



COMMISSION MEETING MINUTES

MARCH 13, 2024

100 E. STREET

COLUMBIA CITY, OREGON 97018

The Port of Columbia County held a Board meeting at 8:30 a.m. on Wednesday, March 13, 2024, at the Port office and via Zoom (*) video conferencing with the following present:

Commissioners

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

Staff

Sean P. Clark	Executive Director
Robert Salisbury	Port General Counsel
Guy Glenn, Jr.	Executive Finance Manager
Miriam House *	Operations Manager
Lacey Tolles	Data Resource and Project Specialists / Interim Airport Manager
Gina Sisco	Communications & External Affairs Mgr.
Christa Burns	Administrative Asst. II
Elizabeth Millager *	Operations Coordinator
Susan Tolleshaug *	Administrative Asst.
Sydell Cotton *	Assistant Finance Manager

Guests

Brady Preheim	St. Helens
Linda Horst	Kelso, WA
Larry Horst	Kelso, WA
Rob Bates	Gresham
Jan Schollenberger	Columbia City
John M.	Oregon City
Josh Lucas	Portland
Melvin Norman	Portland
Andrew Bradley	Warren
Kim Karber	Columbia City

Guests (cont.)

Dan Serres *	Columbia Riverkeeper
Jason Fussell *	Ironworkers Local 29
Ron Mathis	Local 36
Bob Gadotti *	Scappoose
Hayley Watson *	Columbia Pacific Building Trades Council
Laurie Parry *	
Carroll Sweet *	
Alta Lynch *	
Will Lohre *	
Jamie *	
Dreng *	
Cass *	
9712277900 *	

Ralph Culpepper	Scappoose
Chris Efird	NEXT Renewable Fuels
Diana Gordon *	Washougal, WA
Tom Gordon *	Washougal, WA
Deborah Hazen *	Clatskanie
Greg Hinkelman *	City of Clatskanie
Robert Brajcich	Clatskanie Mayor
Jasmine Lillich *	Clatskanie
Hinrichs *	

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. There were no additions. Mr. Keyser moved Resolution 2024-03 to the first item of Old Business and stated that the Commission will take public comment on Resolution 2024-03 and then invite the tenant to speak.



Consent Agenda

Mr. Keyser asked for a motion to approve the consent agenda. Nancy Ward moved; Nick Sorber seconded a motion to adopt consent agenda items A, B, and C: January 31, 2024, Minutes, Financial Reports: February 2024, and Approval of Check Register (A) and electronic payments in the total amount of \$1,053,922.40. The motion carried unanimously.

Comments From the Public

Columbia City resident, Jan Schollenberger, asked for an update on rerouting the Lignetics truck traffic. Sean Clark responded that he has not received anything back yet from Lignetics. They are working out some operational ideas before moving forward, so they should have a plan soon. Mr. Clark did not have anything else to report on Lignetics at this time.

Old Business

Resolution 2024-03

AUTHORIZING THE PORT TO ENTER INTO A THIRD AMENDMENT TO GROUND LEASE WITH NEXT RENEWABLE FUELS, OREGON, LLC.

Port Executive Director, Sean Clark, presented the Resolution. In November 2023, NEXT Renewable Fuels (NEXT) requested a rent deferral to reduce payments from \$108,497 to \$15,000 per month. The Commission met in open session on February 14, 2024, to consider Resolution 2024-03, and the recommendation by Mr. Clark at that time was to approve the Resolution. After discussion on February 14, the Commission decided to table Resolution 2024-03 for further review. Since their lease payment initially went into effect in September 2021, NEXT has paid \$3.5 M in rent payments to date. Mr. Clark explained that over the last several years, NEXT has continued to work through an extended Environmental Impact Statement (EIS) process with the U.S. Army Corps of Engineers (USACE). This permitting process requires a draft EIS to be published followed by a public comment period. Mr. Clark further explained that the Third Amendment to Ground Lease would allow a temporary rent deferment retroactive to December 1, 2023. The balance of deferred rent would remain fully due and payable with 18% interest per year that will continue to accrue until NEXT declares a project approval decision. All deferred rent will be owed to the Port in a full lump sum payment within sixty days whether the project goes forward or not.

Comments From the Public (cont.)

Linda Horst, Kelso, WA read a letter to the Commission cautioning the Port against the approval of the rent deferral request from NEXT.

Brady Preheim, St. Helens, asked the Port to deny the request from NEXT and cancel the lease unless they pay their rent and back rent in full.

Dan Serres, Advocacy Director for Columbia Riverkeeper, asked the Port to deny the NEXT proposal for a rent deferral. Mr. Serres stated that Columbia Riverkeeper submitted a petition signed by over 500 people urging the Port not to approve Resolution 2024-03.

Diana Gordon, Washougal, WA stated she is disappointed in the County Commissioners approval of the rail line for NEXT last week. She thinks it would be a mistake to allow NEXT to pay a lower rental rate. She suggested the Port look at other companies that would be a better investment.



Deborah Hazen, Clatskanie, expressed her support for the NEXT project at Port Westward, and her gratitude and appreciation to the Port staff and Commissioners who have been working to secure over 200 family wage jobs and the property tax valuation that NEXT would bring, which would benefit both the Clatskanie area and countywide public service districts. Ms. Hazen encouraged the Commission to approve the proposed NEXT lease amendment.

Greg Hinkelman, Clatskanie City Manager, stated on behalf of the City of Clatskanie and the City Council that he is authorized to express their continued support for the NEXT energy project. Mr. Hinkelman applauds the Port's willingness to work with its tenants, especially in the development phase, to bring a project to fruition. He stated they are in support of Resolution 2024-03 and encouraged a yes vote from Port Commissioners.

Jasmine Lillich, Clatskanie, urged the Port to deny Resolution 2024-03. Ms. Lillich said if the deferment is a provision of their lease agreement, then the Port should put them under financial scrutiny and hold them accountable.

Hayley Watson, Columbia Pacific Building Trades Council, commented that Oregon keeps making it harder for business to locate here, which means hard working union families in Columbia County are missing out on opportunities. NEXT already has state and local permits, and she hopes the Port considers their request and approves Resolution 2024-03.

Melvin Norman with the Carpenters Union stated he is in favor of the Resolution because the NEXT project would bring jobs, wages, benefits, trade opportunities for students, and would also put money back into the local community.

Old Business **Resolution 2024-03**

Robert Keyser welcomed Chris Efir, CEO of NEXT Renewable Fuels, to speak to the Commission and answer any questions related to the Resolution. Mr. Efir began by thanking the Commission and Port staff for the opportunity. He clarified that NEXT has two separate agreements with the Port. The first is the Ground Lease, and the second is the Site Development Option Agreement (Option). Mr. Efir stated that NEXT was informed by the US Army Corps of Engineers (USACE) that an Environmental Impact Statement (EIS) would be required. An EIS is a longer and more complicated review process than an Environmental Assessment (EA). Mr. Efir said he met with USACE on Monday, March 11 and was informed that this process could take approximately one more year. Mr. Efir said NEXT is still operating under its agreement and working with the Port. He also stated that Port staff has done a tremendous job in bringing the dock back up to operational status after the unfortunate incident that occurred in November 2023, and the dock is no longer an issue of concern for NEXT. Mr. Efir said NEXT is continuing to invest money in Oregon and continues to be excited about this project. Chip Bubl inquired whether a deferred lease payment bond would be useful to protect the Port's interest. Mr. Efir replied that NEXT would follow what the Port obligates its other tenants to do. He pointed out that NEXT has paid \$3.5 M for land it has not yet been able to use. Nancy Ward stated that the Port has a history of working with tenants in financial difficulty, yet this is a unique situation that has not occurred in the past. Ms. Ward would also like to



consider other options and ensure fairness for all Port tenants. Brian Fawcett considers the deferment a reasonable compromise and pointed out that 18% interest is a solid amount. Nick Sorber echoed Mr. Fawcett's comments. Robert Keyser considers the \$15,000 lease option rate to be a fair option and agrees the Port needs to be fair and consistent with all tenants.

Mr. Keyser asked for a motion to approve Resolution 2024-03. Nick Sorber moved; Brian Fawcett seconded a motion to adopt Resolution 2024-03. Brian Fawcett, Nick Sorber and Robert Keyser voted yes. Chip Bubl and Nancy Ward voted no. Motion carried 3-2.

Marina Update

Miriam House, Port Operations Manager, provided an update on the marina and displayed a map showing the water depth at low tide. Ms. House explained the complexity of the overall dredging process and how it limits the Port's options for dredging at the marina. The Port may not be allowed to dredge the channel according to the Oregon Department of Environmental Quality (DEQ) screening levels. Commissioner Keyser stated that the Port has budgeted to dredge the marina, but the state does not kick in anything to help dredge the channel. The Commission held a brief discussion and decided that the next step is to follow up with DEQ. Sean Clark said there will be more information on dredging for the upcoming budget workshop on March 27.

Port Westward Dock Update

Sean P. Clark, Port Executive Director, gave a brief update on the dock at Port Westward. The temporary walkway has been upgraded to a permanent walkway with handrails. On Friday, March 8, the American Endeavor came alongside and loaded approximately 58,000 barrels of renewable diesel that was already onsite before the dock incident. This cargo was originally intended for the vessel but was canceled due to the November 2023 barge collision. The dock remains ready to be used and there have been no reports of trains en route.

Lignetics/Neighbors Update

Sean P. Clark, Port Executive Director, updated the Commission that he and Commissioner Sorber took a tour of the Lignetics plant and looked at ways the truck traffic could be re-routed, which would require a shift in personnel. The tour showed it is a very clean site. Lignetics is considering the impact it would have on operations and how it could be most effective for all. Mr. Clark will reach out to Lignetics' Vice President of Operations, Mike Sale, this week for an update on the Gantt chart and to request a new project management sheet.

Executive Session

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

The Port returned to Open Session at 11:06 a.m.



Vision and Mission Statement

Gina Sisco, Port Communications and External Affairs Manager presented the revisions made to the Port's vision and mission statement since the Strategic Business Plan workshop on February 28, 2024. After discussion, the Commission agreed to further consider a shortened version of the Mission Statement as follows: Create a positive economic impact while maintaining livability and adapting to change.

Airport Update

Lacey Tolles, Interim Airport Manager, told the Commission that the Port had contacted the Scappoose Fire Department for help with burning five structures on the Shaft property adjacent to the Scappoose Airport. A map was displayed showing where the buildings are located. The Commission provided consensus to go ahead with the planned safe burn. On another note, Mr. Clark suggested a Port of Columbia County sign at the entrance for more of a Port presence at the airport.

Executive Director's Report

Provided and read by Sean P. Clark. The Commission briefly discussed the meeting schedule and decided the April 27 Budget Workshop will be held at 8:30 a.m. The Report is on file at the Port Office.

Commissioner Reports

Chip Bubl attended the Beaver Drainage Improvement Company (BDIC) Annual Landowners meeting on March 12.

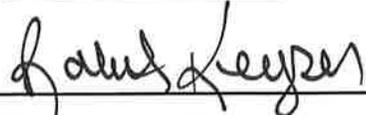
Brian Fawcett had nothing to report.

Nick Sorber had nothing to report.

Nancy Ward had nothing to report.

Robert Keyser reported he had received a complaint regarding the Port's lack of involvement with the dock repair. Mr. Keyser was surprised by the complaint because he knows how hard Port staff have been working on the dock plan and how Port staff have communicated the specifics of the plan very well. Mr. Keyser said he appreciates all the hard work by Port staff, and how well the Port has been working with Global and its other partners. Mr. Keyser also thanked the public for their comments.

**THERE BEING NO FURTHER BUSINESS BEFORE THE COMMISSION, THE MEETING
ADJOURNED AT 11:32 A.M.**



President

May 8, 2024
Date Adopted by Commission



Secretary