed up to the date of termination and termination fees defined herein are immediately due and payable.

Suspension of Services

If the project or GeoEngineers' services are suspended by the Client for more than thirty (30) calendar days, consecutive or in the aggregate, over the term of this Agreement, GeoEngineers shall be compensated for all services performed and reimbursable expenses incurred prior to the receipt of notice of suspension. In addition, upon resumption of services, the Client shall compensate GeoEngineers for expenses incurred as a result of the suspension and resumption of its services, and GeoEngineers' schedule and fees for the remainder of the project shall be equitably adjusted.

If GeoEngineers' services are suspended for more than ninety (90) days, consecutive or in the aggregate, GeoEngineers may terminate this Agreement subject to the terms in the "Termination for Convenience" clause.

If Client is in breach of the payment terms, states their intention not to pay forthcoming invoices, or otherwise is in material breach of this Agreement, GeoEngineers may suspend performance of services upon five (5) calendar days' notice to Client or terminate this Agreement according to the "Termination for Cause" clause. In the event of suspension, GeoEngineers shall have no liability to the Client, and the Client agrees to make no claim for any delay or damage as a result of such suspension caused by Client's breach of this Agreement. In addition, we may withhold submittal of any work product if Client is in arrears at any time during the performance of services under this Agreement. Upon receipt of payment in full of all outstanding sums due from Client, or curing of such other breach which caused GeoEngineers to suspend services, GeoEngineers shall resume services and submit any withheld work product, and there shall be an equitable adjustment to the remaining project schedule and fees as a result of such suspension. Any suspension by GeoEngineers exceeding 30 calendar days shall, at GeoEngineers' option, make this Agreement subject to renegotiation or termination according to the "Termination for Cause" clause in this Agreement.

In the event Client has paid a retainer to GeoEngineers, GeoEngineers shall be entitled to apply the retainer to cover any sums due from Client up to the date of suspension. Prior to resuming services after such suspension, Client shall remit to GeoEngineers sufficient funds to replenish the retainer to its full prior amount.

Delays

The Client agrees that GeoEngineers is not responsible for damages arising directly or indirectly from any delays for causes beyond GeoEngineers' control. Such causes include, but are not limited to, strikes or other labor disputes; severe weather disruptions or other natural disasters; fires, riots, terrorist acts, wars or other emergencies or acts of God; failure of any government agency to act in a timely manner, failure of performance by the Client or the Client's Contractors or other Consultants; or unanticipated discovery of any hazardous materials or differing site conditions. In addition, if the delays resulting from any such causes increase the cost or time required by GeoEngineers to perform its services in an orderly and efficient manner, GeoEngineers shall be entitled to an equitable adjustment in schedule and/or compensation.

Indemnification

GeoEngineers will indemnify and hold the Client harmless from and against any claims, liabilities, damages and costs (including reasonable attorney fees and costs of defense) arising out of death or bodily injury to persons or damage to property to the extent proven to be caused by or resulting from the sole negligence of GeoEngineers, its agents or its employees. For any such claims, liabilities, damages or costs caused by or resulting from the concurrent negligence of GeoEngineers and other parties, including the Client, the duty to indemnify shall apply only to the extent of GeoEngineers' proven negligence.

The Client will defend, indemnify and hold GeoEngineers, including its subsidiaries and affiliates, harmless from and against any and all claims (including without limitation, claims by third parties and claims for economic loss), liabilities, damages, fines, penalties and costs (including without limitation reasonable attorney fees and costs of defense) arising out of or in any way related to this project or this Agreement, provided that Client's indemnification obligations shall not apply to the extent of the proven negligence of GeoEngineers, its officers, agents and employees.

Client's indemnification obligation shall include, but is not limited to, all claims against GeoEngineers by an employee or former employee of Client, and Client expressly waives all immunity and limitation of liability under any industrial insurance act, worker's compensation act, disability benefit act, or employee

benefit act of any jurisdiction which would otherwise be applicable in the case of such claim. Client's waiver of immunity by the provisions of this paragraph extends only to claims against GeoEngineers by Client's current or former employees and does not include or extend to any claims by Client's employees or former employees directly against Client.

Client's duty to defend in this paragraph means that Client shall assume the defense of such claim using legal counsel selected or approved by GeoEngineers and GeoEngineers shall be entitled to participate in the strategy and direction of the defense. In the course of defending a claim under this paragraph, Client shall not compromise or settle the claim without GeoEngineers' consent unless: (i) such settlement or compromise only involves monetary relief that is paid in full by Client, (ii) GeoEngineers is not liable for any such settlement or compromise, and (iii) there is no finding or admission that GeoEngineers is or was liable under any legal theory for damages relating to the claim.

By entering into this Agreement, Client acknowledges that this Indemnification provision has been reviewed, understood and is a material part of the Agreement, and that Client has had an opportunity to seek legal advice regarding this provision.

Limitation of Remedies

GeoEngineers' aggregate liability responsibility to Client, including that of our subsidiaries and affiliates, officers, directors, employees, agents and subconsultants, is limited to \$50,000 or the amount of GeoEngineers' fee under this Agreement, whichever is greater. This limitation of remedy applies to all lawsuits, claims or actions, whether identified as arising in tort, contract or other legal theory, (including without limitation, GeoEngineers' indemnity obligations in the previous paragraph) related to our services under this Agreement and any continuation or extension of our services.

If Client desires a higher limitation, GeoEngineers may agree, at Client's request, to increase the limitation of remedy amount to a greater sum in exchange for a negotiated increase in our fee. Any additional charge for a higher limit is consideration for the greater risk assumed by us and is not a charge for additional professional liability insurance. Any agreement to increase the limitation of remedy amount must be made in writing and signed by both parties in advance of the provision of services under this Agreement.

By entering into this Agreement, Client acknowledges that this Limitation of Remedies Clause has been reviewed, understood and is a material part of this Agreement, and that Client has had an opportunity to seek legal advice regarding this provision.

Insurance

GeoEngineers maintains Workers' Compensation and Employer's Liability Insurance as required by state law. We also maintain comprehensive general, auto, professional and environmental impairment liability insurance. We will provide copies of certificates evidencing these policies at the request of the Client.

Mutual Waiver of Consequential Damages

In no event will either party be liable to the other for any special, indirect, incidental or consequential damages of any nature arising out of or related to the performance of this Agreement, whether founded in negligence, strict liability, warranty or breach of contract. In addition, Client expressly waives any and all claims against GeoEngineers for any liquidated damages liability that may be incurred by or assessed against Client.

Disputes

Any dispute, controversy or claim arising out of our related to this Agreement or its breach that is not resolved through negotiation between the parties, must be referred to mediation before pursuing any other dispute remedy. Each party shall bear its own costs and attorneys' fees arising out of the mediation and the costs of the mediation shall be divided equally between the attending parties.

If the matter has not been resolved through the mediation process, either or both parties may elect to pursue resolution through litigation. The parties submit to the jurisdiction of the State of Washington and agree that any legal action or proceeding arising out of or relating to this Agreement must be brought in the Superior Court in King County, Washington.

Client expressly agrees that before Client can bring a claim or cause of action against GeoEngineers as provided above, based on professional negligence or breach of the professional standard of care, Client will obtain the written opinion of a licensed or registered professional practicing in the same licensing jurisdiction as the project in dispute. The professional who prepares the written opinion must be licensed or registered in the discipline or technical specialty that is the basis for the dispute. The written opinion of the licensed or registered professional must indicate that, in the professional opinion of the writer, GeoEngineers violated the prevailing standard of care in delivery of its services. Further, the written opinion must describe the basis for that opinion and a conclusion that the alleged failure to comply with the standard of care was the cause of all or part of the alleged damages. The written opinion must be made available to GeoEngineers for review and comment at least 10 days before the claim or cause of action can be submitted to litigation. The parties agree that this clause was mutually negotiated and is an integral part of the consideration for this Agreement.

Choice of Law

This Agreement is governed by and subject to interpretation pursuant to the laws of the State of Washington.

Biological Pollutants

Our Scope of Services specifically excludes the investigation, detection, prevention or assessment of the presence of Biological Pollutants. The term "Biological Pollutants" includes, but is not limited to, molds, fungi, spores, bacteria, and viruses, and/or any of their byproducts.

Our Instruments of Service will not include any interpretations, recommendations, findings or conclusions pertaining to Biological Pollutants. Accordingly, Client agrees that GeoEngineers will have no liability for any claims alleging a failure to investigate, detect, prevent, assess, or make recommendations for preventing, controlling, or abating Biological Pollutants. Furthermore, Client agrees to defend, indemnify, and hold harmless GeoEngineers from all claims by any third party concerning Biological Pollutants to the extent of the INDEMNIFICATION section in these GENERAL CONDITIONS.

Claims Assistance for Client

If a construction contractor or other party files a claim against Client, relating to services performed by GeoEngineers and Client requires additional information or assistance to evaluate or defend against such claims, we will make our personnel available for consultation with Client's staff and for testimony, if necessary. We will make such essential personnel available upon reasonable notice from Client and Client will reimburse GeoEngineers for such consultation or testimony, including travel costs, at the rates that apply for other services under this Agreement. We will provide services in connection with any such claims pursuant to a written supplement, if necessary, extending this Agreement.

Time Bar to Legal Action

The parties agree that all legal actions by either party against the other concerning our services pursuant to this Agreement or for failure to perform in accordance with the applicable standard of care, however denominated, including but not limited to claims sounding in tort or in contract, and arising out of any alleged loss or any alleged error, will become barred two (2) years from the completion of GeoEngineers' services.

No Third Party Rights

Nothing in this Agreement or as a consequence of any of the services provided gives any rights or benefits to anyone other than Client and GeoEngineers. All duties and responsibilities undertaken pursuant to this Agreement are for the sole and exclusive benefit of Client and GeoEngineers and not for the benefit of any other party. No third party shall have the right to rely on the product of GeoEngineers' services without GeoEngineers' prior written consent and the third party's agreement to be bound to the same terms and conditions as the Client.

Assignment of Contract or Claims

Neither the Client nor GeoEngineers may delegate, assign, sublet, or transfer the duties, interests or responsibilities set forth in this Agreement, or any cause of action or claim relating to the services provided under this Agreement, to other entities without the written consent of the other party.

Survival

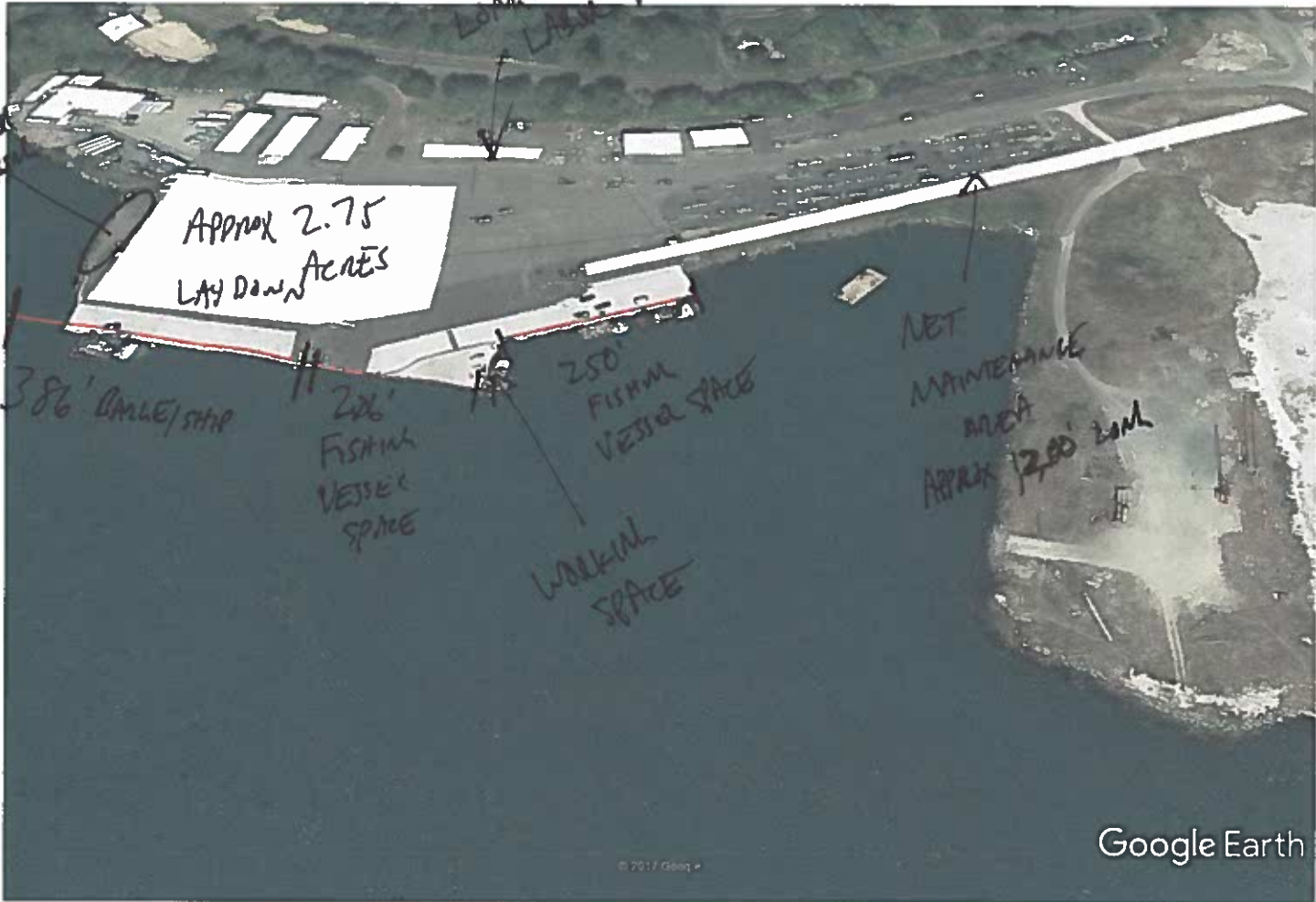
These terms and conditions survive the completion of the services under this Agreement and the termination of this Agreement, whether for cause or for convenience.

Severability

If any provision of this Agreement is ever held to be unenforceable, all remaining provisions will continue in full force and effect. Client and GeoEngineers agree that they will attempt in good faith to replace any unenforceable provision with one that is valid and enforceable, and which conforms as closely as possible with the original intent of any unenforceable provision.

Equal Opportunity Employment

GeoEngineers is an Equal Opportunity and Affirmative Action Employer. GeoEngineers shall abide by, and shall require that any subcontractors or vendors hired by GeoEngineers abide by, the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a) which are incorporated as part of this Agreement. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.



Google Earth



Year Ending	Salaries	Taxes & WC	Insurance	HRA	PERS	EE Incentives	Total	Change	Budget	Under-Budget	% Actual vs. Budget
FY2012	813,202	108,113	140,908	5,000	41,807		1,109,030				
FY2013	819,400	127,542	146,518	-	38,522	6,096	1,138,078	29,048	1,156,677	18,599	98.4%
FY2014	728,340	127,656	124,796	-	27,178	7,707	1,015,677	(122,401)	1,285,980	270,303	79.0%
FY2015	731,123	125,773	131,879	5,000	22,277	17,867	1,033,919	18,242	1,231,781	197,862	83.9%
FY2016	842,971	119,107	143,518	9,669	14,573	8,105	1,137,943	104,024	1,253,595	115,652	90.8%
FY2017	906,544	122,656	163,148		8,208	8,919	1,209,475	71,532	1,376,375	166,900	87.9%
Compared to 5 yr Ave	15.2%	0.8%	18.6%	-100.0%	-71.6%	-10.3%	11.3%				88.0%
Compared to PY	7.5%	3.0%	13.7%	-100.0%	-43.7%	10.0%	6.3%				
2018 Budget	987,597	170,344	192,119	20,500	56,195	5,000	1,431,755				
2017-18 Projected (before Adj)	887,441	128,507	191,157	10,000	51,699	10,000	1,278,804	69,329	1,431,755		89.3%
2017-18 Projected (after Adj)	915,675	133,140	191,157	10,000	53,191	10,000	1,313,163	103,688	1,431,755		91.7%
Wage increase impact FY18	28,234	4,633	-	-	1,492	-	34,359				
2017-18 Before Adj vs. 2016-17	(19,103)	5,851	28,009	10,000	43,491	1,081	69,329				
2017-18 Before Adj vs. 2016-17	-2.1%	4.8%	17.2%		529.9%	12.1%	5.7%				
5-year Rate of Increase	1.022	906,677.66	120,540.34	157,105.04	46,612.62	-	1,230,936				
		133.66	(2,115.66)	(6,042.96)	-	38,404.62	(8,919.00)	21,460.66			

There has been significant discussion over the rising costs of personnel at the Port of Newport. In order to capture the most accurate picture as possible, the PON finance team, compiled and analyzed the prior 6 years of wages and benefits detail. In 2012, 2013 and 2016, Personnel Services was nearly the same amount, at \$1.1M. 2014 and 2015 saw declines to approximately \$1.0M. We know in part, the 2015 reduced expenses were caused by a 4-month vacancy in the Director of Finance position. Additionally in 2014 and 2015, health insurance costs were approximately \$15-20K less.

In 2017, Personnel Services increased to \$1.2M, an increase of \$71K, or 6.3%. This was partially caused by increased wages of 7.5%, and increased health insurance of 13.7%.

The 2016-17 Actual Personnel expenses were \$167K less than budgeted. When comparing the 2012-2016 5-year average to the actual figures (rather than 16'17 budgeted), the increased expenses over this time-frame was 11.3% (as opposed an increase in excess of 30%). This 11.3% increase in costs between 2012 and 2017 equates to an average annual increase of 2.2%. As a point of reference, the Consumer Price Index for Portland/Salem was: 2012 - 2.3, 2013 - 2.5, 2014 - 2.4, 2015 - 1.2, 2016 - 2.1, and 2017 (first half) - 4.4.

We then performed revised Personnel expense projections for 2017-18. The current budget is \$1.43M, however, our current projections put this figure at \$1.28M, before any wage increases. The 2017-18 projection of \$1.28M exceeds the 2016-17 actual expenditure amount of \$1.21M. This increase is mostly caused by increases in Workers Compensation (\$6K), Health Insurance (\$28K), and PERS (\$43K).

It appears the Port has historically over-budgeted Personnel Services, and this has in part led to confusion, and apparent trends that don't come to fruition. In the past 5 years, the Port's actual Personnel Services costs have equated to 88% of the budgeted amount. This trend appears to continue into 2017-18. This variance made it appear the Port's expenses were ballooning in FY2017 and FY2018. The additional room in the budget was intended to hire a maintenance crew for the purpose of balancing regular operating duties with larger maintenance projects. That crew was never hired, and current management does not intend to hire those positions at this time for reasons previously stated in the November Port meeting.

**Port Dock 5 Replacement
Port of Newport
Newport, Oregon
OBEC Project No. 860-2**

Engineer's Opinion of Probable Construction Cost


30% Preliminary Plan Submittal

December 11, 2017

Spec. Sec.	No.	Item	Unit	Quantity	Unit Price	Total Price
MOBILIZATION, BONDING AND INSURANCE						
	10	Mobilization	LS	1	\$ 140,000.00	\$ 140,000.00
	20	Bonding	LS	1	\$ 21,000.00	\$ 21,000.00
	30	Insurance	LS	1	\$ 28,000.00	\$ 28,000.00
		SUBTOTAL				\$ 189,000.00
TEMPORARY FEATURES AND APPURTENANCES						
	40	Temporary Erosion, Sediment and Pollution Control	LS	1	\$ 10,000.00	\$ 10,000.00
	50	Temporary Access Walkway	LS	1	\$ 60,000.00	\$ 60,000.00
	60	Temporary Utility Support	LS	1	\$ 40,000.00	\$ 40,000.00
		SUBTOTAL				\$ 110,000.00
DEMOLITION						
	70	Remove and Dispose of Existing Structure	TON	115	\$ 1,000.00	\$ 115,000.00
		SUBTOTAL				\$ 115,000.00
SUBSTRUCTURE						
	80	Furnish Steel Pipe Piles	FT	1,300	\$ 120.00	\$ 156,000.00
	90	Drive Steel Pipe Piles	EA	18	\$ 6,000.00	\$ 108,000.00
	100	Pile Tip Reinforcement	EA	18	\$ 250.00	\$ 4,500.00
	110	Steel Pile Caps	LB	30,000	\$ 3.00	\$ 90,000.00
	120	Steel Pile Bracing	LB	18,000	\$ 5.00	\$ 90,000.00
	130	Cathodic Protection	LS	1	\$ 30,000.00	\$ 30,000.00
	140	New Float	LS	1	\$ 30,000.00	\$ 30,000.00
		SUBTOTAL				\$ 588,500.00
SUPERSTRUCTURE						
	150	Precast Concrete Girders	FT	835	\$ 350.00	\$ 292,250.00
	160	AC Wearing Surface	TON	70	\$ 400.00	\$ 28,000.00
	170	Waterproof Membrane	SF	3350	\$ 10.00	\$ 33,500.00
	180	Curb Concrete	CY	13	\$ 550.00	\$ 7,150.00
	190	Curb Reinforcement	LB	1300	\$ 1.25	\$ 1,625.00
	200	Steel Guard Rail	FT	336	\$ 175.00	\$ 58,800.00
	210	Gangway	LS	1	\$ 70,000.00	\$ 70,000.00
		SUBTOTAL				\$ 491,325.00
STORM WATER UTILITIES						
	220	Storm Water Collection Piping	LF	100	\$ 15.00	\$ 1,500.00
	230	Storm Water Manholes	EA	1	\$ 7,000.00	\$ 7,000.00
	240	Storm Water Filter Vault	LS	1	\$ 25,000.00	\$ 25,000.00
	250	Storm Water Discharge	LS	1	\$ 25,000.00	\$ 25,000.00
		SUBTOTAL				\$ 58,500.00
ELECTRICAL UTILITIES						
	260	Electrical Service Raceways	LS	1	\$ 36,500.00	\$ 36,500.00
	270	Lighting Raceways and Wiring	LS	1	\$ 6,000.00	\$ 6,000.00
	280	Luminaire Poles, Fixtures, and Dock Attachments	LS	1	\$ 14,500.00	\$ 14,500.00
	290	Camera System Modifications	LS	1	\$ 3,000.00	\$ 3,000.00
		SUBTOTAL				\$ 60,000.00
FUEL UTILITIES						
	300	Fuel Line	LF	250	\$ 100.00	\$ 25,000.00
		SUBTOTAL				\$ 25,000.00
WATER UTILITIES						
	310	Fire-water Pipe	LS	1	\$ 20,000.00	\$ 20,000.00
	320	Fire-water Standpipe	LS	1	\$ 3,000.00	\$ 3,000.00
	330	Potable 2" Water Line	LS	1	\$ 12,000.00	\$ 12,000.00
		SUBTOTAL				\$ 35,000.00
SUBTOTAL OF WORK ITEMS:						\$ 1,592,325.00
Contingencies @ 25%:						\$ 398,081.25
Indirect/Professional Services:						\$ 220,000.00
TOTAL COST ESTIMATE:						\$ 2,210,406.25

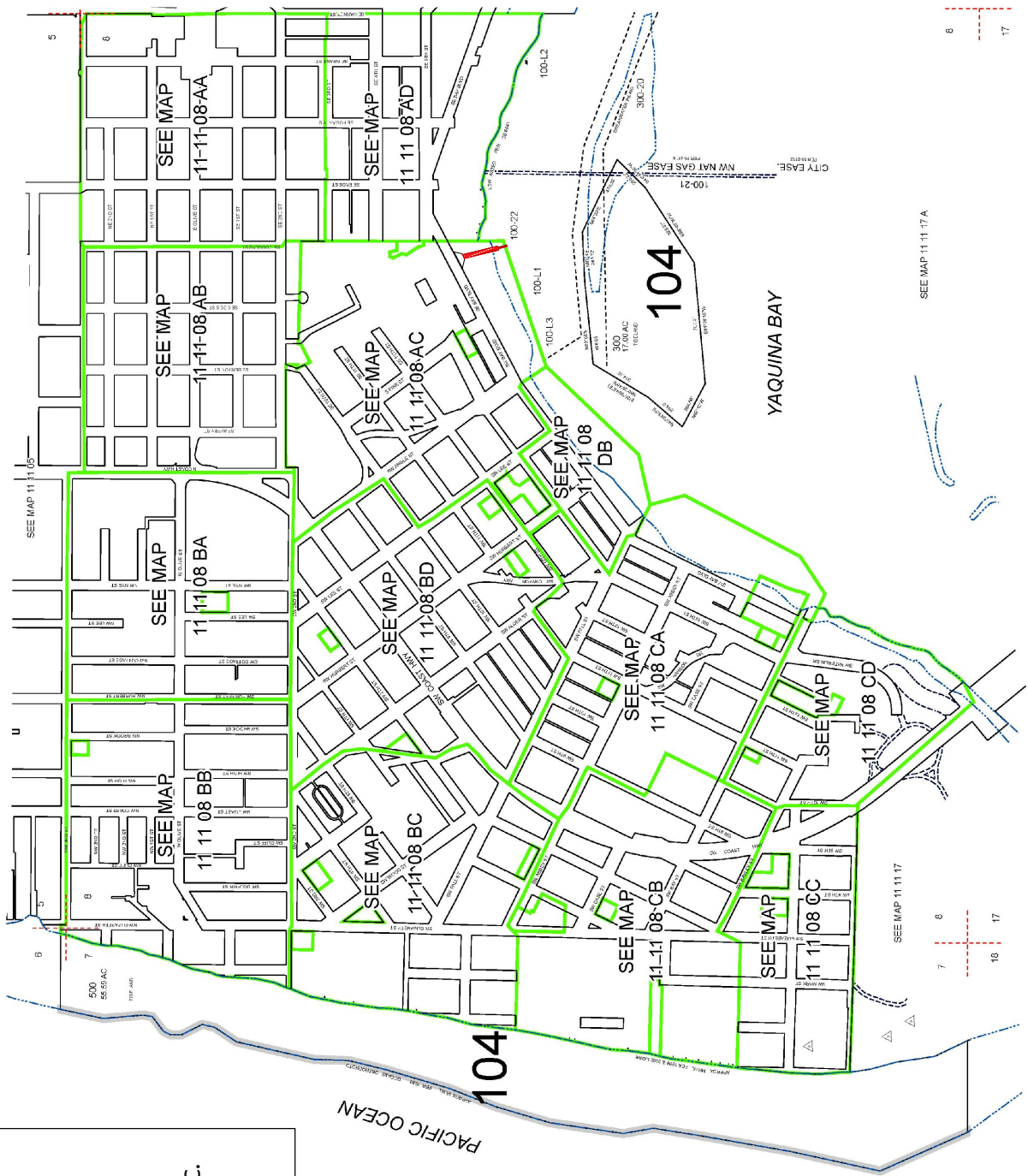
SECTION 8 T. 11S. R. 11W. W.M.
LINCOLN COUNTY
1" = 400'



 Approximate project construction limits

The Project area includes the Yaquina River Estuary and a portion of tax lot 11 11 08 AC.

Source: The Oregon Map GIS Viewer



PROJECT: 0860-0002

DATE: November 2017

PORT OF NEWPORT
DOCK 5 REPLACEMENT

YAQUINA BAY

NEWPORT, OR

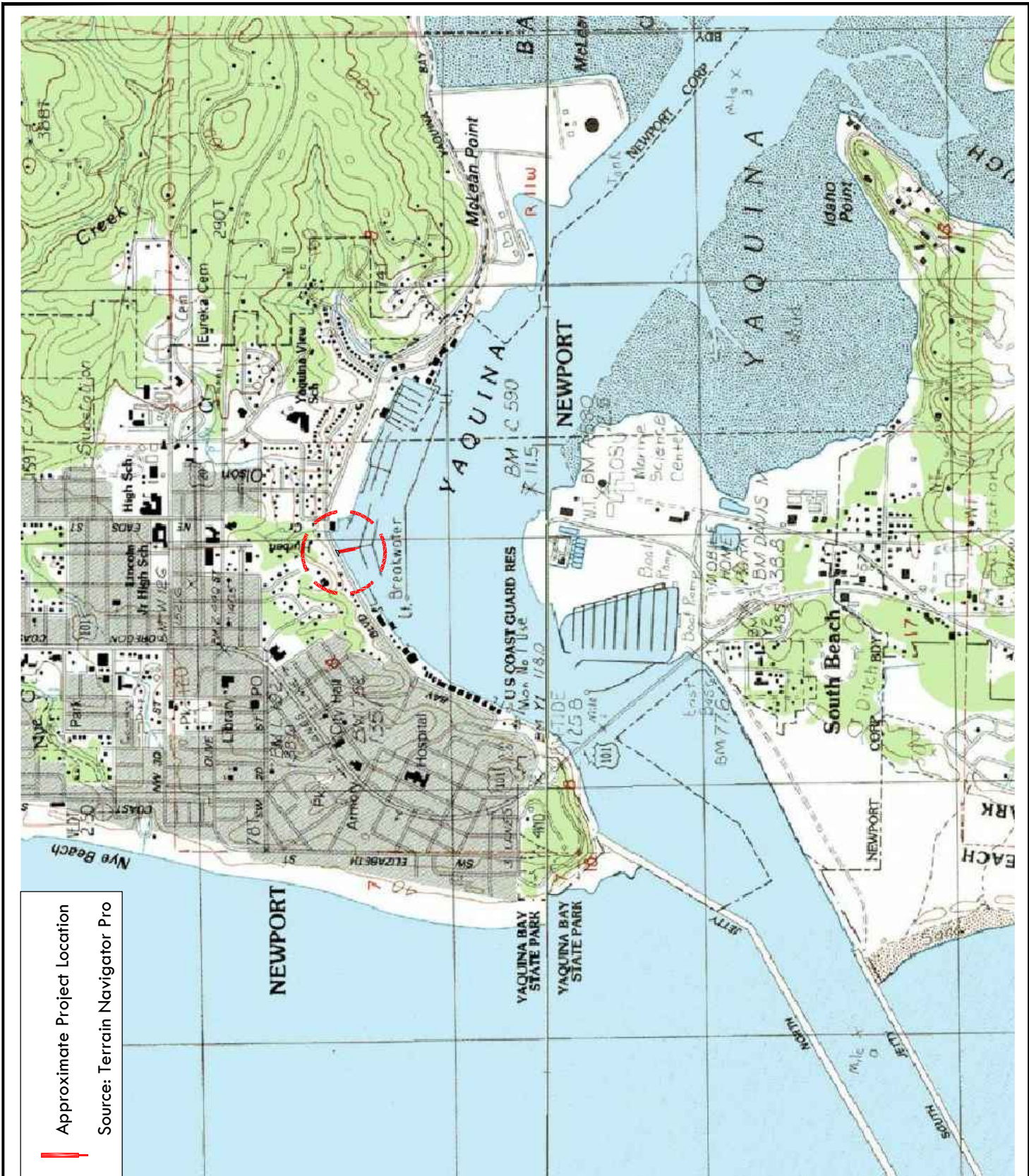


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TAX LOT MAP

2

FIGURE 2 OF 11



PROJECT: 0860-0002
 DATE: November 2017

PORT OF NEWPORT
 DOCK 5 REPLACEMENT
 YAQUINA BAY
 NEWPORT, OR



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USGS
 TOPOGRAPHIC
 MAP

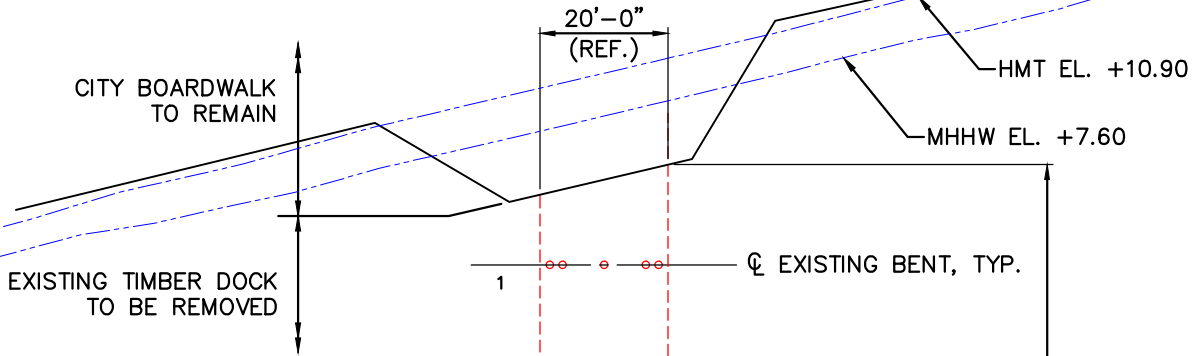
3
 FIGURE 3 OF 11



NOTE: CONSTRUCTION ACCESS WILL BE PROVIDED VIA SE BAY BLVD. AND THE ADJACENT BOARDWALK.

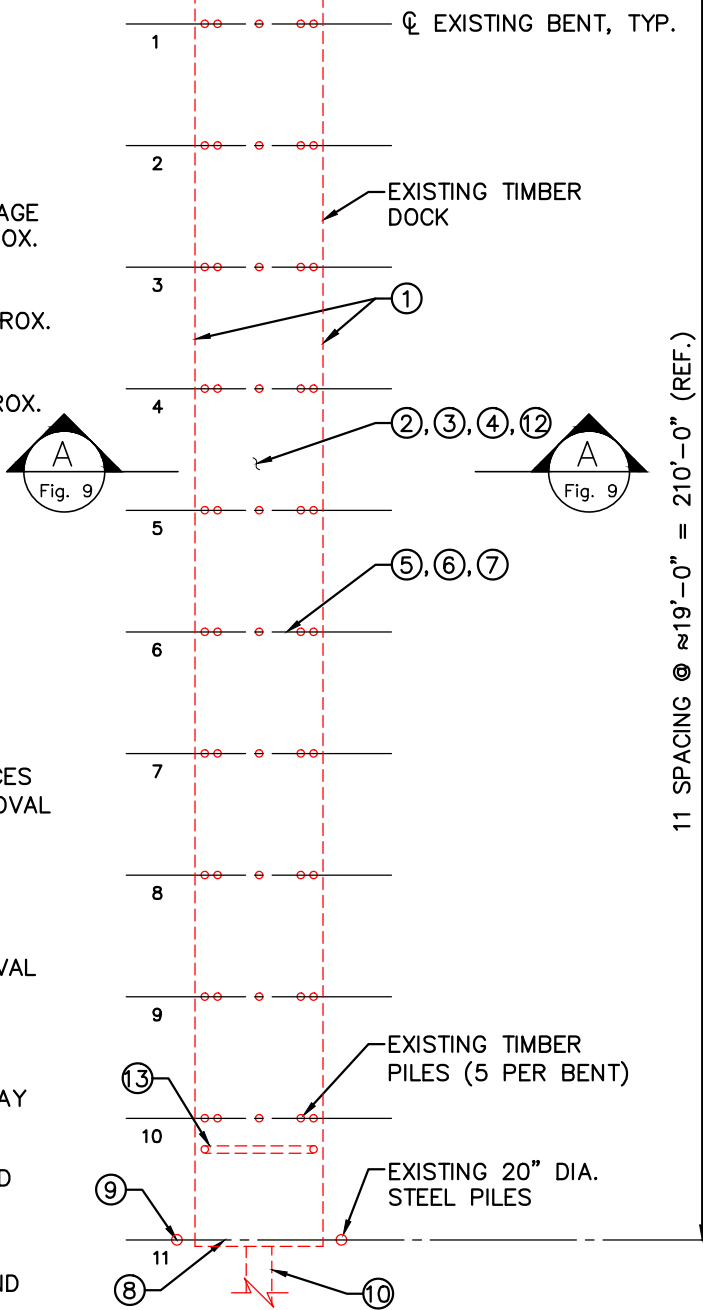
--- Approximate Project Area
 - - - Construction staging area
 Source: Google Earth

PROJECT: 0860-0002	<p align="center">PORT OF NEWPORT DOCK 5 REPLACEMENT</p>	 <p>CONSULTING ENGINEERS www.obec.com</p>	<p align="center">AERIAL OVERVIEW</p>	<p align="center">4</p>
DATE: November 2017				



DEMOLITION NOTES:

- ① REMOVE TIMBER HANDRAIL (SALVAGE AND REUSE STEEL PANELS, APPROX. 420 LINEAR FEET)
- ② REMOVE 3X12 TIMBER DECK (APPROX. 4200 SQ. FT.)
- ③ REMOVE 8X8 TIMBER CURB (APPROX. 420 FEET)
- ④ REMOVE 8X12 TIMBER STRINGERS (APPROX. 3150 FEET)
- ⑤ REMOVE 12X12 TIMBER PILE CAP (TOTAL OF 10)
- ⑥ REMOVE 14" DIA. TIMBER PILES (TOTAL OF 50)—55 SF, 85 CY REMOVAL, 43 CY FILL
- ⑦ REMOVE 3X8 X 25 FEET LONG VERTICAL DIAGONAL TIMBER BRACES (TOTAL OF 20)—5 SF, 3 CY REMOVAL
- ⑧ REMOVE STEEL PILE CAP (TOTAL OF 1)
- ⑨ REMOVE 20" DIA. STEEL PILES (TOTAL OF 2)—5 SF, 7 CY REMOVAL
- ⑩ REMOVE EXISTING 6 FT X 48 FT GANGWAY
- ⑪ REMOVE 15'-3" X 19'-0" GANGWAY FLOAT (SEE FIGURE 11)
- ⑫ REMOVE EXISTING ELECTRICAL AND FIRE WATER UTILITY PIPES UNDER EXISTING TIMBER DOCK
- ⑬ REMOVE DOCK SIGN (SALVAGE AND REUSE SIGN)

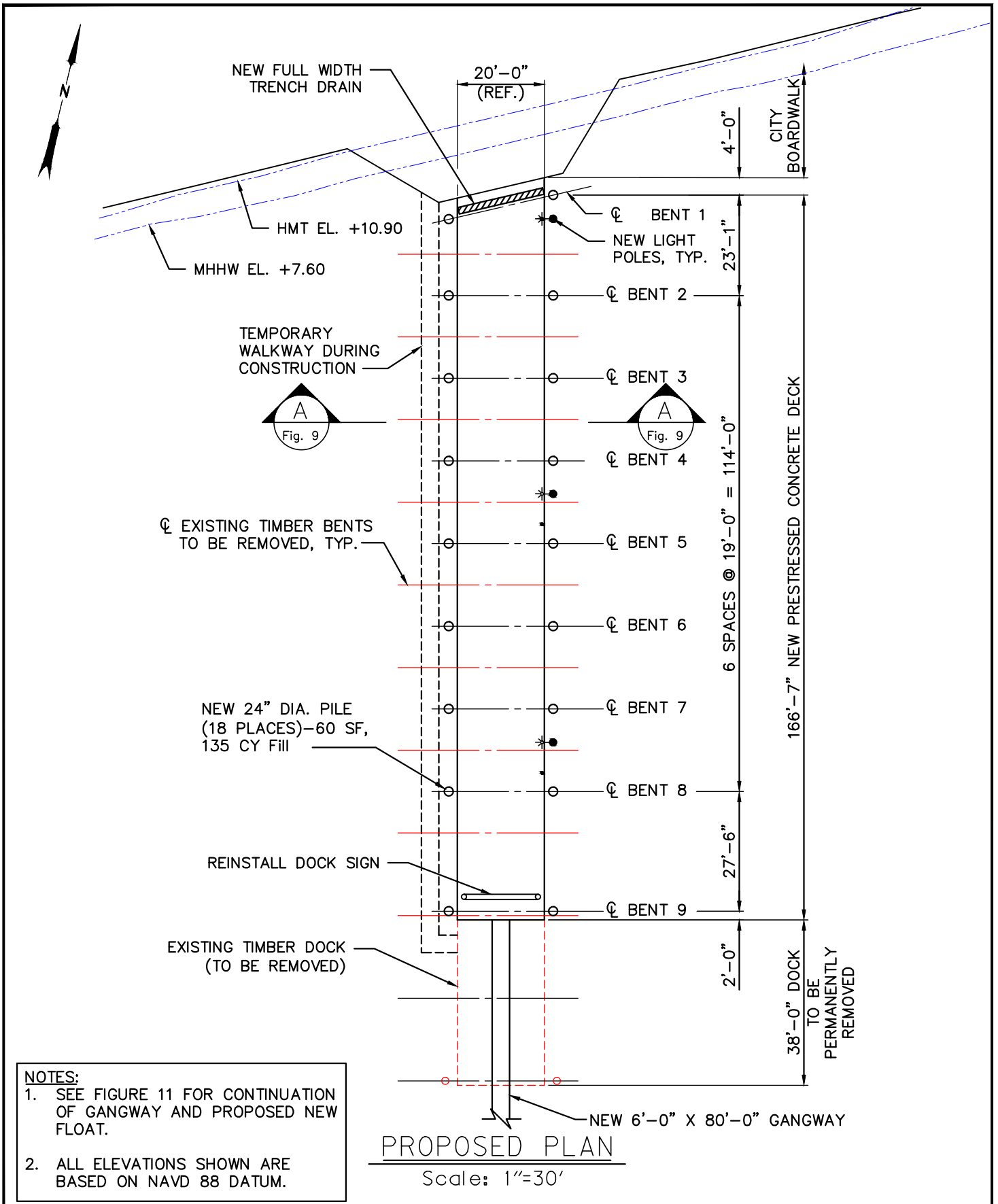


11 SPACING @ ~19'-0" = 210'-0" (REF.)

DEMOLITION PLAN
Scale: 1"=30'

NOTE:
SEE FIGURE 11 FOR EXISTING
FLOAT TO BE REPLACED.

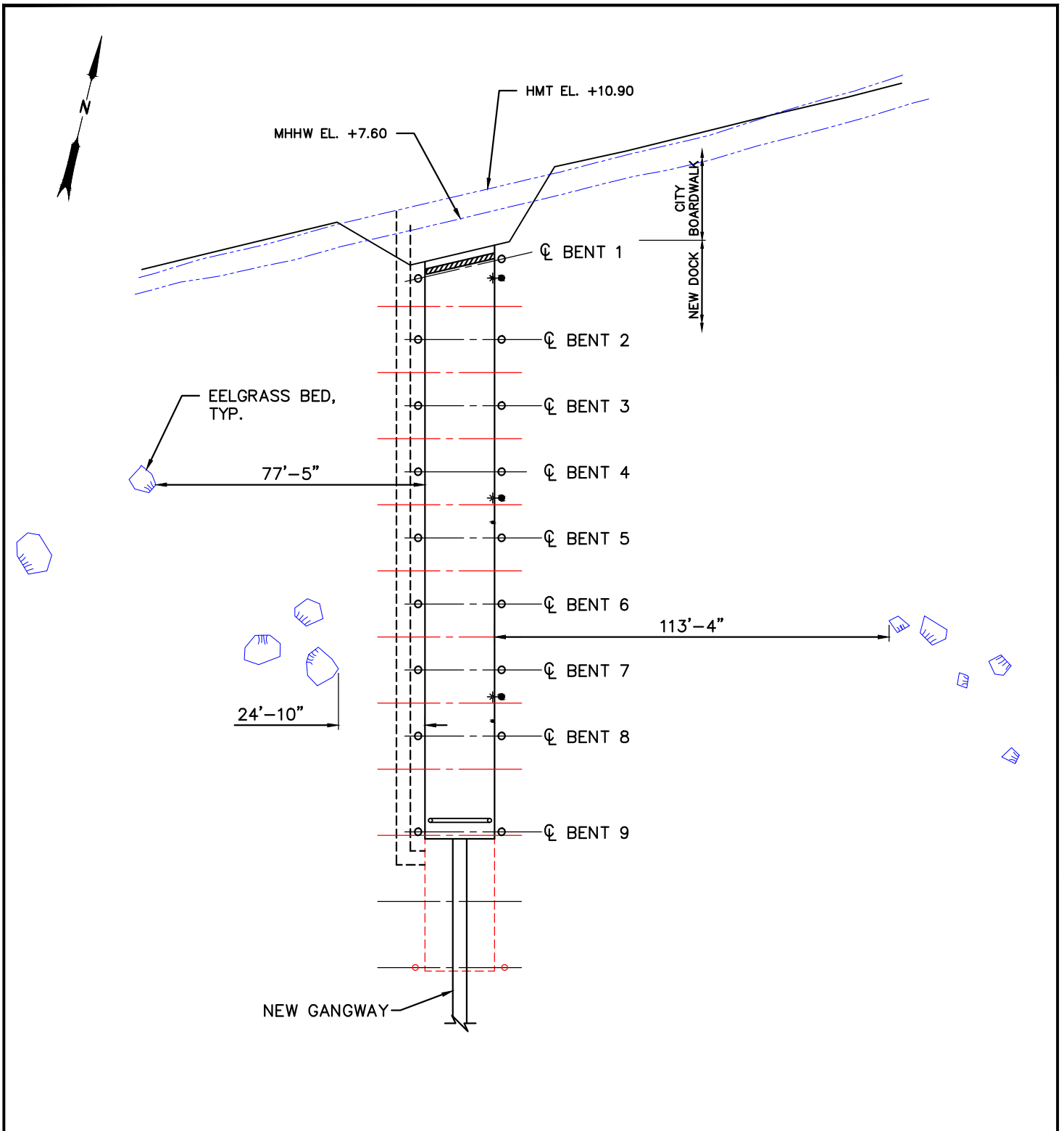
PROJECT: 0860-0002	PORT OF NEWPORT DOCK 5 REPLACEMENT	 OBEC CONSULTING ENGINEERS www.obec.com	DEMOLITION PLAN	5 FIGURE 5 OF 11
DATE: November 2017	YAQUINA BAY NEWPORT, OR			



NOTES:
 1. SEE FIGURE 11 FOR CONTINUATION OF GANGWAY AND PROPOSED NEW FLOAT.
 2. ALL ELEVATIONS SHOWN ARE BASED ON NAVD 88 DATUM.

PROPOSED PLAN
 Scale: 1"=30'

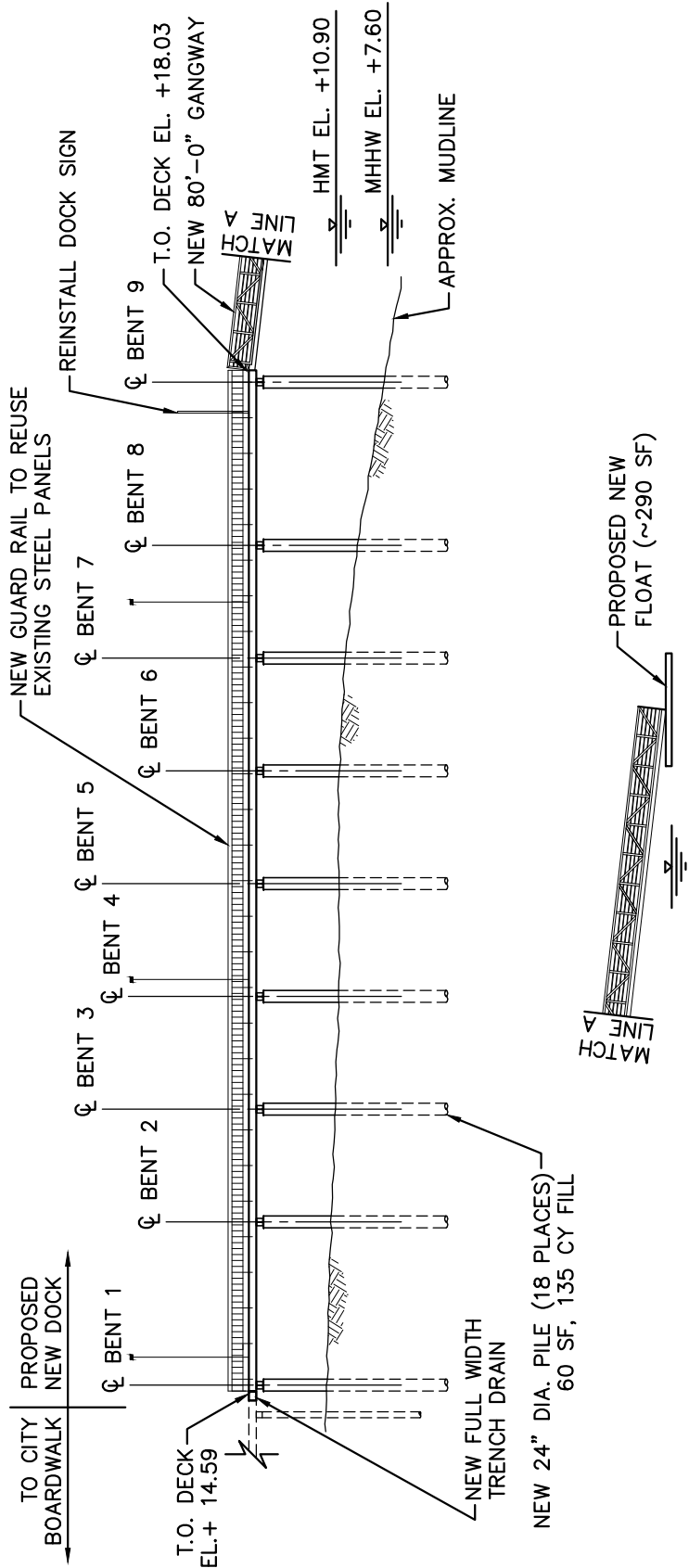
PROJECT: 0860-0002	PORT OF NEWPORT DOCK 5 REPLACEMENT	 CONSULTING ENGINEERS <small>www.obec.com</small>	PLAN	6
DATE: November 2017	YAQUINA BAY NEWPORT, OR			FIGURE 6 OF 11



NOTES:
 1. SEE FIGURE 11 FOR CONTINUATION OF GANGWAY AND PROPOSED NEW FLOAT.
 2. ALL ELEVATIONS SHOWN ARE BASED ON NAVD 88 DATUM.

PROPOSED PLAN
 Scale: 1"=40'

PROJECT: 0860-0002	PORT OF NEWPORT DOCK 5 REPLACEMENT YAQUINA BAY NEWPORT, OR	 CONSULTING ENGINEERS www.obec.com	EELGRASS LOCATION	7 FIGURE 7 OF 11
DATE: November 2017				

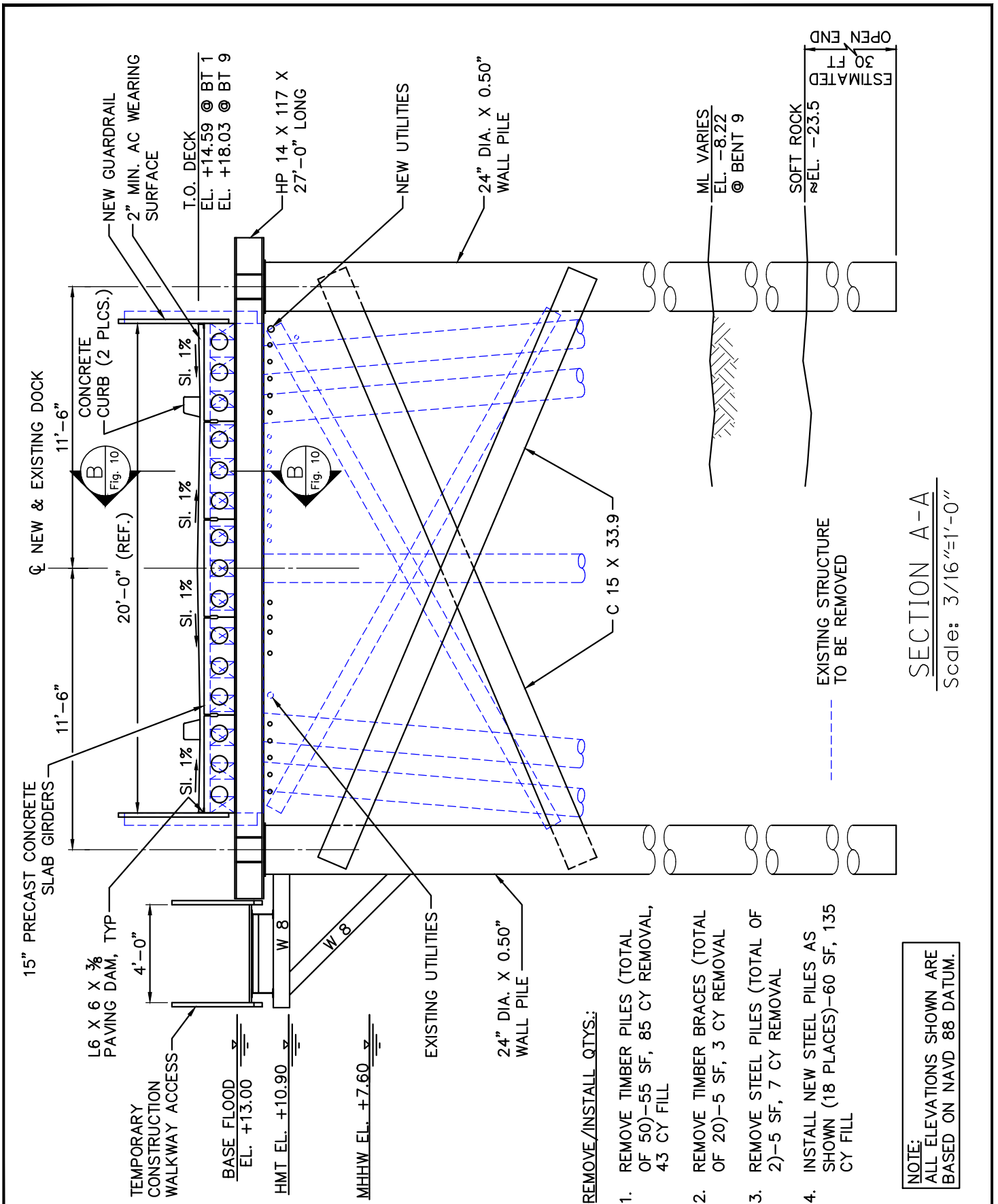


NOTE:
ALL ELEVATIONS SHOWN ARE
BASED ON NAVD 88 DATUM.

ELEVATION (LOOKING EAST)

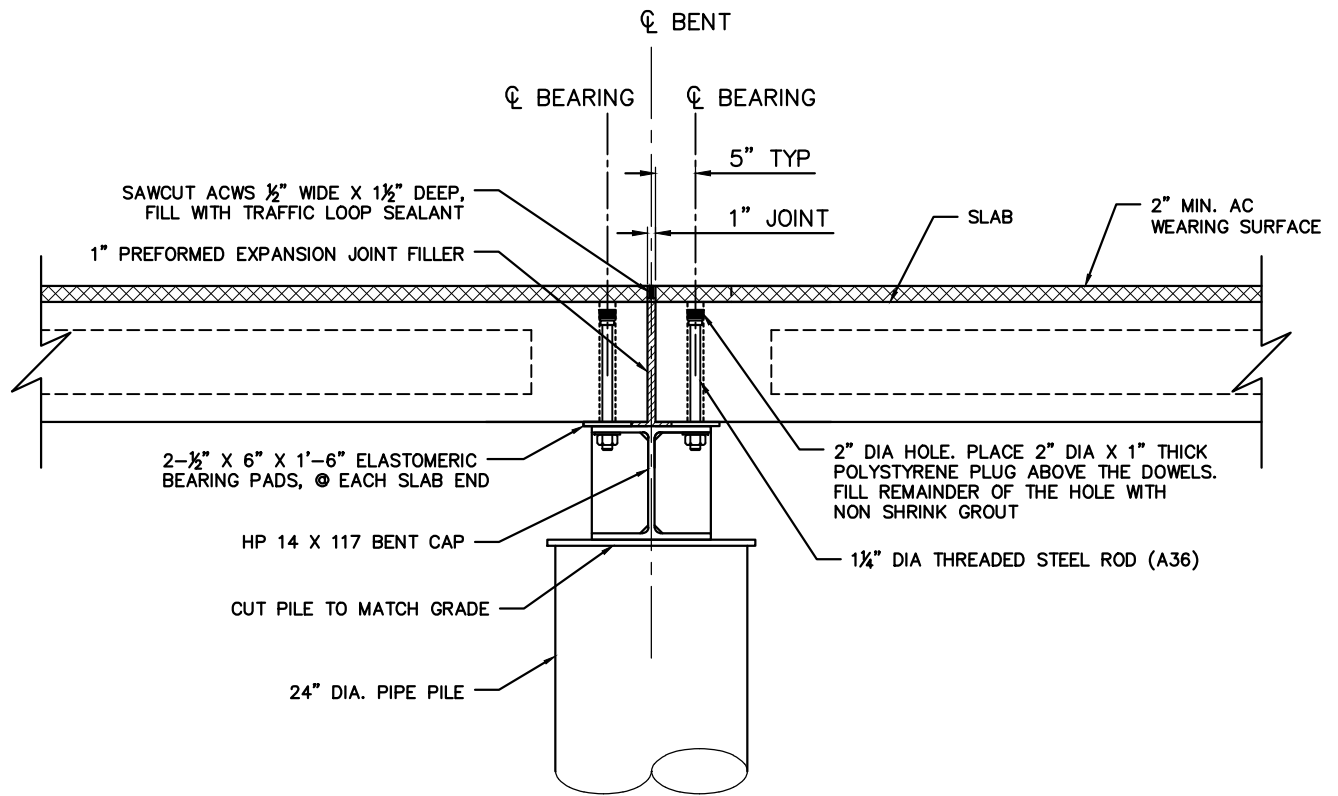
Scale: 1"=30'

PROJECT: 0860-0002	PORT OF NEWPORT DOCK 5 REPLACEMENT		ELEVATION	8
DATE: November 2017				



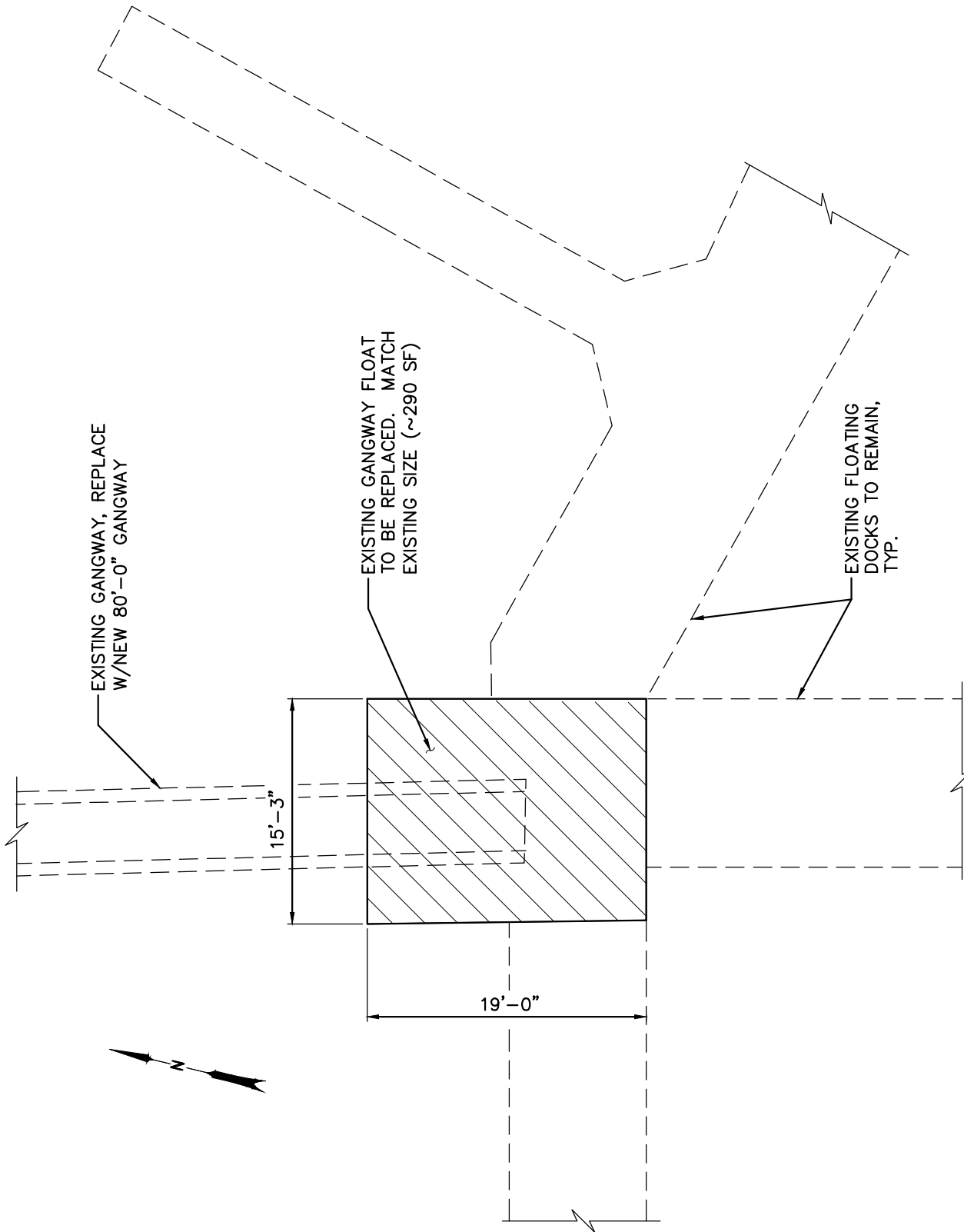
SECTION A-A
Scale: 3/16"=1'-0"

PROJECT: 0860-0002 DATE: November 2017	PORT OF NEWPORT DOCK 5 REPLACEMENT YAQUINA BAY NEWPORT, OR	 OBEC CONSULTING ENGINEERS www.obec.com	SECTION 9	FIGURE 9 OF 11
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SECTION B-B
Scale: 1/2"=1'-0"

PROJECT: 0860-0002	PORT OF NEWPORT DOCK 5 REPLACEMENT	CONSULTING ENGINEERS <small>www.obec.com</small>	SECTION	10
DATE: November 2017	YAQUINA BAY NEWPORT, OR			FIGURE 10 OF 11



PLAN @ NEW FLOAT

Scale: 1"=10'

PROJECT: 0860-0002

PORT OF NEWPORT
DOCK 5 REPLACEMENT



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NEW FLOAT
PLAN

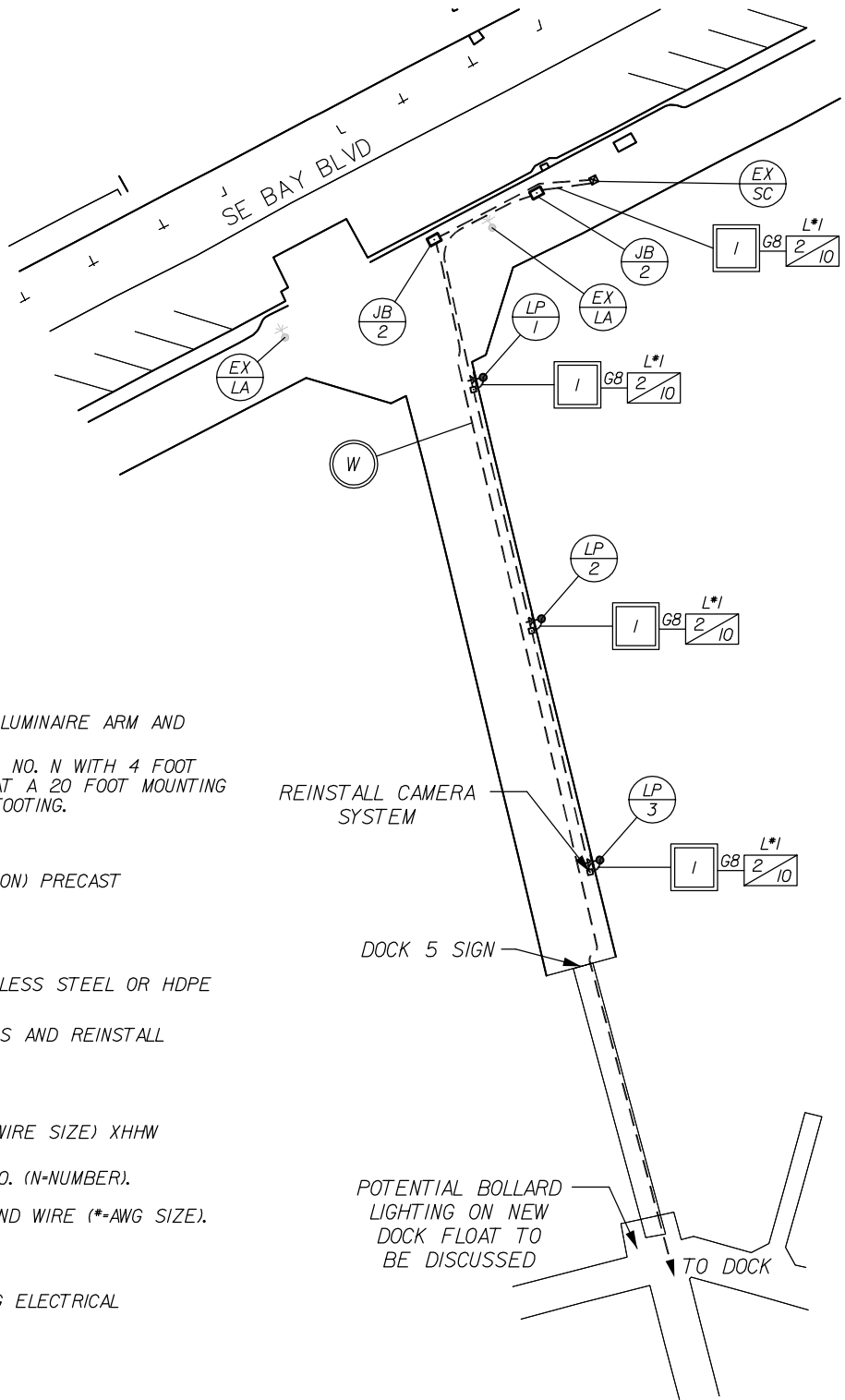
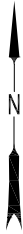
11

DATE: November 2017

YAQUINA BAY

NEWPORT, OR

FIGURE 11 OF 11



LEGEND

POLES

- (EX LA) RETAIN AND PROTECT EXISTING LUMINAIRE ARM AND LUMINAIRE.
- (LP N) INSTALL FIBERGLASS LIGHT POLE NO. N WITH 4 FOOT LUMINAIRE ARM AND LUMINAIRE AT A 20 FOOT MOUNTING HEIGHT ON NEW ANCHOR POLE FOOTING.

JUNCTION BOXES

- (JB 2) INSTALL 22"x12"x12" (MIN. DIMENSION) PRECAST CONCRETE JUNCTION BOX.

CONDUIT

- (S) INSTALL (S-SIZE) INCH 316 STAINLESS STEEL OR HDPE CONDUIT.
- (W) INSTALL 4 3-INCH HDPE CONDUITS AND REINSTALL EXISTING WIRE TO THE DOCK.

WIRES

- (N/G) INSTALL (N-NUMBER) NO. (G-AWG WIRE SIZE) XHHW WIRES.
- L*N ROADWAY ILLUMINATION CIRCUIT NO. (N-NUMBER).
- G* INSTALL GREEN INSULATED GROUND WIRE (*=AWG SIZE).

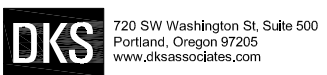
CABINETS

- (EX SC) MAINTAIN AND PROTECT EXISTING ELECTRICAL SERVICE CABINET.



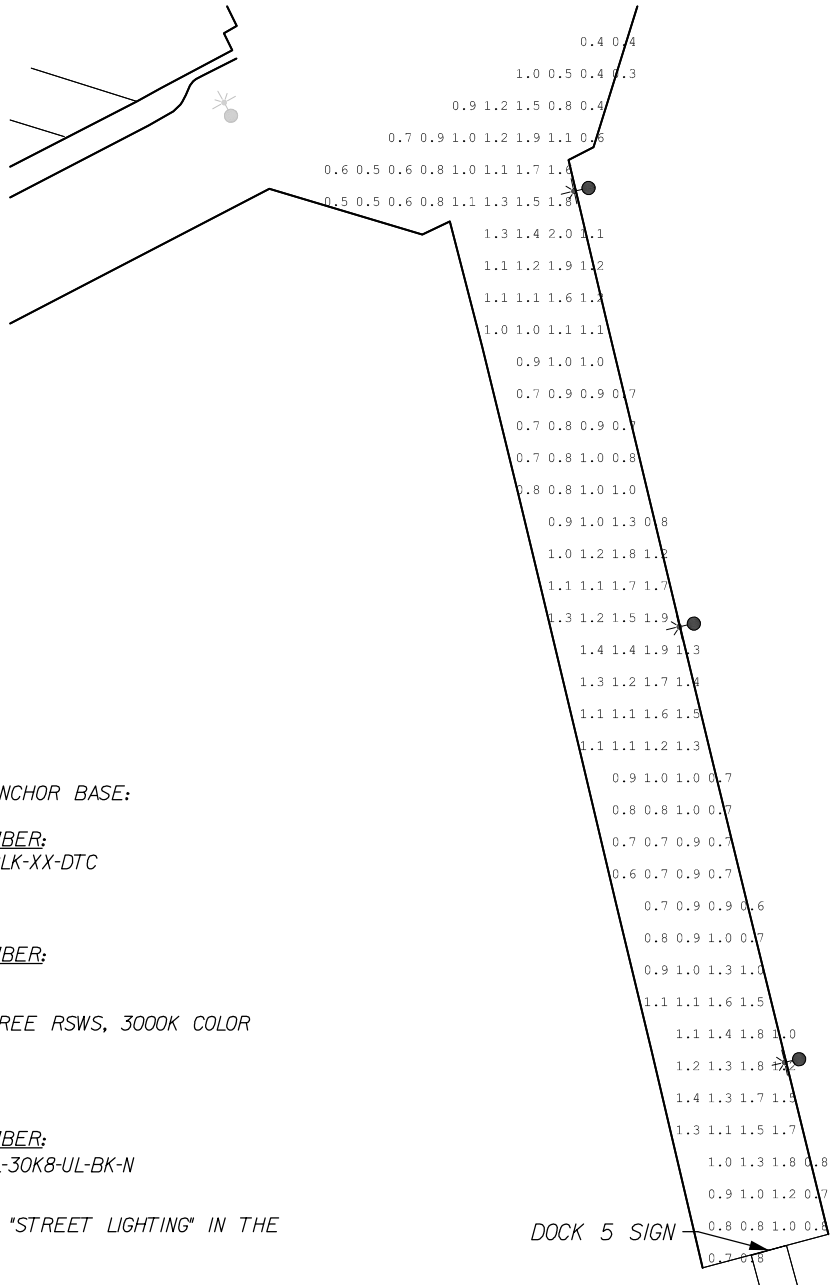
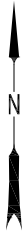
PROJECT: 0860-0002
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PORT OF NEWPORT
DOCK 5 REPLACEMENT
YAQUINA BAY NEWPORT, OR



ILLUMINATION
PLAN

X
FIGURE X OF X



LIGHTING NOTES:

1. LIGHT POLE SHALL BE FIBERGLASS ANCHOR BASE:

MANUFACTURER: VALMONT/WHATLEY CATALOG NUMBER: TR34-20-AB-BLK-XX-DTC

2. ANCHOR POLE FOOTING SHALL BE:

MANUFACTURER: TBD CATALOG NUMBER: TBD

3. COBRA HEAD LUMINAIRE SHALL BE CREE RSWS, 3000K COLOR TEMPERATURE.

THE APPROVED LUMINAIRE IS:

MANUFACTURER: CREE CATALOG NUMBER: RSWS-A-HT-3L-30K8-UL-BK-N

4. JUNCTION BOXES SHALL BE LABELED "STREET LIGHTING" IN THE LID MARKING AREA.

LOCATION	ROADWAY/INTERSECTION CLASSIFICATION	LIGHT LEVELS			
		DESIGN VALUES		DESIGN STANDARDS*	
		AVG. MAINTAINED ILLUMINANCE (FC)	UNIFORMITY AVG/MIN	AVG. MAINTAINED ILLUMINANCE (E/FC)	UNIFORMITY AVG/MIN
PORT OF NEWPORT DOCK 5 WALKWAY	PEDESTRIAN WALKWAY	1.08	3.60	1.0	4.0
PORT OF NEWPORT DOCK 5 SIGN	-	1.25	1.79	-	-

* LIGHT LEVEL DESIGN STANDARDS BASED ON ILLUMINATING ENGINEERING SOCIETY (IES) RP-8-14 FOR A PEDESTRIAN WALKWAY



PROJECT: 0860-0002	PORT OF NEWPORT DOCK 5 REPLACEMENT YAQUINA BAY NEWPORT, OR	720 SW Washington St, Suite 600 Portland, Oregon 97205 www.dksassociates.com	ILLUMINATION VALUES	X FIGURE X OF X
DATE: November 2017				

TABLE 2
Alternative 2 Cost Estimate

Item No.	Description	Unit	Quantity	Unit Cost	Total Cost
1	Mobilization/De-Mob (including access float)	LS	1	\$100,000	\$100,000
2	Piles- 24" dia x .5 wall material	EA	18	\$8,625	\$155,250
3	Piles - Installation	EA	18	\$6,000	\$108,000
4	Pile Caps- Steel HP 14	EA	9	\$2,400	\$21,600
5	Pile Caps- Installation	EA	9	\$6,000	\$54,000
6	Bracing- C12x33.9	LF	960	\$44	\$42,240
7	Install Bracing	EA	30	\$1,200	\$36,000
8	Demo existing timber deck, piles, brcg, & disposal	Ton	115	\$1,000	\$115,000
9	Precast concrete deck w/ 3" AC	SF	3440	\$42	\$144,480
10	Guardrail- 4" spa	LF	344	\$175	\$60,200
11	curb- precast parking bumper 8"x13"x6'	EA	60	\$69	\$4,140
12	4' wide x 80 ft long gangway	EA	1	\$70,000	\$70,000
13	Stormwater collection piping	LF	100	\$15	\$1,500
14	Stormwater catch basins	EA	2	\$1,000	\$2,000
15	Stormwater filter vault	LS	1	\$25,000	\$25,000
16	Stormwater discharge/outfall	LS	1	\$25,000	\$25,000
17	New electrical service (for fixed dock only)	LS	1	\$15,000	\$15,000
18	conduit & cable	LF	2250	\$28	\$61,875
19	Light poles	EA	5	\$1,800	\$9,000
20	Light fixtures- LED floodlight	EA	5	\$1,300	\$6,500
21	new fuel line dock & gangway	LF	250	\$100	\$25,000
22	Firewater pipe & standpipe replacement	LS	1	\$23,000	\$23,000
23	Temporary walkway + knee brace supports	LF	200	\$300	\$60,000
24	New 2" potable water line	LS	1	\$12,000	\$12,000
25	Temp access/utility support for demo 9-11	LS	1	\$40,000	\$40,000
25	Modify existing float for new gangway	LS	1	\$20,000	\$20,000
Subtotal					\$1,236,785
Contingency (30%)					\$371,036
Indirects/professional services (see Table 5)					\$278,292
Total Cost					\$1,886,113