



## COMMISSION MEETING MINUTES DECEMBER 13, 2023 100 E. STREET COLUMBIA CITY, OREGON 97018

The Port of Columbia County held a Board meeting at 8:30 a.m. on Wednesday, December 13, 2023, at the Port office and via Zoom video conferencing with the following present:

### Commissioners

Robert Keyser	President
Chip Bubl	Secretary
Brian Fawcett	Vice President
Nancy Ward	2nd Vice President
Nick Sorber	Treasurer

### Guests

Betsy Johnson	Scappoose Resident
Jan Schollenberger	Columbia City Resident
Kim Karber	Columbia City Interim Mgr.
Natasha Parvey	NXT Clean Fuels
Steve Nelson	Lignetics Group
Dan Luckett	Columbia Pacific Bio-Refinery (Zoom)
Aaron Cox	Pacific Aircraft Services
Mark Smith	Pacific Aircraft Services
Pete Murphy	Century West (Zoom)
Dan Serres	Columbia Riverkeepers (Zoom)

### Staff

Sean P. Clark	Executive Director
Robert Salisbury	Port General Counsel
Guy Glenn, Jr.	Executive Finance Mgr.
Amy Bynum	Bus. Dev. & Real Estate Mgr.
Elliot Levin	N. County Ops. & Terminal Mgr.
Miriam House	Operations Mgr.
Gina Sisco	Comm. & External Affairs Mgr.
Lacey Tolles	Data Res. & Projects Spec.
Elizabeth Millager	Operations Coordinator (Zoom)
Bob Gadotti	Executive Finance Mgr.- (Ret.) (Zoom)
Christa Burns	Administrative Asst. II
Susan Tolleshaug	Administrative Asst. (Zoom)

### Guests (cont.)

Brady Preheim	Scappoose Resident
Ralph Culpepper	Scappoose Resident
Ryan Suarez	Zoom

President Robert Keyser called the Port of Columbia County Commission Meeting to order at 8:30 a.m. All Commissioners were present.

### Additions To Agenda

Robert Keyser asked the Commission if there were any additions to the agenda. The Port Westward Dock Update was added to the agenda following the Lignetics/Neighbors update.

### Consent Agenda

Mr. Keyser asked for a motion to approve the consent agenda. Chip Bubl moved; Nick Sorber seconded a motion to adopt consent agenda item A: November 29, 2023 Minutes. The motion carried unanimously.

Nancy Ward moved; Brian Fawcett seconded a motion to adopt consent agenda items B and C: Financial Reports: November 2023 and Approval of Check Register (A) and electronic payments in the total amount of \$888,515.50.

### **Comments From the Public**

Brady Preheim, Scappoose resident said he hopes the Port sells the airport hangar building that is listed on the agenda. Mr. Preheim also commented on the damage to the Port Westward dock stating although there was no negligence by the Port, he hopes the dock is rebuilt to prevent a similar occurrence in the future and make it safer.

### **New Business**

#### **Sale of New Hangar Building**

Port Executive Director, Sean Clark introduced Mark Smith and Aaron Cox with Pacific Aircraft Services to discuss the potential sale of the Port's new hangar building at Scappoose Airport. The buyer for the hangar would be Freeman Holdings LLC and Pacific Aircraft Services would be operating out of the building. Mr. Smith presented some counters to specific items in the Port's ground lease agreement with Freeman Holdings that they would like to address. This includes a security deposit waiver, a clear scope of the separate ramp and parking area maintenance agreement, first right of refusal and non-transferable reversion after the 40-year term, and the ability to sublease. Mr. Cox stated the ground lease should be part of the sale of the building. Mr. Salisbury clarified the process for the Commission in stating that he drafted the agreement with general, non-binding terms contingent upon Port Commission approval at a later meeting when the Ground Lease would also be reviewed and approved by the Commission. Mr. Fawcett stated his understanding was to come to a general agreement and then negotiate the details. Ms. Ward asked if Mr. Freeman has put his request in writing to the Port. Mr. Smith responded that Mr. Freeman will put his request in writing after the basic footprint of the ground lease is decided. Mr. Cox added that Mr. Freeman is ready to purchase the hangar, and Mr. Smith stated that Pacific Aircraft Services would like to stay in the Pacific Northwest rather than moving to another location. Mr. Keyser inquired about the employment it would bring to the airport, and Mr. Smith said they initially plan to hire five mechanics, and they have plans to hire an additional 25-30 mechanics. Ms. Ward asked Mr. Smith how long Pacific Aircraft Services has been in business and if they have any history of operating in a brick-and-mortar building with employees. Mr. Smith responded that Pacific Aircraft Services has been in business for one and a half years and currently has two employees in Kelso, Washington. Mr. Smith stated they would also like the ability to sublease. Mr. Cox and Mr. Smith assured the Commission that any sublease would meet the required Federal Aviation Association (FAA) grants and assurances. Mr. Cox asked about the Port's long-term plans for the airport and Mr. Clark confirmed the Scappoose Airport Master Plan is available on the Port's website. Mr. Salisbury asked for a copy of the hangar door replacement estimate, and Mr. Smith said that the estimate he had was only by telephone (not written) but that he would provide contact information for the Port to contact the company in Aurora. Mr. Keyser thanked them both and said Port staff would be in touch after the meeting.

### **Old Business**

#### **Columbia Pacific Bio-Refinery (CPBR) Quarterly Update**

CPBR General Manager, Dan Lockett presented a quarterly update on operations, safety and environmental compliance, on-site inspections, permit status, and the November 12, 2023 dock incident. CPBR has been transloading renewable diesel since 2021 and currently has 24 employees in the transloading operations and/or site maintenance. Since then, 12,257 cars of renewable diesel have been received and offloaded, 103 unit trains of renewable diesel received, and 57 marine vessels of renewable diesel loaded and shipped. Renewable diesel transloading operations are temporarily suspended as a result of the Beaver Dock incident that occurred on November 12, 2023. CPBR has had 4,545 days without a lost time injury and is currently at MARSEC Level 1. CPBR had one reportable release of product on November 16, 2023, of approximately three gallons of renewable diesel released during demolition recovery efforts resulting from the dock incident. A complete spill response effort including the Incident Command

System (ICS) was in place prior to and during the release. The spill response team was already on the scene at the time of release, and all material was recovered from the river and disposed of in accordance with federal and state regulations within twelve hours. CPBR has been subject to a total of 251 inspections on site, not counting the multi-day presence during the incident by the Department of Environmental Quality (DEQ) and United States Coast Guard. Mr. Luckett stated that 100% of the unit trains received on site (486 to date) have been properly marked, and 100% of their 51,742 rail cars have been inspected prior to release back to the railroad. CPBR has all federal, state, and local permits in place for current operations. A temporary Air Contaminant Discharge Permit (ACDP) application was submitted to allow transloading of stranded product to rail cars. Emergency permits with the Oregon Department of State Lands (DSL) and U.S. Army Corps of Engineers have been secured for dock repairs. Berths 1 and 2 are unavailable for loading operations at this time as a result of the dock incident. CPBR is working with the Port and other interested parties to expedite emergency repairs, to resume product movement, and to develop an ongoing maintenance plan. CPBR continues to develop renewable fuels expansion projects and fully appreciates the support and cooperative effort shown by the Port.

Robert Keyser commended Mr. Luckett and his crew for the professional response to the dock incident. Mr. Keyser stated that DEQ was already on site when he arrived at Port Westward on the day of the incident, and the U.S. Coast Guard arrived approximately 10 minutes later. Nancy Ward also thanked Mr. Luckett for a job well done. She asked Mr. Luckett what CPBR has learned from this incident, and what changes have been considered as a result. Mr. Luckett responded that there has not yet been a full debriefing, but they have learned a number of things both procedurally and in terms of design and response. Mr. Luckett said the ICS worked well but also noted that incident command tends to take a "one size fits all" approach. Mr. Clark proposed the idea of depositing dredge material downstream and closer to the shore to potentially create a soft stop in the unlikely event of a similar scenario in the future.

#### **Marina Update**

Miriam House, Port Operations Manager, provided an update on the Scappoose Bay Marina. The Port is waiting on the County to issue the building permit for the upland portion of the Marina Improvement Project. GRI Engineers has received the lab testing analysis for the sediment sampling for dredging, and the Port expects a draft report from them on Monday, December 18.

#### **Airport Update**

Port Deputy Executive Director and Scappoose Airport Manager, Amy Bynum informed the Commission that the Port received four bids for the airport emergency generator project. The lowest responsible bid was selected for a local company, Northeast Electrical, based out of Woodland, WA. A service agreement and timeline for the work will be presented at the next commission meeting. Ms. Bynum stated she had a meeting with Transwestern Aviation on November 22 to discuss the generator project, and the Port will be executing a maintenance easement to put the generator on Transwestern's property. Ms. Bynum attended the Airport Advisory Committee meeting on November 27 and updated the committee on the status of the Critical Oregon Airport Relief (COAR) grant applications submitted by the Port to the Oregon Department of Aviation (ODAV). The Federal Aviation Association (FAA) grant for west side pavement maintenance is at 50% submittal. The next phase will get reviewed by the Port at 75% completion and then sent to the FAA. The timeline should take a couple of months. Ms. Bynum also attended the Strategic Business Plan Open House hosted by the Port on December 6 with External Affairs Manager, Gina Sisco. Several Airport Advisory Committee members and pilots also attended. Ms. Bynum thanked the open house attendees and said she appreciated Ms. Sisco for reaching out to hangar tenants. Port Executive Finance Manager, Guy Glenn, Jr., worked on

the ODAV quarterly grant reports and those have been submitted. Ms. Bynum notified the Commission that the Port received a maintenance request for a water issue on the west side of the airport, and the Port maintenance team responded the next morning. Lacey Tolles, Data Resource and Projects Specialist will be taking on the role of Interim Airport Manager during Ms. Bynum's parental leave.

#### **Lignetics/Neighbors Update**

Sean Clark informed the Commission that he had exchanged voicemails with Lignetics Vice President, Mike Sale. Mr. Clark sent a letter to Lignetics on October 23, 2023, and Mr. Sale responded with a letter received by the Port on December 13. In his response, Mr. Sale stated that Lignetics is waiting on a permit from DEQ to install the new equipment. Mr. Clark mentioned the prospect of more facility coverage, and Mr. Sale explained the Columbia City plant is the most covered facility in their network. Lignetics had an unannounced DEQ inspection on November 15, 2023, and received a clean bill of health in compliance. Mr. Clark said the Port could request that DEQ come out while the Lignetics plant is operating. Mr. Fawcett would like more details on the required DEQ process to better understand the timeline. Mr. Keyser suggested inviting DEQ to attend a Commission meeting or meet with Port staff to follow up on the assessment and discuss whether there is a faster way Lignetics can move through the process. Columbia City resident, Jan Schollenberger stated both she and the neighborhood are appreciative of the Port's continued efforts to help the situation. Ms. Schollenberger provided a couple of observations based on the timeline provided by Lignetics at the end of September. She would like to know if Lignetics is on schedule with items on the timeline within their control, such as ordering equipment. Issuing a purchase order for new equipment was marked on Lignetics' timeline to be completed by December 11. Ms. Schollenberger stated she is aware of the DEQ visit to Lignetics that occurred on November 15, which was pursuant to a recent complaint she made on the DEQ website. Ms. Schollenberger was disappointed that DEQ visited Lignetics on a damp day while the plant was not in operation. The neighbors have requested DEQ testing be done between May and October when the dust is most problematic. She proposed Lignetics use the sprayer they purchased but stated it has not been in use. Ms. Schollenberger also reported that she observed five 18-wheeler trucks leaving the Port office parking lot this morning, and E street was not constructed for 18-wheeler traffic. She suggested moving the truck entrance back to Trestle Beach to cut down on neighborhood traffic and debris falling off the trucks. Next, Ms. Schollenberger asked the Commission to consider the effect of the dust on property value. Nancy Ward inquired how far out the neighborhood is affected by the dust. Ms. Schollenberger said it depends on the plant's output and wind velocity, but dust reaches as far down as the Columbia City Elementary School and occasionally to the houses on the hill. The neighbors would like the Port to make direct contact with DEQ to verify the accuracy of Lignetics' timeline and the DEQ assessment. Ms. Schollenberger then asked for an update on the transformer. Mr. Clark replied that the December 13 letter from Mr. Sale did not include an update on the transformer. Steve Nelson, Plant Manager for Lignetics, arrived in person during the discussion and explained they were waiting for feedback from the Port on sharing the cost of installation. Ms. Ward inquired about the cost and Mr. Sorber asked how it would affect plant operations. Mr. Nelson approximated \$55,000 for the cost of installation and wiring and said the plant would be non-operational for three or four days while the transformer is being installed. Lignetics applied for a waiver on the permitting process and is waiting for a response from DEQ. Mr. Keyser stated the Port would be willing to write a letter of support to help move the project forward. Ms. Schollenberger reaffirmed that the neighborhood would appreciate any pressure put on DEQ by the Port. The neighborhood committee will reconvene in January 2024 to consider their options based on Lignetics' progress.

### **Port Westward Dock Update**

Elliot Levin, North County Operations and Terminal Manager, presented an update on the cleanup and restoration efforts at Port Westward, including photos. Mr. Levin explained that last week, efforts were focused on the recovery of floating and submerged debris consisting of old boom, conduit, and steel piles that were installed in 2021. The debris was collected from the river with a backhoe on a spud barge. Nancy Ward asked if anybody on board was injured, and Mr. Levin responded there were no injuries. Mr. Levin showed a photo of the downstream approach after the spud barge operation was completed with the debris gone. Advanced American has retained the material collected by the spud barge. Betsy Johnson informed the Commission that she spoke with Director of Oregon Parks and Recreation (OPRD), Lisa Sumption, to request a review on what they are doing at Port Westward. The State Historic Preservation Office (SHPO) is acting on behalf of the federal government because the Port Westward dock has federal ramifications. However, SHPO resides in OPRD. Ms. Johnson informed the Commission that Connect Oregon will be re-authorized in 2024 for \$45–50 million. These grants provide funding for all transportation modes except for ground, so they cover rail, aviation and marine. Ms. Johnson recommended Port staff look at the timeline on the Oregon Department of Transportation's (ODOT) website and consider grants for capital project funding that the Port might qualify for. Applications will be accepted in January for the Oregon Transportation Commission to review at their November 2024 meeting. Mr. Clark stated he will be meeting with Paul Vogel on Tuesday to discuss Connect Oregon. Next, Mr. Levin explained that the above water dock assessment was carried out by PND Engineers, but the Port does not yet have the final report. Mr. Levin presented a preliminary diagram of the rail trestle, the dock, and the downstream approach. He also highlighted the collapse zone and operational load restriction areas. An isometric scan of the submerged area below the collapse zone was taken to stage debris not collected by the backhoe. Staging is done by having divers go underwater and add wires to the debris for later removal by a crane. Mr. Levin stated the engineering on the pipe bridge is a work in progress, and he presented another diagram showing the product lines, water lines, and electrical conduits that will go on the new pipe bridge. Assuming river conditions cooperate, the plan next week is to have divers back in the water to stage the remaining debris lying on the river bottom and conduct the underwater inspection of the piles. After December 25, the spud barge will return to pull out the debris and then start driving pile. The intent is to have the pipe bridge in place before the fishing window closes at the end of February, so the target is to be done by mid-February. Mr. Sorber inquired about how the new pipe bridge will affect operations since there will no longer be vehicle access via the downstream approach. Mr. Levin responded that he and Mr. Keyser met with the deputy fire marshal and Clatskanie fire chief, Steve Sharek on Monday December 11 and discussed fire vehicle access. It does not appear to be a problem because it is more important for the fire department to have water from the shoreside. Mr. Keyser thanked Mr. Levin and summarized that no decisions have been made about the downstream approach.

### **Executive Director's Report**

Provided and read by Sean Clark. The Report is on file at the Port Office.

### **Commissioner Reports**

Chip Bubl attended the Strategic Plan meeting along with Commissioner Ward and said it was well attended. He also sat in on a meeting relating to some of the insurance issues with the dock incident at Port Westward.

Brian Fawcett reported he has also been attending meetings about the dock and the sale of the new hangar building.

Nick Sorber reported he went to Port Westward to survey the damage firsthand and attended meetings about the new hangar building.

Nancy Ward attended the Agricultural Information Committee meeting in November and interviewed local farmer Brenda Vassau of Low Tide Farms as a potential project manager to investigate a new business opportunity in Columbia County. The Port will be sending Ms. Vassau a Professional Services Agreement to assist in planning the project. Ms. Ward also reported that she was asked by the Clatskanie Food Hub to issue a letter of support for them to pursue grants to create a commercial kitchen in their facility. She would like the Commission's input and hopes to get the letter sent by Friday, December 15.

Robert Keyser stated he has also spent time on the Port Westward issue, the potential airport hangar sale, and on many phone calls. He appreciates the Port staff's commitment to getting CPBR up and running as quickly as possible, while also working on the hangar building sale and marina grants.

**Executive Session**

The Board held an Executive Session to deliberate with persons designated to negotiate real property transactions under ORS 192.660(2)(e), and to consider exempt public records, including written legal advice from Port General Counsel, which is privileged under ORS 40.225, exempt from disclosure under ORS 192.355(9)(a), pursuant to ORS 192-660(2)(f), and to consult with Port General Counsel regarding pending litigation or litigation likely to be filed under ORS 192.660(2)(h).

**THERE BEING NO FURTHER BUSINESS BEFORE THE COMMISSION THE MEETING  
ADJOURNED AT 12:06 P.M.**

  
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President

January 10, 2024

Date Adopted by Commission

  
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Secretary