

AMENDMENT NUMBER 3

**INTERGOVERNMENTAL AGREEMENT
AMONG
LOWER COLUMBIA RIVER PORTS
FOR
COLUMBIA AND LOWER WILLAMETTE RIVER
FEDERAL NAVIGATION CHANNEL DEEPENING AND MAINTENANCE**

RECITALS

A. Washington Ports as Non-Federal Sponsors and the Oregon Port as a Non-Federal Sponsor (the "Parties") entered into an Intergovernmental Agreement Among Lower Columbia River Ports for Columbia and Lower Willamette River Federal Navigation Channel Deepening and Maintenance, The Port of Portland Agreement No. 99-034, on 25 February 1999 ("Agreement").

B. The Parties amended the Agreement with Amendment 1 on 16 October 2000 and Amendment 2 on 23 May 2001.

C. The Parties wish further to amend the Agreement to elaborate on the procedure for activities on the navigation project described as the Columbia and Lower Willamette Rivers Federal Navigation Channel, Oregon and Washington (hereinafter the "Project"), including but not limited to a plan of operations and maintenance of dredged material placement (hereinafter the "Plan").

D. The Parties also wish to modify the Parties' equalization process for Non-Federal Sponsor costs and expenses relating to the Project to address the current imbalance in contributions to the Project.

E. In addition, the Parties wish to amend the Agreement to address issues arising in connection with the Department of the Army's (the "Corps") decision under Article VIII 1.A.2 of the Project Cooperation Agreement Between the Department of the Army and the Parties for the Project dated June 23, 2004 (the "PCA") to have the Parties carry out certain of the Corps' responsibilities. The Parties desire to share any unreimbursed costs arising out of the Dredged Material Site Management Agreement being entered into by the Port of Portland on behalf of the Parties with Phillip, Kevin, and Ivy Vik (the "Vik Management Agreement") and the contemporaneous Memorandum of Agreement Between the Department of the Army and the Port of Portland For Reimbursement For Management Services For Dredged Material Placement Site During Dredging of the Lower Columbia and Willamette Rivers Federal Navigation Channel, Oregon and Washington (the "United States Reimbursement Agreement").

AGREEMENT

1. RECITALS

The Recitals above are true and are incorporated into this Amendment.

2. OPERATION AND MAINTENANCE CHANNEL MAINTENANCE PLAN

2.1 43-Foot Channel

The following sentence is added at the end of **Amendment 2, Section 5.1 43-Foot Channel**:

Costs incurred by the Parties for the LCR Channel Maintenance Plan component of the Project under the Memorandum of Agreement with the United States Army Corps of Engineers ("USACE") dated 11 July 2017, including compliance with the Washington State Environmental Policy Act (SEPA), Chapter 43.21C Revised Code of Washington (RCW) and its implementing regulations at Chapter 197-11 Washington Administrative Code (WAC) are part of the Channel Deepening Project and shall be shared equally between the Oregon Non-Federal Sponsor and the Washington Parties.

3. AMENDED EQUALIZATION PROCESS

Amendment 2, Section 6.1, Tracking and Equalization Schedule, is deleted and substituted with the following:

6.1 Tracking and Equalization Schedule

The Parties will cause their respective finance directors to report to the Channel Executive Committee on equalization costs at least twice (2) per year and to make recommendations regarding the timing and nature of equalization payments. As of June 17, 2019, the Port of Portland has contributed One Million Seven Hundred Forty Thousand Three Hundred Ninety-Six Dollars and 44 Cents (\$1,740,396.44) to the Channel Deepening Project more than the Washington Parties. The Oregon Non-Federal Sponsor will not be obligated to pay for any additional Channel Deepening Project costs until the Washington Parties have paid costs equal to One Million Seven Hundred Forty Thousand Three Hundred Ninety-Six Dollars and 44 Cents (\$1,740,396.44). In addition, costs will be equalized (i) when the USACE determines the construction is complete under Article VI.D of the Project Cooperation Agreement dated June 23, 2004, and (ii) at any other time agreed to by the Parties.

4. VIK MANAGEMENT AGREEMENT AND US REIMBURSEMENT AGREEMENT

In relation to the Corps' intent to contract with the Parties under PCA Article VIII 1.A.2 for the management of the dredge material disposal site on Puget Island, CRM 44.0 owned by Phillip Vik and Ivy Vik (the "Owners" and the "Vik Site") and to simplify the administration of the property management services to be provided to the Parties by Operators Phillip Vik and Kevin Vik (the "Operators") on the Owner's Vik Site and the adjacent Washington Ports' property as defined in the Vik Management Agreement and as part of the Parties' collective contribution of in-kind services to the Project, the Port of Portland is willing to be delegated the authority by the Parties to act on their behalf in entering into the Vik Management Agreement and the United States Reimbursement Agreement on the conditions stated in this Section 4. The Parties delegate to the Port of Portland the authority to enter into and implement the Vik Management Agreement and the United States Reimbursement Agreement. The Port of Portland assumes responsibility to enter into and perform the Vik Management Agreement and the United States Reimbursement Agreement on condition that, in the event that the Port of Portland ever incurs any costs, expenses, or fees in its efforts to implement the Vik Management Agreement and the United States

Reimbursement Agreement that are for any reason not covered by, reimbursable under or reimbursed by the Corps under the United States Reimbursement Agreement, the Washington Ports will within thirty (30) days of being invoiced for their fifty (50) percent share of any such costs, expenses, or fees, pay such invoice. The Port of Portland will provide the Washington Ports the Operators' initial and adjusted budgets that are developed under the process set forth in Subsection 5.2.2 of the Vik Management Agreement so that the Washington Ports may review them for consistency with that Subsection 5.2.2. In addition, to the extent the Owners or Operators assert any demand or claim under the Management Agreement or the Corps asserts any demand or claim under the US Reimbursement Agreement, upon notice by the Port of Portland, the Washington Ports will cooperate with the Port of Portland on the defense and pay fifty (50) percent of the costs of defense and fifty (50) percent of any liability on such demand or claim. Notwithstanding anything to the contrary in this Section 4, the Washington Ports will have no obligations to the Port of Portland to the extent the Washington Ports demonstrate such costs, expenses, fees or liabilities are the result of the Port of Portland's negligence or willful misconduct. Any dispute relating to the implementation of this Section 4 will be resolved by the dispute resolution process of Section 1.7 of the Agreement.

5. OREGON ATTORNEY GENERAL APPROVAL

This Agreement may be subject to review and approval by the Oregon Attorney General under ORS 190.430(1), in which case, notwithstanding other provisions of this Agreement, it shall take effect only upon approval by the Oregon Attorney General. When the Agreement has been approved by the Oregon Attorney General, the effective date shall be the date the Agreement was fully executed by the parties or any other effective date established by the terms of the Agreement.

6. WASHINGTON STATE OFFICIAL OR AGENCY APPROVAL

This Agreement may be subject to review and approval by one or more Washington State Officials or Agencies pursuant to RCW 39.34.050, in which case, notwithstanding other provisions of this Agreement, it shall take effect only upon approval, as provided in RCW 39.34.050, by any applicable Washington State Official or Agency. When the Agreement has been approved by any applicable Washington State Official or Agency, the effective date shall be the date the Agreement was fully executed by the parties or any other effective date established by the terms of the Agreement.

7. MISCELLANEOUS PROVISIONS

Except as expressly provided in this Amendment, all of the terms and conditions of the Agreement shall remain in full force and effect.

[SIGNATURE PAGE TO FOLLOW]

8. AUTHORITY OF SIGNERS

The individuals signing below represent that they are authorized by the party for which they sign to contractually bind that party to the provisions of this Amendment.

For the Port of Longview:

For the Port of Kalama:

Norm Krehbiel
Chief Executive Officer

Mark Wilson
Executive Director

_____ (Date)

_____ (Date)

For the Port of Woodland:

For the Port of Vancouver:

Jennifer Keene
Executive Director

Julianna Marler
Chief Executive Officer

_____ (Date)

_____ (Date)

For The Port of Portland:



Curtis Robinhold
Executive Director

10/30/19 (Date)

**APPROVED FOR LEGAL SUFFICIENCY
FOR THE PORT OF PORTLAND**



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For the Port of Longview:

For the Port of Kalama:



Norm Krehbiel
Chief Executive Officer

Mark Wilson
Executive Director

09 Oct 2019 (Date)

_____ (Date)

For the Port of Woodland:

For the Port of Vancouver:

Jennifer Keene
Executive Director

Julianna Marler
Chief Executive Officer

_____ (Date)

_____ (Date)

For The Port of Portland:

Curtis Robinhold
Executive Director

_____ (Date)

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For the Port of Longview:

Norm Krehbiel
Chief Executive Officer

(Date)

For the Port of Kalama:



Mark Wilson
Executive Director

8-OCT-19 (Date)

For the Port of Woodland:

Jennifer Keene
Executive Director

(Date)

For the Port of Vancouver:

Julianna Marler
Chief Executive Officer

(Date)

For The Port of Portland:

Curtis Robinhold
Executive Director

(Date)

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For the Port of Kalama:

Norm Krehbiel
Chief Executive Officer

Mark Wilson
Executive Director

(Date)

(Date)

For the Port of Woodland:

For the Port of Vancouver:



Jennifer Wray-Keene
Executive Director

Julianna Marler
Chief Executive Officer

10-18-2019 (Date)

(Date)

For The Port of Portland:

Curtis Robinhold
Executive Director

(Date)

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For the Port of Woodland:

For the Port of Vancouver:

Jennifer Keene
Executive Director



Julianna Marler
Chief Executive Officer

_____ (Date)

10/22/2019 (Date)

For The Port of Portland:

Curtis Robinhold
Executive Director

_____ (Date)