



PORT COMMISSION MEETING

100 E STREET, COLUMBIA CITY, OR 97018

OCTOBER 9, 2024

8:30 A.M.

The Port of Columbia County Commission Meeting will be in person. In accordance with state law, the meeting will be accessible via telephone or Zoom. Members of the public may attend the meeting electronically by: <https://us02web.zoom.us/j/83463925106>

Call-In: (253) 215-8782

Meeting ID: 834 6392 5106

Passcode: 357167

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

- A. Flag Salute
- B. Roll Call

II. ADDITIONS TO AGENDA

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

- A. * Approval of Minutes: August 11, 2024
- B. * Finance Report: October 2024
- C. * Approval of September Check Register and electronic payments in the total amount of \$ 472,068.18.

D. IV. COMMENTS FROM THE PUBLIC

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

V. OLD BUSINESS

- A. Marina Update Miriam House
- B. Airport Update Lacey Tolles
- NO PENDING THROUGH-THE-FENCE (TTF) APPLICATIONS*
- C. Lignetics/Neighbors Update Sean P. Clark

VI. NEW BUSINESS

- A. Columbia Pacific Bio-Refinery (CPBR) Update Kevin Jones
- B. Special Districts Assoc. of Oregon (SDAO) Update Frank Stratton
Staff Report
- C. **Resolution 2024-24** Elizabeth Millager
MARINA PARKING VIOLATION \$50 FINE
Staff Report and Resolution



- D. **Resolution 2024-25** Amy Bynum
AIR SENSE AVIONICS LEASE
Staff Report and Resolution
Lease

- E. Approval of EPA \$4M Grant Application Gina Sisco
Staff Report Elliot Levin
Outreach Plan

VII. EXECUTIVE DIRECTOR’S REPORT

VIII. COMMISSIONER REPORTS

IX. EXECUTIVE SESSION

The Board will hold an Executive Session to consider exempt public records, including written legal advice from Port General Counsel, which is privileged under ORS 40.225 and exempt from disclosure under ORS 192.355(9)(a) and ORS 192.660 (2)(f).

X. ADJOURNMENT

Upcoming Meetings & Events

Oct. 23	TBD	Commission Work Session
Oct. 28	11:30 a.m.	Agricultural Information Committee
Nov. 5	5:30 p.m.	Scappoose Bay Marina Advisory Committee
Nov. 11		Veteran’s Day – Port Office Closed
Nov. 13	8:30 a.m.	Commission Meeting

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

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



COMMISSION MEETING MINUTES
AUGUST 14, 2024
100 E. STREET
COLUMBIA CITY, OREGON 97018

The Port of Columbia County held a Board meeting at 8:30 a.m. on Wednesday, August 14, 2024 at the Port office and via Zoom (*) video conferencing with the following present:

Commissioners

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

Staff

Sean P. Clark Executive Director
 Amy Bynum Deputy Executive Director
 Bob Salisbury Port General Counsel
 Guy Glenn, Jr. Executive Finance Manager
 Miriam House Operations Manager
 Elizabeth Millager Property Manager
 Elliot Levin North County Ops. & Terminal Mgr.
 Gina Sisco Comm. & External Affairs Mgr.
 Christa Burns Administrative Assistant II
 Lacey Tolles Airport Manager
 Sydell Cotton * Assistant Finance Manager
 Brittany Scott * Finance Assistant

Guests

Bob Gadotti * Scappoose
 Jan Schollenberger Columbia City
 Kim Karber Columbia City
 Natasha Parvey NXT Clean Fuels
 Susan Tolleshaug * St. Helens

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

Additions To Agenda

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

Consent Agenda

Nancy Ward moved; Nick Sorber seconded a motion to adopt consent agenda items A and B: July 10, 2024 Commission Meeting Minutes and July 2024 Finance Report. Motion carried unanimously, 5-0.

Nancy Ward moved; Nick Sorber seconded a motion to adopt consent agenda item C: July 2024 Check Register and electronic payments in the total amount of \$578,550.50. Robert Keyser abstained from voting, declaring a potential conflict of interest. Motion carried, 4-0.

Comments From the Public

Brady Preheim wanted to know why the Port made a payment of \$50,000 to My System Shield. Mr. Preheim also stated his opposition to Jennifer Massey being reappointed to the Scappoose Bay Marine Park Advisory Committee.

Old Business

Marina Update

Port Operations Manager Miriam House provided an update on construction for the upland phase of the Marina Improvement Project expected to break ground in mid-September. Ms. House showed a picture of the signage shared on social media and posted in various locations at Scappoose Bay Marine Park. The signs announce that construction is coming soon, and that fifty percent of the project was funded by the Oregon State Marine Board (OSMB). Signage is also available at the Port office. Ms. House explained that some of the improvements will include widened sidewalks, improved landscaping, increased ADA and standard parking, a kayak unloading area with an air compressor, relocation of the trash area with a security enclosure, upgrades to the stormwater and emergency fire systems, parking lot pavement repair and maintenance, replacement of the existing



pay station shelter, and an additional pay station with a steel shelter built by Port maintenance staff. Ms. House stated that the goal is to keep the boat ramp open during the construction period; however, ensuring safety is the top priority. The Scappoose Bay Marine Park is a major tourist destination that is becoming more popular each season and these upland improvements will help to reduce congestion and provide greater waterway access for all user groups. Commissioner Ward asked why the 10-minute parking spaces had been removed and Ms. House said the Marina Advisory Board is considering bringing them back. She also mentioned that the new EV parking spaces have started getting some use. A traffic flow and pedestrian access plan will be presented at the next Commission meeting.

Airport Update

Airport Manager Lacey Tolles provided an update on Scappoose Airport and stated that there are no pending Thru-The-Fence applications. Ms. Tolles reported a minor plane crash on August 6, 2024 with no injuries and no damage. The Port Maintenance crew was dispatched to assist with runway cleanup. The newly purchased closure lighting was used to close the runway and is highly visible to airborne pilots. Brian Fawcett asked about the rate of accidents compared to other similar airports. Ms. Tolles responded that she spoke with Transwestern Aviation and some of our commercial tenants the following day to debrief. Scappoose Airport is used largely for training and practice, which is typical for general aviation airports. Ms. Tolles indicated that there has been an uptick in new pilots from surrounding areas, more touch-and-go landings, and the accidents were induced by wind and user error. None were caused by the airport's runway or facilities. Nancy Ward asked about runway damage and pilot liability insurance. Ms. Tolles explained that there were surface cracks on the runway but no significant damage. She indicated that Mr. Salisbury and Mr. Clark executed the West Side Pavement Maintenance Phase II grant to the FAA so that project will be moving along after meeting with the contractor. It will be a 22-day project with nonconsecutive 3–4-day closures planned for late September.

Lignetics/Neighbors Update

Port Executive Director Sean Clark stated he was notified that Lignetics received three separate fines from Columbia City which were complaint driven. The plant is still not running on the weekends. Commissioner Keyser expressed that it is in the best interest of the city and the Port to continue working with Lignetics on a solution to the dust issues. Mr. Keyser said the Port has worked with Lignetics in the past and suggested a potential rent diversion or some way to help with the capital funding. Mr. Clark said he will bring that up with Mr. Nelson at their upcoming meeting. There will be a Community Meeting with Columbia City residents, the Port, and Lignetics senior management at 6:00 pm on August 27, 2024 at Columbia City Hall.

New Business

Resolution 2024-17

APPROVING CORNICE CONSTRUCTION FOR MARINA IMPROVEMENTS

Miriam House presented Resolution 2024-17 approving the selection of Cornice Construction for the Upland phase of the Marina Improvement Project. Ms. House informed the Commission that Cornice Construction is a local-based business in Scappoose with twenty employees residing in Columbia County. The Port received seven bids and Ms. House was pleased to note that this project came in under budget by \$173,891. Cornice Construction had the lowest cost, most responsive and responsible bid. Therefore, Ms. House recommends adoption of Resolution 2024-17 authorizing the Executive Director to execute a contract with Cornice Construction for the Upland Phase 1 of the Marina Improvements Project in the amount of \$514,150 with 10% contingency for a not to exceed total of \$565,565.

Nancy Ward moved; Nick Sorber seconded a motion to adopt Resolution 2024-17. Motion carried unanimously, 5-0.



Resolution 2024-18

APPROVING TIMBER HARVEST AND PURCHASE AGREEMENTS

Elliot Levin presented Resolution 2024-10 approving a Timber Harvest Agreement with Pellham Cutting and Purchase Agreements with two buyers, Georgia-Pacific and Nippon Dynawave. The Port owns 194 acres of land in the Clatskanie Drainage Improvement District that is currently used as a tree farm for hybrid poplar trees, which are now ready for harvest. Mr. Levin stated that Pellham Cutting would harvest, chip and transport the wood chips to the two buyers. A partial harvest of 25-50 acres is expected this year focusing on two areas with a high concentration of fallen trees to reduce the impact on surrounding trees. The remainder of the harvest is expected to be completed over the next year or so.

Nick Sorber moved; Chip Bubl seconded a motion to adopt Resolution 2024-18. Motion carried unanimously, 5-0.

Resolution 2024-19

APPROVING SCOPE OF WORK FOR AIRPORT RUNWAY REHABILITATION

Airport Manager Lacey Tolles informed the Commission that the Airport Engineer of Record, Century West, submitted an FAA grant on behalf of the Port for Phase II of the Runway Rehabilitation Project. The required items for Phase II include project management design, final design and grant closeout. Ms. Tolles said the project will go out to bid in March 2025. Port staff is recommending the adoption of Resolution 2024-19 authorizing the Executive Director to execute the contract for the Runway Rehabilitation Project Phase II with Century West in the amount of \$274,527.60. Mr. Salisbury mentioned that the Port is only responsible for approximately \$2,700 of the total cost.

Nancy Ward moved; Chip Bubl seconded a motion to adopt Resolution 2024-19. Motion carried unanimously, 5-0.

Resolution 2024-20

REAPPOINTING THREE MEMBERS TO THE MARINA ADVISORY COMMITTEE

Property Manager Elizabeth Millager presented Resolution 2024-20. Ms. Millager explained that advisory committees have the authority to recommend actions to the Port Commission but may not obligate the Port in any way. Three of the Advisory Committee's member terms expired on June 30, 2024 (Mark Blumenthal, Mark Gunderson and Jennifer Massey) and all three members want to continue to serve for a three-year term from July 2024 through June 2027. Ms. Ward asked how many members there are altogether. Ms. Millager explained that the resolution allows for seven members and there are currently five members, one pending application, and one possible interested party. Chip Bubl inquired whether the Port is obligated to publicly advertise open advisory board positions. Ms. Millager responded that public notice is required and said the open positions were posted online. As a member of the Marina Advisory Committee, Brian Fawcett said he also recommends approval of three members.

Robert Keyser moved; Chip Bubl seconded a motion to adopt Resolution 2024-20. Motion carried unanimously, 5-0.



Executive Director's Report

Executive Director Sean Clark stated that he sent the Manager's Report out on Monday and informed Commissioners that the Columbia City Community Meeting will be held on August 27. Mr. Clark traveled to Salem to attend the Connect Oregon Final Review Committee facilitated by former Senator Betsy Johnson. Mr. Clark said he appreciates Ms. Johnson's advice and input on that process, and he plans to spend more time in Salem for political outreach and future funding opportunities. Next, Mr. Clark announced that Rob Rich from Shaver Transportation is retiring, and a celebration will be held on August 21. Commissioner Sorber expressed his interest in attending. Mr. Clark highlighted the Port Operations team for their creative solution to use Building A at Multnomah Industrial Park for the maintenance office and break area instead of renting a temporary office trailer, saving the Port over \$40,000 over the next couple of years. The summer community event season has come to a close and Mr. Clark thanked Commissioners for attending. He recognized Commissioner Ward for being a fixture at the Port booth for several events. A short discussion was held on Manager Department Reports and the Commission agreed they would like to see them monthly. Old Business updates will remain on the Agenda as standard items for now. Commissioner Ward inquired about an upcoming meeting at the Port office on August 19 to discuss federal dredging disposal sites. Mr. Clark explained that the Port of Portland and other partner ports on the river will meet to talk about dredging and land use compatibility, and to formulate a strategy to help the U.S. Army Corp of Engineers with their mission to maintain the Federal Navigational Channel. Mr. Clark invited the Commissioners to attend. The Executive Director's Report is on file at the Port Office.

Commissioner Reports

Robert Keyser expressed the priority of the Port Maintenance shop and said he supports budgeting for the necessary accommodations. Mr. Keyser suggested the Port address the Beaver Drainage Improvement Company ("BDIC") to expand their board in order to function more efficiently. With three members they cannot talk to each other unless they are in a public meeting. Public meetings must be ADA accessible and available on Zoom, but there have been challenges with the Oregon Public Meetings Law. Ms. Ward asked if the BDIC could meet at the Clatskanie PUD for technology access. Brian Fawcett said he believes so and will get an answer. Mr. Clark would like to offer a solution and Mr. Keyser suggested writing a letter. Mr. Fawcett advised that the letter should come from Mr. Clark. The Commission agreed that Mr. Clark should send a letter to the BDIC regarding expansion of the BDIC Board.

Nick Sorber thanked the Port staff and stated that the Executive Director report keeps everyone in tune.

Chip Bubl said he was astonished at the length of the contract related to the Upland Improvements at the Marina, which was impressive. He also thanked Port staff.

Nancy Ward said she enjoyed working the Port booths at the community events this summer and that getting our message out and in front of the people in this community is a real priority. Ms. Ward expressed interest in the Port having more of a face-to-face presence in Salem. She stated she is glad Mr. Clark will soon be serving as the President for Oregon Public Ports Association (OPPA) and hopes he will hit the ground running.

Brian Fawcett thanked those who attended Picnic in the Park for Hope and Turning Point. He thanked Port tenants Columbia Pacific Bio-Refinery, NXT Clean Fuels, and others that sponsored the event which raised \$85,000. Mr. Fawcett said he talked with Sean Clark and Gina Sisco about putting together a committee with two Commissioners for public outreach at the Marina. The Commission agreed and will determine which two officers will serve.



Executive Session

The Board held an Executive Session to consider exempt public records, including written legal advice from Port General Counsel, which is privileged under ORS 40.225 and exempt from disclosure under ORS 192.355(9)(a) and ORS 192.660(2)(f).

**THERE BEING NO FURTHER BUSINESS BEFORE THE COMMISSION, THE MEETING
ADJOURNED AT 10:11 A.M.**

President

October 9, 2024
Date Adopted by Commission

Secretary



Finance Report October, 2024

STAFF REPORT

DATE: October 9, 2024
TO: Port Commission Board
FROM: Guy Glenn
Executive Finance Manager
RE: Finance Update: August 2024 – September 2024

Discussion:

Income Statement and Check Register: The August 31, 2024 preliminary income statement and September, 2024 check register are attached for your reference.

Cash and Investments as of September 30, 2024: \$ 15,440,642.49

- BMO - \$ 2,019,950.43
- LGIP - \$ 486,648.56
- LGIP - \$ 2,582,817.84
- LGIP - \$ 10,351,225.66

Checks and electronic payments issued in September 2024 totaled: \$472,068.18

September Highlights:

The Fiscal Year 2024 year end closing and audit is nearing completion. We are responding to their final requests for information as they are completing their draft report. The audit should be complete this month (October).

Front desk/Admin II Position: Noelle Linden has joined the port on a temp-to-hire basis through Cardinal Services and is progressing well.

Several grant reimbursements were completed in September. We are also in the process of contracting with BST Associates to complete a study on the Scappoose Bay Marine Park. Continued work is being done to offer an online payment process for our customers as well as ongoing due diligence to improve our technological capabilities.

The Port received \$1.75 million in insurance proceeds from SDIS related to the Port Westward Dock Incident in November of 2023.

This month, I will be attending the OEDA and OGFOA Fall Conferences and also plan to visit the Port of Newport, OR to learn more about their financial and administrative operations.

Income Statement for the period ending August 31, 2024

	Current Actual	Yr To Date Actual	Prior YTD Actual	Increase (Decrease)
Resources				
Property Taxes	5	12	745	(733)
Licenses and Permits	47,940	96,031	91,865	4,166
Rents and Reimbursements	449,629	959,419	854,419	105,000
Terminal Services	44,164	108,590	127,938	(19,348)
Bayport RVPark	11,559	26,138	24,445	1,693
Parking Fees	19,849	35,706	9,887	25,819
Launch Fees	-	-	9,310	(9,310)
Other Marina Fees	430	855	665	190
Grants	-	60,000	22,250	37,750
Loan Proceeds	-	-	-	-
Interest Earnings	59,269	118,386	69,049	49,337
InterGovernmental Income	-	-	-	-
Contributions	-	-	-	-
Miscellaneous Income	17,631	50,015	11,382	38,633
Total Resources	650,475	1,455,153	964,775	490,378
Requirements				
Personnel Services	207,390	410,953	395,267	15,686
Materials and Services	143,606	358,011	327,806	30,205
Capital Outlay	163,926	292,789	65,299	227,490
Debt Service	42,740	69,541	-	69,541
Contingency	-	-	-	-
Total Requirements	557,661	1,131,293	517,715	613,578
Change in Net Position	92,814	323,859	447,060	(123,200)

Note: A complete September 30, 2024 YTD Budget vs Actual Income Statement and September 30, 2024 Balance Sheet will be provided at our November Commission meeting.

**Port of Columbia County
Vendor Check Register Report - September 2024**

Check No.	Vendor ID	Vendor Name	Document Date	Document Amount	Voided
45614	ATTM001	AT&T Mobility	9/5/2024	\$1,030.77	No
45615	CED0001	CED	9/5/2024	\$257.37	No
45616	CINT002	Cintas Corporation No 3	9/5/2024	\$265.60	No
45617	CITY001	City of Columbia City	9/5/2024	\$278.68	No
45618	CITY005	City of Clatskanie	9/5/2024	\$97.68	No
45619	CLAR002	Sean Clark	9/5/2024	\$112.63	No
45620	CLAT002	Clatskanie PUD	9/5/2024	\$1,082.13	No
45621	COLU011	Columbia County Dept.of Community Justice Adult Division	9/5/2024	\$1,125.00	No
45622	COLU029	Columbia City Community Library	9/5/2024	\$500.00	No
45623	DAHL001	VASA Hldgs LLC dba	9/5/2024	\$1,345.46	No
45624	KPFF001	KPFF, Inc	9/5/2024	\$20,150.60	No
45625	LUCK001	Robert Daniel Lockett	9/5/2024	\$618.75	No
45626	METRO02	MetroWatch	9/5/2024	\$2,343.60	No
45627	MYSY001	My System Shield LLC	9/5/2024	\$3,106.00	No
45628	ORKI001	Orkin LLC	9/5/2024	\$269.97	No
45629	PAUL001	Paulson Printing	9/5/2024	\$614.00	No
45630	PREC001	Precision Approach Engineering	9/5/2024	\$2,500.00	No
45631	QUIL001	Staples Inc dba	9/5/2024	\$222.58	No
45632	RAIL001	Railroad Management	9/5/2024	\$379.14	No
45633	SDIS001	SDIS	9/5/2024	\$1,088.70	No
45634	VOYA001	Voya - State of Oregon	9/5/2024	\$4,684.00	No
45635	WARD001	Nancy Ward	9/5/2024	\$162.97	No
45636	WILC001	Wilson Oil Inc dba	9/5/2024	\$568.31	No
45637	BUSI001	Business Oregon	9/10/2024	\$42,739.79	No
45638	COLU009	Columbia County	9/10/2024	\$13,379.75	No
45639	TOLL001	Lacey Tolles	9/10/2024	\$167.08	No
45640	BUSI001	Business Oregon	9/13/2024	\$8,240.75	No
45641	PORT002	Portland General Electric	9/13/2024	\$7,508.87	No
45642	PORT003	PCC Food Services	9/13/2024	\$408.00	No
45643	BUSI001	Business Oregon	9/13/2024	\$15,592.84	No
45644	COBR001	Cobra Management Services-Accrue	9/13/2024	\$190.00	No
45645	ORKI001	Orkin LLC	9/13/2024	\$359.96	No
45646	ACEH001	Ace Hardware - St Helens	9/13/2024	\$543.81	No
45647	ACEH002	Ace Hardware - Scappoose	9/13/2024	\$144.67	No
45648	AMBI001	Ambient IT Solutions	9/13/2024	\$1,352.00	No
45649	BANK001	BMO Financial Group	9/13/2024	\$17,599.30	No
45650	BUBL001	Chip Bubl	9/13/2024	\$150.00	No
45651	BUSI001	Business Oregon	9/13/2024	\$2,967.36	No
45652	CENT001	CenturyLink	9/13/2024	\$244.56	No
45653	CENT002	Century West Engineering	9/13/2024	\$2,432.50	No
45654	CINT001	Cintas First Aid & Safety	9/13/2024	\$108.00	No
45655	CINT002	Cintas Corporation No 3	9/13/2024	\$160.03	No
45656	CLIN002	Clint Wilcoxon	9/13/2024	\$8,400.00	No

45657	COMC003	Comcast Business-Ethernet	9/13/2024	\$2,149.87	No
45658	CONN001	Connecta Satellite Solutions LLC	9/13/2024	\$44.78	No
45659	CONS001	Conсор North America, Inc	9/13/2024	\$9,075.00	No
45660	FAWC001	Brian Fawcett	9/13/2024	\$150.00	No
45661	HUDS002	Hudson Portable Toilet Service	9/13/2024	\$448.00	No
45662	KEYS001	Robert Keyser	9/13/2024	\$150.00	No
45663	KOLD001	Culligan	9/13/2024	\$64.25	No
45664	LESS001	Les Schwab Tire Center	9/13/2024	\$29.00	No
45665	LOOPN001	LoopNet	9/13/2024	\$660.00	No
45666	METR002	MetroWatch	9/13/2024	\$2,734.20	No
45667	NWNA001	NW Natural Gas Company dba	9/13/2024	\$79.93	No
45668	OREI001	O'Reilly Auto Enterprises LLC	9/13/2024	\$44.91	No
45669	PACI005	Pacific Office Automation	9/13/2024	\$357.00	No
45670	PAUL001	Paulson Printing	9/13/2024	\$210.00	No
45671	PITN003	Pitney Bowes - Lease	9/13/2024	\$186.54	No
45672	SCOT001	Brittany Scott	9/13/2024	\$50.00	No
45673	SHRE001	Shred Northwest, Inc	9/13/2024	\$60.00	No
45674	SOLU001	Solutions Yes, LLC	9/13/2024	\$138.00	No
45675	SORB001	Nick Sorber	9/13/2024	\$150.00	No
45676	STEW001	Stewardship Solutions, Inc	9/13/2024	\$105.00	No
45677	TCMS	Trotter & Morton	9/13/2024	\$678.25	No
45678	VOYA001	Voya - State of Oregon	9/13/2024	\$4,684.00	No
45679	WARD001	Nancy Ward	9/13/2024	\$150.00	No
45680	WAST002	Waste Management of OR, Inc.	9/13/2024	\$34.64	No
45681	ZIPL001	ZiPLY Fiber	9/13/2024	\$131.70	No
45682	ALLA001	All About Doors Inc	9/25/2024	\$3,737.50	No
45683	AMBI001	Ambient IT Solutions	9/25/2024	\$525.00	No
45684	CABL001	Cable Huston	9/25/2024	\$503.32	No
45685	CENT001	CenturyLink	9/25/2024	\$102.19	No
45686	CHAR001	Charter Communications	9/25/2024	\$217.04	No
45687	CINT002	Cintas Corporation No 3	9/25/2024	\$68.26	No
45688	CITY002	City of Scappoose	9/25/2024	\$2,021.85	No
45689	CLAT002	Clatskanie PUD	9/25/2024	\$28.00	No
45690	COBR001	Cobra Management Services-Accrue	9/25/2024	\$95.00	No
45691	COLU008	Columbia River PUD	9/25/2024	\$110.52	No
45692	COMC001	Comcast	9/25/2024	\$2,591.67	No
45693	COMC002	Comcast Business-Office Phones	9/25/2024	\$1,072.74	No
45694	COTT001	Sydell Cotton	9/25/2024	\$50.00	No
45695	CSAP001	CSA Planning Ltd.	9/25/2024	\$1,292.73	No
45696	EATO001	Eaton's Tire and Auto Repair LLC	9/25/2024	\$1,041.40	No
45697	FAWC001	Brian Fawcett	9/25/2024	\$28.82	No
45698	GADO001	Robert Gadotti	9/25/2024	\$1,575.00	No
45699	HUDS001	Hudson Garbage Service	9/25/2024	\$844.96	No
45700	HUDS002	Hudson Portable Toilet Service	9/25/2024	\$132.00	No
45701	KERN001	Kern & Thompson LLC	9/25/2024	\$2,000.00	No
45702	KPFF001	KPFF, Inc	9/25/2024	\$7,920.64	No
45703	METR002	MetroWatch	9/25/2024	\$5,256.88	No

45704	MILL004	Elizabeth Millager	9/25/2024	\$582.29	No
45705	NORT007	Tecmark Corporation	9/25/2024	\$859.30	No
45706	NWNA001	NW Natural Gas Company dba	9/25/2024	\$45.99	No
45707	QUIL001	Staples Inc dba	9/25/2024	\$199.82	No
45708	SALI002	Robert Salisbury	9/25/2024	\$111.36	No
45709	SHER001	Sherwin-Williams	9/25/2024	\$63.30	No
45710	SHRE001	Shred Northwest, Inc	9/25/2024	\$60.00	No
45711	SISC001	Gina Sisco	9/25/2024	\$196.31	No
45712	SUPP002	SupplyWorks	9/25/2024	\$100.54	No
45713	THES001	The Seminar Group	9/25/2024	\$699.00	No
45714	VALLE001	Valley View Tractor & Equipment, LLC	9/25/2024	\$3,622.46	No
45715	WILC001	Wilson Oil Inc dba	9/25/2024	\$128.51	No
45716	CENT003	CenturyLink	9/25/2024	\$54.59	No
45717	CINT002	Cintas Corporation No 3	9/25/2024	\$68.26	No
45718	CITY003	City of St. Helens	9/25/2024	\$35,215.81	No
45719	CLIN002	Clint Wilcoxon	9/25/2024	\$800.00	No
45720	COMM002	Commercial Lighting	9/25/2024	\$220.57	No
45721	KIWA001	Kiwanis Club of St. Helens	9/25/2024	\$160.00	No
45722	TOLL001	Lacey Tolles	9/25/2024	\$247.67	No
45723	VALLE001	Valley View Tractor & Equipment, LLC	9/25/2024	\$3,622.46	No

Sub Total **\$266,332.04**

Electronic Withdrawals

CM Trx Number
WDL000006596
WDL000006600
DAJ000006591
DAJ000006592
DAJ000006593
DAJ000006601
DAJ000006602
WDL000006610
WDL000006618
WDL000006627
WDL000006637
DAJ000006641
WDL000006643
WDL000006652
WDL000006653

Description
09 06 24 ADP Payroll
9-6-24 Caedinal Srvs Payroll
RV Park Merch Fee
SBM Kiosk Merch Fee
Office Cards Merch Fee
9-6-24 Standard Dental Ins
9-6-24 Regence InstaMed Ins
09 12 24 ADP Payroll
9-13-24 ADP Payroll Fees
09 20 24 ADP Payroll
9-20-24 Cardinal Services PR
9-23-24 MO Bank Fee
09 26 24 ADP Payroll
9-27-24 FAA Westside Pave Main
9/27/24 ADP Payroll

Checkbook Amount
\$66,326.73
\$1,971.20
\$709.94
\$822.28
\$1,625.55
\$2,169.24
\$28,706.39
\$9,818.72
\$242.51
\$65,656.41
\$3,384.50
\$473.25
\$9,818.72
\$13,775.40
\$235.30

Sub Total **\$205,736.14**
Grand Total **\$472,068.18**

WARD - August 2024

PORT OF COLUMBIA COUNTY

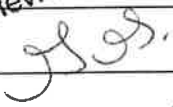
Request for Reimbursement and Commissioner Stipend

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

Commissioner Ward

Date of Request 8/29/2024

Date	Description	Meeting Stipend	Expense or Mileage Reimbursement				Total
			Miles Driven	2024 Rate	Mileage	Meals and Other	
08.05.2024	PNWA Zoom Meeting	\$50.00		0.6700	\$ -		\$ -
08.09.2024	Scappoose Movies in the Park	\$ 50.00	6	0.6700			\$ 4.02
08.10.2024	Columbia City Festival	\$ 50.00	26	0.6700	\$ 17.42		\$ 17.42
08.11.2024	Agenda packet & meeting prep	\$ 50.00		0.6700	\$ -		\$ -
08.12.2024	PNWA Zoom Meeting	\$ 50.00		0.6700	\$ -		\$ -
08.13.2024	Brenda Vassau, Elliot, Sean Mtg in Clatskanie	\$ 50.00	84	0.6700	\$ 56.28		\$ 56.28
08.14.2024	Board Meeting	\$ 50.00	26	0.6700	\$ 17.42		\$ 17.42
08.15.2024	PGE/NXT update / PNWA monthly meeting	\$ 50.00		0.6700	\$ -		\$ -
08.16.2024	Sean/Brian Lunch Meeting / PNWA Steering Committee	\$ 50.00		0.6700	\$ -	\$ 32.99	\$ 32.99
08.19.2024	Port of Portland/Astoria meeting	\$ 50.00	26	0.6700	\$ 17.42		\$ 17.42
08.27.2024	Columbia City Residents/Lignetics mtg	\$ 50.00	26	0.6700	\$ 17.42		\$ 17.42
August	Misc phone calls	\$ 50.00		0.6700	\$ -		\$ -
				0.6700			\$ -
				0.6700	\$ -		\$ -
				0.6700	\$ -		\$ -
				0.6700	\$ -		\$ -
				0.6700	\$ -		\$ -
TOTAL REQUESTED REIMBURSEMENT		\$ 600.00			\$ 125.96	\$ 32.99	\$ 162.97

Reviewed By:


POSTED

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

Nancy Ward
 Signature

600-6700-01-011 = \$ 129.98
 600-6700-01-011 = \$ 32.99
 \$ 162.97

**PORT OF COLUMBIA COUNTY
Request for Reimbursement and Commissioner Stipend**

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

Commissioner Brian Fawcett

Date of Request 9/20/2024

Date	Description	Meeting Stipend	Expense or Mileage Reimbursement				Total
			Miles Driven	2023 Rate	Mileage	Meals and Other	
07.02.2024	Scap Bay Marine Park Advisory Comm	\$ 50.00		0.6550	\$ -	\$ -	\$ -
07.05.2024	Review Packet	\$ 50.00		0.6550	\$ -	\$ -	\$ -
07.08.2024	Meeting w/ Sean	\$ 50.00		0.6550	\$ -	\$ -	\$ -
07.10.2024	Commission Meeting	\$ 50.00	6	0.6550	\$ 3.93	\$ -	\$ 3.93
07.18.2024	Review Packet	\$ 50.00		0.6550	\$ -	\$ -	\$ -
07.24.2024	Commission Meeting	\$ 50.00		0.6550	\$ -	\$ -	\$ -
07.31.2024	Phone calls / short meetings	\$ 50.00		0.6550	\$ -	\$ -	\$ -
08.09.2024	Review Packet	\$ 50.00		0.6550	\$ -	\$ -	\$ -
08.12.2024	Meeting w/ Sean	\$ 50.00		0.6550	\$ -	\$ -	\$ -
08.13.2024	Meeting w/ Chris E	\$ 50.00		0.6550	\$ -	\$ -	\$ -
08.14.2024	Commission Meeting	\$ 50.00	6	0.6550	\$ 3.93	\$ -	\$ 3.93
08.16.2024	Meeting w/ Sean, Nancy	\$ 50.00	20	0.6550	\$ 13.10	\$ -	\$ 13.10
09.08.2024	Review Packet	\$ 50.00		0.6550	\$ -	\$ -	\$ -
09.09.2024	Meeting w/ Sean, Bob	\$ 50.00		0.6550	\$ -	\$ -	\$ -
09.11.2024	Commission Meeting	\$ 50.00	6	0.6550	\$ 3.93	\$ -	\$ 3.93
09.13.2024	Marina Meeting	\$ 50.00	6	0.6550	\$ 3.93	\$ -	\$ 3.93
09.18.2024	Meeting w/ Iverson	\$ 50.00		0.6550	\$ -	\$ -	\$ -
09.20.2024	Phone calls / short meetings	\$ 50.00		0.6550	\$ -	\$ -	\$ -
				0.6550	\$ -	\$ -	\$ -
				0.6550	\$ -	\$ -	\$ -
				0.6550	\$ -	\$ -	\$ -
				0.6550	\$ -	\$ -	\$ -
				0.6550	\$ -	\$ -	\$ -
				0.6550	\$ -	\$ -	\$ -
				0.6550	\$ -	\$ -	\$ -
TOTAL REQUESTED REIMBURSEMENT		\$ 900.00	44.00		\$ 28.82	\$ -	\$ 28.82

18

Reviewed By:

9/20/24

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

Brian Fawcett
Signature

600-6705-01-015



SDAO:
What We Do, Who We Are

STAFF REPORT

DATE: October 9, 2024
TO: Commission Board
FROM: Bob Salisbury, Port General Counsel
RE: **Special Districts Association of Oregon (SDAO) Update**
Frank Stratton, Executive Director

Discussion

SDAO was formed in 1979 to give special districts like the Port a stronger voice at the Oregon Legislature. There are over 1,000 special districts in Oregon and 920 special districts are members of SDAO.

SDAO created a self-insured Trust, Special Districts Insurance Services (SDIS) Trust, to escape the volatile traditional insurance market. The SDIS Trust is governed by a seven-member board of trustees and is responsible for protecting and managing funds related to the insurance programs.

The SDIS Trust controls insurance costs by jointly pooling resources to self-insure property, liability, auto, health, and dental coverage. All participants in the Trust are owners of the program. The only objective is to provide reasonable, stable rates and broad coverage to Oregon public entities, unlike an insurance company where the profits are distributed to shareholders.

Frank Stratton is the Executive Director of SDAO and SDIS. Since joining SDAO in 1985, Frank has played an integral role in developing coverage and risk solutions for public sector special districts in Oregon.



New Marina Short-Term Parking
Violation Fine

RES. 2024-24 STAFF REPORT

DATE: October 9, 2024
TO: Port Commission
FROM: Elizabeth Millager, Property Manager
RE: **New Marina Short-Term Parking Violation: \$50 Fine Effective January 1, 2025**

Discussion

The Marina Advisory Committee recommended implementing a new parking violation fine for the short-term “free” parking spaces in front of the marina's public restrooms. These spaces are intended for brief use by patrons accessing the restrooms or the marine park facilities.

The Marina Advisory Committee and Port Staff discussed the proposed fine of \$50 as a deterrent effect against misuse of these spaces. The primary goal is to maintain proper use of the short-term parking spaces, not to generate revenue.

Recommendation

Adopt Resolution 2024-24, adding a parking violation fine of \$50 at Scappoose Bay Marine Park, effective January 1, 2025.

RESOLUTION NO. 2024-24

A RESOLUTION ESTABLISHING A SHORT-TERM PARKING VIOLATION \$50 FINE AT THE SCAPPOOSE BAY MARINE PARK

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

WHEREAS, the Scappoose Bay Marine Park Advisory Committee and Port Staff recommend that fines double for parking violations in short-term free parking spaces; therefore

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

<u>TYPE OF FEE</u>	<u>AMOUNT OF FEE</u>
Fine for exceeding the short-term parking time limit and where "Fines Double" is posted	\$50.00

BE IT FURTHER RESOLVED that the parking violation fee established herein take effect on the 1st day of January 2025.

PASSED AND ADOPTED this 9th day of October 2024 by the following vote:

AYES: _____

NAYS: _____

Port of Columbia County

ABSTAIN: _____

By:

President

Attested By:

Secretary



RES. 2024-25 STAFF REPORT

Air Sense Avionics New Lease

DATE: October 9, 2024
TO: Port Commission
FROM: Amy Bynum
Real Estate & Business Development Manager, Deputy Executive Director
RE: **Air Sense Avionics – New Lease**

Discussion

Air Sense Avionics (“Air Sense”) operates an avionics repair & installation business. Air Sense has been a month-to-month Licensee, in good standing, at the Scappoose Airport since 2021, after subleasing from a former Licensee, Pipistrel.

Summary of Lease terms:

1. Premises: 6,000 square foot (SF) office and hangar building, 7,500 SF parking courtyard and adjacent apron.
2. Purpose: To operate a commercial business engaged in the aircraft avionics system repair, installation, storage, and sale, as well as ancillary office and administrative activities related to the conduct of an avionics business.
3. Term: Three-year lease with two successive three-year renewal terms.
4. Basic Rent: \$2,820 per month. Basic Rent includes annual CPI adjustments capped at 3%, delinquency charges, returned checks, etc.
5. Additional Charges: Net Net (Property Insurance and certain maintenance obligations), Attorney Fees & Staff Costs, & Utility Usage. Note that property taxes are not assessed at Scappoose Airport.

Recommendation

Adopt Resolution No. 2024-25, authorizing the Executive Director to execute a new Lease with Air Sense Avionics.

RESOLUTION 2024-25

A RESOLUTION APPROVING A LEASE WITH AIR SENSE AVIONICS AT THE SCAPPOOSE AIRPORT

WHEREAS, Air Sense Avionics, (“Air Sense”) a commercial aircraft avionic system repair and maintenance company and existing tenant at the Scappoose Airport, has been working with Port Staff to negotiate a new lease; and

WHEREAS, Air Sense has been a tenant in good standing with the Port since 2021 through annual short-term license agreements; and

WHEREAS, Air Sense and Port staff have successfully negotiated a lease for the commercial hangar building on terms agreeable to both parties; and

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

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

The Board authorizes the Executive Director to execute a lease with Air Sense Avionics.

PASSED AND ADOPTED this 9th day of October, 2024, by the following vote:

AYES: _____

NAYS: _____

Port of Columbia County

ABSTAIN:

By: _____
President

Attested By:

Secretary

LEASE

BETWEEN THE

PORT OF COLUMBIA COUNTY

AND

AIR SENSE AVIONICS, INCORPORATED

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LEASE

This LEASE (the "**Lease**"), effective the ____ day of _____, 2024 (the "**Effective Date**") by and between THE PORT OF COLUMBIA COUNTY, a municipal corporation of the State of Oregon (the "**Port**"), and AIR SENSE AVIONICS, INCORPORATED, An Oregon corporation. ("**Lessee**").

1. AGREEMENT TO LEASE; DESCRIPTION OF PREMISES

Subject to the terms and conditions herein, the Port hereby leases to Lessee, and Lessee leases from the Port, the real property at 53770 Airport Rd, Scappoose, OR 97056 (known as Hangar A, an approximate 6,000 square feet (SF) office and hangar building) and 7,500 SF parking courtyard and apron thereunder and further depicted, all as proposed in **Exhibit A** (together, the "**Premises**"), attached hereto and incorporated herein. The Premises are located within the Port owned property known as the Scappoose Airport ("**Scappoose Airport**") and are therefore subject to the Airport Minimum Standards attached as **Exhibit B**.

1.1 Use of the Premises

Lessee's use of the Premises shall be limited to operating a commercial business engaged in the aircraft avionics system repair, installation, storage, and sale, aircraft maintenance, office and administrative, and other activities directly related to the conduct of an avionics business, along with associated support infrastructure including associated apron, tie-downs, runway, and taxiways, in compliance with all applicable rules, regulations, and Airport Minimum Standards attached as Exhibit B ("**Allowed Use**"). No use other than the Allowed Use may be made of the Premises without the prior written approval of the Port, which approval shall be given or denied in the sole discretion of the Port. No Hazardous Substances (as that term is defined in Section 6.1.2) may be used, stored, or otherwise handled on or near the Premises, except as permitted under Section 6.4 of this Lease. Lessee will comply strictly with all present and future rules and regulations of all federal, state, and local governmental bodies having jurisdiction over Lessee's activities occurring within the Premises.

1.2 Compliance with the Law

Lessee's use of the Premises must comply with all applicable laws, ordinances, rules and regulations of the State of Oregon and the United States, and all city, county or other public government authorities or agencies, including, but not limited to, building permit requirements, local fire code, zoning, Federal Aviation Administration & Oregon Department of Aviation regulations, and occupancy codes. Lessee shall also comply with all Port Rules, as amended, and updated from time to time. Lessee shall promptly provide to the Port copies of all written communications (including electronic communications) from any such government entities which relate to Lessee's noncompliance or alleged noncompliance with any law or other government requirements. In no event shall Lessee be permitted to seek or obtain approval to rezone, change the use of, or obtain other land use or land division approvals for, the Premises without the Port's prior written approval, which may be granted, conditioned, or denied in the Port's sole discretion.

2. TERM

2.1 Initial Lease Term

The term of this Lease ("**Term**" or "**Lease Term**") shall commence on the Effective Date (the "**Lease Commencement Date**") and shall continue for three years from the Effective Date ("**Expiration Date**") unless sooner terminated or extended pursuant to the terms of this Lease.

2.2 Lease Year

As used in this Lease, "**Lease Year**" shall mean, in the case of the first Lease Year, the period beginning on the Lease Commencement Date and ending on the following June 30, and thereafter, each successive twelve (12) month period beginning July 1 and ending June 30 during the Term.

2.3 Extension Options

So long as no uncured Event of Default (defined in Section 10.7) exists under this Lease, Lessee shall have options to extend ("**Extension Options**") the Expiration Date of this Lease for two (2) successive terms (each an "**Extension Term**"). Each Extension Term shall be for three (3) years.

2.3.1 Lessee's Notice of Intent to Extend

Lessee must notify the Port in writing of Lessee's intent to exercise any Extension Option, subject to Lessee's acceptance of: (i) the Port's proposed new Basic Rent (as defined in Section 3.1 and pursuant to Section 3.2); (ii) any proposed Extension Amendments (as defined in Section 2.3.2); and (iii) any proposed adjustment to the Security Deposit pursuant to Section 3.7. Such notice by Lessee must be given not more than three hundred sixty (360) days and not less than ninety (90) days prior to expiration of the then-current Lease Term or Extension Term, as applicable (the "**Extension Notice**"). This notification by Lessee to Port will begin the negotiation between Port and Lessee. Failure of Lessee to deliver the Extension Notice as provided in this Section 2.3.1 shall automatically extinguish any applicable Extension Option.

2.3.2 Conditions of Extension

The terms and conditions of the Lease for each Extension Term shall be the same as those for the initial Lease Term except that: (a) the Security Deposit will be adjusted to reflect adjustment in Basic Rent as provided in Section 3; (b) insurance provisions will be updated, subject to the provisions of Section 7.3; (c) environmental provisions will be updated, as necessary, to comply with then current Environmental Laws, Environmental Audit requirements and Best Management Practices as those terms are defined in Section 60; and (d) the Port will require any modifications or changes legally required to bring the Lease into compliance with then current law, government regulations, government mandates (except that any improvements to the use or design of which are grandfathered or otherwise permitted under then-existing law or regulations need not be modified or upgraded), or Airport Minimum Standards (collectively, items (b) through (d) in this Section 2.3.2 are the "**Extension Amendments**"). Upon receipt of Lessee's notice of intent to extend pursuant to Section 2.3, the Port shall have sixty (60) days thereafter to notify Lessee, in writing, of the proposed adjustments to the Security Deposit, including the basis for the adjustment, and any Extension Amendments required by the Port as a condition of granting the then applicable Extension Option, together with a proposed Amendment to the Lease ("**Amendment Form**") (collectively, "**Notice of Amendments and Proposed Rent**"). Lessee shall have sixty (60) days from receipt of the Notice of Amendments and Proposed Security Deposit to notify the Port in writing of Lessee's

disapproval of any term thereof. Thereafter, Lessee and Port shall find a mutually agreeable compromise to the disputed terms thereof. If Lessee fails to deliver written notice of Lessee's disapproval of any term in the Notice of Amendments and Proposed Rent, then Lessee shall be deemed to have approved the Extension Amendments, Base Rent and adjusted Security Deposit and shall be obligated for the Extension Term. Lessee shall be responsible for completing all general maintenance, repair and clean-up requirements set forth in Section 4.10, on or before the first day of any Extension Term.

2.4 Holdover

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

2.5 Opportunity to Expand with Port Written Approval

If Lessee negotiates an expansion or relocation to a different premises within the Scappoose Airport, the Lessee may terminate this Lease prior to the Expiration Date. Lessee must be current on all amounts due under this Lease and notify the Port in writing of the request. Approval of Lessee's request shall be in the sole discretion of the Port. A fully-executed Lease for the new site at Scappoose Airport must be approved by a majority of the Port Commission prior to terminating this Lease.

3. RENT

3.1 Basic Rent and Additional Rent

"**Basic Rent**" will be payable on or before the first of each month calculated as Basic Rent is calculated as follows (the "Rental Rate"): the total square feet (SF) of the office and hangar building (6,000 SF) multiplied by a price of \$0.47 per SF per month for a total rent of Two Thousand Eight Hundred and Twenty Dollars (\$2,820) per month. The Port reserves the right to remeasure the square footage of the Premises throughout the lease term. Upon the exercise of such right, if Lessee is found to be occupying an area other than the square footage provided in Section 1, Basic Rent for the Lease Term shall be adjusted accordingly. In addition, if at any time during the Lease Term Lessee is found to be occupying more square footage than stated in this Section, Lessee shall pay monthly additional rent for such excess square footage at the Rental Rate. All Basic Rent is subject to Rent Adjustment as described under Section 3.2. Basic Rent for any partial month shall be pro-rated accordingly. All other sums which become payable by Lessee under this Lease shall be considered "**Additional Rent**".

3.1.1 Attorney Fees and Staff Costs to Be Paid by Lessee During Term of Lease

Lessee hereby acknowledges and agrees that, in the event Lessee requests that the Port incur attorney fees and staff costs for any work which is solely the result of Lessee requesting that such work be completed, then Lessee shall bear the responsibility to pay for any and all Port costs associated with such a request made by Lessee. Prior to the commencement of any work, Lessee agrees to sign an Agreement to Pay Costs (see attached example as **Exhibit C**, incorporated by reference). If the deposited funds are exhausted Port Attorney and Port Staff may cease work until such time as the parties agree on an additional amount and Lessee makes such additional nonrefundable, fixed fee deposit for costs. Any such additional deposit(s) shall be paid immediately by Lessee in order for any work to continue.

3.2 Rent Adjustment

Except as provided below, after the initial year, on the first day of each successive Lease Year, subsequent to the Effective Date, the amount of Basic Rent will be adjusted to reflect the effect which inflation has had on the purchasing power of the dollar, but in no event will said rent be less than the Basic Rent paid per month during the immediately preceding Lease term. This adjustment will be based upon the change, if any, from the CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U) EXCLUDING FOOD AND ENERGY FOR WEST REGION, as published by the U.S. Bureau of Labor during the December of the preceding year to the next Rent adjustment (the "CPI Rate"). The CPI Rate will be capped at 3% annually for the Initial Lease Term.

3.2.1 Effective Date of Adjustment; Payment of Adjustments

In the event the Port and Lessee successfully negotiate an Extension Term as provided in Section 2.3 above, to be effective as of the July 1st preceding each Extension Term (each such date an "Adjustment Date"), monthly Basic Rent shall be adjusted as described in this section 3.2. Lessee acknowledges that adjustments to the Basic Rent will be effective as of the Adjustment Date, even though the new rate may not be able to be calculated until after the Adjustment Date. Lessee agrees to (a) begin paying the increased Basic Rent upon notification by the Port; and (b) pay any difference between the Basic Rent actually paid to the Port after the Adjustment Date and the adjusted Basic Rent due for such period within thirty (30) days of notification by the Port.

3.3 Rent Payments

3.3.1 Due Dates

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

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

3.4 Delinquency Charge

All Rent and other amounts, including Additional Rent not paid when due shall bear a "Delinquency Charge" of one- and one-half percent per month (18% per year) if the total balance remains unpaid for five (5) or more days following its due date. Such interest shall be charged from the due date until the Rent or other amount is paid in full. This Delinquency Charge is subject to periodic change, subject to any limitation on the maximum rate of interest allowed by law, at the Port's sole discretion. No change shall occur, however, without at least thirty (30) calendar days prior written notice to Lessee. Imposition of a Delinquency Charge shall not constitute a waiver of any other remedies available to the Port for failure to timely pay Rent.

3.5 Returned Checks

If Lessee's check for payment of Rent due under this Lease is returned to the Port for any reason, the payment shall be considered not to have been made and shall be delinquent. In addition to the Delinquency Charge set forth in Section 3.5, the Port may charge Lessee a returned check fee of Thirty-Five Dollars (\$35.00), per returned check. The return check fee is subject to periodic change by the Port. The Delinquency Charge shall continue to accrue until the returned check fee is paid, the check can be cashed, and the Port receives all funds due.

3.6 Acceptance of Rent

The Port's acceptance of a late or partial payment of Rent and/or a Delinquency Charge shall not constitute a waiver of any Event of Default, nor shall it prevent the Port from exercising any of its other rights and remedies granted to the Port under this Lease or by law. Any endorsements or statements on checks of waiver, compromise, payment in full or any other similar restrictive endorsement shall have no legal effect. Lessee shall remain in violation of this Lease and obligated to pay all Rent due even if the Port has accepted a partial or late payment of Rent.

3.7 Security Deposit

On or before the Effective Date, Lessee shall deposit with the Port the sum of one-months' worth of Basic Rent and one year of property insurance premiums as the "**Security Deposit**". The Security Deposit shall secure Lessee's full and faithful performance and observance of all of Lessee's obligations under this Lease and under any other written agreement between Lessee and the Port. The Security Deposit shall not be considered to be held in trust by the Port for the benefit of Lessee and shall not be considered an advance payment of Rent or a measure of the Port's damages in the case of an Event of Default by Lessee. The Port may, but shall not be obligated to, draw upon and apply the Security Deposit to: (a) pay any Rent or any other sums due to the Port by Lessee and not paid on or before the date it is due and the Port shall not be required to give notice or opportunity to cure before drawing on the Security Deposit; (b) to pay attorney fees and costs for any legal work which has been requested by Lessee as outlined in Section 3.1.3; or (c) to remedy any other Event of Default of this Lease, after Lessee has received notice and opportunity to cure, if such notice and opportunity to cure is required under this Lease. If the Port applies any of the Security Deposit to any of the above, Lessee shall, immediately upon demand, replenish the Security Deposit to its full

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amount. If Lessee fully performs all of its obligations under this Lease, the Security Deposit, or any balance remaining, will be released within thirty (30) days from the Expiration Date or termination of this Lease and delivery of the Premises to the Port. However, if any question exists concerning Lessee's full compliance with the Lease or if there is any obligation under this Lease to be performed after the Expiration Date or earlier termination of this Lease, the Port shall be entitled to require that the Security Deposit remain in place until the Port is fully satisfied that there has been no Default of the Lease and all obligations due under this Lease have been fully performed. In addition to any other remedy provided in this Lease or at law, the Port shall have the option but not the obligation to use the Security Deposit or a portion thereof to offset any costs or damages incurred as a result of Lessee's failure to perform its obligations at the termination or expiration of the Lease. The Security Deposit will be adjusted at every Extension Term to be equal to two (2) months' worth of the then Basic Rent plus one and (1) year of Property Insurance, but in no event less than the most recent adjusted Security Deposit. Notwithstanding the above provisions of this Section 3.7, the Port shall have the right at any Extension Term to require Lessee to deposit an additional Security Deposit with the Port and/or provide additional financial assurance reasonably acceptable to the Port, in an amount or amounts reasonably determined by the Port to be commensurate with any increased risk associated with any of the following events: (i) as a condition of Port approval, as provided in Section 6.1.2 of Lessee's or any Sublessee's use, storage, handling, processing, manufacturing or recycling of Hazardous Substances not authorized under the first two sentences of Section 6.4.1; (ii) if the Port has given notice of violation of any provision of this Lease more than three (3) times during any consecutive twelve (12) month period; or (iii) upon Lessee's exercise of any Extension Option, to adjust for added risks such as increases in Basic Rent, property taxes, and other Additional Rent pursuant to Section 3.

3.8 Non-Remonstrance

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

4. LESSEE 'S OTHER OBLIGATIONS

4.1 Construction of Improvements

4.1.1 Port Approval and Ownership

Lessee shall undertake no construction, alteration, or changes on or to the Premises, including improvements, without the prior written approval of the Port. Any construction work must comply with the local permit requirements and completed by a licensed contractor. Lessee shall provide to the Port copies of all associated permits and documentation within 180 days and further provide any other documents as requested by Port. All such renovation work shall be deemed part of the improvements, and Lessee shall have no right, title, or interest in the improvements except for the leasehold provided in this Lease. Upon termination of this Lease, all improvements located on the Premises shall remain property of the Port, unless otherwise previously authorized by the Port.

4.1.2 Wetlands Prevention

Lessee shall not create any "wetlands" (as defined under any federal, state, regional or local jurisdiction) on the Premises during the term of this Lease or extension thereof, or on any

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

4.2 Ownership of Improvements

The Port shall be the sole owner of improvements made or paid for by the Port and Lessee shall not take depreciation or any other form of tax deduction, based on any improvements made or paid for by the Port. In the event that (a) Lessee requests and the Port agrees to construct a specific improvement on the Premises for Lessee's use; (b) Lessee reimburses the Port in full for such improvement; and (c) the parties agree in writing prior to such construction that Lessee shall become the owner of the improvement upon the Port's completion and Lessee's reimbursement to the Port for such improvement, then upon completion such improvement shall be considered "**Lessee Improvements**" owned by Lessee, subject to the Port's reversionary rights as set out in Section [14.2.7](#).

4.3 Signs

Lessee shall contact the Port in order to coordinate the placement of any signage on the leasehold. Lessee shall not erect, install, nor permit upon the Premises any sign or other advertising device without first obtaining the Port's written consent, which the Port may withhold or condition in its sole discretion. Lessee shall remove all signs and sign hardware upon termination or expiration of this Lease and restore the sign location to its former state unless the Port elects to retain all or any portion of the signage.

4.4 No Liens

Lessee agrees to pay, when due, all sums for labor, services, materials, supplies, utilities, furnishings, machinery, or equipment which have been provided or ordered with Lessee's consent to the Premises. Lessee shall not suffer or permit any liens to attach to all or any part of the Premises by reason of any work, labor, services, or materials done for, or supplied to, or claimed to have been done for or supplied to, Lessee or anyone occupying or holding an interest of Lessee in all or any part of the improvements through or under Lessee. If any lien is filed against the Premises which Lessee wishes to protest, then Lessee shall promptly deposit cash with the Port, or procure a bond acceptable to the Port, in an amount sufficient to cover the cost of removing the lien from the Premises or file a bond or deposit money and cause the Premises to be freed of the lien pursuant to ORS 87.076 et. seq. Notwithstanding any notice and cure periods provided in Section [10](#), failure to remove the lien or furnish the cash or bond acceptable to the Port or to cause the Premises to be freed of the lien pursuant to ORS 87.076 et. seq. within thirty (30) days of receipt of notice of the lien shall constitute an Event of Default under this Lease and the Port shall automatically have the right, but not the obligation, to pay the lien off with no further notice to Lessee and Lessee shall immediately reimburse the Port for any sums so paid to remove any such lien. Except as provided in Section [12](#),

Lessee shall not encumber the Premises or any Lessee Improvements thereon without prior written approval of the Port, which may be withheld or conditioned in the Port's sole discretion.

4.5 Utilities and Services

The Port makes no representations or warranties regarding the availability and/or quality of utilities and other services available to the Property. Lessee is responsible for verifying, obtaining, and paying for all utility installations and connections and all utility services necessary for Lessee's operation. Lessee shall be responsible for paying all fees and charges imposed by the various utilities furnishing those services, including those paid for and apportioned by the Port (if any). Fees shall include, but are not limited to, all installation and connection fees and charges and monthly or periodic fees and assessments charged by the utilities and by any governmental agencies having jurisdiction over the Premises. Before Lessee installs any other utility lines on, under, or above the Premises, Lessee must first obtain the Port's written approval to do so. Before approval is granted Lessee must provide the Port with a detailed survey, with depiction, showing the exact location of such lines. In no event shall the Port be obligated to use any of its powers to acquire easement or utility access for Lessee.

4.6 Septic System

The site contains a septic system that services the Premises. The Port agrees to maintain the system to provide full operational capability, including periodic pumping, up to the point of exit from the building. Lessee shall provide timely notice to the Port of any performance or capability issues with the septic system, and further agrees not to introduce into the system any debris, garbage, or other materials of any kind, other than normally generated human waste and toilet paper. Should a malfunction of the system be determined to be due to Lessee's disposal of such debris, garbage or other materials, Lessee will be charged for any pump out or repairs required. The Port reserves the right, but not the obligation, to connect the Premises to a municipal sanitary sewer system in the future.

4.7 Safety Requirements

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

4.8 Fire Safety

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

4.9 Security

Lessee shall be fully responsible for the security of the Premises and the Port shall have no responsibility or liability under this Lease for the security of the Premises. Lessee may, at its sole expense, install and maintain a security system on the Premises (or enhance an existing system on the Premises) with prior written approval of the Port. Upon expiration or termination of this Lease, such security system shall only be removed in accordance with Section 9.1.

4.10 Waste, Removal and Demolition

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

4.11 Lessee's Maintenance Obligations

Lessee shall maintain the Premises (including the building's gutters, heating, ventilating, and air conditioning systems, locks, hardware, interior walls, ceiling, and floor coverings, paint, lights, windows, doors, landscaping, Lessee Improvements, systems, utilities, equipment, and all other maintenance not specifically required of the Port per Section 4.11) in good condition. The Lessee shall not be required to make any improvements to the Premises beyond the condition at the time this lease is executed, except upkeep and preventative maintenance. Lessee shall carry out preventive maintenance, repairs, replacements, and cleaning necessary to maintain such condition, including any repairs or alterations required under Lessee's obligation to comply with any laws or regulations at the sole expense of the Lessee. Lessee may be asked to provide a written record to the Port of all maintenance performed on the Premises at any point during the lease. The Lessee shall not be responsible for maintaining any of the hard surfaces associated with the Scappoose Airport taxiways and runway or other surfaces which the Port allows movement of aircraft.

4.12 Port's Maintenance Obligations

Port shall keep and maintain the structural elements of the Premises and parking courtyard in reasonably good condition except for damage caused by the Lessee, Lessee's employees, agents, invitees, or contractors, which damage will be repaired at the Lessee's expense. Except to the extent damaged by the Lessee, the Port shall keep the structural elements of the Premises in good order, condition, and repair (including the exterior siding, roof, load bearing walls, structural members, foundation, and common areas).

4.13 Conduct of Business

At all times during the Lease Term and any Extension Terms, Lessee shall be registered and in good standing to do business in Oregon. Lessee shall notify the Port of any cessation in operations that are expected to last more than four (4) weeks and must continuously secure and maintain the Premises at all times during the Lease Term and any Extension Terms. In the event Lessee's cessation in operations lasts longer than eight (8) weeks, the Port shall have the right, but not the obligation, to terminate this Lease.

5. PORT AUTHORITY AND OBLIGATIONS

5.1 Quiet Enjoyment

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

5.2 Delivery of Premises

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

5.3 Condition of Premises

The Port makes no warranties, guarantees or averments regarding the condition of the Premises, including, without limitation, the suitability of the Premises for Lessee's intended uses or the availability of accessible utilities or roadways needed for Lessee's intended purposes, or zoning, development, or occupancy requirements. Lessee confirms that the Port or any agent of the Port has made no representation or warranty as to the Premises except as provided in this Lease. Lessee has inspected the Premises and accepts the Premises in "AS IS" condition, with all defects and conditions known and unknown, upon taking possession. The Port shall have no liability to Lessee and Lessee shall have no claim against the Port for any damage or injury caused by any condition of the Premises. In the event it is necessary, during the course of this lease, to bring the Premises into compliance with any laws, including, without limitation, any building or occupancy codes, the Port and Lessee shall negotiate and share any necessary remedies, and if an equitable sharing arrangement cannot be agreed to, either party may terminate this lease.

5.4 Port Construction and Repair Obligation on Premises

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

5.5 Port and Third-Party Access

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

Port may be obligated or has the right to perform under this Lease, including an annual inspection of the Premises. Such entry shall be made with reasonable advance written notice of at least twenty-four (24) hours and during normal business hours to Lessee, pursuant to the notice provisions of Section 16.4 except in cases of emergency. In an emergency, the Port shall have the right to use any and all means which the Port may deem reasonable to obtain entry onto the Premises or into any building located on the Premises without liability to Lessee. Lessee may have its representative, if such a representative is reasonably available, accompany the Port. If prior notice of an inspection is not provided under the circumstances set forth in this Section 5.5, the Port shall notify Lessee of the scope and findings of the inspection as soon as practicable after it occurs.

6. ENVIRONMENTAL MANAGEMENT AND COMPLIANCE

6.1 Definitions

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

6.1.1 Environmental Laws

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

6.1.2 Hazardous Substance

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

6.1.3 Environmental Audit

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

6.1.3.1 Initial Audit

Lessee will have the option of conducting an Environmental Audit assessment and work before the Lease Commencement Date. The Environmental Audit ("Initial Audit") shall document the onsite environmental condition of the Premises as of the Lease Commencement Date.

6.1.3.2 Special Audit

If the Port, at any time during the term of the Lease or any extension thereof, has reason to suspect that there has been a Hazardous Substance Release or there is an imminent threat of a Hazardous Substance Release caused by Lessee, Lessee's employees, agents, contractors,

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

6.1.3.3 Exit Audit

At the expiration or termination of this Lease, the Lessee may conduct, at Lessee's expense, an Environmental Audit ("**Exit Audit**") of the Premises and related property to determine: (i) the environmental condition of the Premises; (ii) whether any Hazardous Substance Release which Lessee, Lessee's employees, agents, contractors, licensees, or invitees caused (including occurring in connection with their occupancy, possession or use of the Premises) has occurred or exists on or about the Premises; and (iii) whether there is evidence of any violation of Environmental Laws or the environmental provisions of this Lease which Lessee, Lessee's employees, agents, contractors, licensees, or invitees caused (including occurring in connection with their occupancy, possession or use of the Premises). The Exit Audit shall be performed not more than sixty (60) days prior to the scheduled Expiration Date of this Lease and a complete copy of the results of the Exit Audit shall be provided to each party, prior to actual termination. In the event this Lease is terminated prior to the scheduled Expiration Date for any reason, Lessee may complete the Exit Audit within sixty (60) days of such actual termination date of this Lease. The Port shall have the right to approve the scope of and consultant for the Exit Audit, though such approval shall not be unreasonably withheld.

6.2 Environmental Inspection

The Port reserves the right, at any time and from time to time, after reasonable advance written notice to Lessee, of two (2) Business Days (as defined in Section 16.4) or more (except that no notice to Lessee shall be required in the event the Port reasonably believes that there exists a condition constituting an imminent and substantial endangerment) to inspect the Premises and Lessee's operations on and use of the Premises: (i) for the presence of or Lessee's management of Hazardous Substances; (ii) for the purpose of sampling Lessee's storm water discharge; (iii) for compliance with Environmental Laws or the environmental provisions of this Lease; and (iv) to facilitate the Port's environmental management, permitting and analysis related to the Premises or any other premises of the Port. Lessee shall use commercially reasonable efforts to arrange these inspections on behalf of the Port. The Port agrees to use commercially reasonable efforts to conduct such inspections in a manner that will minimize disruption to Lessee's use of the Premises. Lessee may have its representative, if such a representative is reasonably available; accompany the Port during an inspection authorized by this Section 6.2. The Port shall notify Lessee of the scope and findings of the inspection as soon as practical after it occurs.

6.2.1 Environmental Cost

"**Environmental Cost:**" shall include, but is not limited to, costs and damages arising from or relating to: (a) any actual or claimed violation of or noncompliance with any applicable Environmental Laws; (b) claims for damages, response costs, any audit costs, fines, fees or other

relief relating to matters addressed in any applicable Environmental Laws; (c) injunctive relief relating to matters addressed in any applicable Environmental Laws; (d) Hazardous Substance Releases; and (e) violations of any environmental provisions of this Lease. **"Environmental Cost"** as used in this Section 6.2.1 and elsewhere in this Lease shall include but not be limited to: (i) costs of preliminary assessment, evaluation, testing, analysis, remedial investigation, feasibility study, removal, remedial action, disposal, monitoring and maintenance, natural resources injury assessment, restoration and compensation; (ii) the cost of decommissioning and removing any underground or aboveground storage tank(s); (iii) Port, Oregon Department of Environmental Quality ("DEQ"), United States Environmental Protection Agency ("EPA") and Natural Resource Trustees oversight costs; (iv) fees of attorneys, engineers, consultants, experts, , incurred at, before or after trial, on appeal or petition for review, or in any bankruptcy or administrative proceedings; and (v) diminution of value, loss, or restriction on use of Premises, including diminution of value resulting from the residual risk associated with a risk based cleanup.

6.2.2 Hazardous Substance Release

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

6.2.3 Best Management Practices

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

6.2.4 UST Facility

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

6.2.5 AST Facility

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

6.3 General Environmental Obligations of Lessee

Lessee shall manage and conduct all of its activities on or relating to the Premises: (a) in compliance with all applicable Environmental Laws and the environmental provisions of this Lease; (b) in reasonable cooperation with the Port (but at no significant additional cost to Lessee) in the Port's efforts to comply with applicable laws and regulations; and (c) in compliance with Best Management Practices applicable to Lessee's use of the Premises. Lessee shall manage and, as appropriate, secure the Premises and Lessee's occupation or use of the Premises so as to prevent any violation of law and regulations by any party. Notwithstanding the foregoing, the Port acknowledges and agrees that Lessee shall not be liable for any environmental conditions on the Premises that violate Environmental Laws or cause the Port or Lessee to incur Environmental Costs which are related to the Premises and not created by Lessee and/or existed at, under, on or adjacent to the Premises prior to Lessee's possession or Lessee's receipt of the Premises by assignment or transfer, and the Port agrees that any such conditions shall be the Port's responsibility.

6.4 Hazardous Substances Use on Premises

Lessee shall not use, store, handle, manage, generate, manufacture, dispose of, recycle, or process on the Premises any Hazardous Substances ("**Hazardous Substance Use**") except as provided in Sections 6.4.1, 6.4.2, and 6.4.3. Lessee shall maintain Material Safety Data Sheets ("**MSDS Materials**") for every Hazardous Substance Use on the Premises to the extent required under Environmental Laws. Lessee agrees to provide a list of Hazard Substance Use on Premises to the Port if requested in writing. Lessee shall dispose of all Hazardous Substances according to applicable Environmental Laws. Except as specifically allowed by state or federal discharge permits, Lessee shall not dispose of any Hazardous Substance, regardless of the quantity or concentration, into any storm or sanitary sewer systems within the Premises, to the ground, into surface water or groundwater, or on other Premises of the Port.

6.4.1 Permitted Use of Hazardous Substances

Lessee shall be permitted to store, handle, or use limited quantities of certain Hazardous Substances in the following incidental and limited manner, the storage and use of which shall be in compliance with any Environmental Law and shall be in limited, reasonable, and customary quantities (each such use a "**Permitted Use of Hazardous Substances**"). Such Permitted Use of Hazardous Substances shall include and be limited to the following: (a) Hazardous Substances contained in office, janitorial and landscape supplies and cleaning fluids of types and quantities ordinarily used for maintenance of the Premises; (b) petroleum products and lubricants fully contained in equipment, machinery and vehicles on the Premises; (c) petroleum products or lubricants removed from aircraft under maintenance and being temporarily preserved in appropriately labeled containers for eventual return to those aircraft; (d) chemicals, solvents, lubricants, paints, primers, adhesives, sealants, anti-corrosives, chemicals and any and all other materials that are routinely used in the course of Lessee's business activities or in the maintenance of aircraft; and (e) Hazardous Substances contained in equipment, machinery and materials used in the construction and installation of any improvements on the Premises, excluding any stockpiling of Hazardous Substances in connection with such construction or of Off-Site Waste-Like Materials (defined in Section 6.5) containing any Hazardous Substances.

6.4.2 Conditional Hazardous Substances Use with Port Approval

If Lessee's proposed Hazardous Substance Use falls into one or more of the following categories, such use shall be in the Port's sole discretion: (a) a conditionally exempt small quantity generator or small quantity generator of hazardous waste under the Resources Conservation and Recovery Act ("RCRA"); (b) requires an Operating Permit under either federal or state Clean Air laws; (c) requires a National Pollution Discharge Elimination System (NPDES) permit; (d) requires response planning or reporting under the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. §§ 11001-11050; (e) materials regulated under the Federal Insecticide, Fungicide, Rodenticide Act (FIFRA); and (f) any other use that creates a material risk to human health or the environment, including, but not limited to, uses that may result in explosion, evacuation, or imminent threat to the waterways, groundwater, land, or air (each such use under items (a) through (f) of this Section 6.4.2 is a "**Conditional Hazardous Substance Use**").

6.4.3 Above Ground and Mobile Hazardous Substances Storage Tanks

Lessee may not install, maintain or operate an AST Facility (including fueling trucks), or use fueling entities based offsite for the storage, transportation, transfer and dispensing on the Premises of Hazardous Substances. Any use of above-ground or mobile storage tanks on the Premises shall be reviewed by the Port on a case-by-case basis and subject to the Port's approval, which may be withheld or conditioned at the Port's sole discretion.

6.4.4 Port Review of Lessee's Proposed Hazardous Substance Use

When seeking the Port's prior approval of a Hazardous Substance Use on the Premises, whether by Lessee, or by an existing Lessee shall submit to the Port the following information: (a) quantities and list of any Hazardous Substances proposed to be stored or used; (b) MSDS Materials on all the Hazardous Substances; (c) a description of the intended Hazardous Substance Use; and (d) a copy of any spill and containment plans, and/or management plans for the Hazardous Substance Use required by any local, regional, state or federal agencies under any applicable law ("**Lessee's Submittals**"). The Port review of the proposed Hazardous Substance Use shall consist of verifying that it is a Permitted Use of Hazardous Substances under Section 6.4.1 or is acceptable to the Port with conditions, as set forth in Section 6.4.2.

6.4.5 Notice of Port's Review of Hazardous Substance Use

The Port shall notify Lessee of the Port's decision within twenty (20) Business Days of receipt of Lessee's Submittals ("**Other HSU Notice**") and the rest of the provisions in this Section 6.4.5 shall apply. If the Port requests additional information or the proposed Hazardous Substance Use is complex, in the Port's reasonable opinion, the review period shall be extended by an additional ten (10) Business Days after the requested information has been provided. If the Port, in its reasonable discretion, deems it necessary to hire outside consultants to complete the review process due to the complexity of the proposed Hazardous Substance Use or lack of sufficient information for evaluation of the proposed use, Lessee shall bear the expense of such consultants and the time frame for review may be extended as the Port, in its reasonable discretion, deems necessary due to the complexity of the proposed use. Such Other HSU Notice may be given in accordance with Section 16.4. If the Port fails to give Lessee such Other HSU Notice in writing within the time period, together with any applicable extensions, as provided under this Section 6.4.5, Lessee shall notify the Port in writing and the Port shall have an additional seven (7) days to send Lessee the Port's decision on the proposed Hazardous Substance Use. If the Port fails to provide such Other HSU Notice to

Lessee within such additional seven (7) day period, the proposed Hazardous Substance Use shall be deemed acceptable to the Port, provided, however, in no event shall the Port's failure to respond constitute an approval of any term that violates Environmental Laws or other applicable laws and regulations or any provision of this Lease.

6.4.6 Conditions of Hazardous Substance Use Approval

If Port approval is required under this Lease for a proposed Hazardous Substance Use, the conditions of Port approval for such proposed Hazardous Substance Use may include, but not be limited to, requiring Lessee to do one or more of the following: (a) secure additional or increased pollution control insurance or meet other insurance requirements; (b) accept limits or restrictions on the Hazardous Substance Use to assure compatibility with area uses or with any AST or MST Tank Agreement; (c) prepare and submit for Port approval a Spill Prevention, Control and Countermeasures Plan for the Hazardous Substance Use; and (d) submit to the Port copies of any reports or notifications to any regulatory agency relating to the Hazardous Substance Use prior to or at the beginning of the Hazardous Substance Use and periodically throughout the Lease Term.

6.4.7 Discharge and Treatment of Industrial Wastewater

No industrial wastewater discharge shall be made by Lessee into the ground, any surface waters, other body of water, or any Port-owned conveyance or storage system unless such discharge meets the requirements of all applicable laws and regulations. The Port shall have the right, but not the duty, in its sole discretion, to review and approve or disapprove any industrial wastewater management, treatment or discharge system constructed or modified by on behalf of Lessee on the Premises during the term of this Lease.

6.5 Off-Site Waste-Like Materials

Lessee shall not allow any person to store, manage, treat, deposit, place or dispose of slag, debris, recycled concrete, recycled asphalt, construction or demolition debris, wood waste, dredged material, Hazardous Substance-contaminated material, or other wastes from off of the Premises ("**Off-Site Waste-Like Materials**") on the Premises without the prior written approval of the Port, which approval may be granted, conditioned or denied in the Port's sole discretion. In the event that the Port in its sole discretion is not satisfied with the origin and likely contents of such Off-Site Waste-Like Materials, the Port may require Lessee, at Lessee's cost, to test such materials to ensure that, in the Port's sole opinion, such materials contain no unacceptable levels of Hazardous Substances.

6.6 Lessee's Liability

6.6.1 Hazardous Substance Releases

Except as provided in Section 6.6.2, Lessee shall be responsible for any Hazardous Substance Release occurring on the Premises or emanating and originating from the Premises onto or into other properties, or in the air or in adjacent or nearby waterways (including ground water) and any Environmental Cost resulting therefrom, which results from or occurs in connection with Lessee's occupancy, use or possession of the Premises (including acts of uninvited third parties who cause a Hazardous Substance Release to occur on the Premises) (a) occurring at any time during the Lease Term or extension thereof; (b) occurring at any time during any holdover period; or (c) occurring during the Lease Term or extension thereof and continuing after the Lease Term or extension thereof (the "**Triggering Environmental Event**").

6.6.2 Limitation of Lessee's Liability

Notwithstanding anything to the contrary provided in Section 6.6 of this Lease, Lessee shall have no responsibility or liability for any Triggering Environmental Event that Lessee can demonstrate: (a) existed on the Premises prior to the Effective Date of this Lease (except if caused by Lessee or Lessee's agents, employees or contractors); (b) is caused by the Port or its agents, employees or contractors after the Effective Date of this Lease; (c) results exclusively from a Hazardous Substance Release that constitutes a contiguous properties situation, as defined in 42 U.S.C.A. § 9607(q) involving a release that occurred from an off-site location not owned, operated, leased or otherwise controlled by Lessee, and migrated onto the Premises; or (d) first occurred after Lessee's vacation of the Premises. The Port shall be responsible, to the extent required by law, for any Triggering Environmental Event caused by the Port, its agents, employees, or contractors, whether occurring before or after the Effective Date of this Lease.

6.7 Environmental Remediation

6.7.1 Immediate Response

In the event of a violation of applicable Environmental Laws for which Lessee is responsible under this Lease, a violation of an environmental provision of this Lease for which Lessee is responsible under this Lease, a Hazardous Substance Release for which Lessee is responsible under this Lease, or the threat of or reasonable suspicion of a Hazardous Substance Release for which Lessee is responsible under this Lease, Lessee shall immediately undertake and diligently pursue all acts necessary or appropriate to do the following: (a) eliminate the threat or reasonable suspicion of such Hazardous Substance Release; (b) correct the violation of Environmental Laws or of environmental provisions of this Lease; and/or (c) investigate, contain, stop, and accomplish source control (if the source is on the Premises) for, Hazardous Substance Releases for which Lessee is responsible under this Lease and remove such Hazardous Substance Releases to the extent required by Environmental Laws and consistent with the permanent remediation requirements of Section 6.7.2. If the source is off the Premises, Lessee will immediately notify the Port upon becoming aware of the Hazardous Substance Release.

6.7.2 Remediation

Lessee shall promptly undertake all actions necessary or appropriate to ensure that any Hazardous Substance Release for which Lessee is responsible under this Lease is permanently remediated and that any violation of any applicable Environmental Laws for which Lessee is responsible under this Lease or any violation by Lessee of an environmental provision of this Lease is corrected. In addition, with respect to any Hazardous Substance Release for which Lessee is responsible under this Lease, Lessee shall restore the Premises or other affected Premises or water to such condition that: (a) to the extent that the Hazardous Substance Release is reportable to the DEQ, a determination of "No Further Action" has been obtained from the DEQ; (b) no ongoing monitoring of Hazardous Substances on the Premises is required under applicable Environmental Laws; (c) no Hazardous Substances are left in place and capped with either soil or other material (except in compliance with subsection (d)); and (d) there are no restrictions or institutional controls under applicable Environmental Laws on the use or development of the Premises other than those consistent with current and reasonably anticipated future land uses at the Premises and surrounding properties. Nothing in this Section 6.7.2 shall require Lessee to remediate any Hazardous Substance Release for

which Lessee is not responsible under Section 6.6.1 or for which Lessee's liability is limited as provided in Section 6.6.2.

6.7.3 Natural Resources Damages Assessment and Restoration

Lessee shall promptly undertake, at Lessee's sole expense, all actions necessary to ensure that any natural resources damages associated with the Premises for which Lessee is responsible under this Lease, and the violation of Environmental Laws, the environmental provisions of this Lease or any Hazardous Substance Release by Lessee, contractors, invitees, agents, or employees, is investigated, determined, quantified, assessed, and permanently restored and compensated for, such that a "No Further Action" determination is obtained from all natural resources trustees with jurisdiction over the Hazardous Substance Release.

6.7.4 Report to the Port

Within thirty (30) days following completion of any assessment, investigation, feasibility study, containment, removal, or remedial action required by this Lease, Lessee shall provide the Port with a written report outlining, in detail, what has been done and the results thereof.

6.7.5 Port's Approval Rights

Except in the case of an emergency or an agency order requiring immediate action, Lessee shall give the Port advance notice before beginning any investigatory, remediation or removal procedures. The Port shall have the right to approve or disapprove (which approval shall not be unreasonably withheld, conditioned, or delayed) the proposed investigatory, remediation and removal procedures and the company(ies) and/or individuals conducting such procedures which are required by this Lease or by applicable Environmental Laws, whether on the Premises or on any affected Premises or water. The Port will have the right to require Lessee to request oversight from the DEQ or to require Lessee to participate under an agreement in DEQ's voluntary cleanup program regarding any investigatory, containment, remediation, and removal activities and/or require Lessee to seek a formal determination from DEQ of No Further Action.

6.8 Notice

Lessee shall promptly notify the Port upon becoming aware of: (a) a violation or alleged violation of any applicable Environmental Laws related to the Premises or to Lessee's occupation or use of the Premises or any environmental provision of this Lease; and (b) any Hazardous Substance Release on, under or adjacent to the Premises or threat of or reasonable suspicion of any of the same. If Lessee fails to notify the Port of a matter as required in this Section 6.8, and if the Port does not otherwise acquire knowledge of the matter, Lessee shall be liable for any aggravation of a Hazardous Substance Release that could reasonably have been avoided if such notification by Lessee had been provided.

6.9 Split Sampling

Except in the case of an emergency or an agency order requiring immediate action, Lessee shall notify the Port at least forty-eight (48) hours in advance of any proposed sampling associated with a Hazardous Substance Release in order to allow the Port to be present or to collect duplicate (or "split") samples so that the Port may conduct its own analysis. Lessee shall provide the Port with copies of any sampling results and associated chain-of-custody and quality assurance and quality control information within ten (10) days of request by the Port.

6.10 Port's Right to Perform on Behalf of Lessee

In the event Lessee is in default of any of its obligations under this Section 0 or any Environmental Laws, the Port shall have the right, after written notice to Lessee and a period of thirty (30) Business Days provided for Lessee to cure, to perform such obligations and charge Lessee all resulting Environmental Cost, together with interest at the Delinquency Rate, from the date the expense is incurred by the Port until the date paid. The Port may not commence performance on behalf of Lessee under this Section 6.10 if, during the thirty (30) day period, Lessee promptly begins and diligently pursues to completion the performance of the obligations set forth in the Port's notice. Notwithstanding the foregoing, in the event the Port determines that an emergency exists, and Lessee is either unwilling or unavailable to take immediate and appropriate action, the Port may take commercially reasonable action, and charge Lessee all resulting Environmental Cost from the date the expense is incurred by the Port until the date paid. If such Environmental Cost is not reimbursed within thirty (30) days of written demand, the Delinquency Charge will be imposed retroactive to the date the Environmental Cost was incurred. The Port agrees to make a good faith effort to attempt to notify Lessee before beginning any clean-up operation.

7. INDEMNITY, INSURANCE

7.1 Lessee's General Indemnity; Reimbursement of Damages

Lessee agrees to defend (using legal counsel reasonably acceptable to the Port), indemnify, and hold harmless the Port from and against and reimburse the Port for any and all actual or alleged claims, damages, expenses, costs, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees), fines, Environmental Cost and/or penalties (collectively "Costs") which may be imposed upon, claimed against or incurred or suffered by the Port and which, in whole or in part, directly or indirectly, arise from the following, unless exclusively resulting from the Port's negligence or willful misconduct: (a) any act, omission or negligence of Lessee; (b) any use, occupation, management or control of the Premises by Lessee, , whether or not due to Lessee's own act or omission and whether or not the resulting damage occurs on the Premises; (c) any condition created in or on the Premises by Lessee (other than the Port), including without limitation any accident, injury or damage occurring in or on the Premises after the Lease Commencement Date; and (d) any Triggering Environmental Event for which Lessee is responsible under this Lease, including without limitation any injury or damage occurring therefrom; and (e) any breach, violation or nonperformance of any of Lessee's obligations under this Lease. Lessee shall be responsible for payment of all deductibles or self-insured retentions for all claims against Lessee's policies related to this contract including those made directly by an Additional Insured. For purposes of this Section 7.1, Lessee shall be deemed to include Lessee and Lessee's partners, officers, directors, volunteers, employees, agents, invitees, and contractors, and the Port shall mean the Port, its commissioners, directors, volunteers, agents, and employees. Neither Lessee's partners, officers, directors, employees, and agents nor the Port's commissioners, directors, volunteers, agents, and employees shall be held personally liable under the provisions of this Section 7.1.

7.2 Insurance Requirements

Insurance requirements set forth below do not in any way limit the amount or scope of liability of the Lessee under this Lease. The amounts listed indicate only the minimum amounts of insurance coverage the Port is willing to accept to help insure full performance of all terms and conditions of this Lease. The Port requires and shall be entitled to any broader coverage and/or higher policy limits

maintained by the Lessee. Any and all available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be made available to the Port. All insurance required by Lessee under this Lease shall meet the following minimum requirements.

7.2.1 Certificates; Notice of Cancellation

On or before the Effective Date and thereafter during the Lease Term (and any extension thereof), Lessee shall provide the Port with current certificates of insurance, including a copy of the additional insured endorsement required in Section 7.2.2, executed by a duly authorized representative of each insurer, evidencing the existence of all insurance policies required under this Section 7. The Port shall receive at least thirty (30) days' written notice prior to cancellation, non-renewal, or material change in any policy required under this Section 7. Insurance must be maintained without any lapse in coverage during the Lease Term. The Port shall also be given copies of Lessee's policies of insurance, upon request. Failure of the Port to demand such certificates or other evidence of full compliance with these insurance requirements or failure of the Port to identify any deficiency or noncompliance with coverage requirements shall not be construed as a waiver of Lessee's obligation to maintain the insurance required by this Lease.

7.2.2 Additional Insured; Separation of Insureds

The Port shall be named as an additional insured in each general liability policy, other than employer's liability. Such insurance shall provide cross liability coverage equivalent to the standard Separation of Insureds clause published by the Insurance Services Offices ("ISO") or a successor organization.

7.2.3 Primary Coverage

The required policies shall provide that the coverage is primary and will not seek any contribution from any insurance or self-insurance carried by the Port.

7.2.4 Company Ratings

All policies of insurance must be written by companies having an A.M. Best rating of "A" or better, or equivalent. The Port may, upon thirty (30) days' written notice to Lessee, require Lessee to change any carrier whose rating drops below an "A" rating.

7.3 Required Insurance

At all times during this Lease, Lessee shall provide and maintain the following types of coverage.

7.3.1 General Liability Insurance

Lessee shall maintain an occurrence form commercial general liability policy or policies insuring against liability arising from premises operations, independent contractors, products completed operations, personal injury and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract) occurring on or in any way related to the Premises or occasioned by reason of the operations of Lessee in an amount of not less than TWO MILLION DOLLARS (\$2,000,000) or the Lessee's policy limits, whichever is greater, per occurrence. The Port requires and shall be entitled to any broader coverage and/or higher policy limits maintained by the Licensee. Any and all available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be made available to the Port.

7.3.2 Property Insurance

The Port shall throughout the Lease Term keep the Premises and all other buildings which are owned by the Port on the Premises insured against loss by fire and other hazards by such policies as determined by the Port. The amount of the insurance shall be equal to the full insurable replacement cost of the building and all other Port Improvements located on the Premises. The policy or policies must insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any applicable requirements requiring the upgrading, demolition, reconstruction, or replacement of any portion of the Property as the result of a covered loss. The Port will provide Lessee with an estimated annual amount for such insurance ("Port Insurance Estimate") and Lessee will reimburse the Port for the cost of such insurance by paying to the Port a monthly amount which reflects the Port Insurance Estimate divided by 12 ("Monthly Insurance Payment"). The Monthly Insurance Payment will be made by Lessee, along with any Basic Rent, thereafter during the term of this Lease and will be Additional Rent. Any unpaid amounts may be paid with the Security Deposit at the Port's sole discretion. If Lessee's Monthly Insurance Payments exceed the Port Insurance Estimate at the end of a one-year cycle, each April the Port will apply the overpayment as a credit toward future Monthly Insurance Payments. Lessee shall bear the expense of any insurance insuring the property of Lessee on the Premises against such risks but shall not be required to insure such Lessee property under this Lease.

7.3.3 Automobile Liability Insurance

In the event that automobiles are used in connection with Lessee's business or operations at the Premises, Lessee shall maintain an automobile liability policy or policies insuring against liability for bodily injury, death, or damage to Premises, including loss of use thereof, and occurring in any way related to the use, loading, or unloading of any of Lessee's automobiles (including owned, hired and nonowner vehicles) on and around the Premises. Coverage shall be in an amount of not less than TWO MILLION DOLLARS (\$2,000,000) or the Lessee's policy limits, whichever is greater, for each accident.

7.3.4 Workers' Compensation Insurance

Lessee shall maintain Workers' Compensation insurance for all of Lessee's employees in accordance with all requirements of Oregon law.

7.3.5 Personal Property Insurance

Lessee will be responsible to ensure all Lessee's own Personal Property such as removable decorations, detached floor coverings, signs, blinds, furnishings, Lessee Improvements, betterments, and trade fixtures, which items will not be covered by Port's insurance and for which Port and its insurance carriers will have no liability.

7.3.5 Lessee's Risks

Lessee shall be responsible for obtaining any insurance it deems necessary to cover its own risks, including without limitation: (a) personal property, and/or (b) automobile physical damage and/or theft. In no event shall the Port be liable for any: (i) business interruption or other consequential loss sustained by Lessee; (ii) damage to, or loss of, personal property; or (iii) damage

to, or loss of, an automobile, whether or not such loss is insured, even if such loss is caused by the negligence of the Port.

7.4 Waiver of Subrogation

Lessee waives any right of action that it and/or its insurance carrier(s) might have against the Port (including the Port's commissioners, employees, volunteers, and agents) for any loss, cost, damage, or expense (collectively "Loss") covered by any property insurance policy or policies maintained or required to be maintained pursuant to this Lease. Each party also waives any right of action it and/or its insurance carrier(s) might have against the other party (including its commissioners, employees, and agents) for any Loss to the extent such Loss is a property loss covered under any applicable automobile liability policy or policies required by this Lease. If any party's applicable insurance policies do not allow the insured to waive the insurer's rights of recovery prior to a Loss, such party shall cause such policies to be endorsed to allow the waivers of subrogation required by this Section 7.4.

7.5 Periodic Review

The Port shall have the right to review, including at the beginning of each Extension Term, the types, minimum coverage, limits, and terms of insurance coverage for consistency with then current types, minimum coverage, limits, and terms of insurance coverage for similar operations. If the Port determines that certain types of insurance are not generally available in the marketplace at reasonable terms and pricing for similar operations, Lessee shall not be required to carry such insurance until such insurance becomes available for similar operations. In the event the Port reasonably determines that such types, minimum coverage, limits, and/or terms should be changed to be consistent with then current types, minimum coverage, limits, and terms of insurance coverage generally available in the marketplace at reasonable terms and pricing for similar operations, the Port will give Lessee 180 days notice of such determination and Lessee shall modify its coverage to comply with the new insurance requirements of the Port. Lessee shall also provide the Port with proof of such compliance by giving the Port an updated certificate of insurance within thirty (30) calendar days of Lessee's receipt of such updates. Lessee shall have the right to periodically request the Port to conduct a review of the then current types, minimum coverage, limits, and terms of insurance coverage generally available in the marketplace at reasonable terms and pricing for similar operations if Lessee believes the current types, minimum coverage, limits, and terms of insurance coverage generally available in the marketplace at reasonable terms and pricing for similar operations have changed. The Port shall reasonably consider such request to determine if Lessee's current coverage comports with what is generally available in the marketplace at reasonable terms and pricing for similar operations and make changes to the insurance requirements under this Lease accordingly.

7.6 Survival of Indemnities

The indemnity agreements set forth in this Section 7 shall survive the expiration or earlier termination of this Lease and be fully enforceable thereafter.

8. DAMAGE AND DESTRUCTION

8.1 General

Lessee shall promptly notify the Port of damage or destruction of any improvements located on the Premises ("**Casualty**"). In the event (i) the Premises are made wholly untenable by fire or other casualty and the Port shall decide not to restore or repair same, (ii) 50% or more of the Building is so damaged by fire or other casualty that the Port shall decide to demolish or not rebuild the same, (iii) the Premises are made partially untenable during the last year of the Term, or (iv) any mortgagee applies the insurance proceeds to reduce its loan balance and the remaining proceeds, if any, are insufficient to pay for the repair or restoration of the Premises and Building, then, in any of such events, the Port shall have the right to terminate this Lease by notice to Lessee within sixty (60) days after the date of such fire or other casualty and Rent shall be apportioned on a per diem basis and paid to the date of such fire or other casualty. Notwithstanding anything to the contrary herein set forth, the Port shall not be obligated to repair or restore the Premises or the Building (and in such event shall exercise its termination right set forth above) if the damage or destruction is due to an uninsurable casualty, or insurance proceeds are insufficient to pay for such repair or restoration, or if any mortgagee applies proceeds of insurance to reduce its loan balance and the remaining proceeds available to the Port are not sufficient to pay for such repair or restoration. Lessee shall fully cooperate with the Port and the Port's insurance carrier in connection with any Casualty.

a) In the event the Premises are made wholly or partially untenable, and this Lease is not terminated by the Port under this Section 8, then this Lease shall continue in effect and the Port shall proceed diligently to repair and restore the Premises, subject, however, to (i) reasonable delays for insurance adjustments, and (ii) delays caused by forces beyond the Port's reasonable control. In such an event, the rent shall abate in proportion to the non-usability of the Premises during the period while repairs are in progress.

b) The Port shall have no liability for any loss, cost, expense, damage, or compensation whatsoever (including any claim for inconvenience, loss of business or annoyance) by reason of any restoration of the Premises or the Building under this Section 8.

c) If the Port does not elect to terminate this Lease pursuant to this Article, the damage is not the result of Lessee's gross negligence or willful misconduct, the damage substantially interferes with Lessee's access to or usage of a material portion of the Premises, and the Port's restoration work cannot be or is not completed within three hundred sixty-five days (365) days after the date of the damage, then Lessee may elect to terminate this Lease by notifying the Port in writing of such termination upon thirty (30) days' notice.

d) In the event of a casualty in which the Lessee Improvements are damaged or destroyed, Lessee shall proceed diligently to repair and restore such Lessee Improvements to the extent insurance proceeds are available or would have been available had Lessee carried all insurance required to be carried by Lessee under this Lease but did not so carry.

8.2 Restoration

In the event of any Casualty, Lessee shall cooperate with the Port in the restoration and/or replacement of the damaged improvements and damage to the Premises. If Lessee intends not to operate on the Premises for any period of time following a Casualty, Lessee must take appropriate measures to secure the Premises during any period of such non-use and to prevent unauthorized parking or other unauthorized uses on the Premises.

8.3 Termination of Lease Following Casualty

If the building should be totally destroyed by fire, tornado, or other casualty, or if it should be so damaged thereby that rebuilding or repairs cannot in the Port's estimation be completed within three hundred and sixty five (365) days after the date upon which the Port is notified by Lessee of such damage, this Lease shall terminate and the Basic Rent shall be abated during the unexpired portion of this Lease, effective upon the date of the occurrence of such damage. The Port shall give notice to Lessee in writing of its determination to terminate this Lease within ninety (90) days following the date of the occurrence of such damage. If the building should be damaged by any peril covered by the insurance to be provided by the Port (but only to such extent the rebuilding or repairs can in the Port's estimation be completed within two hundred (200) days after the date upon which the Port is notified by Lessee of such damage), this Lease shall not terminate, and the Port shall at its sole cost and expense thereupon proceed with reasonable diligence to rebuild and repair such building to substantially the condition in which it existed prior to such damage, except that the Port shall not be required to rebuild, repair or replace any part of the partition, fixtures, additions and other improvements which may have been placed in, or about the Premises by Lessee. The Port understands that FAA requires work undertaken by the Lessee under its Repair Station Certificate must be executed within appropriate housing and shall provide such alternative indoor housing as may be available at the Airport for the use of the Lessee, at the same Basic Rent, while rebuilding the original premises. If the Premises are untenantable in whole or in part following such damage, the Basic Rent payable hereunder during the period in which they are untenantable shall be reduced to such extent as may be fair and reasonable under all of the circumstances. In the event that the Port shall fail to complete such repairs and rebuilding within two hundred (200) days after the date upon which the Port is notified by Lessee of such damage, Lessee may at its option terminate this Lease by delivering written notice of termination to the Port as Lessee's exclusive remedy.

9. TERMINATION

9.1 Duties on Termination

Upon the Expiration Date or earlier termination of this Lease for any reason, Lessee shall complete all of Lessee's obligations under this Lease, including, but not limited to, meeting all of Lessee's environmental requirements under Section 6 (including without limitation the payment of all Environmental Costs for which Lessee is responsible under this Lease), delivering to the Port all keys and all manuals, warranties and other information in Lessee's possession relating to any of the improvements and surrendering the Premises and all improvements in good clean condition, reasonable wear and tear excepted (subject to the requirement to remove the improvements as set forth in this Lease). All Lessee Improvements shall, at the Port's sole option, be deemed Port Premises (including any buildings constructed on the Premises) and shall not be removed unless the Port directs Lessee to remove such Lessee Improvements, in which case Lessee shall remove the Lessee Improvements and then restore the Premises. All repairs or removals for which Lessee is responsible shall be completed at Lessee's cost prior to termination of this Lease and surrender of the Premises. Except in the event of early termination pursuant to the terms of this Lease, the Port shall give Lessee written notice not later than sixty (60) days prior to the end of the initial Lease Term or the then current Extension Term ("**Removal Notice**") of the Port's election to have Lessee remove the Lessee Improvements. If the Port fails to timely provide such Removal Notice, such failure shall not be deemed a Default under this Lease and Lessee's obligation to remove the Lessee Improvements, if desired by the Port, shall not be extinguished; however, the date upon which the

Lessee Improvements must be removed and any damage to the Premises repaired by Lessee shall be extended by the number of days the Removal Notice was late. If the Lessee Improvements are damaged after the Port has indicated in its Removal Notice that the improvements could remain, the Port may elect, in its sole discretion, to require Lessee to remove the Lessee Improvements and restore the Premises.

10. DEFAULT

10.1 Event of Default

The occurrence of any of the following shall constitute an "**Event of Default**" (also referred to as a "**Default**").

10.1.1 Default of Monetary Obligations

An Event of Default shall occur if Lessee fails to pay any monetary obligation required under this Lease and such failure to pay is not cured within ten (10) days after written notice to Lessee by the Port, except that a failure to pay Basic Rent must be cured within ten (10) days of its due date without notice from the Port.

10.1.2 Default in Covenants

An Event of Default shall occur if Lessee violates any term, covenant, or condition of this Lease (other than as provided in Sections 0 and 0) and such violation is not cured within thirty (30) days after written notice to Lessee by the Port describing the nature of the violation. If the violation is of such a nature that it cannot be completely cured within the thirty (30) day period, this provision shall be complied with if Lessee begins diligent correction of the violation within such thirty (30) day period and, thereafter, proceeds in good faith and with all due diligence to effect the cure as soon as reasonably possible. If Lessee violates the same provision of this Lease more than three (3) times in any calendar year, then the Port may declare an immediate Event of Default for which no opportunity to cure needs be given, except as provided in Section 0.

10.1.3 Bankruptcy/Insolvency

The Insolvency of Lessee shall be an immediate Event of Default for which no notice or opportunity to cure need be given. For the purposes of this Lease, and to the extent permitted by the United States Bankruptcy Code, "**Insolvency**" shall mean: (a) an assignment by Lessee for the benefit of creditors; (b) the filing by Lessee of a voluntary petition in bankruptcy; (c) dissolution of Lessee; (d) the appointment of a receiver of the properties of Lessee and failure of Lessee to secure discharge of the receiver within ninety (90) days; (e) the filing of an involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the petition within ninety (90) days after filing; and (f) attachment of, or the levying of execution on, the leasehold interest and failure of Lessee to secure discharge of the attachment, or release of the levy of execution, within ninety (90) days.

10.2 Remedies on Event of Default

Immediately upon the occurrence of an Event of Default, the Port may, at its option, exercise any of the following rights and remedies, in addition to any other rights and remedies provided elsewhere in this Lease or otherwise at law or in equity.

10.2.1 Termination of Lease

The Port may terminate this Lease and Lessee's right to possession of the Premises. However, the Port shall provide Lessee with an additional thirty (30) days' prior written notice of the Port's intention to terminate this Lease for an Event of Default, during which time period Lessee shall have another opportunity to fully cure the Default and avoid termination even though an Event of Default has already occurred. If Lessee fails to fully cure the Default within the thirty (30) day notice period, provided under this Section 10.2.1, the Port may automatically terminate this Lease and Lessee's right to possession of the Premises with no additional notice. No other extensions of time will be granted, and no partial cure shall be accepted.

10.2.2 Reentry

Either with or without terminating this Lease or accepting surrender, the Port may reenter the Premises, or any part thereof, by suitable action or proceeding at law, or as otherwise permitted by applicable law, without being liable for indictment, prosecution, or damages therefor, and may repossess the Premises and remove any person or Premises therefrom, to the end that the Port may have, hold, and enjoy the Premises.

10.2.3 Reletting

Following such reentry either with or without acceptance of surrender, the Port may relet the whole or any part of the Premises from time to time, either in the name of the Port or otherwise, to such Lessees, for such terms ending before, on or after the Expiration Date of this Lease and upon such conditions as the Port may determine to be appropriate. Acts of maintenance, preservation, or efforts to relet the Premises, or the appointment of a receiver upon initiative of the Port to protect the Port's interest under this Lease, shall not constitute a termination of the Lease or an acceptance of surrender of the Lease. The Port, at its option, may make such physical changes to the Premises as the Port, in its discretion, considers advisable and necessary in connection with any such reletting, without relieving Lessee of any liability under this Lease or otherwise affecting Lessee's liability.

10.2.4 Right to Sue More than Once

The Port may sue periodically to recover damages and no action for damages shall bar a later action for damages subsequently accruing.

10.3 No Waiver of Default

No failure by the Port to insist on the strict performance of any agreement, term, covenant, or condition of this Lease or to exercise any right or remedy consequent upon a breach, and no acceptance of partial Rent during the continuance of any such breach, constitutes a waiver of any such breach or of such agreement, term, covenant, or condition. No agreement, term, covenant, or condition to be performed or complied with by Lessee, and no breach by Lessee, shall be waived, altered, or modified, except by a written instrument executed by the Port. No waiver of any breach shall affect or alter this Lease, but each and every agreement, term, covenant, and condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

10.4 Remedies Cumulative and Nonexclusive

Each right and remedy in this Lease will be cumulative and will be in addition to every other right or remedy in this Lease, or existing at law or in equity, including, without limitation, suits for injunctive relief and specific performance. The exercise or beginning of the exercise by the Port of any such rights or remedies will not preclude the simultaneous or later exercise by the Port of any other such rights or remedies. All such rights and remedies are nonexclusive.

10.5 Curing Lessee's Default

If Lessee fails to perform any of Lessee's obligations under this Lease, and such failure becomes an Event of Default, the Port, without waiving such failure, may (but shall not be obligated to) perform the same for the account of and at the expense of Lessee, with whatever notice is reasonably possible, if any, in a case of emergency, and in any other cases, only if such failure to begin cure or diligently pursue cure continues after the expiration of thirty (30) days from the date the Port gives Lessee notice of the failure. The Port shall not be liable to Lessee for any claim for damages resulting from such action by the Port except to the extent caused by the gross negligence or willful misconduct of the Port, its agents, employees, and contractors (but in no event for lost profits or consequential damages). Lessee agrees to reimburse the Port, upon demand, any amounts the Port spends in curing Lessee's Default.

10.6 Administrative Costs

If the Port gives Lessee one (1) written notice of a violation of a specific provision of this Lease and Lessee violates the same provision again during any twelve (12) month period of the Lease Term, in addition to all other rights and remedies set forth herein, Lessee agrees to reimburse the Port for its reasonable administrative costs incurred as a result of any notice of any subsequent violation. Failure by Lessee to pay such costs shall be deemed an Event of Default.

10.7 Default by Port

In the event of any Default by the Port, prior to being entitled to maintain any action, Lessee shall give the Port written notice specifying such Default with particularity, and the Port shall have thirty (30) days within which to cure any such Default, or if such Default is nonmonetary and cannot reasonably be cured within thirty (30) days, the Port shall then be deemed in compliance with this provision so long as it begins the cure within the thirty (30) day period and diligently pursues the cure to completion. Unless and until the Port fails to so cure such Default after such notice, Lessee shall not have any remedy or cause of action by reason thereof. All obligations of the Port hereunder shall be construed as covenants, not conditions, and all such obligations shall be binding upon the Port only during the period of its ownership of the Premises and not thereafter.

11. TRANSFER BY THE PORT

At any time after the Effective Date of this Lease, the Port shall have the right to transfer its interest in the Premises or in this Lease. In the event of such a transfer, Lessee shall attorn to said transferee and recognize transferee as the new lessor under the Lease. Thereafter, the Port shall be relieved, upon notification to Lessee of the name and address of the Port's successor, of any obligations accruing from and after the date of the transfer so long as the transferee agrees to assume all obligations of the Port under this Lease.

12. ASSIGNMENT OF INTEREST OF RIGHTS

Lessee shall not sell, assign, mortgage or otherwise transfer its interest in this Lease, the improvements, the Lessee Improvements, and or/the Premises, either voluntarily or by operation of law, without the prior written consent of the Port, in its sole discretion. Any such transfer or assignment, or attempted assignment, subletting or attempted subletting, without such consent, shall be absolutely null and void and shall, at the option of the Port, terminate all rights of the Lessee under or by virtue of this Lease. Lessee's interests, in whole or in part, cannot be taken by operation of law, nor under or by virtue of any execution or legal process, attachment, or proceeding instituted against the Lessee, or under or by virtue of any bankruptcy or insolvency proceedings had in regard to the Lessee, or in any other manner except as above mentioned. If the Port, in its sole discretion, consents to an assignment or sublease, the following conditions must be satisfied: a) A fee of paid to cover administrative costs; b) Lessee has satisfied all conditions of the Lease precedent to assignment or sublease; c) Lessee and its assignee have completed a standard assignment form provided by the Port and assured the Port that the assignee has the capacity to perform on the Lease; and d) The Port has determined that such assignment or sublease is in the best interest of the Port. Notwithstanding the foregoing, the preceding restrictions on assignments and transfers shall not apply to: (i) the offering, sale or transfer of any of Lessee's shares through or on any public securities market or exchange; (ii) an assignment of this Lease to any entity which is a successor to Lessee either by merger or other consolidation of Lessee; (iii) a pledge by any direct or indirect parent of Lessee of its interests in the Lessee; and (iv) a sale of all or substantially all the assets or shares of Lessee or its direct or indirect parent or affiliate.

13. PORT CONTROL AND SERVICES

It is understood that the Port, as a municipal corporation created as a Port District under the laws of the State of Oregon, has certain legislative control and authority over all of its properties and within its geographical boundaries. None of such legislative authority is hereby ceded, delegated, or diminished. It is expressly recognized by the parties that the Port shall have authority to determine rules regulating the use and conduct upon such Premises, penalties therefore and other matters not involving the direct management and operation of the facility. Nothing herein contained shall be deemed to constitute the Lessee an agent, employee, or other representative of the Port; the status of Lessee with respect to the Port is strictly that of independent contractor and the Port reserves no power to control or direct Lessee in the manner of performance of its duties and obligation, other than through its legislative authority and its right to enforce the provisions of this Lease.

14. CONDEMNATION

14.1 General

In the event any public or private entity having the power of eminent domain exercises its right or power of eminent domain, the parties' rights and obligations shall be governed by the common law of the State of Oregon, the applicable Oregon statutes, and this Lease. To the extent allowed by law, in the event of conflict among the statute, common law and this Lease, this Lease shall prevail. If the condemning authority is the Port, Lessee agrees that it will not contest the Port's right to condemn the Premises, or any portion thereof, for whatever purpose the Port deems necessary, but Lessee may contest the value payable to Lessee due to such condemnation. In cases

where the condemning authority is an entity other than the Port, Lessee and the Port agree to cooperate, in good faith, to resolve any issues relating to value and/or authority to condemn.

14.2 Definitions

As used in this Lease, the following definitions shall apply:

14.2.1 Partial Taking

"**Partial Taking**" means the taking by right of eminent domain or other authority of law, or a voluntary transfer under the threat of the exercise of the right of eminent domain or other authority, of any portion of the Premises which does not constitute a Total Taking and which would allow Lessee to continue the intended use of the Premises.

14.2.2 Total Taking

"**Total Taking**" means the taking by right of eminent domain or other authority of law, or a voluntary transfer under the threat of the exercise of the right of eminent domain or other authority, of so much of the Premises as is necessary for Lessee's occupancy that the Premises, after the taking, is no longer suitable for Lessee's intended use.

14.2.3 Taking

"**Taking**" refers to either a Partial Taking or a Total Taking.

14.2.4 Date of Taking

"**Date of Taking**" means: (i) the date on which the condemning authority takes legal ownership or actual physical possession of the Premises being condemned; (ii) the date given in a written notice from the condemning authority as the date that it is deemed to have taken possession or is granted possession by a court; or (iii) such date as is agreed to, in writing, in the event of a sale in lieu of condemnation.

14.2.5 Premises Award

The "**Premises Award**" shall mean the fair market value of the Premises (as defined in Section 14.2.5), including the Premises and all infrastructure improvements made to the Premises by any party and including the Port's Reversionary Interest in Lessee Improvements (defined in Section 14.2.7, but excluding the Leasehold Award, described in Section 14.2.6, which Lessee shall be entitled to claim. The Premises Award shall also include any consequential damage to any part of the Premises that may not be taken. The Premises Award is payable solely to the Port.

14.2.6 Leasehold Award

The "**Leasehold Award**" shall mean the sum of: (i) the present value, determined as of the Date of Taking, of Lessee's Improvements; (ii) the present value, determined as of the Date of Taking, of Lessee's interest in the leasehold estate, including any claim for reimbursement of any prepaid Rent including prepaid Basic Rent; and (iii) provided the Lease is not terminated, any consequential damages such as the cost of any alterations, modifications, or repairs which may be reasonably required by Lessee in order to place the remaining portion of the Premises not taken in a suitable condition for the continuance of Lessee's occupancy. The Leasehold Award is payable solely to Lessee. No portion of the value attributable to the Premises or improvements owned, made by, or paid for by the Port or other government authority, or any infrastructure improvements, or the Port's residual interest in other improvements, shall be considered a part of the Leasehold Award.

14.2.7 Port's Reversionary Interest

The "**Port's Reversionary Interest**" shall mean the present value, determined as of the Date of Taking, of any right of the Port under this Lease to receive the taken Lessee Improvements at the end of the Lease Term.

14.2.8 Distribution of Takings Award

The Port shall have the right to and shall be entitled to receive directly from the condemning authority, in its entirety and not subject to any trust, the entire Premises Award. Lessee shall have the right to and shall be entitled to receive directly from the condemning authority, in its entirety and not subject to any trust, the entire Leasehold Award. It is the intent of the parties that the Premises Award and the Leasehold Award will equal the total amount of the award paid as a result of a Taking of the Premises.

14.3 Total Taking

If a Total Taking occurs during the Lease Term, this Lease will terminate as of the Date of Taking.

14.4 Partial Taking

If a Partial Taking occurs during the Lease Term, this Lease shall terminate as of the Date of Taking as to the portion of the Premises taken. The Lease will continue in full force and effect as to the remainder of the Premises unless Lessee reasonably determines that the remaining portion of the Premises is inadequate for Lessee's purposes, in which event Lessee may elect to terminate the Lease within thirty (30) days of the date of the Taking by providing the Port written notice of termination, to be given in accordance with Section 16.4. If notice of termination is not received by the Port within thirty (30) days of the Partial Taking, the Lease will continue in full force and affect as to the remainder of the Premises. Unless the Taking is by the Port, there shall be no refund of any prepaid Basic Rent by the Port to Lessee, but Lessee may make a claim for such prepaid Rent against the condemning authority, as part of the Leasehold Award. Lessee shall promptly make, at Lessee's sole expense, all necessary repairs, or alterations to restore the remaining Premises after a Partial Taking.

14.5 Claims Against Condemning Authority

In any case where the Port is not the condemning authority, Lessee and the Port agree to work together, in good faith, in making their respective claims against the condemning authority, in accordance with the provisions of this Section 14. The Port also agrees to work together, in good faith, with any of Lessee's Permitted Leasehold Mortgagees, in making their respective claims against the condemning authority, in accordance with the provisions of this Section 14. Each party shall be responsible for making its own claim for court costs and attorney fees incurred in the condemnation proceedings.

14.6 Adjustment of Award

To the extent that the court does not distribute the Takings award in accordance with the distribution rights set forth in this Section 14, the parties agree, upon receipt of the award, to promptly pay to the other any amount of the award belonging to the other in accordance with the distribution set forth in this Section 14. If the parties cannot agree upon the distribution within twenty (20) days of the date the judgment or decree is entered in the condemnation proceedings, the controversy shall be resolved in the same court as the condemnation action was brought. The cost of resolving any

such controversy, including the prevailing party's attorney fees, shall be paid by the losing party, as determined by the court. The award allocation may also be resolved by mediation or arbitration if the Port and Lessee both agree to submit the issue to mediation or arbitration.

14.7 Effect of Termination

If this Lease is terminated pursuant to the provisions of this Section 14, then all charges payable by Lessee to the Port under this Lease, if applicable, will be paid up to the Date of Taking. In the event of termination as a result of a Total Taking, the Port and Lessee will then be released from all further liability under this Lease or, in the event of a Partial Taking, from all further liability under this Lease with respect to the portion of the Premises so taken, except such liability which survives termination.

14.8 Notice of Taking

Either party receiving any notice of intended taking, any service of legal process relating to condemnation, or any other notification in connection with any taking, condemnation, or sale or transfer in lieu of condemnation, shall promptly give the other party notice of such receipt. No sale, transfer, agreement, or settlement with the condemning authority shall be made without the written consent of the Port and Lessee.

15. PORT CONDEMNATION RIGHTS

Nothing in this Lease shall in any way limit the powers and rights of the Port to exercise its governmental rights and powers, including its powers of condemnation and eminent domain. Lessee hereby agrees to waive any right it may have to contest the Port's right or authority to condemn, or its rights of condemnation based on a qualifying public purpose. Lessee agrees that it shall limit any contest with the Port relating to the Port's condemnation/eminent domain rights or authority only to the issue of Lessee's interest in the value of the Premises being condemned. Lessee hereby agrees that the Port will have the full right and authority to condemn this Leasehold interest as long as Lessee is paid for its value as provided in Section 14.

16. GENERAL PROVISIONS

16.1 Covenants, Conditions, and Restrictions

This Lease is subject and subordinate to the effect of any covenants, conditions, restrictions, easements, mortgages, deeds of trust, rights of way, and any other matters of record imposed upon the Premises and to any applicable land use or zoning laws or regulations. This Lease is also subject to the Port's right to grant, in the future, underground utility easements through the portions of the Premises not covered by buildings or other structures. Lessee shall, upon request of the Port, execute and deliver agreements of subordination in the form requested by the Port respecting matters covered by this Section 16.1. The Port agrees to make reasonable attempts to minimize any disturbance to Lessee that may result from installation of any underground utility lines and will be responsible for prompt restoration of the Premises.

16.2 Governing Law

This Lease shall be governed and construed according to the laws of the State of Oregon, without regard to its choice of law provisions. Venue shall be in Columbia County.

16.3 No Implied Warranty

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

16.4 Notices

All notices required or desired to be given under this Lease shall be in writing and may be delivered by email, hand delivery, or by placement in the U.S. mail, postage prepaid, as certified mail, return receipt requested, addressed to the Port at:

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

and to Lessee at:

Air Sense Avionics, Inc.
53770 Airport Rd, Scappoose, OR 97056

Any notice delivered by hand delivery shall be conclusively deemed received by the addressee upon actual delivery; any notice delivered by certified mail as set forth herein shall be conclusively deemed received by the addressee on the third Business Day after deposit in the United States mail; any notice delivered by email shall be conclusively deemed received by the addressee upon receipt of a confirmation email by the party sending the notice. The addresses to which notices are to be delivered may be changed by giving notice of such change in accordance with this notice provision.

16.5 Time of the Essence

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

16.6 Non-Waiver

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

16.7 Survival

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

16.8 Partial Invalidity

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

16.9 Limitation on Liability

Notwithstanding anything to the contrary contained herein, the parties acknowledge that it is in their mutual interests to limit their liability to each other, and expressly bargain for and agree to the following:

(a) The Port shall have no liability to Lessee for loss, damage or injury suffered by Lessee on account of theft or any act or omission of any third party (other than Port commissioners, employees, agents, and contractors), including other lessees. References in this Section 16.9 (b) to the Port's agents shall be limited solely to those agents acting within the authority of their agency relationship with the Port, and references in this Section 16.9 (c) to Port contractors shall be limited solely to those contractors acting on the Premises and within the express scope of their contract with the Port.

(b) Although this Lease gives the Port certain rights of inspection, such rights shall impose no obligation on the Port to make any inspections, nor impose liability on the Port if the Port fails to make such inspections, or makes inspection, but fails to disclose or require correction of any defect.

(c) With respect to any liability of the Port under this Lease, the Port shall only be liable for any injury or damage to Lessee to the extent of actual damages and only to the extent allowed by law and shall not be liable for consequential damages (including without limitation lost profits).

(d) With respect to any liability of Lessee under this Lease, Lessee shall only be liable for any injury or damage to the Port to the extent of actual damages and only to the extent allowed by law and shall not be liable for consequential damages (including without limitation lost profits).

(e) With respect to claims made by entities or persons who are not parties to this Lease, the Port and Lessee, as between them, shall retain all rights to common law indemnity and statutory contribution available under applicable Oregon law. This Section 16.9 is not intended to confer any benefit or right to any entity or person who is not a party to this Lease.

16.10 Headings, Table of Contents and Table of Definitions

The article and section headings, table of contents and table of definitions contained in this Lease are for convenience in reference and are not intended to define or limit the scope of any provision of this Lease.

16.11 Exhibits Incorporated by Reference

All Exhibits attached to this Lease are incorporated by reference in this Lease for all purposes.

16.12 Modification

This Lease may not be modified except by a writing signed by the Port and Lessee.

16.13 Provisions Applicable to Others

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

16.14 Interpretation of Lease; Status of Parties

This Lease is the result of arms-length negotiations between the Port and Lessee and shall not be construed against either the Port or Lessee by reason of such party's preparation of or revisions to this Lease. Nothing contained in this Lease, including the construction of improvements on the Premises, shall be deemed or construed as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. The Port and Lessee shall continue an open dialogue concerning any major issues regarding the terms of this Lease.

16.15 Calculation of Time

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

16.16 Absence of Brokers

Lessee and the Port each represent to one another that no commission is owed to any agent or broker in connection with this Lease. If a commission is claimed, the party who the broker claims requested the representation shall pay any commission owed and shall defend, indemnify, and hold the other party harmless from any such claim.

16.17 Attorney Fees

If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code), is instituted in connection with any controversy arising out of this Lease or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover attorney, paralegal, accountant, and other expert fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court at trial or on any appeal or review, in addition to all other amounts provided by law. Payment of all such fees shall also apply to any administrative proceeding, trial, and/or any appeal or petition for review. Whenever this Lease requires Lessee to defend the Port, it is agreed that such defense shall be by legal counsel acceptable to the Port.

16.18 Right of Parties and Successors in Interest

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

16.19 Joint and Several Obligations

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

16.20 Defined Terms

Capitalized terms shall have the meanings given them in the text of this Lease.

16.21 Execution of Multiple Counterparts

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

16.22 Estoppel Certificates

Each party (the "**Certifying Party**") agrees to execute and deliver to the other (the "**Requesting Party**"), at any time within thirty (30) days after written request, a statement certifying, among other things: (a) that this Lease is unmodified and is in full force and effect (or, if there have been modifications, stating the modifications); (b) the dates to which Rent has been paid; (c) to the best of the Certifying Party's knowledge, whether or not the Requesting Party is in Default in performance of any of its obligations under this Lease and, if so, specifying the nature of each such Default; and (d) to the best of the Certifying Party's knowledge, whether or not any event has occurred which, with the giving of notice, the passage of time, or both, would constitute a Default by the Requesting Party and, if so, specifying the nature of each such event (referred to herein as an "**Estoppel Certificate**"). The parties agree that any statement delivered pursuant to this Section 16.22 may be relied upon by the Requesting Party and by potential or actual purchasers and/or lenders with whom the parties may be dealing, regardless of independent investigation. The Requesting Party agrees to pay to the Certifying Party any administrative and legal costs related to providing such Estoppel Certificate.

16.23 Force Majeure Event

If the performance by Lessee of its obligations under Section 8.2 of this Lease (excluding monetary obligations, including, but not limited to taxes and insurance) is delayed or prevented by any extraordinary acts of nature (including floods, explosions, earthquakes), or fires, epidemic, war, terrorism, labor strikes, material shortages, riots, orders of restraint by governmental authority which prevent Lessee from meeting such obligations under this Lease, or other extraordinary casualty which is not reasonably within Lessee's control, and is not due to the fault or negligence of Lessee, one or more of which is defined as a "**Force Majeure Event**", then Lessee shall be temporarily excused from performance to the extent that performance is delayed by any of the foregoing, without liability under this Lease. Lessee shall notify the Port in writing of the occurrence of any Force Majeure Event and its expected duration. Lessee shall use commercially reasonable efforts to mitigate the effects of any Force Majeure Event and to resume performance as soon as reasonably possible. If a Force Majeure Event continues to a point where Lessee cannot continue business operations, Lessee may request to terminate this Lease upon written notice to the Port but any decision to terminate this Lease per this Section is in the Port's sole discretion.

16.24 Mediation

Should any dispute arise between the parties to this Lease related to matters set forth in Section 6.10 of this Lease, then it is agreed that such dispute will be submitted to non-binding

mediation prior to any litigation. The provisions of this Section 16.24 shall also apply to any non-binding mediation with respect to matters covered under Section 14.6 if the parties have agreed to such mediation as provided in Section 14.6. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Columbia County, Oregon, unless both parties agree otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this Section 16.24 through the mediation process. If a party requests mediation and the other party fails to respond within ten (10) days, or if the parties fail to agree on a mediator within ten (10) days, a mediator shall be appointed by the presiding judge of the Columbia County Circuit Court upon the request of either party. The parties agree that mediation shall occur on an expedited schedule and that they will not attempt to delay mediation, the scheduling of the mediation or continue the mediation once it has been set. The parties shall retain all rights at law or in equity with respect to any dispute not covered by this Section 16.24 and also with respect to those disputes covered by this Section 16.24 after mediation has been completed. In no event shall the provisions of this Section 16.24 limit the Port's right to seek immediate injunction relief following an Event of Default to stop an activity or use on the Premises prohibited under this Lease. Nothing in this Section 16.24 shall be deemed to prevent the Port from taking immediate injunctive or other action in response to an emergency or in response to third-party acts or omissions that pose an imminent threat to the environment or to the health, safety, or security of Port Lessees or of the public.

16.25 Entire Agreement

This Lease represents the entire agreement between the Port and Lessee relating to Lessee's leasing of the Premises. It is understood and agreed by Lessee that neither the Port nor the Port's agents or employees has made any representations or promises with respect to this Lease or the making or entry into this Lease, except as expressly set forth in this Lease. No claim for liability or cause for termination shall be asserted by Lessee against the Port for, and the Port shall not be liable by reason of, any claimed breach of any representations or promises not expressly set forth in this Lease. All oral agreements with the Port are expressly waived by Lessee. This Lease has been negotiated at arm's length between the parties, with both parties being represented by legal counsel. Therefore, no alleged ambiguity or other drafting issues of the terms of this Lease shall be construed, by nature of the drafting, against either party.

16.26 Capacity to Execute

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

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

AIR SENSE AVIONICS, INCORPORATED

THE PORT OF COLUMBIA COUNTY

By: Brian Yablon
Brian Yablon (Oct 2, 2024 09:20 PDT)

By: _____

Print Name: Brian Yablon

Print Name: Sean P. Clark

Title: President

Title: Executive Director

Date: 10/02/24

Date: _____

EXHIBIT A
(Premises Depiction)



- Parking Courtyard (2,000 SF)
- Hangar & Office Building (6,000 SF)

EXHIBIT B

SCAPPOOSE AIRPORT
MINIMUM STANDARDS

For
Fixed Based Operators And
Airport Tenants

Port of Columbia County Oregon

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SECTION 1: PURPOSE

1.1 Basis for Minimum Standards

- 1.1.1 The Port of Columbia County, a municipal corporation in the State of Oregon, is the owner of the Scappoose Industrial Airpark, and shall hereinafter be referred to as the PORT.
- 1.1.2 The Scappoose Industrial Airpark, hereinafter referred to as the AIRPORT, has been identified by the Oregon State Aviation Plan as a Category II airport which has been developed and improved with Federal Aviation Administration Airport Improvements Program (AIP) funds.
- 1.1.3 The adoption of minimum standards for commercial aeronautical activities at a Category II airport is intended to help ensure compliance with federal law, which prohibits the granting of exclusive rights to use an airport that has received federal funding through AIP funds. The FAA does not require the adoption of minimum standards, but recommends adoption to ensure that an airport is managed in compliance with federal law. The PORT intends to comply with federal law and in particular with FAA Advisory Circulars 150/5190-6 (Exclusive Rights at Federally Obligated Airports, dated January 4, 2007), and 150/5190-7 (Minimum Standards for Commercial Aeronautical Activities, dated August 4, 2006).
- 1.1.4 The following minimum standards and requirements for commercial aeronautical activities have been established in the public interest for the safe, efficient, and legal operation of the AIRPORT; to preclude the granting of an exclusive right to conduct an aeronautical activity in violation of Section 308(a) of the Federal Aviation Act of 1958; to conform to Title VI of the Civil Rights Act of 194 and Part 21 of the Department of Transportation Regulations; and to assure to all lessees the availability of airport property on fair and reasonable terms and without unjust discrimination.
- 1.1.5 In addition, the implementation of minimum standards will assist the PORT in the management of the AIRPORT by:
- Establishing uniform requirements and their application to all prospective operators.
 - Maintaining compliance with federal grant assurances.
 - Maintaining the orderly and efficient development of the AIRPORT and its commercial aeronautical services.
 - Establishing a consistent level of entry into aeronautical service.
 - Ensuring adequate services and facilities by Fixed Base Operators (FBOs) to meet the needs of AIRPORT users.

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

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

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

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

1.2 Commercial Activity Authorization

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

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

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

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

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

SECTION 2: REQUIREMENTS

2.1 Definitions

- 2.1.1 **Fixed Base Operator (FBO):** any person, firm, or corporation performing any of the functions or furnishing any of the services at the AIRPORT hereafter set forth as Fixed Base Operations.
- 2.1.2 **Airport Tenant (Tenant):** any person, firm, or corporation leasing or licensing property at the AIRPORT who is not an FBO. An Airport Tenant may hangar its aircraft on leased or licensed property subject to the provisions of the appropriate attached category below. Except for those who fall under Category "G" below, an Airport Tenant may also be considered a Commercial Tenant, and will be subject to the terms of paragraph 1.2, and this section 2.
- 2.1.3 **Lease:** Any agreement, including a license, which authorizes the use of Port property.

2.2 Eligibility Requirements

- 2.2.1 Any person, firm, or corporation capable of meeting the minimum standards set forth herein (as applicable) for any of the stated categories (as defined below) is eligible to become an FBO or Tenant at the AIRPORT, subject to the execution of a written lease containing such terms and conditions as may be determined by the PORT.
- 2.2.2 An FBO or Tenant shall not engage in any business or activity at the AIRPORT other than that authorized under their particular category or categories. Any FBO desiring to extend its operation into more than one category or to discontinue operations in a category, shall first apply in writing to the PORT for permission to do so, setting forth in detail the reasons and conditions for the request. The PORT shall then grant or deny the request on such terms and conditions as the PORT deems to be prudent and proper under the circumstances and is in the best interests of the public as determined by the Port.

2.3 Lease Requirements

- 2.3.1 It is the intent of the PORT that all leases written and executed by the PORT with FBOs or Tenants shall make reference to and include this Minimum Standard document, as an enforceable provision of such lease.
- 2.3.2 The PORT will not accept an original request to lease land area at the AIRPORT unless the potential FBO or Tenant puts forth a written proposal which defines the scope of operations proposed, including the following:
- The services to be offered
 - The amount of land desired to be leased
 - The building space to be constructed or leased
 - The number of aircraft to be provided
 - The number of persons to be employed
 - The hours of proposed operation
 - The amount and types of insurance coverage to be maintained
 - Evidence of financial capability to perform and provide the above services and facilities
- 2.3.3 Leases to FBOs and Tenants shall be limited to no more than twenty (20) years. Upon request, the PORT may agree to extend the lease for up to two additional ten-year terms, after satisfactory re-negotiation of the terms and conditions of the lease between the PORT and the Lessee. During the term of any lease, the rental rate shall be re-established annually, based upon the change, if any, in the Consumer Price Index for All Urban Consumers, Portland, as published by the United States Bureau of Labor Statistics, (NOTE: The rental rate shall not decrease below that of the prior period.)
- 2.3.4 All contracts and leases between an FBO or Tenant and the PORT shall be

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

2.4 Financial Requirements

- 2.4.1 All FBOs and Tenants at the AIRPORT shall be financially sound and professional business enterprises, with adequately staffed and equipped facilities, including suitable office facilities, and who observe normal or specifically required business hours as appropriate to the type of business.
- 2.4.2 The rates or charges for any and all activities, products and services of such business shall be determined by the FBO or Tenant, subject to the requirement that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services.
- 2.4.3 All FBOs and Tenants shall, pursuant to their lease and at their own expense, promptly pay when due all taxes and assessments against the land, buildings or other structures placed on the premises by them, as well as all taxes and assessments against the personal property used by them in their operations.
- 2.4.4 All FBOs and Tenants shall, pursuant to their lease and at their own expense, provide and pay for all lights, gas, electricity, telephone, internet connectivity, water, sewer and garbage collection services (as applicable), used or incurred anywhere in or about the leased premises, and shall pay such charges promptly when due.

2.5 Insurance Requirements

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

2.6 Facility and Service Requirements

- 2.6.1 Each FBO or Tenant shall provide its own buildings, personnel and equipment, and other requirements as herein stated, upon land leased from the PORT, unless other provisions have been made and agreed upon.
- 2.6.2 All construction required of such FBOs or Tenants shall be in accordance with design and construction standards required or established by the PORT for the facility or activity involved. Title to any and all buildings and appurtenances, which may be built on PORT property, shall revert to the PORT, when and if the subject FBO vacates the lease for any reason. All FBOs shall be required to furnish the PORT payment and performance bonds commensurate with any construction required under standards herein fixed, or under any contract or lease by and between such FBO and the PORT.
- 2.6.3 In the event the PORT constructs the physical plant facilities (hangars, etc.) for use by any FBO or Tenant under the provisions of any lease or other contract, such lease or contract shall be on such terms and conditions as to guarantee a full return of the investment within the term of this lease or twenty (20) years, whichever is less, plus interest and reasonable rental for use during such period.
- 2.6.4 FBOs at the AIRPORT shall provide a suitable lounge/waiting room, and restroom facilities, for their customers, and shall make telephone service and internet access conveniently and readily available for customer use.
- 2.6.5 The FBO or Tenant shall remove from the airport or otherwise dispose of all garbage, debris, and other waste, including hazardous materials (whether solid or liquid) arising out of its occupancy of the premises or out of its operations in accordance with all local, state, and federal regulations. Lessees shall keep and maintain their premises in a neat and orderly manner. Towards that end, Lessees shall also attempt to minimize outdoor (uncovered) storage of all materials, equipment and vehicles, to the extent practical. Lessee shall keep the grass cut and the buildings painted, where specified by the terms of the lease. Any garbage, debris, or waste which may be temporarily stored in the open shall be kept in suitable garbage or waste receptacles, equipped with tight fitting covers, and will be of a design to safely and properly contain whatever may be placed in them. The Lessee shall use extreme care when removing all such waste.
- 2.6.6 An FBO shall, at all times during the continuance of the term of the lease and any renewal or extension thereof, conduct, operate and maintain for the benefit of the public, the Fixed Base Operation provided for and described therein, and all aspects and parts and services thereof as defined and set forth, and will make all such services available to the public. It will devote its best efforts for the accomplishment of such purposes and shall at all times make charges to patrons and customers for all merchandise or materials and services furnished or rendered, but will refrain from imposing or levying excessive or otherwise unreasonable charges fees for any facilities or services. Notwithstanding anything contained in a lease that may be or appear to the contrary, it is expressly

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

2.7 Sublease of Premises

- 2.7.1 No FBO or Tenant shall sublease or sublet any premises leased by them from the PORT or assign any such lease without the prior written approval of the PORT, and any such subletting or assignment shall be subject to all of the minimum standards herein set forth.
- 2.7.2 In the event the FBO or Tenant sublets any portion of its lease, the sub lessee must agree to assume the full obligations of the lease as set out herein and must agree to fully cooperate with the PORT in maintaining compliance with these standards. The sub lessee shall immediately comply with any reasonable request or direction from the PORT as it relates to the enforcement of these standards.
- 2.7.3 In the event that the FBO, Tenant, or sub lessee fails to comply fully with these standards or fails to comply with the reasonable request or direction of the PORT as it relates to these standards, said FBO, Tenant, or sub lessee shall be in default. Said FBO or Tenant is responsible for the performance of the sub lessee.

2.8 General

- 2.8.1 All FBOs and Tenants shall abide by and comply with all federal, state, county and city laws and ordinances, the rules and regulations of the PORT, and the rules and regulations of the Federal Aviation Administration (FAA), as applicable.
- 2.8.2 All FBO and Tenants shall have the right, in common with others so authorized, to use common areas of the airport, including runways, taxiways, aprons, floodlights, landing lights, signals and other conveniences, for the takeoff, flying and landing of aircraft operated in conjunction with their business activities.
- 2.8.3 The PORT reserves the right, with or without advance notice, to take any actions it considers necessary to protect the aerial approaches to the airport against obstructions, together with the right to prevent any FBO or Tenant from erecting or permitting to be erected, any building, sign, or other structure on the airport which, in the opinion of the PORT, would limit the usefulness of the airport or constitute a hazard to aircraft.
- 2.8.4 The PORT reserves the right to further develop or improve any and all areas of the AIRPORT as it sees fit, regardless of the desires or views of any FBO or Tenant and without interference or hindrance from any FBO or Tenant.

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

SECTION 3: FBO / TENANT CATEGORIES

3.1 CATEGORY A: FLIGHT INSTRUCTION AND AIRCRAFT RENTAL

Requirements:

- 3.1.1 Have available a minimum of one instructor pilot with appropriate and current Federal Aviation Administration credentials and certificates.
- 3.1.2 Provide and at all times maintain a minimum of two (2) aircraft owned or leased by this FBO which are properly equipped and FAA-certified for flight instruction and rental.
- 3.1.3 Lease from the PORT under terms agreeable to the PORT for its exclusive use land on which shall be located all required improvements and provide classroom and/or office space, to include restrooms, telephone, and adequate parking for customers.
- 3.1.4 Demonstrate the continuing ability to meet requirements for certification of flight instructor personnel and aircraft by the FAA.
- 3.1.5 Assure that personnel operating rental equipment obtained from the subject FBO have appropriate and current FAA credentials and certificates.

3.2 CATEGORY B: AIRCRAFT CHARTER AND TAXI

Requirements:

- 3.2.1 Have available a minimum of one (1) pilot with current FAA credentials and certificates.
- 3.2.2 Lease from the PORT under terms agreeable to the PORT for its exclusive use land and/or buildings for passenger shelter, restrooms, telephone, etc.
- 3.2.3 Provide satisfactory arrangements for the checking in of passengers, handling of luggage, ticketing, and ground transportation, etc.
- 3.2.4 Provide and at all times maintain a minimum of one (1) currently certified and airworthy aircraft owned or leased by and under the exclusive control of this FBO, properly certificated for air charter or air taxi service.

3.3 CATEGORY C: CROP DUSTING AND SPRAYING

Requirements:

- 3.3.1 Insure suitable equipment, facilities, trained personnel, and procedures for the safe loading, unloading, storage and containment of any hazardous chemical materials. Should any spillage of such materials occur, the PORT shall be notified immediately, and prompt and thorough cleanup shall be completed by the operator or their designated contractor in accordance with federal, state, and local regulations, at no cost to the Port.
- 3.3.2 Furnish a minimum of one (1) aircraft with pilot. The aircraft will be suitably equipped for agricultural operations with adequate safeguard against spillage of chemical spray mixtures or materials on runways and taxiways or dispersal by wind force to other operational areas of the airport. The pilot shall have appropriate and current FAA credentials and certificates.
- 3.3.3 Maintain a valid pesticide applicator's license and a valid commercial spray license, and provide copies of current licenses to the PORT.

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

Requirements:

- 3.4.1 Lease from the PORT under terms agreeable to the PORT for its exclusive use suitable land on which shall be located all required improvements, including hangar, shop, and storage space.
- 3.4.2 Furnish facilities and equipment for airframe and power plant repairs with at least one (1) duly FAA-certified A & P Mechanic and such other personnel as may be necessary. Such airframe and power plant repair shall include facilities for both major and minor repair of aircraft and engines used in private aviation in this area.
- 3.4.3 An FBO or Tenant in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment.

3.5 CATEGORY E: RADIOS/INSTRUMENTS/ELECTRONICS MAINTENANCE

Requirements:

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

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

3.6 CATEGORY F: AVIATION PETROLEUM PRODUCTS AND RAMP SERVICES

Requirements:

- 3.6.1 Provide and maintain a minimum of 5,000 gallon tank storage capacity for each grade of aviation fuel usually required for aircraft using the airport; such storage tanks shall be installed in accordance with all federal, state, and local rules and regulations.
- 3.6.2 Maintain separate pumping equipment for each grade of fuel meeting all applicable safety requirements, with reliable metering devices subject to independent inspection, and with a pumping efficiency capable of servicing all aircraft normally using the airport.
- 3.6.3 Provide and maintain metered filter-equipped dispensers fixed or mobile for dispensing each grade of aviation fuel usually required for aircraft using the airport. Mobile dispensing truck(s) shall have a minimum of 300 gallon capacity for each grade of fuel.
- 3.6.4 There shall be no fueling directly from a common carrier transport truck except into storage tanks.
- 3.6.5 Lease from the PORT under terms agreeable to the PORT for its exclusive use land on which shall be located all required improvements for aircraft parking and tie-down areas, with adequate tie-down facilities for a minimum of ten (10) aircraft. Demonstrate capability to efficiently and safely conduct or move aircraft to such areas and park them in compliance with all state and local regulations.
- 3.6.6 Be required to install at all fueling locations adequate grounding rods to reduce the hazards of static electricity, maintain adequate fire extinguishers, and follow all applicable federal, state and local regulations.
- 3.6.7 Insure suitable equipment, facilities, trained personnel, and procedures for the safe loading, unloading, storage and containment of any hazardous chemical materials. Should any spillage of such materials occur, the PORT shall be notified immediately, and prompt and thorough cleanup shall be completed by the operator or their designated contractor in accordance with federal, state, and local

regulations, at no cost to the Port.

- 3.6.8 Construct or have available a building conveniently located and comfortably heated with waiting room for passengers and crew of transient aircraft while being fueled, as well as a restroom and public telephone.
- 3.6.9 An FBO or Tenant in this category may engage in the buying and selling of new and used aircraft, aircraft parts and equipment.

3.7 CATEGORY G: OTHER AIRPORT TENANT (NON-COMMERCIAL) OR HANGAR TENANT/LICENSEE

Requirements:

- 3.7.1 Lease or license from the PORT under terms agreeable to the PORT for its exclusive use land, a building, and/or a hangar which shall be improved in accordance with applicable standards pertaining to the AIRPORT.
- 3.7.2 On that land, or in that building or hangar, be prohibited from engaging in any of the activities of FBOs or Commercial Tenants as defined by Categories "A" through "F", unless specifically approved by the PORT in the lease or license agreement between the PORT and the Tenant.
- 3.7.3 Be responsible for assuring that aircraft owned by the Tenant, or operated from the property leased or licensed by the Tenant, are operated by personnel who hold appropriate and current FAA credentials and certificates.
- 3.7.4 In addition, Hangar Tenants shall:
- Store no gasoline, explosives or flammables in the hangar, except as specifically authorized in Tenant's license agreement with the Port.
 - Close the hangar doors promptly after pulling the aircraft in or taking it out of the hangar.
 - Not use the hangar for repairing or overhauling any aircraft or equipment except in accordance with Federal Air Regulation Part 43.
 - Not spray paint, weld or permit open flames in hangar.
 - Not use any high wattage electrical equipment or machinery in or about the hangar or modify existing wiring, or install additional outlets, fixtures, or the like.
 - Report to the Port or its representative any defects in the hangar which the Licensee feels requires maintenance.
 - Keep the hangar clean and free of debris and not place any debris on the airport premises.
 - Not attach any hoisting or holding mechanism to any part of the hangar or pass any such mechanism over the struts or braces therein. For purposes of

this agreement, a hoisting mechanism shall be deemed to include, but shall not be limited to, a chainfall, block and tackle, or other hoisting device.

- Not paint, remove, deface, modify, bend, drill out or otherwise alter or modify any part of the hangar without the prior written permission of the Port.
- Obey all rules, regulations, laws, ordinances, and directives of any legally constituted authority now in force or hereafter promulgated with respect to the use of the Scappoose Industrial Airpark or the hangar, including those related to industrial hygiene, environmental protection and hazardous waste.
- Not lock the hangar or permit the same to be locked with any lock other than the lock supplied by the Port (padlock number ____).
- Not park or leave aircraft (a) on the taxiway or (b) on the pavement adjacent to the hangar door in a manner which unduly interferes with or obstructs access to adjacent hangars.
- Not service aircraft with fuel while inside the hangar.
- Provide and install a metal drip pan under each engine.
- Turn off electricity when not in use.
- Use cabin heaters only when approved by the authorized Fire Marshal of the local fire district or any other proper authority. All untended heaters must be 40 watts or less and light bulbs, if used, must be encased.
- Not cause or permit any hazardous or toxic substances, materials or wastes, as defined or identified under federal, state or local law, ordinance or regulation, to be brought upon, kept or used in or about the airport premises or hangar.

This Section 3.7 will be attached to, and form a part of, the standard Port of St. Helens Scappoose Industrial Airpark Hangar Tenant License, as amended.

3.8 CATEGORY H: FLYING CLUBS

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

- 3.8.1 The club's aircraft shall not be used for rental by non-members, and by no one for commercial operations as defined by Categories "A" through "F". Student instruction can be given in club aircraft to club members only.
- 3.8.2 In the event that the club fails to comply with these conditions, the PORT shall notify the club in writing of such violations. If the club fails to correct the violations within fifteen (15) days, the PORT may take any action deemed advisable by the PORT including, but not limited to, exclusion from the AIRPORT or revocation of the lease.
- 3.8.3 Each aircraft owned by the flying club must carry comprehensive general liability insurance in a company authorized to do business in the State of Oregon with initial

limits of not less than \$1,000,000 for each occurrence and a \$2,000,000 aggregate for bodily injury and/or property damage. It shall also include contractual liability coverage for the indemnity provided under the lease. The insurance shall be in a form sufficient to protect, hold harmless, indemnify and defend the PORT and the flying club against claims of third persons for personal injury, death or property damage arising from the use, occupancy or condition of the aircraft or improvements on the premises, and shall be evidenced by certificates furnished to the PORT naming the PORT as additional insured and bearing endorsements requiring ten days written notice to the PORT prior to any change or cancellation of the policy.

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

Policies and requirements:

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

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

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

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

3.10 CATEGORY J: BANNER TOWING OPERATIONS

Policies and requirements:

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

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

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

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

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

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

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

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

- 3.10.7 Banner towing operations, when authorized are NON-EXCLUSIVE. It is the responsibility of the banner tow operators to coordinate use of the area with other operators.
- 3.10.8 Banner tow operators will have a ground support crew to effect a safe operation in the banner towing operations area and will provide two-way radio communications with AIRPORT UNICOM 122.8. Only one vehicle will be allowed in the banner towing operating area at one time. Ground support vehicles will enter and exit the banner towing operating area via the access gate.
- 3.10.9 Ground support vehicles will be marked and lighted according to FAA regulation.
- 3.10.10 No multiple operations (drop-off and pick-up on the same pass) will be allowed. Drop-off and pick-up will take place in the banner towing operating area.
- 3.10.11 Ground crews and support vehicles must remain in the designated banner towing operating area a minimum of 30' off the edge of the runway during actual pick-up/drop-off activities. All pick-up poles will be removed immediately upon completion of banner towing operations.
- 3.10.12 All incidents shall be reported to the PORT office immediately, including, but not limited to, the following:
- Interference with other aircraft
 - Unintentional dropping of banners, hooks, or other objects
- 3.10.13 The PORT reserves the right to suspend the banner towing operations of any banner tow operator at any time that the PORT determines that continuing banner towing operations poses a threat to public safety.

EXHIBIT C

AGREEMENT TO PAY COSTS

This Agreement to Pay Costs ("Agreement") is made and entered into this ____ day of _____, 2023, by and between the Port of Columbia County, a municipal corporation of the State of Oregon ("the Port"), and Stella-Jones Corporation (the "Lessee") (collectively, "the Parties").

RECITALS

WHEREAS, Lessee approached the Port and requested that the Port incur costs, including staff and attorney time, for the Parties to engage in discussions and negotiations with staff of the Port and have Port General Counsel draft

_____ (work specifically requested by Lessee), and

WHEREAS Lessee's request for Port staff and Port General Counsel to do work on Lessee's behalf has resulted in additional time and costs for which it is appropriate that Lessee compensate the Port ("Port Work"), and

WHEREAS the Parties intend to carry out their rights, duties, and obligations in such a manner so as to avoid action that would increase, directly or indirectly, the Parties exposure to liability,

NOW, THEREFORE, for good, fair, and valuable consideration, the receipt and sufficiency of which is acknowledged, and in consideration of the mutual covenants and agreements set forth herein, the Parties hereby agree as follows:

- 1. INCORPORATION OF RECITALS.** The above-stated Recitals are true and correct to the best of their knowledge and are incorporated into this Agreement as though fully set forth herein.
- 2. NONREFUNDABLE PAYMENT.** Lessee agrees to pay a \$5,000 estimated nonrefundable, fixed fee payment ("the Nonrefundable Payment") for Port Work. The Nonrefundable Payment is due in full immediately and must be received by the Port prior to the start of any Port Work.
- 3. INDEMNIFICATION.** Lessee agrees to defend (using legal counsel acceptable to the Port), indemnify and hold harmless the Port, including the Port's Commissioners, officers and employees, from and against any and all actual or alleged claims, damages, expenses, costs, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees), fines, and/or penalties (collectively "Costs") which may be imposed upon or claimed against or incurred by the Port and which arise from or are in any way connected with the Activities or this Agreement.
- 4. LIMITATION OF LIABILITY.** The Port makes no representation or warranty, express or implied, as to the nature, quantity, or quality of any Port Work. In no event shall the Port be liable to Lessee for any special, indirect, incidental, and consequential or punitive damages (including any claim for lost profits or revenues).
- 5. COUNTERPARTS.** This Agreement may be executed in identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains an electronic file of an executed signature page, such signature page shall be deemed to constitute an original

instrument, with the same force and effect as execution and delivery of an original and shall create a valid and binding obligation of the party executing the Agreement.

IT IS SO AGREED by the Parties as of the date set forth above.

LESSEE

PORT OF COLUMBIA COUNTY

By: _____

By: _____

Sean P. Clark

Executive Director



Approval of EPA
\$4M Grant Application

STAFF REPORT

DATE: October 9, 2024
TO: Port Commission
FROM: Elliot Levin, North County Operations & Terminal Manager
RE: EPA Cleanup \$4M Grant Application – Pope & Talbot Site
Supports City of St. Helens Milton Creek Trail

Discussion

The Port and DEQ have been working for many years to study the Pope & Talbot site (Railroad Avenue) and determine a plan to clean up creosote contamination.

The Pope & Talbot Wood Treating Site consists of 42 acres in St. Helens, Oregon. From 1912 to 1960, Pope & Talbot used the site as a wood treatment facility. Pope & Talbot’s operations included treating poles with creosote, which is the source of the contamination. The Port purchased the property in 1963 after Pope & Talbot had ceased operations. Pope & Talbot went bankrupt in 2008, leaving the Port responsible for the cleanup.

Working with DEQ, the Port is preparing an application for an EPA Brownfield Cleanup Grant of \$4 million. There is no match required for this Grant, however the Port and DEQ will pay the cleanup costs that exceed \$4 million dollars.

In determining the required remediation of the site, the property was divided into five Priority Action Areas (PAA). If awarded, these funds will be used to clean up the Area 2 Dock PAA. The Port and DEQ chose the Area 2 Dock for several reasons. First, it is adjacent to the upland no further action area and would work well as a segment of the Milton Creek Trail System proposed by the City of St Helens on Port property. Second, after cleanup, the area is unlikely to be contaminated by other adjacent areas. Third, the estimated cleanup of this area matches up well with the size of the available EPA Grant.

Recommendation

Authorize Port Staff to apply for the \$4 million EPA Brownfield Cleanup Grant.

Former Pope & Talbot Wood Treating Site Brownfield Cleanup Outreach Plan

October 2024

I. Overview

The former Pope & Talbot Wood Treating Site is located at 1550 Railroad Avenue in St. Helens, Oregon. The 42-acre former Pope & Talbot site was used for wood treatment from 1912 to 1960. The Port purchased the property in 1963. Pope & Talbot went bankrupt in 2008, leaving the Port responsible for the site's cleanup.

The Port has been working with the Oregon Department of Environmental Quality (DEQ) for several years to assess site contamination and determine a cleanup plan. The 42-acre site is divided into five priority action areas (PAA). In 2022, the Port completed a Feasibility Study that recommended remedial actions for the upland and in-water priority action areas. In 2023, the DEQ issued a Record of Decision that approved the recommended remedial actions designed to address both upland and in-water creosote contamination.

The first action area selected for cleanup is the "Area 2 Dock," a 600-foot section of shoreline next to the "no further action" Upland 2 Area. Until 1960, ships delivered creosote to the Area 2 Dock and a pipeline carried it to an above ground storage tank. After the dock was dismantled, hundreds of closely spaced creosote-treated timber pilings remained.

The selected remedial actions at the Area 2 Dock are designed to restore the site for the health and safety of people and aquatic wildlife:

- Removal of creosote pilings and woody debris from the shoreline and river;
- Removal of shallow surface sediment near the shoreline and offsite disposal of approximately 1,000 tons of hazardous material; and
- Placement of a sand cap over any remaining wood debris for enhanced natural recovery.

The Port is applying for an EPA Brownfield Cleanup Grant for assistance in funding the site cleanup. Conducting community engagement is critical to the cleanup and redevelopment process to reflect community interests and input.

II. Objectives

- Gather community input and feedback on the cleanup and reuse plans.
- Raise awareness about the brownfield site and its implications for the community.
- Build trust and foster relationships with community members and stakeholders.

Target Audience

- Local residents (especially those living near the brownfield site)
- Government officials and agencies
 - City of St. Helens
 - City of St. Helens Parks & Trails Commission
 - Columbia County
 - Columbia Pacific Economic Development District
 - Columbia Economic Team
 - Columbia River Soil & Water Conservation District
- Tribes

- Confederated Tribes of Warm Springs
- Confederated Tribes of Siletz Indians
- Confederated Tribes of Grand Ronde
- Confederated Tribes and Bands of the Yakama Nation
- Environmental organizations
 - Scappoose Bay Watershed Council
 - Lower Columbia Estuary Partnership

III. Key Messages

- Site cleanup and restoration are important for public health and safety.
- Site cleanup and restoration are important for environmental recovery.
- Community benefits of redevelopment include increased public riverfront access via a regional trail.
- The Port is committed to transparency and actively seeking public input to ensure that site cleanup and redevelopment accurately reflects the community's priorities.

IV. Engagement Strategy

The Port will host a hybrid public Open House at the Port office and online. Notice of the public meeting will be published on the Port's website and distributed via the Port's social media, a notice in the local newspaper, flyers distributed at community group meetings and posted at the local library and community center, and an email invitation to partner organizations.

V. Timeline

Date	Assigned	Communication Channel
Wed. Oct. 9	Elliot/Gina	Public Meeting: Present high-level overview at Port Commission meeting
Wed. Oct. 9	Gina	Flyer: Create flyer for Open House and post on Port website
Wed. Oct. 9	Gina	Flyer: Print flyer and post at St. Helens Public Library and Community Center to reach those less engaged online
Mon. Oct. 14	Gina	Social Media: Share flyer on Port's social media
Mon. Oct. 14	Gina	Email: Send email invitation to city, county, Tribes, and partner organizations
Mon. Oct. 14	Elliot/Gina	Public Meeting: Present high-level overview at City of St. Helens Parks & Trails Commission meeting
Wed. Oct. 16	Elliot//Gina	Public Meeting: Present high-level overview at City of St. Helens Council meeting
Fri. Oct. 18	Gina	Local Media: Publish notice in the <i>Columbia County Spotlight</i> newspaper
Mon. Oct. 21	Gina	Social Media: Share flyer on Port's social media
Mon. Oct. 28	Gina	Social Media: Post draft grant application on Port website and share on Port's social media
Tues. Oct. 29	Kurt/Sarah/Katie/ Elliot	Public Meeting: Present and ask for public input at Open House (hybrid for max. participation) to discuss the plans and gather input
Fri. Nov. 15	Gina	Social Media: Post final grant application on Port website and share on Port's social media thanking the community for their input