



M E M O R A N D U M

TO: Interested Parties

FROM: John Burns, President

DATE: June 10, 2019

SUBJECT: Coos Bay Rail Line, Inc. Board of Directors Meeting Notice

The **Board of Directors** of the Coos Bay Rail Line, Inc. will hold a Regular Board Meeting and a Budget Hearing for the 2019/20 Fiscal Year at **5:30 p.m., Monday, June 17, 2019**, in the Port's Commission Chambers, located at 125 West Central Avenue, Suite 230, Coos Bay, Oregon 97420.

The purpose of the hearing is to discuss the FY 2019/20 Budget as approved by Coos Bay Rail Line, Inc.'s Budget Committee. Copies of the budget documents may be inspected or obtained at 125 W Central Avenue, Suite 300, Coos Bay, OR 97420 between the hours of 8:00am and 5:00pm.

JB:km

COOS BAY RAIL LINE, INC.
REGULAR BOARD OF DIRECTORS MEETING & BUDGET HEARING
5:30 p.m., Monday, June 17, 2019
Port Commission Chambers, 125 West Central Avenue, Suite 230, Coos Bay, Oregon 97420

T E N T A T I V E A G E N D A

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Consent Items

DRAFT
COOS BAY RAIL LINE, INC.
Coos Bay, Oregon
SPECIAL BOARD OF DIRECTORS MEETING
12:30 p.m., Monday, October 29, 2018
Port Commission Chambers, 125 Central Avenue, Suite 230, Coos Bay, Oregon 97420

ATTENDANCE

Board of Directors:

David Kronsteiner, Chair; Eric Farm, Treasurer/Secretary; and John Burns, President.

Port Staff:

Lanelle Comstock, Director of Administrative Services; Patrick Kerr, Director of Rail Operations; Megan Richardson, Director of Finance; Krystal Moffett, Administrative Assistant; and Mike Stebbins, Port Legal Counsel.

Media & Guests:

Kathy Erickson for Congressman Peter DeFazio; and Richard Dybevik, Roseburg CBST.

1. CALL MEETING TO ORDER

Chair David Kronsteiner called the meeting to order at 12:31 p.m.

2. INTRODUCTION OF GUESTS AND PORT STAFF

3. PUBLIC COMMENT

4. CONSENT ITEMS

A. Approval of CBRL Startup Contracts and Agreements

Upon a motion by Treasurer/Secretary Eric Farm (second by President John Burns), the Board of Directors voted to approve the CBRL Startup Contracts and Agreements. **Motion Passed.**

5. ACTION ITEMS/REPORTS

A. 2018Res01: Amend and Restate CBRL's Articles of Incorporation

Resolution 2018Res01, a resolution of the member and directors, will amend and restate the articles of incorporation designating Coos Bay Rail Line, Inc. (CBRL) as a non-profit entity, adopt a conflict of interest policy, and give general authority to directors. Additional information was included in the meeting packet as exhibits to the resolution.

Upon a motion by Treasurer/Secretary Eric Farm (second by President John Burns), the Board of Directors voted to adopt 2018Res01, a resolution of the member and directors, amending and restating the articles of incorporation, adopting a conflict of interest policy, and giving general authority to directors. **Motion Passed.**

B. 2018Res02: Ratification of Umpqua Bank Corporate Resolution for the Establishment of a Checking Account

Coos Bay Rail Line, Inc. established community checking account #6912 with Umpqua Bank on October 16, 2018 via corporate authorization resolution which was provided by Umpqua Bank. This was used in lieu of a resolution approved by the Board of Directors of CBRL until such a time a Board of Directors meeting could be held.

CBRL seeks formal approval for the corporate authorization resolution which authorizes the establishment of bank account #6912 and authorizes the following signatories:

John Burns	President
Eric Farm	Treasurer/Secretary
Megan Richardson	Oregon International Port of Coos Bay, Director of Finance and Accounting

Upon a motion by Treasurer/Secretary Eric Farm (second by President John Burns), the Board of Directors voted to adopt 2018Res02 ratifying the Umpqua Bank Corporate Resolution establishing a community checking account for Coos Bay Rail Line, Inc. **Motion Passed.**

C. 2018Res03: Ratification of Declaration of Emergency to Procure RailConnect Software from Railcar Management, LLC

On September 14, 2018, Coos Bay Rail Link gave notice of intent to end operations effective October 31, 2018. With Coos Bay Rail Line, Inc. (CBRL) beginning operations November 1, it was imperative to find a rail software program where CBRL could be set up and functioning within the following month and a half.

Rail software databases are built with specific track, customer and operational information. As much time as possible was needed for software developers to accurately and efficiently build a database specific to the operations of CBRL, and to ensure that Port and Rail employees received proper training of the program prior to the start of operations.

On September 25, 2018, John Burns, President of CBRL, declared emergency circumstances pursuant to ORS 279B.075 and chose to sole source the procurement of RailConnect software from Railcar Management, LLC.

RailConnect is a robust software platform for railroad shippers to fully automate railroad operations. RailConnect:

- Builds railcar and train schedules and measures actual performance against plans;
- Generates work orders;
- Manages all aspects of waybill processing;
- Controls and facilitates interchange of rail traffic between multiple railways;

- Computes the amount of car hire the railroad owes to the owners of equipment used;
- Calculates time and miles traveled on Customer's railroad for each foreign car each month;
- Provides processing of reclaims and car hire transfers of liability;
- Helps identify missing receipts, deliveries, illogical moves and cars not registered in UMLER;
- Calculates voluntary adjustments based on changes to prior month's movement records;
- Submits car hire payment information to the AAR Data Exchange process; and
- Provides the ability to enter and electronically transmit bills of lading.

RailConnect is the most prevalently used railroad software, used by over 450 rail operations in North America, including Coos Bay Rail Link and Coos Bay rail line customers. It was believed that because the software already had the existing configuration of the rail line, this could expedite the database creation process by the software developers. And because the software was already being utilized by CBR, the existing rail staff would not need training or need to learn a new program.

ORS 279B.080 allows the head of a contracting agency or his designee to award emergency contracts. A Board of Directors Resolution may ratify the Declaration of Emergency at its next regularly scheduled meeting or as soon as practical.

Upon a motion by Treasurer/Secretary Eric Farm (second by President John Burns), the Board of Directors voted to adopt Resolution 2018Res03 ratifying the declaration of emergency to procure RailConnect software from Railcar Management, LLC. **Motion Passed.**

D. 2018Res04: Adoption of CBRL Personnel Policy

The Personnel Policy of Coos Bay Rail Line, Inc. (CBRL) is intended to set a general framework for effective personnel administration and is designed to inform CBRL employees an understanding of what is expected of them, and to ensure consistent, fair, and uniform treatment of CBRL employees.

The Board of Directors has the authority over all matters of personnel administration, application and interpretation of CBRL personnel policies and practices through adoption and implementation of the CBRL's budget, pay plans, collective bargaining agreements, ordinances and resolutions adopting and/or amending the personnel rules and regulations.

Only the President has the authority to make any changes (add to or delete from) to these policies. These changes must be made in writing and must be approved by the Board at the following regular meeting. The President may also vary or modify any CBRL personnel policy on a case-by-case basis if it is found that strict application of the policy is impractical, or if it would result in hardship. Exceptions granted in any instance will not be binding in the future. To be effective, an exception must be in writing and signed by the President.

The proposed Personnel Policy for CBRL is nearly an exact duplicate of the Oregon International Port of Coos Bay's Personnel Policy. Only minor modifications were made to reflect railroad best practices, safety rules, and laws.

Upon a motion by Treasurer/Secretary Eric Farm (second by President John Burns), the Board of Directors voted to adopt Resolution 2018Res04 approving and implementing Coos Bay Rail Line Inc.'s Personnel Policy. **Motion Passed.**

E. 2018Res05: Adoption of CBRL Freight Tariff

Railroads publicly publish tariffs naming local rates, demurrage, switching and assessorial rules and charges, capital project surcharge fees, and fuel surcharges on local and proportional rates, which apply at and between stations of the Coos Bay Rail Line. The tariff applies on intrastate and interstate traffic, except where expressly provided to contrary in connection with particular rates and provisions contained within the tariff.

Freight Tariff CBR 8000, 8500, and 8501 will be effective November 1, 2018 and cancels all previous versions in its entirety:

- Freight Tariff CBR 8000 (Formerly Freight Tariff CBR 7000-B) establishing Local rates, Demurrage, Switching & Assessorial Rules and Charges
- Freight Tariff CBR 8500 (Formerly Freight Tariff CBR 9500-C) establishing Capital Projects Surcharge Fee
- Freight Tariff CBR 8501 (Formerly Freight Tariff CBR 9501) establishing Fuel Surcharges on Local and Proportional Rates

Upon a motion by Treasurer/Secretary Eric Farm (second by President John Burns), the Board of Directors voted to adopt Resolution 2018Res05 approving and implementing Coos Bay Rail Line, Inc.'s Freight Tariff CBR 8000, 8500, and 8501. **Motion Passed.**

F. Authority to Enter Into Agreements

Staff is requesting authority to enter into the following agreements necessary for railroad operations:

- 1) Union Pacific Railroad Cooperative Marketing Agreement: establishes handling carrier rates, equipment usage and terms.
- 2) Union Pacific Railroad Interchange Agreement: establishes location and protocol for interchanging railroad equipment between CBRL and UPRR.
- 3) Portland and Western Railroad (PNWR) Local Rate Quote(s): establishes local rates for intra Oregon railroad traffic between PNWR and CBRL not destined for further movement or interchange with another railroad.
- 4) Union Pacific Railroad Limited Waiver Agreements: permission from UPRR to allow CBRL and PNWR carload movement over UPRR track for interchange in Eugene yard.
- 5) All Weather Wood Local Rate Quotes: establishes local rates for intra Oregon railroad traffic between PNWR and CBRL not destined for further movement or interchange with another railroad.
- 6) All Weather Wood Rate Quotes: establishes rates for railroad traffic between PNWR and CBRL destined for further movement via Burlington Northern Santa Fe Railroad (BNSF) to destination.
- 7) Lost Creek Rock Products Local Rate Quotes:

Upon a motion by Treasurer/Secretary Eric Farm (second by President John Burns), the Board of Directors voted to authorize CBRL President John Burns to negotiate and enter into agreements listed above for railroad operations. **Motion Passed.**

6. OTHER

7. BOARD OF DIRECTORS COMMENTS

Eric Farm asked whether the Board of Directors would be expanded. John Burns confirmed there are two prospective members that Port staff will reach out to. At a later time, a motion will be brought to the Board of Directors to expand from three members to five.

Mr. Burns shared that as of Thursday, November 1 the Coos Bay Rail Line, Inc. will begin operations on behalf of the Oregon International Port of Coos Bay. There has been a tremendous amount of work and many hours by staff preparing for this event. While Port staff are novice at running a railroad, they do not lack in determination to make this happen. Mr. Burns announced that all existing CBR employees, with the exception of one, will be coming to work for the Port on November 1. The current number of employees will be expanded to include at least four additional and will continue to add staff as needed to ensure assets are managed appropriately and that customers have the most effective, safest, and efficient railroad operations possible.

8. NEXT MEETING DATE – To Be Determined.

9. ADJOURN

Chair Kronsteiner adjourned the meeting at 12:43 p.m. and entered into Executive Session to:

- (h) consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed;
- (j) carry on negotiations under ORS Chapter 293 with private persons or businesses regarding proposed acquisition, exchange or liquidation of public investments; and
- (n) discuss information about review or approval of programs relating to the security of a number of specified structures, activities and materials relevant to the operation of the state's infrastructure.

DRAFT
COOS BAY RAIL LINE, INC.
Coos Bay, Oregon
BUDGET COMMITTEE MEETING
2:00 p.m., Monday, May 20, 2019

Port Conference Room, 125 Central Avenue, Suite 210, Coos Bay, Oregon 97420

ATTENDANCE

Board of Directors:

John Burns, President; David Kronsteiner, Chair; and Eric Farm, Treasurer/Secretary.

Budget Committee:

Maeora Mosieur; Ed Ellingsen; and Richard Dybevik.

Port Staff:

Lanelle Comstock, Chief Administrative Officer; Patrick Kerr, Director of Rail Operations; Megan Richardson, Director of Finance and Accounting; Mary Green, Fiscal Support Technician; Vicki English, Finance Clerk; and Krystal Moffett, Administrative Assistant.

Media & Guests:

Bob Garcia, Port Commissioner; Paul Burgett, ARG Transportation Services; Kathy Erickson for Congressman DeFazio; and Nick Edwards.

1. CALL MEETING TO ORDER

Chair Kronsteiner called the meeting to order at 2:01 p.m.

2. INTRODUCTIONS

3. SELECTION OF BUDGET COMMITTEE CHAIR

Upon a motion by Eric Farm (second by John Burns) the Budget Committee voted to appoint Maeora Mosieur as Budget Committee Chair. **Motion Passed.**

4. RECEIVE FY 2019/20 BUDGET MESSAGE BY JOHN BURNS, PRESIDENT

John Burns thanked committee members for their time and participation today and stated the budget document was sent to committee members about a week prior to this meeting.

This budget year marks the first full year of operations for the Coos Bay Rail Line, Inc. The next 12 months will be spent learning and further refining the operations from a standpoint of safety, resource allocation, and efficiency. The capital requirement of rolling stock has been addressed with the transfer of grant funding from the state, through the ODOT grant. There will be no major expenditures this year for either locomotives or hi-rail vehicles.

CBRL staff will continue to ensure there is a thorough understanding of the infrastructure needs, including the bridges, tunnels, and right of way. Staff will develop a 5-year plan to address areas of tie and rail replacement.

The CBRL starts off this fiscal year with a bit of a setback, with the GP mill closure taking about 1,500 rail carloads out of the system. The system is currently capable of handling about 10,500 carloads, although the maximum moved in a year has been about 7,500. The challenge is to find new customers or increase the potential of cars moved by existing customers. Staff are projecting about 7,000 cars for this upcoming fiscal year. Attached to the normal revenue for railcar movement, there will also be a capital surcharge fee collected, to be used for three distinct purposes: repayment of the debt service to acquire the line, any capital improvements deemed necessary, and emergency repairs. The Port has been very careful in managing the funds received, knowing the debt service payments are now due.

The last 6 months of operations have given insight into the human resources needed to make sure this railroad is healthy and vibrant. The CBRL started operations in 2018 with 15 employees. In the coming year that will be expanded to 20, adding more engineers and conductors, more maintenance of way, and a locomotive mechanic. This will be a challenging year in making sure that carload numbers are optimized with safe efficient operations.

5. REVIEW THE PROPOSED BUDGET BY MEGAN RICHARDSON, DIRECTOR

Megan Richardson reviewed the budget document beginning on page 2. Resources, based on the projected 7,000 car movements, include revenue of \$4,063,964, demurrage of \$50,000 and other revenue of \$156,000 primarily made up of car repair and flagging.

Eric Farm asked what the demurrage charge is. Patrick Kerr stated demurrage is an assessorial tool that encourages a quick turnaround of the cars. Richard Dybevik asked how the demurrage rate is determined. Mr. Kerr stated that the current rate is comparable with other short line railroads in the area; it depends on the cars and how much has been ordered. Mr. Kerr stated there is a formula applied after either 24-hours or 48-hours. After that free time period has elapsed, it is approximately \$45 per car per day. Mr. Burns stated that CBRL will get the precise formula information to the customers.

Total revenue budgeted for this fiscal year is \$4,269,964. The CBRL consists of three departments including administration, maintenance of way, and transportation. The administration department has two staff members, the operations manager and an operations support admin. Total personnel costs budgeted for this year are \$171,995. Railroad employees do not pay federal income taxes, they have the railroad retirement board instead. Tier one is similar to FICA taxes, and tier two is pension. Expenses for materials and services consist of staff training, budgeted in employee time with no additional materials or outside trainers. Larger expenses include insurance and car hire management. The Port administration fee of \$406,396 is the 10% fee paid for administrative support, including salary for the Director of Rail Operations and other Port services.

In the maintenance of way department, there are 8 staff with a total personnel cost of \$591,828. Expenses in this department include utilities for rail crossings and operational supplies such as tools and other materials. The vehicle lease and rental line item will likely be a fleet management service under the umbrella of the Port and will be in addition to the hi-rails purchased with the grant from the state. The line item for repairs and maintenance includes equipment such as bridges, signals, track & tunnels, and train cars. Vegetation control is budgeted for twice per year.

The transportation department consists of 10 staff members with a total personnel cost of \$858,016. Mr. Kerr stated there are four different crews, a switcher and a hauler at each end. The Noti crews interchange the north end customer facilities with the Union Pacific in Eugene, switching outbound and inbound cars. The Noti hauler takes the cars from Noti and Eugene south to the Mapleton/Cushman area and meets the northbound hauler coming from Coos Bay. Fuel is the largest line item expense for the transportation department, followed by the locomotive repairs and maintenance. Every 90 days the locomotives need to be inspected and certain work must be performed to keep them in proper working order; this is an FRA requirement. Chair Kronsteiner asked whether the fuel line item includes any potential price increases. Ms. Richardson confirmed this has been accounted for with the estimate. Mr. Farm asked if the inspection work on the locomotives takes place in Eugene. Mr. Burns stated that it depends on the type of work being performed, and whether it requires access to the undercarriage.

For all departments, requirements total \$3.89 million with an unappropriated ending fund balance of \$379,896.

Bob Garcia asked how to determine the track repair and maintenance included in the CBRL budget versus what is included in the Port's grant budgets. Mr. Kerr stated the primary difference is the maintenance included in the CBRL budget is ongoing. Included in the Port budget are more capital improvement projects. Replacing bolts and spikes, or other track repair, would be considered ongoing and included in the CBRL budget.

Mr. Kerr stated the railroad spans 134 miles from Eugene to Coquille, and is operated by the Coos Bay Rail Line, Inc. The primary customers are wood products manufacturers. The goal of the CBRL is to provide safe, reliable transportation with a budget forecast of 7,000 carloads. The rail line directly supports 20 employees on the rail line, utilizing the home town local community advantage. The CBRL is the only rail connection to the national railway network for our region. The connection is vital to sustaining the economic growth and development of rural Lane, Douglas, and Coos Counties.

The CBRL provides a fundamental link for the Port's economic development mission by providing local businesses with a safe, direct, and cost efficient transportation option and connection to the global market. The primary emphasis is to provide safe, reliable service and to deliver the rail operations on plan and on budget.

Freight revenue is based on 7,000 carloads, estimated at about \$4 million, with rail car repairs estimated at \$156,000 and assessorial charges of \$50,000. Expenses are about \$3.8 million.

Ed Ellingsen asked about the pending contract for inspection services to a third party. Mr. Kerr stated the negotiations are currently ongoing. The services provided will be annual inspection and reporting on the bridges, which is an FRA requirement.

6. CONCLUDING COMMENTS BY JOHN BURNS, PRESIDENT

Mr. Burns stated this is a very exciting time with starting the next phase of rail operations. CBRL staff look to move forward and tend to the things that need to be taken care of.

7. PUBLIC COMMENT

There was no public comment.

8. COMMITTEE COMMENT

Mr. Burns shared pride in the people working on this railroad and keeping this vital link open for the region. Mr. Burns stated regional resiliency planners have a strong belief this railroad could be a saving grace for this region in the event of an emergency. This railroad is important not only to the region but to the state as well. CBRL and Port staff will continue to do what is needed to ensure this railroad is successful.

9. PRESENT THE MOTION TO RECOMMEND THE BUDGET TO THE BOARD OF DIRECTORS FOR ADOPTION, OR SCHEDULE A FOLLOW UP MEETING

Upon a motion by Eric Farm (second by Richard Dybevik), the Budget Committee voted to recommend the budget to the CBRL Board of Directors for adoption. **Motion Passed.**

10. ADJOURN MEETING

Budget Chair Maeora Mosieur adjourned the meeting at 2:26 p.m.

Budget Hearing

**COOS BAY RAIL LINE, INC.
BOARD OF DIRECTORS
ACTION/DECISION REQUEST**

DATE: June 10, 2019

PROJECT TITLE: Resolution 2019Res01: Adoption of Budget, Making Appropriations – Combined for the 2019/20 Fiscal Year

ACTION REQUESTED: Adoption of Resolution 2019Res01

BACKGROUND:

The Coos Bay Rail Line, Inc.'s Budget Committee approved the draft 2019/20 Fiscal Year Budget after its first budget committee meeting May 20, 2019. Each year, following the Budget Committee's approval of the budget, the Board is required to hold a public hearing. The objective of the public hearing is to receive testimony from any person present. The public hearing is scheduled for 5:30 p.m., June 17, 2019, prior to the regular Board of Directors meeting.

During the regular Board meeting, the Board is **allowed to make changes to the budget if the total change in any fund does not exceed \$5,000 or 10%**, whichever is greater. Changes in excess of 10% would require the Board to publish notice of a second budget hearing and a new financial summary and hold the second hearing before the adjusted budget can be adopted.

If no significant changes are made, the Board should consider approval of the resolution adopting the budget.

RECOMMENDED MOTION:

Approve Resolution 2019Res01, a resolution adopting a budget, making appropriations – combined for the 2019/20 fiscal year.

Resolution 2019Res01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
COOS BAY RAIL LINE, INC**

**A RESOLUTION ADOPTING A BUDGET, MAKING APPROPRIATIONS
- COMBINED FOR THE FISCAL YEAR 2019/20**

BE IT RESOLVED that the Board of Directors of the Coos Bay Rail Line, Inc. adopts the 2019/20 fiscal year budget as approved by the Budget Committee in the amount of \$ 4,269,965 now on file at the Oregon International Port of Coos Bay Administrative Office.

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2019, and for the purposes shown below are hereby appropriated as follows:

<u>CBRL FUND</u>		
Administration	\$	959,825
Maintenance of Way	\$	1,176,428
Transportation	\$	1,753,816
TOTAL CBRL FUND	\$	3,890,069
TOTAL APPROPRIATIONS ALL FUNDS		\$ 3,890,069
TOTAL APPROPRIATIONS		\$ 3,890,069
UNAPPROPRIATED ENDING BALANCE & RESERVED FOR FUTURE EXPENDITURE		\$ 379,896
Total budget		\$ 4,269,965

APPROVED and ADOPTED by the Board of Directors of Coos Bay Rail Line, Inc. this 17th day of June 2019.

John Burns, President

David Kronsteiner, Chair

Action Items

**COOS BAY RAIL LINE, INC.
BOARD OF DIRECTORS
ACTION/DECISION REQUEST**

DATE: June 10, 2019

PROJECT TITLE: 2019Res02: Update Signature Authority on Umpqua Bank Accounts

ACTION REQUESTED: Approve Resolution 2019Res02 updating signature authority for the banking accounts at Umpqua Bank, Coos Bay Branch.

BACKGROUND:

For internal control, all Coos Bay Rail Line, Inc. bank accounts must be authorized and approved by the Board of Directors. With the limited availability of a second check signer, CBRL staff wishes to add David Kronsteiner and Lanelle Comstock to be signers on the following Umpqua Bank account, to be effective June 18, 2019:

CBRL General Account #6912

The following individuals will be authorized signatories on these Umpqua Bank accounts:

John Burns	President
David Kronsteiner	Chair
Eric Farm	Secretary / Treasurer
Lanelle Comstock	Chief Administrative Officer
Megan Richardson	Director of Finance & Accounting

A resolution is required for signature authorization for the bank accounts.

RECOMMENDED MOTION:

Approve Resolution 2019Res02 updating signature authority for the Coos Bay Rail Line, Inc. banking account at Umpqua Bank, Coos Bay Branch.

RESOLUTION 2019Res02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
COOS BAY RAIL LINE, INC.**

**RESOLUTION CHANGING THE SIGNATURE AUTHORIZATION FOR THE
BANK ACCOUNTS AT UMPQUA BANK**

WHEREAS the Coos Bay Rail Line, Inc. has designated Umpqua Bank as a bank and depository for funds of the CBRL, which may be withdrawn on checks, drafts, receipts or advices of debt given or signed in the CBRL's name; and

WHEREAS the CBRL wishes to update the names of the individuals authorized to initiate changes to the bank accounts listed below, effective June 18, 2019:

CBRL General Account #6912

The following individuals will be authorized signatories on these Umpqua Bank accounts:

John Burns	President
David Kronsteiner	Chair
Eric Farm	Secretary / Treasurer
Lanelle Comstock	Chief Administrative Officer
Megan Richardson	Director of Finance & Accounting

And that said Bank shall be and is authorized to honor and pay the same whether or not they are payable to bearer or to the individual order of any person or persons signing the same.

APPROVED and ADOPTED by the Board of Directors of the Coos Bay Rail Line, Inc. this 17th day of June 2019.

John Burns, President

David Kronsteiner, Chair