

**OREGON INTERNATIONAL PORT OF COOS BAY**  
**Coos Bay, Oregon**  
**SPECIAL COMMISSION MEETING**  
**10:00 a.m., Thursday, September 5, 2024**  
Via Zoom

**ATTENDANCE**

**Commission:**

Kyle Stevens, Vice President; Kyle ViksneHill, Treasurer; and Nick Edwards, Secretary. Brianna Hanson, President, was excused.

**Staff:**

Lanelle Comstock, Chief Executive Officer; Mike Dunning, Chief Port Operations Officer; Ray Dwire, Charleston Marina Manager; Krystal Karcher, Administrative Services Manager; and Amanda Cordova, Administrative Assistant.

**Media & Guests:**

None.

**1. CALL MEETING TO ORDER**

Vice President Stevens called the meeting to order at 10:03 a.m.

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

**3. PUBLIC HEARING**

**A. Review the draft findings and consider granting an exemption to the competitive bidding requirements for the 2024 Point Adams Dredging Project at the Charleston Marina.**

Vice President Stevens opened the public hearing at 10:04 a.m.

From November 2023 through June 2024, the Port has seen unprecedented shoaling of large quantities of sediment (sand) into the access channel of the Marina in the vicinity of Pt Adams. The only waterside fuel dock and a Port owned 10,000 sq ft fish processing facility and dock is located adjacent to this access channel. As a result of this shoaling, over 50% of the access in this channel is unusable and poses a risk to mariners. The processing dock face is not accessible during any tidal stage, rendering this facility useless for waterside offloading and operations. This access channel also serves a large private fish processing facility within the inner basin, making the channel a vital link to its operational and fiscal success.

The beginning of this access channel is part of the federal navigation channel and is maintained by the USACE. This area was last dredged by the USACE in 2020. Maintenance dredging was not accomplished in 2022 when the Port last dredged their portion of the prism using the State-Owned

Dredge, The Laura. It is estimated that 12,000 CY of material currently needs removal from the Port's area of responsibility.

The mobilization costs for this type of dredge equipment to Coos Bay can be in excess of \$275,000.00. Fortunately, the USACE will have this equipment already mobilized to conduct dredging within the federal channel adjacent to the Marina's dredge prism. Contracting this equipment for the Port's work will result in significant savings and take the dredge prism to an authorized depth of approximately -15 MLLW.

According to ORS 279C.300 Policy on competition: It is the policy of the State of Oregon that public improvement contracts awarded under this chapter must be based on competitive bidding, except as otherwise specifically provided in ORS 279C.335 for exceptions and formal exemptions from competitive bidding requirements.

According to ORS 279C.335 Subsection (2) Paragraph (b): Awarding a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to the contracting agency or the state agency that seeks the exemption.

Subsection (4) states: In granting exemptions under subsection (2) of this section, the Board of Commissioners for the Oregon International Port of Coos Bay, acting in its capacity as its own local contract review board, shall: (b) Require and approve or disapprove written findings by the contracting agency that support awarding a particular public improvement contract without the competitive bidding requirement of subsection (1) of this section. The findings must show that the exemption of a contract complies with the requirements of subsection (2) of this section.

Exhibit A of the Resolution Declaring an Exemption are the findings submitted by the contracting agency for review by the Board of Commissioners for the Oregon International Port of Coos Bay, acting in its capacity as its own local contract review board.

Draft findings for ORS 279C.335 (2)(b) Statements (A) – (N):

Awarding a public improvement contract under the exemption will likely result in substantial cost savings and other substantial benefits to the contracting agency. In approving a finding under this paragraph, the local contract review board shall consider the type, cost and amount of the contract and to the extent applicable to the particular public improvement contract, the following:

(A) How many persons are available to bid; *Due to the specialized equipment needed, there are only a few local contractors that would be able to perform the work required for this project. Both of those entities have been invited to submit a quote.*

(B) The construction budget and the projected operating costs for the completed public improvement; *The amount budgeted based on estimates from previous projects of this nature is \$200,000.00.*

(C) Public benefits that may result from granting the exemption; *The mobilization costs for this type of dredge equipment to Coos Bay can be in excess of \$275,000.00. Fortunately, the USACE will have this equipment mobilized to conduct dredging within the federal channel adjacent to the Marina's dredge prism. Contracting this equipment for the Port's work will result in significant cost savings.*

(D) Whether value engineering techniques may decrease the cost of the public improvement; *Does Not Apply.*

(E) The cost and availability of specialized expertise that is necessary for the public improvement; *The cost to mobilize the required equipment needed for the contractor to perform this work will be significant. Local contractors do not have the crane barges or dump scows to complete this work. This equipment will need to be rented and mobilized to Coos Bay. The USACE will have this equipment mobilized to conduct dredging within the federal channel adjacent to the Marina's dredge prism and would be able to pass savings on to the Oregon International Port of Coos Bay.*

(F) Any likely increases in public safety; *The area where the shoaling is currently blocks over 50% of the access channel to Russel Marine Fuel Dock, Charleston Marina Boat Ramp, Pacific Choice Seafoods and Charleston Marina Docks. This shoaling needs to be removed to allow safe access to these locations for mariners.*

(G) Whether granting the exemption may reduce risks to the contracting agency, the state agency or the public that are related to the public improvement; *Does Not Apply.*

(H) Whether granting the exemption will affect the sources of funding for the public improvement; *With already tight budget constraints, it will be crucial to keep the costs of this down, otherwise the project would not be able to be affordable.*

(I) Whether granting the exemption will better enable the contracting agency to control the impact that market conditions may have on the cost and time necessary to complete the public improvement; *The contracting agency will be performing the same work immediately adjacent to this project so cost and time will be significantly reduced due to already having equipment and personnel in place performing the same tasks that will be needed for our project.*

(J) Whether granting the exemption will better enable the contracting agency to address the size and technical complexity of the public improvement; *Does Not Apply.*

(K) Whether the public improvement involves new construction or renovates or remodels existing structure; *The public improvement is an ongoing maintenance issue that has become a recurring problem since 2015. The Port is working with the USACE on a Continuing Authorities Program, Section 107 project, to have the USACE assume maintenance of this area.*

(L) Whether the public improvement will be occupied or unoccupied during construction; *The immediate area will need to be accessible while equipment is in place as we cannot simply "shut the marina or surrounding businesses down"*

(M) Whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions; *This will require a single phase of construction work.*

(N) Whether the contracting agency or state agency has, or has retained under contract, and will use contracting agency or state agency personnel, consultants and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the contracting agency will use to award the public improvement contract and to help negotiate, administer and enforce the terms of the public improvement contract; *The contracting*

*agency will be sending RFQ's out to local contractors that have the ability and expertise to perform the contract work so there will be an opportunity for them to quote the public improvement contract. There will be an understanding that an RFQ will also be sent to the contractor that will be performing the same work in the immediate vicinity, at the same time. Mobilization costs for that contractor are expected to be significantly less due to the fact that they will already have equipment and personnel in the Bay.*

## **B. Public Comment**

Vice President Stevens asked for any public comment or testimony on the draft findings or the proposed resolution. There being none, Vice President Stevens closed the public hearing at 10:08 a.m.

## **4. ACTION ITEMS**

### **A. 2024Res09: Declaration of Exemption from Competitive Bidding – 2024 Point Adams Dredging Project at the Charleston Marina**

Upon a motion by Commissioner Edwards (second by Commissioner ViksneHill), the Board of Commissioners voted to adopt Resolution 2024Res09 declaring an exemption from competitive bidding for dredging at the Charleston Marina. **Motion Passed Unanimously.** (Ayes: Stevens, ViksneHill, and Edwards. Nays: None. Absent: Hanson).

## **5. COMMISSION COMMENTS**

Commissioner Edwards asked Mr. Dwire when the dredge would mobilize to Charleston. Mr. Dwire responded that the Charleston dredging is a separate contract. Mr. Dwire stated the coastal contract is currently under a cease-and-desist order because the contract has been undergoing appeals. The Port does not have a time frame for dredging in Charleston at this time.

Commissioner Edwards asked if there was a projection of the amount of sediment (sand) increase the Port would see for the area for the upcoming winter. Mr. Dwire responded that speculation is difficult, however, based on the material deposited over the last winter, not dredging this year could be detrimental. Mr. Dunning also agreed that not dredging this year could be a major problem, especially if, (1) USACE (United States Army Corps of Engineers) does not dredge their area, and (2) if the Port also does not dredge, the shoal could double in size. Mr. Dunning stated that the Corps project manager for coastal dredging understands the significance and safety issues of this dredging project and Charleston is currently the number two priority, right behind Port Orford.

## **6. NEXT MEETING DATE – Tuesday, September 17, 2024, 11:00 a.m.**

## **7. ADJOURN**

Vice President Stevens adjourned the meeting at 10:16 a.m.