

**OREGON INTERNATIONAL PORT OF COOS BAY**  
**Coos Bay, Oregon**  
**REGULAR COMMISSION MEETING**  
**3:00 p.m., Thursday, August 26, 2021**

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, Director of Maritime Operations and Asset Management; Megan Richardson, Director of Finance and Accounting; Margaret Barber, Director of External Affairs and Business Development; Rich Lopez, General Manager, Coos Bay Rail Line, Inc; Krystal Moffett, Administrative Assistant; and Mike Stebbins, Port Legal Counsel.

**Media & Guests:**

None.

**1. CALL MEETING TO ORDER**

Vice President Farm called the meeting to order at 3:03 p.m.

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

**3. PUBLIC COMMENT**

**4. CONSENT ITEMS**

- A. Approval of June 22, 2021 Regular Commission Meeting Minutes
- B. Approval of June and July Invoices
- C. Approval of June and July Contracts Awarded

Upon a motion by Commissioner Stevens (second by Commissioner Hanson), the Board of Commissioners voted to approve the June 22, 2021 Regular Commission Meeting Minutes, June and July Invoices, and June and July Contracts Awarded. **Motion Passed.**

**5. MANAGEMENT REPORTS**

All Management Reports were included within the Meeting Packet. John Burns stated that the requested Ice Plant dashboard has been included in the management financial reporting.

6. **ACTION ITEMS/REPORTS**

A. **Coal Bank Slough Bridge Replacement Contract**

Under previous Commission authorization, Port staff solicited proposals for the Coos Bay Rail Line Coal Bank Slough Bridge Replacement Project. The project will remove and replace the Coal Bank Slough Rail Bridge as part of the CBRL Bridge Rehabilitation Project. The project will be funded by state (ODOT) and federal grants (BUILD).

An Invitation to Bid (ITB) for the Coos Bay Rail Line Coal Bank Slough Bridge Replacement Project was solicited on July 13, 2021, with bids due by August 12, 2021. Two bids were received by the published deadline. Both bid packages were opened August 12, 2021 and full bid prices were read aloud. The initial bid results are listed in the table below:

<b>Firm Name</b>	<b>Total Price</b>
Legacy Contracting	\$5,184,340.00
Partney Construction	\$5,897,879.00

Both proposals are being reviewed for responsiveness to the ITB. A copy of the proposals was available for Commission review.

Legacy Contracting is a State of Oregon, full-service construction contractor. The proposed price includes complete removal of the existing bridge and construction of a new bridge with precast concrete trusses, supported by reinforced steel pilings and concrete caps.

Port procurement rule 4.5 states the Port Commission, acting in its role as the Local Contract Review Board, may award a contract for services by competitive sealed bids. Port staff requests the Commission authorize execution of a contract with Legacy Contracting for the Coos Bay Rail Line Coal Bank Slough Bridge Replacement Project for the total price of \$5,184,340.00 pending final review.

Upon a motion by Commissioner Hanson (second by Commissioner Garcia), the Board of Commissioners motioned to authorize Chief Executive Officer John Burns to negotiate and execute a contract with Legacy Contracting for the Coos Bay Rail Line Coal Bank Slough Bridge Replacement Project in the amount of \$5,184,340.00. **Motion Passed.**

B. **Sea Basket Restaurant Lease Assignment**

Port staff were approached by Russell and Teresa Bryson, Dba Sea Basket Restaurant who lease commercial Port owned property in the Charleston Marina Complex. Russell and Teresa Bryson are selling their business to Charlie and Catherine Staton who will maintain the facility as a restaurant and continue with the business name Sea Basket Restaurant. Port staff conducted a credit check and reviewed the business plan presented by Charlie and Catherine Staton and found both to be satisfactory.

The existing lease agreement for the Sea Basket Restaurant has a term that extends through August 1, 2023, with an additional five-year renewal option.

Upon a motion by Commissioner Stevens (second by Commissioner Hanson), the Board of Commissioners motioned to approve Oregon International Port of Coos Bay entering into a lease agreement with Charlie and Catherine Staton, Dba Sea Basket Restaurant. **Motion Passed.**

### C. Hub Building Loan and Loan Consolidation

Port of Coos Bay staff have applied for loans to finance the purchase of the Hub Building and to refinance existing debt in an effort to reduce debt service.

After reaching out to multiple financial institutions, and with the assistance of David Ulbricht from SDAO Advisory Services, the Port of Coos Bay is now working with The Commerce Bank of Oregon, a division of Zions Bancorporation, N.A., to assist with this lending commitment.

The Commerce Bank is currently preparing the loan documents to finance \$2.85 million for the Hub Building and to refinance \$7.57 million of existing debt at approximately 2.1%.

Commissioner Garcia asked whether the amortization period would be extended with the refinancing of existing debt. Megan Richardson stated it would be reduced. Currently, the loans extend to the 2044/45 Fiscal Year, and with refinance that would be reduced to 2041. Preliminary estimates indicate an overall reduction of \$1.4 million.

Commissioner Hanson asked about the overall status of debt service, the potential for leasing out office space in the building, and where the funding is coming from. Ms. Richardson stated the debt service is already budgeted and refinancing would reduce this amount. The building has leased space that will cover some of the increased cost, so the note payment will be offset some by the increased revenue. The building loan will be in two parts, with a taxable portion for tenant occupied space and a non-taxable portion for Port occupied space.

Commissioner Farm asked whether the debt being consolidated is part of the match funds for grants. Ms. Richardson stated the loans being refinanced are for the B-Dock replacement, the Charleston stormwater system, travel lift, rail acquisition, and rail tunnel rehab (ConnectOregon V match funds).

Upon a motion by Commissioner Stevens (second by Commissioner Garcia), the Board of Commissioners motioned to authorize Chief Executive Officer John Burns to negotiate and execute a loan agreement for the purchase of the HUB Building and to refinance existing debt in an effort to reduce debt service. Commissioner Hanson stated she is “opposed for now” and would like additional information; Vice President Farm stated this would be considered an abstention. **Motion Passed.**

#### 7. OTHER

#### 8. COMMISSION COMMENTS

#### 9. NEXT MEETING DATE – Tuesday, September 21, 2021, 3:00 p.m.

#### 10. ADJOURN

President Kronsteiner adjourned the meeting at 3:22 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.