



OREGON INTERNATIONAL
Port of Coos Bay



Technical Advisory Committee Appointments

Jeffrey Bishop, Chief Executive Officer

October 20, 2011

Technical Advisory Committee Appointments

Action Requested of Commission

- Commission approval of the appointment of two new members to the Technical Advisory Committee.



Technical Advisory Committee Appointments

Background

- The Port's Technical Advisory Committee was established by Ordinance No.129 in February 1991, to advise the Port Commission and staff on various activities related to leases and deeds, and compliance with federal, state and local environmental laws and regulations.



Technical Advisory Committee Appointments

Background

- Committee members represent specific community segments, including these areas:
- Environmental protection
- Industrial operations
- Science
- Tourism
- Not fewer than one member serving as a citizen-at-large



Technical Advisory Committee Appointments

Background

- Following is a list of the current committee members:
- Position No. 1 Dr. Steve Rumrill representing Science
- Position No. 2 Jon Souder representing Environmental Protection
- Position No. 3 Pat Cross representing Industrial Operations
- Position No. 4 Lucinda DiNovo representing Tourism
- Position No. 5 Timm Slater representing Citizen-at-Large



Technical Advisory Committee Appointments

Background

- Port staff is requesting to increase the Technical Advisory Committee membership by five individuals at the suggestion of regulatory agencies. In the event the Jordan Cove Project is approved, the Port will be undertaking the restoration of Kentuck Slough.



Technical Advisory Committee Appointments

Background

- Regulators have requested the Port enlarge the size of the Technical Advisory Committee to include individuals with more scientific background to provide the Port expertise on adaptive management. In the event the Jordan Cove project does not go forward, Port staff will recommend that the Technical Advisory Committee be enlarged by only two positions.



Technical Advisory Committee Appointments

Background

- Two of the five new members are:
- Position No. 6 James Fereday representing Biological/Ecological
- Position No. 7 William Delimont representing Natural Resource Science
- Port staff values the commitment of these individuals and their willingness to serve on this important committee and is recommending their appointment to a two-year term, which would expire on September 17, 2013.



Technical Advisory Committee Appointments

Background

- The Port will advertise for candidates to fill the remaining three positions upon more evidence that the Jordan Cove Project is moving forward.



Technical Advisory Committee Appointments

Action Requested of Commission

- Motion for approval to appoint James Fereday to Position No. 6 and William Delimont to Position No. 7 on the Technical Advisory Committee.





Public Auction for Sale of Port Surplus Personal Property

David Koch, Chief Operating Officer

October 20, 2011

Public Auction for Sale of Port Surplus Personal Property

Action requested of the Commission

- Authorization for the sale at public auction of designated surplus personal property being stored at the Port's Charleston facilities.



Public Auction for Sale of Port Surplus Personal Property

Background

- Over time, the Port accumulates surplus personal property as older equipment and materials are replaced with newer materials, or areas of operations are phased out. When sufficient quantities of such materials and equipment are accumulated, it becomes necessary to dispose of them. Surplus includes property Port staff has determined is not needed and unlikely to be needed for Port operations.



Public Auction for Sale of Port Surplus Personal Property

Background

- Recently, the Port purchased several used service trucks to replace a fleet of older vehicles that had reached the end of their useful life. In addition, the Port recently dismantled the building located at the Citrus Dock, which resulted in the salvage of construction materials that may have resale value. The Port seeks to sell the surplus vehicles, salvaged materials and other miscellaneous surplus property by sealed bid at a public auction.



Public Auction for Sale of Port Surplus Personal Property

Background

- Section 6 of the Port's Public Contracting Rules authorizes the Port Commission, as the designated Local Contract Review Board, to authorize the sale at public auction of surplus property with a combined value of more than \$20,000. If such a sale is approved by the Port Commission, Port staff would set a date for the auction to occur before December 31, 2011.



Public Auction for Sale of Port Surplus Personal Property

Background

- Notice of the sale would be advertised on the Port's website as well as by written advertisement in The World newspaper at least one week prior to the auction date.



Public Auction for Sale of Port Surplus Personal Property

Action requested of the Commission

- Motion to authorize the sale of surplus property at a public auction and delegate authority to the chief executive officer or his designee to conduct the sale in accordance with the procedures set forth in Section 6 of the Port's Public Contracting Rules.





**Resolution No. FY 11/12-3 Authorizing
Solicitation of Written Quotes for Professional
Services related to Rail Bridge Rehabilitation**

David Koch, Chief Operating Officer

October 20, 2011

Resolution No. FY 11/12-3 Authorizing Solicitation of Written Quotes for Professional Services related to Rail Bridge Rehabilitation

Action requested of the Commission

- Commission Approval of Resolution No. FY11/12 – 3 authorizing solicitation of written quotes for professional services related to rail bridge rehabilitation.



Resolution No. FY 11/12-3 Authorizing Solicitation of Written Quotes for Professional Services related to Rail Bridge Rehabilitation

Background

- There is an immediate need for Port staff to solicit a personal service contract for a consultant/engineer to prepare a detailed scope of work and bid documents for the rehabilitation and repair of bridges on the Coos Bay rail line, and the engineering oversight of those repairs over an approximate one-year period.



Resolution No. FY 11/12-3 Authorizing Solicitation of Written Quotes for Professional Services related to Rail Bridge Rehabilitation

Background

- The Port's Public Contracting Rules require that for personal service contracts, such contracts be solicited based on procedures and selection criteria adopted by the Board of Commissioners acting as its own Local Contract Review Board.



Resolution No. FY 11/12-3 Authorizing Solicitation of Written Quotes for Professional Services related to Rail Bridge Rehabilitation

Background

- If approved, Resolution No. FY11/12 – 3 will authorize Port staff to solicit written quotes from contractors to perform the scope of work described in “Exhibit A” that was included in the commission packet.



Resolution No. FY 11/12-3 Authorizing Solicitation of Written Quotes for Professional Services related to Rail Bridge Rehabilitation

Action requested of the Commission

- Motion to approve Resolution No. FY11/12 – 3 authorizing the chief executive officer, or designee, to solicit a contractor to perform the scope of work identified as Exhibit A for rail bridge inspections.





**Invitation to Bid for purchase of 60,000 tons
(+/- 25%) of ballast rock for use during
Coos Bay rail line rehabilitation project**

David Koch, Chief Operating Officer

October 20, 2011

Invitation to Bid for purchase of 60,000 tons (+/- 25%) of ballast rock

Action requested of the Commission

- Commission approval to proceed with issuance of an Invitation to Bid for purchase of 60,000 tons (+/- 25%) of ballast rock for use during the Coos Bay rail line rehabilitation project.



Invitation to Bid for purchase of 60,000 tons (+/- 25%) of ballast rock

Background

- The Oregon International Port of Coos Bay, as owner of the Coos Bay rail line, is undertaking a program for the long-term rehabilitation of the rail infrastructure. As a part of that program, the Port intends to replenish approximately 400 tons of ballast per mile along the 134.9 miles of mainline track, 150 tons per mile along 10 miles of sidings/yards, and 5,000 tons through the 9 tunnels along the line.



Invitation to Bid for purchase of 60,000 tons (+/- 25%) of ballast rock

Background

- As with the crossties purchase, the Port intends to purchase the ballast rock in advance for use by a contractor that will perform the rehabilitation work on the line beginning in early 2012. The estimated cost of the ballast is between \$1M and \$1.5M.



Invitation to Bid for purchase of 60,000 tons (+/- 25%) of ballast rock

Action requested of the Commission

- Motion to approve to proceed with issuance of an Invitation to Bid for purchase of 60,000 tons (+/- 25%) of ballast rock for use during the Coos Bay rail line rehabilitation project.





Track lease agreement between International Paper Co. and Oregon International Port of Coos Bay to provide rail service to American Bridge

David Koch, Chief Operating Officer

October 20, 2011

Track lease agreement between International Paper Co. and Oregon International Port of Coos Bay to provide rail service to American Bridge

Action requested of the Commission

- Approval of a track lease agreement between International Paper Co. and Oregon International Port of Coos Bay and signature authority for the chief executive officer to execute the agreement.



Track lease agreement between International Paper Co. and Oregon International Port of Coos Bay to provide rail service to American Bridge

Background

- The Port intends to lease from International Paper Co. (IP) approximately 1.5 miles of track between Gardiner Junction (existing connection with the Coos Bay rail line) and the south end of trestle number two between Bolon Island and Gardiner for the purpose of providing rail service to American Bridge Manufacturing.



Track lease agreement between International Paper Co. and Oregon International Port of Coos Bay to provide rail service to American Bridge

Background

- The Port plans to provide freight rail services on the leased track through its contract rail operator Coos Bay Railroad Operating Company, LLC, d/b/a Coos Bay Rail Link.



Track lease agreement between International Paper Co. and Oregon International Port of Coos Bay to provide rail service to American Bridge

Background

- Both the Port and IP agree the consideration for this lease is a nominal fee of \$1 annually. Additionally, the Port agrees to pay IP the amount of \$45 per car for each loaded car from the American Bridge facility located at Bolon Island and any real estate tax or assessment that is attributable to any improvements to the leased premises for any portion of the year in which this lease is in effect.



Track lease agreement between International Paper Co. and Oregon International Port of Coos Bay to provide rail service to American Bridge

Background

- The lease term is for a period of one year, unless terminated earlier, and will be renewed for successive one-year periods unless either party provides notice of its intention to terminate the lease 90 days prior to the expiration of any lease term.
- The lease agreement has been reviewed by legal counsel.



Track lease agreement between International Paper Co. and Oregon International Port of Coos Bay to provide rail service to American Bridge

Action requested of the Commission

- Motion for Commission approval of a track lease agreement between International Paper Co. and the Oregon International Port of Coos Bay to provide rail service to American Bridge and signature authority for the chief executive officer to execute the agreement.





Loan Award from the State of Oregon

Donna Nichols, Chief Financial Officer

October 20, 2011

Loan Award from the State of Oregon

Action requested of the Commission

- Commission Approval of Resolution No. FY11/12 – 4 for a loan award in the amount of \$2,781,686 from the state of Oregon in support of the Coos Bay rail line improvements.



Loan Award from the State of Oregon

Background

- The Port of Coos Bay received authorization for grant funds from the SAFETEA:LU program in the amount of \$2,781,686 for the purchase of 90,000 main line rail ties. The funds are being administered through the U.S. Department of Transportation Maritime Administration (MARAD) program.



Loan Award from the State of Oregon

Background

- The Port also received authorization for grant funds in the amount of \$13,527,133 from the Tiger II program that also is being administered through the MARAD program.



Loan Award from the State of Oregon

Background

- These funds will be used for the distribution and installation of the ties along the rail line; the purchase and installation of new and relay (used) rail sets; the purchase and distribution of ballast rock along the rail line, siding yards, tunnels and stockpile; surface, line and undercutting of the rail line and the removal, replacement and/or rehabilitation of all the crossing surfaces.



Loan Award from the State of Oregon

Background

- Because the expenditures will be large, and with the timeline for the process for reimbursement requests, the Port does not have the availability of cash flow to pay the expenditures while waiting for the grant reimbursements.
- The Port requested a loan from the state in the amount of \$2,781,686 to provide cash flow for the rail rehabilitation project and the ability to continue with its day-to-day operations.



Loan Award from the State of Oregon

Background

- The loan award letter was received October 3, 2011, with an interest rate of .50% and term of 27 months. The project will be administered through the Infrastructure Finance Authority.
- Port's legal counsel has reviewed the loan agreement. Port counsel will provide an opinion letter that needs to be submitted with the executed loan agreement and Resolution No. FY11/12-4.



Loan Award from the State of Oregon

Action requested of the Commission

- Motion to approve Resolution No. FY11/12 – 4 and signature authorization for the chief executive officer or his designee to sign the state of Oregon short-term loan agreement for funds to be used in support of the Coos Bay rail improvement projects.





Sea Basket Restaurant Lease Agreement

Donna Nichols, Chief Financial Officer

October 20, 2011

Sea Basket Restaurant Lease Agreement

Action requested of the Commission

- Commission approval of the Sea Basket Restaurant long-term lease agreement.



Sea Basket Restaurant Lease Agreement

Background

- The Sea Basket Restaurant has leased this building in the Charleston Marina since 1996.
- The lease was assigned to Mr. Marcelino Garcia February 1, 2004, with the remaining expiration date of September 30, 2011. There are no remaining renewal options.



Sea Basket Restaurant Lease Agreement

Background

- Mr. Garcia would like to continue with a new commercial lease agreement with the same terms as the original lease, which included an initial five-year lease and two five-year renewals.
- The attached proposed lease agreement, drafted by Port counsel, is for a period of five years commencing October 1, 2011. The lease allows for two additional five-year options.



Sea Basket Restaurant Lease Agreement

Background

- The lease includes the current lease rate and incorporates the July 1 annual fiscal year Consumer Price Index adjustments.



Sea Basket Restaurant Lease Agreement

Action requested of the Commission

- Motion to approve a new commercial long-term lease agreement between the Oregon International Port of Coos Bay and Sea Basket Restaurant.



