

Prepared Statement of Jody McCaffree

Sept 29th 2008

Oregon International Port of Coos Bay Special Meeting

At the last Port meeting held on Sept 18th, 2008 I spoke in opposition to the Port's apparent intention to sign a new contract with the Jordan Cove Energy Project and Weyerhaeuser for an option on Weyerhaeuser's property on the North Spit. A few days later, a flyer distributed by advocates for the Jordan Cove project and a new website they set up said my comments, "*could be perceived as a threat against other marine and industrial projects.*" The characterization in the Jordan Cove advocates' flyer was a blatantly misleading falsehood. Any one who knows me in the least knows it is laughably ludicrous to suggest it is within my character or capability to make or carry out a threat against marine or industrial projects on the North Spit or anywhere else. What I actually said, in brief, was that the Jordan Cove LNG terminal itself puts in jeopardy other, more beneficial potential Port and industrial projects on the North Spit because of the security zones that the LNG terminal ultimately will be required to have. The Port's planned general cargo terminal on the west side of the proposed new slip has already had to be abandoned for this reason. It would be surprising if any major container terminal company would set up operations within a few hundred feet of an LNG terminal even if regulators were lax enough to allow them to do so. It is Jordan Cove's risky LNG terminal that is a threat to future development of marine, industrial, fishing, and tourism jobs in Coos Bay, North Bend and Charleston.

The Oregon International Port of Coos Bay has the power to stop the LNG development, and I am asking once again that the wishes of the thousands of people who have signed our petition be granted and that the Oregon International Port of Coos Bay do everything in their power to stop the Jordan Cove Energy Project LNG proposal.

Summary of the Oregon International Port of Coos Bay's Approval of Option Agreements in May of 2006

On May 6th, 2006 there was a public meeting that was organized by the opposition in regard to the proposed Jordan Cove LNG import terminal development. Over 150 people attended. Most of the people attending this meeting opposed the proposed LNG development. Despite this fact, on May 10th, 2006 the Port of Coos Bay had a special meeting in which they approved a real estate deal essential to the Jordan Cove Energy Project. It involved Option to Purchase and Option to Purchase & Lease agreements among the Port of Coos Bay, Weyerhaeuser and Jordan Cove Energy Project.

This meeting took place without much public input because most of the public did know a meeting was being held May 10th or what the agenda was. The only people who did know about the meeting were those who were in attendance at the April 20th Port Commission meeting, when the special May 10th meeting was discussed. Minutes from the April meeting were not posted on the Port's website until after the May 10th meeting. Even after May 10th, **the Port's website stated its May meeting was to be held on May 18th -- not May 10th.** (See attached Port web page as of May 12, 2006.) Except for the news article that came out in the local paper on May 11th --one day after the meeting took place -- people were unaware of what the Port was even doing. The Option to Purchase and Option to Purchase & Lease agreements approved at the May 10th meeting were later signed on June 2, 2006.

The Port of Coos Bay and the Jordan Cove Energy Project Option to Purchase & Lease agreement can be found at this web link:
<http://www.portofcoosbay.com/jcooption.pdf>

The agreements that the Port approved in May 2006 and that the Port now wants to renew, highly restrict our Port and give the Jordan Cove Energy Project a large amount of authority over other Port projects slated for the rest of the 1,300 acres, including the Port's proposed containerized cargo terminal. Why was this document not made public and scrutinized by the public before it was approved, particularly when it was obvious there was growing public opposition to the LNG proposal beforehand? Why did the Port give away so much control to a foreign energy company without public oversight? Why did the Port not conduct due diligence in this matter particularly in regard to the negative impacts an LNG terminal could have on adjacent properties and/or the ability to develop those properties?