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FEATURED

NEW DETAILS / Port Board makes key decisions

Christine Menges chronicle2@countrymedia.net Jun 7, 2019



NEXT Renewable Fuels President Lou Soumas discusses the relocation with the Port of Columbia County Commissioners.

Christine Menges / The Chronicle

The Port of Columbia County has approved plans for a second amendment to NEXT Renewable Fuels' existing site development and option agreement.

NEXT, which produces green biofuels, is planning to open a renewable diesel facility at Port Westward, scheduled to open in 2021, according to a Sept. 15, 2018 news release from the company. The company said it expected to produce approximately 200 jobs at the new facility.

The amendment, approved at the port board meeting on Wednesday, June 5, removes the original 94-acre parcel as decided in the first amendment, and replaces it with an 80-acre parcel, relocated in land that is already zoned industrial.

The relocated parcel occupies the space formerly occupied by Northwest Innovation Works. At a May 22 port commission meeting, commissioners voted to approve an amendment which would allow NWIW to relocate to a different parcel, located within the contested land which the port is trying to re-zone from agricultural to industrial.

The new parcel is adjacent to the 25-acre parcel that NEXT announced it would purchase on Thursday, Feb. 21, making a 105-total-acre parcel. NEXT officials said the company will use the parcel to produce 37,500 barrels per day of Advanced Green Diesel at the facility it plans to build there.

NEXT and the port first entered into a site development and option agreement on Sept. 12, 2018, according to port documents.

Lou Soumas, President and Director of NEXT, said, in response to one commissioner's request at the June 5 meeting to make information about the facility available as soon as possible, that he "felt frustrated as the developer" because of the four off-takers for the project, only one, Shell, has announced that they are one of those four.

Shell Trading (US) Company entered into a long-term Purchase and Sale Agreement with NEXT in February of this year.

This is in addition to the Renewable Feedstock Supply agreement that NEXT and BP Products North America entered into in May. The agreement allows NEXT to purchase approximately 2 million metric tons per year of renewable feedstocks while BP will supply NEXT with used cooking oils, animal fats and tallows, greases, and virgin seed oils, according to NEXT officials.

Following a brief discussion, the port board unanimously passed the resolution.

Commissioner Larry Ericksen said he felt favorably about the project because the facility would not use the railway, thereby not increasing the number of trains going through the county. He also said the facility was ideal for not damaging the environment and Ericksen stressed he was in favor of the project for the tax base it would develop for the county.

“Every dollar of the project pays into property tax,” Ericksen said. “That’s why this is important, because without these kinds of opportunities to take advantage of, our property taxes are going to go sky-high.”

Commissioner Robert Keyser said the resolution would be “a chance at bat” for NEXT, and said he gave the project a “slightly over 50 percent” chance of succeeding. Keyser explained his reasoning by saying he has seen a lot of projects come and go, and that the only way to increase his certainty of the success of the project would be for NEXT to “do their due diligence,” once granted the amendment to the lease option.

“We give them the option to come in, do their due diligence, and give them the option to negotiate the lease,” Keyser said.

Keyser also said he was “disappointed” in some county residents’ opposition to the project, especially residents in south Columbia County.

“That project has no foreseeable impact in the south except positive economic benefit,” Keyser said, also referencing the fact that the new facility would not use rail.

Commissioner Patrick Trapp voiced concerns about LPG issues, something he said he brought up when commissioners were originally discussing a site development and option agreement. However, he said that he was willing to approve the amendment to the site development and option agreement, and that the approval of the lease would be made by new commissioners at an unspecified date in the future.

The Port Commissioners also unanimously adopted the 2019-2020 fiscal year budget during the June 5 meeting.

The commission voted to hold the property tax levy steady at \$0.0886 per thousand of assessed value, meaning the annual taxes on a home assessed at \$250,000 will be approximately \$22.15 in 2019. Of the port’s \$18.5 million budget, less than 2.5 percent of overall resources are generated from the property tax levy.

At \$18.5 million, the port's 2019-2020 budget is an increase of \$2.9 million from the 2018-2019 budget. This increase is attributed largely to the capital projects planned for this fiscal year.

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Did You Know?

The company said it expected to produce approximately 200 jobs at the new facility.