

## Board of Commissioners

Robert Stevens – Chairman  
 Frank Spence – Vice-Chair  
 Tim Hill – Secretary  
 James Campbell – Treasurer  
 Dirk Rohne – Assistant Secretary/Treasurer

422 Gateway Ave, Suite 100  
 Astoria, OR 97103  
 Phone: (503) 741-3300  
 Fax: (503) 741-3345  
[www.portofastoria.com](http://www.portofastoria.com)

### Regular Session

December 5, 2023 @ 4:00 PM  
 10 Pier 1, Suite 209, Astoria, OR\*

---

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting by calling the Port of Astoria at (503) 741-3300.

\*This meeting will also be accessible via Zoom. Please see page 2 for login instructions.

### Agenda

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. COMMISSION REPORTS
5. CHANGES/ADDITIONS TO THE AGENDA
6. PUBLIC COMMENT – for items on the agenda, when not covered by a public hearing  
 This is an opportunity to speak to the Commission for 3 minutes regarding any item on the agenda.
7. CONSENT CALENDAR:
  - a. Meeting Minutes –
    - Workshop Session 10/17/2023 ..... 3
  - b. Event Calendar – December 2023 ..... 7
8. ACTION:
  - a. Northwest Forest Link Lease – Revised Commencement Date..... 8
  - b. RFE# 0170 Second Tire Assembly for Travelift..... 9
9. ADVISORY:
  - c. Oregon Department of Human Services Lease ..... 12
  - d. Executive Director Contract Discussion
10. PUBLIC COMMENT – for non-agenda items  
 This is an opportunity to speak to the Commission for 3 minutes regarding Port concerns not on the agenda.
11. EXECUTIVE DIRECTOR COMMENTS
12. UPCOMING MEETING DATES:
  - a. Workshop Session – December 19, 2023 at 4:00 PM
  - b. Regular Session – January 2, 2024 at 4:00 PM
13. ADJOURN

Please Note:

Agenda packets are available online at:

<https://www.portofastoria.com/CommissionMeetings/AgendaMinutes.aspx>

Please allow time for the normal posting procedure for agendas and meeting packets.

**Board of Commissioners**  
**HOW TO JOIN THE ZOOM MEETING:**

**Online:** Direct link: <https://us02web.zoom.us/j/86905881635?pwd=amhtTTBFcE9NUElxNy9hYTFPQTlzQT09>  
Or go to [Zoom.us/join](https://zoom.us/join) and enter Meeting ID: 869 0588 1635, Passcode: 422

**Dial In:** (669) 900-6833, Meeting ID: 869 0588 1635, Passcode: 422

This meeting is accessible to persons with disabilities or persons who wish to attend but do not have computer access or cell phone access. If you require special accommodations, please contact the Port of Astoria at least 48 hours prior to the meeting by calling [\(503\) 741-3300](tel:5037413300) or via email at [admin@portofastoria.com](mailto:admin@portofastoria.com).

Please Note:

Agenda packets are available online at:

<https://www.portofastoria.com/CommissionMeetings/AgendaMinutes.aspx>

Please allow time for the normal posting procedure for agendas and meeting packets.

**MEETING MINUTES  
OCTOBER 17, 2023**

**PORT OF ASTORIA  
WORKSHOP SESSION  
PIER ONE BUILDING  
#10 PIER 1, SUITE 209  
ASTORIA, OR 97103**

**Call to Order:**

Chairman Stevens called the Workshop Session to order at 4:00 pm.

**Roll Call:**

Commissioners Present: Robert Stevens; Frank Spence; Jim Campbell; Tim Hill; and Dirk Rohne.

Staff Present: Executive Director Will Isom; Deputy Director Matt McGrath; and Executive Assistant/Administrative Coordinator Stacy Bandy.

Port Counsel: Eileen Eakins was not present.

Also Attending: Rebecca Norden Bright with *The Astorian*.

**Pledge of Allegiance**

**Changes/Additions to the Agenda:**

There were no changes or additions to the agenda.

**Public Comment:**

No public comment was received.

**Action Items:**

**6a. Clatsop County Anaerobic Biodigester Donation**

Commissioner Stevens introduces the topic and adds that the Port has previously donated to the feasibility study for this project. Stevens suggests a \$1,000 good-faith donation.

- Commissioner Rohne notes that the project benefits the entire county and adds that the seafood processors would benefit from the biodigester. Stickwater, a by-product of the seafood processors, could be a major feedstock for the biodigester.
- Executive Director Isom refers to a letter from Assistant County Manager, Monica Steele. Donations for the project will qualify for a 50% match from the Energy Trust of Oregon. This project is a benefit to the Port and to Port tenants.

Commissioner Campbell moved to approve the \$1,000 contribution for the Clatsop County Anaerobic Biodigester. Commissioner Spence seconded. The motion carried 5-0 amongst the Commissioners present.

#### 6b. Executive Director Evaluation Contract – Special Districts Association of Oregon

Commissioner Stevens asks for a motion to approve the contract with the Special Districts Association of Oregon (SDAO) to administer the Executive Director's evaluation. Commission comments will be gathered from each Commissioner and collated.

- Commissioner Rohne notes that the Commission has refined the evaluation process and worked to correct the issues that different commissioners had with the evaluation template; this year's evaluation should be less costly, as the Port receives SDAO services at a discount. Rohne would like to move forward with SDAO and maintain the continuity of the evaluation process with the Executive Director.
- Isom notes that last year the contract was not to exceed \$1,000 and the final charge was \$700. Isom adds that typically for the Executive Director's evaluation, the Commission would specify a Commissioner to reach out to special districts to get this contract completed. Commissioner Stevens agrees to contact SDAO.

*Commissioner Spence moved to approve the Executive Director Evaluation Contract with the Special Districts Association of Oregon. Commissioner Hill seconded. The motion carried 5-0 amongst the Commissioners present.*

#### 6c. Bornstein Seafoods – Utilities Lease Amendments

Executive Director Isom explains that the Bornstein Seafoods lease amendments included in the packet will address anomalies that exist with water re-billing. Isom explains that when Isom first joined the Port, the Port lost roughly \$400,000 annually on utility billings. In 2017, the Port implemented a 5% surcharge on water bills to cover expenses above and beyond normal demand and usage. Isom has been working with Andrew Bornstein and the Bornstein Seafoods finance team to get a resolution in place for the water usage balance as the 5% surcharge has not been paid since its implementation. Bornstein currently has an outstanding balance of approximately \$150,000. Bornstein has agreed to pay the outstanding balance once the lease amendments are put in place. Isom notes that the water utility surcharge is capped at 5%.

*Commissioner Rohne moved to authorize the three Bornstein utility lease amendments: including the Amendment to Commercial Lease Agreement, the Fifth Amendment to Commercial Lease Agreement, and the Seventh Amendment to Commercial Lease Agreement. Commissioner Campbell seconded. The motion carried 5-0 amongst the Commissioners present.*

#### 6d. RFE #0166 Pier 2 West Engineering Services Contract – PND Engineers

Deputy Director McGrath refers to the Request for Expenditure on page nine of the packet and explains that this is a follow-up to the selection of PND Engineers for Pier 2 West Engineering Services that was approved by the Commission in August. The contract includes the scope of the project and the total cost. Bergerson Construction, the Construction Manager/General Contractor for the Rehabilitation of Pier 2 West, has evaluated the materials to ensure that they are within good parameters in terms of cost for design and engineering services.

McGrath explains the various project tasks included in the contract. The contract is for \$963,000 to bring the project to 60% design, which is expected to be completed in the spring of 2024. Based on the engineering estimates, it will be an additional \$350,000 to bring the project to 100% design. McGrath notes that this project is fully funded by the Emerging Opportunity Program grant received from Business Oregon.

- Commissioner Campbell expresses concerns about PND Engineers' open cell design. Campbell inquires how the building will be stabilized while pile driving. McGrath answers that the building will be underpinned before any pile driving begins; helical piles

will be utilized. There are currently eight helical piles on the west side of Pier 2; the intent of the design is to use the helical piles on the remainder of the west side. The pinning will be permanent. The entire lateral bearing load will be taken off the soil.

- Isom notes that initially, Business Oregon granted the Port \$600,000 for pre-construction costs before awarding the Port the full \$1.2 million that was initially requested. The Port is still waiting to hear from Congresswoman Bonamici about the \$2.5 million dollar congressional spending request. Isom adds that he has received correspondence from Mark Landauer stating that the next round of Connect Oregon grant funding is estimated to be \$46 million dollars. The Port will be applying for funding through this program for Pier 2 West.
- Rohne notes his appreciation of Business Oregon's assistance and their investment in the Port.

Commissioner Rohne moved to authorize Request for Expenditure #0166 and the contract between the Port of Astoria and PND Engineers for design and engineering services for Pier 2 West with the estimated amount of \$963,000. Commissioner Spence seconded. The motion carried 5-0 amongst the Commissioners present.

#### 6e. RFE #0165 Tide Gate Feasibility Study – Porior Engineering Contract

Deputy Director McGrath provides background for the expenditure. Last year, the Port received \$99,000 through the Business Oregon Astoria Tide Gate Study, with the intention to study the Vera Slough tide gate. The feasibility study uncovered that Vera Slough was not the problem. The issue is Tide Gate 22, which is at the end, or the east side, of Runway 26. Tide Gate 22 has completely failed. The contract with Porior Engineering is to start the design and engineering services for Tide Gate 22. McGrath notes that the costs will be reimbursed under the Business Oregon Astoria Tide Gate Study grant.

Commissioner Rohne moved to approve the contract with Porior Engineering in the amount of \$33,731.00. Commissioner Campbell seconded. The motion carried 5-0 amongst the Commissioners present.

#### Commission Comments:

Commissioner Campbell commented on the following:

- Darryl Bergerson, founder of Bergerson Construction, has passed away. He was a good ally to the Port, and he will be missed.

Commissioner Rohne did not have any comments.

Commissioner Spence commented on the following:

- The last two cruise ships of the fall season are expected next week; there was one cancellation last week due to the weather.

Commissioner Hill did not have any comments.

Commissioner Stevens commented on the following:

- After the recent storm, there were concerns that the storm caused structural damage to the Riverwalk Inn. The Port contacted an engineer to inspect the condition of the hotel to ensure that it was safe; it was found that the structural condition remained the same.
- The Boatyard Master Plan is still in progress. There is discussion concerning tying the Pier 2 West rehabilitation project and the AOC 4 cleanup project together.
- Thanks to staff for the Commission meeting lobby sign on the first floor.

**Executive Director Comments:**

- Happy to see that the next round of Connect Oregon funding has been announced. The Port may request funding for several different projects.
- Due to the rough weather, there was one cruise ship cancellation last week. The Koningsdam is scheduled for October 25<sup>th</sup>, and the Norwegian Sun on October 31<sup>st</sup>.
- The dredging in water work window opens on November 1<sup>st</sup>. The Port has brought on an additional maintenance staff member to assist this dredge season.
- Thank the Commission for their patience with Port staff out of the office.
- There is an article that will be coming out from the Daily Journal of Commerce regarding the process for the Astoria Waterfront Master Plan. Isom will share the article when it is published.

**Upcoming Meeting Dates:**

- Regular Session – November 7, 2023 at 4:00 PM
- Workshop Session – November 21, 2023 at 4:00 PM

**Adjourned:**

Chairman Stevens adjourned the meeting at 4:43 PM.

**APPROVED:****ATTEST:**

---

Robert Stevens, Board Chairman  
Board of Commissioners

---

Tim Hill, Secretary  
Board of Commissioners

Respectfully submitted by:  
Stacy Bandy  
Executive Assistant / Administrative Coordinator

---

December 5, 2023  
Date Approved by Commission

# December 2023

December 2023							January 2024						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
3	4	5	6	7	8	9	7	8	9	10	11	12	13
10	11	12	13	14	15	16	14	15	16	17	18	19	20
17	18	19	20	21	22	23	21	22	23	24	25	26	27
24	25	26	27	28	29	30	28	29	30	31			
31													

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Nov 26	27	28	29	30	Dec 1	2
3	4 6PM Astoria City Council Mtg	5 4PM Regular Session 6PM CB City Council Mtg	6 6PM Gearhart City Council Mtg	7	8	9
10	11 6PM Seaside City Council Mtg	12 6PM CB City Council Work Mtg 6PM Warrenton City Council Mtg	13 5PM Clatsop Cnty Commission	14	15	16
17	18 6PM Astoria City Council Mtg	19 4PM Regular Workshop Session	20	21	22	23
24 Christmas Eve	25 Christmas Day CXL 6PM Seaside City Council Mtg	26 6PM Warrenton City Council Mtg CXL 7:45AM AWACC	27	28	29	30
31						

---

## COMMERCIAL LEASE AGREEMENT

Date: ~~January~~~~December~~ 1st, 2024~~3~~

Between: **Port of Astoria (“Port”)**  
422 Gateway Avenue, Suite 100  
Astoria, Oregon 97103  
Ph: 503-741-3300  
Email: admin@portofastoria.com

And: **Northwest Forest Link (“NFL”)**  
Suite 100, 950 12th Avenue, Longview, WA 98632  
Ph: 360-353-5132  
Email: rliebe@nwforestlink.com

### 1. PREMISES.

1.1 Leased Area. Port leases to Tenant and Tenant leases from Port the following described property (“Premises”) according to the terms and conditions stated herein (“Lease”).

Pier 1  
Astoria, OR 97103  
(Approximately 3.88 acres on Pier 1 – Enclosed Fenced Area by Pier 1 West)  
[Map is attached as Exhibit A.]

### 2. TERM.




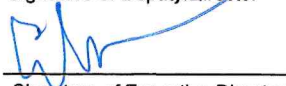
2.1 Original Term. The original term (“Original Term”) of this Lease shall be twenty-four (24) months, commencing on ~~January~~~~December~~ 1<sup>st</sup>, 2024~~3~~ (“Commencement Date”) and ending on ~~December~~~~November~~ 30<sup>th</sup>, 2025. Tenant’s obligations under this Lease shall commence on the Commencement Date.

2.2 Option to Renew. At least ninety (90) days before the end of the Original Term, the parties shall confer to determine whether to renew the Lease according to its current or amended terms. If both parties agree by written amendment to renew the Lease in its original form or as amended, Tenant shall have two (2) options to renew for an additional term (“Option Term”) of twenty-four (24) months each, upon the agreed-upon terms, covenants, and conditions. For purposes of this paragraph, the terms of this Agreement that may be amended shall be limited to those relating to operational or environmental issues. Key provisions of the Agreement, including but not limited to terms in Sections 1 through 7 regarding rent, occupancy, or duration of the Agreement, shall not be subject to renegotiation.

- A. If the parties do not agree to renew the Lease by the end of the Original Term, the Lease Agreement shall terminate.
- B. If the parties agree to renew the Lease before the expiration of the Original Term, the first Option Term shall commence on the expiration of the immediately preceding term. The second Option



**RE# 0170**
**REQUEST FOR EXPENDITURE**

SECTION A	Date:	11/29/23	Department:	Boatyard	
	Staff Contact:	Brendon Stock	Vendor (if determined):	Kendrick Equipment	
	Description of Product or Service being requested:	Travelift - Replacement wheel assembly (purchased second wheel - requesting retroactive approval for what was spent)			
	Purpose of Product or Service being requested:	Wheel assembly			
	Cost Estimate:	\$10,151.58			
SECTION B	1. Does this expenditure exist within the current budget? (Original Budget Amount)				
	<input checked="" type="checkbox"/> No (Skip to Section C-2)	/	<input type="checkbox"/> Yes (Proceed)	\$ _____	
	2. Does this expenditure exceed \$5,000?				
<input type="checkbox"/> No (Skip to Section D)	/	<input type="checkbox"/> Yes (Proceed to Section C-1)			
3. Will services be performed on Port of Astoria property?					
<input type="checkbox"/> No		<input checked="" type="checkbox"/> Yes			
SECTION C	1.				
		TOTAL		NET OF GRANTS	
	Account # for Budgeted Item (ex: XXX-XX)				
	FY 2023-2024 Budget for this Account	\$ _____	\$ _____		
	Amount Spent Year-to-Date for this Account	\$ _____	\$ _____		
	Amount Available to Spend for this Account	\$ _____	\$ _____		
	Does this Request for Expenditure require Commission Approval (>=\$25,000)?				
	<input type="checkbox"/> Yes	/	<input type="checkbox"/> No		
	2.				
	If Not included in the current budget or the current budget for this account # has been spent:				
Does this Request for Expenditure require Commission Approval (>=\$5,000)?					
<input checked="" type="checkbox"/> Yes	/	<input type="checkbox"/> No			
	TOTAL		NET OF GRANTS		
Account # to deduct funds from to reallocate & accommodate this expenditure (ex: XXX-XX)	710-00				
FY 2023-2024 Budget for the Account being reduced	\$ 3,489,034	\$ 1,423,914			
Amount Spent Year-to-Date for this Account	\$ 500,890	\$ 175,155			
Amount Available to Spend for this Account	\$ 2,988,144	\$ 1,248,759			
SECTION D	3				
	If Commission approval is required, please specify date Request for Expenditure will be submitted to Commission for approval.				
(Specify date of Commission meeting when item is scheduled to be heard/approved)					
12/5/2023					
SECTION E					
	12-1-23		11-30-23		
	Signature of Department Head		Signature of Deputy Director		
	Date		Date		
					
11/30/23		11-30-23			
Signature of Finance Manager		Signature of Executive Director			
Date		Date			
(required if cost is unbudgeted, or > \$5,000 budgeted)					

(over for Quotation Analysis)

Project: Travelift - Replacement Wheel Assembly

Project Manager: Brendon Stock

Quotes obtained by: Brendon Stock

Procurement Method:  Small procurement  Intermediate procurement  Request for Bid  
 Sole source  Emergency  Request for Proposal

Solicitation Method:  Verbal quotes (informal)  Requests for written quotes (informal)  Public solicitation (formal)

Vendor	Amount	Description	Availability	Specific expertise	Other information
Kendrick Equipment	\$10,151.58	Wheel Assembly	Immediate	Sole Source	Original expenditure was \$9,140.95. The total amount for both wheel assemblies including freight is \$19,292.53

Sole source - manufacturer provides industrial grade foam for Travelift tires to withstand extreme loads.

Vendor selection & justification:  
(REQUIRED)



Kendrick Equipment (USA) LLC  
 23722 NE 192nd Way  
 Woodinville, WA98077

**Bill to:**  
 Port of Astoria  
 422 Gateway Avenue  
 Astoria OR 97103  
 United States

Please Remit To:  
 Kendrick Equipment (USA) LLC  
 Unit B - 19214 94th Avenue  
 Surrey, BC V4N 4E3  
 Ph: 866-744-9921  
 info@kendrickequipment.com  
 www.kendrickequipment.com

**Ship to:**  
 Port of Astoria  
 524 Gateway Ave  
 Astoria OR  
 97103

Date	Invoice No.
18/Oct/2023	U51416
	<b>Sales Clerk</b>
	Rod Cooke
	<b>Terms</b>
	Net Upon Receipt
	<b>Cust. PO No.</b>

ITEM	DESCRIPTION	SHIPPED	BACK ORDERED	PRICE	TOTAL
221-661	PLUG,HEX-HD,PM,02,Z - 015161	2.00		0.37	0.74
1201961	Wheel Assy, 20x16.25x1.9, 3PC TT	2.00		9,082.81	18,165.62
129-197	NUT,HVY,1,UNC,HEX,Gr5	2.00		5.64	11.28
701641	CLOSURE ASSY,VALVE SLOT,5.00	2.00		52.13	104.26
FRT-M	INCOMING FREIGHT (TBD)	1.00		1,010.63	1,010.63

Sub Total	\$19,292.53	
Environmental Levy	\$0.00	
Total	\$19,292.53	USD
Paid	\$0.00	USD
Balance	\$19,292.53	USD

---

## COMMERCIAL LEASE AGREEMENT

**Date:** December 1, 2023

**Between:** **Port of Astoria**  
422 Gateway Avenue, Suite 100  
Astoria, Oregon 97103  
Ph: 503-741-3300

("Port")

**And:** **Oregon Department of Human Services**  
Contact: Karuna Thompson  
500 Summer St NE E-90  
Salem, OR 97301  
Ph: 971-283-1086  
Email: [karuna.r.thompson2@odhsoha.oregon.gov](mailto:karuna.r.thompson2@odhsoha.oregon.gov)  
("Tenant")

(each a "Party" and together, the "Parties")

### 1. PREMISES.

1.1 Premises; Address. Port leases to Tenant and Tenant leases from Port the following described premises ("Premises") according to the terms and conditions stated herein ("Lease").

422 Gateway Avenue, Suite 230  
Astoria, OR 97103

1.2 Premises Square Footage. The Premises square footage is 2,448 rsf, as set forth on the attached Exhibit A.

1.3 Building. The "422 Gateway Avenue Building" or "Building," is shown on Exhibit B.

### 2. TERM. The Term of the Lease shall be as follows:

2.1 Original Term. The original term ("Original Term") of this Lease shall be for ten (10) months, commencing on December 1, 2023 ("Commencement Date") and expiring on September 30, 2024 (the "Expiration Date"). The Parties' obligations under this Lease shall commence on the Commencement Date.

2.2 Renewal Term. Unless terminated with sixty (60) days prior notice, as provided herein, the Lease shall automatically renew on a month-to-month basis (each successive monthly period defined as a "Renewal Term").

2.3 Amendment. With the exception of any terms or conditions that the Parties modify in writing, including, but not limited to the Base Rent rate, Utility Rates (as set forth in Section 14.2(3) below), Reimbursement of Costs (as set forth in Section 11.4 below), Property Insurance Costs (as set forth in Section 13.2 below), Utilities Charges (as set forth in Section 14.2 below), and Common Area Charges (as set forth in Section 10 below), all terms and conditions of this Lease shall apply during any such Renewal Term.

- 
- 2.4 Termination Without Cause. Either Port or Tenant may terminate this Lease without cause by providing a written Notice of Termination to the other Party no less than sixty (60) days prior to the end of the Original Term or Renewal Term, as applicable.
3. **POSSESSION.** Tenant's right to possession shall commence on the Commencement Date, December 1, 2023.
4. **CONDITIONS FOR OCCUPANCY.** Tenant's occupation of the Premises is conditioned upon the following:
- 4.1 Zoning. Occupancy is permitted under local zoning ordinances or by obtaining a Conditional Use Permit.
- 4.2 Highest and Best Use. The Port does not have a higher and better use for the Premises based on rental income, creation of employment opportunities, or other criteria as determined by the Port.
5. **RENT.** During the Term of the Lease, Tenant shall pay to Port the following Rent:
- 5.1 Base Rent. During the Original Term, Tenant shall pay to Port as Base Rent the sum of \$4,161.60 per month (approximate \$1.70/rsf), and escalates at four percent (4%) each year, as set forth more completely in Section 5.3 below.
- 5.2 Additional Rent. In addition to the Base Rent, Tenant shall pay as Additional Rent all taxes (including property taxes, if Tenant is not exempt), insurance costs, utility charges, and any other sum that Tenant is required to pay to Port or third parties under this Lease.
- 5.3 Escalation. After the Original Term, the Base Rent shall be increased in the month of December 2024, and every December thereafter by four percent (4%) each year.
6. **PAYMENT TERMS.**
- 6.1 First and Last Month's Rent. First and last month's Base Rent shall be payable in advance prior to occupancy, in the amount of \$8,323.20.
- 6.2 Due Date. Rent shall be payable in advance on the first (1<sup>st</sup>) day of each month at the Port address on Page One (1) of this Lease. Additional Rent shall be paid in the manner specified on the invoice for the charges.
- 6.3 Forms of Payment. Acceptable forms of payment are:
- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Check | <input checked="" type="checkbox"/> Money Order |
| <input checked="" type="checkbox"/> ACH   | <input type="checkbox"/> Other _____            |
- 6.4 Late Charges. *Intentionally Omitted.*
- 6.5 Other remedies. In addition to any Late Charges, the Port shall have all other remedies available at law for Tenant's default. Collection of a Late Charge shall not be in lieu of nor be deemed a waiver of the breach caused by the late payment.



---

6.6 Collections: Per ORS.697.105, if Tenant has an overdue balance, it may be assigned to a private collection agency for collection. A collection fee will be added to the Tenant's overdue balance if assigned to a private collection agency per the following schedule:

Balance of \$0 - \$50,000.00 = 50% collection fee

Balance of \$50,001.00 - \$75,000.00 = 40% collection fee

Balance of \$75,001.00 - \$100,000.00 or over = 35% collection fee

## 7. SECURITY DEPOSIT.

The Parties agree that the security deposit for this agreement will be waived. However, Tenant agrees to be responsible for repairs due to damage beyond that of ordinary wear and tear caused by Tenant or Tenant's clients to the Premises during Tenant's occupancy.

## 8. USE OF THE PREMISES.

8.1 Permitted Use. The Premises shall be used for DHS office support services ("Permitted Use") and for no other purpose without the written consent of Port, which consent shall not be unreasonably withheld. If this use is or becomes prohibited by law or governmental regulation, or the zoning Condition for Occupancy, set forth in Section 4.1 above, ceases to apply, this Lease shall terminate on sixty (60) days' written notice from Port to Tenant.

8.2 Parking. Port shall provide Tenant with 25 parking permits at no additional cost to Tenant, which will allow permit holders non-exclusive parking adjacent to the 422 Gateway Avenue Building, as shown on Exhibit C. In addition, Tenant, its customers, agents and invitees shall have the non-exclusive right to use common parking areas on Port properties. The twenty-five parking permits include Tenant's employee and fleet parking. Additional parking permits adjacent to the 422 Gateway Avenue Building may be purchased from the Port if additional parking becomes available.

8.3 Terms of Use. In connection with the Permitted Use, Tenant shall:

- (1) Comply, at Tenant's sole cost and expense, with all applicable laws, rules, and regulations of Port and any other public authority, including but not limited to complying with all applicable permitting and licensing requirements and all directives and orders issued by any regulatory agency. Unless expressly stated otherwise in this Lease or prohibited by law, penalties for violations of Port rules and regulations shall be in addition to, and not exclusive of, Port's remedies under this Lease.
- (2) Refrain from any activity that would make it impossible for Port to insure the Premises against casualty or increase the insurance rate to the Port;
- (3) Refrain from any use that would be reasonably offensive to the public or to occupants or users of neighboring premises, or that does or may create a nuisance or damage the structural value or commercial reputation of the Premises. Such uses may include, but are not limited to, causing or permitting the presence or accumulation of garbage, refuse, or other debris that may attract pests or vermin and/or emit a foul odor; obstructing Common Areas (as defined in Section 9.1 below), public walkways, parking areas, or any other area outside the Premises; or creating or allowing the presence of any condition that creates a hazard to the health or safety of any person.

- 
- (4) Refrain from loading the electrical system or floors beyond the point considered safe by a competent engineer or architect selected by Port.
  - (5) Refrain from making any marks on or attaching any sign, insignia, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the Premises without the written consent of Port, which shall not be unreasonably withheld.
  - (6) (a) Not cause or permit any Hazardous Substance (as defined in Section 8.3(6)(c) below) to be spilled, leaked, disposed of, or otherwise released on or under the Premises. Tenant may use or otherwise handle on the Premises only those Hazardous Substances typically used or sold in the prudent and safe operation of the Permitted Use. Tenant may store such Hazardous Substances on the Premises only in quantities necessary to satisfy Tenant's reasonably anticipated needs. Tenant shall comply with all applicable Environmental Laws (as defined in Section 8.3(6)(b) below) and exercise the highest degree of care in the use, handling, and storage of Hazardous Substances and shall take all practicable measures to minimize the quantity and toxicity of Hazardous Substances used, handled, or stored on the Premises. Upon the expiration or termination of this Lease, Tenant shall remove all Hazardous Substances from the Premises.
    - (b) "Environmental Law" shall mean any federal, state, or local statute, regulation, or ordinance or any judicial or other governmental order pertaining to the protection of health, safety or the environment.
    - (c) "Hazardous Substance" shall mean any hazardous, toxic, infectious or radioactive substance, waste, and material as defined or listed by any Environmental Law and shall include, without limitation, petroleum oil and its fractions.

## 9. COMMON AREAS.

- 9.1 Definition. "Common Areas" shall mean any parking areas, roadways, sidewalks, landscaped areas, and any other areas owned by Port and located within or without the Building in which the Premises are located, where such areas have been or may be designated by Port for use by the general public or for tenants' common use.
- 9.2 Tenant's Use. Tenant, its customers, agents and invitees shall have the non-exclusive right to use Common Areas.
- 9.3 Port's Rights. With respect to Common Areas, Port reserves the following rights:
  - (1) To establish reasonable rules and regulations for the use of Common Areas.
  - (2) To close all or any portion of Common Areas temporarily or permanently as needed to achieve Port's business or operational objectives, with at least two (2) days prior written notice, if such closure materially reduces Tenant's access to or use of the Premises or Building or parking permits.
  - (3) To construct, alter, or remove buildings or other improvements in Common Areas, and to change the layout of such Common Areas, including modifying their shape and size, with at least two (2) days prior written notice, if such constructions, alteration, or removal of buildings or other improvements in the Common Areas materially reduces Tenant's access to or use of the Premises or Building or parking permits.

- 
- (4) To exercise any of Port's governmental powers over Common Areas.

**10. COMMON AREA CHARGE. *Intentionally Omitted***

**11. REPAIRS AND MAINTENANCE.**

11.1 Port's Obligations. The following shall be the responsibility of Port, at the Port's sole cost and expense:

- (1) Routine repairs and maintenance of the roof and gutters, exterior walls (including painting), bearing walls, floors heating and air conditioning, structural members, floor slabs, and foundation.
- (2) Routine repairs and maintenance of Common Areas' interior walls, ceilings, doors, windows, and related hardware, light fixtures, switches, heating and air conditioning, and wiring and plumbing from the exterior to the point of entry to the Premises.
- (3) Routine repairs and maintenance of sidewalks, driveways, curbs, parking areas, and areas used in common by Tenant and Port or tenants of the same Building.
- (4) Routine repairs and maintenance of exterior water, sewage, gas, and electrical services up to the point of entry to the Premises.
- (5) Respond within five (5) days to Tenant's written notification to Port of the need for repairs or maintenance under this paragraph, except in emergency situations as set forth in Section 11.4 below.

11.2 Tenant's Obligations. The following shall be the responsibility of Tenant:

- (1) Repairs and routine maintenance of Premises' interior walls, ceilings, doors, windows, and related hardware and light fixtures.
- (2) Repairs to any area in the Premises' interior necessitated by the deliberate acts or negligence of Tenant, its agents, employees, or invitees.
- (3) Any repairs or alterations required pursuant to Tenant's obligations under Section 8.3(3) of this Lease.
- (4) Provide written notice to Port of the need for repairs or maintenance for which the Port is obligated to perform pursuant to paragraph 11.1(1)-(4). Port's obligation to make such repairs shall not mature until five (5) days after Port has received such written notice, except in emergency situations as set forth in Section 11.4 below.

11.3 Correction by Tenant. Tenant's obligations under paragraph 11.2(1)-(3) shall be at Tenant's sole expense.

11.4 Reimbursement of Costs. If Tenant fails or refuses to perform its maintenance and repair obligations under this Section 11, Port may, but is not obligated to, complete the maintenance and repairs and charge the actual costs and expenses for completing the maintenance and repair. Tenant shall reimburse Port for the actual costs and expenses for completing the maintenance



---

and repair upon demand, together with interest at the rate of eight percent (8%) per annum from the due date of any and all invoices for such work issued by the Port. Except in an emergency situation, which for purposes of this Section 11 shall include any circumstance creating an immediate risk of personal injury, property damage, or violation of any applicable environmental regulation, rule, code, ordinance or statute, Port shall provide Tenant with a minimum of five (5) days' written notice outlining with reasonable particularity the maintenance or repairs required. If Tenant fails within that time to initiate or perform to completion such maintenance or repairs, Port may commence work as provided in this paragraph.

- 11.5 Inspection of Premises. Port shall have the right to inspect the Premises at any reasonable time or times pursuant to paragraph 22.6, with 24 hours prior written notice. However, such inspection shall not be deemed to waive Tenant's obligation to provide notice for repairs or maintenance for which the Port is obligated to perform pursuant to paragraph 11.1(1)-(4), as provided in paragraph 11.2(4).
- 11.6 Interference with Tenant. In performing its obligations under this Section, Port shall not cause unreasonable interference with Tenant's use of the Premises. Tenant shall have no right to an abatement of rent nor any claim against Port for any reasonable or necessary inconvenience or disturbance resulting from Port's performance of its obligations under this Section.

## 12. ALTERATIONS.

- 12.1 Consent. Tenant shall make no improvements or alterations of any kind on the Premises without first obtaining the Port's Tenant Improvement Permit. All permitted alterations shall be made in a good and workmanlike manner, and in compliance with applicable laws and building codes. As used herein, "alterations" includes the installation of computer and telecommunications wiring, cables, and conduit.
- 12.2 Ownership and Removal of Alterations. All improvements and alterations performed on the Premises by the Port shall be the property of Port when installed. All improvements and alterations performed on the Premises by the Tenant shall be the property of Tenant when installed and shall become the property of Port upon expiration or termination of the Lease.

## 13. INSURANCE.

- 13.1 Tenant's Insurance. Tenant is self-insured for its property and liability exposures, pursuant and subject to the Oregon Constitution and the Oregon Tort Claims Act.
- 13.2 Property Insurance Cost. As Additional Rent, Tenant shall be responsible for its pro-rata share of the property insurance for fire and other property damage maintained by the Port for the Building in which the Premises are located. At the time of execution of this Lease such share shall be assessed at \$0.03/square foot/month, and such amount shall be pro-rated for any year in which Tenant occupies the Premises for only a portion of the year.
- 13.3 Certificates. A current certificate of insurance for Tenant's insurance coverage is available at <http://www.oregon.gov/das/Risk/Pages/CertCovRequest.aspx>. Port shall be included as an additional insured, subject to the limitations of the Oregon Constitution and by the Oregon Tort Claims Act, ORS 30.260 – ORS 30.300, and only with respect to liability arising out of Port activities or operations under this Lease. Such certificate of insurance shall require that written

---

notice be given to Port a minimum of ten (10) days prior to any change or cancellation of the policy.

- 13.4 Waiver of Subrogation. Port shall waive rights of subrogation that Port or any insurer of Port may acquire against Tenant by virtue of payment of any loss of or damage to property, including the Building. Port shall obtain any endorsement that may be necessary to affect this waiver of subrogation; provided, however, that this Section 18.3 applies regardless of whether the Tenant has received a waiver of subrogation endorsement from Port or Port's insurer(s). ORS 278.052 prevents Tenant from waiving rights of subrogation.

#### **14. TAXES AND UTILITIES.**

- 14.1 Property Taxes and Assessments. As a public entity, Port does not pay property taxes, but Tenant may be assessed directly by the County for property taxes specific to the Premises. Tenant shall file a real property tax exemption request with the County, but shall pay when due all real property taxes and special assessments that may become due because Tenant fails to file the appropriate real property tax exemption requests. Tenant shall pay all taxes on its personal property located on the Premises. As used herein, "real property taxes" includes any fee or charge relating to the ownership, use, or rental of the Premises, other than taxes on the net income of Port or Tenant. Tenant will provide Port with proof of payment of real property taxes that have become due before such payments become past-due.
- 14.2 Utilities Charges. If any utility services are provided by or through Port, charges to Tenant shall be comparable with prevailing rates for comparable services. Utilities to the Premises are not separately metered. Tenant shall pay to Port a flat fee of \$636.48 per month for water, sewer, garbage, electric and gas.
- 14.3 Other Utilities and Services. Tenant may, at its sole cost and expense, obtain any utilities and services for the Premises necessary or desirable to Tenant that are not listed in the Section 14.2 above, such as phone and internet service, and Port shall reasonably cooperate therewith, including by granting access to the roof of the Building, as necessary or appropriate for the installation or provision of such utilities and services.

#### **15. DAMAGE AND DESTRUCTION.**

- 15.1 Partial Damage. If the Premises are partly damaged or destroyed due to reasons not associated with the Port's general ongoing maintenance and repair obligations set forth in Section 11.1, and Section 11.2(2) does not apply, Port shall repair the damage Premises at Port's expense. Repairs shall be accomplished with all reasonable dispatch, subject to interruptions and delays beyond the control of Port, such as but not limited to labor strikes and extreme weather events.
- 15.2 Destruction. If the Premises are partly damaged or destroyed due to a casualty or other unanticipated reasons not associated with the Port's general ongoing maintenance and repair obligations set forth in Section 11.1, such that the cost of repair exceeds fifty percent (50%) of the value of the structure before the damage, and Section 11.2 does not apply, either Party may elect to immediately terminate the Lease by providing written notice to the other not more than sixty (60) days following the date of damage. All rights and obligations of the parties shall terminate as of the date contained in the notice, and Tenant shall be entitled to the reimbursement of any prepaid amounts for the remainder of the Lease term. If neither Party terminates as provided in this paragraph, Port shall proceed as soon as reasonably possible to restore the Premises to substantially the same condition as prior to the damage or destruction,

---

without interruption except for work stoppages beyond the Port's reasonable control, such as but not limited to labor strikes and extreme weather events.

15.3 Rent Abatement During Repairs. Rent shall be abated during the repair period to the extent the Premises are untenantable, except that there shall be no rent abatement where the damage is the result of Tenant's deliberate or negligent acts in accordance with Section 11.2(2) above.

15.4 Damage Late in Term. If damage or destruction to which Sections 15.1 or 15.2 would apply occurs within sixty (60) days before the end of the then-current Lease term, then, notwithstanding any other provisions in this Lease, Tenant may elect to terminate the Lease by providing written notice to Port within thirty (30) days after the date of the damage. Such termination shall have the same effect as termination without cause under Section 2.4.

## 16. LIABILITY AND INDEMNITY.

16.1 Liens. Except for activities for which Port is responsible under the Lease, Tenant shall pay as due all claims for work done on, and for services rendered or material furnished to, the Premises, and shall keep the Premises free from any liens. If a lien is filed as a result of nonpayment, Tenant shall, within ten (10) days after knowledge of the filing, secure discharge of the lien or file with the County Recorder cash or sufficient corporate surety bond or other surety to bond around the lien as provided under Oregon law.

16.2. Failure to Discharge Lien. If Tenant fails to pay any claims of lien or to discharge any lien upon demand by Port, Port may do so and collect the cost as Additional Rent, which amount shall bear interest at the rate of eight percent (8%) per annum from the date expended by Port. Such action by Port shall not constitute a waiver of any right or remedy which Port may have on account of Tenant's default, as set forth in Section 19.1 below.

16.3 Disputed Liens. Notwithstanding the Parties' rights and obligations under paragraphs 16.1 and 16.2, Tenant may withhold payment of any claim in connection with a good-faith dispute over the obligation to pay, provided Tenant notifies Port in writing of the dispute and bonds around the lien as provided under Oregon law.

16.4 Indemnification – Tenant. To the extent permitted by and subject to the limitations of the Oregon Constitution and the Oregon Tort Claims Act, and subject to ORS Chapter 180, Tenant shall indemnify, hold harmless, and defend Port from any claim for bodily injury, personal injury, death or property damage occurring in, on or about the Premises, to the extent such injury or damage is caused by Tenant's negligence or intentional or reckless misconduct.

16.5 Indemnification – Landlord. Port shall indemnify, hold harmless, and defend Tenant from any claim for bodily injury, personal injury, death or property damage occurring in, on or about the Premises, to the extent such injury or damage is caused by Port's actions (or failure to act) or by any condition of the Premises for which Port is responsible under this Lease.

## 17. "AS-IS"; QUIET ENJOYMENT.

17.1 Condition of Premises. Except as specifically agreed to by the Parties under this Lease, Tenant takes the Premises "AS IS," with all faults.

---

17.2 Port's Warranty. Port warrants that it is the owner of the Premises and has the right to lease them. Port warrants that the Tenant shall have the right to quiet enjoyment of the Premises for the purposes described in this Lease, subject to the terms and conditions stated herein.

17.3 Estoppel Certificate. Either Party will, within twenty (20) days after notice from the other, execute and deliver to the other party a certificate stating whether or not this Lease has been modified and is in full force and effect and specifying any modifications or alleged breaches by the other party. The certificate shall also state the amount of monthly base rent, the dates to which rent has been paid in advance, and the amount of any security deposit or prepaid rent. Failure to deliver the certificate within the specified time shall be conclusive upon the party from whom the certificate was requested that the Lease is in full force and effect and has not been modified except as represented in the notice requesting the certificate.

## 18. ASSIGNMENT AND SUBLETTING.

No part of the Premises may be assigned, mortgaged, or subleased, nor may a right of use of any portion of the Premises be conferred on any third person by any other means, without the prior written consent of Port. Any attempted assignment shall be void. No consent in one instance shall be deemed a waiver in a subsequent instance. Port may withhold or condition such consent in its reasonable discretion.

## 19. DEFAULT.

19.1 By Tenant. The following shall be events of default by Tenant:

- (1) Default in Rent. Failure of Tenant to pay Base Rent, Additional Rent, or other charges due under the Lease within forty-five (45) days of the applicable due date.
- (2) Default in Other Covenants. Failure of Tenant to comply with any term or condition or fulfill any obligation of the Lease other than the payment of Rent or other charges under paragraph 19.1(1), within thirty (30) days after the date of Port's written notice to Tenant specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 30-day period, this provision shall be deemed complied with if Tenant begins correction of the default within the 30-day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.
- (3) Insolvency. Insolvency of Tenant; assignment by Tenant for the benefit of creditors; the filing by Tenant of a voluntary petition in bankruptcy; an adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant; the filing of any involuntary petition of bankruptcy and failure of Tenant to secure a dismissal of the petition within thirty (30) days after filing; attachment of or the levying of execution on the leasehold interest and failure of Tenant to secure discharge of the attachment or release of the levy of execution within ten (10) days shall constitute a default. If Tenant consists of two or more individuals or business entities, the events of default specified in this paragraph shall apply to each individual unless within ten (10) days after an event of default occurs, the remaining individuals produce evidence satisfactory to Port that they have unconditionally acquired the interest of the one causing the default. If the Lease has been assigned, the events of default so specified shall apply only with respect to the one then exercising the rights of Tenant under the Lease.

- 
- (4) Abandonment. Failure of Tenant to occupy the Premises for one or more of the purposes permitted under this Lease for twenty (20) days or more, unless such failure is excused under another provision of this Lease.

19.2 By Port. The following shall be events of default by Port:

- (1) Breach of Obligations. Failure to comply with any of Port's duties and obligations under this Lease within thirty (30) days of receipt of a written notice from Tenant describing with reasonable particularity the basis for the claimed default. If the claimed default is of such a nature that it cannot be completely remedied within the 30-day period, this provision shall be deemed complied with if Port begins correction of the default within the 30-day period and thereafter proceeds with reasonable diligence and in good faith to cure the default as soon as practicable.

## 20. REMEDIES ON DEFAULT.

20.1 Termination.

- (1) Default by Tenant. In the event of a default by Tenant, at its sole option the Port may terminate the Lease by providing sixty (60) days' written notice to Tenant. Whether or not the Lease is terminated under this paragraph, Port shall be entitled to recover damages from Tenant for the default, and Port may reenter, take possession of the premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages and without having accepted a surrender.
- (2) Default by Port. In the event of a default by Port, Tenant may terminate the Lease by providing a minimum of sixty (60) days' written notice of termination to Port. On the effective date of such termination, Tenant's duties and obligations under the Lease, including payment of Rent and Additional Rent, shall be excused, provided Tenant has vacated the Premises and complied with all requirements for Surrender at Expiration as provided in Section 21 below. Port shall not be liable to Tenant for any non-economic damages resulting from or attributable to Tenant's early termination of the Lease under this paragraph.

20.2 Port's Damages. In the event of termination or retaking of possession pursuant to paragraph 20.1(1), Port shall be entitled to recover immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the Original Term or Renewal Term, as the case may be, the following amounts as damages:

- (1) The loss of rental from the date of default until the day after the Expiration of the current term.
- (2) The reasonable costs of reentry and reletting including without limitation the cost of any cleanup, refurbishing, removal of Tenant's property and fixtures, or any other expense occasioned by Tenant's default including but not limited to, any remodeling or repair costs, attorney fees, court costs, broker commissions, and advertising costs.

20.3 Reletting. In the event of termination or retaking of possession following default by Tenant, Port may relet the Premises but shall not be required to relet for any use or purpose other than that specified in the Lease or for a purpose which Port may reasonably consider injurious to the Premises, or to any tenant that Port may reasonably consider objectionable. Port may relet all or



---

part of the Premises, alone or in conjunction with other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions.

- 20.4 Right to Sue More than Once. A Party may sue periodically to recover damages during the period corresponding to the remainder of the Original Term or any Renewal Term, as the case may be, and no action for damages shall bar a later action for damages subsequently accruing.
- 20.5 Right to Cure Defaults. If Tenant fails to perform any obligation under this Lease, Port shall have the option to perform such obligations, after 30 days' written notice. All of Port's expenditures to correct the default shall be reimbursed by Tenant on demand with interest at the rate of eight percent (8%) per annum from the date of invoicing by Port. Such action by Port shall not waive any other remedies available to Port because of the default.
- 20.6 Remedies Cumulative. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to the Port under applicable law.

## 21. SURRENDER AT EXPIRATION OR TERMINATION.

- 21.1 Condition of Premises. Upon expiration of the Original Term or any Renewal Term or earlier termination for default, Tenant shall deliver all keys to Port and surrender the Premises in first-class condition and broom (vacuum) clean, except for ordinary wear and tear. Alterations constructed by Tenant with permission from Port shall not be removed or restored to the original condition. Repairs to the Premises' interior due to the deliberate acts or negligence of Tenant for which Tenant is responsible shall be completed to the latest practical date prior to such surrender. Upon moving out of the Premises, Tenant shall be responsible for the reasonable costs to the Port of carpet-cleaning and rekeying the Premises (the "Termination Deductions"), which amounts Tenant shall pay within sixty (60) days after delivery of an invoice detailing the costs of the Termination Deductions.
- 21.2 Fixtures. All fixtures placed upon the Premises during the Original Term, or any Renewal Term, as the case may be, other than Tenant's trade fixtures, furnishings, and equipment, shall become the property of Port.
- 21.3 Personal Property. Except as provided in paragraph 21.2, upon expiration or termination of the Lease Tenant shall remove all trade fixtures, furnishings, and equipment that remain its property. By notice in writing given to Tenant within twenty (20) days after removal was required, Tenant's failure to remove all trade fixtures, furnishings, and equipment from the Premises shall be deemed an abandonment of such property, and Port may retain or dispose of such property and all rights of Tenant in such property shall cease. Any reasonable costs associated with disposal of such property shall be the responsibility of the Tenant and paid by Tenant ~~on demand by Port~~ within sixty (60) days after delivery of an invoice detailing the disposal costs.
- 21.4 Holdover. If Tenant does not vacate the Premises ~~at the time~~ within sixty (60) days after receipt of written notice as required, by Sections 2.2, 2.4, 8.1, 15.2, or 20.1(1) above (or within thirty (30) days after receipt of written notice as required by Section 15.4 above), Port shall have the option to treat Tenant as a tenant from month to month, subject to all of the provisions of this Lease except the provisions for term and renewal and at a rental rate equal to one-hundred-fifty percent (150%) of the rent last paid by Tenant during the original term, or to eject Tenant from the Premises and recover damages caused by wrongful holdover. Tenant's failure to remove fixtures, furniture, furnishings, or trade fixtures that Tenant is required to remove under this

---

Lease shall constitute a failure to vacate to which this section shall apply. If a month-to-month tenancy results from a holdover by Tenant under this Section, the tenancy shall be terminable at the end of any monthly rental period on written notice from Port given not less than ten (10) days prior to the termination date which shall be specified in the notice. ~~Tenant waives any notice that would otherwise be provided by law with respect to a month-to-month tenancy.~~

## 22. MISCELLANEOUS.

- 22.1 Nonwaiver. Waiver by either Party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the Party's right to require strict performance of the same provision in the future or of any other provision.
- 22.2 Attorney Fees. ~~If suit or action is instituted in connection with any controversy arising out of this Lease, the prevailing party in such suit or action shall be entitled to recover from the other party its reasonable costs incurred in such action as well as attorney fees determined reasonable by the court, at trial, on petition for review, and on appeal.~~ Intentionally omitted.
- 22.3 Notices. Any notice required or permitted under this Lease shall be given when actually delivered; or forty-eight (48) hours after deposited in United States mail as certified mail addressed to the address on Page 1 of this Lease; or if emailed, effective the day sent (unless sent after 5:00 p.m., P.T., in which case the email shall be deemed sent the following business day); or to such other address as may be specified from time to time by either of the parties in writing.
- 22.4 Succession. Subject to the above-stated limitations on transfer of Tenant's interest, this Lease shall be binding on and inure to the benefit of the parties and their respective successors and assigns.
- 22.5 Recording. This Lease shall not be recorded without the written consent of Port.
- 22.6 Entry for Inspection. Port shall have the right to enter upon the Premises at any time, with 24 hours' prior written notice, to determine Tenant's compliance with this Lease, to make necessary repairs to the building or to the Premises, or to show the Premises to any prospective tenant or purchaser. In addition, Port shall have the right, at any time during the last two (2) months of the term of this Lease, to place and maintain upon the Premises notices for leasing or selling of the Building or the Premises.
- 22.7 Proration or Refunding of Rent. In the event of commencement or termination of this Lease at a time other than the beginning or end of the Original Term or a Renewal Term, as the case may be, the Rent shall be prorated as of the date of commencement or termination. In the event of termination for reasons other than default, all prepaid rent shall be refunded to Tenant or paid on its account.
- 22.8 Severability. If a provision hereof shall be declared void or illegal by any court or administrative agency having jurisdiction over the parties to this Lease, the entire Lease shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties.
- 22.9 Time of Essence. Time is of the essence of the performance of the parties' obligations under this Lease.

---

22.10 Applicable Laws. This Lease shall be interpreted according to the laws of the State of Oregon without regard to conflict of law provisions. ORS 777.120, ORS 777.258 and U.S.C., Section 46, Chapter 411, shall apply to this Lease.

22.11 Entire Agreement. This Lease, including all referenced Exhibits, constitutes the entire agreement between the Parties and there are no understandings, agreements, or representations, oral or written, not specified herein. No waiver, consent, modification, or change of terms of this Lease shall bind either party unless in writing and signed by both parties. Any waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

The Parties, by signature below of their respective authorized representatives, hereby acknowledge that the Parties have read the entire Lease, understand it, and agree to be bound by its terms and conditions.

**PORT OF ASTORIA:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TENANT: Department of Human Services**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**APPROVAL: Department of Administrative Services**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

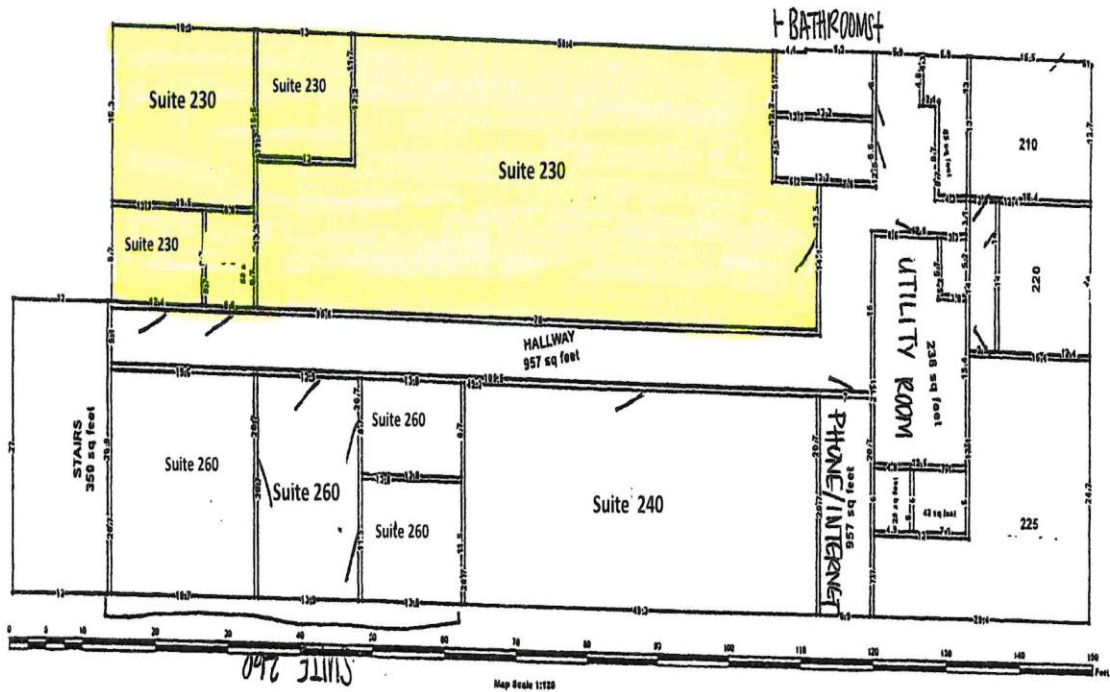
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



# Exhibit A

422 Gateway Avenue, Suite 230  
Astoria, OR 97103

(Total Premises Square Feet 2448)



---

## Exhibit B

422 Gateway Building  
Common Areas

**EXHIBIT B - 422 GATEWAY CAM (Common Maintenance Area)**

