

**OREGON INTERNATIONAL PORT OF COOS BAY**  
**Coos Bay, Oregon**  
**REGULAR COMMISSION MEETING**  
**Thursday, March 18, 2010**  
**7:00 p.m.**

**Port Commission Chambers, 125 Central Ave, Suite 230, Coos Bay OR 97420**

**ATTENDANCE**

Commission: Caddy McKeown, Vice President; Dan Smith, Secretary; Jerry Hampel, Commissioner. David Kronsteiner and Brady Scott had excused absences.

Staff: Jeffrey Bishop, Executive Director; Donna Nichols, Director of Finance and Administration; Mike Stebbins Port Counsel; Andrea Wall, Executive Assistant

Media & Guests: Alexander Rich, The World; Gordon Young, Channel 14; Bob & Carol Fischer; Marvin Caldera, ILWU, Local 12; Ken Messerle, Coast Consulting

1. The meeting was called to order at: 7:03 p.m.
2. The Vice President asked for the introduction of guests.
3. CONSENT ITEMS:
  - A. Minutes of the February 18, 2010 Regular Commission Meeting
  - B. Approval invoices for February/March 2010 totaling: \$ 706,721.31
  - C. Ratification of Change Order to Contract with David Evans and Associates for the Section 203 study.

**Upon a motion by Commissioner Smith (Second by Commissioner Hampel) the Board of Commissioners approved the minutes from February 18, 2010, the February/March invoices totaling \$706,721.31; and the Ratification of the change order to the contract with David Evans and Associates on the Section 203 study.**

4. MANAGEMENT REPORTS:
  - A. Executive Director: Jeffrey Bishop

Mr. Bishop said that he would be traveling next week. He is going to the Annual Spring Convention for AAPA with Commissioner McKeown in Washington D.C. On the way home, Mr. Bishop will stop in Omaha for a meeting with Union Pacific. He also commented that he had an Executive Session item on that later this evening.

Mr. Bishop said that staff is requesting to table: Item 6. A., Resolution FY09/10-4 Charleston Marina Rates effective 7/1/2010.

Mr. Bishop said he would like to request that the Commission cancel this year's merit pool through administrative action. The last two years we have not annualized the merit pool but we went through and looked at some staffing changes and Mr. Bishop went through and annualized last year's. So this year he is requesting you cancel the merit pool and allow it to roll over into the Budget.

**Upon a motion by Commissioner Hampel (second by Commission Smith) the Board of Commissioners cancelled the Merit Pool for FY09/10 and allowed it to roll over into next year.**

B. Director of Communications and Freight Mobility: Martin Callery – Absent

Mr. Bishop said that Martin Callery was in Portland because he was participating in a Security Grant for Port Security Grants up and down the Pacific Northwest.

Mr. Bishop also commented that the ConnectOregon process was moving along and that the Port's submission was rated #2 in the State by both the Freight Mobility Committee and the Rail Committee. A decision should be made in August and there is some cash flow discussions staff will have with the Commission at a later time.

C. Director of Finance and Administration: Donna Nichols

Donna Nichols added to her report that the Port would be receiving the applications for the Ice Dock appropriation this year of \$350,000. The paperwork should come in two or three months.

Ms. Nichols also commented on Aaron Simons' management report on the pest control. A fence was built around E-dock to discourage the sea lions and a picture of the fence was in the Commission packet. The sea lions went right over the fence without any problem and then broke it down when they went back in the water. Staff rebuilt the fence and the sea lions have now moved to the ice dock.

Commissioner McKeown commented on Mr. Simons' management report thanking staff for taking advantage of Energy Trust Credit and BETC Tax Credits in the lighting retro fitting in the Marine Complex. She said that it was nice to see that we are involved in that process.

D. Marina Facilities Manager: Aaron Simons – Absent, written report submitted

E. Dan Lovelady: Rail Operations Manager – Absent, written report submitted

5. PUBLIC COMMENT:

Bob Fischer questioned who owns Henderson Marsh and asked will the Port be taking control over it? Mr. Bishop said that Henderson Marsh is currently owned by the Weyerhaeuser Corporation. Weyerhaeuser split itself into two different entities; one is a REIT (a real estate Investment Trust) and all of the timberlands owned by Weyerhaeuser are a part of the REIT. All non-timberlands entities are owned by Weyerhaeuser NR. The Port does have an option with Weyerhaeuser to own that property as we have an option to own all of their property on the North Spit. Mr. Fischer said that he understands that Henderson Marsh is a nationally known bird area. Will it be protected? Mr. Bishop said that the Audubon Society has had several meetings with the Port but they are interested in the lagoons and not the Henderson Marsh. The lagoons are the 400 acre parcel on the Spit that was originally used as their wastewater treatment facility and the meetings we have had with Audubon were about that piece since it is in the flyway. The marsh will not be protected – there are plans to develop it.

6. ACTION ITEMS/REPORTS:

A. Resolution FY 09/10-4 Charleston Marina Rates Effective 7/1/2010: **This item was tabled.**

B. Budget Calendar for FY 10/11 and appointment of a Budget Officer

A requirement of the budget process is Commission appointment of a Budget Officer for the next year's fiscal year budget process; in the past, the Port's Executive Director has served in this capacity. The Commission has delegated this responsibility to the Executive Director because of his experience.

The Budget Officer presents the budget message and draft budget document for consideration and discussion by the Budget Committee.

The Budget Calendar, included in the Commission packet, must also be approved for scheduling and publishing the legal notices. May 5<sup>th</sup> will be the first Budget Meeting.

**Upon a motion by Commissioner Smith (second by Commission Hampel) the Board of Commissioners approved the Budget Calendar and the appointment of the Executive Director as Budget Officer for the FY10/11 Budget process.**

Mary Margaret Muenchrath said that she was late and wanted to speak on Public Comments. Commission McKeown told her she could have three minutes.

Ms. Muenchrath said that she has not heard anything about LNG lately and wants to know the status of where it is and what is going on. Are there other corporations involved other than Jordan Cove? What is happening with the gas pipeline? Commissioner McKeown told Ms. Muenchrath that those questions were better directed to Mr. Bob Braddock, as the company that is developing the project. We can tell you about the property deal, however, Mr. Bishop just went into that with Mr. Fischer. Ms. Muenchrath said that she thinks as a board of the Port you would know the answers. The Commissioner asked if Mr. Bishop had a brief update even though updating Jordan Cove was not the purpose of this meeting. Mr. Bishop said that there was no change since the last time it was on the agenda when the Commission extended the real estate agreement. There have been some submittals to the Army Corps of Engineers regarding the berth; there was a clarification on a 404 permit regarding the mitigation for the slip. Other than that, there has been no activity that involved the Port.

Ms. Muenchrath wanted to know if there was another gas company that was involved – she said it seems like there was some conflict on payment. Mr. Bishop said that he has no knowledge of any conflict over any payment. Jordan Cove does not share their business with the Port.

Ms. Muenchrath said she questions that and feels like the Port should know and that they are keeping the public in the dark. She thinks it is the Port's obligation to be a part of Jordan Coves business.

Commissioner McKeown said the only things she sees are the email messages on the notifications from FERC.

7. OTHER:

8. INFORMATION ITEMS:
  - A. March Newsletter for the Business Center
  - B. Minutes for the Charleston Advisory Meeting of 2/24/10
  
9. COMMISSION COMMENTS: There were no Commission comments.
  
10. NEXT MEETING DATE: April 15, 2010
  
11. ADJOURN: The meeting was adjourned at 7:17 p.m. to go into Executive Session.

By: \_\_\_\_\_  
Caddy McKeown, Vice President

By: \_\_\_\_\_  
Dan Smith, Secretary