

OREGON INTERNATIONAL PORT OF COOS BAY
Coos Bay, Oregon
REGULAR COMMISSION MEETING
10:30 a.m., Tuesday, January 18, 2022

Port Commission Chambers, 125 Central Avenue, Suite 230, Coos Bay, Oregon 97420

ATTENDANCE

Commission:

David Kronsteiner, President; Eric Farm, Vice President; Brianna Hanson, Treasurer; Bob Garcia, Secretary; and Kyle Stevens, Commissioner.

Staff:

John Burns, Chief Executive Officer; Lanelle Comstock, Chief Administrative Officer; Mike Dunning, Chief Port Operations Officer; Rich Lopez, General Manager, Coos Bay Rail Line; Brandon Collura, Charleston Harbormaster; Ray Dwire, Security; Krystal Karcher, Administrative Assistant; and Mike Stebbins, Port Legal Counsel.

Media & Guests:

Janét Moore.

1. CALL MEETING TO ORDER

President Kronsteiner called the meeting to order at 10:32 a.m.

2. INTRODUCTION OF GUESTS AND PORT STAFF

3. PUBLIC COMMENT

A. Janét Moore, Coos Bay.

Ms. Moore stated she came back to reiterate concerns expressed at the last meeting about the large scale shipping terminal the Port is planning to develop, specifically concerns about the air quality impact. The Ports of Los Angeles and Long Beach are the largest single sources of pollution in southern California. The public hasn't been given much information about the scale of the plan. It has been reported that the railroad improvements are estimated at \$1 billion, so it can be assumed to be a large amount of shipping traffic planned. Ms. Moore stated she is concerned about emissions and particulate matter, nitrogen oxide, sulfur dioxide, and other pollutants that can contribute to asthma, reduced lung development in children, cardiovascular disease, lung cancer, and premature death.

Ms. Moore stated she is also concerned about dredging that may be planned and the impact it could have on the estuaries. Ms. Moore stated she is unaware of any feasibility studies the public can look at to understand more about what is planned, and expressed hope that the Port will be more transparent so the public doesn't overreact to development plans. In 2000, the Port spent money on two independent feasibility studies that concluded to break even a terminal would have to attract cargo at a volume 2.5 times larger than that handled at two comparable facilities in Portland and Vancouver. This is a large amount of cargo volume considering the fragile estuary here that supports the fishing industry. The fisheries are under pressures with global warming, ocean acidification, hypoxia, plastic pollution, and

this would be another nail in the coffin for those fishing jobs. Tourism jobs could be hurt as well, as they also rely on a healthy environment.

4. CONSENT ITEMS

- A. Approval of December 14, 2021 Regular Commission Meeting Minutes
- B. Approval of December Invoices
- C. Approval of December Contracts Awarded
- D. Approval of Community Giving Donations

Upon a motion by Commissioner Hanson (second by Commissioner Farm), the Board of Commissioners voted to approve the December 14, 2021 Regular Commission Meeting Minutes, December Invoices, December Contracts Awarded, and Community Giving Donations. **Motion Passed.**

5. MANAGEMENT REPORTS

All Management Reports were included within the Meeting Packet.

6. ACTION ITEMS/REPORTS

A. 2022Res01: Wells Fargo Rail Corporation Locomotive Lease Agreement

The Port of Coos Bay currently owns 6 locomotives, some of which have been experiencing mechanical deficiencies that could bring delays to operations of the rail line. Due to the threat of their potential unreliability and due to the expected increase in business on the rail line, Port and Rail Staff have solicited proposals from locomotive leasing companies to lease two locomotives to join the existing rail fleet.

Wells Fargo Rail Corporation provided a proposal to lease two GP38-2 locomotives for a term of 12 months at the rental rate of \$110.00 per unit per day. During the term of the agreement, the Port/Rail is responsible for the maintenance, service and repair of each unit. Upon expiration of the agreement, the term shall continue on a month-to-month basis.

Although the annual expense is within the CEO's spending authority, per the requirements of the lease, the Port's Board of Commissioners must authorize execution of the lease agreement and an opinion letter from the Port's legal counsel must be provided.

Upon a motion by Commissioner Farm (second by Commissioner Garcia), the Board of Commissioners motioned to approve Resolution 2022Res01 authorizing Oregon International Port of Coos Bay Chief Executive Officer John Burns to execute a twelve month lease agreement for two locomotives at the rental rate of \$110.00 per unit per day with Wells Fargo Rail Corporation. **Motion Passed.**

B. Appointment of FY 2022/23 Budget Officer

Oregon Local Budget Law (ORS 294.305 through 294.565) governs the preparation of the Port's annual budget. Pursuant to ORS 294.331, the Port Commission is required to designate one person to serve as the Budget Officer, who shall prepare or be responsible for preparing the budget document under the direction of the Chief Executive Officer. The Budget Officer also presents a balanced budget to the

budget committee, publishes all notices required by Local Budget Law, monitors budget expenditures during the budget year and notifies the governing body of the need to make any budget changes required after adoption.

Port staff recommends Megan Richardson, the Port's Director of Finance & Accounting, to be appointed as the Budget Officer for the fiscal year 2022/23 budget process.

Upon a motion by Commissioner Farm (second by Commissioner Stevens), the Board of Commissioners motioned to approve the appointment of Megan Richardson, Director of Finance & Accounting, as the Budget Officer for the fiscal year 2022/23 budget process. **Motion Passed.**

C. Crow Clay & Associates Lease Agreement

Crow Clay and Associates is a new Tenant of the Port following the Port's acquisition of the Hub Building, occupying 125 Central Avenue, Suite 400. The existing lease agreement that was transferred with the sale of the property from the Hub Partnership to the Port is set to expire as of February 1, 2022. Crow Clay and Associates has expressed interest in entering into a new one-year lease agreement for leased space in the Hub Building. Crow Clay and Associates is a tenant in good standing with the Port.

Commissioner Hanson asked whether the basic terms of the agreement are continuing forward, then stated that may be confidential so she will ask the question at another time. Commissioner Garcia asked whether Crow Clay and Associates was interested in a longer term lease. John Burns stated this is a standard lease term for the Hub Building so a longer term lease had not been offered.

Upon a motion by Commissioner Farm (second by Commissioner Hanson), the Board of Commissioners motioned to approve the execution of a new one-year lease agreement with Crow Clay and Associates. **Motion Passed.**

7. OTHER

8. COMMISSION COMMENTS

9. NEXT MEETING DATE – Tuesday, February 15, 2022, 10:30 a.m.

10. ADJOURN

President Kronsteiner adjourned the meeting at 10:47 a.m. and entered into Executive Session to:

- (e) conduct deliberations with persons designated by the governing body to negotiate real property transactions;
- (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; and
- (j) carry on negotiations under ORS Chapter 293 with private persons or businesses regarding proposed acquisition, exchange or liquidation of public investments.