

**OREGON INTERNATIONAL PORT OF COOS BAY**

**Coos Bay, Oregon**

**REGULAR COMMISSION MEETING**

**6:30 p.m., Tuesday, February 20, 2018**

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

**ATTENDANCE**

**Commission:**

David Kronsteiner, President; Eric Farm, Vice President; Brianna Hanson, Treasurer; and James Martin, Commissioner. Bob Garcia was excused.

**Staff:**

John Burns, Chief Executive Officer; Anna Soderstrom, Chief Commercial Officer; Fred Jacquot, Director of Port Development; Lanelle Comstock, Director of Administrative Services; John Buckley, Charleston Harbormaster; Margaret Barber, External Affairs Manager; Fiona Bai, Marketing Media Specialist; Amrha Wimer, Administrative Assistant; and Mike Stebbins, Port Legal Counsel.

**Media & Guests:**

Maera Mosieur, Budget Committee; and Tom McMann.

**1. CALL MEETING TO ORDER**

President Kronsteiner called the meeting to order at 6:32 p.m.

**2. INTRODUCTION OF GUESTS AND PORT STAFF**

**3. PUBLIC COMMENT**

**4. PORT PROJECT UPDATE**

A. Marketing and PR Analytics

Fiona Bai presented a digital communications overview from 2017.

**5. CONSENT ITEMS**

A. Approval of January 16, 2018 Regular Commission Meeting Minutes

B. Approval of January Invoices

C. Approval of January Contracts Awarded

D. 2018 Chief Executive Officer Annual Performance Review

Upon a motion by Commissioner Martin (second by Commissioner Farm), the Board of Commissioners voted to approve the January 16, 2018 Regular Commission Meeting Minutes, January Invoices, January Contracts Awarded and 2018 Chief Executive Officer Annual Performance Review. **Motion passed.**

**6. MANAGEMENT REPORTS**

All Management Reports were included within the Meeting Packet.

Commissioner Hanson requested to view the SWOT analysis once it is complete.

President Kronsteiner asked about the SHN options Mr. Jacquot discussed in his Management Report. Mr. Jacquot stated SHN is associated with the Barview/Upland site. The site was proposed to be used to receive materials from the planned Marina dredging project. There were inquiries about permitting for that use because discharge from the current site would go through the now believed fresh water wetland on the ODOT property. The concern was the discharge of brackish water through the wetland would negatively impact the plant life and the Port was asked to look at alternative ways to bypass. The strategy was to come up with a technical memo outlining cost for the alternatives and loop back with the agencies. SHN proposed a temporary bypass system that would utilize rented pumps and temporary piping that looked to be a much lower cost alternative so the Port is asking SHN to complete that portion of the technical memo.

## 7. ACTION ITEMS/REPORTS

### A. **2018Res04: Amendments to Port Policy Manual Chapter 4/5**

**Port Policy Manual Chapter 4 was blank due to combining chapters during previous policy amendments, thus Chapter 5: Public Records is being moved to Chapter 4.**

Port of Coos Bay Staff is currently reviewing and revising the entire Port Policy Manual to include updated best practices and changes in laws. Port Policy Manual Chapter 4: Public Records has been majorly revised to reflect the recent public records law changes that went into effect January 1, 2018, to include updated best practices, and to create formatting consistency between chapters.

Before being presented to the Port Commission for adoption, Port Policy Manual Chapter 4: Public Records has been compared to and revised with the State of Oregon Attorney General's Public Records and Meetings Manual and Senate Bill 481 and has been reviewed and revised by appropriate Port staff and Port's legal counsel.

The red lined tracked version of the changes, as well as a clean, final draft version of the recommended revisions, were included within the Commission meeting packet.

The major changes within Chapter 4 include:

- **4.1.A:** Detailed definition of public records has been added, and a Records Manager has been identified as the Port employee responsible for managing public records.
- **4.1.B:** Record Management has been added to inform employees that Port documents must be retained based on the Oregon Secretary of State's Retention Schedule.
- **4.2.A-C:** Revised to reflect changes to ORS 192.440 regarding the timeline and process in which the Port must respond to public record requests.
- **4.2.D:** Due to the extent of recent record requests, Port staff has removed the 50-page minimum guideline in which fees will be applicable. All records requests may be subject to fees regardless of page quantity or staff time involved.
- **4.2.E:** Fee waiver factors have been defined per the State of Oregon Attorney General's Public Records and Meetings Manual.
- **Public Records Fee Schedule:** Updated to reflect current practices and labor charges (most record requests involve Director level and CEO time, thus increasing the cost of labor charges).
- **Public Records Fee Reduction/Waiver Request Form:** Revised to gather information from the requester about how a waiver request and the requested information would benefit the general public.

President Kronsteiner asked legal counsel if the document should state the Port has the discretion to wave the record request fee or is it clear enough on the waiver request form. Mr. Stebbins stated it was clear enough to say it on the form because that is part of the rule.

Upon a motion by Commissioner Farm (second by Commissioner Hanson), the Board of Commissioners motioned to approve Resolution 2018Res04 authorizing the Amendments to Port Policy Manual Chapter 4: Public Records. **Motion Passed.**

### B. **Port Property Sale to Dulcich Realty LLC**

The concept of exploring the disposal of surplus property, specifically, building #28 located at 90363 GUANO ROCK LANE, CHARLESTON, OREGON 97420 has been addressed during previous Commission Meetings in Executive Session. The Commission authorized staff to work on a Sale/Purchase Agreement. This transaction includes the sale of the building and associated land at the address to DULCICH REALTY, L.L.C. to expand their seafood processing operations in Charleston.

The Oregon International Port of Coos Bay purchased the building and property in 1984 for \$150,000.00. The building had most recently been leased for storage to a local Charleston business. The Port intended to utilize the building as workshop space for staff at the Charleston Marine as well as storage for the State of Oregon's dredge, the Laura and the Miss SoCo. Upon review and inspection, it was determined that cost to bring the building up to a condition which would satisfy the Port's needs was cost prohibitive (in excess of \$100,000). The building has remained vacant for more than one year without a prospective tenant and was therefore deemed to be surplus to the Port's needs.

The parties have negotiated a Sale/Purchase agreement in the amount of \$400,000.00. Closing will take place within 15 days following the agreed upon review periods. All documents have been reviewed by the Port's legal counsel.

Commissioner Martin asked where the Laura and Miss SoCo is being stored in the off season. Mr. Buckley stated they are being stored at the shipyard.

Upon a motion by Commissioner Farm (second by Commissioner Martin), the Board of Commissioners motioned to approve sale of the building and land at 90363 Guano Rock Lane, Charleston, Oregon 97420 to DULCICH REALTY, LLC. **Motion Passed.**

### **C. Appointment of 2018/19 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, responsible for publishing all notices required by Local Budget Law, monitoring budget expenditures during the budget year and notifying the governing body of the need to make any budget changes required after adoption.

Port staff recommends Port Accounting Manager Megan Richardson to be appointed as the Budget Officer for the fiscal year 2018/19 budget process.

Upon a motion by Commissioner Farm (second by Commissioner Hanson), the Board of Commissioners motioned to approve the appointment of Port Accounting Manager Megan Richardson as the Budget Officer for the fiscal year 2018/19 budget process. **Motion Passed.**

### **D. 2018Res05: Declaration of Emergency - Ice Plant Evaporator**

On December 5, 2017, Port staff reported an anhydrous ammonia leak that was emitting from the ice bin. The Harbormaster called in Emergency responders from Charleston and Coos Bay to deal with the dangerous cloud. Following 3 days of ventilation, Port staff was able to go interior and discovered one of the two ice bin cooling evaporators fan assembly had come loose and ripped a hole in the evaporator tubing. While working with the OEM (KNOXCO) it was discovered that the evaporator for that space is a one of a kind, Form, Fit, Function, which requires entire system knowledge to ensure proper cooling of the ice bin. Additionally, the one operational evaporator requires daily defrost, as it cannot be operated as designed; to split the cooling load between two evaporators. When one of the evaporators is online, the other is in an automatic defrost mode. There is an 8-week lead time to build and ship the evaporator. On February 2, Harbormaster John Buckley, acting as CEO Designee, declared an emergency and authorized KNOXCO to begin ordering necessary materials to begin repairs.

The soonest the Port can expect a replacement evaporator to be installed will be April 2018. This is painfully close to our busy season which further strains the repair timeline.

Ratification of the declared emergency was held pending final resolution of the identified cost of \$20,648.00 to the Port and is now presented to the Commission.

Port Procurement Rule 6.4.6 allows the Chief Executive Officer or his designee to award emergency contracts up to \$200,000 in value and requires a Commission Resolution to ratify the Declaration of Emergency at its next regularly scheduled meeting or as soon as practical.

Commissioner Martin asked if it is a two-evaporator system and if only one side is currently operating. Mr. Buckley confirmed it is a two-evaporator system and the one that is operating needs to be defrosted. Commissioner Martin asked what the condition is of the one that is operating. Mr. Buckley stated it is still in good shape.

Upon a motion by Commissioner Martin (second by Commissioner Farm), the Board of Commissioners motioned to adopt Resolution 2018Res05 ratifying the Declaration of Emergency by CEO John Burns, including the execution of contract with KNOXCO to effect emergency repairs to the Ice Bin evaporator at Charleston Marina. **Motion Passed.**

### **E. 2018Res06: Declaration of Emergency - D Dock Piling**

On Saturday, January 27, 2018, Port staff discovered a steel pile had been knocked over by unknown causes rendering two moorage spots unusable. This is at a time of season when we require every slip we can get due to crabbing. Moorage usage increases throughout the year as more out of area vessels use this marina. Port staff believes additional damage will occur to the dock finger as it is no longer supported on the distal end by the missing pile. On February 9, Harbormaster John Buckley, acting as CEO

Designee, declared an emergency and authorized Knutson Towboat to begin ordering necessary materials to begin repairs as soon as possible.

USACE will allow a variance to the in-water work window as late as March, although they are more adamant to not allow any work after this time frame. The soonest we can expect a replacement piling to be installed will be early March 2018.

Ratification of the declared emergency was held pending final resolution of the identified cost of \$11,400.00 to the Port and is now presented to the Commission.

Port Procurement Rule 6.4.6 allows the Chief Executive Officer or his designee to award emergency contracts up to \$200,000 in value and requires a Commission Resolution to ratify the Declaration of Emergency at its next regularly scheduled meeting or as soon as practical.

Commissioner Farm asked if this is an insurance claim. Mr. Buckley stated it is.

Upon a motion by Commissioner Farm (second by Commissioner Hanson), the Board of Commissioners motioned to adopt Resolution 2018Res06 ratifying the Declaration of Emergency by CEO John Burns, including the execution of contract with Knutson Towboat to effect emergency repairs to a single piling on "D" Dock in Charleston Marina. **Motion Passed.**

## 8. OTHER

## 9. COMMISSION COMMENTS

Mr. Burns thanked Kay Knight for her service to the Port as she is retiring at the end of the month, and congratulated Megan Richardson and the Accounting team for the completion of the latest audit.

## 10. NEXT MEETING DATE – Monday, March 19, 2018, 6:30pm.

## 11. ADJOURN

President Kronsteiner adjourned the meeting at 7:09 p.m. and entered into Executive Session to:

- (e) conduct deliberations with persons designated by the governing body to negotiate real property transactions;
- (g) consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations;
- (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.