

Board of Commissioners

Frank Spence – TBD
 Robert Stevens – TBD
 Dirk Rohne – TBD
 James Campbell – TBD
 Scott McClaine – TBD

422 Gateway Ave, Suite 100
 Astoria, OR 97103
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Regular Session

July 5, 2022 @ 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. ELECTION OF OFFICERS FOR FISCAL YEAR 2022-2023
4. PLEDGE OF ALLEGIANCE
5. COMMISSION REPORTS
6. CHANGES/ADDITIONS TO THE AGENDA
7. 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. In person, those wishing to speak must fill out a public comment form. Those participating via Zoom may raise their hands during the public comment period.
8. CONSENT CALENDAR:
 - Meeting Minutes –
 - Regular 05/03/2022 3
 - Budget Committee 05/04/2022 6
 - Workshop Session 05/17/22 10
 - a. Financials – May 14
 - b. Event Calendar – July 20
9. ACTION:
 - a. Commission Committee Assignments 2022-2023 21
 - b. Resolution 2022-08: Making Business Appointments and Authorizations..... 22
 - c. RFE 0122 Pier 2 Asphalt Rehabilitation 25
 - d. Letter of Engagement for audit firm Talbot, Korvola, & Warwick, LLP..... 28
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. In person, those wishing to speak must fill out a public comment form. Those participating via Zoom may raise their hands during the public comment period.
11. EXECUTIVE DIRECTOR COMMENTS
12. UPCOMING MEETING DATES:
 - a. Workshop Session – July 19, 2022 at 4:00 PM
 - b. Regular Session – August 2, 2022 at 4:00 PM
13. ADJOURN

Please Note:

Agenda packets are available online at: <https://www.portofastoria.com/CommissionMeetings/AgendaMinutes.aspx>

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

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

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**MEETING MINUTES
MAY 3, 2022**

**PORT OF ASTORIA
REGULAR SESSION**

Call to Order:

Chairman Spence called the Regular Session to order at 4:02 PM.

Roll Call:

Commissioners Present: Frank Spence; Robert Stevens; Jim Campbell; and Scott McClaine. Dirk Rohne was not present.

Staff Present: Executive Director Will Isom; Deputy Director Matt McGrath; Finance & HR Manager Jim Grey; and Accounting and Business Services Manager Melanie Howard.

Port Counsel: Eileen Eakins was not present at this session.

Also Attending: Cindy Yingst of *The Columbia Press* and Ethan Myers of *The Astorian*.

Recognition of Gary Kobes:

Commission Vice-Chair, Robert Stevens, presented a Letter of Commendation and a retirement plaque to the retired Port of Astoria Airport Manager, Gary Kobes, on behalf of the Port of Astoria Commission. The Mayor of Warrenton, Henry Balensifer, then presented Gary Kobes with a Letter of Commendation on behalf of the City of Warrenton. On behalf of the Columbia River Sector Coast Guard, Gary Kolbs was presented with a letter of Aviation Excellence. Stevens thanks Port staff for their efforts in organizing Kobes recognition ceremony. Kobes thanked the Commission and Staff for their praise. Kobes explains that the position initially started as a one-year plan which turned into over six years. Kobes gave thanks for having the opportunity to work with various agencies and representatives and praised Port Staff for their support. Commissioner Spence thanks Kobes and those in attendance and adds that there will be a reception following the Commission meeting.

Changes/Additions to the Agenda:

There were no changes or additions to the agenda.

Public Comment for items on the agenda:

Logan Laity, the democratic candidate for Oregon House District 32, introduces himself to the Commission. Laity expresses interest in hearing what challenges the Port is facing.

Consent Calendar:

The Consent Calendar consisted of the following:

- Meeting Minutes – 3/16/2022 Finance Committee Minutes
- Financials – March 2022
- Event Calendar – May 2022

Commissioner Campbell moved to approve the consent calendar as presented. Commissioner Stevens

seconded. The motion carried unanimously 4-0 amongst the Commissioners present.

Action Items:

8a. Resolution 2022-04 Amended Resolution to Raise Rates at the Airport

Executive Director Will Isom explains that the Commission initially approved the Resolution to increase the rates at the airport in February. After receiving feedback, Isom and Deputy Director Matt McGrath met with members of the Airport Advisory Committee (AAC). Tonight the Commission is presented with an amended resolution. McGrath states that the facility fee has been removed, and a landing fee has been reinstated. The ramp fee will apply only to aircraft over 10,000 maximum takeoff weight. Commissioner Stevens notes that there were previous comments that the Port should not be in the habit of amending or retracting resolutions. In this case, the Commission was wrong, and refining the Resolution, is the right choice to make.

Commissioner McClaine moved to approve the Resolution 2022-04 Amended Resolution to Raise Rates at the Airport. Commissioner Campbell seconded. The roll call vote occurred as follows:

Commissioner McClaine: Yes.

Commissioner Stevens: Yes.

Commissioner Campbell: Yes.

Commissioner Spence: Yes.

The motion carried unanimously 4-0 amongst the Commissioners present.

Public Comment for items not on the agenda:

There were no requests for public comment.

Commission Reports:

Commissioner Campbell had nothing to report.

Commissioner Stevens reported on the following:

- Attended the Clatsop Community College Foundation fundraiser last Saturday. This is the first year this event has been held since the pandemic began. Stevens encourages the Commissioners to attend community events.

Commissioner McClaine reported on the following:

- Would like to personally thank Gary Kobes for taking the time to tour McClaine on airport operations.

Commissioner Spence reported on the following:

- Appeared before the Astoria Development Commission (ADC) meeting last night, where the Astoria Waterfront Master Plan (AWMP) was approved. Spence thanks the City of Astoria for initiating the study over a year ago. The City has approved an additional contract with the consulting firm Walker Macy, for \$75,000 to work towards implementing the AWMP.
- Jim Grey will be retiring soon. Jim joined the Port at a time of financial struggles. Jim has been instrumental in improving the financial processes of the Port. Thanks to Jim for his service over the last eight years.
- Asks when the Boatyard Feasibility study will be complete. Isom answers that the study should be ready to present to the Commission in the next month.

Executive Director Comments:

- Thanks to Gary Kobes. Gary Kobes possesses a wealth of knowledge not only about the airport, but Gary has been a resource for many things.
- Also joined the meeting for the ADC. The additional contract with Walker Macy is important; it will allow Walker Macy will assist the City with the needed coding changes, otherwise, the process would take much longer.

- The first cruise ships have arrived. Six have arrived so far, and there are three more expected next week. Isom thanks Port staff, Bruce Conner, and the Clatsop Cruise Hosts for their efforts.
- Will be meeting with Maul Foster to discuss the next steps concerning the AOC4 contamination cleanup. The consent judgment calls for a draft plan within 120 days of entering the agreement.
- The Port and ILWU have agreed in principle to a new collective bargaining agreement. The plan is to have an agreement ready for the first June Commission meeting. Isom appreciates the cooperation from the representatives at the Local 50 union hall.
- The Port hosted a regional coordinators meeting for Business Oregon. Isom was a special presenter for the meeting and spoke to the group about current activities and challenges the Port faces.
- Last week Clatsop County welcomed a large contingency of Fish and Wildlife representatives. Isom represented the Port during a tour of Bornstein Seafoods.
- Attended Knappa schools foundation. Isom thanks former Senator Betsy Johnson, Representative Suzanne Weber, and Commissioner Rohne for their attendance.
- Finance & HR Manager Jim Grey will be retiring this coming Monday. Grey did not want a public presentation, but if you are around the Port office, please thank Grey for his service to the Port.
- The Budget Committee Meeting will be tomorrow at 1pm. Howard has developed a detailed budget presentation for the Budget Committee. Tomorrow's meeting will review the budget document with the hopes that there will be approval of the budget at the second Budget Committee Meeting on May 18th.

Upcoming Meeting Dates:

- Budget Committee Meeting – May 4, 2022, at 1:00 PM
- Workshop Session – May 17, 2022, at 4:00 PM
- Budget Committee Meeting – May 18, 2022 at 1:00 PM

Adjourned:

Chairman Spence adjourned the meeting at 4:56 PM.

APPROVED:**ATTEST:**

TBD, Board Chairman
Board of Commissioners

TBD, Secretary
Board of Commissioners

Respectfully submitted by:
Stacy Bandy
Executive Assistant – Administrative Coordinator

July 5, 2022
Date Approved by Commission

**MEETING MINUTES
MAY 4, 2022**

PORT OF ASTORIA
BUDGET COMMITTEE MEETING
PIER ONE BUILDING
#10 PIER 1, SUITE 209
ASTORIA, OR 97103

Call to Order:

Budget Committee Chair Walt Postlewait called the Budget Committee Meeting to order at 1pm.

Roll Call:

Commissioners Present: Robert Stevens; Jim Campbell; and Scott McClaine. Frank Spence and Dirk Rohne were not present.

Citizen Committee Members Present: Bill Young; Walt Postlewait; John Lansing; Tad Pedersen; and Steve Kraske.

Staff Present: Executive Director Will Isom; Deputy Director Matt McGrath; Finance, HR & Business Services Manager Melanie Howard; and Finance & HR Manager Jim Grey.

Also Attending: Cruise Marketing Director Bruce Conner and Ethan Myers of *The Astorian*.

Selection of Budget Committee Chair:

Budget Committee member John Lansing moved to nominate Walt Postlewait to serve as the Chair of the Budget Committee for fiscal year 2022-2023. Commissioner Campbell seconded. The motion was unanimously approved.

Budget Committee Chair Comments:

Walt Postlewait notes that the budget process has become easier each year. The presentation of the budget has also improved with each year. Executive Director Isom thanks Finance, HR & Business Services Manager Melanie Howard, for expanding on the budget presentation each year.

Reading of the Budget Message for Fiscal Year 2022-2023:

Executive Director Will Isom read the Budget Message for FY 2022-2022 and covered the following:

- The budget represents the Port's best estimation of the available resources, operational requirements, and capital requirements for the upcoming year.
- The budget also represents the Port's continued efforts to uphold our mission statement: to generate economic growth and prosperity in a safe and environmentally responsible manner for its citizens through the creation of family wage jobs and prudent management of its assets.
- The COVID-19 pandemic has, for the past two years, significantly impacted Port of Astoria's revenues and operations. The effects continue to linger for the 2022 calendar year.
- Costs of goods and services are rising at historic rates.
- An extension of the agreement with Business Oregon to defer debt payments and freeze interest is in the works. Debt payments are included in the budget for the upcoming year; a deferral agreement would decrease debt service and total expenditures by roughly \$600,000.
- Of the Port's \$13 million budget, less than 7% of resources are generated through the property tax levy.

- Capital expenditures are budgeted at \$4 million; anticipated grant income is budgeted at \$1.9 million.
- There are a number of projects being planned that will mark major milestones for the Port and the community; deferred maintenance is being addressed, and plans are being made for improvements that will enhance the usability and appeal of our waterfronts.
- Pier 2 West rehabilitation project is a major priority. Ongoing for its third year, the Port has contracted for design work and required permitting, which are necessary prerequisites for grant applications. Funding is being heavily pursued from both state and federal programs, and for the upcoming year, the Port intends to contract with a Construction Manager/General Contractor who will oversee the project.
- A Boatyard Feasibility Study is in its final stages. This study will present options for an expanded boatyard, both in footprint and in services offered. Included in the budget for the upcoming year are upgrades that may be grant-funded through the Maritime Administrator's Small Shipyard Grant Program, which could help to pay for utility upgrades, equipment, and other improvements on Pier 3.
- The Airport Master Plan is already in the works and is expected to conclude by mid-year in 2023. The Port has contracted with Mead & Hunt to provide planning services associated with preparation of the plan update, which is a required prerequisite for federal grant funding and, therefore a high-priority project.
- Progress is being made on the AOC4 petroleum cleanup. A consent judgment has been signed and a trust account established, which will allow the Port to begin this project with no out-of-pocket expense.
- The proposed budget places emphasis on prudent management of Port operations while still providing for significant investment into the Port capital and infrastructure in alignment with our Strategic Business Plan/Capital Facilities Plan.
- Director Isom gives thanks to the Budget Committee community volunteers. Input and feedback are a vital part of the budgeting process.
- Director Isom thanks the Port Commission and Port Staff for their time and continued dedication to their work.
- Despite the challenges of the last two years, Director Isom is optimistic about the Port's progress moving forward and the upward momentum that will continue to carry forward.

Cruise Industry Update – Bruce Conner

- Due to staffing shortages, Sunset Empire Transit District can no longer support cruise ship activities at the Port. In the past, the district provided busses and drivers for cruise ship guests.
- This spring, private bus companies from Portland have filled the gap at a rate of \$2,000 per bus. This option will not be feasible in the fall. Conner notes that if we do not fix these problems before the fall, the Port will lose cruise ships.
- CDC requirements are in flux though all ships require COVID-19 vaccination.
- Twenty-six ships are confirmed this cruise ship season. More ships may be added to the schedule.

Presentation and Review of Proposed Budget for Fiscal Year 2022-2023

- Accounting & Business Services Manager Melanie Howard presents the proposed budget for FY 2022-2023, beginning with an introduction to the budget process and an overview of the budget funds and operating departments. Howard reviewed budget highlights, drawing attention to major changes or shifts in the budget compared to prior years. Howard anticipates a partial return to normalcy in the upcoming fiscal year.
- Postlewait refers to page 9 of the packet and asks where the increase in re-billed utilities is attributed to. Isom explains that the Port uses templates the City and County use for billing and re-bills tenants using those parameters. There are minor differences resulting in re-billed utilities being a slight revenue center.

- Postlewait asks about wastewater issues on Port property; have there been conversations concerning wastewater between the City and Port. Isom answers that there have not been conversations. The Port takes more water than what is returned to the wastewater supply.
- Postlewait refers to the chart on page nine, showing that fuel has doubled in price. Postlewait notes that the price increases of the different fuel types have increased at very different rates. Postlewait asks what trends, regarding fuel, does the Port anticipate? McGrath answers that demand for fuel is up. More infrastructure at the airport will increase activity.
- The committee notes that there is not a specific marketing campaign for the airport.
- Isom notes that personnel services costs have remained stagnate over the last several years despite wages increasing and benefits expenditures increasing dramatically. The Port is operating with a 30% decrease in staffing. This is a concern to Isom as these staffing levels are not sustainable.
- Postlewait notes that for the 2020-21 budget, the Port budgeted \$6-\$6.5 million in grant funds, the 2021-22 budget included \$4.5 million in grant funds, and the proposed 2022-23 budget projects \$1.8 million in grant funds. The Strategic Plan identifies grant funding as a resource for Port infrastructure needs. There is no comment in the narrative regarding concern for the downward trend in grant funding. Isom answers that he spoke with Moss Adams in regard to this topic, and you can see over the years that grant funding fluctuates. There is typically a planning year followed by a construction year. There are large Federal Aviation Administration (FAA) funded projects at the airport that can skew the numbers year-over-year. For next year, the administration can categorize airport grant funds separately to help distinguish grant trends.
- Postlewait adds that appropriations are back in the federal budget. From reading the budget, one could jump to the conclusion that the Port is not seeking outside funds to improve infrastructure. A paragraph regarding grant funding should be added to next year's budget narrative.
- Discussion followed regarding the various items as presented. Details are available on meeting audio.
- Howard thanks the Budget Committee members for their effort and time, especially new members Tad Pederson and Steve Kraske.
- Walt Postlewait thanked the Port staff and budget committee for their time and work. Postlewait discussed the schedule for the remainder of the budget process, which would include a meeting scheduled for next week to further look at the budget.

Budget Committee Recommendation:

Postlewait recommends that the Airport Master Plan include staffing in its scope.

Postlewait makes a motion for the Budget Committee to recommend to Port staff that the Airport Master Plan include staffing recommendations in the scope of work. Commissioner Campbell seconded. The motion was approved.

Next Meeting Date:

- Budget Committee Meeting – May 18, 2022 at 1:00 PM

Adjourned

Budget Committee Chairman Postlewait adjourned the meeting at 3:38 PM.



APPROVED:

ATTEST:

TBD, Board Chairman
Board of Commissioners

TBD, Secretary
Board of Commissioners

Respectfully submitted by:
Stacy Bandy
Executive Assistant / Administrative Coordinator

July 5, 2022

Date Approved by Commission

DRAFT

**MEETING MINUTES
MAY 17, 2022**

**PORT OF ASTORIA
WORKSHOP SESSION**

Meeting held via videoconference due to the COVID-19 pandemic

Call to Order:

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

Roll Call:

Commissioners Present: Frank Spence; Robert Stevens; Dirk Rohne; Jim Campbell, and Scott McClaine.

Staff Present: Executive Director Will Isom; Deputy Director Matt McGrath; Finance, HR & Business Services Manager Melanie Howard; and Executive Assistant/Administrative Coordinator Stacy Bandy.

Port Counsel: Eileen Eakins was not present for this session.

Also Attending: Senator Rachel Armitage; Lindsay Davis & Laura Wilkeson; and Ethan Myers of *The Astorian*.

Changes/Additions to the Agenda:

There were no changes or additions to the agenda.

Public Comment:

No public comment was received.

Presentation:

6a. Oregon Board of Forestry Habitat Conservation Plan – Lindsay Davis & Laura Wilkeson

Laura Wilkeson, the State Forest Policy Director with Hampton Lumber, presents a PowerPoint presentation via Zoom. The presentation explains the Oregon Department of Forestry Habitat Conservation Plan (HCP) proposals and their various outcomes.

- The state is obligated to support the environmental, economic, and social values of state forest lands. Wilkeson adds that the plan is focused on environmental impacts and does not balance economic or social factors.
- The HCP has been in progress since 2018. County representatives have asked to be included in the drafting process of the HCP, and their requests were denied.
- The current draft of the HCP would set aside roughly 50% of forest lands for habitat creation. This would result in a 25-30% reduction in Oregon state timber harvest and a 50% budget deficit for the Oregon Department of Forestry.
- Clatsop County would have a 38% reduction in timber harvests and a \$13 million annual reduction in revenue.
- There are five alternatives in the environmental impact statement analysis (EIS). There are few differences between the alternatives regarding the amount of timber harvested.
- Last year, Clatsop County proposed a “county alternative” that released more acres for

harvest while protecting species. This proposal was not included in the alternative options.

- The Public comment period for the HCP closes on June 1st and final EIS and federal approval is expected in early 2023, with final approval of the HCP in the spring of 2023.
- Public comments to the Board of Forestry, the State Forester, and the Governor's office are encouraged.
- Commissioner Rohne asks since the governor appoints the Board of Forestry, does the conversation change after the election? Wilkeson answers that board members serve four-year terms, and three members' terms expire in the fall of this year. A new governor could institute new boards and commissions. Rohne suggests that the Port work with the City and County to coordinate a response. Isom ask Commissioner Spence asks
- Isom inquires if any of the local taxing districts in the area have commented on the HCP. Wilkeson answers that she doesn't believe they have provided public comment as of yet. Wilkeson adds that the City of Warrenton has provided letters concerning the HCP for the last several years.
- Spence notes that staff needs to study this further. He is not in favor of any reduction in timber revenues. During the pandemic, the Port has been struggling financially with the lack of cruise ship revenue.
- Isom adds that there should be a separation of the everyday business of the Port versus outside issues that would be addressed at the Commission level. If the Port is going to take action or provide comment, it should be as the wish of the Commission instead of a recommendation from staff.
- Commissioner Stevens asks what the primary concerns are for National Oceanic Atmospheric Administration Fisheries (NOAA). Wilkeson answers that NOAA is the lead agency, but it is a joint effort with the Fish and Wildlife Services. NOAA's concerns include 17 endangered species.
- Commissioner Rohne offers to research the topic and contact the County Commission to find an appropriate way to share the Port's concerns. Rohne will share his findings with staff and the Commission before the public comment period closes on June 1st.
- Commissioner Spence thanks Laura Wilkeson and Lindsay Davis for their presentation.

6b. Senator Armitage

Senator Armitage introduces herself to the Commission. Armitage begins by sharing the accomplishments of the 2022 legislative short session.

- The Broadband Advisory Council has received historic levels of federal broadband funds in recent years. House Bill 4092 creates a development structure to oversee the distribution of funds. Armitage will work to ensure the district's needs are met in that body.
- After more than a year of mediation, Senate Bill 1501, the Private Forest Accord, has been passed. All parties have agreed on various environmental standards for harvesting timber moving forward.
- The Economic Equity Investment Program was instituted to bring economic development funds to many areas of the district. Oregonians living in rural communities will gain access to a wide variety of economic development services through Business Oregon.
- Helped secure \$7 million for the Hyak Maritime mobile lift project.
- Armitage continues that she is proud of what was accomplished, though it was disappointing that the Cyber Security Center of Excellence program was not passed. This bill would have used federal dollars to fund security upgrades for governing bodies across the state.

Armitage thanks the Commission for their time and encourages the Commission to reach out to her office with any concerns.

- Commissioner Spence asked if there would be another legislative session scheduled before

the election in November. Armitage answers that there will be legislative days in June. Armitage adds that she is working on bill drafts and policy priorities to hand off to whoever is elected in November.

- Commission Rohne notes that in recent years the Port of Astoria has worked hard to establish positive relationships with state officials. The Port has developed strategic plans and prioritized infrastructure needs. There is a lot of money going to different agencies, but the Port hasn't been a recipient. Rohne notes that he appreciates Armitage's work with Hyak and encourages Armitage to tour Port facilities.
- Commissioner Stevens adds that it is a goal of the Port to become self-sustaining. It is vital that the Port receive support from Salem. Much of the economy of this area is reliant on the Port.
- Commissioner Campbell notes that the condition of Highway 30 is a deterrent to attracting business. Thousands of vehicles, especially logging trucks, use the highway daily. Campbell would like highway 30 infrastructure upgrades to be prioritized.
- Commissioner McClaine thanks Armitage for her visit and her work in helping Hyak secure funding.
- Director Isom notes that public entities are competing with private interests for the same pool of dollars. The Connect Oregon program is an example. Isom finds it odd for the Port to be in competition with a private agency. Isom asks Armitage if she has comments on this topic. Armitage answers that Isom has an interesting point, and she has not thought of this process before. Isom adds that he is in support of Hyak's project.

Discussion with Senator Armitage continues. For the complete meeting discussion, please see meeting audio. The Commissioners thank Armitage for her time.

Commission Comments:

Commissioner Campbell did not have any comments.

Commissioner Stevens did not have any comments.

Commissioner McClaine commented on the following:

- There was a wonderful article in *The Astorian* covering the Hyak Maritime grant.

Commissioner Rohne did not have any comments.

Commissioner Spence commented on the following:

- Astoria City Manager, Brett Estes, has announced his departure. Estes has been a great friend and supporter of the Port. Spence thanks Estes for his efforts and wishes him well in his future endeavors.
- The last sprint cruise ship departed the Port today. The next ships will be arriving in the fall.
- Drove by the boatyard today and noticed a lot of gill net trawlers. The Port is awaiting the results of the feasibility study currently in progress. Spence inquires when the plan will be ready. Isom answers that the study is expected to be presented to the Commission in June.

7c. Executive Director Update

- The Boatyard Feasibility Study will be forthcoming in June.
- The Port and the International Longshore Warehouse Union Local 50 (ILWU) have agreed, in principle, to a new collective bargaining agreement. The contract will be presented to the Commission in June for approval. Isom thanks the bargaining unit and the representatives from the local 50 for their efforts.
- The Regatta departed today. The Port is working through kinks before ships return in the fall.

- Isom notes that Brett Estes has done a good job at the City and has been a great resource for Isom and the Port. With his new role at the Department of Land Conservation, he will be a regional representative and remain local.
- The second Budget Committee meeting will be tomorrow at 1 pm. Isom thanks Melanie Howard for her efforts. Isom refers to the announcement of Howard's promotion at the last meeting and notes that Howard has been covering the role of three positions. In the two years that Howard has been with the Port, she has been instrumental in the Port's progress and achievements.
- The Executive Director of the Port of Hood River, Michael McElwee, has announced his retirement.

Upcoming Meeting Dates:

- Budget Committee Meeting – May 18, 2022 at 1:00 PM
- Regular Session – June 7, 2022 at 4:00 PM
- Workshop Session – June 21, 2022 at 4:00 PM

Adjourned:

Chairman Spence adjourned the meeting at 5:15 PM.

APPROVED:**ATTEST:**

TBD, Board Chairman
Board of Commissioners

TBD, Secretary
Board of Commissioners

Respectfully submitted by:
Stacy Bandy
Executive Assistant / Administrative Coordinator

July 5, 2022
Date Approved by Commission



MAY 2022 FINANCIALS NARRATIVE

For July through May 2022, the Port is showing an operating gain of \$1,123,879. This operating gain is ahead of prior-year profits by \$789,555 and is \$628,946 ahead of budget projections. Operating revenue YTD is at 108% and operating expense is at 98% of seasonally trended budget. Non-operating income is at 100% and non-operating expense is 100% of budget. Total net income YTD is \$574,913, which is \$623,295 ahead of budget expectations.

The budget surplus for dockage and rebilled expenses are \$40,682 and \$19,852 respectively. Boatyard gross revenues are at roughly 160% of both prior-year and budget expectations. Gross Marina revenues year-to-date are at 106% of budget and 113% of the prior year.

Total gross fuel sales were at 122% of budget and 150% of the prior year, but it should be noted that a recent spike in the price of fuel was a largely contributing factor for the months of March onward.

Personnel services came in \$336,099 under budget while materials and services were \$203,828 over budget. Of the overage in materials and services, approximately \$150,866 can be attributed to fuel costs; while a supplemental budget was prepared to try and account for higher fuel costs, the revised estimates may still be short of actual spending.

Looking at non-operating totals, most revenues and expenses were reasonably close to budget expectations. Capital spending in May totaled \$42,053, which was primarily for West Marina Dredging final billing (\$13,470), FBO upgrades (\$10,860), and IT upgrades (\$10,000).

Fuel Sales Summary:

Marina Fuel	Unleaded Sales \$	Unleaded Sales Gal	Unleaded COGS	Unleaded Profit	Diesel Sales \$	Diesel Sales Gal	Diesel COGS	Diesel Profit
Jul - May 2022	\$ 427,330	77,517	\$ 280,238	\$ 147,092	\$ 232,181	54,660	\$ 151,628	\$ 80,553
Jul - May 2021	\$ 253,868	64,670	\$ 161,977	\$ 91,891	\$ 143,757	52,631	\$ 89,021	\$ 54,736
Airport Fuel	Jet A Sales \$	Jet A Sales Gal	Jet A COGS	Jet A Profit	100LL Sales \$	100LL Sales Gal	100LL COGS	100LL Profit
Jul - May 2022	\$ 534,984	116,472	\$ 374,680	\$ 160,304	\$ 90,921	16,215	\$ 73,205	\$ 17,716
Jul - May 2021	\$ 378,397	106,623	\$ 197,166	\$ 181,231	\$ 77,873	18,402	\$ 59,632	\$ 18,241

Port of Astoria
Profit & Loss Actual vs. Budget
May 2022

	Actuals Jul 2021 - May 2022	Actuals Jul 2020 - May 2021	Budget Jul 2021 - May 2022	Budget Variance Through May	% of Budget Through May	Full '21-'22 Budget
<u>Operating Revenues</u>						
Dockage & Vessel Service	1,113,143	933,863	1,072,461	40,682	104%	1,180,000
Lease & Rental Income	1,951,990	1,766,057	1,974,427	-22,437	99%	2,163,925
Rebilled Expenses	1,344,639	1,120,766	1,324,787	19,852	101%	1,499,380
Boat Haulout	543,486	358,183	343,844	199,642	158%	390,000
Marina Revenues	587,200	521,919	552,182	35,018	106%	626,480
Fuel Sales	1,285,415	853,894	1,054,632	230,783	122%	1,380,700
Ticket Revenues	5,735	6,145	6,980	-1,245	82%	8,500
Other Income	86,778	107,417	92,399	-5,621	94%	100,800
Total Operating Revenues	6,918,387	5,668,244	6,421,712	496,675	108%	7,349,785
<u>Operating Expenses</u>						
Personnel Services	2,281,634	2,354,999	2,617,733	-336,099	87%	2,879,677
Materials and Services	3,512,874	2,978,922	3,309,046	203,828	106%	3,817,098
Total Operating Expenses	5,794,508	5,333,921	5,926,779	-132,271	98%	6,696,775
Income from Operations	1,123,879	334,324	494,933	628,946	227%	653,010
<u>Non-Operating Revenues</u>						
Property Tax Revenues-Genl Fund	834,107	809,346	816,611	17,496	102%	841,048
Timber Tax Revenues	111,728	100,365	111,728	0	100%	139,458
Other County Revenues	36,130	41,555	38,234	-2,104	94%	39,500
Grants*	2,023,293	783,029	2,023,293	0	100%	4,678,334
Interest Income	1,379	1,416	7,757	-6,378	18%	8,250
Total Non-Operating Revenues	3,007,849	1,735,711	2,997,622	10,226	100%	5,706,590
<u>Total Non-Operating Expenses</u>						
Capital Outlay*	3,373,021	2,221,075	3,373,021	0	100%	6,881,192
Interest Expense	74,432	138,130	66,277	8,155	112%	95,000
Principal Expense	109,361	136,675	101,639	7,722	108%	220,000
Total Non-Operating Expenses	3,556,814	2,495,880	3,540,937	15,877	100%	7,196,192
Net Income (Loss)	574,913	-425,844	-48,382	623,295		-836,592

*Capital Outlay/Grants year-to-date budget set to match Revenue/Expense, not seasonally adjusted.

Port of Astoria

Balance Sheet

As of May 2022

May 31, 2022

ASSETS

Current Assets

Cash & Cash Equivalents

Cash Funds	745
Operating Account #1442	681,275
Payroll Account #5344	23,697
Bornstein MMA #0004	63,306
Money Market #1259	262,388
Total Lewis & Clark Bank	1,030,666

Total Cash & Cash Equivalents 1,031,411

Accounts Receivable 1,456,806

Other Current Assets 1,265,949

Total Current Assets 3,754,165

Fixed Assets 34,408,988

Other Assets

Long-term Receivables 6,270,246

TOTAL ASSETS 44,433,399

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable 249,247

Other Current Liabilities 1,037,319

Total Current Liabilities 1,286,567

Long Term Liabilities

Accrued Vacation Payable 137,170

Accrued Sick Leave 150,986

Notes Payable 13,991,007

Net Pension Liability 2,050,327

OPEB Liability 1,069,338

Pollution Remediation AOC 4 Liability 1,456,000

Less Current Portion LT Debt -361,076

Total Long Term Liabilities 18,493,752

Total Liabilities 19,780,318

Equity

Retained Earnings 24,064,698

Net Income 588,383

Total Equity 24,653,081

TOTAL LIABILITIES & EQUITY 44,433,399



Capital Projects
May 2022
Budget to Actual

DEPARTMENT AND PROJECT			CAPITAL SPENDING & GRANTS - AS BUDGETED			ACTUAL CAPITAL SPENDING & GRANTS			REMAINDER & PRIORITY	
Department	Accounting Reference #	Description	Adopted Capital Expenditure	Adopted Grant Funding	Adopted POA Expense	Expenses through 05/31/2022	Grants Received through 05/31/2022	Expenses through 05/31/2022 NET OF GRANTS	Budgetary Estimate of Remaining POA Expense	Priority Level (1-10) 9=Completed 10=Removed
WFW	32	P2 West 30% Design	40,000		40,000	82,277	-	82,277	(42,277)	1
WFW	33	P2 West Final PS&E Documents; Permitting & Mitigation	250,000		250,000	-	-	-	250,000	1
Airport	04	Backfill and Site Prep Behind Overbay	30,000		30,000	6,058	-	6,058	23,942	2
Airport	05	Backfill and Site Prep Behind Recology	25,000		25,000	13,038	-	13,038	11,962	2
Airport	06	FBO Upgrades	15,000		15,000	37,003	-	37,003	(22,003)	2
Airport	07	Hangar Maintenance	50,000		50,000	310	-	310	49,690	3
WFE - Marinas	22	EMB Dredging - Sampling & Analysis	29,650		29,650	36,108	-	36,108	(6,458)	3
WFW	41	Waterfront Bathymetry	22,000		22,000	-	-	-	22,000	3
Airport	08	Industrial Park	250,000	225,000	25,000	705	-	705	24,295	4
Boatyard	14	Boatyard Feasibility Study	66,666	50,000	16,666	64,985	24,829	40,156	(23,490)	4
Administration	01	2021-22 IT Upgrades	10,000		10,000	9,999	-	9,999	1	5
Airport	03	Airport Master Plan	107,500	90,000	17,500	6,200	-	6,200	11,300	5
WFW	27	422 Gateway - siding, windows, interior upgrades	75,000		75,000	-	-	-	75,000	6
WFE - Marinas	26	West Marina Dredging	482,500		482,500	403,392	-	403,392	79,108	9
Airport	02	AIP 26 Apron Ph. 2	2,388,852	2,381,352	7,500	1,602,901	1,524,175	78,727	-	9
Airport	09	Overbay Building - windows, siding, exterior upgrades	20,000		20,000	9,695	-	9,695	10,305	9
Airport	11	Repair Fencing	7,500		7,500	6,200	-	6,200	1,300	9
Airport	13	Vegetation Management	42,500		42,500	43,300	-	43,300	(800)	9
Boatyard	15	Heat Pump for new shop	5,500		5,500	1,906	-	1,906	3,594	9
WFE - Marinas	23	Marina Piling Replacement (25)	95,000		95,000	134,171	-	134,171	(39,171)	9
WFW	30	Fender Pile Replacement (40) Pier 1 West, Pier 2 East, Pier 2 West	125,000		125,000	273,712	-	273,712	(148,712)	9
WFW	34	Pier 1 Building - paint	25,000		25,000	36,589	-	36,589	-	9
WFW	37	Seal Coat and Stripe Pier 1 Lot	12,500		12,500	26,834	-	26,834	-	9
WFW	39	Slip 1 Debris Removal	25,000		25,000	21,750	-	21,750	3,250	9
Airport	10	Rehab Tetrahedron	15,000		15,000	-	-	-	15,000	10
Airport	12	Taxiway/Ramp Striping; Closed Runway Marking; 12,000 LF	10,000		10,000	-	-	-	10,000	10
Boatyard	16	Refurbish Boatyard dually Forklift (new tower and hydraulic components)	20,000		20,000	-	-	-	20,000	10
Boatyard	17	Sandblasting Building	10,000		10,000	-	-	-	10,000	10
WFE	18	Central Waterfront Master Plan - Permitting and Design	12,500		12,500	59	-	59	12,441	10
WFE	19	Chinook Building Repairs (roof and interior)	5,000		5,000	-	-	-	5,000	10
WFE	20	Seal Coat and Stripe Chinook Lot	12,500		12,500	-	-	-	12,500	10
WFE - Marinas	21	Causeway Repairs	1,809,980	1,491,810	318,170	211,920	-	211,920	106,250	10
WFE - Marinas	24	Marina Truck	20,000		20,000	-	-	-	20,000	10
WFE - Marinas	25	T-Dock Power	150,000		150,000	-	-	-	150,000	10
WFW	28	AOC4	300,000	300,000	-	-	-	-	-	10
WFW	29	Central Waterfront Master Plan - Permitting and Design	12,500		12,500	-	-	-	12,500	10
WFW	31	Fire suppression/system upgrades - Pier 2	20,000		20,000	-	-	-	20,000	10
WFW	35	Pier 2 East - Repairs based on ODOT reports	50,000		50,000	-	-	-	50,000	10
WFW	36	Replace 200' storm water pipe	12,000		12,000	-	-	-	12,000	10
WFW	38	Security Upgrades: Trident equipment; Pier 1 Generator; Pier 1 Booth	201,544	140,172	61,372	-	-	-	61,372	10
WFW	40	Stormwater Upgrades / Maintenance	20,000		20,000	-	-	-	20,000	10
		Misc				343,909	430,826	(86,917)	-	
TOTALS			6,881,192	4,678,334	2,202,858	3,373,021	1,979,830	1,393,191	819,899	

Port of Astoria
Vouchers Paid -- Operating Acct

Type	Date	Num	Name	Memo	Credit
102-00 - Cash					
102-02 - CCB Operating #1442					
Bill Pmt -Check	06/07/2022	81111	Absolute Suppliers, Inc.	Order #204849	7,152.43
Bill Pmt -Check	06/07/2022	81112	Advanced Remediation Technologies, Inc.		1,805.00
Bill Pmt -Check	06/07/2022	81113	America's Phone Guys		47.50
Bill Pmt -Check	06/07/2022	81114	AT&T	Acct # 019 295 1870 001	22.29
Bill Pmt -Check	06/07/2022	81115	Aviation Laboratories	AS450	284.07
Bill Pmt -Check	06/07/2022	81116	Blair Henningsgaard - Atty at Law	File #5535	1,028.72
Bill Pmt -Check	06/07/2022	81117	Bogh Electric		135.00
Bill Pmt -Check	06/07/2022	81118	Campbell Environmental		3,290.00
Bill Pmt -Check	06/07/2022	81119	Card Service Center		2,349.77
Bill Pmt -Check	06/07/2022	81120	CenturyLink	Acct # 497163267	101.11
Bill Pmt -Check	06/07/2022	81121	Charter Business - 0229	8787 14 680 0000229	2,109.63
Bill Pmt -Check	06/07/2022	81122	Charter Business - 0590	8787 14 001 0420590	39.99
Bill Pmt -Check	06/07/2022	81123	Charter Business - 5595	Acct # 8787 14 002 0105595	179.97
Bill Pmt -Check	06/07/2022	81124	Cintas Corporation	10829	457.55
Bill Pmt -Check	06/07/2022	81125	City Lumber	Cust # 7259	293.95
Bill Pmt -Check	06/07/2022	81126	City of Astoria - utilities		688.19
Bill Pmt -Check	06/07/2022	81127	Clean Sweep Maintenance, Inc.		172.50
Bill Pmt -Check	06/07/2022	81128	DSL		28,622.28
Bill Pmt -Check	06/07/2022	81129	Englund Marine (Boatyard)		31.20
Bill Pmt -Check	06/07/2022	81130	Englund Marine (Marina)		25.37
Bill Pmt -Check	06/07/2022	81131	Englund Marine (MX)		823.99
Bill Pmt -Check	06/07/2022	81132	EPIC Aviation, LLC - fuel	AST0770GP	78,023.60
Bill Pmt -Check	06/07/2022	81133	Hart Radiator		1,401.38
Bill Pmt -Check	06/07/2022	81134	Hauer's Lawn Care & Equip		36.95
Bill Pmt -Check	06/07/2022	81135	Independent Actuaries, Inc.		4,000.00
Bill Pmt -Check	06/07/2022	81136	Inland Electric, Inc.	Job # S12460B	2,875.00
Bill Pmt -Check	06/07/2022	81137	J P Plumbing Company, Inc.	Cust ID: AS75	195.00
Bill Pmt -Check	06/07/2022	81138	Jackson and Son Oil		30,799.81
Bill Pmt -Check	06/07/2022	81139	Lawson Products	Cust # 10075026	218.54
Bill Pmt -Check	06/07/2022	81140	Mascott Equipment Co, Inc		3,388.56
Bill Pmt -Check	06/07/2022	81141	Melanie Howard (A/P)	Reimbursements	93.15
Bill Pmt -Check	06/07/2022	81142	Northwest Local Government Legal Advi...	May 2022	2,255.00
Bill Pmt -Check	06/07/2022	81143	Northwest Parking Equipment Co.		404.52
Bill Pmt -Check	06/07/2022	81144	NW Natural	Acct #2737126-9	135.71
Bill Pmt -Check	06/07/2022	81145	Oregon Dept. of Agriculture	Voucher #230699	653.00
Bill Pmt -Check	06/07/2022	81146	Pacific Power		1,852.36
Bill Pmt -Check	06/07/2022	81147	PacificSource Administrators	Employer ID: P00431	4,583.05
Bill Pmt -Check	06/07/2022	81148	PERS Health	RH - Group: 10013822 Subscriber: J24129553	264.78
Bill Pmt -Check	06/07/2022	81149	PetroCard, Inc.	01-0004280	1,623.01
Bill Pmt -Check	06/07/2022	81150	Recology Western Oregon		2,937.97
Bill Pmt -Check	06/07/2022	81151	S. Bruce Conner	June 2022	2,100.00
Bill Pmt -Check	06/07/2022	81152	Shane Jensen - Grant Writer	Grant Writing - May 2022	8,397.50
Bill Pmt -Check	06/07/2022	81153	Shred-It	Cust # 16971101	60.00
Bill Pmt -Check	06/07/2022	81154	Sierra Springs	928320221793628	178.46
Bill Pmt -Check	06/07/2022	81155	Solutions YES, LLC	Acct # PO03	147.32
Bill Pmt -Check	06/07/2022	81156	Special Touch Janitorial, Inc.	May 2022	4,090.00
Bill Pmt -Check	06/07/2022	81157	Spectrio, LLC	Acct # SPX755863	105.00
Bill Pmt -Check	06/07/2022	81158	Standard Insurance Co.	Policy # 00 158620 0001	1,848.10
Bill Pmt -Check	06/07/2022	81159	Stormwater Biochar, LLC		480.00
Bill Pmt -Check	06/07/2022	81160	Sundial Travel Services, Inc.	Reimb for Seatrade 22 in Miami, FL	4,065.46
Bill Pmt -Check	06/07/2022	81161	Sunset Auto Parts - NEW	Cust # 76004	221.12
Bill Pmt -Check	06/07/2022	81162	The Daily Astorian	Account # 12928	352.80
Bill Pmt -Check	06/07/2022	81163	VenTek International	Cust # PORTASTORIA	380.00
Bill Pmt -Check	06/07/2022	81164	Verizon Wireless #7705-1	270297705-00001	567.26
Total 102-02 - CCB Operating #1442					208,394.92
Total 102-00 - Cash					208,394.92
TOTAL					208,394.92

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4-7-22
OK

Port of Astoria
Vouchers Paid -- Operating Acct

Type	Date	Num	Name	Memo	Credit
102-00 - Cash					
102-02 - CCB Operating #1442					
Bill Pmt -Check	06/20/2022	81165	ALS Environmental		870.00
Bill Pmt -Check	06/20/2022	81166	America's Phone Guys		573.77
Bill Pmt -Check	06/20/2022	81167	Bayview Asphalt, Inc.	Cust # 119613	1,042.00
Bill Pmt -Check	06/20/2022	81168	Bergerson Construction, Inc		32,769.50
Bill Pmt -Check	06/20/2022	81169	Blue Line Courier, LLC		200.00
Bill Pmt -Check	06/20/2022	81170	Bogh Electric		1,052.13
Bill Pmt -Check	06/20/2022	81171	Brendon Stock (A/P)	Reimbursement for work boots	77.97
Bill Pmt -Check	06/20/2022	81172	Burl (Bud) Shoemaker II		3,379.48
Bill Pmt -Check	06/20/2022	81173	CHS Inc/Cenex	Cust # 195072	470.13
Bill Pmt -Check	06/20/2022	81174	Cintas Corporation	10829	366.04
Bill Pmt -Check	06/20/2022	81175	City Lumber	Cust # 7259	364.95
Bill Pmt -Check	06/20/2022	81176	City of Warrenton		2,873.81
Bill Pmt -Check	06/20/2022	81177	Clatsop County Lawn & Tractor	544212	111.98
Bill Pmt -Check	06/20/2022	81178	EPIC Aviation, LLC - fuel	AST0770GP	50,403.13
Bill Pmt -Check	06/20/2022	81179	Frank Spence, Commissioner	Reimb - May 2022	100.00
Bill Pmt -Check	06/20/2022	81180	Hauer's Lawn Care & Equip		470.84
Bill Pmt -Check	06/20/2022	81181	Home Depot	6035 3225 3191 4798	1,266.10
Bill Pmt -Check	06/20/2022	81182	iFocus Consulting, Inc.		4,775.00
Bill Pmt -Check	06/20/2022	81183	J P Plumbing Company, Inc.	Cust ID: AS75	175.50
Bill Pmt -Check	06/20/2022	81184	Jim Varner's Automotive		822.90
Bill Pmt -Check	06/20/2022	81185	Jordan Ramis PC	Client ID 43046	1,280.00
Bill Pmt -Check	06/20/2022	81186	Landside Resources, Inc.	May 2022	1,525.00
Bill Pmt -Check	06/20/2022	81187	Lawson Products	Cust # 10075026	194.06
Bill Pmt -Check	06/20/2022	81188	Lum's Auto Center	W/O #2197	104.42
Bill Pmt -Check	06/20/2022	81189	Maritime Fire & Safety Assoc.	Cust ID: PORAST02	1,350.00
Bill Pmt -Check	06/20/2022	81190	P & L Johnson Mechanical, Inc.		2,515.00
Bill Pmt -Check	06/20/2022	81191	Pacific Power	Acct #09996911-015 6	2,553.59
Bill Pmt -Check	06/20/2022	81192	Pape Machinery, Inc.	Cust # 101890	241.92
Bill Pmt -Check	06/20/2022	81193	PetroCard, Inc.	01-0004280	1,004.77
Bill Pmt -Check	06/20/2022	81194	Quadient (postage)	X3391	165.82
Bill Pmt -Check	06/20/2022	81195	Recology Western Oregon (LA)	A1080000232	1,015.51
Bill Pmt -Check	06/20/2022	81196	Sign One		318.00
Bill Pmt -Check	06/20/2022	81197	Solutions YES, LLC		691.85
Bill Pmt -Check	06/20/2022	81198	Staples Advantage		175.74
Bill Pmt -Check	06/20/2022	81199	Sunset Auto Parts - NEW	Cust # 76004	106.52
Bill Pmt -Check	06/20/2022	81200	Sweet Septic and Portable Service	May 2022	260.00
Bill Pmt -Check	06/20/2022	81201	The Daily Astorian	Account # 12928	367.50
Bill Pmt -Check	06/20/2022	81202	TJ's Auto Repair		1,533.62
Bill Pmt -Check	06/20/2022	81203	Trails End Recovery		40.00
Bill Pmt -Check	06/20/2022	81204	Walter E. Nelson Co.	Cust # 1629	1,179.80
Bill Pmt -Check	06/20/2022	81205	Warrenton Fiber Company	Cust # Por Ast	2,328.52
Total 102-02 - CCB Operating #1442					121,116.87
Total 102-00 - Cash					121,116.87
TOTAL					121,116.87

OK
JMO 6-20-22

July 2022

July 2022							August 2022						
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
Jun 26	27	28	29	30	Jul 1	2
3	4 7PM Astoria City Council Mtg July 4th	5 4PM Regular Session 6PM CB City Council Mtg	6 7PM Gearhart City Council Mtg	7	8	9
10	11 4PM Airport Advisory Committee 7PM Seaside City Council Mtg	12 6PM CB City Council Work Mtg 6PM Warrenton City Council Mtg	13 6PM Clatsop Cnty Commission	14 10AM Col-Pac EDD Mtg 10AM NWOEA Mtg 1PM NW ACT Clatsop Comm College	15	16
17	18 7PM Astoria City Council Mtg	19 4PM Regular Workshop Session	20	21	22	23
24	25 7PM Seaside City Council Mtg	26 330PM CEDR Board Mtg 530PM Astoria Planning 6PM Warrenton City 7:30AM AWACC	27 6PM Clatsop Cnty Commission	28 12PM CREST Council Mtg	29	30
31	Aug 1	2	3	4	5	6

COMMITTEE ASSIGNMENTS

Fiscal Year 2021 - 2022

ORGANIZATION	COMMISSION	ALTERNATE
NWACT Northwest Area Committee on Transportation	Scott McClaine	Staff
Col-Pac EDD/ NOEA Columbia-Pacific Economic Development District/ Northwest Oregon Economic Alliance	Robert Stevens	Staff
CREST Columbia River Estuary Study Taskforce	Jim Campbell	Staff
WFOA Western Fishboat Owners Association	Robert Stevens	Staff
LCSG Lower Columbia Solutions Group	Scott McClaine	Staff
CEDR Clatsop Economic Development Resources	Dirk Rohne	Staff
Clatsop Cruise Committee/ Cruise Hosts	Frank Spence	Staff
OPPA Oregon Public Ports Association	Frank Spence & Scott McClaine	Staff
Columbia River Salmon Advisory	Dirk Rohne	Staff
OCZMA Oregon Coastal Management Association	Frank Spence	Staff
Regional Solutions Group	Frank Spence	Staff
Airport Advisory Committee	Jim Campbell	Staff
Budget Committee	All Commissioners	Staff
Marina Advisory Committee	Robert Stevens & Jim Campbell	Staff
City of Cannon Beach	All Commissioners	Staff
City of Seaside	All Commissioners	Staff
City of Gearhart	All Commissioners	Staff
City of Astoria	All Commissioners	Staff
City of Warrenton	All Commissioners	Staff
Clatsop County	Dirk Rohne	Staff
Fish Expo	Robert Stevens	Staff
Lower Columbia Tourism Committee	Scott McClaine	Staff

*Committee assignments were selected and confirmed at the 7/13/2021 regular session meeting



RESOLUTION
NO. 2022-08

MAKING BUSINESS APPOINTMENTS AND AUTHORIZATIONS

BE IT RESOLVED that the Board of Commissioners for the Port of Astoria hereby establishes the following appointments and authorizations for the Fiscal Year July 1, 2022 to June 30, 2023:

OFFICERS FOR BOARD OF COMMISSIONERS:

- President – TBD
- Vice-President – TBD
- Secretary – TBD
- Treasurer – TBD
- Assistant Secretary/Treasurer – TBD

FINANCIAL:

1. Auditors (ORS 297.425) – Talbot, Korvola & Warwick, LLP
2. Municipal Finance (ORS 279.01) – David C. Ulbricht, Director of Municipal Advisory Services, Special Districts Association of Oregon
3. Budget Officer (ORS 294.331) – Executive Director
4. Custodians of Funds – Board Treasurer and Executive Director, or their appointee
5. Investment of Surplus Funds (ORS 294.035 1 to 9) – Custodians of Funds
6. Authorized officer for application, receipt, or expenditure of loan and grant funds – Board Treasurer, Executive Director, or their appointee.
7. Expenditures:
 - A. Checks require a signature from one Commissioner and one of the following: Executive Director, Deputy Director, or Terminal and Customer Support Manager.
 - B. Expenditures of funds shall comply with Oregon’s public contracting laws and the Port of Astoria’s financial policies and procedures.
8. Authorized Financial Institutions:
 - A. Checking and Money Market Accounts – Lewis and Clark Bank, Astoria Branch.
 - B. Property Tax Revenue Receipts and Disbursements: Clatsop County Treasurer

LEGAL NOTICES:

1. Official Notice posting sites:
 - A. Port Office Lobby
 - B. Port website: www.portofastoria.com
2. Local Newspaper of Record: *The Astorian*
3. Trade Newspaper of General Statewide Circulation of Record for public improvement projects in excess of \$125,000: *The Daily Journal of Commerce*.
4. News media to receive notices by email: *The Astorian, Cannon Beach Gazette, Coast River Business Journal, Columbia Press, Chinook Observer, Seaside Signal, Merchant's Exchange*, KAST Radio, KMUN Radio, Astoria Warrenton Chamber of Commerce.
5. Organizations receiving notices by email:
Cities: Astoria, Cannon Beach, Gearhart, Seaside, and Warrenton
Counties: Clatsop
Chambers of Commerce: Astoria-Warrenton, Seaside, Cannon Beach

REGULAR MONTHLY BOARD MEETINGS:

1. Location: Port of Astoria, Board Room, 10 Pier One, Suite 209, Astoria, Oregon or Port of Astoria, Board Room, 422 Gateway Avenue, Suite 100, Astoria, Oregon.
2. Time: First Tuesday of each month, 4:00 PM Pacific Time, unless modified by the Commission with prior notice.

SPECIAL/WORKSHOP BOARD MEETINGS:

1. Location: Port of Astoria, Board Room, 10 Pier One, Suite 209, Astoria, Oregon or Port of Astoria, Board Room, 422 Gateway Avenue, Suite 100, Astoria, Oregon.
2. Time: Third Tuesday of each month, 4:00 PM Pacific Time, unless modified by the Commission with prior notice.
3. Other special meetings scheduled as necessary with proper notice.

OTHER BUSINESS:

1. Election Officer – Executive Director
2. Bond Officer – Executive Director
3. Legal Counsel – Northwest Local Government Legal Advisors, LLC.
4. Insurance Agent of Record – Wilson-Heirgood Associates
5. Employment-related documents shall recognize the Port of Astoria is an equal opportunity employer.
6. Registered office and agent (ORS 198.340):

Office – 422 Gateway Avenue, Suite 100, Astoria, Oregon 97103
Agent – Executive Director

7. Public Records Custodian (ORS 192.410 to 192.505) – Executive Director or his or her appointee.

ADOPTED BY THE BOARD OF COMMISSIONERS this 5th day of July 2022.

Yes _____

No _____

Absent _____

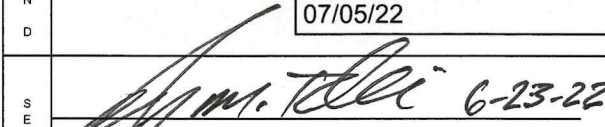

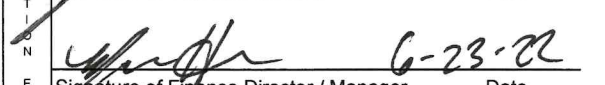
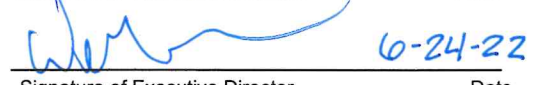
ATTEST:

TBD, Chairman
Board of Commissioners

TBD, Secretary
Board of Commissioners

RE#	0122
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REQUEST FOR EXPENDITURE

SECTION A	Date:	06/20/22	Department:	Maintenance
	Staff Contact:	Joe Tadei	Vendor (if determined):	Bayview Asphalt Inc.
	Description of Product or Service being requested:	Rehabilitation of asphalt surfaces on entrance to Pier 2.		
	Purpose of Product or Service being requested:	resurfacing of degrading asphalt due to wear and tear from vehicle traffic and environmental erosion		
	Cost Estimate:	41,500.00		
SECTION B	1. Does this expenditure exist within the current budget? (Original Budget Amount)			
	<input type="checkbox"/> No (Skip to Section C-2)		/ <input checked="" type="checkbox"/> Yes (Proceed) \$ 50,000.00	
	2. Does this expenditure exceed \$5,000?			
<input type="checkbox"/> No (Skip to Section D)		/ <input checked="" 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)	710-00		
	FY 2022-2023 Budget for this Account	\$ 3,959,368	\$ 2,018,605	
	Amount Spent Year-to-Date for this Account	\$ 0	\$ 0	
	Amount Available to Spend for this Account	\$ 3,959,368	\$ 2,018,605	
	Does this Request for Expenditure require Commission Approval (>=\$25,000)? <input checked="" 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 type="checkbox"/> Yes / <input type="checkbox"/> No			
		TOTAL	NET OF GRANTS	
Account # to deduct funds from to reallocate & accommodate this expenditure (ex: XXX-XX)				
FY 2022-2023 Budget for the Account being reduced	\$	\$		
Amount Spent Year-to-Date for this Account	\$	\$		
Amount Available to Spend for this Account	\$	\$		
What is being given up to accommodate the reallocation of funds for this expenditure?				
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)				
07/05/22				
SECTION E	 6-23-22		 6-23-22	
	Signature of Department Head		Signature of Operations Manager	
	Date		Date	
	 6-23-22		 6-24-22	
Signature of Finance Director / Manager		Signature of Executive Director		
Date		Date		
(required if cost is unbudgeted, or > \$5,000 budgeted)				

(over for Quotation Analysis)

Pier 2 entrance rehabilitation

Project:

Joe Tadei

Project Manager:

Joe Tadei

Quotes obtained by:

Procurement Method:

- Small procurement
 Sole source

- Intermediate procurement
 Emergency

- Request for Bid
 Request for Proposal

Solicitation Method:

- Verbal quotes (informal)

- Requests for written quotes (informal)

- Public solicitation (formal)

Vendor	Amount	Description	Availability	Specific expertise	Other information
Bayview Asphalt	\$41,500.00	repair Pier 2 entrance		Contractor has recent history working with the POA and is the most qualified contractor in the local area.	
Vendor selection & justification: (REQUIRED) Bayview Asphalt is a local asphalt company that the Port has positive experience using. As they are local, they have lower mobilization costs.					



BAYVIEW ASPHALT INC.

A DIVISION OF LAKESIDE INDUSTRIES, INC.

AN EQUAL OPPORTUNITY EMPLOYER

PO BOX 619 SEASIDE, OR 97138 Phone: (503) 738-5466 Fax: (503) 738-9517

PROPOSAL/CONTRACT AGREEMENT

To: Port Of Astoria	Contact: Joe Tadei
Address: 10 Pier One, Suite 308, 10 Pier 1 Building, Suite 308 Astoria, OR 97103	Phone: 503-741-3300 Fax: 503-741-3345
Project Name: Port Of Astoria - Access Way To Pier 2 Off Gateway Avenue	Bid Number:
Project Location: 422 Gateway Avenue, Astoria, OR	Bid Date: 4/15/2022
Attachments: Bayview Terms and Conditions 11.08.2020.pdf	

Item #	Item Description	Total Price
001	Mobilization	\$700.00
002	Grind Butt Joints, Clean, Sweep And Tack Existing Asphalt. Pre-level To Build Crown. Furnish & Install Level 2 1/2 Inch ACP At An Approximate 2 Inch Depth Compacted For Overlay Of Access Way To Pier 2 (Approximately 12,750 SQ.FT.) Sand Seal All Joints.	\$40,800.00

Total Bid Price: \$41,500.00

Notes:

- **Price based on current petroleum cost. Price escalation to be linked to the ODOT asphalt binder index as of 4/15/2022.**
- **Port of Astoria will close pave area for construction to complete all prep and paving.**
- Price Based on 1 Mobilizations. Additional Mobilizations are \$N/A Each.
- **Price Excludes:** Layout, Survey, or Engineering; Erosion Control; Utility Location and/or Adjustment; Utility Patching; Premium Pay for Night, Holiday, or Weekend Work; Herbicide; **Traffic Control;** Prime Coat; Rock or Grading; Insurance Premium over Standard Insurance; Base Repair; Temp Ramp Placement/Removal; MTV/MTD; Cleaning Between Lifts; Tax; Permits; Bond; Testing; Sawcutting; Curbing; **Concrete Protection;** Crack Sealing; Seal Coat; Striping.
- Subgrades must be firm and unyielding.
- Working Hours to be Monday through Friday 7:00am - 6:00pm.
- Performance Bond not included in bid price. If required please add 1% to total cost of bid.
- Bid based on approved contract. **This proposal to be a part of all contract documents.**
- Total price to be based on actual quantity or measurement unless otherwise specified.
- Bayview Asphalt Inc. is not responsible for designed cross slopes of less than 1.2% that hold water after paving is complete.
- Bayview Asphalt Inc.'s proposed prices herein assume that Bayview Asphalt Inc.'s work hereunder will be substantially complete on or before: **6/30/2022.**
- Unless Contracting Party has signed and returned this Agreement with in thirty (30) days of the date first stated above, BAYVIEW ASPHALT INC.'S proposal shall be null and void.
- CONTRACTING PARTY'S SIGNATURE ON ONE COPY RETURNED TO BAYVIEW ASPHALT INC. WILL RENDER THIS A LEGAL CONTRACT FOR THE PERFORMANCE OF THE ABOVE WORK. CONTRACTING PARTY'S SIGNATURE ALSO ACKNOWLEDGES RECEIPT OF BAYVIEW ASPHALT INC.'S NOTICE TO CUSTOMER STATEMENT ATTACHED HERETO.
- **Oregon CCB: 63551/WA #BAYVIAI817C6**

Payment Terms:

Payment is due within 10 days of receipt of invoice.

<p>ACCEPTED:</p> <p>The above prices, specifications and conditions are satisfactory and are hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED:</p> <p>Bayview Asphalt Inc</p> <p>Authorized Signature: _____</p> <p>Estimator: Tim Wirkkala 503.738.5466 tim.wirkkala@bayviewasphalt.com</p>
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Talbot, Korvola & Warwick, LLP 14945 SW Sequoia Parkway, Suite 150, Portland, OR 97224
P 503.274.2849 F 503.274.2853 www.tkw.com

June 30, 2022

Board of Commissioners
Port of Astoria
422 Gateway Ave, Suite 100
Astoria, Oregon 97103

Attention: Frank Spence, President, Board of Commissioners

The Objective and Scope of the Audit of the Financial Statements

You have requested that Talbot, Korvola & Warwick, LLP (“TKW”, “we”, “us”, or “our”) audit the basic financial statements of the Port of Astoria (the Port), as of and for the year ending June 30, 2022. Our audit will also consider required supplementary information (RSI) and supplementary information (SI) as presented by the Port. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter (“Arrangement Letter”).

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards* issued by the Comptroller General of the United States (GAS) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

You have also requested that TKW perform the audit of the Port as of June 30, 2022 so as to satisfy the audit requirements imposed by the Single Audit Act and Subpart F of Title 2 U.S. Code of Federal Regulations (CPR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The Responsibilities of the Auditor

We will conduct our audit in accordance with GAAS; GAS; the Uniform Guidance; and the U.S. Office of Management and Budget’s (OMB) Compliance Supplement. Those standards, regulations, supplements or guides require that we comply with applicable ethical requirements. As part of an audit in accordance with GAAS, GAS, and the Uniform Guidance, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.



RSM US Alliance is a premier affiliation of independent accounting and consulting firms. RSM US Alliance provides its members with access to resources of RSM US LLP. RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International. RSM US®, the RSM US Alliance logo and the RSM US Alliance signatures are proprietary to RSM US LLP, while RSM™ is used under license by RSM US LLP.

The Responsibilities of the Auditor (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Port's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Port's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and GAS. Because the determination of waste or abuse is subjective, GAS does not require auditors to perform specific procedures to detect waste or abuse in financial statement audits.

We will also communicate to the Board of Commissioners (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

We are responsible for the compliance audit of major programs under the Uniform Guidance, including the determination of major programs, the consideration of internal control over compliance, and reporting responsibilities.

Our reports on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards and regulations identified above. Our reports on compliance matters will address material errors, fraud, waste or abuse, violations of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed by contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with requirements of the standards and regulations identified above.

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants and GAS.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Management is responsible for:

1. Identifying and ensuring that the Port complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;
2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Port involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework (Continued)

3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the Port received in communications from employees, former employees, analysts, regulators, short sellers, vendors, customers or others.

Management is responsible for the preparation of the Required Supplementary Information (RSI) which accounting principles generally accepted in the United States of America (U.S. GAAP) requires to be presented to supplement the basic financial statements. Management is also responsible for the preparation of Supplementary Information (SI) presented in relation to the financial statements as a whole in accordance with U.S. GAAP. Management agrees to include the auditor's report on the RSI and SI in any document that contains the RSI and SI and indicates that the auditor has reported on such RSI and SI. Management also agrees to present the RSI and SI with the audited financial statements or, if the RSI and SI will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the RSI and SI no later than the date of issuance of the RSI and SI and the auditor's report thereon.

The Board of Commissioners is responsible for informing us of its views about the risks of fraud, waste or abuse within the Port, and its knowledge of any fraud, waste or abuse or suspected fraud, waste or abuse affecting the Port.

Our audit will be conducted on the basis that management and when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP);
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
4. For establishing and maintaining effective internal control over financial reporting, and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
5. For report distribution; and
6. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including information relevant to disclosures;
 - b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed, to allow for the completion of the audit in accordance with the proposed timeline;
 - b. Additional information that we may request from management for the purpose of the audit; and
 - c. Unrestricted access to persons within the Port from whom we determine it necessary to obtain audit evidence.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework (Continued)

As part of our audit process, we will request from management and when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this Arrangement Letter; and
2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Because the audit will be performed in accordance with the Single Audit Act and the Uniform Guidance, management is responsible for (a) identifying all federal awards received and expended; (b) preparing the and the fair presentation of the Schedule of Expenditures of Federal Awards (including notes and noncash assistance received) in accordance with Uniform Guidance requirements; (c) internal control over compliance; (d) compliance with federal statutes, regulations, and the terms and conditions of federal awards; (e) making us aware of significant vendor relationships where the vendor is responsible for program compliance; (f) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings and a corrective action plan; (g) timely and accurate completion of the Data Collection Form; and (h) submitting the reporting package and Data Collection Form.

Reporting

We will issue a written report upon completion of our audit of the Port's financial statements. Our report will be addressed to the Board of Commissioners. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report.

If circumstances arise relating to the condition of the Port's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including, but not limited to, declining to express an opinion or issue a report, or withdrawing from the engagement.

In addition to our report on the Port's financial statements, we will also issue the following reports:

- Report on Compliance and Internal Control over Financial Reporting based on an Audit of Financial Statements Performed in Accordance with Oregon State Regulations.
- A report on the fairness of the presentation of the Port's Schedule of Expenditures of Federal Awards for the year ending June 30, 2022.
- Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with GAS.
- Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance.
- An accompanying Schedule of Findings and Questioned Costs.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the Port's books and records. The Port will determine that all such data, if necessary, will be so reflected. Accordingly, the Port will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by Port personnel, including the preparation of schedules and analyses of accounts, will be discussed and coordinated with Melanie Howard, Accounting and Business Services Manager. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Parties' Understandings Concerning Situation Around COVID-19

TKW and the Port acknowledge that, at the time of the execution of this Arrangement Letter, federal, state and local governments, both domestic and foreign, have imposed certain restrictions on travel and/or the movement of their citizens due to the ongoing and evolving situation around COVID-19. In addition, like many organizations and companies in the United States and around the globe, TKW has restricted its employees from certain travel and onsite work, whether at a client facility or TKW facility, to protect the health of both TKW's and its clients' employees. Accordingly, to the extent that any of the services described in this Arrangement Letter requires or relies on TKW or Port personnel to travel and/or perform work onsite, either at the Port's or TKW's facilities, including, but not limited to, maintaining business operations and/or IT infrastructure, TKW and the Port acknowledge and agree that the performance of such work may be delayed, significantly or indefinitely, and thus certain services described herein may need to be rescheduled and/or suspended at either TKW's or the Port's sole discretion. TKW and the Port agree to provide the other with prompt written notice (email will be sufficient) in the event any of the services described herein will need to be rescheduled and/or suspended. TKW and the Port also acknowledge and agree that any delays or workarounds due to the situation surrounding COVID-19 may increase the cost of the services described herein. Costs also may increase if services provided include matters such as consideration of going concern, impairment analysis, debt forgiveness or lease concessions, not already considered within the stated fees. TKW will obtain the Port's prior written approval (email will be sufficient) for any increase in the cost of TKW services that may result from the situation surrounding COVID-19.

Other Relevant Information

In accordance with GAS, a copy of our most recent peer review report is enclosed for your information.

Fees and Costs

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement, plus direct expenses. Our fee estimate and completion of our work is based upon the following criteria:

1. Anticipated cooperation from Port personnel.
2. Timely responses to our inquiries.
3. Timely completion and delivery of client assistance requests.
4. Timely communication of all significant accounting and financial reporting matters.
5. The assumption that unexpected circumstances will not be encountered during the engagement.

If any of the aforementioned criteria are not met, then fees may increase. Interim billings will be submitted as work progresses and expenses are incurred. Our fee for the services described in this letter is expected not to exceed \$46,000 for the year ending June 30, 2022 for the audit of the financial statements, and not expected to exceed \$6,000 for the single audit, unless the scope of the engagement is changed, the assistance which the Port has agreed to furnish is not provided, or unexpected conditions are encountered, in which case we will discuss the situation with you before proceeding. All other provisions of this letter will survive any fee adjustment. Billings are due upon submission.

Use of Subcontractors and Third-Party Products

From time to time and depending upon the circumstances, we may, in our sole discretion, use qualified third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose Confidential Information to them. You hereby consent to us sharing your information, including Confidential Information, with these third-party service providers on the same basis as we would be permitted to share information with one of our employees; provided such recipients are bound by written obligations of confidentiality that are as protective of your confidential information as the confidentiality terms set forth herein. You acknowledge and agree that our use of third-party service providers may involve the processing, input, disclosure, movement, transfer, and storage of your information and data outside of our technology infrastructure.

We also may provide services to you using certain third-party hardware, software, software services, managed services (including, but not limited to, web hosting, data security, data back-up, email security, or similar services subject to direct end-user or subscription agreements), applications, and equipment (collectively, "Third-Party Products"). You acknowledge that your or our use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by you to us, including Personal Information and Confidential Information, within the Third-Party Product's infrastructure and not ours, and that the terms of use and service set forth in the end-user license, subscription, or other agreement with the licensor of such Third-Party Product, including, but not limited to, applicable laws, will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product's infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information, to the licensors of such Third-Party Products for the purpose described herein.

You acknowledge that your or our use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from your or our use of a Third-Party Product.

Use and Ownership; Access to Audit Documentation

The Audit Documentation for this engagement is the property of TKW. For the purposes of this Arrangement Letter, the term "Audit Documentation" shall mean the confidential and proprietary records of TKW's audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by TKW for the Port under this Arrangement Letter, or any documents belonging to the Port or furnished to TKW by the Port.

Review of Audit Documentation by a successor auditor or as part of due diligence is subject to applicable TKW policies, and will be agreed to, accounted for and billed separately. Any such access to our Audit Documentation is subject to a successor auditor signing an Access & Release Letter substantially in TKW's form. TKW reserves the right to decline a successor auditor's request to review our workpapers.

In the event we are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the Port, the Port will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Use and Ownership; Access to Audit Documentation (Continued)

You acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the Audit Documentation upon their request and that we shall maintain the Audit Documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to the requested Audit Documentation will be provided under the supervision of TKW audit personnel and at a location designated by our firm.

Indemnification, Limitation of Liability, and Claim Resolution

Because TKW will rely on the Port and its management and Board of Commissioners to discharge the foregoing responsibilities, the Port agrees to indemnify, hold harmless and release TKW and its partners, principals, officers, directors, employees, affiliates, subsidiaries, contractors, Subcontractors, agents, representatives, successors, or assigns from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the Port's management.

THE PORT AND TKW AGREE THAT NO CLAIM ARISING OUT, FROM, OR RELATING TO THE SERVICES RENDERED PURSUANT TO THIS ARRANGEMENT LETTER SHALL BE FILED MORE THAN TWO YEARS AFTER THE DATE OF THE AUDIT REPORT ISSUED BY TKW OR THE DATE OF THIS ARRANGEMENT LETTER IF NO REPORT HAS BEEN ISSUED. IN NO EVENT SHALL TKW OR THE PORT, OR ANY OF THEIR RESPECTIVE PARTNERS, PRINCIPALS, OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, SUBSIDIARIES, CONTRACTORS, SUBCONTRACTORS, AGENTS, REPRESENTATIVES, SUCCESSORS, OR ASSIGNS (COLLECTIVELY, THE "COVERED PARTIES" AND EACH INDIVIDUALLY, A "COVERED PARTY"), BE LIABLE FOR THE INTERRUPTION OR LOSS OF BUSINESS, ANY LOST PROFITS, SAVINGS, REVENUE, GOODWILL, SOFTWARE, HARDWARE, OR DATA, OR THE LOSS OF USE THEREOF (REGARDLESS OF WHETHER SUCH LOSSES ARE DEEMED DIRECT DAMAGES), OR INCIDENTAL, INDIRECT, PUNITIVE, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR SIMILAR SUCH DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF THE COVERED PARTIES ARISING OUT OF, FROM, OR RELATING TO THIS ARRANGEMENT LETTER, OR THE REPORT ISSUED OR SERVICES PROVIDED HEREUNDER, REGARDLESS OF THE CIRCUMSTANCES OR NATURE OR TYPE OF CLAIM, INCLUDING, WITHOUT LIMITATION, CLAIMS ARISING FROM A COVERED PARTY'S NEGLIGENCE OR BREACH OF CONTRACT OR WARRANTY, OR RELATING TO OR ARISING FROM A GOVERNMENT, REGULATORY OR ENFORCEMENT ACTION, INVESTIGATION, PROCEEDING, OR FINE, WILL NOT EXCEED THE TOTAL AMOUNT OF THE FEES PAID BY THE PORT TO TKW UNDER THIS ARRANGEMENT LETTER. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS LIMITATION OF LIABILITY PROVISION SHALL, OR SHALL BE INTERPRETED OR CONSTRUED TO, RELIEVE THE PORT OF ITS PAYMENT OBLIGATIONS TO TKW UNDER THIS ARRANGEMENT LETTER.

Confidentiality

TKW and the Port may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, TKW and the Port agree as the recipient of such Confidential Information (the "Receiving Party") to keep strictly confidential all Confidential Information provided to it by the disclosing party (the "Disclosing Party") and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its rights under this Arrangement Letter and for no other purpose or use. Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations hereunder. To avoid any doubt, TKW is permitted to disclose the Port's Confidential Information to TKW's personnel, agents, and representatives for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

Confidentiality (Continued)

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins and/or similar information; (ii) any information that the Disclosing Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Arrangement Letter.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Arrangement Letter.

Notwithstanding the foregoing, in the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

Preexisting Nondisclosure Agreements

In the event that the parties have executed a separate nondisclosure agreement and such agreement does not automatically terminate or expire upon execution of this Arrangement Letter, such agreement shall be terminated as of the effective date of this Arrangement Letter.

Data Protection Compliance

We take reasonable steps to comply with all applicable privacy, cybersecurity, and data protection laws that may apply to Personal Information and Confidential Information we process on behalf of our clients.

Prior to disclosing to us or our Subcontractors or granting us or our Subcontractors with access to your data, you will identify in writing any personal, technical, or other data provided or made accessible to us or our Subcontractors pursuant to this Arrangement Letter that may be subject to heightened protections under applicable privacy, cybersecurity, export control, and/or data protection laws, including, but not limited to, protected health information pursuant to the Health Information Portability and Accountability Act of 1996 ("HIPAA"), classified or controlled unclassified information subject to the National Industrial Security Program, the National Industrial Security Program Operating Manual, or the Defense Federal Acquisition Regulation Supplement ("DFARS"), data subject to Export Administration Regulations ("EAR"), or International Traffic in Arms Regulations ("ITAR") controlled data. Unless otherwise expressly agreed upon and specified in writing by TKW and the Port, you shall not provide us or any of our Subcontractors with access to such data and you shall be responsible for the handling of all such data in connection with the performance of the services requested hereunder, including, but not limited to, the scrubbing, de-identification, de-aggregation, protection, encryption, transfer, movement, input, storage, migration, deletion, copying, processing, and modification of such data.

Data Protection Compliance (Continued)

TKW and the Port acknowledge and agree that they may correspond or convey information and documentation, including Confidential Information and Personal Information, via various forms of electronic transmission, including, but not limited to, Third-Party Products, such as, email, FTP and cloud-based sharing and hosting applications (e.g., portals, data analytics tools, and helpdesk and support ticketing applications), and that neither party has control over the performance, operation, reliability, availability, or security of these electronic transmissions methods. Therefore, neither party will be liable for any loss, damage, expense, harm, disclosure or inconvenience resulting from the loss, delay, interception, corruption, unauthorized disclosure or alteration of any electronic transmission where the party has used commercially reasonable efforts to protect such information. We offer our clients various platforms for the exchange of information. You hereby agree that you shall be bound by and comply with any and all user terms and conditions made available (whether by link, click-through, or otherwise) with respect to such platforms.

Personal Information

As used herein, the term “Personal Information” means any personal information that directly or indirectly identifies a natural person as may be defined by applicable privacy, data protection or cybersecurity laws, and includes, but is not limited to, nonpublic, personally identifiable information such as Social Security numbers, Social Insurance numbers, driver’s license numbers or state- or province-issued identification card numbers, credit or debit card numbers with or without any required security code, number or passwords, health information, and other personal information as defined by applicable laws, whether of the Port or Port’s customers or other third parties.

Each party agrees that it will not transmit to the other, in any manner, (i) Personal Information that is not needed to render the services hereunder, and (ii) Personal Information that has not been encrypted. In the event you transmit to us Personal Information in an unencrypted format or via unencrypted means, you agree that we have no obligation to notify you of the foregoing.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use and disclosure to us or our Subcontractors of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

We will use all such Port-provided Personal Information, if at all, only for the purposes described in this Arrangement Letter. The parties agree that as part of the performance of the services as described in this Arrangement Letter, and as part of the direct business relationship between the parties, we may, at our election, use the Personal Information to improve the services and for other similar internal and business purposes. We agree to maintain appropriate security measures to protect such Personal Information in accordance with applicable laws.

If we become aware of an unauthorized acquisition or use of Port-provided Personal Information, we will promptly inform you of such unauthorized acquisition or use as required by applicable laws and, upon your written request, reasonably cooperate with you at your sole cost in support of any breach notification requirements as imposed upon you by applicable laws.

Retention of Records

We will return to you all original records you provide to us in connection with this engagement. Further, in addition to providing you with those deliverables set forth in this Arrangement Letter, we will provide to you a copy of any records we prepare or accumulate in connection with such deliverables which are not otherwise reflected in your books and records without which your books and records would be incomplete. You have the sole responsibility for retaining and maintaining in your possession or custody all of your financial and nonfinancial records related to this engagement. We will not host, and will not accept responsibility to host, any of your records. We, however, may maintain a copy of any records of yours necessary for us to comply with applicable law and/or professional standards. Any such records retained by us will be subject to the confidentiality obligations set forth herein and destroyed in accordance with our record retention policies.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, we may, at its sole discretion, terminate this Arrangement Letter without further obligation to you. Resumption of our work following termination may be subject to our client acceptance procedures and, if resumed, will necessitate additional procedures not contemplated in this Arrangement Letter. Accordingly, the scope, timing and fee arrangement discussed in this Arrangement Letter will no longer apply. In order for us to recommence work, the execution of a new Arrangement Letter will be required.

We may terminate this Arrangement Letter upon written notice if: (i) we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards.

The parties agree that those provisions of this Arrangement Letter which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, claim resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Arrangement Letter.

Miscellaneous

We may mention your name and provide a general description of the engagement in our client lists and marketing materials.

The Port agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the Port agrees to contact us before it includes our reports, or otherwise makes reference to us, in any public or private securities offering. Our association with an official statement is a matter for which separate arrangements will be necessary. The Port agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed.

We agree that our association with any proposed offering is not necessary, providing the Port agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. The Port agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:

Talbot, Korvola & Warwick, LLP, our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Talbot, Korvola & Warwick, LLP also has not performed any procedures relating to this official statement or memorandum.

Miscellaneous (Continued)

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the Firm and is subsequently employed by or associated with a client in a key position. Accordingly, the Port agrees it will compensate us for any additional costs incurred as a result of the Port's employment of one of our partners, principals, or employees.

Notices

Unless otherwise expressly agreed upon by the parties in this Arrangement Letter, all notices required to be given hereunder will be in writing and addressed to the party at the business address provided in this Arrangement Letter, or such other address as such party may indicate by a notice delivered to the other party. A copy of any legal notice (e.g., any claimed breach or termination of this Arrangement Letter) sent by the Port to TKW shall also be sent to the following address: 14945 SW Sequoia Parkway, Suite 150, Portland, OR 97224. Except as otherwise expressly provided in this Arrangement Letter, notices hereunder will be deemed given and effective: (i) if personally delivered, upon delivery; (ii) if sent by registered or certified mail or by overnight courier service with tracking capabilities, upon receipt; and, (iii) if sent by electronic mail (without indication of delivery failure), at such time as the party that sent the notice receives confirmation of receipt, whether by read-receipt confirmation or otherwise.

Governing Law

This Arrangement Letter, including, without limitation, its validity, interpretation, construction, and enforceability, and any dispute, litigation, suit, action, claim, or other legal proceeding arising out of, from, or relating in any way to this Arrangement Letter, any provisions herein, a report issued or the services provided hereunder, will be governed and construed in accordance with the laws of the State of Oregon, without regard to its conflict of law principles, and applicable U.S. federal law.

Entire Agreement

This Arrangement Letter constitutes the complete and exclusive statement of agreement between TKW and the Port and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Arrangement Letter.

If any term or provision of this Arrangement Letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Arrangement Letter may be amended or modified only by a written instrument executed by both parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this Arrangement Letter or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities or (iv) a digital signature. This Arrangement Letter may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically

Electronic Signatures and Counterparts (Continued)

signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Please sign and return a copy of this Arrangement Letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, including our respective responsibilities.

Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represents that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

AGREED TO AND ACKNOWLEDGED BY:

TALBOT, KORVOLA & WARWICK, LLP

By *Julie B. Fahey*
Julie B. Fahey, Partner

Confirmed on behalf of the addressee:
Port of Astoria

Signature

Title

Date



Report on the Firm's System of Quality Control

To the Partners of
Talbot, Korvola & Warwick, LLP
and the Peer Review Committee of the Oregon Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Talbot, Korvola & Warwick, LLP (the firm) in effect for the year ended March 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and audits of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Talbot, Korvola & Warwick, LLP in effect for the year ended March 31, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Talbot, Korvola & Warwick, LLP has received a peer review rating of *pass*.

THE RBH Group, LLC

July 21, 2021