PORT OF THE DALLES

Dedicated to supporting the creation, retention, expansion, and recruitment of businesses and jobs that will enhance the economy of the Port District.

PORT COMMISSION MEETING
WEDNESDAY, JULY 8, 2026, 5:30 P.M.
PORT OF THE DALLES ADMINISTRATIVE OFFICE

AGENDA

A. CALL TO ORDER

B. ROLL CALL

C. PLEDGE OF ALLEGIANCE

D. ACTION ITEMS
1. Election of Officers of the Board of Commissioners: President; Vice-President; Secretary; Treasurer; Assistant Secretary-Treasurer
2. Confirm/appoint committee and board representations for FY 2026/2027
3. Public Contracting & Purchasing Rules <u>Executive Director Klaas</u>

E. AGENDA CORRECTIONS OR ADDITIONS

F. PUBLIC COMMENT OR QUESTION 3-minute limit per person per subject

G. COMMUNITY PARTNER PRESENTATION <u>Sheridan McClellan</u>, Emergency Management Services Manager, Wasco County Sheriff's Office

H. DISCUSSION ITEMS <u>None</u>

I. CONSENT ITEMS (Items of a routine nature: minutes, documents, items previously discussed, etc.)
1. June 10, 2026, Regular Session Meeting Minutes <u>Executive Assistant Toepke</u>
2. By-Laws

J. REPORTS
1. Director's Report <u>Executive Director Klaas</u>
2. Financial Report: June 2026 & Fiscal Year 2025-2026 <u>Bookkeeper Toepke</u>
3. The Dalles Community Outreach Team <u>Executive Director Klaas, President Coburn, Vice-President Weast</u> *No meeting, no report.*
4. Columbia Gateway Urban Renewal Agency Board <u>Commissioner Amery</u>
5. Wasco County Economic Development Commission <u>Executive Assistant Toepke</u> *No meeting, no report.*

K. UPCOMING MEETINGS/EVENTS
- Port Commission Meeting: <u>August 12, 2026</u>
- Port Commission Meeting date changes for FY 2026-2027:
  - November 11, 2026 (Veterans Day) to <u>November 18, 2026</u>
  - February 10, 2027 (SDAO Annual Conference) to <u>February 17, 2027</u>

L. COMMISSION CALL

M. ADJOURN

MEETING DATE	July 8, 2026
ACTION ITEM D.-1.)	Election of Officers of the Board of Commissioners: President; Vice-President; Secretary; Treasurer; Assistant Secretary-Treasurer

Motion to elect…

- President:
- Vice-President:
- Secretary:
- Treasurer:
- Assistant Secretary Treasurer:

Reference:

POTD By-Laws
ARTICLE IV AS AMENDED (2/10/1941, VOL. 2 PG. 141) & 6/13/1977, VOL. 12 PG. 24, 11/10/2010, 12/10/2025)

ELECTION OF OFFICERS The election of officers of the Board of Commissioners shall be held annually at the first regular meeting in July. The Election of Officers shall be added to the July *Agenda as item "C" following the Pledge of Allegiance; the officers are elected for a period of one year, or until their respective successors are elected and qualified. The Officers, as required by ORS 777 are, President, Vice President, Secretary and Treasurer. The Port also elects an Assistant Secretary/Treasurer.

DUTIES

- The President: Will preside at all meetings; has the same rights as other commissioners to discuss and vote; can call special meetings; serves as media contact; signs official Port documents (resolutions, contracts, etc.) when authorized by a majority.
- The Vice President: Will perform the duties of President if the President is absent or unable to preside.
- The Secretary: Will preside if neither the President nor the Vice President is present; attests the President's signature on all officially approved documents; ensures minutes, public meeting records, and other documents are properly recorded and maintained (these tasks are often delegated to staff).
- The Treasurer: Reviews financial reports; ensures accounting and financial statements are maintained (via staff).
- The Assistant Secretary-Treasurer: Acts as Secretary or Treasurer if the Secretary or Treasurer is absent or unable to perform their duties.

The duties of all Officers will be consistent with ORS 777.

*'Agenda as item "C"': "C" to be changed to "D", under Consent Items I.-2) By-Laws

MEETING DATE	July 8, 2026
ACTION ITEM D.-2.)	Confirm/appoint committee and board representations for FY 2026-2027

Motion to confirm or appoint…

- The Dalles Community Outreach Team: Executive Director Klaas, President Coburn, Vice-President Weast
- Columbia Gateway Urban Renewal Agency Board: Commissioner Amery
- Wasco County Economic Development Commission: Executive Assistant Toepke
- Historic Wharf Committee: Commissioner Willer, Commissioner DeVlaeminck

PORT OF THE DALLES AGENDA ITEM

MEETING DATE	July 8, 2026
ACTION ITEM D.-3.)	Public Contracting & Purchasing Rules Executive Director Klaas
STAFF RECOMMENDATION	Adopt Public Contracting & Purchasing Rules as presented

Background

Oregon public contracting law has changed significantly since the Port last reviewed its contracting practices. Staff recommends the Commission adopt the presented Public Contracting and Purchasing Rules, which accomplish four things: update purchasing thresholds to reflect 2023 legislative changes; align statutory references with current Oregon law; authorize the Port to participate in cooperative purchasing programs, allowing the Port to purchase goods and services through precompeted contracts held by other public agencies, saving time and money; and reconcile the Rules with both the Department of Justice Model Public Contracting Rules and ORS Chapter 777, the statute that grants ports their operational authority. A quick reference chart is included following this background, prior to the Public Contracting and Purchasing Rules document, as a plain-language guide for Port Staff and Commission.

Because legal counsel has not yet had the opportunity to review these Rules, Staff recommends the Commission adopt the Public Contracting & Purchasing Rules contingent upon legal counsel review, with authority delegated to the Executive Director to make any non-substantive changes and/or corrections and then execute final adoption upon legal counsel approval.

POTD Public Contracting and Purchasing Rules — Quick Reference Chart

GOODS & SERVICES — ARTICLE VI

Tier	Threshold	Method	Approval
Small	Up to $25,000	Direct purchase; 3 quotes preferred	**Executive Director**
Intermediate	$25,001 – $150,000	Informal competition; min. 3 written quotes required	**Executive Director**
Formal	Over $150,000	Competitive sealed bid (Invitation to Bid) or competitive sealed proposal (Request for Proposals)	**Commission**

PERSONAL & PROFESSIONAL SERVICES — ARTICLE VII

Tier	Threshold	Method	Approval
Personal services	All values	Written scope of work; cost analysis; public notice if over applicable threshold	**Executive Director**
Architecture and Engineering — Direct Appointment	Up to $100,000	Qualifications-based direct appointment	**Executive Director**
Architecture and Engineering — Informal Selection	$100,001 – $250,000	Informal qualifications-based selection; min. 3 firms evaluated	**Executive Director**
Architecture and Engineering — Formal Selection	Over $250,000	Formal qualifications-based selection; public Request for Qualifications / Request for Proposals	**Commission**

PUBLIC IMPROVEMENTS / CONSTRUCTION — ARTICLE VIII

Tier	Threshold	Method	Approval
Intermediate	Up to $100,000	Informal competitive bids; min. 3 bids	**Executive Director**
Formal competitive bid	Over $100,000	Competitive sealed bid (Invitation to Bid); prevailing wage (Oregon Bureau of Labor and Industries) applies	**Commission**
Emergency construction	Any value	Emergency declaration by Executive Director; expedited award; Commission ratification at next regular meeting	**Executive Director → Commission ratify**

ALTERNATIVE SOURCE SELECTION METHODS — ARTICLE IX

Method	Authority	Trigger / Condition	Approval
Sole source	ORS 279B.075	Single available source; written determination; public notice; 7-day protest window	**Commission**
Special procurement	ORS 279B.085	Unusual circumstances; written findings; public notice; 7-day protest window	**Commission**
Emergency procurement	ORS 279B.080	Immediate threat to health, safety, or Port property; includes marine and navigation hazards (see Section 11.06)	**Executive Director → Commission ratify**
Pre-approved special classes (15 Commission-authorized categories)	Section 9.04	Commission pre-authorized categories (motor vehicles, technology, utilities, maintenance services, and others); written determination required per use	**Executive Director**

COOPERATIVE PROCUREMENT AUTHORIZATION — ARTICLE X

Program	Authority	Condition	Approval
Sourcewell; Oregon Dept. of Administrative Services Statewide Price Agreements; National Assoc. of State Procurement Officials ValuePoint; OMNIA Partners Public Sector	ORS 279A.200–.225; OAR 137-046-0400 through 137-046-0480	Pre-authorized by Commission; written determination required per use under Section 10.03 (competition equivalence, best interest finding, contractor consent, public notice)	**Executive Director**
Other cooperative programs	ORS 279A.200–.225	Separate Commission authorization by resolution required before first use	**Commission**

PORT-SPECIFIC AUTHORITY — ARTICLE XI (OREGON REVISED STATUTES CHAPTER 777)

Transaction Type	Governing Authority	These Rules Apply?	Key Requirement
Industrial Park lease or sale of Port real property	ORS 777.116; ORS 777.250	**No — separate Port policy**	Port real property policy governs tenant solicitation and selection
Purchase of real property	ORS 777.116	**No — appraisal process governs**	One (1) appraisal required; second independent appraisal required if value exceeds $2,000,000
Inter-port agreement or ORS Chapter 190 intergovernmental agreement	ORS 777.108; ORS 777.112; ORS Chapter 190	**No — intergovernmental agreement process**	Not a cooperative procurement; staff must document at outset whether arrangement is an intergovernmental agreement or cooperative procurement

Transaction Type	Governing Authority	These Rules Apply?	Key Requirement
Federal government contract	ORS 777.110	**No — federal terms govern**	Federal award terms control; 2 Code of Federal Regulations (2 CFR) Part 200 overlay applies
Revenue bond–financed lease of Port property	ORS 777.560–.590	**No — bond documents govern**	Bond counsel review required before Commission action; bond covenants control lease terms
Federal grant–funded procurement	2 CFR Part 200 + these Rules	**Yes + federal overlay**	Apply whichever standard — state or federal — is more restrictive per ORS 279A.030; complete federal funds compliance checklist (Section 11.05) before issuing solicitation
Construction contract on Port-owned property	ORS 279C; Article VIII of these Rules	**Yes**	Standard public improvement procurement procedures apply in the ordinary course
Navigation or marine safety emergency	Section 11.06; ORS 279B.080	**Executive Director → Commission ratify**	Executive Director authorized to act immediately without prior Commission approval; report to Commission at next regular meeting including nature of emergency, action taken, and cost incurred

PROTEST & APPEAL DEADLINES — ARTICLE XIII

Protest Type	Filing Deadline	Filed With	Judicial Review Authority
Special procurement	7 days after first public notice	Executive Director	ORS 279B.400
Sole source	7 days after first public notice	Executive Director	ORS 279B.400
Personal services award	7 days after notice of intent to award; 48 hours after award if no notice of intent issued	Executive Director	ORS 279B.420
Cooperative procurement (original contract protest)	Per administering contracting agency rules	Administering contracting agency	ORS 279A.225; OAR 137-046-0470
Specification or process protest	7 days after first publication or website posting	Executive Director	ORS 279B.400

Notes: The Article XI categories above are governed by Oregon Revised Statutes Chapter 777 and other applicable authority, not by the competitive procurement provisions of these Rules. Nothing in Article XI exempts a transaction from applicable Commission approval, public meeting, budget law, or ethics requirements. Where federal funds are involved, 2 CFR Part 200 applies, and the more restrictive standard governs per ORS 279A.030. Staff must complete the federal funds compliance checklist (Section 11.05) before issuing any federally funded solicitation.

PUBLIC CONTRACTING & PURCHASING RULES

Including Cooperative Procurement Authorization

ARTICLE I — PURPOSE, AUTHORITY, AND APPLICABILITY

Section 1.01 — Purpose

These Contracting and Purchasing Rules ("Rules") are adopted by the Port Commission of the Port of The Dalles ("Port Commission"), as the governing body and local contract review board for Port of The Dalles ("Port"), pursuant to ORS 279A.060 and ORS 279A.065. The purpose of these Rules is to:

- Maximize the efficient use of Port resources and the purchasing power of Port funds;
- Promote open, impartial, and competitive procurement practices;
- Provide clear and complete solicitation procedures for vendors and contractors;
- Take advantage of evolving procurement methods that suit the Port's operational needs, including cooperative purchasing programs;
- Comply with all applicable provisions of ORS Chapters 279A, 279B, 279C, and 777; and
- Protect the Port and its Commissioners, officers, and staff from legal risk arising from noncompliant procurement practices.

Section 1.02 — Legal Authority

These Rules are adopted pursuant to:

- ORS Chapter 777, including ORS 777.050 (corporate powers), ORS 777.065 (state economic priority designation), ORS 777.112 (intergovernmental contracting), and ORS 777.116 (property acquisition);
- ORS 279A.060 (Port Commission as local contract review board);
- ORS 279A.065 (authority to adopt local contracting rules);
- ORS 279A.075 (delegation of procurement authority);
- ORS Chapters 279B and 279C (public contracting for goods, services, and public improvements); and
- ORS Chapter 190 (intergovernmental agreements).

Section 1.03 — Relationship to Department of Justice Model Rules

Adoption by Reference with Opt-Out Authority: The Port hereby adopts the Oregon Department of Justice Attorney General's Model Public Contracting Rules, OAR Chapter 137, Divisions 46, 47, and 49, by reference, as supplemented by these Rules. Where these Rules are silent on a contracting matter, the Model Rules shall apply. The Board reserves the right to opt out of any specific Model Rule provision by resolution. Amendments to the Model Rules shall automatically apply to the Port unless the Board opts out.

Article XI of these Rules (Coordination with Port-Specific Authority Under ORS Chapter 777) applies to the Port's procurement and contracting activity. Article XI addresses categories of Port activity, real property leases and dispositions under ORS 777.116 and 777.250, the real property appraisal requirement, intergovernmental and inter-port agreements under ORS 777.108 and 777.112, federal contracts under ORS 777.110, revenue bond-financed leases under ORS 777.560 to 777.590, the federal funding overlay under 2 CFR Part 200, and emergency procurements affecting navigation and marine safety, that fall outside the scope of both the Model Rules and the competitive procurement provisions of Articles II through X of these Rules. Where Article XI conflicts with any provision of the Oregon Department of Justice Attorney General's Model Public Contracting Rules, OAR Chapter 137, Divisions 46, 47, and 49, Article XI controls.

Section 1.04 — Inapplicability

These Rules do not apply to the following:

- Contracts or agreements to which the Public Contracting Code does not apply under ORS 279A.025(2);
- Contracts, intergovernmental, and interstate agreements entered into pursuant to ORS Chapter 190 (see Article XI, Section 11.03);
- Grants, as defined under ORS 279A.010;
- Acquisitions or disposals of real property or interests in real property (see Article XI, Sections 11.01 and 11.02);
- Contracts related to the incurring of debt, investment of funds, or banking and money management transactions;
- Insurance contracts;
- Revenue-generating agreements and concession agreements;
- Contracts for employee benefit plans;
- Contracts with newspapers and other publications for placement of legal notices;
- Contracts for items where the price is government-regulated and available from a single or limited number of sources; and
- Federal agreements where applicable federal statutes and regulations govern and conflict with any provision of the Oregon Public Contracting Code or these Rules (see Article XI, Sections 11.03 and 11.05).

Section 1.05 — Federal Funds Overlay

When Port procurement activities are funded in whole or in part by federal grants, loans, or other federal financial assistance, applicable federal procurement requirements, including but not limited to 2 CFR Part 200 for federal award recipients, shall apply and shall supersede any conflicting provision of these Rules to the extent required by federal law. The Port Executive Director is authorized to include federal flow-down provisions in all federally funded contracts without separate Board action. See Article XI, Section 11.05 for the federal funds compliance checklist applicable to such procurements.

ARTICLE II — DEFINITIONS

Unless a different definition is specifically provided, or the context clearly requires otherwise, the following terms have the meanings set forth herein.

"Administering Contracting Agency" means a governmental body in this state or in another jurisdiction that solicits and establishes the original contract in a cooperative procurement.

"Affected Person" means a person whose ability to participate in a procurement is adversely affected by a Port decision.

"Award" means the decision to enter into a contract with a specific offeror or proposer.

"Contract" or "Public Contract" means a purchase, lease, rental, or other acquisition by the Port of personal property, goods, services, personal services, professional services, public improvements, or ordinary repair or maintenance. A public contract does not include contracts excluded under ORS 279A.025(2).

"Contract Price" means the maximum payment the Port will make under a contract for its full duration, including extensions and renewals.

"Cooperative Procurement" means a procurement conducted by or on behalf of one or more contracting agencies, including joint cooperative procurements (ORS 279A.210), permissive cooperative procurements (ORS 279A.215), and interstate cooperative procurements (ORS 279A.220).

"Days" means calendar days.

"Emergency" means circumstances that: (a) could not have been reasonably foreseen; (b) create a substantial risk of loss, damage, or interruption of services, or a substantial threat to property, public health, welfare, or safety; and (c) require prompt execution of a contract to remedy the substantial risks and threats.

"Findings" means the written justification for a procurement decision.

"Goods or Services" means supplies, equipment, materials, and services (other than personal services), and any personal property, including tangible, intangible, and intellectual property and rights and licenses in relation thereto.

"Personal Services" means services that require specialized skill, knowledge, and resources in the application of technical or scientific expertise, or in the exercise of professional, artistic, or management discretion or judgment. Personal services include services of: (a) attorneys, accountants, auditors, court reporters, information technology consultants, and physicians; (b) expert witnesses or consultants to assist with pending or threatened litigation; (c) artists in the performing or fine arts; and (d) management consultants, other than professional services consultants. Personal services do not include professional services.

"Port" means the Port of The Dalles, a port district organized and operating under ORS Chapter 777, and a contracting agency under Oregon law.

"Port Executive Director" means the Port's chief executive officer, however titled, or the person designated as acting Port Executive Director in the Port Executive Director's absence.

"Procurement File" means the Port's complete record of a given procurement, including all solicitation documents, notices, offers received, protests and responses, findings, record of award, executed contract, renewals, and amendments.

"Professional Services" means architectural, engineering, land surveying, photogrammetric mapping, transportation planning, or related services, or any combination of these services, provided by a consultant.

"Public Improvement" means a project for construction, reconstruction, or major renovation on real property by or for the Port, as defined in ORS 279C.005.

"Recycled Products" means materials, goods, and supplies not less than 50% of the total weight of which consists of secondary and post-consumer waste, with not less than 10% post-consumer waste.

"Sourcewell" means the government agency formed under the laws of the State of Minnesota, operating under Minn. Stat. § 471.59, which administers competitively solicited cooperative purchasing contracts available to governmental entities throughout the United States.

ARTICLE III — AUTHORITY AND DELEGATION

Section 3.01 — Port Commission as Local Contract Review Board

The Port Commission is the local contract review board for the Port and has all rights, powers, and authority necessary to carry out these Rules and the Public Contracting Code. The Port Commission retains exclusive authority over the following actions regardless of contract value:

- Any public improvement contract;
- All sole-source contracts, except emergency sole-source actions under Section 8.04;
- All contracts that pledge Port revenues or assets as security;
- Initial authorization of any new cooperative purchasing program not listed in Section 10.02; and
- Any contract or series of related contracts the Port Executive Director determines may have significant legal, financial, or policy implications for the Port.

Section 3.02 — Authority of Port Executive Director

The Port Executive Director is responsible for ensuring these Rules are followed. The Port Executive Director is authorized to:

- Award and execute contracts within the thresholds set forth in these Rules, without prior Port Commission authorization, provided the expenditure is included in the adopted fiscal year budget;
- Interpret any ambiguities or conflicts within these Rules consistently with Section 1.01, in consultation with the Port's legal counsel;
- Refer any contracting decision within the Port Executive Director's authority to the Port Commission at the Port Executive Director's discretion;
- Advertise for bids or proposals without specific Port Commission authorization when the proposed purchase is included in the current fiscal year budget;
- Delegate, in writing, signature authority and obligations under these Rules to appropriate Port employees or consultants;
- Adopt forms, procedures, and administrative rules for all Port purchases, provided they do not conflict with these Rules; and
- Make administrative, non-substantive updates to these Rules — including correcting ORS or OAR citation errors, updating staff titles, and conforming dollar thresholds to statutory changes — subject to Port Commission ratification at its next regular meeting.

Section 3.03 — Prohibition on Splitting

No Port employee or officer shall artificially divide, fragment, or otherwise structure a procurement to bring it within a lower approval tier or to avoid the competitive requirements applicable to a higher-value procurement. Any such division shall constitute a violation of these Rules and may subject the responsible individual to disciplinary action and personal liability.

Section 3.04 — Unauthorized Contracts

Unauthorized public contracts entered, or purchases made without valid authorization shall be voidable at the sole discretion of the Port Commission. Appropriate action in response to unauthorized contracts may include educational guidance, disciplinary measures, and personal liability for the responsible individual.

Section 3.05 — Retroactive Approval

Retroactive approval of a contract means the award or execution of a contract where work was commenced without final award or execution. The Port Executive Director may authorize retroactive approval only if the employee responsible submits to the Port Executive Director a written request that contains:

- An explanation of the reason work commenced before the contract was awarded or executed;
- A description of steps being taken to prevent similar occurrences in the future;
- Evidence that, but for the failure to award or execute the contract, the employee otherwise complied with all steps required to properly select a contractor and negotiate the contract; and
- A proposed form of contract.

Retroactive approvals shall be reported to the Port Commission at the next regular meeting. The Port Commission may ratify or void the retroactive approval.

Section 3.06 — Prohibited Purchases from Port Employees and Immediate Family

No contract shall be entered into with, or purchase made from, any Port employee or employee's immediate family member, or any business with which the employee or employee's immediate family member is associated, unless:

- The contract or purchase is expressly authorized and approved by the Port Commission; or
- The need arises during a declared emergency, and the Port Executive Director finds in writing that acquisition from the employee or associated business is the most expeditious means to eliminate the threat to public health, safety, or property.

For purposes of this Section: "immediate family member" means the employee's spouse and parents thereof; children and spouses thereof; parents and spouses thereof; siblings and spouses thereof; grandparents and grandchildren and spouses thereof; and domestic partner and parents thereof. "Associated business" means any business in which a Port employee is a director, officer, owner, or employee, or any corporation in which a Port employee owns or has owned ten percent (10%) or more of any class of stock at any point in the preceding calendar year.

ARTICLE IV — PROCUREMENT PREFERENCES

Section 4.01 — Tie-Breaker Preference (Mandatory Resident Preference)

If the Port receives offers that are identical in price, fitness, availability, and quality, the Port shall apply the preferences provided in ORS 279A.120 prior to contract award in the following order:

- Award to an offeror whose goods, services, or personal services are manufactured, produced, or performed in Oregon;
- If two or more offers are identical and from Oregon-based offerors, award by drawing lots among those offerors, with notice to each; and

- If no offers are from Oregon-based offerors, award by drawing lots among the identical non-resident offers, with notice to each.

Section 4.02 — Reciprocal Preference (Mandatory Nonresident Penalty)

When evaluating bids, the Port shall add a percent increase to the bid of a nonresident bidder equal to the percent preference given to in-state bidders by the nonresident bidder's state, as required under ORS 279A.120(2)(b). The Port may rely on the list of reciprocal preferences maintained by the Oregon Department of Administrative Services to determine the applicable percentage.

Section 4.03 — Discretionary Local Preference

If the solicitation is in writing and the procurement is not otherwise excluded under this Section, the Port Executive Director may provide a specified percentage preference of not more than ten percent (10%) for goods fabricated or processed entirely in Oregon or services performed entirely in Oregon, consistent with ORS 279A.128. The application and amount of any preference must be identified in the solicitation document. The Port Executive Director may establish a preference percentage higher than ten percent upon written determination that good cause exists, with documented reasons. Discretionary local preference may not be applied to emergency work, minor alterations, ordinary repair or maintenance of public improvements, or any construction contract not defined as a public improvement.

Section 4.04 — Preference for Recycled Products

Preferences for recycled products shall be given when comparing goods, as required under ORS 279A.125. The Port Executive Director shall make a written determination of whether goods are manufactured from recycled materials. Preference shall be given if: (a) the recycled product is available; (b) the recycled product meets applicable standards; (c) the recycled product can be substituted for a comparable nonrecycled product; and (d) the cost of the recycled product does not exceed the comparable nonrecycled product by more than five percent, unless a higher percentage is justified in writing by the Port Executive Director.

Section 4.05 — Opportunities for Disadvantaged Business Enterprises

The Port shall conduct procurement activities consistent with ORS 279A.100 and applicable state and federal anti-discrimination laws. The Port may provide contract opportunities to Disadvantaged Business Enterprises, Minority-Owned Businesses, Woman-Owned Businesses, Service-Disabled Veteran-Owned Businesses, and Emerging Small Businesses (collectively "MWSDV/ESB"). To this end, the Port may:

- Consult with the State advocate for MWSDVs and ESBs to determine the best means of making contracting opportunities available;
- Require in solicitation documents that some portion of the work be performed or materials be provided by a MWSDV or ESB business enterprise; and
- Use the State of Oregon's Certification Office for Business Inclusion and Diversity directory to authenticate certification of MWSDV and ESB businesses.

ARTICLE V — PUBLIC NOTICE

Section 5.01 — Notice Methods

Unless otherwise specifically provided by these Rules, any notice required to be published may be published using any method the Port Executive Director deems appropriate, including: mailing notice to persons that have requested notice in writing, placing notice on the Port's website, posting at official Port notice locations, placing notice through an electronic procurement system (including OregonBuys through the Oregon Department of Administrative Services), or publishing in statewide trade or local publications.

Section 5.02 — Minimum Notice Requirements

Notwithstanding Section 5.01, the following minimum notice requirements apply:

- For public improvement (construction) contracts over $125,000: the Port shall publish at least once in a newspaper of general circulation in the area where the contract is to be performed.
- For public improvement contracts over $125,000 or permissive cooperative agreements over $250,000 where the Port is not named as a participant: the Port shall additionally publish notice in the Daily Journal of Commerce or through OregonBuys.
- For all interstate cooperative agreements where the Port is not named as a participant or the contract was not previously advertised in Oregon: notice shall be published in the Daily Journal of Commerce or through OregonBuys, with a minimum seven (7) day comment period per ORS 279A.220.

Section 5.03 — Official Notice Posting Sites

The Port Commission shall by resolution designate official notice posting sites. Until amended, official posting shall be made on the Port's website and at the Port's principal offices.

ARTICLE VI — GOODS AND SERVICES PROCUREMENT

Section 6.01 — Small Procurements (Up to $25,000)

Contracts or purchases of goods or services with a contract price not exceeding $25,000 are small procurements pursuant to ORS 279B.065. Small procurements are not subject to competitive bidding requirements, and no public notice is required.

- The Port Executive Director may use any procurement method deemed practical or convenient, including direct negotiation or direct award.
- A small procurement contract may be amended to exceed $25,000 only if: (a) the cumulative amendments do not increase the total contract price by more than twenty-five percent (25%) of the original contract price; and (b) the Port Executive Director makes written findings that the amendment is in the Port's best interest.

Section 6.02 — Intermediate Procurements ($25,001 – $150,000)

Contracts for goods or services with a contract price greater than $25,000 and not exceeding $150,000 are intermediate procurements pursuant to ORS 279B.070.

- Intermediate procurements shall be conducted by informal written solicitation sent to not fewer than three (3) prospective providers. The solicitation shall include: the date, time, and place that price quotes or proposals are due; a description of the goods or services required; required contract terms; and any required bid form or format.

- If three (3) providers are not reasonably available, fewer shall suffice, but the Port Executive Director shall keep a written record of efforts made to obtain three providers.
- Award shall be made to the offeror whose quote or proposal will best serve the interests of the Port, considering price; experience and expertise; product functionality and suitability for a particular purpose; the Port's past satisfaction with the offeror's performance on prior Port contracts; and contractor responsibility under ORS 279B.110.
- An intermediate procurement contract may be amended to exceed $150,000 only if: (a) the cumulative amendments do not increase the total contract price by more than twenty-five percent (25%) of the original contract price; and (b) the Port Executive Director makes written findings that the amendment is in the Port's best interest.

Section 6.03 — Formal Competitive Procurements (Over $150,000)

Contracts for goods or services with a contract price exceeding $150,000 are large procurements requiring formal competitive source selection. Board approval is required prior to execution of all large procurement contracts.

(A) Competitive Sealed Bidding — ORS 279B.055

The Port shall issue an Invitation to Bid (ITB) that includes: the deadline and place for bid submission; contact information; a description of the procurement scope, duties, and contract terms; any prequalification requirements; and all criteria for evaluating bids. No criteria may be used in evaluation that were not set forth in the ITB.

- Bid security may be required if the Port Executive Director determines it is reasonably necessary to protect the Port's interests.
- Award shall be to the lowest responsive, responsible bidder, after applying all applicable preferences.
- At least seven (7) calendar days before award, the Port shall provide written notice of intent to award to all bidders. A shorter period may be established if the Port Executive Director documents specific reasons justifying prompt execution.

(B) Competitive Sealed Proposals — ORS 279B.060

When the nature of the goods or services makes award based solely on price impractical, the Port may use a Request for Proposals (RFP) process. The RFP shall include the deadline and place for submission; a description of scope, duties, and contract terms; evaluation criteria and their relative importance; and the method the Port will use to select the contractor. Award shall be to the responsible proposer whose proposal is most advantageous to the Port based on the evaluation criteria.

- At least seven (7) calendar days before award, the Port shall provide written notice of intent to award to each proposer evaluated in the final competitive tier.
- Award finality: the Port's award shall not be final until the expiration of the protest period or after written responses to all timely protests are issued.

ARTICLE VII — PERSONAL AND PROFESSIONAL SERVICES

Section 7.01 — Personal Services

Personal services contracts are those designated as personal services under Section 2 of these Rules and such additional service contracts or classes of service contracts as may be designated by the Port Executive Director. In determining whether a service qualifies as personal services, the Port Executive Director shall consider:

- Whether the work requires specialized skills, knowledge, or resources, including technical, scientific, or creative expertise;
- Whether the Port intends to rely on the contractor's specialized skills rather than price as the primary selection criterion; and
- Whether the service has traditionally been performed by contractors selected primarily based on qualifications rather than price.

Personal services may be procured through direct appointment without competitive solicitation if:

(a) The estimated contract price does not exceed $25,000 and the work is within budgetary appropriation;

(b) The services involve confidential matters, including special counsel, expert witnesses, or consultants for pending or threatened litigation; or

(c) The nature of the service requires an ongoing, long-term relationship of knowledge and trust.

Personal services contracts exceeding $25,000 that do not qualify for direct appointment shall be procured through a qualifications-based solicitation process consistent with the professional services procedures in Section 7.02. All personal services contracts exceeding $25,000 require Board approval prior to execution.

Section 7.02 — Professional Services (Architectural & Engineering)

Contracts for architectural, engineering, photogrammetric mapping, transportation planning, land surveying, and related services ("Professional Services") shall be procured using a qualifications-based selection process consistent with ORS 279C.105 through 279C.125 and OAR Chapter 137, Division 48.

(A) Direct Appointment — Up to $100,000

The Port may enter into a Professional Services contract directly with a consultant without following formal selection procedures if:

- The estimated fee does not exceed $100,000; or
- An emergency exists; or
- The project is a continuation of work previously studied or described under an earlier contract with the same consultant (not to exceed $250,000 for continued projects, with written findings per ORS 279C.115 for amounts above that threshold).

Direct appointment contracts shall be awarded through negotiation directed at obtaining (a) the consultant's performance obligations and schedule; (b) a payment methodology and maximum amount that is fair and reasonable to the Port; and (c) any other provisions in the Port's best interest.

(B) Informal Selection — $100,001 to $250,000

Professional Services contracts between $100,001 and $250,000 shall be procured through an informal selection process:

1. The Port shall issue a Request for Proposals to a minimum of three (3) to five (5) prospective consultants (five required for contracts above $150,000), drawn from the Port's consultant list, another contracting agency's list maintained under OAR 137-048-0120, or all consultants reasonably identifiable.

2. The RFP shall include a project description; anticipated performance schedule; evaluation criteria (which may include experience, qualifications, approach, geographic familiarity, past performance, workload, and MWSDV/ESB ownership); and the protest procedure.
3. The Port shall rank all proposals and begin negotiations with the highest-ranked proposer. If negotiations fail, the Port may proceed to the second- and third-ranked proposers in order.
4. If the scope of services is revised during negotiations so that the estimated fee will exceed $250,000, the Port shall terminate the informal procedure and proceed with formal selection.

(C) Formal Selection — Over $250,000

Professional Services contracts with an estimated fee exceeding $250,000 shall be procured through the formal selection procedure set forth in OAR 137-048-0220. Board approval is required prior to execution of all formal selection contracts.

ARTICLE VIII — PUBLIC IMPROVEMENT CONTRACTS

Section 8.01 — Applicability

Public improvement contracts are governed by ORS Chapter 279C in addition to these Rules. In the event of any conflict between these Rules and ORS Chapter 279C, ORS Chapter 279C shall control. All public improvement contracts require Board approval prior to execution regardless of value.

Section 8.02 — Intermediate Level Public Improvements (Up to $100,000)

Public improvement contracts estimated not to exceed $100,000 may be awarded through an intermediate-level competitive quote process pursuant to OAR 137-049-0160, requiring written requests for quotes from at least three (3) contractors and award based on price and contractor responsibility. Board approval is required prior to execution.

Section 8.03 — Competitive Bidding (Over $100,000)

Public improvement contracts with an estimated contract price exceeding $100,000 shall be procured through competitive sealed bidding pursuant to ORS 279C.335 and ORS 279C.337 (for Contract Management/General Contracting services). Advertising, bid security, prevailing wage, and all other requirements of ORS Chapter 279C shall be strictly followed.

Section 8.04 — Emergency Construction

Emergency construction procurements shall comply with ORS 279C.320 and ORS 279B.080. The Port Executive Director shall seek competition that is reasonable and appropriate under emergency circumstances. Board ratification is required at the next regular meeting.

Section 8.05 — Prevailing Wage

All public improvement contracts subject to Oregon prevailing wage requirements under ORS 279C.800 et seq. shall comply with applicable wage rate and certified payroll requirements. The Port Executive Director shall include appropriate prevailing wage provisions in all covered contracts and verify contractor compliance throughout the project.

ARTICLE IX — ALTERNATIVE SOURCE SELECTION METHODS

Section 9.01 — Sole-Source Procurements — ORS 279B.075

A contract may be awarded without competition as a sole-source procurement only upon the written findings of the Port Executive Director and approved by the Board that one or more of the following conditions exist:

- The goods or services are available from only one source;
- Compatibility of the goods or services with existing Port equipment, technology, or programs is of overriding importance;
- The goods or services are needed for use in a pilot or experimental project;
- The goods or services are available from only one source and are required for the exchange of software or data with other public or private agencies; or
- Other facts or circumstances exist that support the conclusion that the goods or services are available from only one source.

The Port Executive Director shall post notice of the sole-source determination on the Port's website not less than seven (7) days prior to award, identifying the goods or services to be procured, the prospective contractor, and the deadline for filing protests. Board approval is required for all sole-source contracts except emergency sole-source actions under Section 9.03.

Section 9.02 — Special Procurements — ORS 279B.085

The Port Commission, upon its own initiative or upon request of the Port Executive Director, may create special selection, evaluation, and award procedures for, or may exempt from competition, the award of a specific contract or class of contracts. Approval of a special procurement requires Port Commission action after a public hearing, based on findings that the proposed method: (a) results in substantial cost savings, quality enhancement, or other public benefit; and (b) is unlikely to encourage favoritism or substantially diminish competition.

Section 9.03 — Emergency Procurements — ORS 279B.080

When the Port Executive Director determines that immediate execution of a contract is necessary to prevent substantial damage, injury, or interruption of essential Port services, the Port Executive Director may execute the contract without competitive selection or Board approval. Where time permits, competitive quotes should be sought from at least three providers.

- The Port Executive Director shall document in the Procurement File as soon as practicable: the nature of the emergency; the method used to select the contractor; and the reason why the selection method was in the best interest of the Port and the public.
- The Port Executive Director shall notify the Port Commission of the emergency at or before the next regular Board meeting, and the Commission shall ratify or void the emergency action.
- No emergency procurement shall be used for construction services except as specifically authorized under ORS 279B.080(2) and ORS 279C.320.

Section 9.04 — Special Procurement Classes

The following classes of contracts are hereby approved as special procurements that may be awarded in any manner the Port Executive Director deems appropriate to the Port's needs, including by direct appointment or direct purchase. The Port Executive Director shall record the method of award in the Procurement File.

- Advertising and Public Notices. Contracts for placement of notices or advertisements in any medium.
- Conference and Meeting Rooms. Contracts for meeting room rentals, hotel rooms, food and beverage, and incidental costs related to Port-sponsored conferences, workshops, and training.
- Concession and License Agreements. Contracts for the operation of a particular business using Port property or within Port jurisdiction, or for temporary use of Port-owned property arising from an unsolicited proposal based on the unique attributes of the property or unique needs of the proposer, provided the Port reserves the right to terminate without penalty.
- Contract Renewals. Contracts being renewed in accordance with their terms are not considered newly issued contracts and are not subject to competitive procurement requirements.
- Copyrighted and Specialty Materials. Contracts for the acquisition of materials entitled to copyright (including works of art, literature, and music) or specialty goods purchased for Port resale.
- Corrective Services. Contracts entered to rectify, repair, or remedy work unsatisfactorily performed by a prior contractor.
- Equipment Repair. Contracts for equipment repair or overhauling where the service or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing.
- Government-Regulated Items. Contracts for purchase of items for which prices or supplier selection are regulated by a governmental authority.
- In-Kind Replacement. Purchases of a good identical to a good being replaced (including incidental services).
- Non-Owned Property. Contracts or arrangements for the sale or disposal of abandoned property or other personal property not owned by the Port.
- Sponsorship Agreements. Sponsorship agreements under which the Port receives a gift or donation in exchange for recognition of the donor.
- Surplus Goods. The purchase of goods from government surplus auctions or government sales.
- Temporary Extensions. Contracts for a single period of one (1) year or less for the temporary extension or renewal of an expiring or recently expired contract (other than public improvement contracts).
- Used Goods. Contracts for the purchase of used goods by direct negotiation, if the Port Executive Director determines: such goods are substantially similar to new goods; would be suitable for the Port's needs; and can be purchased at a lower life-cycle cost than new goods.
- Utilities. Contracts for the purchase of steam, power, heat, water, telecommunications services, and other utilities.

ARTICLE X — COOPERATIVE PROCUREMENT AUTHORIZATION

Section 10.01 — Policy Statement

The Port finds that participation in cooperative procurement programs can advance the Port's interests by achieving cost savings through aggregated purchasing power, reducing administrative burden, and providing access to competitively solicited contracts. The Port is authorized to participate in cooperative procurements for goods and services only; cooperative procurement may not be used to procure public improvements. Cooperative procurements shall comply with ORS 279A.200 through 279A.225 and OAR 137-046-0400 through 137-046-0480.

Section 10.02 — Pre-Authorized Cooperative Programs

The Port Commission hereby pre-authorizes the Port Executive Director to utilize contracts from the following cooperative purchasing programs without a separate Board resolution for each transaction, provided the applicable written determination and notice requirements of Section 10.03 are satisfied:

- Sourcewell (formerly the National Joint Powers Alliance), a Minnesota governmental agency operating under Minn. Stat. § 471.59;
- Oregon Department of Administrative Services (DAS) Statewide Price Agreements;
- NASPO ValuePoint contracts for which the State of Oregon has executed a Participating Addendum;
- OMNIA Partners Public Sector contracts; and
- Such other programs as the Port Commission may authorize by resolution from time to time.

Section 10.03 — Written Determination Required

Prior to each use of a cooperative contract, the Port Executive Director shall make and retain in the Procurement File a written determination that:

- The original solicitation process was open, impartial, and substantially equivalent to ORS 279B.055 or 279B.060;
- Use of the cooperative contract is in the best interest of the Port, considering price, quality, availability, and administrative efficiency;
- The contractor has agreed in writing to extend the terms, conditions, and prices of the cooperative contract to the Port without material change; and
- Public notice has been provided as required by Section 5.02, or written justification exists for why notice is not required.

Section 10.04 — Intergovernmental Agreements

Where participation in a cooperative procurement program requires an intergovernmental agreement under ORS Chapter 190, the Port Executive Director is authorized to execute such agreement on behalf of the Port after review by legal counsel, provided the program has been pre-authorized under Section 10.02. Intergovernmental agreements for new cooperative programs require prior Board approval.

ARTICLE XI — COORDINATION WITH PORT-SPECIFIC AUTHORITY UNDER ORS CHAPTER 777

This Article identifies categories of Port activity that are governed primarily by the Port's own statutory authority under ORS Chapter 777, rather than by the competitive procurement provisions of these Rules, and elaborates on the exclusions identified in Section 1.04 and the federal funds overlay identified in Section 1.05. Where this Article conflicts with another provision of these Rules, this Article controls. Nothing in this Article exempts a transaction from applicable Board approval, public meetings, budget law, or ethics requirements; it addresses only which procurement framework governs the manner of selection and award.

Section 11.01 — Real Property Leases, Sales, and Other Dispositions

Leases, subleases, and sales of Port real property, including sites within an industrial or research and development park under ORS 777.250, and other dispositions of Port real property under ORS 777.116 are governed by the Port's real property and industrial park leasing policies and by ORS Chapter 777, and are not subject to the competitive sealed bidding, competitive sealed proposal, or other source-selection provisions of these Rules. The Port Executive Director shall maintain a separate real property disposition policy addressing tenant solicitation, marketing, appraisal, and Commission approval procedures for such transactions. This Section does not apply to the Port's procurement of goods, services, or public improvements in connection with Port-owned property (for example, a contract to construct a building the Port will then lease), which remains subject to these Rules in the ordinary course.

Section 11.02 — Appraisal Requirement for Real Property Purchases

Before the Port purchases real property under ORS 777.116, the Port must first obtain an appraisal of the fair market value of the property from a state-certified appraiser who is disinterested in the transaction and independent of the Port. If that appraisal concludes that the value of the property exceeds $2,000,000, the Port must obtain a second appraisal from a state-certified appraiser before completing the purchase; the appraiser who conducts the second appraisal need not be disinterested or independent. This appraisal requirement is independent of, and in addition to, any cost or price analysis otherwise required under these Rules and applies regardless of whether the seller is a public or private party.

Section 11.03 — Intergovernmental Agreements, Inter-Port Agreements, and Federal Contracts

Agreements between the Port and one or more other ports under ORS 777.108, agreements between the Port and other public bodies under ORS Chapter 190, and contracts between the Port and the federal government under ORS 777.110 are intergovernmental arrangements and are not "Cooperative Procurements" within the meaning of ORS 279A.200 to 279A.225 or Article X of these Rules unless the arrangement involves the Port procuring goods, services, or public improvements through a contract competitively solicited and awarded by another contracting agency. Staff shall determine and document, at the outset of any multi-party arrangement, whether it is (a) an intergovernmental or inter-port agreement governed by ORS 777.108, 777.112, or ORS Chapter 190, or (b) a Cooperative Procurement governed by Article X of these Rules and shall apply the corresponding approval and documentation requirements. Two or more ports acting jointly under ORS 777.108 may not acquire real property or rights in another port without that port's consent.

Section 11.04 — Revenue Bond-Financed Leases

Leases of Port property where Port revenues are pledged to the payment of revenue bonds issued under ORS 777.560 to 777.590 are governed by ORS Chapter 777 and the applicable bond resolution or ordinance, and not by the source-selection provisions of these Rules. Such leases are conclusively deemed to further the public interest for purposes of ORS 271.310. The Port Executive Director shall ensure that any such lease is reviewed by bond counsel for compliance with applicable bond covenants prior to Commission consideration.

Section 11.05 — Federal Funding Overlay; Compliance Checklist

In addition to the federal funds overlay established in Section 1.05, where a procurement is funded in whole or in part with federal financial assistance, the Port shall comply with the procurement standards of 2 CFR Part 200, Subpart D. Where 2 CFR Part 200 and these Rules conflict or impose differing requirements, the Port shall apply whichever requirement is more restrictive, consistent with ORS 279A.030. Before issuing a solicitation funded in whole or in part with federal funds, Port staff shall complete a federal funds compliance checklist addressing, at minimum: full and open competition documentation, cost or price analysis, bonding and insurance requirements, debarment and suspension verification, and any applicable domestic preference (Buy America) requirements imposed by the awarding federal agency or grant terms.

Section 11.06 — Emergency Procurements: Navigation, Marine Safety, and Waterway Obstructions

The Port's emergency procurement authority under Section 9.03 extends to conditions affecting navigation safety, waterway obstructions, and damage to marine terminal infrastructure (including dredging, fendering, dolphins, and navigation aids) resulting from vessel allision, flood, ice, or similar marine hazards, in addition to the general emergency conditions described in Section 9.03. The Port Executive Director is authorized to declare an emergency procurement under this Section and to take immediate corrective action without prior Commission approval where delay would create a substantial risk to navigation safety, public health or safety, or Port property. The Port Executive Director shall report any emergency procurement under this Section to the Port Commission at its next regular meeting, including the nature of the emergency, the action taken, and the cost incurred.

ARTICLE XII — ETHICS, CONFLICTS OF INTEREST, AND ANTI-DISCRIMINATION

Section 12.01 — Ethics and Conflicts of Interest

All Port Commissioners, officers, and employees involved in procurement activities shall comply with Oregon's Government Ethics Law, ORS Chapter 244. No Commissioner, officer, or employee shall participate in a procurement in which they have a personal financial interest or from which they or an immediate family member may derive personal benefit. Any actual or potential conflict shall be disclosed in writing to the Port Executive Director (or, if the Port Executive Director has the conflict, to the Board President) prior to participation.

Section 12.02 — Anti-Gratuity

Port Commissioners, officers, and employees shall not solicit or accept gifts, gratuities, kickbacks, or anything of value from any vendor, contractor, or prospective vendor or contractor in connection with any Port procurement. Any offer of a gift or gratuity shall be promptly reported to the Port Executive Director.

Section 12.03 — Anti-Collusion

All solicitation documents shall include a certification that the bidder or proposer did not engage in collusion with other bidders or proposers in preparing its offer. Evidence of bid rigging, price fixing, or other anti-competitive conduct shall be referred to the Oregon Department of Justice.

Section 12.04 — Favorable Terms

Contracts and purchases shall be negotiated on the most favorable terms for the Port, consistent with these Rules, adopted Port policies, and applicable state and federal law.

ARTICLE XIII — PROTEST AND APPEAL PROCEDURES

Section 13.01 — Protests of Special Procurements

An affected person may protest the approval of a special procurement by delivering a written protest to the Port Executive Director within seven (7) days after the first date of public notice of the proposed special procurement. The protest shall include: the identity of the special procurement; a detailed statement of legal and factual grounds; supporting evidence; a description of harm to the affected person; and the relief requested. A protest fee may be established by the Port Executive Director to cover processing costs; the fee shall be refunded if the protest is upheld. The Port Executive Director shall issue a written disposition in a timely manner. Judicial review shall be in accordance with ORS 279B.400.

Section 13.02 — Protests of Sole-Source Procurements

An affected person may protest a sole-source determination by delivering a written protest to the Port Executive Director within seven (7) days after the first date of public notice posted on the Port's website. The protest shall include: a detailed statement of legal and factual grounds; supporting evidence; description of harm; and relief requested. A protest fee may apply. The Port Executive Director shall issue a written disposition. If the protest is upheld, the proposed sole-source contract shall not be awarded. Judicial review shall be in accordance with ORS 279B.400.

Section 13.03 — Protests of Personal Services Procurements

An affected person may protest a personal services procurement by delivering a written protest to the Port Executive Director. Protests regarding the classification of a contract as personal services shall be made prior to closing. Protests of award or intent to award shall be made within seven (7) days after issuance of the notice of intent to award, or within forty-eight (48) hours after award if no notice of intent to award was given. The protest shall specify all legal or factual grounds, include supporting evidence, describing the harm, and state the relief requested. A protest fee may apply. Judicial review shall be in accordance with ORS 279B.420.

Section 13.04 — Protests of Cooperative Procurements

Protests regarding the procurement process, contents of a solicitation document, or award of an original cooperative contract shall be directed to the administering contracting agency in accordance with ORS 279A.225 and OAR 137-046-0470. Protests regarding the Port's use of a cooperative contract shall be filed with the Port Executive Director in accordance with Section 13.05.

Section 13.05 — General Protests and Specification Protests

An affected person who believes a procurement process is contrary to law, or that a solicitation document or specification is unnecessarily restrictive, legally flawed, or improperly specifies a brand name, may file a written protest with the Port Executive Director within seven (7) days after the earlier of: (i) the first date of publication of the specification or solicitation; or (ii) the first date public notice is posted on the Port's website. The protest shall include identification of the solicitation; grounds demonstrating how the process is contrary to law or the specification is flawed; supporting evidence; description of harm; and relief requested. A protest fee may apply. The Port Executive Director shall issue a written disposition. Judicial review shall be in accordance with ORS 279B.400.

Section 13.06 — General Protest Provisions

All written protest dispositions shall be issued in a timely manner. If the Port Executive Director upholds a protest in whole or in part, any protest fee submitted shall be refunded. The Port Executive Director's decision may be appealed to the Port Commission at its next regularly scheduled meeting. The filing of a protest does not automatically suspend a procurement unless the Port Executive Director or Port Commission orders.

ARTICLE XIV — RECORDS, REPORTING, AND AUDITS

Section 14.01 — Procurement Records

The Port Executive Director shall maintain a complete Procurement File for every contract awarded. Procurement records are public records subject to ORS Chapter 192 and shall be retained for a minimum of six (6) years following contract completion, or longer as required by applicable law, grant requirements, or audit obligations.

Section 14.02 — Board Reporting

The Port Executive Director shall provide the Port Commission with a quarterly summary of procurement activity, including all contracts awarded under delegated authority, emergency procurements, sole-source actions, cooperative purchases, and retroactive approvals made during the reporting period. The Port Commission may request additional information at any time.

Section 14.03 — Audit Rights

All contracts shall include a provision granting the Port the right to audit contractor records related to the contract for a period of not less than three (3) years following final payment. The Port Executive Director shall cooperate fully with any audit by the Oregon Secretary of State, a federal agency, or other oversight body with jurisdiction over Port expenditures.

ARTICLE XV — POLICY ADMINISTRATION, AMENDMENT, AND EFFECTIVE DATE

Section 15.01 — Biennial Review

The Port Executive Director shall review these Rules at least biennially and shall recommend to the Port Commission any amendments necessary to reflect changes in Oregon law, applicable Model Rules (if adopted by reference), or Port operational needs.

Section 15.02 — Substantive Amendment

Substantive amendments to these Rules, including changes to approval thresholds, procurement methods, delegation of authority, prohibited purchases, special procurement classes, or cooperative procurement authorization, require a resolution of the Port Commission adopted at a duly noticed public meeting.

Section 15.03 — Supersession

These Rules supersede and replace all prior resolutions, policies, and informal practices of the Port relating to public contracting and purchasing to the extent inconsistent herewith.

Section 15.04 — Severability

If any provision of these Rules is held to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

Section 15.05 — Governing Law

These Rules shall be interpreted and applied consistently with ORS Chapters 279A, 279B, 279C, and 777, applicable Oregon Administrative Rules, and applicable federal law. In the event of any conflict between these Rules and applicable Oregon law or Oregon Administrative Rules, the provisions of Oregon law shall control.

Section 15.06 — Effective Date

These Rules shall take effect immediately upon adoption by the Port Commission and shall apply to all solicitations and contracts first advertised or, if not advertised, first entered, on or after the effective date.

MEETING DATE	July 8, 2026
CONSENT ITEM I.-1.)	June 10, 2026, Regular Session Meeting Minutes Executive Assistant Toepke

*Name(s) of officer signatures on minutes to be amended if needed.

PORT OF THE DALLES COMMISSION
Regular Session Meeting Minutes
Wednesday, June 10, 2026, 5:30 p.m.
Port Administrative Office
3636 Klindt Drive, The Dalles, Oregon

CALL TO ORDER The Regular Session Meeting of the Port Commissioners was called to order by *Commission President Coburn at 5:30 p.m.*

ROLL CALL Executive Assistant Toepke

- COMMISSION Staci Coburn, President; Greg Weast, Vice-President; Jill Amery, Treasurer; John Willer, Secretary; Ed DeVlaeminck, Assistant Secretary-Treasurer
- STAFF Andrea Klaas, Executive Director; Jennifer Toepke, Executive Assistant/Bookkeeper
- LEGAL Bill Dick, Attorney, Dick, Dick & Corey, LLP
- GUESTS Humaira Falkenberg

PLEDGE OF ALLEGIANCE *Commissioner DeVlaeminck*

AGENDA CORRECTIONS OR ADDITIONS *None*

PUBLIC COMMENT OR QUESTION *None*

PUBLIC BUDGET HEARING OPENED *for Fiscal Year 2026-2027 Budget approved by Port of The Dalles Budget Committee on May 20, 2026*

COMMUNITY PARTNER PRESENTATION Humaira Falkenberg, Chief Energy Resource Officer, Northern Wasco County People's Utility District *Chief Energy Resource Officer Falkenberg gave a very informative presentation, included herein, about how the NWCPUD serves Data Centers Loads in Wasco County.*

DISCUSSION ITEMS *None*

CONSENT ITEMS *Motion to approve Consent Items as presented: M/G. Weast, S/J. Willer, Motion passed unanimously. Voted Yes: S. Coburn, G. Weast, J. Amery, J. Willer, E. DeVlaeminck Voted No: None; Abstained: None*

1. May 13, 2026, Regular Session Meeting Minutes Executive Assistant Toepke
2. May 20, 2026, Budget Committee Meeting Minutes Executive Assistant Toepke *With correction: West to Weast*

REPORTS

1. Director's Report Executive Director Klaas *Stands as included in meeting packet, plus Executive Director Klaas asked that the Commission remember to take the required online public meetings course and send their confirmation to Staff.*
2. Financial Report: May 2026 Bookkeeper Toepke *Stands as included in meeting packet.*
3. The Dalles Community Outreach Team Executive Director Klaas *Executive Director Klaas reiterated what was included in the meeting packet.*
4. Columbia Gateway Urban Renewal Agency Board Commissioner Amery *The Fiscal Year 2026-2027 budget was adopted. The Exterior Refresh Pilot program continues to be a success. Downtown Business Inventory and Vacancy Analysis was completed by interns working with the Urban Renewal Agency; see the full report in the meeting packet here 2026-05-19_ur_agenda_packet.pdf; following are some highlights: 21 vacant buildings with an estimated 9.29% vacancy rate; the average building price is just over $1 million == with the lowest price being $120,000.00 and highest $4.2 million.*
5. Wasco County Economic Development Commission Executive Assistant Toepke *No report.*

PUBLIC BUDGET HEARING CLOSED *for Fiscal Year 2026-2027 Budget approved by Port of The Dalles Budget Committee on May 20, 2026*

ACTION ITEMS

1. Resolution No. 2026-003 Adopting the Budget, Making Appropriations, Imposing the Tax, Categorizing the Tax, Fiscal Year 2026-2027 *Motion to approve Resolution No. 2026-003 as presented: M/G. Weast, S/J. Willer, Motion passed unanimously. Voted Yes: S. Coburn, G. Weast, J. Amery, J. Willer, E. DeVlaeminck Voted No: None; Abstained: None*

REGULAR SESSION RECESSED AT *6:27 p.m.* & EXECUTIVE SESSION COMMENCED AT *6:28 p.m.*

EXECUTIVE SESSION Pursuant to ORS 192.660(2)(e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions, and Pursuant to ORS 192.660(2)(f) To consider information or records that are exempt by law from public inspection, and Pursuant to ORS 192.660(2)(i) To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing. **Media representatives are instructed not to report or disclose matters discussed in Executive Session*

EXECUTIVE SESSION ADJOURNED AT *6:50 p.m.* & REGULAR SESSION RECONVENED AT *6:50 p.m.*

ACTION FROM EXECUTIVE SESSION *None*

UPCOMING MEETINGS/EVENTS *Stands as included in meeting packet*

COMMISSION CALL *Commission President Coburn recognized and thanked Commission Vice-President Weast for running the May's Port Commission Meeting in her absence. Commission Treasurer Amery asked for Commission input on how the Columbia Gateway Urban Renewal Agency Board should spend its $6.1 million remaining. Commissioners suggested: Making sure decisions made support the Port's position and that something needs to be done with all the vacant buildings. Executive Director Klaas suggested that there is a need to establish why there are so many buildings vacant, so then the vacancy can be addressed. Commissioner Amery asked that the Commission give the subject further thought and provide their feedback to her.*

ADJOURN There being no further business to come before the Port Commission, *the meeting adjourned at 7:01 p.m.*

PORT OF THE DALLES:

Staci Coburn, President
Board of Commissioners

ATTEST:

John Willer, Secretary
Board of Commissioners

DATE APPROVED: July 8, 2026
Prepared by: Executive Assistant Toepke

Our Community, Our Responsibility

Serving Data Center Loads in Wasco County

RELIABILITY | AFFORDABILITY | STEWARDSHIP | ACCOUNTABILITY

NORTHERN WASCO COUNTY PUD
PEOPLE'S UTILITY DISTRICT

PORT of THE DALLES

Humaira Falkenberg, Chief Energy Resource Officer
June 10, 2026

I — PLACE

The Dalles—An Economic Development Hub

A Place of Extraordinary Consequence

Port of The Dalles Mission: The Port of The Dalles mission is to support the creation, retention, expansion, and recruitment of businesses and jobs that will enhance the economy of the District.

Northern Wasco County PUD Mission: Be the leader in delivering reliable, affordable utility services guided by and accountable to the communities we serve.

A place of deep
Indigenous heritage, a trading hub,
renewable energy like
hydro, wind and solar,
modern infrastructure transitions, &
economic development

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

PORT of THE DALLES

Rural. Resilient. Innovative. Deeply Rooted in Place.

Post-Dam Era
1957–1980s

Aluminum plants arrive 1958 - 1984— 500-600 jobs, family wages, economic anchor built on cheap hydropower. The Dalles thrives on industrial energy. 350 acres—Harvey Aluminum –Martin Marietta Corp. EPA added superfund site 1987.
1986—passage of the Columbia Gorge National Scenic Area Act

Sources: Austin Schulz, Capitalism in the American West: The Dalles, OR Surviving the Boom and Bust Cycle

Industrial Loss
1990s–2000s

Aluminum industry collapses. The Dalles absorbs the loss quietly, stubbornly, without much help from the outside world.

Sources: Western Mining History
USA EPA Superfund Site Profile

Reinvention
2000s–2010s

Community identity in landscape — orchards, gorge tourism, wind energy. Rural resilience, not dependence.

Google arrives. Largest private investment in regional history. First Data Center in Oregon.

Source: "Destination: The Dalles. This Former One-Industry Town Where Eastern Oregon Bumps Up Against The Rainy West Finds That Business Goes On After Aluminum." The Oregonian, August 5, 2001—Archive Discovery Center

Digital Era
2010s–Now

New chapter — but written on the community's terms.

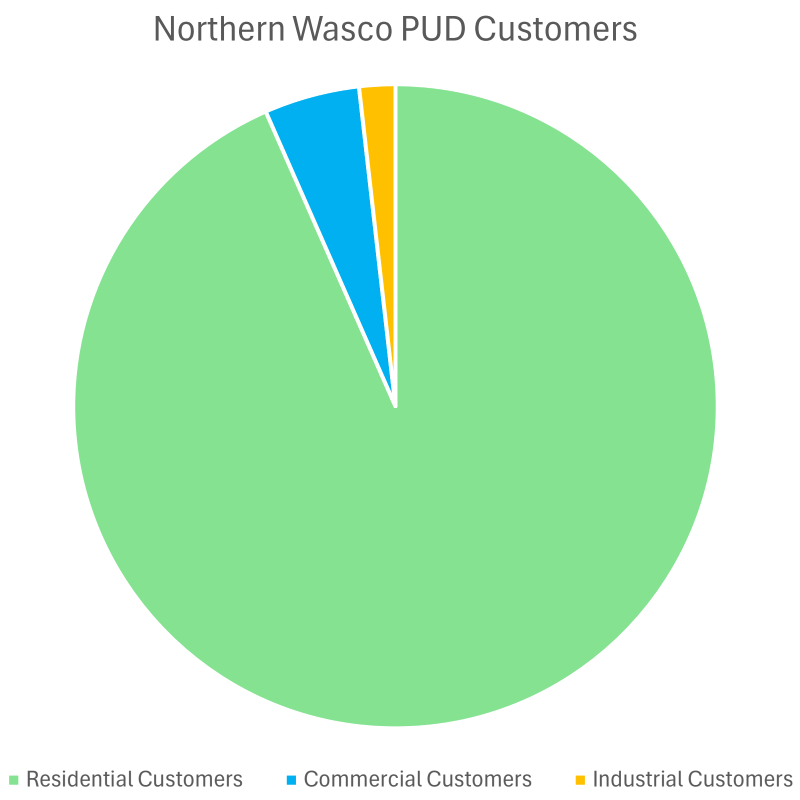
Source: Faster than they can Google it, newcomers find The Dalles. 2006, The Oregonian.

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

"My community does not wait for someone else to decide its future."

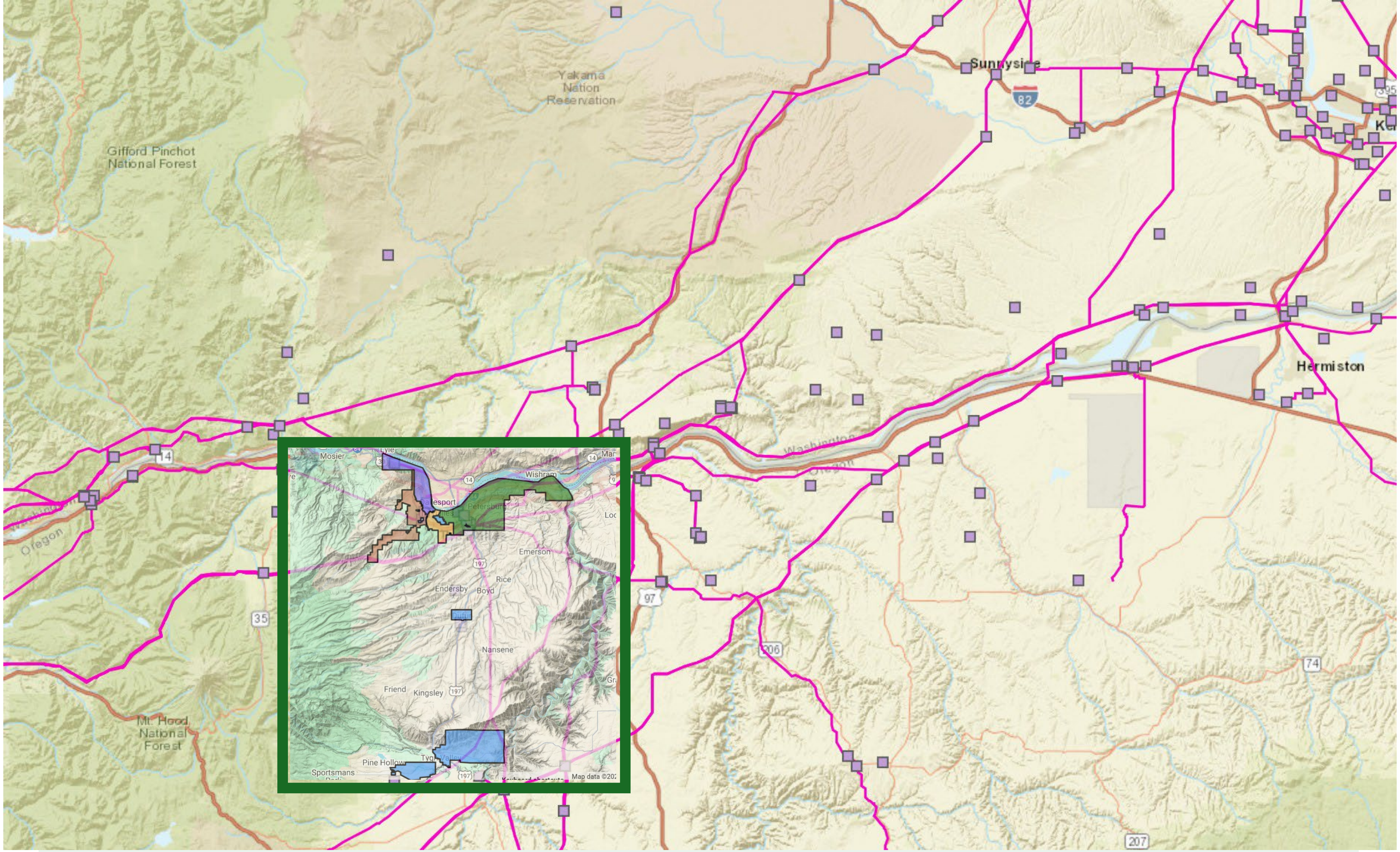
Background: NWCPUD Customers

- We serve a variety of customers in and around the The Dalles
- Approximately 10k customer in various residential, commercial, and industrial rate classes
- 3 data center campuses
- Collectively, we refer to all non-data center demand as “diversified load”



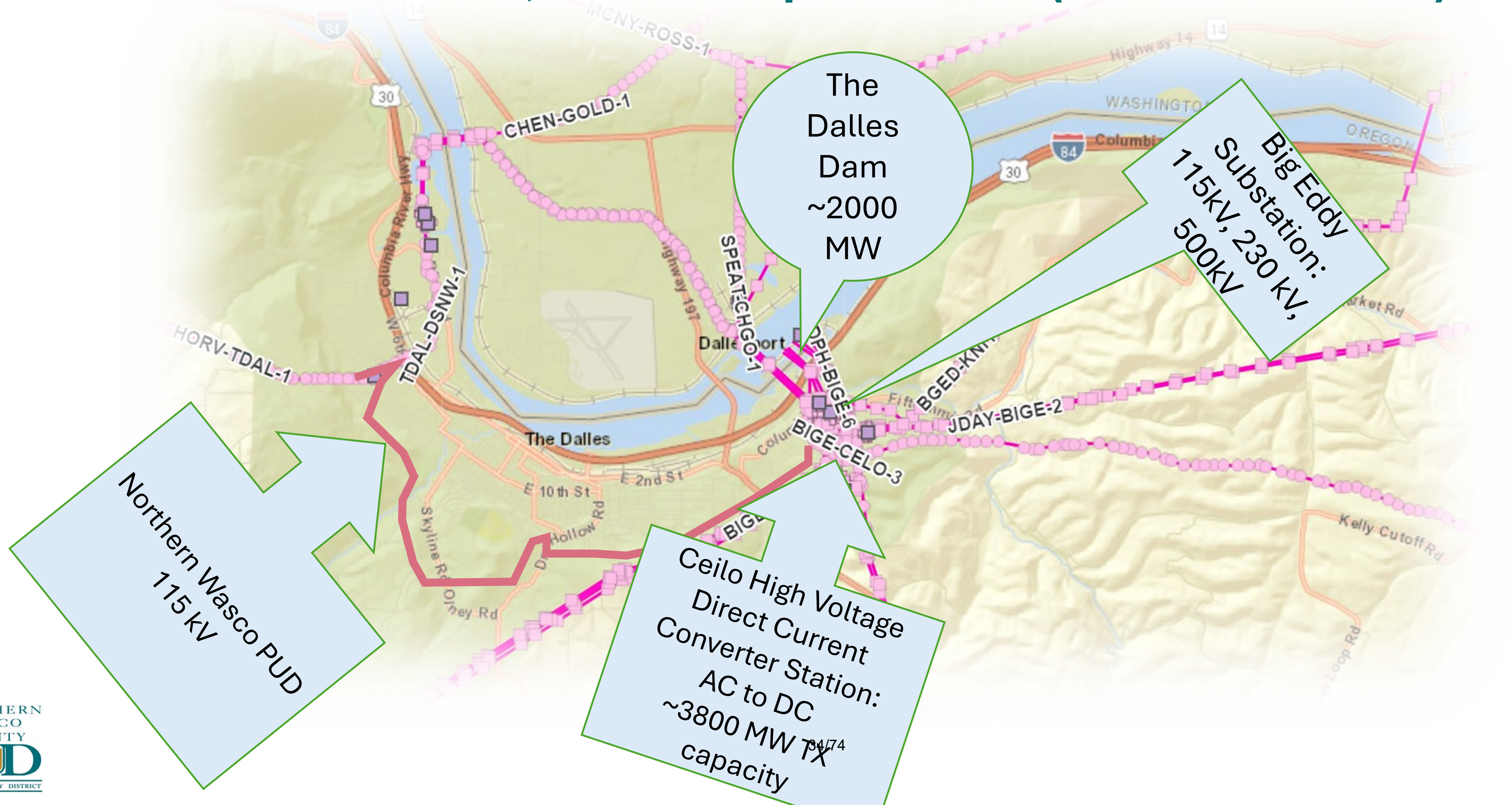
Background: Northern Wasco PUD Loads

- The vast majority of our customers by count are residential and small commercial/industrial served with standardized retail rates
- However over 85% of our energy delivered to customers was for data center service at formula rates—more later



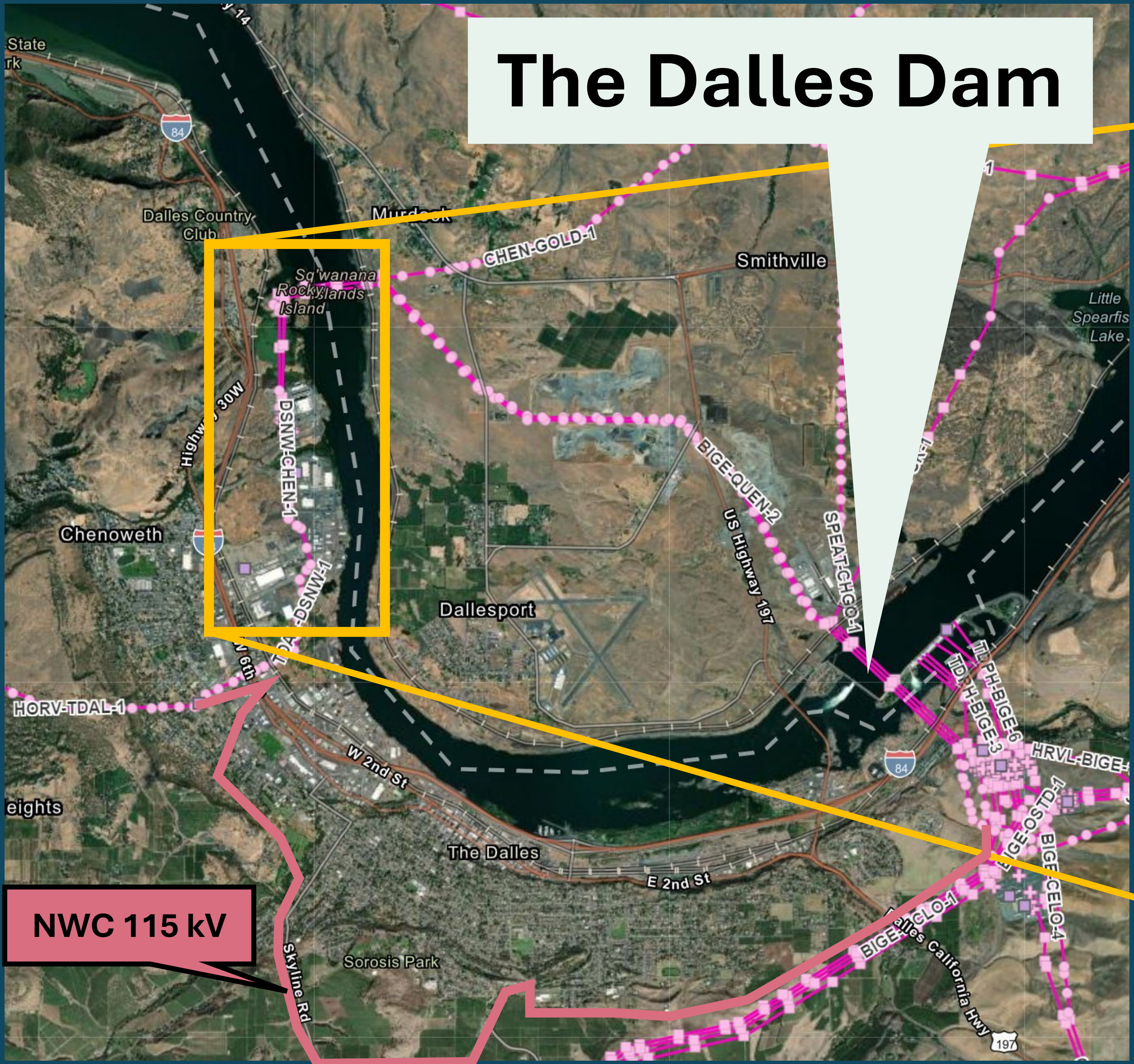
NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

Location Matters--The Dalles: Robust Power, Transmission, & Fiber Optic Nexus (Noanet & UPRR)



NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

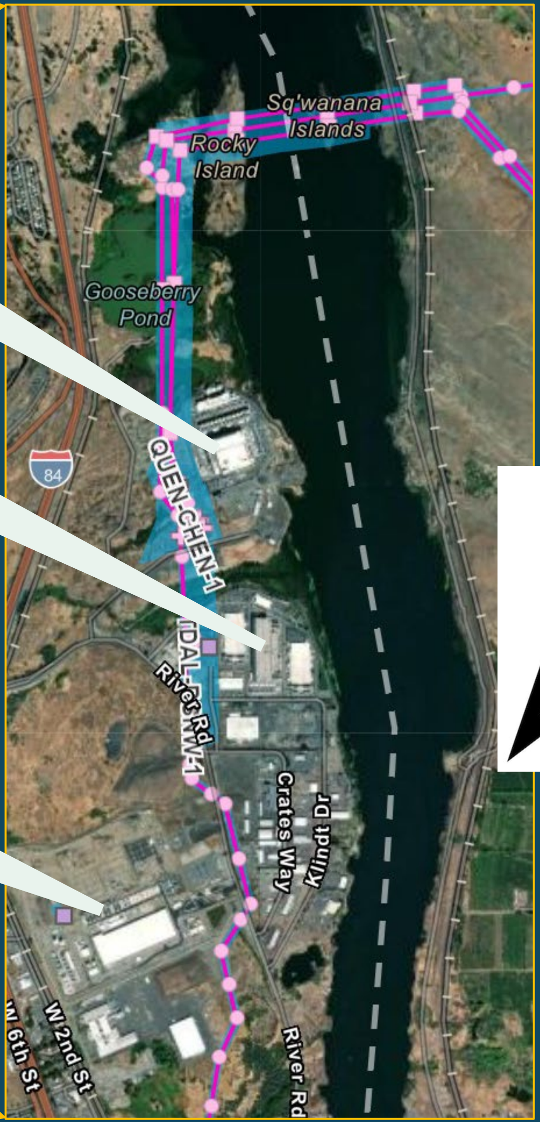
The Dalles Dam



TLK

DLS

GOR



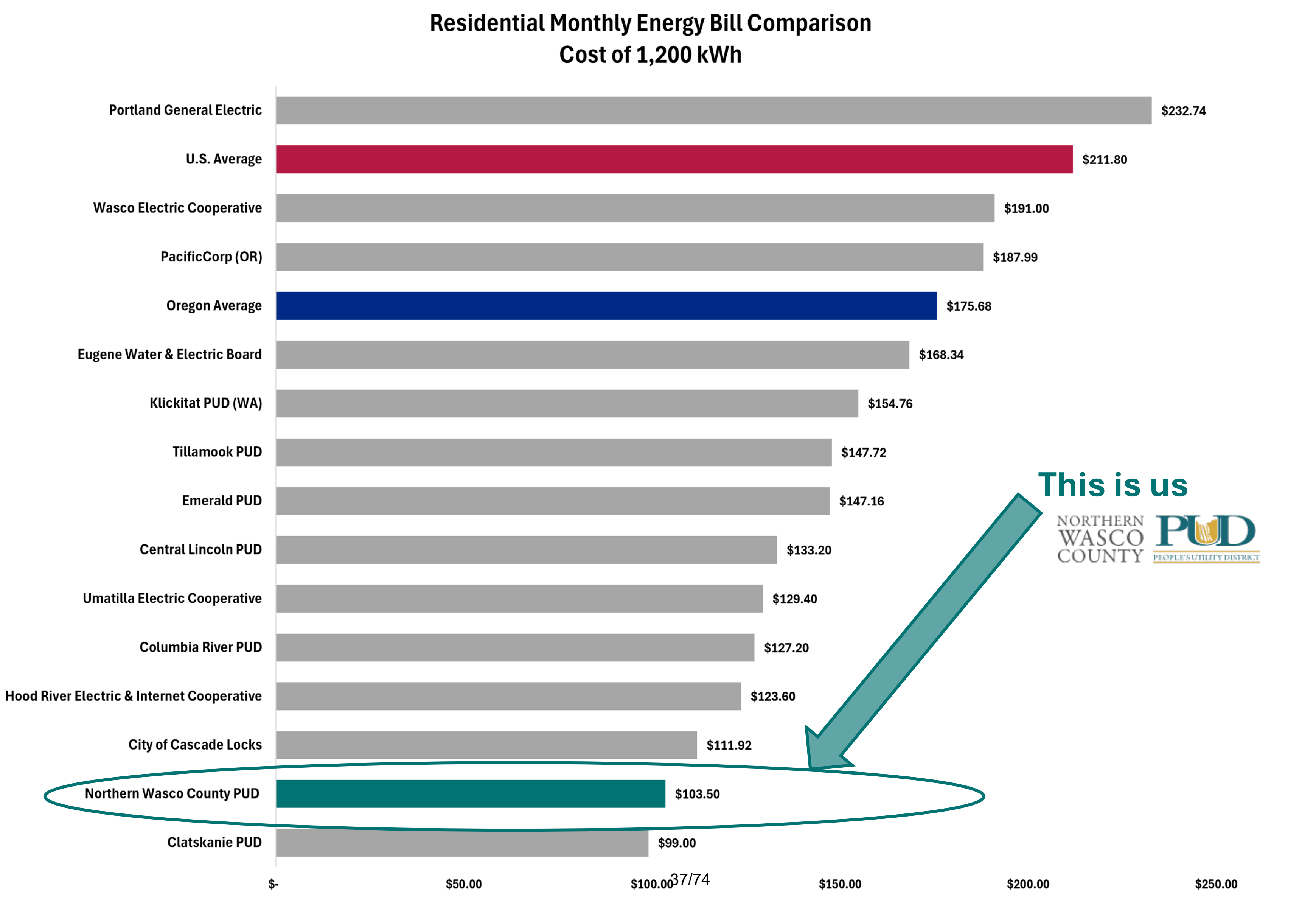
N

Northern Wasco County People's Utility District

- ORS Chapter 261-Monopoly with specific geographic service territory
- Exclusive Franchise
- Locally governed with an elected Board of Directors

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

Affordability is Economic Development



Source: All utility rates from published utility tariffs, May 2026. U.S. and Oregon averages from U.S. Energy Information Administration (EIA) and reflect per-kWh costs only; they do not include basic or facilities charges.

Local Control & Community Owned

When a large load wants to locate in our service territory, we have an obligation to serve but NOT at any cost to the utility.

Step 1: Facility Site Evaluation Request application-voltages >480 V & expected peak loads >1MW

Step 2: Pay Fee & Abide by Districts Terms and Conditions for Service *

Step 3: Feasibility Analysis & Coordination with BPA

Step 4: Conceptual Plan of Service

Step 5: Task Authorization(s)

Step 6: Loads >5 MW Electric Service Agreement & Service Deposit Agreement

"Data centers are not inherently good or bad. They are a choice.
Choices about place, people, and power are — ultimately — choices about responsibility.
In The Dalles, that responsibility belongs to the people who live here."

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

Electric Service Agreement Key terms and Structures

Calculation of the Power Charge	The District uses a Formula Rate that is effectively a monthly Cost-of-Service-based Rate that reflects all out-of-pocket costs and a contribution to financial reserves.
Metering	The District uses interchange class, revenue quality meters on the transmission circuits that serve the customer. We meter 115 kV and 230 kV circuits.

Wholesale Power Contracts: all power purchase agreements are fully disclosed to the customer in each monthly bill – full transparency

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

Power Supply

Matching contract lengths and quantities to load certainty

And considering Potential Future Exposure to forward prices

Term contracts: 1 month to multi-year

Credit Support Annex with counterparties, Service Deposits, Performance Assurance

Firm Around-the-Clock obligations with flat hourly profile

Periodic balancing transactions

Buy from Sellers who transact throughout the Western Interconnection

Sellers must provide e-Tags as proof of delivery

Failure to tag is a Seller default with Liquidated Damages

NORTHERN WASCO COUNTY PUD
PEOPLE'S UTILITY DISTRICT

Rate Structure and Myths

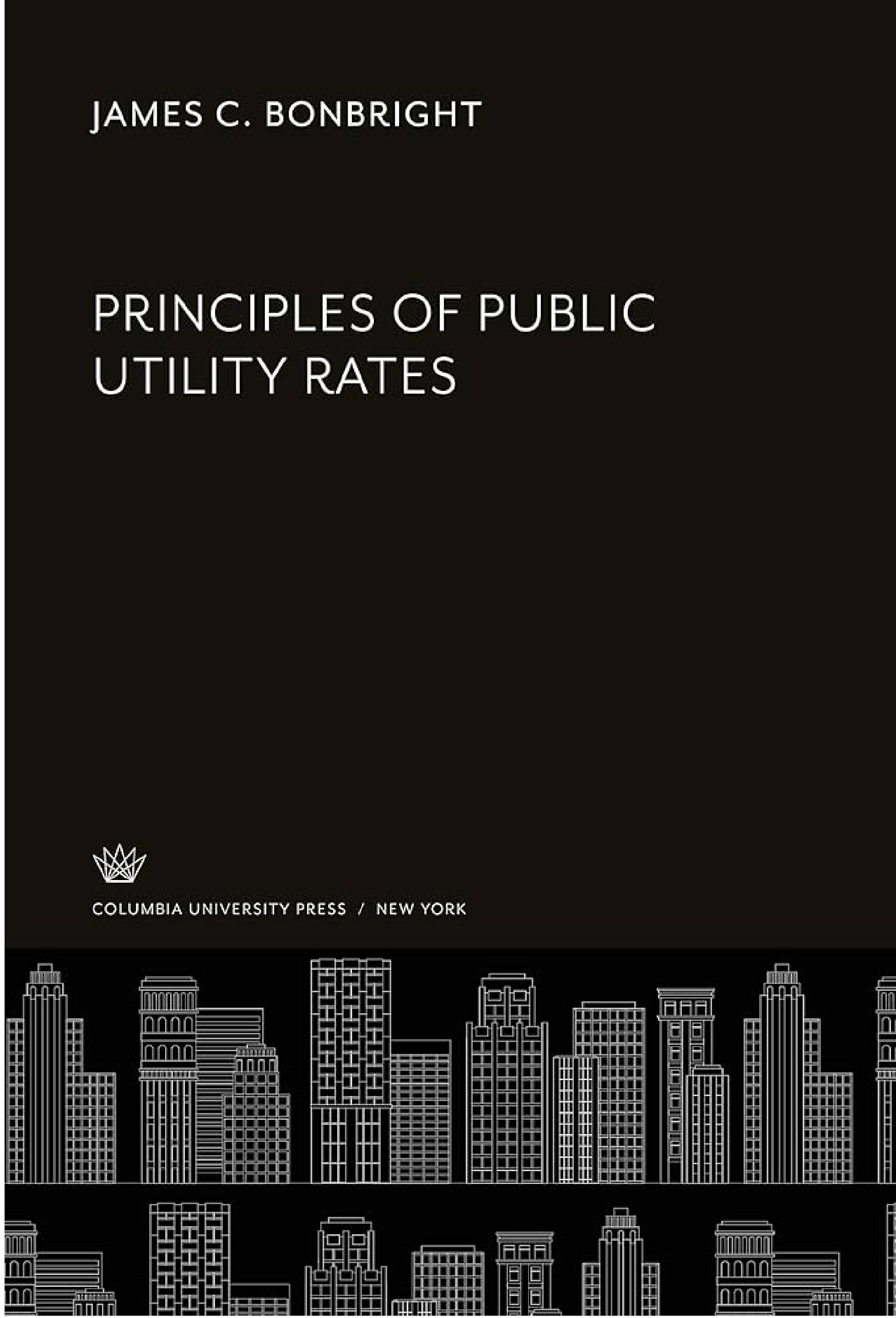
Common myth: “Residential Customers are subsidizing the Data Center load"

Fact: Northern Wasco County PUD--No Cross Subsidization

We carefully manage several key risks to protect NWCPUD’s existing customer-owners:

- Stranded asset risk: Infrastructure built for projects that fail or scale down could leave costs with existing customers.
- Financial concentration risk: When one customer represents a disproportionate share of utility revenue, it creates financial vulnerability for the utility. We have separate customer classes.

And FSER process does not guarantee service under existing rate schedules



NORTHERN WASCO COUNTY PUD
PEOPLE'S UTILITY DISTRICT

Infrastructure Built (and Still Needed)

Under our Facility Site Evaluation Request (FSER) process and Line Extension cost recovery principles, the District and BPA have constructed 115 kV and 230 kV transmission lines, substations and switchyards to provide service to the centers.

The District's Power Resources Division and Engineering staff hold regular meetings to discuss current operations and system planning with data center representatives.

We expect that joint power resource and infrastructure planning will continue for many years into the future.

WASCO COUNTY

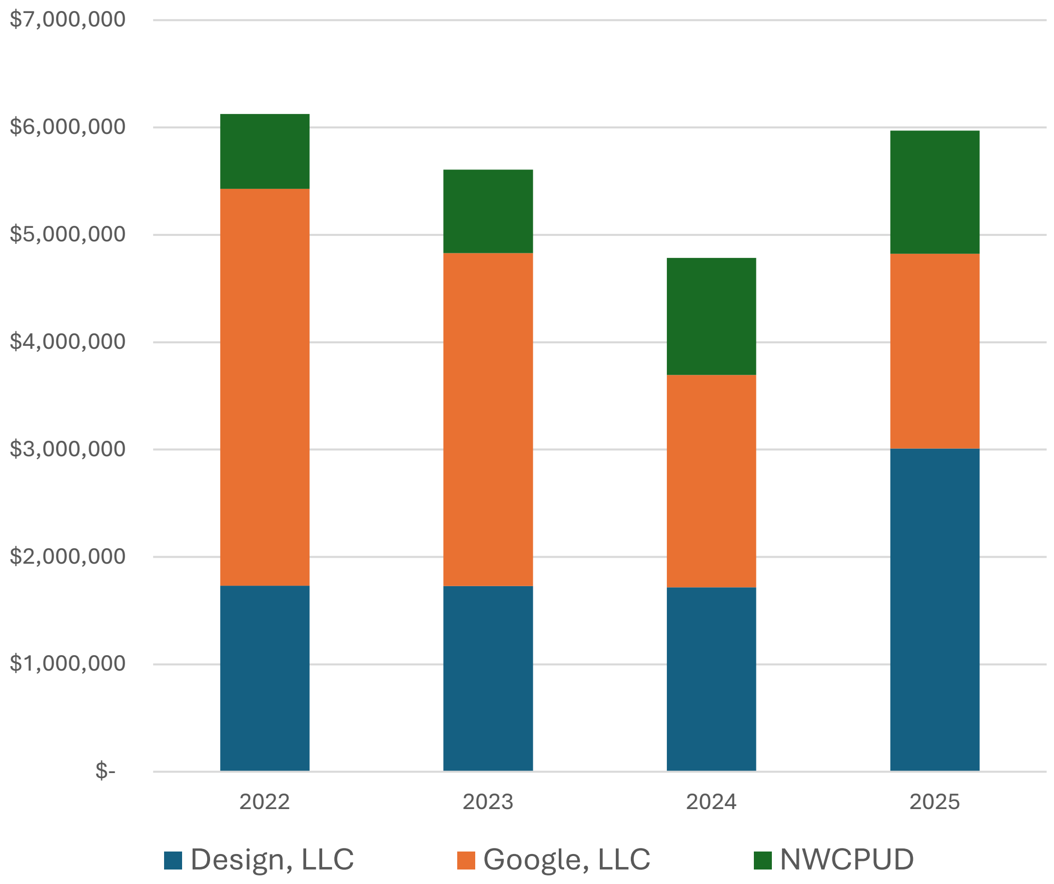
Top Taxpayers for Tax Year 2025

Ranked by Assessed Taxes; Value Type(s): 'AVR'

Rank					Account Taxes Billed	Account Assessed Value
1	**Party Number:**	130136	**Name:**	DESIGN LLC		
				Total(s):	$3,009,750.40	$2,300,544,270
2	**Party Number:**	155421	**Name:**	GOOGLE LLC		
				Total(s):	$1,813,378.61	$1,119,239,550
3	**Party Number:**	113969	**Name:**	NORTHERN WASCO COUNTY PUD		
				Total(s):	$1,148,736.36	$80,365,807
4	**Party Number:**	102608	**Name:**	UNION PACIFIC RAILROAD CO		
				Total(s):	$874,569.33	$58,873,836
5	**Party Number:**	157922	**Name:**	HYDRO EXTRUSION USA LLC		
				Total(s):	$594,459.09	$38,207,260
6	**Party Number:**	130711	**Name:**	BNSF RAILWAY CO		

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

Data Centers and NWCPUD:
Top 3 Wasco County Taxes Collected



	Design, LLC	Google, LLC	NWCPUD*
2022	$ 1,733,252	$ 3,696,581	$ 695,689
2023	$ 1,729,539	$ 3,100,433	$ 778,328
2024	$ 1,716,154	$ 1,980,648	$ 1,087,622
2025	$ 3,009,750	$ 1,813,378	$ 1,148,736
Total	$ 8,188,695	$ 10,591,040	$ 3,710,375

***NWCPUD pays City of The Dalles 3% on all kwh sales**

Data Source: https://www.wascocountyor.gov/departments/assessment_and_taxation/reports.php

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

Generic Power Portfolio Management in PNW

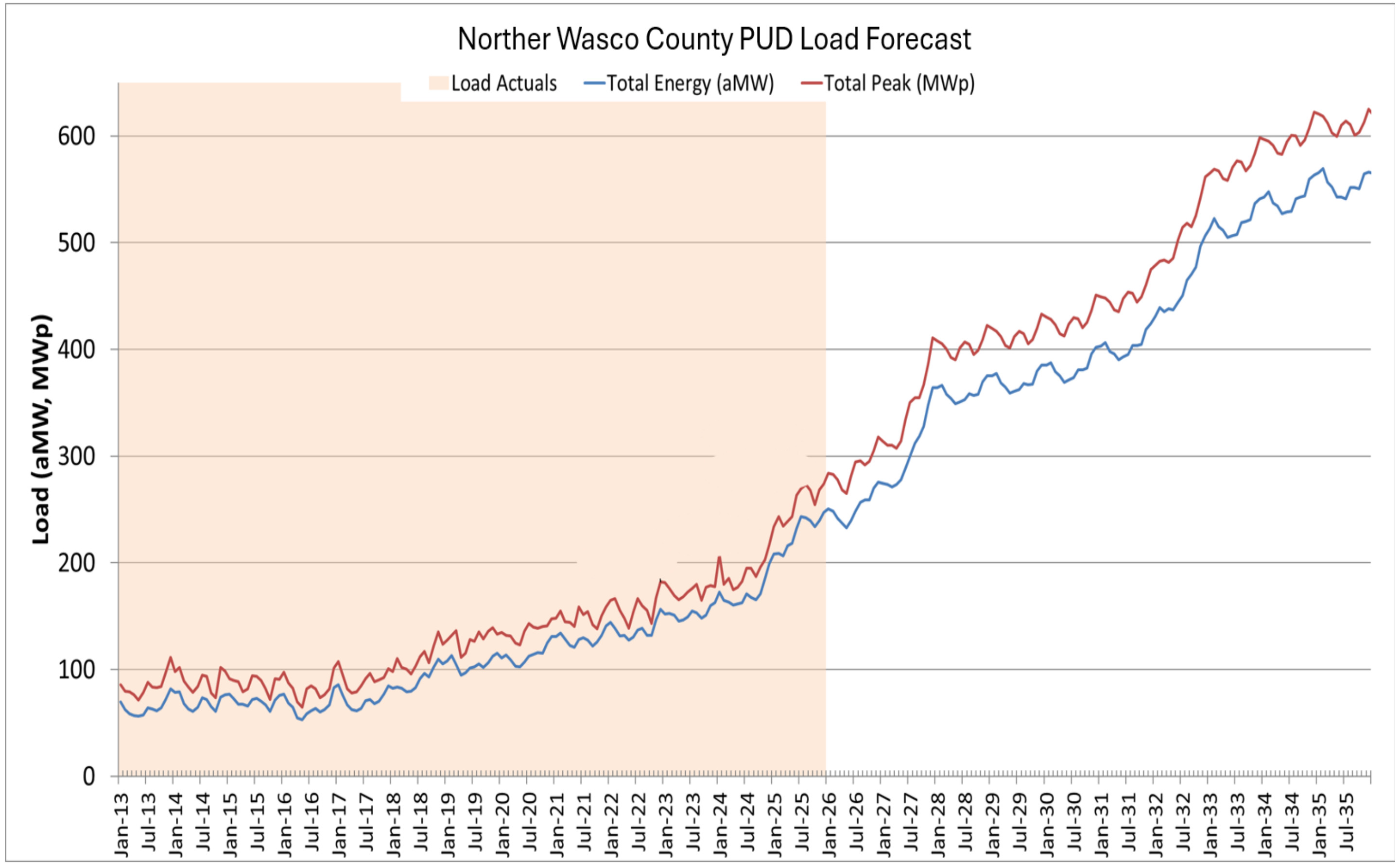
Strategic partnerships with BPA and power marketers

Wholesale Power Contracts- Failure to deliver and liquidated damages provisions

Credit Risk with Counterparties and Customer

Service Deposits, Performance Assurance & Collateral

Balanced resource planning



NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

NWCPUD Resources

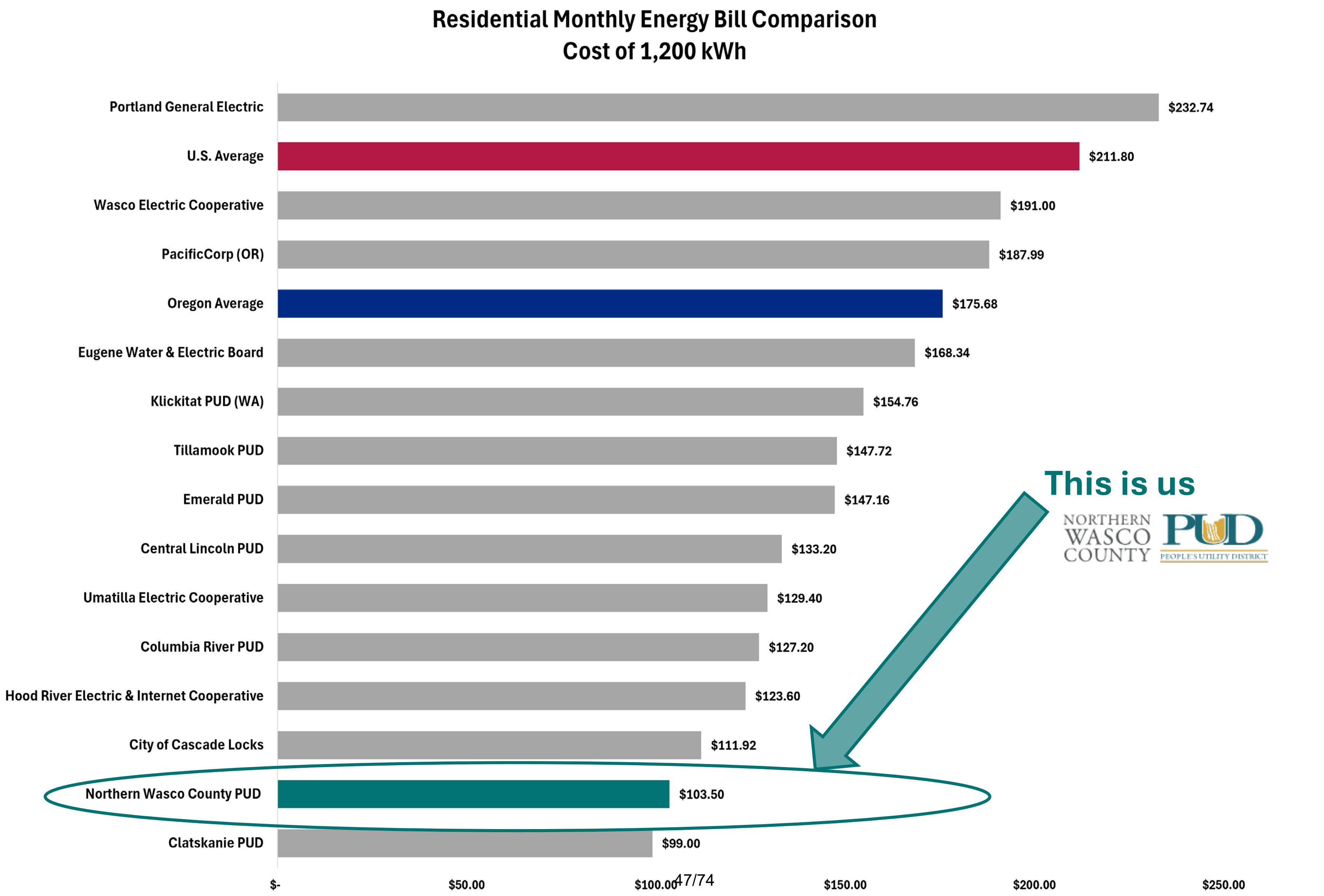
- We own two hydroelectric generating resources

- McNary Fishway (MNF)
  - Co-owned 50-50 with Klickitat PUD
  - 10 MW capacity
- The Dalles Fishway (TDF)
  - 5 MW capacity
- Both these resources are highly reliable and economic with low environmental impact, but can serve only a small part of our total load

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

RESPONSIBILITY

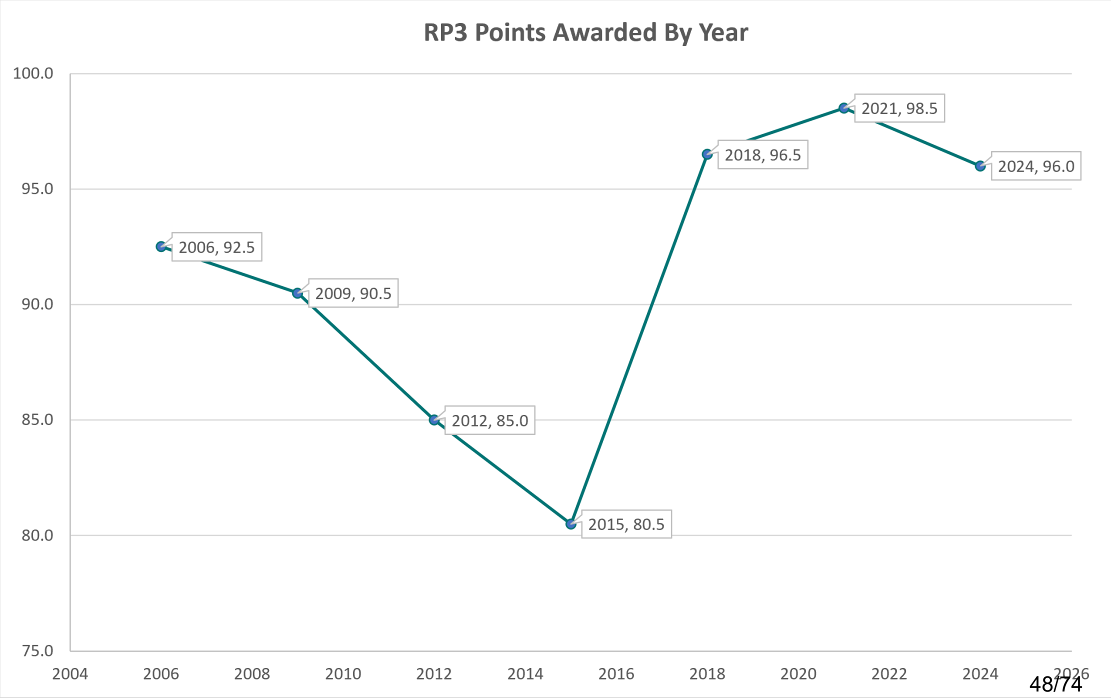
Affordability is Economic Development



Source: All utility rates from published utility tariffs, May 2026. U.S. and Oregon averages from U.S. Energy Information Administration (EIA) and reflect per-kWh costs only; they do not include basic or facilities charges.

Organizational Excellence

Award Year	Points Awarded	Award	Ranges	
2006	92.5	Platinum	Diamond	98-100
2009	90.5	Platinum	Platinum	90-97
2012	85.0	Gold	Gold	80-89
2015	80.5	Gold		
2018	96.5	Platinum		
2021	98.5	Diamond		
2024	96.0	Platinum		



TOP WORK PLACES 2025 The Oregonian

Oregon Business 100 Best NONPROFITS to work for in Oregon 2025

Oregon Business 100 Best NONPROFITS to work for in Oregon 2024

RP3 RELIABLE PUBLIC POWER PROVIDER™
American Public Power Association

SMART ENERGY PROVIDER
American Public Power Association

NORTHERN WASCO COUNTY PUD PEOPLE'S UTILITY DISTRICT

Local Strong—Thank you!

Special thanks to NWCPUD Board of Directors, Roger Kline, General Manager, Irene Scruggs, Chief Legal Officer, Kurt Conger, Assistant General Manager, Jeff Teel, Chief Operating Officer, Lana Egbert, Chief Financial Officer, Mark Freeman Customer Solutions, Director, Cyndi Gentry, Director of Corporate Services, Karen Heim, Community Relations Program Manager, Kathy McBride, Executive Assistant, and PRD team.

MEETING DATE	July 8, 2026
CONSENT ITEM I.-2.)	By-Laws

*Name(s) of officer signatures on the By-Laws to be amended if needed.

Background

Change “C” to “D” in the highlighted sentence below in the By-Laws excerpt ‘ARTICLE IV AS AMENDED ELECTION OF OFFICERS’, to accurately match the agenda order listed in the By-Laws.

POTD By-Laws
ARTICLE IV AS AMENDED (2/10/1941, VOL. 2 PG. 141) & 6/13/1977, VOL. 12 PG. 24, 11/10/2010, 12/10/2025, 07/08/2026)

ELECTION OF OFFICERS The election of officers of the Board of Commissioners shall be held annually at the first regular meeting in July. The Election of Officers shall be added to the July Agenda as item “C” following the Pledge of Allegiance; the officers are elected for a period of one year, or until their respective successors are elected and qualified. The Officers, as required by ORS 777 are, President, Vice President, Secretary and Treasurer. The Port also elects an Assistant Secretary/Treasurer.

MEETING DATE	July 8, 2026
REPORT ITEM J.-1.)	Director's Report Executive Director Klaas

Business Expansion, Retention and Recruitment

- State Lead - Project Landing Pad. Requirements: Minimum 60 acres within 45 minutes of an airport with commercial flights to Hartford, CT and Irvine, CA. Greenfield campus with 820,000 square foot development for advanced manufacturing. Will require 1,200 employees. Average wage is $65,000.
- Port Staff have been working with Lessee The Whiting-Turner Contracting Company in their quest to obtain the needed permits from City of The Dalles for their temporary offices and parking on POTD Lot 10 and 3801 Klindt Drive.
- NW Natural construction continues to progress, and the project remains on schedule for September completion.

Marketing & Outreach

- Executive Director Klaas joined Mark Bailey on the Mid-Columbia Today talk show.
- Neita Cecil, a part-time reporter for Columbia Gorge News, contacted the Port to get more information on the waterfront redevelopment discussion; Commissioner Willer provided some historical photos to her of the original Port Wharf.
- The Dalles Yacht Club has a new Commodore, Richard Hoefer; Port Staff will be meeting with him in July.
- Oregon Public Ports Association (OPPA)met for their monthly business meeting. Federal funding continues to be an ongoing issue for several Ports who received a notice of award for a project, but the funds have not been released. There is also concern by the river ports about funding for the U.S. Army Corps of Engineers related to work that is scheduled for both the Columbia River navigation locks as well as dredging projects.
- Special Districts Association of Oregon (SDAO) Legislative committee met to bring discussions about a legislative agenda for the upcoming session. Annex 1. *2026 Oregon Legislative Election Analysis* includes a summary of Oregon Legislative seats that will be on the November ballot.

Waterfront

- POTD Marina
  - Public Boat Launch Ramp
    - Fishing
      - The Northern Pikeminnow Sport-Reward Program is underway; a weigh station is in the parking lot until the weather gets too hot, then it will be moved down to Riverfront Park for some shade.
        - Catch data comparison
          - 5/31-6/14: 2026=7,571/2025=9,041/2024=8,651
        - Year to Date totals
          - 2026=14,630/2025=23,092/2024=21,589
        - Average number of anglers per week
          - 5/31-6/14: 2026=135/2025=165/2024=150
      - The Drain Radar Pro Team Series held their first tournament qualifier of the season on June 27th. POTD allows the competitors and organizers special early access to the Public Boat Launch Ramp Restrooms.
  - Transient Guest Moorage
    - Abandoned Vessel Update: An $8,725.00 reimbursement request was submitted to Oregon Department of State Lands (DSL) for the cost of removal, haul and disposal of the vessel through their Abandoned & Derelict Vessel Program. (The Port had applied for funds and was approved, before the removal, haul & disposal of the vessel.)

Other

- Governor Kotek convened a Data Center Advisory Committee to develop recommendations for a comprehensive regulatory framework. If you are interested in learning more about this group, their charge, or watching meeting recordings, here is the link Oregon Data Center Advisory Committee. The most recent meeting addressed energy affordability, revenue, and incentives.
- John’s Waterproofing conducted their annual inspection of the basement drain system. Everything looked good and is functioning as expected. Plant roots had grown into the water sump hole and were removed. The inspector said there is still water running into the collection hole.
- Trees that were damaged in the storm have been removed from the Klindt Cove Park parking medians.
- The Port continues to receive calls about no water at the RV Dump Station on Klindt Drive. For the Commission’s information, though located on Port property, the RV Dump Station is a City of The Dalles facility, and no fees are charged for dumping. Over the last year or two the City has repaired the hose bib faucet numerous times, but it keeps getting vandalized. Also, there were several private parties and businesses that were filling up commercial sized water tanks with free potable water. Currently the City does not plan to fix the water until they have a complete solution in place to 1: prevent vandalism and 2. prevent theft.
- The Governor's Prosperity Council released its list of recommendations to improve Oregon's economy and competitiveness. The council's 10 priority recommendations include calls for more competitive tax policies, enforceable statewide permitting timelines, a reduction in regulatory "burdens," modernization of state policies governing industrial and employment land, and the replacement of the Climate Protection Program with a cap and invest program aligned with those in neighboring states.
    - Annex 2. *Executive Summary of Recommendations for Oregon’s Long-Term Competitiveness & Prosperity*
    - Full report here Oregon Prosperity Council Report_June 2026.pdf

MEETING DATE July 8, 2026

REPORT ITEM J.-2.) Financial Report: June 2026 & Fiscal Year 2025-2026 Bookkeeper Toepke

June 2026

- Savings Accounts
  - Oregon State Treasury Short Term Fund's interest rate was 4.00% (compared to 4.60% in June 2025)
  - First Interstate Bank Money Market's interest rate was 3.71% (compared to 4.23% in June 2025)

- Profit & Loss Budget vs Actual Reports by Fund Line items are as expected for the 12th and final month of Fiscal Year 2025-2026

- Uncommon Income & Expense
  - General Fund
    - Income
      - Annual payment for office rental in the Port Administrative Office Building: $2,400.00
    - Expense
      - Replace Port Administrative Office Building's HVAC for main & lower floor: $18,974.00
      - Remove, haul, dissemble, test and dispose of, abandoned vessel in The Dalles Marina: $8,725.00 (full reimbursement expected in FY 2026-2027 from grant funding)
  - Port Development Fund
    - Expense
      - Install storm service on Port's Klindt Drive property: $3,681.79
      - Tree removal on Port property at Klindt Cove Park due to severe storm: $4,650.00

Fiscal Year 2025-2026

- Notables from Profit & Loss Budget vs Actual Reports by Fund for Fiscal Year 2025-2026
  - General Fund
    - Income
      - Interest from Earnings totaled $92,811.15, 135.92% of budget
      - Other Resources, Launch Ramp & Transient Moorage totaled $2,495.00, 62.38% of budget; $2,814.00 less than FY 2024-2025
      - Other Resources, Leased Land & Facilities totaled $96,595.60, 120.75% of budget
      - Previously Levied Taxes totaled $7,485.42, 149.71% of budget
      - Property Taxes totaled $491,090.89, 108.45% of budget; $45,307.79 more than FY 2024-2025
      - Transfer from Other Funds, Port Development Fund - $200,000.00, 28.3% of budget; each fiscal year the General Fund receives a transfer from the Port Development Fund for its portion of operating expenses
    - Expense
      - Material & Services, Insurance-Property & Liability totaled $37,286.00, 106.53% of budget due to additional insurance added for The Dalles Marina
      - Material & Services, Launch Ramp & Transient Moorage totaled $74,289.45, 165.09% of budget due to unforeseen expenses like: increase in restroom cleaning/maintenance annual contract; backflow replacement; pumpout/dump station repair; abandoned vessel; facility condition assessment report
      - Transfers & Contingency, Transfer to Other Funds totaled $500,000.00, 100.00% of budget; at the end of each fiscal year, the General Fund transfers surplus funds to the Port Development Fund. For the new Fiscal Year 2026-2027, the Transfer to Other Funds budgeted amount increased to $1,000,000.00
  - Marina Fund
    - Income
      - None
    - Expense
      - None

- Port Development Fund
  - Income
    - Interest from Earnings totaled $230,243.48, 181.7% of budget
    - Other Resources, Total Land Sales & Contract Interest totaled $1,028,499.00, 51.43% of budget
      - V&G totaled $28,500.00 relating to 3691 Klindt Drive Property: $12,500.00 for a job creation credit repayment and sale of a replated portion of the property
      - Other (NW Natural) totaled $999,999.00 for sale of Port Parcel 1, 2N 13E 21C 400 & 17928 & Parcel 2, 2N 13E 21C 500 on River Trail Way
    - Other Resources, Other Income totaled $33,195.34, 1.66% of budget; $30,000.00 was received from Wasco County for POTD portion of the 2025 Community Service Fee
    - Transfer from Other Funds, General Fund - totaled $500,000, 100.00% of budget; at the end of each fiscal year, the General Fund transfers surplus funds to the Port Development Fund. For the new Fiscal Year 2026-2027, the Transfer from Other Funds, General Fund – has been increased to $1,000,000.00.
  - Expense
    - Special Payments, Other Partnership Projects totaled $86,000.00, 4.3% of budget; a medium-term loan was entered into through an Intergovernmental Agreement (IGA) with City of Dufur to provide gap funding needed on their purchase of a new ambulance for Dufur Volunteer Fire & Ambulance.
    - Transfers & Contingency, Transfer to Other Funds totaled $200,000.00, 100.00% of budget; each fiscal year the Port Development Fund makes a transfer for its portion of operating expenses to the General Fund

PORT OF THE DALLES

Balance Sheet by Class

As of June 30, 2026

	General Fund	Marina Fund	Port Development Fund	Unclassified	TOTAL
ASSETS					
Current Assets					
Checking/Savings					
FIB Checking					
General Fund	18,808.01	0.00	0.00	0.00	18,808.01
Marina Fund	0.00	1,275.11	0.00	0.00	1,275.11
Port Development Fund	0.00	0.00	5,899.85	0.00	5,899.85
Total FIB Checking	18,808.01	1,275.11	5,899.85	0.00	25,982.97
FIB Money Market					
General Fund	36,405.06	0.00	0.00	0.00	36,405.06
Marina Fund	0.00	1,139.26	0.00	0.00	1,139.26
Port Development Fund	0.00	0.00	10,528.47	0.00	10,528.47
Total FIB Money Market	36,405.06	1,139.26	10,528.47	0.00	48,072.79
LGIP					
General Fund	1,634,744.13	0.00	0.00	0.00	1,634,744.13
Marina Fund	0.00	63,705.18	0.00	0.00	63,705.18
Port Development Fund	0.00	0.00	6,230,610.00	0.00	6,230,610.00
Total LGIP	1,634,744.13	63,705.18	6,230,610.00	0.00	7,929,059.31
Petty Cash	66.28	28.48	55.24	0.00	150.00
Total Checking/Savings	1,690,023.48	66,148.03	6,247,093.56	0.00	8,003,265.07
Total Current Assets	1,690,023.48	66,148.03	6,247,093.56	0.00	8,003,265.07
TOTAL ASSETS	1,690,023.48	66,148.03	6,247,093.56	0.00	8,003,265.07
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Credit Cards					
Mastercard-1662	-1.00	0.00	1.00	0.00	0.00
Total Credit Cards	-1.00	0.00	1.00	0.00	0.00
Other Current Liabilities					

PORT OF THE DALLES

Balance Sheet by Class

As of June 30, 2026

	General Fund	Marina Fund	Port Development Fund	Unclassified	TOTAL
Payroll Liabilities	5,360.31	0.00	0.00	0.00	5,360.31
Total Other Current Liabilities	5,360.31	0.00	0.00	0.00	5,360.31
Total Current Liabilities	5,359.31	0.00	1.00	0.00	5,360.31
Total Liabilities	5,359.31	0.00	1.00	0.00	5,360.31
Equity					
Unrestricted Net Assets	1,908,635.03	63,433.52	4,855,210.18	0.00	6,827,278.73
Net Income	-223,970.86	2,714.51	1,391,882.38	0.00	1,170,626.03
Total Equity	1,684,664.17	66,148.03	6,247,092.56	0.00	7,997,904.76
TOTAL LIABILITIES & EQUITY	1,690,023.48	66,148.03	6,247,093.56	0.00	8,003,265.07

PORT OF THE DALLES

Profit & Loss Budget vs. Actual-GENERAL FUND

July 2025 through June 2026

	Jul '25 - Jun 26	Budget	% of Budget
Ordinary Income/Expense			
Income			
Beginning Fund Balance	0.00	2,276,137.00	0.0%
Interest from Earnings	92,811.15	68,285.00	135.92%
Other Resources			
Grants	19,000.00	1,519,000.00	1.25%
Launch Ramp & Transient Moorage	2,495.00	4,000.00	62.38%
Leased Land & Facilities	96,595.60	80,000.00	120.75%
Loan Repayments	0.00	0.00	0.0%
Other Income	8,679.78	20,000.00	43.4%
Total Other Resources	126,770.38	1,623,000.00	7.81%
Previously Levied Taxes	7,485.42	5,000.00	149.71%
Property Taxes	491,090.89	452,837.00	108.45%
Transfer from Other Funds			
Port Development Fund	200,000.00		
Transfer from Other Funds - Other	0.00	707,301.00	0.0%
Total Transfer from Other Funds	200,000.00	707,301.00	28.28%
Total Income	918,157.84	5,132,560.00	17.89%
Gross Profit	918,157.84	5,132,560.00	17.89%
Expense			
Capital Outlay			
Launch Ramp & Transient Moorage	0.00	1,500,000.00	0.0%
Port Facilities	18,974.00	750,000.00	2.53%
Total Capital Outlay	18,974.00	2,250,000.00	0.84%
Material & Services			
Accounting & Audit	9,270.00	15,000.00	61.8%
Contracted Services	34,361.74	85,000.00	40.43%
Dues & Memberships			
Bank Fees	599.26		
Dues & Memberships - Other	27,792.44	35,000.00	79.41%
Total Dues & Memberships	28,391.70	35,000.00	81.12%
Insurance-Property & Liability	37,286.00	35,000.00	106.53%
Launch Ramp & Transient Moorage	74,289.45	45,000.00	165.09%
Legal	8,235.40	30,000.00	27.45%
Maintenance-Supplies & Services	7,730.60	30,000.00	25.77%
Office Supplies & Equipment	4,929.47	30,000.00	16.43%
Travel, Education & Meetings	17,951.24	40,000.00	44.88%
Utilities	13,318.42	20,000.00	66.59%
Total Material & Services	235,764.02	365,000.00	64.59%

PORT OF THE DALLES

Profit & Loss Budget vs. Actual-GENERAL FUND

July 2025 through June 2026

	Jul '25 - Jun 26	Budget	% of Budget
Personal Services			
Taxes & Benefits			
Insurance	69,877.16		
Payroll Tax Expense	19,735.84		
PERS	38,969.74		
Taxes & Benefits - Other	1,388.55	147,000.00	0.95%
Total Taxes & Benefits	129,971.29	147,000.00	88.42%
Wages & Salaries	257,419.39	350,000.00	73.55%
Total Personal Services	387,390.68	497,000.00	77.95%
Transfers & Contingency			
General Operating Contingency	0.00	100,000.00	0.0%
Transfer to Other Funds	500,000.00	500,000.00	100.0%
Total Transfers & Contingency	500,000.00	600,000.00	83.33%
Total Expense	1,142,128.70	3,712,000.00	30.77%
Net Ordinary Income	-223,970.86	1,420,560.00	-15.77%
Net Income	-223,970.86	1,420,560.00	-15.77%

PORT OF THE DALLES

Profit & Loss Budget vs. Actual-MARINA FUND

July 2025 through June 2026

	Jul '25 - Jun 26	Budget	% of Budget
Ordinary Income/Expense			
Income			
Beginning Fund Balance	0.00	62,150.00	0.0%
Interest from Earnings	2,714.51	1,865.00	145.55%
Other Resources			
Fire Emergency	0.00	507,301.00	0.0%
Other Income	0.00	0.00	0.0%
Total Other Resources	0.00	507,301.00	0.0%
Total Income	2,714.51	571,316.00	0.48%
Gross Profit	2,714.51	571,316.00	0.48%
Expense			
Material & Services	0.00	60,000.00	0.0%
Transfers & Contingency			
General Operating Contingency	0.00	0.00	0.0%
Transfer to Other Funds	0.00	507,301.00	0.0%
Total Transfers & Contingency	0.00	507,301.00	0.0%
Total Expense	0.00	567,301.00	0.0%
Net Ordinary Income	2,714.51	4,015.00	67.61%
Net Income	2,714.51	4,015.00	67.61%

PORT OF THE DALLES

Profit & Loss Budget vs. Actual-PORT DEVELOPMENT FUND

July 2025 through June 2026

	Jul '25 - Jun 26	Budget	% of Budget
Ordinary Income/Expense			
Income			
Beginning Fund Balance	0.00	4,222,834.00	0.0%
Interest from Earnings	230,243.48	126,685.00	181.75%
Other Resources			
Grants	0.00	1,000,000.00	0.0%
Land Sales & Contract Interest			
V&G	28,500.00		
Land Sales & Contract Interest - Other	999,999.00	2,000,000.00	50.0%
Total Land Sales & Contract Interest	1,028,499.00	2,000,000.00	51.43%
Loan Repayments			
CGCC	0.00	0.00	0.0%
City of Dufur			
Interest	2,102.36		
Principal	7,670.74		
City of Dufur - Other	0.00	0.00	0.0%
Total City of Dufur	9,773.10	0.00	100.0%
Total Loan Repayments	9,773.10	0.00	100.0%
Other Income	33,195.34	2,000,000.00	1.66%
Total Other Resources	1,071,467.44	5,000,000.00	21.43%
Transfer from Other Funds			
General Fund	500,000.00		
Transfer from Other Funds - Other	0.00	500,000.00	0.0%
Total Transfer from Other Funds	500,000.00	500,000.00	100.0%
Total Income	1,801,710.92	9,849,519.00	18.29%
Gross Profit	1,801,710.92	9,849,519.00	18.29%
Expense			
Capital Outlay			
Land Acquis, Develop & Improve	3,681.79	6,000,000.00	0.06%
Total Capital Outlay	3,681.79	6,000,000.00	0.06%
Debt Service	0.00	0.00	0.0%
Material & Services			
Accounting & Audit	5,794.85	15,000.00	38.63%
Contracted Services	32,354.46	200,000.00	16.18%
Land Sale Costs	60,163.53	150,000.00	40.11%
Legal	2,883.80	10,000.00	28.84%
Travel, Market Promo & Meetings	18,950.11	25,000.00	75.8%
Total Material & Services	120,146.75	400,000.00	30.04%
Special Payments			

	Jul '25 - Jun 26	Budget	% of Budget
Other Partnership Projects	86,000.00	2,000,000.00	4.3%
Total Special Payments	86,000.00	2,000,000.00	4.3%
Transfers & Contingency			
General Operating Contingency	0.00	100,000.00	0.0%
Transfer to Other Funds			
General Fund	200,000.00		
Transfer to Other Funds - Other	0.00	200,000.00	0.0%
Total Transfer to Other Funds	200,000.00	200,000.00	100.0%
Total Transfers & Contingency	200,000.00	300,000.00	66.67%
Total Expense	409,828.54	8,700,000.00	4.71%
Net Ordinary Income	1,391,882.38	1,149,519.00	121.08%
Net Income	1,391,882.38	1,149,519.00	121.08%

MEETING DATE July 8, 2026

- Annex 1. *2026 Oregon Legislative Election Analysis*
- Annex 2. *Oregon Prosperity Council: Executive Summary of Recommendations for Oregon's Long-Term Competitiveness & Prosperity*

2026 Oregon Legislative Election Analysis

EXECUTIVE SUMMARY

Oregon's legislature is firmly under Democratic control heading into the 2026 elections, but several competitive races, particularly in the Senate, could reshape the margins. Democrats currently hold an 18-12 majority in the State Senate and a commanding 37-23 majority in the House, maintaining a Democratic trifecta with the Governor's office.

The November 3, 2026 general election features all 60 House seats and 15 of 30 Senate seats. A total of 186 major-party candidates filed, 99 Democrats and 87 Republicans, representing a 30% increase in contested primaries over 2024.

The most consequential structural factor is Ballot Measure 113, which bars legislators with 10+ unexcused absences from seeking re-election. Three Republican State Senators who participated in the 2023 six-week walkout (Hayden, Thatcher, Weber) are disqualified from running, forcing open three seats, two of which are genuinely competitive and could flip Democratic. This is arguably the single biggest structural advantage for Democrats in this cycle.

OREGON STATE SENATE

Current Partisan Composition

The Oregon State Senate has 30 members serving staggered four-year terms. Each district represents approximately 141,000 residents.

Party	Seats Held
Democrats	**18**
Republicans	**12**
Total	**30**

Key Senate Dynamics

- Democrats need 16 seats for a majority; they currently hold 18. A comfortable 2-seat cushion.
- 3 Republican incumbents barred from running under Ballot Measure 113: Hayden (SD 6), Thatcher (SD 11), Weber (SD 16). SD 11 and SD 16 are competitive and could flip Democratic.
- Democrat Jeff Golden (SD 3, Ashland area) retired. Christine Drazan (R, SD 26) is running for Governor rather than seeking a full Senate term.
- Major intra-party upset: Progressive challenger Myrna Munoz defeated moderate incumbent Janeen Sollman in the SD 15 (Hillsboro) Democratic primary — a sign of growing left-wing energy within the party.
- Seats most likely to change hands: SD 3 (Medford, open), SD 11 (Keizer/Salem, Measure 113 open), SD 16 (North Coast, Measure 113 open), SD 26 (Gorge, open).

- Overall Senate outlook: Democrats are positioned to hold or expand their majority, potentially reaching 19-11 or 20-10 if Measure 113 seats flip.

2026 Senate Seats — All 15 Up for Election

* Barred from re-election under Ballot Measure 113 (2023 walkout). (inc.) = incumbent running.

District	Incumbent	Party	2024 Margin	Largest City/ Area	Dem. Candidate	Rep. Candidate	Prediction
SD 3	Jeff Golden (D, retiring)	**D**	3.9%	Medford/ Ashland	Denise Krause	Brad Hicks	Toss-up / Lean D
SD 4	Floyd Prozanski (D)	**D**	64.1%	Eugene	Prozanski (inc.)	TBD	Safe D
SD 6	Cedric Hayden (R)*	**R**	30.6%	Springfield/Fall Creek	Sierrah Williams	Jack Tibbetts	Likely R
SD 7	James Manning Jr. (D)	**D**	29.1%	Eugene	Manning (inc.)	Jack Huff	Safe D
SD 8	Sara Gelser Blouin (D)	**D**	19.7%	Corvallis	Gelser Blouin (inc.)	V. Draper Woldeit	Likely D
SD 10	Deb Patterson (D)	**D**	6.9%	Salem	Patterson (inc.)	Angela Plowhead	Lean D
SD 11	Kim Thatcher (R)*	**R**	5.2%	Keizer / Salem area	Virginia Stapleton	Tracy Cramer	Toss-up
SD 13	Courtney Neron Misslin (D)	**D**	16.2%	Clark County WA border	Misslin (inc.)	Glenn Lancaster	Likely D
SD 15	Janeen Sollman (D, lost primary)	**D**	11.1%	Hillsboro	Myrna Munoz	Harold Hutchinson	Lean D
SD 16	Suzanne Weber (R)*	**R**	13.1%	Tillamook / Lincoln City	Rachel Armitage	Courtney Bangs	Lean R
SD 17	Lisa Reynolds (D)	**D**	58.0%	Beaverton	Reynolds (inc.)	John Chee	Safe D
SD 19	Rob Wagner (D)	**D**	32.2%	Lake Oswego / Tualatin	Wagner (inc.)	Mary Dirksen	Safe D
SD 20	Mark Meek (D)	**D**	0.8%	Oregon City / Clackamas	Meek (inc.)	Michelle Stroh	Lean D
SD 24	Kayse Jama (D)	**D**	17.6%	Portland	Jama (inc.)	TBD	Safe D
SD 26	Christine Drazan (R, Gov. race)	**R**	18.3%	Hood River / The Dalles	Nicole Bassett	Jeff Helfrich	Lean R

OREGON STATE SENATE HOUSE OF REPRESENTATIVES

Current Partisan Composition

The Oregon House has 60 members serving two-year terms. All 60 seats are on the ballot every two years.

Party	Seats Held
Democrats	**37**
Republicans	**23**
Total	**60**

Key House Dynamics

- Democrats need 31 seats for a majority; they hold 37, a 6-seat cushion. A majority flip is essentially impossible in 2026.
- Rep. Cyrus Javadi (HD 32, Tillamook/Astoria) switched from Republican to Democrat in September 2025, citing disagreements with Trump-era Republicanism. His seat is now genuinely competitive.
- 7 incumbents not seeking re-election: 3 Democrats (Lively/Springfield, Helm/Beaverton, Hartman/Gladstone due to illness) and 4 Republicans (Wright/Reedsport, Cate/Lebanon, Diehl/Silverton, Helfrich/Hood River).
- Genuinely competitive seats are concentrated in the Salem area (HD 21, HD 22), the Columbia River Gorge (HD 52), and the North Coast (HD 32).

2026 Competitive House Seats — Key Races to Watch

Only the most competitive/notable seats are listed. The remaining ~46 seats are safe for one party and are not expected to change hands. * Javadi was elected as a Republican and switched to the Democratic Party in September 2025.

District	Incumbent	Party	2024 Margin	Largest City/ Area	Dem. Candidate	Rep. Candidate	Prediction
COMPETITIVE / WATCH LIST (under 12-point margins or notable open seats)							
HD 7	John Lively (D, retiring)	**D**	11.8%	Springfield	Kori Rodley	TBD	Lean D
HD 9	Boomer Wright (R, retiring)	**R**	23.9%	Reedsport / Coos Bay	TBD	Claire Lynn	Likely R
HD 19	Tom Andersen (D)	**D**	8.7%	Salem	Andersen (inc.)	TBD	Lean D
HD 20	Paul Evans (D)	**D**	16.2%	Monmouth / Independence	Evans (inc.)	TBD	Likely D
HD 21	Kevin Mannix (R)	**R**	3.8%	Salem	TBD	Mannix (inc.)	Lean R
HD 22	Lesly Munoz (D)	**D**	0.8%	Woodburn	Munoz (inc.)	Noemi Legaspi	Toss-up
HD 27	Ken Helm (D, retiring)	**D**	48.2%	Beaverton	Tammy Carpenter	TBD	Likely D

District	Incumbent	Party	2024 Margin	Largest City/ Area	Dem. Candidate	Rep. Candidate	Prediction
HD 32	Cyrus Javadi (D)*	**D**	4.4%	Tillamook / Astoria	Javadi (inc.)	Christian Honl	Toss-up
HD 40	Annessa Hartman (D, retiring)	**D**	11.9%	Gladstone	Charles Gallia	TBD	Lean D
HD 48	Lamar Wise (D)	**D**	6.2%	Gresham	Wise (inc.)	TBD	Lean D
HD 49	Zach Hudson (D)	**D**	11.9%	Troutdale / Gresham	Hudson (inc.)	TBD	Lean D
HD 50	Ricki Ruiz (D)	**D**	9.3%	Hillsboro	Ruiz (inc.)	TBD	Lean D
HD 52	Jeff Helfrich (R, to Senate)	**R**	3.8%	Hood River / The Dalles	Hank Sanders	Scott Hege	Toss-up / Lean R
HD 53	Emerson Levy (D)	**D**	8.6%	Lake Oswego	Levy (inc.)	TBD	Lean D

BROADER ELECTORAL CONTEXT & RELEVANT FACTORS

Statewide Political Climate

- Oregon has maintained a Democratic trifecta continuously since 2012. No Republican has won a statewide office since 2016.
- 2026 is a federal midterm year under President Trump. Historically, the president's party loses state legislative seats, which nationally favors Democrats and provides a protective tailwind for Oregon's marginal D seats.
- Democratic primary energy is up 75% compared to 2024, reflecting high base engagement — but also surfacing internal tensions between centrist and progressive factions (see SD 15 below).

The Ballot Measure 113 Factor

- Oregon voters passed Measure 113, barring legislators from running again if they accumulate 10+ unexcused absences in a session. This was triggered by the 2023 Republican Senate walkout, where senators fled to avoid a quorum on Democratic priority bills.
- Three Republican senators (Hayden SD 6, Thatcher SD 11, Weber SD 16) are constitutionally barred from running, simultaneously opening three seats, two of which (SD 11 and SD 16) are genuinely competitive and could flip Democratic.
- This is arguably the single biggest structural advantage for Senate Democrats in the 2026 cycle.

The Cyrus Javadi Party Switch (HD 32)

- Rep. Javadi's switch from Republican to Democrat in September 2025 added a seat to the Democratic column but created an unusual competitive dynamic on the North Coast.
- Javadi cited disagreements with the Trump-era GOP on LGBTQ+ rights, immigration, and fiscal policy.
- His Republican challenger Christian Honl argues Javadi betrayed his constituents. The Tillamook/Astoria coastal district has historically leaned Republican, making this a true toss-up in November.

Progressive vs. Centrist Tensions in the Democratic Party

- The contested SD 15 primary (Hillsboro) — where progressive Myrna Munoz unseated moderate incumbent Janeen Sollman — reflects a broader factional battle within Oregon's Democratic Party.
- In HD 27 (Beaverton), DSA-affiliated Tammy Carpenter similarly won the primary over a more moderate city councilor.
- More progressive nominees in suburban swing districts may create unexpected vulnerabilities in November general elections that deserve monitoring.

Summary Outlook

Democrats are likely to hold strong majorities in both chambers after November 2026. The Senate is more interesting: Democrats could realistically end up at 19-11 or 20-10 if Measure 113 seats in SD 11 and SD 16 flip blue. The House majority is secure; meaningful action is limited to a handful of individual races, most notably HD 22 (Woodburn), HD 32 (North Coast), and HD 52 (Columbia River Gorge).

Data current as of late June 2026.

JUNE 2026

ORGON PROSPERITY COUNCIL

Recommendations for Oregon's Long-Term Competitiveness & Prosperity

ACKNOWLEDGMENTS

The Prosperity Council prepared this report for Governor Tina Kotek with support from Council staff and consultants at ECOnorthwest and Gard Communications. The Council is grateful to the many Oregonians who shared their ideas, concerns, aspirations, and lived experiences throughout this process. These recommendations are stronger because of your participation, and we thank you for the time, expertise, and perspective you contributed to service of Oregon's future.

OREGON PROSPERITY COUNCIL

Co-Chairs:

Renée James
Founder, Ampere Computing

Curtis Robinhold
Port of Portland

Council Members:

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Tillamook Creamery

Robert Camarillo
Oregon Building Trades

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Toby Luther
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Naumes, Inc.

Brad DePuyt
Fort George Brewing

Jordan Schnitzer
Schnitzer Properties

EXECUTIVE SUMMARY

Purpose & Charge

Governor Tina Kotek established the Prosperity Council in January 2026 to advise her on near- and long-term strategies for advancing the goals outlined in her Prosperity Roadmap.

The Council was charged with advancing recommendations to improve Oregon's business climate, strengthen its workforce, and modernize the tools needed to support growth. The Council's work aims to help Oregon retain and grow existing businesses, attract investment, expand economic opportunity, and ensure prosperity is shared across all regions of the state.

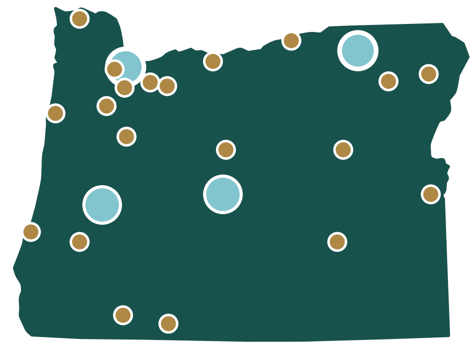
Underlying this work is the recognition that lasting prosperity comes from increasing productivity, innovation, and investment, which will enable Oregon's economy to generate greater value over time. The Council focused on policies that not only support economic growth but also ensure the benefits of that growth are broadly shared through rising wages and improved quality of life for Oregonians at all income levels.

Process & Engagement

The Council developed its recommendations following an extensive statewide process designed to capture perspectives from businesses, workers, community organizations, local governments, economic development partners, and other Oregonians. Throughout its work, the Council, the Governor's Regional Solutions team, the Chief Prosperity Officer, and many other leaders convened public meetings and held listening sessions across the entire state. The Council engaged stakeholders individually, reviewed letters and solicited input through a statewide survey. Together, these efforts generated thousands of comments and recommendations from participants representing diverse geographies, industries, and perspectives. This feedback helped shape the recommendations in this report.[1]

1 See Appendix A. Engagement Report, Appendix B. Survey Questions, Appendix C. Survey Responses, Appendix D. Facilitator's Guide, and Appendix E. Submissions and Feedback

The Council also met five times between January and June 2026 to learn about Oregon's economic conditions and competitiveness challenges. They heard directly from businesses and community leaders in Redmond, Pendleton, and Eugene, examined best practices from other states, and discussed how this input aligned with members' own priorities and values. These working sessions, including one virtual session, allowed the Council to evaluate policy options, consider tradeoffs, and refine the recommendations.



Prosperity Council working session locations included Portland, Pendleton, Eugene, and Redmond, as well as virtually. Place based-listening sessions were held throughout the state in-person and virtually.

Meeting Oregon's Moment

Oregon is at a critical inflection point. The state has extraordinary strengths, including world-class natural resources, innovative small- and medium-sized businesses, founder-led enterprises, family farms, hospitality businesses, entrepreneurial talent, and globally competitive industries that create local jobs, drive tourism, and shape the cultural identity of communities across the state, but its economic future is increasingly uncertain. Over the past decade, rising costs, slowing population growth, declining competitiveness, and fragmented policymaking have made it harder for small and medium-sized businesses to invest, communities to thrive, and Oregonians to access opportunity. Addressing these challenges will require more than incremental policy changes; it will require confronting structural barriers that limit growth, innovation, and government effectiveness. Too often, Oregonians are paying more while feeling they receive less in return. Without meaningful change, Oregon risks falling into a cycle of economic stagnation, declining public confidence, eroding services, and fewer pathways to upward mobility.

TOP CHALLENGES

49th

IN THE NATION

% change in non-farm employment

▶ **2nd worst in the nation**

(US Bureau of Labor Statistics)

41%

OREGONIANS LIVING BELOW THE ALICE THRESHOLD

Either living below the Federal Poverty Level or unable to afford basic expenditures in the community where they live

(ALICE Threshold, Asset Limited, Income Constrained, Employed)

5.2%

OREGON'S UNEMPLOYMENT RATE

▶ **Above national rate of 4.3%**

(US Bureau of Labor Statistics)

The Prosperity Council believes Oregon can and must pursue a more ambitious future. Prosperity requires bold leadership, accountable government, strong educational outcomes, a competitive business climate, and an economy that creates family-wage jobs and opportunity across the state. Incremental change will not be enough to meet the scale of Oregon's challenges. The recommendations that follow are intended to help the Governor and Legislature take urgent, coordinated action to modernize Oregon's systems, improve competitiveness, and position the state for long-term growth, innovation, and broad-based prosperity shared by Oregonians at every economic level.

A Choice to Grow

Oregon's economic future is not guaranteed. Without stronger leadership and better coordination across government, the state risks missing a generation of growth and opportunity. Oregon has fallen behind many of its competitors on key measures of economic competitiveness, while businesses and residents face rising costs and increasing uncertainty. The result is a growing sense that Oregonians are paying more but receiving less, threatening the state's ability to support businesses and create pathways to prosperity. Future growth will depend on doubling down on entrepreneurship, startup formation, and business expansion, while ensuring that companies can invest and grow in Oregon.

Priority Recommendations

The Council identified 10 priority recommendations to advance Oregon's economic competitiveness and long-term prosperity. The state's success will be measured on rising incomes, quality job creation, improved educational outcomes, and stable public revenues. The full report provides more detail and additional recommendations across five topic areas:

ECONOMIC DEVELOPMENT | TAXES | PERMITTING & REGULATIONS | SITE READINESS | TALENT DEVELOPMENT

10 PRIORITY RECOMMENDATIONS

1 **Transform Business Oregon into the Oregon Commerce Authority**, governed by a board of business and innovation leaders and the Governor and modeled on best practices for statewide economic development organizations. The Governor must ensure effective personnel and board members lead the transformation and the agency.

2 **Strengthen Oregon's economic competitiveness with tax policies** that are more pragmatic and in alignment with neighboring states, while supporting innovation, business growth, and higher-wage job creation and moving the state toward a more balanced system. **Near-term reforms should include:**

- **Modernize the Research & Development tax credit** to expand eligibility and encourage university partnerships, with a key focus on small and medium-sized businesses.
- **Update the Estate Tax** with an emphasis on supporting family-owned businesses.
- **Reform the Corporate Activity Tax (CAT)** to reduce administrative burdens on small and medium-sized businesses while maintaining overall revenue levels.
- **Reconnect the Qualified Small Business Stock (QSBS)** policies to the federal tax code to help Oregon retain and grow emerging businesses.

3. **Convene a nonpartisan, stakeholder-balanced, tax reform working group to develop a long-term reform proposal** that can be implemented by 2029, in advance of the expiration of federal State and Local Tax (SALT) provisions. The group should consider how to restructure the Corporate Activity Tax, enable local governments to evaluate options to increase stability with common sense property tax funding, and rebalance the personal income tax structure to maintain progressivity and reduce effective rates for all income brackets.

4. **Establish enforceable statewide permitting timelines and guardrails (a "shot clock")** by requiring agencies to approve or deny complete permit applications within clear statutory timelines, while maintaining environmental and safety standards.

5. **Reduce regulatory and administrative burdens by 20% by 2029.** Remove outdated and duplicative regulations, which will improve government efficiency and should reduce government spending. The state should also establish a regulatory structure to ensure reforms support economic growth while maintaining protections for public health, essential services, and the environment.

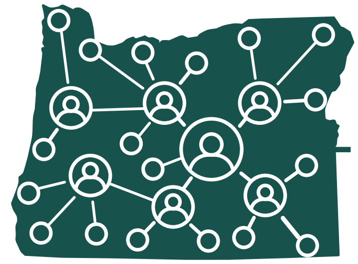
6. **Adopt a market-based Cap and Invest program for greenhouse gas emissions.** Upon implementation, the Governor should repeal the Climate Protection Program. Align Oregon's program with labor standards consistent with California and Washington's Cap and Invest approaches: auction revenues allocated for public works and infrastructure should require family sustaining wages, registered apprenticeship participation, and adherence to nondiscrimination and workforce inclusion standards.

7. **Establish a dedicated and recurring site readiness and infrastructure fund of $250 million per biennium.** Oregon cannot compete for jobs or build enough housing without a reliable supply of development-ready land. Using bonding authority tied to future economic growth, the state should accelerate investment in sites to prepare them for development.

8. **Modernize statutes and state policies governing land intended for industrial and business growth** to reflect site suitability and ensure an adequate supply of development-ready sites to support target industries. Clear standards for industrial site readiness, including site size, configuration, natural features, road and other infrastructure access, power sufficiency, and location should ensure consistent interpretation across jurisdictions.

9. **Establish a Governor's Cabinet of Economic & Talent Development** to align state agencies around measurable economic, education, and workforce outcomes. Lead and implement a statewide Talent Alignment Strategy to establish ambitious statewide goals tied directly to Oregon's long-term competitiveness while finding opportunities to streamline and consolidate.

10. **Strategically align higher education funding with West Coast states** to strengthen Oregon's workforce, research, innovation, and industry partnerships in high-growth sectors. Also, commit $20 million per biennium to the University Innovation Research Fund (UIRF) to leverage federal investment and commercialization opportunities.

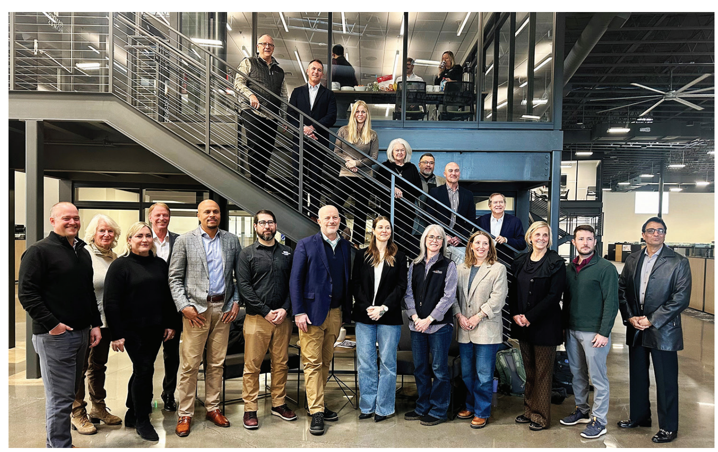


Call To Action

The Prosperity Council urges the Governor and Legislature to move quickly in advancing the recommendations outlined in this report. Throughout this process, Council members consistently heard from stakeholders across Oregon that the state's economic challenges require urgent action and sustained leadership. While these recommendations reflect months of discussion, research, and collaboration, the Council recognizes that their value will ultimately be measured by implementation and results.

We are grateful to Governor Kotek for her leadership in convening this effort and creating a forum for candid dialogue about Oregon's future. With this report, the Council has fulfilled its charge. We now look to the Governor and Legislature to build on this foundation, prioritize near-term actions, and advance a long-term agenda that strengthens Oregon's competitiveness, expands opportunity, and delivers prosperity across the state. Council members stand ready to support implementation efforts in any way that may be helpful.

Throughout this process, Council members consistently heard from stakeholders across Oregon that the state's economic challenges require urgent action and sustained leadership.



Clockwise from upper left: Prosperity Council held a Listening Session in Portland, Oregon; Prosperity Council and Governor Kotek meet with Southern Willamette Valley Business Leaders; Business Roundtable in Redmond, Oregon; and Prosperity Council visited Pendleton's UAS testing facility.

Images courtesy of the Prosperity Council.