



COMMISSION MEETING

MARCH 13, 2024, 8:30 A.M.

100 E STREET

COLUMBIA CITY, OR 97018

The Port Commission Meeting will be in person. In accordance with state law, the meeting will be accessible via telephone or Zoom. Members of the public may attend the meeting electronically by:

<https://us02web.zoom.us/j/82782132944>

Call-In: (253) 215-8782

Meeting ID: 827 8213 2944

Passcode: 433888

I. CALL MEETING TO ORDER (President, Robert Keyser)

- A. Flag Salute
- B. Roll Call

II. ADDITIONS TO AGENDA

III. CONSENT AGENDA (Items marked with an asterisk are adopted by a single motion unless a Commissioner requests otherwise.)

- A. * Minutes: January 31, 2024
- B. * Finance Reports: February 2024
- C. * Check Register (A) and electronic payments in the total amount of \$1,053,922.40.

IV. COMMENTS FROM THE PUBLIC

(Limited to 2 min. per person unless prior authorization is obtained)

V. OLD BUSINESS

- | | |
|---|---------------|
| A. Marina Update | Miriam House |
| B. Airport Update: Burn Training (Shaft Property) | Lacey Tolles |
| C. Port Westward Dock Update | Elliot Levin |
| D. Lignetics/Neighbors Update | Sean P. Clark |
| E. Vision and Mission Statement | Gina Sisco |

VI. NEW BUSINESS

- | | |
|--|---------------|
| A. <u>Resolution 2024-03</u> | Sean P. Clark |
| AUTHORIZING THE PORT TO ENTER INTO A
THIRD AMENDMENT TO GROUND LEASE WITH
NEXT RENEWABLE FUELS, OREGON, LLC. | |



VII. EXECUTIVE DIRECTOR'S REPORT

VIII. COMMISSIONER REPORTS

IX. EXECUTIVE SESSION

The Board will hold 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).

X. ADJOURNMENT

Upcoming Meetings and Events

Mar. 25	11:30 a.m.	Agricultural Information Committee Meeting: <i>Clatskanie Food Hub 80 Art Steele St. Clatskanie, OR 97016</i>
Mar. 25	5:00 p.m.	Airport Advisory Committee Meeting
Mar. 27	TBD	Port Commission Work Session
Apr. 10	8:30 a.m.	Port Commission Meeting

Agenda times and order of items listed are estimated and are subject to change without notice. This facility is ADA-accessible. If you need special accommodation, please contact the Port office at (503) 397-2888 or TTY (800) 735-1232, at least 48 hours before the meeting.

Pursuant to ORS 192.640 (1) the Port of Columbia County Commission reserves the right to consider and discuss, in either Open Session or Executive Session, additional subjects which may arise after the agenda is published.



COMMISSION WORK SESSION MINUTES

JANUARY 31, 2024

100 E. STREET
COLUMBIA CITY, OREGON 97018

The Port of Columbia County held a Board meeting at 5:59 p.m. on Wednesday, January 31, 2024 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

Brenda Vassau	Low Tide Farms
Hannah Woods	Wandering Woods Farms
James Woods	Wandering Woods Farms
Ralph Culpepper	Scappoose Resident
Alta Lynch	Scappoose Resident
Bob Gadotti	Fmr. Executive Finance Manager (Zoom)
Doug Bean	Doug Bean & Assoc. Inc. (Zoom)
K. Hyllinger	Doug Bean & Assoc. Inc. (Zoom)

Staff

Sean P. Clark	Executive Director
Robert Salisbury	Port General Counsel
Guy Glenn, Jr.	Executive Finance Manager
Elliot Levin	North County Ops. & Terminal Mgr.
Miriam House	Operations Manager
Elizabeth Millager	Operations Coordinator
Christa Burns	Administrative Asst. II
Lacey Tolles	Data Resource & Projects Specialist / Interim Airport Mgr.
Gina Sisco	Communications & External Affairs Manager
Susan Tolleshaug	Administrative Asst. (Zoom)

President Robert Keyser called the Port of Columbia County Commission Meeting to order at 6:00pm p.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.

Comments From the Public

There were no public comments.

New Business

Agricultural Information Committee

Commissioner Nancy Ward introduced Brenda Vassau, Low Tide Farms, to discuss a proposed animal processing and composting facility in Columbia County. Ms. Vassau presented photos and explained how the proposed facility would create jobs, help local farmers, and fill a local demand for bark and compost that is currently being brought into the county from outside resources. Ms. Vassau described the composting process in which nutrient-rich animal waste material is combined with carbon and turned into economical compost. The compost can then be used locally, preventing waste products from being sent to landfills. The proposed facility would harvest approximately 15 animals per week, or 60 animals per month, yielding approximately 5,000 lbs. of nitrogen-rich waste per week as a single producer.

Local farmer Hannah Woods provided information on licensing, permitting, funding, and the challenges local farmers face with state and federal industry regulations. Animal processing facilities in the state are required to be licensed with the Oregon Department of Agriculture (ODA) and meet United States Department of Agriculture (USDA) inspection requirements to operate and be eligible for grant funding. Wandering Wood Farms has applied for a maximum grant award of \$750K on a \$1M facility, leaving their liability at \$250K. Ms. Woods suggested that an email from the Port to Gary Neuschwander of ODA would be beneficial to the grant. Their goal is to open a local ODA-licensed animal composting facility, providing service to both local and regional processors. Mr. Clark asked how many jobs the proposed facility would bring to the county. Ms. Woods replied that it would bring four to eight jobs for processing and two to seven jobs for composting, for an estimated workforce of approximately fifteen employees. Ms. Vassau stated she would put together a business plan and feasibility study by early spring 2024. President Keyser suggested the Port could write a letter in support of their grant application, and all Commissioners agreed. The ideal timeline would see facility operations beginning in May 2025.

The Commission thanked Brenda Vassau and Hannah Woods for their presentation.

Old Business

Scappoose Marina Update

Executive Director, Sean Clark announced that there was no marina update.

Scappoose Airport Update

Lacey Tolles, Interim Airport Manager, provided an airport update. The Oregon Department of Aviation (ODAV) will decide on the Port's sixth airport grant tomorrow, February 1. Ms. Tolles attended the Airport Advisory Committee along with Commissioner Ward on Monday, January 29. Ms. Tolles stated she would like to formally thank the Scappoose Rural Fire District for their assistance in plowing the runway and taxiways during the recent snowstorm. Mr. Clark stated that he left a voicemail for Scappoose Fire Chief, Jeff Pricher, to discuss a formal agreement.

Port Westward Dock Update

Elliot Levin, North County Operations & Terminal Manager, updated the Commission on the considerable progress made in restoring service to the dock. Since the last update on January 10, 2024, all the new piles have been placed. Mr. Levin displayed photos showing various stages of the work. The first picture showed the temporary work platforms and preparations to cut the piles to uniform height. By January 29, all the pile caps were in place. While the work in these photos was taking place, work also progressed in building the new product pipeline. The

presentation included slides showing the progress made assembling the new product line and the path it will take to the new pipe bridge. Today Electricians were working to transfer power from the temporary to permanent connection. Berth 1 was restored this morning and Berth 2 is expected to be switched over to the new power line by this afternoon. Advanced American has started to install the prefabricated girder spans that will connect the pile bents. That work will be finished by the end of this week or the first half of next week. Assembly of the new product line across the pipe bridge will start once the girders are in place. The schedule calls for the product line to be finished (including pressure testing and checking welds by x-ray images) by mid-February. As of now, the project is still on schedule to resume operations by mid-February.

Lignetics/Neighbors Update

Sean P. Clark, Executive Director, provided an update on a meeting held January 24 at the Port office. Lignetics directors met with Port staff, Commissioner Nancy Ward, Columbia City Interim Manager Kim Karber, and Jan Schollenberger to give an update on the projects. The air modeling project for Lignetics' updated permit will be completed on February 1. The Oregon Department of Environmental Quality (DEQ) evaluation process could take four to six months to complete, putting the new scrubber installation into October 2024. The neighbors do not want to go through another summer with the dust. Mr. Clark has engaged Nate Stice with the Governor's Regional Solutions Team. Mr. Stice is looking into the permit modification and timelines to see if he can be of assistance. Lignetics' plant now has additional sprinklers on the truck dump site, and they are looking into making them automated. Lignetics could not get a waiver for the permit modification due to complaints received by DEQ. There was also discussion about putting the truck entrance on Pacific Street. The Port and Lignetics continue to discuss a feasible solution that would decrease truck congestion and debris on side streets and in the Port office parking lot. There will be another community meeting held by Columbia City residents at City Hall on February 13 at 6:30 pm.

Sale of New Hangar Building Update

Executive Director, Sean P. Clark, provided an update on the sale of the new hangar building. The buyer's representative, Joe Keith, visited the facility on January 26. It was determined the groundwork that would be required to relocate the hangar door on the South wall of the building could increase the cost as much as the door. They also considered the long-term viability as it relates to the company's plans. In an email to Mr. Clark on January 29, they stated they will not be moving forward with the building purchase at this time. Robert Keyer suggested having an after-action committee to discuss the valuable information gained throughout this process.

Resolution 2024-01

CANCELLING THE REQUEST FOR PROPOSALS (RFP) PROCESS FOR THE MAINTENANCE FACILITY PROJECT AT MULTNOMAH INDUSTRIAL PARK

Executive Director, Sean P. Clark, and Executive Finance Manager, Guy Glenn, Jr. presented Resolution 2024-01. The Commission considered Resolution 2024-01 in open session on January 10, 2024, and decided to allow Port staff more time to review whether going forward with this project is in the best interests of the Port. Approval of the PHI proposal would be \$1,551,315 above the \$2,000,000 estimated cost for the project. Upon further review of the Port's budget and finances, it is not in the best interest of the Port to spend \$3.5 million on a non-revenue generating project. A suitable interim location for the Port Maintenance Team can be found at a much lower cost, and options are being developed. ORPET has agreed to postpone the November 1, 2024, occupancy date to February 1, 2025, so there is time to figure out the best option for locating the Port Maintenance Team. Mr. Clark recommends cancelling the RFP process for the Port's Maintenance Facility at Multnomah Industrial Park. The Commissioners would like to discuss viable alternatives.

Brian Fawcett moved; Nick Sorber seconded a motion to adopt Resolution 2024-01 and cancel the Port Shop RFP Process. The motion carried unanimously.

Executive Director's Report

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

Commissioner Reports

Robert Keyser said it has been brought to his attention that some of the contractors working for NEXT Energy are having a difficult time getting a response from the Beaver Drainage Improvement Company (BDIC). Mr. Keyser stated that if the 3-person committee is not working, we need to work with them to restructure because, both as a public agency and shareholder of the BDIC, dozens of phone calls unreturned is not acceptable. He suggested looking at an advisory board with five members instead of three. Mr. Keyser congratulated Commissioner Chip Bubl on his retirement.

Brian Fawcett also congratulated Mr. Bubl on his retirement. Mr. Fawcett reported that he attended the meeting at the new hangar building, met with Joe Keith, and gained some beneficial knowledge. He thanked Brenda Vassau and Hannah Woods for talking about the agriculture projects. Mr. Fawcett said he is interested and hopes they move forward. Mr. Fawcett works for Clatskanie PUD and is especially interested in talking about the energy aspect of those projects. He will be out of town for the next meeting on February 14.

Nick Sorber also offered congratulations to Mr. Bubl. Mr. Sorber said he looks forward to the springtime proposal and seeing the site plans for the processing facility.

Nancy Ward thanked everyone for attending the Commission meeting, and said she appreciates the members of the Agricultural Information Committee for being so engaged and willing to pursue this venture. Ms. Ward stated that the Agricultural Information Committee has been one of the most important aspects of her tenure with the Port. She also acknowledged community members Ralph Culpepper and Alta Lynch for coming to many of the agriculture meetings and providing feedback. She said it is great to have input from the community itself. Ms. Ward has been involved with the ongoing Lignetics situation and possible sale of the new hangar building at Scappoose Airport. She expressed that the city-county meeting is an opportunity to meet with the other cities in Columbia County and learn from our neighbors. Mr. Fawcett thanked Ms. Ward for spearheading the agriculture project.

Executive Session

The Board held an Executive Session 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)(h).

**THERE BEING NO FURTHER BUSINESS BEFORE THE COMMISSION, THE MEETING
ADJOURNED AT 8:33 P.M.**

President

March 13, 2024

Date Adopted by Commission

Secretary



STAFF REPORT

Finance Report February, 2024

DATE: March 6, 2024
TO: Port Commission Board
FROM: Guy Glenn
Executive Finance Manager
RE: Finance Update: January 2024 - February 2024

Discussion:

This agenda item is a preliminary report of the Port's financials as of February 29, 2024.

Income Statement: Due to the timing of this report, the February 2024 income statement will be provided next month; the January 2024 Income Statement is included on the next page.

Cash and Investments as of January 31, 2024: \$10,965,300.66

Checks and electronic payments issued in Jan. 2024 totaled: \$1,053,922.40.

February Highlights:

The FY25 Budgeting Process is underway. Internal Capital Budget meetings have been completed. We are planning on discussing the Capital Budget with you in March. Staff is currently working on the FY25 Operating Budget and preparing for the rest of the budget cycle.

I attended the SDAO Annual Conference on Feb. 8-11th and will be attending the OGFOA Spring Conference Mar. 10-13th.



Income Statement For the period ending January 31 ,2024

	Current	Yr To Date	Annual	%	Prior YTD
	Actual	Actual	Budget	Remaining	Actual
Resources					
Property Taxes	6,908	8,191	10,000	18.1%	2,922
Licenses and Permits	47,147	324,646	607,905	46.6%	317,702
Rents and Reimbursements	1,510,466	4,226,560	5,539,770	23.7%	3,271,939
Terminal Services	-	302,602	718,925	57.9%	265,759
Bayport RVPark	5,400	63,141	161,757	61.0%	88,993
Parking Fees	1,276	20,224	35,191	42.5%	19,953
Launch Fees	480	22,393	59,264	62.2%	22,067
Other Marina Fees	200	1,475	6,556	77.5%	1,976
Grants	82,874	299,959	400,000	25.0%	47,035
Loan Proceeds	-	-	400,000	100.0%	483,186
Interest Earnings	45,719	275,418	200,000	-37.7%	113,389
InterGovernmental Income	-	-	-	0.0%	-
Contributions	-	-	-	0.0%	-
Miscellaneous Income	15,271	47,603	30,000	-58.7%	21,370
				0.0%	
Total Resources	1,715,740	5,592,212	8,169,368	31.5%	4,656,291
				0.0%	
				0.0%	
Requirements				0.0%	
				0.0%	
Personnel Services	199,925	1,451,502	2,824,265	48.6%	1,241,155
Materials and Services	575,392	1,470,186	2,295,741	36.0%	1,312,753
Capital Outlay	105,036	535,198	7,295,000	92.7%	366,326
Debt Service	-	396,292	785,664	49.6%	419,002
Contingency	-	-	3,062,743	100.0%	-
				0.0%	
Total Requirements	880,353	3,853,179	16,263,413	76.3%	3,339,235
				0.0%	
Ending Fund Balance	835,387	1,739,033	(8,094,045)	121.5%	1,317,055

**Port of Columbia County
Vendor Check Register Report - A**

Check Number	Vendor ID	Vendor Name	Check Date	Check Amount	Voided
44812	ASHC001	Ash Creek Forest Management, LLC	2/1/2024	\$3,600.00	No
44813	BANK001	BMO Financial Group	2/1/2024	\$1,902.69	No
44814	BUBL001	Chip Bubl	2/1/2024	\$150.00	No
44815	CENT002	Century West Engineering	2/1/2024	\$11,956.00	No
44816	CHRI002	Chris O Janitorial LLC	2/1/2024	\$1,711.66	No
44817	CINT002	Cintas Corporation No 3	2/1/2024	\$92.02	No
44818	CITY002	City of Scappoose	2/1/2024	\$2,074.62	No
44819	CITY005	City of Clatskanie	2/1/2024	\$90.00	No
44820	COLU008	Columbia River PUD	2/1/2024	\$4,730.93	No
44821	COLU011	Columbia County Dept.of Community Justice Adult	2/1/2024	\$1,875.00	No
44822	COMC001	Comcast	2/1/2024	\$93.70	No
44823	COTT001	Sydell Cotton	2/1/2024	\$50.00	No
44824	DAHL001	VASA Hldgs LLC dba	2/1/2024	\$136.85	No
44825	FAWC001	Brian Fawcett	2/1/2024	\$150.00	No
44826	FELT001	Felton's Heating and Cooling	2/1/2024	\$277.50	No
44827	FINE001	Encore Business Solutions	2/1/2024	\$1,800.00	No
44828	GADO001	Robert Gadotti	2/1/2024	\$750.00	No
44829	KEYS001	Robert Keyser	2/1/2024	\$150.00	No
44830	MYSY001	My System Shield LLC	2/1/2024	\$2,350.00	No
44831	PACI006	Pacific Energy Group LLC	2/1/2024	\$1,908.63	No
44832	RAIN001	Rainier Chamber	2/1/2024	\$100.00	No
44833	SCOT001	Brittany Scott	2/1/2024	\$50.00	No
44834	SDIS001	SDIS	2/1/2024	\$393,402.00	No
44835	SISC001	Gina Sisco	2/1/2024	\$1,446.48	No
44836	SONI001	Sound Security, Inc	2/1/2024	\$501.32	No
44837	SORB001	Nick Sorber	2/1/2024	\$150.00	No
44838	TOLL001	Lacey Tolles	2/1/2024	\$102.39	No
44839	WARD001	Nancy Ward	2/1/2024	\$150.00	No
44840	WSPU001	WSP USA Inc	2/1/2024	\$23,406.07	No
44841	ACEH001	Ace Hardware - St Helens	2/8/2024	\$566.97	No
44842	ACEH002	Ace Hardware - Scappoose	2/8/2024	\$59.85	No
44843	AMBI001	Ambient IT Solutions	2/8/2024	\$1,307.00	No
44844	ATTM001	AT&T Mobility	2/8/2024	\$969.00	No
44845	CED0001	CED	2/8/2024	\$194.58	No
44846	CINT002	Cintas Corporation No 3	2/8/2024	\$281.68	No
44847	CITY001	City of Columbia City	2/8/2024	\$248.57	No
44848	CITY003	City of St. Helens	2/8/2024	\$119.36	No
44849	CITY005	City of Clatskanie	2/8/2024	\$79.53	No
44850	CLAT002	Clatskanie PUD	2/8/2024	\$1,502.51	No
44851	CONN001	Connecta Satellite Solutions LLC	2/8/2024	\$44.78	No
44852	CSAP001	CSA Planning Ltd.	2/8/2024	\$538.75	No
44853	FINE001	Encore Business Solutions	2/8/2024	\$337.50	No
44854	HUDS001	Hudson Garbage Service	2/8/2024	\$602.23	No
44855	HUDS002	Hudson Portable Toilet Service	2/8/2024	\$252.00	No
44856	KOHI001	Mtn. Broadcasting, dba	2/8/2024	\$350.00	No

44857	NUIS001	John A. Norvell dba	2/8/2024	\$175.00	No
44858	OREG004	Oregon Department of State Lands	2/8/2024	\$1,262.90	No
44859	OREG017	Oregon Government Finance Officers Association	2/8/2024	\$450.00	No
44860	PACI005	Pacific Office Automation	2/8/2024	\$357.00	No
44861	PAMP001	Oregon Publication Corporation	2/8/2024	\$50.00	No
44862	QUIL001	Staples Inc dba	2/8/2024	\$162.14	No
44863	RICH001	Beryl Rich	2/8/2024	\$249.00	No
44864	SDAO001	SDAO	2/8/2024	\$230.00	No
44865	SDIS001	SDIS	2/8/2024	\$973.60	No
44866	SHRE001	Shred Northwest, Inc	2/8/2024	\$60.00	No
44867	SIER001	Sierra Springs	2/8/2024	\$45.16	No
44868	SUNS001	Sunset Auto Parts	2/8/2024	\$25.98	No
44869	THOM001	Thomson Reuters-West Payment Center	2/8/2024	\$74.12	No
44870	VOYA001	Voya - State of Oregon	2/8/2024	\$4,365.00	No
44871	WILC001	Wilson Oil Inc dba	2/8/2024	\$387.96	No
44872	AYRE001	Dan Ayres	2/21/2024	\$490.00	No
44873	BLUE001	Blue Heron Septic and Drain Service	2/21/2024	\$700.00	No
44874	BUSI001	Business Oregon	2/21/2024	\$42,739.79	No
44875	CENT001	CenturyLink	2/21/2024	\$246.52	No
44876	CHAR001	Charter Communications	2/21/2024	\$217.04	No
44877	CINT002	Cintas Corporation No 3	2/21/2024	\$66.72	No
44878	COLU009	Columbia County	2/21/2024	\$230,017.86	No
44879	COLU023	Columbia County Office of Emergency Management	2/21/2024	\$4,922.44	No
44880	DELU001	Deluxe Business Checks	2/21/2024	\$582.93	No
44881	FINE001	Encore Business Solutions	2/21/2024	\$450.00	No
44882	HDFO001	H.D. Fowler Company	2/21/2024	\$1,218.36	No
44883	HDR0001	HDR Engineering Inc	2/21/2024	\$6,102.68	No
44884	KOLD001	Culligan	2/21/2024	\$61.75	No
44885	MILN001	Adam Milner	2/21/2024	\$125.25	No
44886	ORKI001	Orkin LLC	2/21/2024	\$89.99	No
44887	PNWA001	Pacific Northwest Waterways Association	2/21/2024	\$2,180.00	No
44888	PORT002	Portland General Electric	2/21/2024	\$14,861.62	No
44889	QUIL001	Staples Inc dba	2/21/2024	\$309.68	No
44890	SINE001	Sines Construction	2/21/2024	\$2,500.00	No
44891	STEW001	Stewardship Solutions, Inc	2/21/2024	\$525.00	No
44892	WARD001	Nancy Ward	2/21/2024	\$107.20	No
44893	WAST002	Waste Management of OR, Inc.	2/21/2024	\$33.45	No
44894	ZIPL001	Ziply Fiber	2/21/2024	\$124.62	No
44895	AMBI001	Ambient IT Solutions	2/22/2024	\$1,307.00	No
44896	BEMI001	Bemis Printing & Graphics	2/22/2024	\$270.00	No
44897	COLU004	Columbia Pacific EDD	2/22/2024	\$1,000.00	No
44898	COLU009	Columbia County	2/22/2024	\$800.00	No
44899	KPFF001	KPFF, Inc	2/22/2024	\$5,702.50	No
44900	MILL004	Elizabeth Millager	2/22/2024	\$66.90	No
44901	NWNA001	NW Natural Gas Company dba	2/22/2024	\$59.88	No
44902	SAIF001	SAIF Corp	2/22/2024	\$1,547.92	No
44903	SORB001	Nick Sorber	2/22/2024	\$44.54	No
44904	VOYA001	Voya - State of Oregon	2/22/2024	\$4,365.00	No
44905	WILC001	Wilson Oil Inc dba	2/22/2024	\$471.64	No

44906	CENT001	CenturyLink	2/29/2024	\$108.38	No
44907	CENT002	Century West Engineering	2/29/2024	\$14,268.00	No
44908	CENT003	CenturyLink	2/29/2024	\$54.61	No
44909	CHRI002	Chris O Janitorial LLC	2/29/2024	\$1,711.66	No
44910	CITY002	City of Scappoose	2/29/2024	\$1,965.58	No
44911	CITY003	City of St. Helens	2/29/2024	\$25,547.48	No
44912	CLAT002	Clatskanie PUD	2/29/2024	\$44.74	No
44913	COLU008	Columbia River PUD	2/29/2024	\$4,562.80	No
44914	COLU011	Columbia County Dept.of Community Justice Adult	2/29/2024	\$375.00	No
44915	COMC001	Comcast	2/29/2024	\$2,257.05	No
44916	COTT001	Sydell Cotton	2/29/2024	\$50.00	No
44917	CULV001	Kimberlee Culver	2/29/2024	\$56.00	No
44918	EATO001	Eaton's Tire and Auto Repair LLC	2/29/2024	\$362.00	No
44919	GADO001	Robert Gadotti	2/29/2024	\$750.00	No
44920	KPFF001	KPFF, Inc	2/29/2024	\$14,855.50	No
44921	LOOPN001	LoopNet	2/29/2024	\$738.00	No
44922	LOWE001	Lower Columbia Engineering	2/29/2024	\$1,842.50	No
44923	MATH001	Matheson Tri-Gas	2/29/2024	\$127.35	No
44924	NWNA001	NW Natural Gas Company dba	2/29/2024	\$160.00	No
44925	PAIN001	Paint Boss LLC	2/29/2024	\$1,035.50	No
44926	PAUL001	Paulson Printing	2/29/2024	\$250.00	No
44927	PITN001	Pitney Bowes- Purchase Power	2/29/2024	\$402.50	No
44928	PITN002	Pitney Bowes - Ink	2/29/2024	\$91.29	No
44929	QUIL001	Staples Inc dba	2/29/2024	\$326.39	No
44930	SCAP002	Scappoose Sand and Gravel	2/29/2024	\$93.25	No
44931	SCOT001	Brittany Scott	2/29/2024	\$50.00	No
44932	SHER001	Sherwin-Williams	2/29/2024	\$173.36	No
44933	SHRE001	Shred Northwest, Inc	2/29/2024	\$60.00	No
44934	SOUT001	South Columbia County Chamber of Commerce	2/29/2024	\$750.00	No
44935	STEW001	Stewardship Solutions, Inc	2/29/2024	\$2,205.00	No
44936	TOLL001	Lacey Tolles	2/29/2024	\$106.02	No
44937	TRAI001	Phoenix Innovations, Inc	2/29/2024	\$8,361.94	No

71

SubTotal - Checks

\$879,530.21

Electronic Withdrawals

WDL000005997	PERS001	PERS		\$9,480.63	No
WDL000005987	ADP001	ADP Payroll		\$62,126.04	No
WDL000006043	PERS001	PERS		\$8,972.23	No
WDL000006015	ADP001	ADP Payroll		\$62,995.07	No
DAJ000005996		Regence/InstaMed - Health Ins		\$30,818.22	No

SubTotal - Electronic Withdrawals

\$174,392.19

Total

\$1,053,922.40



2024-03 STAFF REPORT

NEXT Third Amendment to Ground Lease

DATE: March 13, 2024

TO: Port Commission

FROM: Sean P. Clark, Executive Director

RE: NEXT Renewable Fuels ("NEXT"): Third Amendment to Ground Lease
Approving Rent Deferral

Discussion

NEXT requested a rent deferral by letter on November 27, 2023. NEXT has paid the Port over \$3.5 million to date while making tremendous progress in engineering, permitting, and finalizing various use agreements, easements, and rights of way required for the Project.

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. A current completion date is not expected until 2025.

This Third Amendment allows a temporary rent deferment, lowering the monthly rent payments from \$108,497 per month to \$15,000 per month, retroactive to December 1, 2023. The balance of deferred rent (\$93,497 per month) remains fully due and payable with 18% interest per year that will continue to accrue until NEXT declares a decision on the project, at which time a full lump sum payment will be due within 60 days. All deferred rent will be owed to the Port whether the project goes forward or not.

The Commission considered this Resolution in Open Session on February 14, 2024 and decided to take more time to review options and revisit the matter at this meeting.

Recommendation

Adopt Resolution 2024-03, authorizing the Port Executive Director to sign the attached Third Amendment to Ground Lease.

RESOLUTION NO. 2024-03

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

WHEREAS, the Port entered into a Ground Lease with NEXT Renewable Fuels, Oregon, LLC ("NEXT") on September 4, 2019, a First Amendment to Ground Lease on July 8, 2020, and a Second Amendment to Ground Lease on September 14, 2022; and

WHEREAS, NEXT requested a rent deferral by letter on November 27, 2023. 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. A current completion date is not expected until 2025; and

WHEREAS, NEXT has made total payments for the Site Development and Option Agreement, Ground Lease and Columbia County Rail Safety Study of \$3,522,452.73 while making tremendous progress in engineering, permitting, and finalizing various use agreements, easements, and rights of way required for the Project; and

WHEREAS, this Third Amendment allows a temporary rent deferral, lowering the monthly rent payments from \$108,497 per month to \$15,000 per month, retroactive to December 1, 2023. The balance of deferred rent (\$93,497 per month) plus 18% interest per year remains fully due and payable and will continue to accrue until NEXT declares a Project Approval Decision, at which time a lump sum payment of deferred rent and accrued interest will be due within 60 days; Now, therefore,

BE IT RESOLVED that the Board authorizes the Port Executive Director to sign the Third Amendment to Ground Lease as presented.

PASSED AND ADOPTED this ____ day of March, 2024 by the following vote:

AYES: ____

NAYS: ____

Port of Columbia County

ABSTAIN: ____

By: _____
President

Attested By:

Secretary

THIRD AMENDMENT TO GROUND LEASE

This **THIRD AMENDMENT TO GROUND LEASE** (“Third Amendment”), entered into this 13th day of March, 2024 (“Effective Date”), by and between THE PORT OF COLUMBIA COUNTY, a Municipal corporation of the State of Oregon (“**the Port**”), and NEXT Renewable Fuels, Oregon, LLC, a limited liability company, (“**NEXT**”) (collectively, “the Parties”).

RECITALS

- A. **Ground Lease 9/4/19.** The Port and NEXT are parties to that certain Ground Lease dated September 4, 2019 (“Ground Lease”), whereby the Port leased to NEXT part of that certain real property commonly known as Port Westward located in Columbia County, Oregon, as legally described in the Ground Lease (the “Premises”). The Port and NEXT each represent and agree that the Ground Lease is a valid lease of the Premises in full force and effect.
- B. **First Amendment 7/8/20.** The Parties amended the Ground Lease on July 8, 2020, to more clearly state that the amount of NEXT’s monthly option and lease payments to the Port increased from \$15,000 per month to \$107,800 per month beginning on September 1, 2021.
- C. **Premises Acknowledgement 3/29/21.** NEXT notified the Port of an increase in the square footage of the Premises to 3,945,426, and as a result the Parties agreed to an increase in Basic Rent from \$107,800 to \$108,497.
- D. **Second Amendment 9/14/22.** The Parties amended the Ground Lease Section 1.1 on September 14, 2022, to allow NEXT the right to produce, store and transfer Sustainable Aviation fuels meeting Renewable Fuel Standards, Low Carbon Fuel Standards or other renewable fuel credit programs.
- E. **Purpose of this Third Amendment: Rent Deferral.** This Third Amendment amends the Ground Lease to allow a temporary rent deferment, lowering the monthly rent payments from \$108,497 per month to \$15,000 per month, retroactive to December 1, 2023. To date, NEXT has made total payments for the Site Development and Option Agreement (“SDOA”), Ground Lease and Columbia County Rail Safety Study of \$3,522,452.73 while making tremendous progress in engineering, permitting, and finalizing various use agreements, easements, and rights of way required for the development of the Premises. NEXT made this request on November 27, 2023 (attached as **Exhibit 1** and incorporated by reference), after a tug-assisted barge destroyed a portion of the Beaver Dock at Port Westward on November 12, 2023.
- F. In consideration of the mutual promises set out in this Third Amendment, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Port and NEXT hereby agree as follows:

AMENDMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to the following amendments to the Ground Lease:

1. **RECITALS:** The Recitals above are true and correct and incorporated herein by this reference.
2. **INITIAL TERM RENT:** Section 3.1.2 shall be amended to insert the following at the end thereof:

*Notwithstanding the foregoing, commencing on December 1, 2023 and continuing each month thereafter, Lessee shall pay Basic Rent of \$15,000 per month. This is not a rent reduction but a rent deferral based upon a request made by Lessee attached as **Exhibit 1**. The balance of Basic Rent (\$93,497 per month) (“Deferred Rent”) remains fully due and*

payable and shall accrue until Lessee declares a Project Approval Decision under Section 5(f) of the SDOA. Regardless of whether Lessee declares a positive or negative Project Approval Decision, all Deferred Rent is fully due and payable in a single, lump sum payment within 60 days of the Project Approval Decision. If Lessee declares a positive Project Approval Decision, Basic Rent shall revert to \$108,497 per month as calculated herein and the \$108,497 monthly payment will be due and payable beginning on the first day of the first month after the Project Approval Decision. All payments made by Lessee to Lessor, including but not limited to the SDOA and Ground Lease, are nonrefundable. All other provisions of the Lease remain in full force and effect and apply to Deferred Rent, including the Delinquency Charge of 18% per annum.

The remainder of Section 3 remains unchanged.

3. MISCELLANEOUS.

- A. **DEFINED TERMS:** Except as otherwise provided in this Third Amendment, all defined terms as used in this Third Amendment have the same meaning as set forth in the Ground Lease.
- B. **COUNTERPARTS:** This Third Amendment may be executed in any number of duplicate originals or counterparts, each of which when so executed shall constitute in the aggregate but one and the same document.
- C. **FULL FORCE AND EFFECT:** Except as set forth in this Third Amendment, the terms and conditions of the Ground Lease, First Amendment and Second Amendment shall remain unmodified and in full force and effect. In the event of any conflict between the terms, conditions and provisions of the Ground Lease, First Amendment and this Third Amendment, the terms, conditions and provisions of this Third Amendment shall prevail. The Ground Lease and all amendments may be further altered and/or revoked only by an instrument in writing signed by the Parties.

The Parties have executed this Third Amendment as of the Effective Date, as evidenced by the following signatures of authorized representatives of the parties. This Third Amendment shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns:

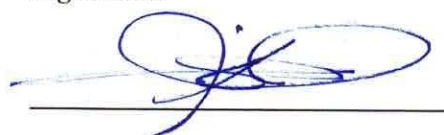
PORT OF COLUMBIA COUNTY:

NEXT RENEWABLE FUELS, OREGON, LLC:

Signature:

Signature:

Name: Sean P. Clark
Title: Executive Director



Name: Christopher Efird
Title: Chairperson and CEO of NEXT Renewable Fuels, Inc. the Sole and Managing Member of NEXT Renewable Fuels Oregon, LLC

EXHIBIT 1



November 27, 2023

Mr. Sean Clark
Director
Port of Columbia County
100 E Street
Columbia City, OR
97018

VIA Email and Federal Express

Re: Adjustment of Monthly Site Payment

Dear Sean –

This letter will serve as a formal request by NEXT Renewable Fuels, Inc. ("NXT") to adjust the currently monthly payment NXT makes to the Port of Columbia County ("POCC") for the POCC land at Port Westward on which NXT seeks to build a 750 million gallon per year renewable diesel and sustainable aviation fuel refinery (the "Site").

As you know, under the Site Development Agreement ("SDOA") signed by NXT and the POCC on September 12, 2018, which was then supplemented by the Ground Lease entered into by NXT and the POCC on September 4, 2019 (the "Ground Lease"), NXT paid the POCC a \$ 15,000 option fee while it worked to develop the Site (the "Site Development Option Payment"). This fee was then replaced by a lease fee in the amount of \$ 107,800.00 per month (the "Lease Fee"). Since the execution of the original SDOA, NXT has paid the POCC a total of \$ 3,436,755.73 in Option, Lease, and Deposit fees while it has worked to engineer and permit the Site. Although we feel we have made tremendous progress in this effort, we continue to work through an extended Environmental Impact Statement ("EIS") with the US Army Corp of Engineers while also working with the POCC, Global Partners, and Portland General Electric ("PGE") to finalize all the various use agreements, easements and right of ways required for our development of the Site. It is anticipated that these efforts will likely continue for most of 2024.

Finally, damage inflicted on the Port Westward dock by the tow boat collision on the morning of November 12, 2023, calls into question the ability of NXT to ever operate a refinery at the Site as stipulated under the Ground Lease (Section 1.1 relating to receipt of renewable feedstocks by ocean going vessel and manifest rail). Given the unknown period necessary to bring the dock back into service and the inability of NXT to proceed with engineering until such time as the final dock repairs have been complete, this event renders any existing or estimated timelines void and additional development activities uncertain.


Given all of this, NXT does intend to proceed as possible with its development and permitting activities at the Site. However, and in lieu of the above factors, NXT respectfully requests that its current monthly payments under the SDOA and Ground Lease be reset commencing December 1, 2023 to the \$ 15,000 per month rate specified under the original SDOA. The balance of the monthly Lease Fee (\$ 92,800) would then accrue until such time as NXT were to declare a positive Final Investment Decision ("FID"). Once NXT declared a positive FID, the monthly Lease Fee

would revert to \$ 107,800 and a single, "lump sum" payment would be made of all accrued but unpaid Lease Fees.

NXT appreciated the POCC's consideration of this request and affirms its intention to proceed with the development of the Site and eventual construction and operation of the proposed Port Westward refinery as fast as practical given the current circumstances.

Finally, we value the time that we have spent working with the Port and the wider Columbia County community and look forward to a long and successful relationship going forward.

Sincerely,



Christopher Efird
Chairperson and CEO
NEXT Renewable Fuels, Inc.
(dba NXTClean Fuels, Inc.)