PUBLIC MEETING: Port Commission Special Meeting

DATE: Tuesday **October 24, 2023, 6 PM**

LOCATION: Cascade Locks City Hall 140 Wa Na Pa St, Cascade Locks, OR 97014

https://us02web.zoom.us/j/85806615790

AGENDA

1) Commission meeting called to order
- **a.** Pledge of Allegiance
- **b.** Roll Call
- **c.** Modifications, Additions and Changes to the Agenda

2) Public Comment (Speakers may be limited to three (3) minutes)

3) Special Presentation and Reports by outside resources, staff, and Government Officials
- **a.** Introduction and History of City Electrical Upgrade Project – Mark Johnson
- **b.** BKI Engineering

4) Executive Session under ORS.192.660(2)(h) Legal counsel regarding litigation or litigation likely to be filed

5) Adjournment

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 in advance of the meeting by contacting the Port of Cascade Locks office at 541-374-8619.

PORT COMMISSION REPORT

TO: PORT COMMISSION

FROM: MARK JOHNSON, GOVERNMENT RELATIONS CONSULTANT

SUBJECT: **CITY ELECTRIC UPGRADE INFORMATION PACKET**

DATE: OCTOBER 23, 2023

Introduction

Presentations and Commission deliberations regarding upgrades to the Business Park electrical transmission capabilities and investment of Port resources in the project.

The following documents are provided for the Commission to review:

1. BKI Memorandum – Port of Cascade Locks Business Park Upgrade, dated April 12, 2023, addressed costs to improve electrical capacity in the Business Park for Port needs.
2. BKI Memorandum – CL22-001 EDA Project/PLC22-001 Port System Upgrades was written for the City and how they might cover their costs to complete the EDA grant scope of work for the entire City and the Business Park due to do inflationary cost increased. It includes significant Port investment.
3. Intergovernmental Agreement Between the City of Cascade Locks and the Port of Cascade Locks is a proposed update to the current IGA between the City and Port dated 2013 that is still in place.

Attachment: BKI Memorandum – Port of Cascade Locks Business Park Upgrade
BKI Memorandum – CL22-001 EDA Project/PLC22-001 Port System Upgrades
Intergovernmental Agreement Between the City of Cascade Locks and the Port of Cascade Locks

BKI ENGINEERING SERVICES
Power in Partnership

STATEMENT OF WORK

Between BKI Engineering Services (BKI) and Port of Cascade Locks (PCL)

Project Name:	Port of Cascade Locks Business Park Upgrade
Project Location:	Port of Cascade Locks
BKI Project No.:	PLC22-001
Date:	April 12, 2023

PROJECT NARRATIVE

The Port of Cascade Locks (PCL) is seeking engineering support to design and increase reliability and capacity via an underground service in the Business Park by creating a distribution loop for the future development of the Business Park. As part of a concurrent effort by the City of Cascade Locks to upgrade its substation service to the park, the Port intends to develop the distribution loop to take advantage of construction season.

The following is a general scope of work that identifies a solution overview with phases for the project, deliverables, exclusions, client responsibilities, a high-level timeline and budget.

SOLUTION OVERVIEW

The City's Economic Development Administration (EDA) project to harden and upgrade the City's electric distribution system has led to interest by the Port to raise the electrical capacity and create a redundant service in the business park. A review of the EDA loan documents and discussions with the Port has led to a natural division of the original project which will allow increased capacity and reliability to the Port and the City.

Conversation with the Port about the project has resulted in several ideas to meet the Port's future needs. The basic concept is a distribution loop. If one section of the Port's Business Park distribution feeder fails, the remaining section, depending on its location, can be manually switched to the City's distribution feeder until repairs can be made.

The project solution will address:

1) The Business Park distribution circuits and equipment
2) The overhead and underground distribution from the I-84 crossing to the Business Park
3) A portion of the I-84 crossing hardening project
4) A portion of the Cascade Locks Substation upgrade to two transformers, and two feeders.

Upon authorization to proceed, BKI agrees to provide services as summarized:

Phase 1 – Solution Development

These solutions have been developed and presented to the City, however, some refinement is need to clearly understand the boundaries between the City's EDA project and the Port's Business Park project.

- Refine the developed solution for the Business Park distribution
- Refine the Port distribution feeder circuit solution from the I-84 crossing to the Business Park entrance
- Refine the City's distribution feeder western entrance to the Business Park

Phase 2 – Design Development

- Make design recommendations to PCL ensuring the geotechnical, environmental, and the archaeological challenges are addressed based on information provided by PCL
- Secure necessary right-of way permits and easements
- Develop the design of the Business Park distribution feeder
- Develop the design of the City's distribution feeder western entrance to the Business Park
- Develop the design of the distribution feeder from the I-84 distribution crossing to the Business Park entrance
- Develop the design of the I-84 Interstate crossing
- Obtain PCL design review comments
- Update the design as per PCL comments
- Final engineering review, stamp, and sign Issue For Construction (IFC) drawings

Phase 3 – Procure and Construct

- Specify distribution equipment to be used in the project
- Prepare construction bid documents and manage the bid process
- Evaluate bids and recommend contractor and/or supplier
- Provide construction management for the project
- Provide oversight for the commissioning and testing of the project work

Phase 4 – Project Close Out

- Update IFC drawing to "As Built" drawings

ASSUMPTIONS

The following items are assumed to be included in the scope of this Statement of Work:

- Use of Rural Utility Service (RUS) construction standards where applicable
- Ownership of the electrical equipment and the resulting switching and maintenance operations, and its costs associated with said equipment is assumed to be that of the City of Cascade Locks unless BKI is made aware of the ownership changes, operating and maintenance responsibilities

DELIVERABLES

BKI shall provide the following deliverables:

- Signed underground IFC design/construction drawings for the Business Park
- Feeder IFC design/construction drawings or alternative design documents
- Signed distribution line IFC design/construction drawings for the I-84 crossing
- Weekly construction meeting's agenda and minutes
- Quarterly project status reports to PCL
- Final "As Built" drawing set

EXCLUSIONS

The following items are excluded from the scope of this Statement of Work:

- Geotechnical, environmental, and archaeological, investigations will be provided by PCL and is not included in the scope of work

CLIENT RESPONSIBILITIES

PCL agrees to perform/provide the following:

- Provide review and feedback of design/construction documents within two (2) weeks of receipt of the design/construction documents
- PCL to provide commercial terms and conditions for procurement and construction

HIGH-LEVEL TIMELINE

BKI Engineering services believes this work could be completed in ***3 months*** from the signing of the contract.

NOTE: The timeline provided in this document is contingent upon prompt review and approval of this agreement, and prompt responses to any request for information during the project. Delay in approving this work or providing requested information may result in a commensurate delay in the project's completion.

BUDGET

There are two options for providing the Port of Cascade Locks with an upgraded service to the Business Park. This is largely due to the current carrying capability of underground conductor, the current carrying capability of overhead conductor, and the size of the substation transformer.

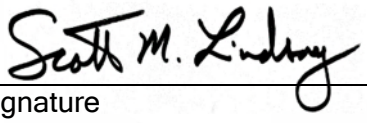
The maximum loading of the proposed 1000 MCM underground cable in the Business Park is 610A in duct which is equivalent to 14.6 MW. The maximum loading of the proposed Dove 556 kcmil overhead conductor feeding the Business Park is 724A which is equivalent to 17.3 MW.

This means that the proposed design for the Business Park can only support 14.6 MW. The engineering design cost for this option is **$121,000**.

The maximum loading for the Business Park can be doubled to support 29.2 MW by double circuiting the distribution lines in the Business Park. To match the loading of the Business Park the overhead distribution lines must be changed from the proposed Dove 556 kcmil overhead conductor to Bittern 1272 kcmil with a current carrying capacity of 1184A which is equivalent to 29.2 MW. ***This means that the modified design for the Business Park can support 29.2 MW***. The engineering design cost for this option is **$127,000**.

The fixed engineering cost for each option is described above, however, the scope of work is relatively the same. Expenses are reimbursed at cost plus 15% and are excluded from the fixed fee price. **Note:** Materials/equipment costs will increase for the second option as it involves doubling the capacity by deploying parallel conductor.

Signing this Statement of Work between BKI and PCL authorizes BKI to complete the work as described above under the terms and conditions of the Service Agreement in effect at the time of signing.

BKI Engineering Services	Port of Cascade Locks
Scott M. Lindsay, President	
Print Name and Title	Print Name and Title
	
Signature	Signature
April 12, 2023	
Date	Date

Business Park Underground Project (14.6 MW maximum load)

Overhead Section

The first segment of the Business Park Underground project is the overhead line section (500') built to the SW corner entrance of the Business Park. This will require (3) 45' Doug fir poles with 556 ACSR 3 phase. This will include:

1) 45' Doug fir poles - $1,500 ea. = $4,500
2) 556 ACSR (Dove) – 1500' @ $25/ft = $37,500
3) 336 ACSR(Linnet) – 500' @ $18/ft = $9,000
4) Guying/Anchor – 2 @$500 ea. = $1,000

The cost for the overhead line feeding the Business Park is estimated to be $52,000.

Underground Section

The end of the above overhead line is where the proposed underground (UG) will originate. The UG project will require replacing most of the existing concrete vaults that were installed 25 years ago as they are not large enough for the size of cable that is being required by the requested load. Seven of the concrete vaults are to be replaced.

1) New (9' x 12') vaults to replace existing vaults. (7) @ $22,500 ea. = $157,500
2) Labor to replace vaults, (7) @ $5000/day labor = $35,000
3) UG cable 15kV 1000 kcmil - $60/ft x 3250' = $195,000
4) Terminating the cable in the vaults will be done with 600 amp "T" body connections, there will be (3) per vault / (1) per phase for total of 21 modules and 63 total "T" body connections, (3) per phase / per vault x 7 vaults.

600 amp "T" body connections (63) @ $745 ea. = $46,935
600 amp 4-way modules (21) @ $875 ea. = $18,375

600 Series Deadbreak Components

600 Series deadbreak elbows, straight receptacles, junctions, vault stretchers and accessories are used to connect equipment and cable on primary feeder and network circuits. Designs accommodate large conductors and feature bolted connections and deadfront modular construction for maximum reliability, performance and versatility.

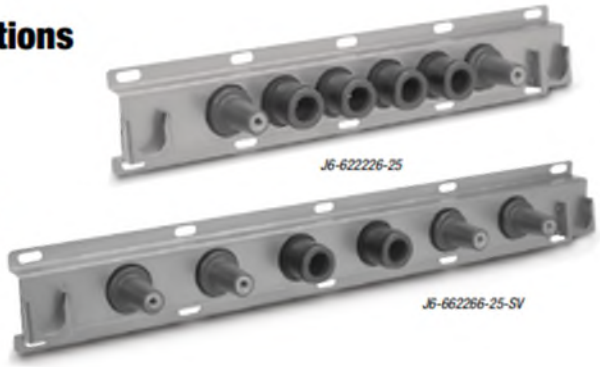
De-energized connectors can be quickly and easily connected and disconnected using standard hand tools and equipment in accordance with accepted operating practices. Optional accessories allow visible external separation, bypass, isolation, dead-ending, grounding and testing as well as adding taps, surge arresters and circuit protection.

Hotstick-operable and separable joint systems are shown on **pages H-14–H-17** and **H-23–H-24**.

Molded Multi-Point Junctions

Elastimold multi-point junctions are available in 2-, 3-, 4-, 5- or 6-point configurations with 15, 25/28 or 35kV ratings. Units feature modular design flexibility, allowing selection of any combination of 200-amp deepwell or 600-amp bushing interfaces located on standard 4" or optional 6½" centers. The 6½" center spacing is especially well suited for Distributed Switchgear applications, including fused elbow, MVI fault interrupter, MVS switch, etc.

Designs incorporate lightweight, damage-resistant, EPDM molded rubber construction and corrosion-resistant 304 stainless steel mounting brackets. Junctions are maintenance free, fully shielded, deadfront and submersible. Units are ideally suited for subsurface, padmount, indoor and outdoor vault applications.



The City of Cascade Locks desires a switch cabinet to be able to switch the existing feed to the Port facilities and the new facilities being proposed.

Open pad mounted switchgear

Closed pad mounted switchgear on vault

5) Cost of this type of switch varies as there are units that can be purchased used and reconditioned for approximately $32,500 and usually carry a “limited” 3-year warranty. New units purchased usually run approximately $65,000-$80,000 depending on the configuration requested.

The total for this section, assuming all new equipment, is $532,810 for materials and the construction labor is estimated to be $20,000/week x 4 weeks = $80,000. The complete installation total of $612,810.

The total estimated cost for the Business Park is $612,810 for 14.6 MW service.

Business Park Underground Project (29.2 MW maximum load)

Overhead Section

The first segment of the Business Park Underground project is the overhead line section (500') built to the SW corner entrance of the Business Park. This will require (3) 55' Doug fir poles with 556 ACSR 3 phase. This will include:

1) 55' Doug fir poles - $2500 ea. = $7,500
2) 556 ACSR (Dove) – 3000' @ $25/ft = $75,000
3) 336 ACSR(Linnet) – 1000' @ $18/ft = $18,000
4) Guying/Anchor – 4 @$500 ea. = $2,000

The cost for the overhead line feeding the Business Park is estimated to be $102,500.

Underground Section

The UG project upgrade to 29.2 MW will require doubling the cable and increasing the cabinet connections.

1) New (9' x 12') vaults to replace existing vaults. (7) @ $22,500 ea. = $157,500
2) Labor to replace vaults, (7) @ $5000/day labor = $35,000
3) UG cable 15kV 1000 kcmil - $60/ft x 7000' = $420,000
4) Terminating the cable in the vaults will be done with 600 amp "T" body connections, there will be (3) per vault / (1) per phase for total of 21 modules and 63 total "T" body connections, (3) per phase / per vault x 7 vaults.

600 amp "T" body connections (126) @ $745 ea. = $93,870
600 amp 4-way modules (42) @ $875 ea. = $36,750

600 Series Deadbreak Components

600 Series deadbreak elbows, straight receptacles, junctions, vault stretchers and accessories are used to connect equipment and cable on primary feeder and network circuits. Designs accommodate large conductors and feature bolted connections and deadfront modular construction for maximum reliability, performance and versatility.

De-energized connectors can be quickly and easily connected and disconnected using standard hand tools and equipment in accordance with accepted operating practices. Optional accessories allow visible external separation, bypass, isolation, dead-ending, grounding and testing as well as adding taps, surge arresters and circuit protection.

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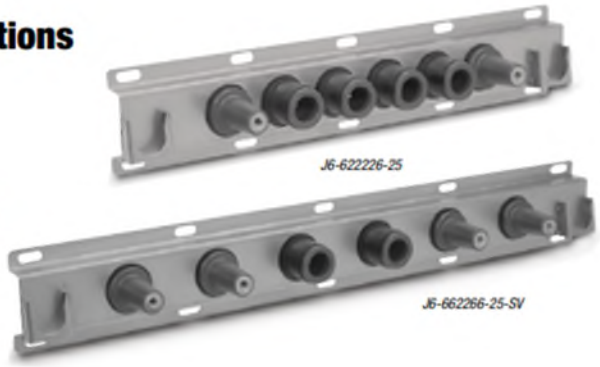


The City of Cascade Locks desires a switch cabinet to be able to switch the existing feed to the Port facilities and the new facilities being proposed.

Open pad-mounted switchgear

Closed pad-mounted switchgear on vault

5) Cost of this type of switch varies as there are units that can be purchased used and reconditioned for approximately $32,500 and usually carry a “limited” 3-year warranty. New units purchased usually run approximately $65,000-$80,000 depending on the configuration requested.

The total for this section, assuming all new equipment, is $845,620 for materials and the construction labor is estimated to be $20,000/week x 7 weeks = $140,000. The complete installation total of $985,620.

The total estimated cost for the Business Park is $985,620 for 29.2 MW service.

BKI ENGINEERING SERVICES
Power in Partnership

MEMORANDUM

Project No.:	CL22-001 EDA Project/PLC22-001 Port System Upgrades
Date:	April 24, 2023
To:	Jordan Bennett
From:	Guy M. Colpron, P.E.
Cc:	Scott Lindsay, Scott Howard, and Jeff Waldbauer
Subject:	City of Cascade Locks EDA Project/Port of Cascade Locks System Upgrades

The City of Cascade Locks (CCL), the Port of Cascade Locks (PCL), and BKI have met on several occasions to discuss desired system upgrades by CL and PCL.

At the direction of CCL and PCL, BKI updated the project's engineering costs to provide PCL's Business Park with a capacity of 29 MW. The Business Park project will be designed such that it can accommodate the 29 MW, however, the second set of parallel 1000 MCM cable would not be installed until the full capacity is needed. This will provide future access to the desired 29 MW capacity.

In addition to the revised engineering costs, BKI was asked to provide an initial draft proposal of cost sharing for the project between the City and the Port.

Based on prior group discussions, the following attempts to break up the system upgrades into segments with an associated assignment of cost:

1) The Port is the exclusive benefactor for three of the projects:
   a) Business Park 29.1 MW Load option
   b) RR Crossing to BP (Overhead) 29.1 MW Load Option
   c) West Entrance to BP 29.1 MW Load Option

2) The City and Port equally share the benefit for the remaining (2) line section projects:
   a) I-84 Crossing to Forrest lant 1272 ACSR (Double Circuit)
   b) I-84 Crossing using 1272 ACSR (Double Circuit)

3) The City, as the Electrical System Owner and Operator, is the major benefactor of the Cascade Substation purchase and upgrade.

The starting point for the cost-sharing proposal was the benefactor breakdown, above, and the understanding that the CCL EDA grant funding is approximately $3.2 million dollars.

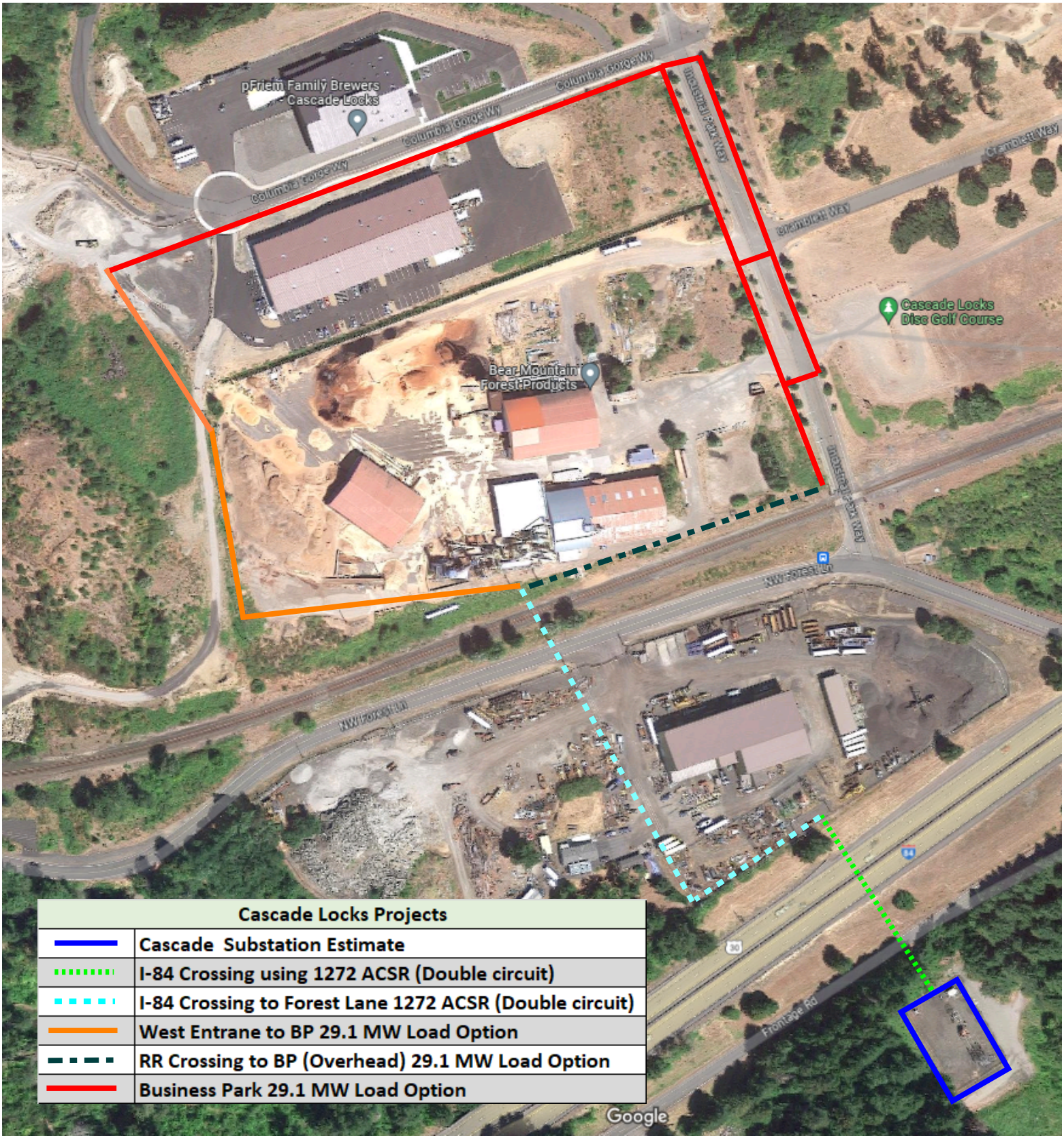
To help visualize the sections of the system to be upgraded and see a more detailed breakdown of estimated/divided costs, please reference the map and cost estimate provided at the end of this document.

Please see the table below for the initial project cost breakdown by the benefactors.

Cascade Locks Projects	Estimated Project Cost	City	% of Project	Port	% of Project	Contingency Funds
Cascade Substation Estimate	$3,172,543	$2,855,289	90%	$317,254	10%	$528,757
I-84 Crossing using 1272 ACSR (Double circuit)	$366,102	$183,051	50%	$183,051	50%	$61,017
I-84 Crossing to Forest Lane 1272 ACSR (Double circuit)	$445,181	$222,591	50%	$222,591	50%	$107,140
West Entrane to BP 29.1 MW Load Option	$477,114	$0	0%	$477,114	100%	$79,519
RR Crossing to BP (Overhead) 29.1 MW Load Option	$155,298	$0	0%	$155,298	100%	$25,883
Business Park 29.1 MW Load Option	$1,094,280	$0	0%	$1,094,280	100%	$182,380
Total Project	$5,710,519	$3,260,931	57%	$2,449,588	43%	$984,696

Please note: BKI provided this project breakdown proposal at the request of the City and the actual cost breakdown is to be determined exclusively by the City and the Port.

City of Cascade Locks and Port of Cascade Locks
Power System Infrastructure Projects



Cascade Locks Projects	
	Cascade Substation Estimate
	I-84 Crossing using 1272 ACSR (Double circuit)
	I-84 Crossing to Forest Lane 1272 ACSR (Double circuit)
	West Entrane to BP 29.1 MW Load Option
	RR Crossing to BP (Overhead) 29.1 MW Load Option
	Business Park 29.1 MW Load Option

City of Cascade Locks and the Port of Cascade Locks
Engineering Estimates
for Power System Infrastructure Upgrades

Cascade Substation Estimate					
DESCRIPTION	QTY.	UNIT PRICE	MATERIAL COST	CONSTRUCTION COST	TOTAL PRICE
BPA Cascade Locks Substation	1	$250,000	$250,000	$50,000	$300,000
115kV-13.8kV 30/33 MVA POWER TRANSFORMER NLTC (rebuilt)	1	$655,442	$655,442	$85,000	$740,442
115 kV CIRCUIT SWITCHER	2	$95,000	$190,000	$100,000	$290,000
115 kV NON-LOAD BREAK GROUP-OPERATED DISCONNECT SWITCH	4	$22,000	$88,000	$85,000	$173,000
115 kV STRUCTURES	2	$54,000	$108,000	$120,000	$228,000
Pyramid Transfomer	0	$25,000	$0	$172,000	$172,000
Conduit, Controls, Etc	2	$60,000	$120,000	$60,000	$180,000
15kV RECLOSER	1	$26,000	$26,000	$40,000	$66,000
15-kV LOAD-BREAK GROUP-OPERATED DISCONNECT SWITCH - BUS SUPPORT STRUCTURE MOUNTING (reg)	4	$9,000	$36,000	$15,000	$51,000
15-kV HOOKSTICK-OPERATED STATION DISCONNECT SWITCH	6	$5,000	$30,000	$0	$30,000
15 kV BUS STRUCTURE	1	$50,000	$50,000	$48,000	$98,000
Mob	0	$75,000	$0	$75,000	$75,000
Subtotal			$1,553,442	$850,000	$2,403,442
Engineering		$240,344			$240,344
20% Contingency		$528,757			$528,757
				Total Estimate	$3,172,543

I-84 Crossing using 1272 ACSR (Double circuit)			
Material	**QTY**	**Price**	**Total**
Steel Pole	2	$62,500	$125,000
1272 ACSR (ft)	2500	$40	$100,000
336 Linnet (ft)	350	$18	$6,300
Concrete backfill	2	$1,000	$2,000
Framing	1	$16,000	$16,000
Stringing conductor (hr)	12	$1,500	$18,000
Anchors for crossing	3	$1,700	$5,100
Removal	1	$3,450	$3,450
Permitting	1	$1,500	$1,500
Subtotal			$277,350
Engineering		$27,735	$27,735
20% Contingency		$61,017	$61,017
		Total Estimate	$366,102

I-84 Crossing to Forest Lane 1272 ACSR (Double circuit)			
Material	**QTY**	**Price**	**Total**
Wood Poles	9	$5,250	$47,250
1272 ACSR (ft)	1560	$40	$62,400
336 Linnet (ft)	520	$18	$9,360
Framing	9	$16,000	$144,000
Stringing conductor (hr)	24	$1,500	$36,000
Anchors	4	$1,700	$6,800
Permitting	1	$1,500	$1,500
Subtotal			$307,310
Engineering		$30,731	$30,731
20% Contingency		$107,140	$107,140
		Total:	$445,181

West Entrane to BP 29.1 MW Load Option			
Material	**QTY**	**Price**	**Total**
Wire to be used phase conductors 1272 ACSR $40.00 /ft	4500	$40	$180,000
Wire for neutral (556) – 1500' @$25.00/ft = $37,500	1500	$25	$37,500
Poles to be wooden poles – Doug Fir fully treated $5,250 ea	9	$5,250	$47,250
Framing of poles (crossarms 12' fiberglass (4), pins, glass)	9	$5,400	$48,600
Stringing and dead ending of conductor - $1150/hr.	24	$1,150	$27,600
Anchors - $1500/each	7	$1,500	$10,500
Removal of old poles		$10,000	$10,000
Subtotal			$361,450
Engineering		$36,145	$36,145
20% Contingency		$79,519	$79,519
		Total:	$477,114

RR Crossing to BP (Overhead) 29.1 MW Load Option			
Material	**QTY**	**Price**	**Total**
Wire to be used phase conductors 1272 ACSR $40.00 /ft	1500	$40	$60,000
Wire for neutral (556) – 1500' @$25.00/ft = $37,500	500	$25	$12,500
Poles to be wooden poles – Doug Fir fully treated $5,250 ea	3	$5,250	$15,750
Framing of poles (crossarms 12' fiberglass (4), pins, glass)	3	$5,400	$16,200
Stringing and dead ending of conductor - $1150/hr.	8	$1,150	$9,200
Anchors - $1500/each	2	$1,500	$3,000
Removal of old poles		$1,000	$1,000
Subtotal			$117,650
Engineering		$11,765	$11,765
20% Contingency		$25,883	$25,883
		Total:	$155,298

Business Park 29.1 MW Load Option			
Material	**QTY**	**Price**	**Total**
New (9' x 12') vaults to replace existing vaults.	9	$25,000	$225,000
Labor to replace vaults and conduit	9	$15,000	$135,000
UG Conductor, 15kV EPR 1000 MCM	8100	$40	$324,000
Terminating the cable in the vaults will be done with 600 amp "T" body connections and 4-way modules	108		$0
Switchgear if deemed necessary	1	$65,000	$65,000
Contractor Construction Labor to terminate equipment	1	$80,000	$80,000
Subtotal			$829,000
Engineering		$82,900	$82,900
20% Contingency		$182,380	$182,380
		Total:	$1,094,280

INTERGOVERNMENTAL AGREEMENT
Between the City of Cascade Locks and the Port of Cascade Locks
For Promotion of Economic Development

DATE: February 6, 2023

PARTIES: City of Cascade Locks ("City")
140 WaNaPa
P.O. Box 308
Cascade Locks, OR 97014

Port of Cascade Locks ("Port")
355 WaNaPa
P.O. Box 307
Cascade Locks, OR 97014

RECITALS

A. City and Port have the authority under ORS 190.010 to enter into intergovernmental agreements for the performance of functions and activities by each party.

B. The parties desire to enter into an agreement whereby each agrees to perform the functions outlined below for the purposes of developing economic activities; enhancing existing and emerging businesses; and to attract new businesses and jobs.

C. The parties intend this agreement to facilitate economic development from the date of signing in perpetuity.

NOW, THEREFORE, in consideration of the mutual agreements of the parties, the parties agree as follows:

Section 1. Mutual Responsibilities.

A. Water System: Both parties agree to cooperate in enhancing the water system to and within the boundaries of the Port and Industrial Park. The focus of this cooperation will be to provide adequate water service to the Industrial Park.

B. Waste Water Treatment: Both parties agree to develop and maintain waste water system and Treatment plant enhancements to provide adequate service to industrial users and ensure the viability of the City's wastewater treatment plant.

C. Electric Service: Both parties agree to develop sufficient electrical service to and within the Port and Industrial Park for the recruitment and support of economic development.

D. Expenses and Cost Sharing: Both parties agree to meet and develop specific expense, cost sharing and reimbursement policies and procedures to facilitate industrial growth, job development and economic growth throughout the community.

E. Rates and System Development Charges: Both parties agree to negotiate and cooperate to create special rates designed to increase new businesses and add jobs in the community. Rate structures may include, but are not limited to, phased rates, waiver of system development charges and low initial rates. Such development will be undertaken with the mutual understanding that City must be able to cover costs of operation.

F. Reimbursement: Both parties agree to develop policies to ensure each party pays an appropriate share in the cost of the infrastructure development contained in this Agreement. This may include reimbursement for costs extended by a party in furtherance of the mutual goals of the parties.

G. Efficiency and Effectiveness: Both parties agree to cooperate in work efficiency and effectiveness. This includes, but is not limited to, sharing equipment, joint funding for equipment, and coordinating work crews.

Section 2. City's Responsibilities.

A. Electric Service: City agrees to provide adequate electricity service to Port and Industrial Property through upgrades to the city's substation and conduits leading to the property line to develop business while still providing adequate electricity for commercial and residential development within the city. The City will achieve this by completing the projects funded by the Federal Economic Development Administration with match funds contributed by the City and the Port.

B. City agrees to establish industrial water, sewer and electricity rates that create incentives for new and existing businesses in Cascade Locks, the Port and Industrial Area. This may include traditional approaches, latecomers' agreements and other strategies.

Section 3. Port's Responsibilities.

A. Electric System: Port agrees to pay for preparation and delivery infrastructure of providing adequate electrical service to the Port and Industrial Area.

Section 4. Effective Date, Term. This Agreement becomes effective upon signing, and shall remain in effect in perpetuity. Either party may terminate this Agreement at any time by delivery of written notice to the other party at the address above, given no less than thirty (30) days prior to the intended termination date.

Section 5. Liability and Indemnification: Subject to the limitations of liability for public bodies

set forth in the Oregon Tort Claims Act, ORS 30.260 to 30.300, and the Oregon Constitution, each party agrees to hold harmless, defend, and indemnify each other, including its officers, agents, and employees, against all claims, demands, actions and suits (including all attorney's fees and costs) arising from the indemnitor's performance of this agreement where the loss or claim is attributable to the negligent acts or omissions of that party. Each party shall give the other immediate written notice of any action or suit filed or any claim made against that party that may result in litigation in any way related to this Agreement.

Section 6. Insurance: Each party agrees to maintain insurance levels, or self-insurance in accordance with ORS 30.282, for the duration of this Agreement, at levels necessary to protect against public body liability as specified in ORS 30.270. This agreement is expressly subject to the tort limits and provisions of the Oregon Tort Claims Act (ORS 30.260 to 30.300).

Section 7. Compliance With Laws: Each party agrees to comply with all local, State and Federal ordinances, statutes, laws and regulations that are applicable to the services provided under this agreement.

Section 8. Attorney Fees: In the event of any action or proceeding to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney fees, in addition to costs and disbursement, at arbitration, trial, and on appeal.

Section 9. Final Agreement; Modification: This writing is intended both as the final expression of the agreement between the parties with respect to the included terms and as a complete and exclusive statement of the terms of the agreement. Although this Agreement may be changed by subsequent review, amendment or modification, such changes must be in writing and signed by both parties' duly authorized representatives.

CITY	PORT
_____	_____
By: _____	By: _____
Date: _____	Date: _____