



M E M O R A N D U M

TO: Interested Parties

FROM: Lanelle Comstock, President

DATE: June 11, 2026

SUBJECT: Coos Bay Rail Line, Inc. Board of Directors Meeting Notice

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The **Board of Directors** of the Coos Bay Rail Line, Inc. will hold its Regular Board Meeting and Budget Hearing at **10:30 a.m., Thursday, June 18, 2026**, in the Port's Commission Chambers, located at 125 West Central Avenue, Suite 230, Coos Bay, Oregon 97420, and live on YouTube.

The purpose of the hearing is to discuss with interested persons the FY 2026/27 budget as approved by the Coos Bay Rail Line, Inc.'s Budget Committee. Copies of the budget document may be inspected or obtained at [www.portofcoosbay.com/finances](http://www.portofcoosbay.com/finances) or by calling the Port Administrative office at 541-267-7678.

Members of the public may provide public comment in person, via Zoom, or in writing. If members of the public would like to provide public comment during the meeting via Zoom, please call the Port Administrative office at 541-267-7678 by 8:30 a.m. on Thursday, June 18, 2026. Written comment will be accepted until 8:30 a.m. on Thursday, June 18, 2026 by sending an email to [portcoos@portofcoosbay.com](mailto:portcoos@portofcoosbay.com) with the subject line 'Public Comment'.

LC/cs

**COOS BAY RAIL LINE, INC.  
REGULAR BOARD OF DIRECTORS MEETING  
10:30 a.m., Thursday, June 18, 2026**

Port Commission Chambers, 125 West Central Avenue, Suite 230, Coos Bay, Oregon 97420  
Watch Live on YouTube: [www.youtube.com/portcoos](http://www.youtube.com/portcoos)

**T E N T A T I V E   A G E N D A**

- 1. CALL MEETING TO ORDER**
  
- 2. INTRODUCTION OF DIRECTORS, GUESTS AND PORT STAFF**
  
- 3. CONSENT ITEMS** **Page**
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  - A. Public Hearing
  - B. 2026Res01: Adoption of Budget and Making Appropriations – Combined for the Fiscal Year 2026/27 ..... Megan Richardson, 10
  
- 5. ACTION ITEMS** **Page**
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- 6. OTHER**
  
- 7. PUBLIC COMMENT**
  
- 8. BOARD OF DIRECTORS COMMENTS**
  
- 9. NEXT MEETING DATE – To Be Determined**
  
- 10. ADJOURN**

# Consent Items

**DRAFT MINUTES**  
**Coos Bay Rail Line, Inc.**  
**Regular Board Of Directors Meeting**  
**10:30 a.m., Wednesday, June 18, 2025**

Port Commission Chambers, 125 W. Central Avenue, Suite 230, Coos Bay, Oregon 97420

Meetings are broadcast live on [YouTube](#). Hyperlinks below redirect to the recording.

**Attendance**

**Board of Directors:** Kyle ViksneHill, Chair; Lanelle Comstock, President; and Kyle Stevens, Treasurer/Secretary.

**Port and CBRL Staff:** Brian Early, General Manager, Coos Bay Rail Line; Rick Adamek, Director of Asset Management; Megan Richardson, Director of Finance and Accounting; Krystal Karcher, Administrative Services Manager; and Christina Sanders, Administrative Assistant.

**Media & Guests:** None present.

1. **[Call Meeting To Order](#)**

Chair ViksneHill called the meeting to order at 10:30 a.m.

2. **Introduction Of Directors, Guests And Port Staff**

3. **[Public Comment](#)**

4. **[Consent Items](#)**

Upon a motion by Treasurer/Secretary Stevens (second by President Comstock), the Board of Directors voted to approve the March 7, 2025 Regular Board Meeting Minutes and the May 21, 2025 Budget Committee Meeting Minutes. **Motion Passed Unanimously.** (Ayes: ViksneHill, Comstock, and Stevens. Nays: None).

5. **Budget Hearing – FY 2025/26 Budget**

A. **[Public Hearing](#)**

Chair ViksneHill opened the FY 2025/26 Budget Hearing at 10:33 a.m.

Coos Bay Rail Line, Inc.'s Budget Committee approved the proposed Fiscal Year 2025/26 budget after its first budget committee meeting on May 21, 2025. Each year, following the Budget Committee's approval of the budget, the Board is required to hold a public hearing. The objective of the public hearing is to receive testimony from any person present. The public hearing is scheduled for 10:30 a.m., June 18, 2025, prior to the regular Board of Directors meeting.

During the regular Board meeting, the Board is allowed to make changes to the budget if the total change in any fund does not exceed \$5,000 or 10%, whichever is greater. Changes in excess of 10% would require the Board to publish notice of a second budget hearing and a new financial summary and hold the second hearing before the adjusted budget can be adopted.

If no significant changes are made, the Board should consider approval of the resolution adopting the budget.

Chair ViksneHill asked for any public comment or testimony on the proposed budget. There being none, Chair ViksneHill closed the public hearing at 10:34 a.m.

**B. 2025Res02: Adoption of Budget and Making Appropriations – Combined for the Fiscal Year 2025/26**

Upon a motion by Treasurer/Secretary Stevens (second by President Comstock), the Board of Directors voted to approve Resolution 2025Res02, a resolution adopting a budget and making appropriations– combined for the 2025/26 fiscal year. **Motion Passed Unanimously.** (Ayes: ViksneHill, Comstock, and Stevens. Nays: None).

**6. Action Items/Reports**

**A. 2025Res03: Update Signature Authority on Umpqua Bank Account**

For internal control, all Coos Bay Rail Line, Inc. bank accounts must be authorized and approved by the Board of Directors. With Mike Dunning’s departure from the Port, staff wishes to remove Mike Dunning and update the signature authority documents for the following bank account, to be effective June 18, 2025:

CBRL General Account #6912

The following individuals will be authorized signatories on these Umpqua Bank accounts:

Kyle Stevens	Treasurer/Secretary
Lanelle Comstock	Chief Executive Officer
Megan Richardson	Director of Finance & Accounting
Mary Green	Accounting Supervisor

Due to the small size of the administration staff Port staff wishes to add Mary Green as a bank signer. The finance department strives to maintain separation of duties for internal control purposes. Therefore, her use as a bank signer will be for exceptions when a second signer is required and no other staff is available. Staff will also document the exceptions for audit.

A resolution is required for signature authorization for the bank accounts.

Upon a motion by Treasurer/Secretary Stevens (second by President Comstock), the Board of Directors voted to approve Resolution 2025Res03 updating signature authority for the Coos Bay Rail Line, Inc. banking account at Umpqua Bank, Coos Bay Branch. **Motion Passed Unanimously.** (Ayes: ViksneHill, Comstock, and Stevens. Nays: None).

**7. Board Of Directors Comments**

**8. Next Meeting Date – To Be Determined.**

**9. Adjourn**

Chair ViksneHill adjourned the meeting at 10:36 a.m.

**DRAFT MINUTES**  
**Coos Bay Rail Line, Inc.**  
**Budget Committee Meeting**  
**Monday, May 18, 2026, 3:30 p.m. – 4:30 p.m.**  
Port Commission Chambers, 125 W. Central Avenue, Suite 230, Coos Bay, Oregon 97420

Meetings are broadcast live on [YouTube](#). Hyperlinks below redirect to the recording.

**Attendance**

**Board of Directors:** Lanelle Comstock, President; Kyle ViksneHill, Chair; and Kyle Stevens, Treasurer/Secretary.

**Budget Committee:** Lexie Woodward; Dax Davidson; and Pat Goll.

**Port and CBRL Staff:** Megan Richardson, Director of Finance and Accounting; Matt Friesen, Director of External Affairs; Ray Dwire, Charleston Marina Manager; Brian Early, CBRL General Manager; Rick Adamek, Director of Asset Management; Mary Green, Accounting Supervisor; Krystal Karcher, Administrative Services Manager; and Christina Sanders, Administrative Assistant.

**1. [Call Meeting To Order](#)**

President Comstock called the meeting to order at 3:31 p.m.

**2. [Introductions](#)**

**3. [Selection Of Budget Committee Chair](#)**

Upon a motion by Lanelle Comstock (second by Dax Davidson), the Budget Committee members voted to appoint Lexie Woodward as Budget Committee Chair. **Motion Passed Unanimously.** (Ayes: Comstock, Davidson, Goll, Stevens, ViksneHill, and Woodward. Nays: None.)

**4. [Receive FY 2026/27 Budget Message By Megan Richardson, Budget Officer](#)**

Megan Richardson presented the fiscal year 2026/27 budget for Coos Bay Rail Line, Inc. (CBRL). Coos Bay Rail Line is a wholly owned nonprofit subsidiary of the Oregon International Port of Coos Bay. CBRL operates the Port-owned rail line, providing local and regional businesses with safe, direct, efficient, and cost-effective rail access to the national rail network and global markets. Because of the relationship to the Port of Coos Bay, CBRL is also required to follow Oregon local budget law and provide a balanced budget. CBRL has one fund with four departments: Administration, Maintenance of Way, Transportation, and Mechanical. The CBRL fund has 18 FTEs across the four departments. There is no change to the FTEs this fiscal year. Major changes to the CBRL fund include a 4% increase to salaries as outlined in the collective bargaining agreement and a 10% increase to health insurance.

## **5. Review The Proposed Budget Document By Brian Early, General Manager**

Ms. Richardson, with input from Brian Early, reviewed the proposed fiscal year 2026/27 budget by department, detailing operational and financial adjustments to enhance efficiency and fiscal responsibility.

The CBRL fund has budgeted revenues of \$4,260,359 for fiscal year 2026/27. While carload revenue is based on 4,336 car movements, a decrease of 566 from the current fiscal year, total car revenue exceeds the previous adopted budget due to an expected increase in shipments from the more profitable southern end of the rail line. Demurrage revenue is budgeted at \$25,000, down from \$250,000 last budget year as CBRL has not yet identified an effective method for passing car-hire costs through to customers. \$7,000 is projected from incidentals such as one time scrap steel sales, and mechanical revenue is budgeted at \$1,007,635, a decrease from the prior year due to lower projected car repair volume.

### **A. Administration**

Administration expenses total \$988,308, a decrease of \$88,953 from the prior year. Under Personnel Services staffing remains consistent at three positions. Increases in salaries and taxes reflect the 4% adjustment outlined in the collective bargaining agreement. Health insurance is projected to increase by 10%. The health insurance line item decrease is due to enrollment changes rather than changes in premium cost. There was a reduction in the amount reserved for Federal Employers Liability Act (FELA) based on experience from prior years. Mr. Early stated railroads are not subject to OSHA, but to federal control by the Federal Railroad Administration, meaning if an employee gets an injury they can sue CBRL directly rather than go through OSHA.

Materials and Services has a reduction in staff training and travel based on planned training requirements and associated travel needs. IT software and subscriptions are reduced due to Microsoft subscriptions being moved to the Port's General Fund. The telephone expense is reduced due to restructuring of the phone plan. Internet service costs are reduced due to the costs being moved to the Port's General Fund. Utilities are increasing in part because staff are now in the depot on Hall Avenue. Insurance rates are increasing, and the budget reflects the higher costs. Fuel expense is increased to reflect rising fuel costs. Employee required records are reduced due to lower anticipated demand. Car accounting and hire expense is reduced due to lower carload volumes and ongoing efforts with Union Pacific to identify solutions that reduce car-hire costs. The Committee discussed how car-hire costs and demurrage function for the rail line. Mr. Early explained that the current system charges CBRL for having cars on the line after six days. Due to the length of time it takes to transport cars from Eugene to the southern end of the line and back to Eugene, it is difficult for CBRL to participate, as it is a short line. He stated that CBRL is working with Union Pacific to either significantly change the amount charged or have CBRL exempted from the program.

Miscellaneous merchant and banking fees include penalties; the budget anticipates fewer penalties in the upcoming fiscal year.

### **B. Maintenance of Way**

Maintenance of Way expenses total \$757,887, a decrease of \$48,812 from the current fiscal year. Staffing remains consistent at six positions. Budgeted increases reflect a 4% salary adjustment and a 10% increase in health insurance costs.

Under Materials and Services, fuel expense is increased to reflect rising fuel costs. Repairs and maintenance line items are reduced in total to align with available resources. Vegetation Control has been moved to the

Port's General Fund. The Committee discussed the distribution of maintenance needs along the track. Mr. Early explained that the needs are fairly equal on both ends of the line, which contributes to high fuel costs as the crew frequently travels from the Coos Bay hub to the north end due to only having a crew in Coos Bay.

### C. Transportation

Transportation expenses total \$1,612,399, an increase of \$13,868 from the prior year. Transportation expenses are generally consistent with the prior year. Within Personnel Services, staffing remains consistent at six positions. Within Materials and Services, fuel expense is increased to reflect rising fuel costs, even with lower car movement volume. Mr. Early stated the fuel cost has gone up approximately 60%. Director Stevens asked if CBRL was surcharging for the fuel costs. Mr. Early and Ms. Richardson confirmed that CBRL does.

### D. Mechanical

Mechanical expenses total \$901,765, a decrease of \$29,957 from the prior year. Mechanical expenses are generally consistent with the prior year. Within Personnel Services, staffing remains consistent at three positions. Within Materials and Services, repairs and maintenance for locomotives are reduced as CBRL restructures its approach to locomotive repairs. CBRL has not had an on staff mechanic for approximately three years, and mechanical work is contracted out. The contractor currently comes every month; however, CBRL is considering moving that to every other month to reduce costs. Pat Goll asked about the costs of contracting out locomotive mechanical repairs, with a suggestion to potentially perform this work on the other end of the line. Mr. Early stated while it would be cheaper, CBRL lacks the necessary facility space in Eugene. Repairs and maintenance for train cars are reduced because fewer repairs are budgeted, resulting in lower anticipated spending on car repair supplies.

To address increased operating costs, CBRL will implement an operations surcharge of \$100 per car for every customer on the line in the new budget.

## 6. Public / Committee Comment

No public comment was received.

Mr. Goll stated the CBRL packet was put together well, and when he was a member of the North Bend City Council and attended many budget meetings, the packets were hard to follow.

## 7. Present The Motion To Recommend The Budget To The Board Of Directors For Adoption, Or Schedule A Follow-Up Meeting

Upon a motion by Kyle Stevens (second by Pat Goll), the Budget Committee voted to approve the budget for fiscal year 2026/27 and recommend to the CBRL Board of Directors for adoption. **Motion Passed Unanimously.** (Ayes: Comstock, Davidson, Goll, Stevens, ViksneHill, and Woodward. Nays: None.)

## 8. Adjourn Meeting

Chair Lexie Woodward adjourned the meeting at 3:57 p.m.

# **Budget Hearing**

## **FY 2026/27**

**COOS BAY RAIL LINE, INC.  
BOARD OF DIRECTORS  
ACTION/DECISION REQUEST**

**DATE:** June 11, 2026

**PROJECT TITLE:** Resolution 2026Res01: Adoption of Budget and Making Appropriations – Combined for the 2026/27 Fiscal Year

**ACTION REQUESTED:** Adoption of Resolution 2026Res01: Adoption of Budget and Making Appropriations – Combined for the 2026/27 Fiscal Year

**BACKGROUND:**

The Coos Bay Rail Line, Inc.’s Budget Committee approved the proposed Fiscal Year 2026/27 budget after its first budget committee meeting on May 18, 2026. Each year, following the Budget Committee’s approval of the budget, the Board is required to hold a public hearing. The objective of the public hearing is to receive testimony from any person present. The public hearing is scheduled for 10:30 a.m., June 18, 2026, prior to the regular Board of Directors meeting.

During the regular Board meeting, the Board is **allowed to make changes to the budget if the total change in any fund does not exceed \$5,000 or 10%**, whichever is greater. Changes in excess of 10% would require the Board to publish notice of a second budget hearing and a new financial summary and hold the second hearing before the adjusted budget can be adopted.

If no significant changes are made, the Board should consider approval of the resolution adopting the budget.

**RECOMMENDED MOTION:**

Approve resolution 2026Res01, a resolution adopting a budget and making appropriations – combined for the 2026/27 Fiscal Year.

**Resolution 2026Res01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
COOS BAY RAIL LINE, INC**

**A RESOLUTION ADOPTING A BUDGET AND MAKING APPROPRIATIONS  
- COMBINED FOR THE FISCAL YEAR 2026/2027**

BE IT RESOLVED that the Board of Directors of the Coos Bay Rail Line, Inc. adopts the 2026/2027 fiscal year budget as approved by the Budget Committee in the amount of \$4,260,359, now on file at the Coos Bay Rail Line, Inc.

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2026 and for the purposes shown below are hereby appropriated as follows:

<u>CBRL FUND</u>		
Administration	\$	988,308
Maintenance of Way		757,887
Transportation		1,612,399
Mechanical		901,765
TOTAL CBRL FUND	\$	4,260,359
TOTAL APPROPRIATIONS ALL FUNDS	\$	4,260,359
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<b>TOTAL APPROPRIATIONS</b>	\$	4,260,359
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<b>UNAPPROPRIATED ENDING BALANCE &amp; RESERVED FOR FUTURE EXPENDITURE</b>	\$	-
Total Budget	\$	4,260,359

APPROVED and ADOPTED by the Board of Directors of the Coos Bay Rail Line, Inc. this 18th day of June 2026

\_\_\_\_\_  
Lanelle Comstock, President

\_\_\_\_\_  
Kyle ViksneHill, Chair

# Action Items

**COOS BAY RAIL LINE, INC.  
BOARD OF DIRECTORS  
ACTION/DECISION REQUEST**

**DATE:** June 11, 2026

**PROJECT TITLE:** 2026Res02: Amendments to CBRL Policy Manual Chapter 14: Personnel Policy, Section 14.10: Policy for Compliance with Alcohol/Drug Use Regulations

**ACTION REQUESTED:** Adopt Resolution 2026Res02 updating Coos Bay Rail Line’s Policy for FRA 49 CFR Part 219 Policy for Compliance with Alcohol/Drug Use Regulations

**BACKGROUND:**

Coos Bay Rail Line, Inc. Policy Manual Chapter 14: Personnel Policy, Section 14.10: FRA 49 CFR Part 219 Policy for Compliance with Alcohol/Drug Use Regulations, outlines CBRL’s compliance with Federal regulations that are designed to restrict and prohibit the unauthorized use of drugs and alcohol on its property and the expectations for employees of CBRL with regards to drug and alcohol testing.

In March 2026, CBRL participated in a Federal Railroad Administration (FRA) audit of its’ Part 219 drug and alcohol testing programs. During the audit, this policy was reviewed and updates were recommended within the findings of the audit. CBRL submitted the updated Part 219 plan to the FRA on April 9 and received approval on June 9. CBRL will distribute the updated plan to all employees and will obtain their acknowledgement of receipt.

Section 14.10: Part 219 Policy for Compliance with Alcohol/Drug Use Regulations has been revised to provide necessary clarity and to reflect recent changes in Federal regulations.

Key revisions to the policy include:

- Addition of “Mechanical Employees” as regulated service employees;
- Updated Designated Employer Representative (DER) and Alternate DER;
- Updated information for the Medical Review Officer (MRO) and testing laboratory;
- Updated status of pre-employment alcohol testing, from “yes” to “no” as this testing is not required; and
- Updated information that CBRL will not conduct a random testing program of employees.

The red lined tracked version of the changes are included within the packet as Exhibit A following the resolution.

**RECOMMENDED MOTION:**

Adopt resolution 2026Res02 updating Coos Bay Rail Line’s Policy for FRA 49 CFR Part 219 Policy for Compliance with Alcohol/Drug Use Regulations.

**RESOLUTION 2026Res02**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
COOS BAY RAIL LINE, INC.**

**RESOLUTION AUTHORIZING THE AMENDMENTS TO CBRL POLICY MANUAL  
CHAPTER 14: PERSONNEL POLICY, SECTION 14.10: FRA 49 CFR PART 219  
POLICY FOR COMPLIANCE WITH ALCOHOL/DRUG USE REGULATIONS**

**WHEREAS**, Coos Bay Rail Line (CBR) recognizes there is a problem of substance abuse, both in drugs and alcohol in today's society, and

**WHEREAS**, CBR is an employer who is subject to governmental regulations and seeks to promote the safety of its employees and the public, and willingly complies with Federal regulations that are designed to restrict and prohibit the unauthorized use of drugs and alcohol on its property, and

**WHEREAS**, Policy 14.10: FRA 49 CFR Part 219 Policy for Compliance with Alcohol/ Drug Use Regulations has been revised to provide necessary clarity and to reflect recent changes in Federal regulations, and

**WHEREAS**, the policy will be effective immediately upon adoption.

**THEREFORE, BE IT RESOLVED**, by the Board of Directors of Coos Bay Rail Line, Inc. approves and adopts the amendments to CBRL Policy Manual Chapter 14: Personnel Policy, Section 14.10: FRA 49 CFR Part 219 Policy for Compliance with Alcohol/Drug Use Regulations, identified as Exhibit A, attached hereto and incorporated herein by reference.

**APPROVED and ADOPTED**, by the Board of Directors of Coos Bay Rail Line, Inc. this 18th day of June 2026.

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Lanelle Comstock, President

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Kyle ViksneHill, Chair

## **POLICY 14.10 COOS BAY RAIL LINE FRA 49 CFR PART 219 POLICY FOR COMPLIANCE WITH ALCOHOL/DRUG USE REGULATIONS**

### **A. POLICY STATEMENT**

Coos Bay Rail Line (CBR) recognizes there is a problem of substance abuse, both in drugs and alcohol in today's society. As an employer who is subject to governmental regulations and seeks to promote the safety of its employees and the public, CBR willingly complies with Federal regulations that are designed to restrict and prohibit the unauthorized use of drugs and alcohol on its property. This company will comply with the United States Department of Transportation (DOT) and Federal Railroad Administration (FRA) regulations and all statutes and regulations administered by the FRA in implementing the required Part 219 Drug and Alcohol Program.

~~Coos Bay Rail Line (CBR) has a policy to also conduct random testing and preemployment testing above and beyond the requirements of 49 CFR part 219 (see attached addendum).~~

In accordance with the applicable Federal regulations, this railroad prohibits persons who perform work regulated by the Federal Hours of Service Laws (see 49 U.S.C. §§ 21101-21108) and/or employees performing duties as Maintenance-of-Way (MOW) workers as described in the definition of "Roadway Worker" in 49 CFR § 214.7, and/or employees performing duties of Mechanical functions (MECH) covered by the definition of "Mechanical Employees" in § 219.5, ~~are prohibited from using the use~~ and/or the possession of illegal substances or alcohol while on duty. No employee may use alcohol for whichever is lesser of the following periods: within four hours of reporting for regulated service or after receiving notice to report for regulated service. Additionally, ~~controlled-illegal~~ substance use is prohibited at any time on or off duty, except as allowed in 49 CFR § 219.103.

Programs have been established on this railroad which requires regulated employees to demonstrate their safety posture through complying with:

1. Urine screens to detect the presence of marijuana, cocaine, opioids, phencyclidine and amphetamines (See 49 CFR § 40.85 and 49 CFR § 40.87);
2. Breath alcohol tests to detect the unauthorized use of alcohol; and
3. Breath, urine, blood and tissue (fatality) testing after qualifying FRA post-accident events.

This program applies to all employees who are subject to the Federal hours of service laws (i.e. operating employees or covered service employees, including contractors and volunteers) and/or employees, contractors or volunteers performing duties as Maintenance-of-Way (MOW) workers as described in the definition of "Roadway Worker" in 49 CFR § 214.7 and/or employees performing duties of Mechanical functions (MECH) covered by the definition of "Mechanical Employees" in § 219.5. Regulated service employees are required to be in compliance with the applicable sections of Part 219 when they are on duty and are required to perform or are available to perform regulated service.

This railroad has a total of ~~13~~ 8 regulated service employees (including volunteers and contractors) who perform "Hours of Service" ~~functions-duties.~~

This railroad has a total of ~~2~~ 6 regulated service employees (including volunteers and contractors) who perform “Roadway Worker” ~~functions~~ duties.

This railroad has a total of 3 regulated service employees (including volunteers and contractors) who perform “Mechanical Employee” functions.

The following classes or crafts of employees listed are subject to regulated service on this railroad, and to applicable sections of Part 219:

Train Service

Maintenance of Way, (including Signal Maintainer and Track Inspector)

Bridge Tender

Mechanical, (including Locomotive and Car Repair)

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## B. IDENTIFYING INFORMATION

### Railroad:

Name: COOS BAY RAIL LINE (CBR)  
Address: 125 W. Central Avenue (Suite 300)  
Coos Bay, Oregon 97420  
Phone: (541) 267-7678  
E-Mail: info@coosbayralline.com

### Designated Employer Representative:

Name: ~~Lanelle Comstoek~~ Brian Early  
Phone: ~~(541) 266-3704~~ (541) 266-3718  
E-Mail: ~~lcomstoek@coosbayralline.com~~ bearly@coosbayralline.com

### Assistant Designated Employer Representative:

Name: ~~Patriek Kerr~~ Krystal Karcher  
Phone: ~~(541) 266-3706~~ (541) 696-5031  
E-Mail: ~~pkerr@coosbayralline.com~~ kkarcher@portofcoosbay.com

### Medical Review Officer:

Name: Dr. George Go, MRO, Paragon MRO  
Address: ~~9370 SW Greenburg Rd, Suite 200~~ 4936 SW 45<sup>th</sup> Ave  
Portland, OR ~~97223~~ 97221-3625  
Phone: (503) 977-3225

### Testing Laboratory:

Name: ~~Legacy Lab Services~~ MedTox Laboratory  
Address: ~~1225 NE 2<sup>nd</sup> Avenue~~ 402 W County Road D  
~~Portland, OR 97232~~ Saint Paul, MN 55112-3522

Phone: ~~(503) 413-5295~~ (800) 832-3244

Substance Abuse Professional (SAP):

Name: Lincoln Financial Group

Address: P.O. Box 2616  
Omaha, NE 68103-2616

Phone: (888) 628-4828

C. APPLICATION OF PART 219

~~Effective June 12, 2017, r~~Railroads that do not employ more than 15 covered service employees (*only counting employees subject to Hours of Service duties*) as defined by 49 U.S.C. 21103, 21104, or 21105, and/or the railroad does not operate on tracks of another railroad (or otherwise engage in joint operations with another railroad) except as necessary for purposes of interchange are subject to compliance with the following Part 219 subparts:

- A (General)
- B (Prohibitions)
- C (FRA Post-Accident Toxicological Testing)
- D (Federal Reasonable Suspicion Testing)
- F (Federal Pre-Employment Testing)
- H (Drug and Alcohol Testing Procedures)
- J (Recordkeeping Requirements)

Note: *Persons performing duties regulated by the Federal Hours of Service Laws, and/or duties as Maintenance-of-Way (MOW) workers as described in the definition of "Roadway Worker" in 49 CFR § 214.7, and/or persons performing Mechanical functions (MECH) covered by the definition of "Mechanical Employees" in § 219.5 will be subject to the above mentioned Part 219 subparts ~~beginning June 12, 2017.~~*

Railroads as described above are not authorized or allowed to implement or use Federal authority for any of the following Part 219 subparts:

- E (Federal Reasonable Cause testing)
- G (Federal Random testing)
- K (Referral Programs)

Employer-authority programs that mirror the Federal programs are not prohibited as long as Federal authority and Federal forms are not used. For employer-authorized testing, non-Federal testing forms must be used.

#### D. PROHIBITED CONDUCT UNDER PART 219 SUBPART B - “Rule G” or Equivalent

##### Alcohol and Drug Use Prohibited (49 CFR §219.101):

No employee may use or possess alcohol or any controlled substance while assigned by a railroad to perform regulated service. No employee may report for regulated service or go or remain on duty in regulated service while under the influence of or impaired by alcohol or having 0.02 percent (Federal violation at 0.04 percent or more) or more alcohol concentration in their breath or blood.

No employee may report for regulated service, or go or remain on duty in regulated service while:

- Under the influence of or impaired by alcohol; or
- Having 0.02 percent (Federal violation at 0.04 percent or more) or more alcohol concentration in their breath or blood; or
- Under the influence of or impaired by a controlled substance.

No employee may use alcohol for whichever is the lesser of the following periods:

- Within four hours of reporting for regulated service; or
- After receiving notice to report for regulated service.

No employee tested under Part 219 whose test results indicates an alcohol concentration of 0.02 percent or greater but less than 0.04 percent may perform or continue to perform regulated service functions for a railroad, nor may a railroad permit the employee to perform or continue to perform regulated service, until the start of the employee's next regularly scheduled duty period, but not less than 8 hours following administration of the test.

##### Prohibition on Abuse of Controlled Substances (49 CFR § 219.102):

No employee who performs regulated service may use a controlled substance at any time, whether on duty or off duty, except as permitted by 219.103.

##### Use of Prescribed or Over-the-Counter Drugs (49 CFR § 219.103):

Part 219 subpart C does not prohibit the use of a controlled substance (on Schedules II through V of the controlled substance list) prescribed by a medical practitioner, or possession incident to such use, if:

- The treating medical practitioner or a physician designated by the railroad has made a good faith judgment, with notice of the employee's assigned duties and on the basis of the available medical history, that use of the substance by the employee at the prescribed or authorized dosage is consistent with the safe performance of the employee's duties;
- The substance is used at the dosage prescribed or authorized; and
- In the event the employee is being treated by more than one medical practitioner, at least one treating medical practitioner has been informed of all medications authorized or prescribed and has determined that use of the medications is consistent with the safe performance of the employee's duties (and the employee has observed any restrictions imposed with respect to use of the medications in combination).

49 CFR §219.103 does not restrict any discretion available to the railroad to require that employees notify the railroad of therapeutic drug use or obtain prior approval for such use. This railroad's policy regarding notification of use is:

It is the employee's responsibility to determine whether or not a prescribed drug or over the counter medication (permitted drugs) can impair job performance. An employee whose impairment may affect job performance should use Paid Time Off (PTO) or other steps consistent with advice of a physician. Employees must notify their supervisor prior to beginning the work shift if they are under the influence of permitted drugs which may affect performance. If an employee who is under the influence of a permitted drug endangers themselves or others, the employee may be subject to discipline. Any failure to report the use of such drugs or other substances, or failure to provide evidence of medical authorization following an event of concern to the CBR, can result in disciplinary action up to and including termination.

#### E. TRAINING

##### Supervisor Training (49 CFR § 219.11 (g)):

Each supervisor responsible for regulated employees (except a working supervisor within the definition of co-worker under this part) must have training in the recognition of signs and symptoms of alcohol and drug influence, intoxication and misuse consistent with a program of instruction to be made available for inspection upon demand by FRA. Such a program shall, at a minimum, provide information concerning the acute behavioral and apparent physiological effects of alcohol and the major drug groups on the controlled substances list. The program should also cover supervisor responsibilities for "Rule G" observations under Part 217 and subsequent action such as reasonable suspicion testing.

The program must also provide training on the qualifying criteria for post-accident testing contained in subpart C of Part 219, and the role of the supervisor in post-accident decisions and collections described in subpart C and Appendix C to Part 219.

##### Employee Training:

This railroad will provide educational materials that clearly explain the requirements of Part 219, and the railroad's policies, prohibitions, and procedures with respect to meeting those requirements. A copy of this plan and any other educational materials will be distributed to each regulated service employee and to each person subsequently hired for or transferred to a regulated service position. At the end of the policy, there is an employee educational handout that was developed jointly by FRA, the Association of American Railroads, the American Short Line & Regional Railroad Association, and railroad labor organizations which helps to explain railroad alcohol/drug testing ([Appendix B](#)). This railroad will also provide written notice to representatives of employee organizations of the availability of this information per 49 CFR § 219.23.

#### F. PREVIOUS EMPLOYER CHECK

This railroad must check on the drug and alcohol testing record of employees it is intending to use to perform hours of service duties. This railroad will, after obtaining an employee's written consent, request information from DOT-regulated employers who have employed the employee

during any period during the two years before the date of the employee's application or transfer into regulated service. A copy of the employee release form is attached as Appendix A to this policy. (49 CFR § 40.25)

An employee will also be asked whether he or she tested positive (or refused to test) on any Federal pre-employment drug or alcohol test administered by a DOT employer to which the employee applied for, but did not obtain regulated service work during the past two years.

With respect to any employee who violated a DOT drug and alcohol regulation, documentation of the employee's successful completion of DOT return-to-duty requirements (including Federal follow-up tests) must be provided to this railroad.

#### G. CIRCUMSTANCES FOR TESTING REGULATED SERVICE EMPLOYEES

There are numerous situations when Federal drug and/or alcohol tests must be administered for the railroad to be in compliance with 49 CFR Part 219. Personnel performing functions listed in Section C of this policy will be required to submit to a drug and/or alcohol test in the instances set forth, as follows:

##### Pre-Employment Drug Testing (49 CFR § 219.501):

Applicants will be informed that all individuals this company will use for regulated service must be drug-free. Passing a Federal pre-employment drug test is a condition prior to performing regulated service duties. If an applicant refuses to submit to the drug test, or tests positive on the drug test, the applicant will not be considered qualified to perform regulated service and will not be offered a position in regulated service.

Federal Pre-Employment Alcohol Testing (Optional) – (49 CFR § 219.502) Authorized but not required. This railroad chooses to conduct Federal alcohol pre-employment testing? Place a check in one of the following boxes:      Yes        No

##### Federal Reasonable Suspicion Testing (49 CFR § 219.301):

Regulated service personnel will be required to submit to a Federal drug and/or alcohol test whenever a properly trained supervisory employee of this railroad has reasonable suspicion that a regulated employee is currently under the influence of or impaired by a controlled substance or alcohol. Reasonable suspicion must be based on specific, contemporaneous personal observations the supervisor can articulate concerning the employee's appearance, behavior, speech, body odor, chronic effects or withdrawal effects.

Part 219.11(g) requires supervisory employees to have education and training on alcohol misuse and controlled substance use. The training will cover the physical, behavioral, speech and performance indicators of probable alcohol misuse and use of controlled substances. It will also prepare the supervisors to make the decisions necessary in reasonable suspicion and FRA post-accident situations (i.e., what is a qualifying event and who is to be tested).

The observations for alcohol must be made by at least one qualified supervisor [49 CFR § 219.11 (g)] who has received proper training in the signs of alcohol use. ~~and/or~~ The observations for drugs

must be made by at least two qualified (one of whom has been trained and one of whom is on-site) supervisors who have received proper training in the signs and symptoms of drug use/misuse, consistent with standards which meet the FRA regulatory requirements of 49 CFR § 219.11 (g). Although preferred, the supervisor trained per 219.11 (g) does not have to be the supervisor on site. Documentation of this decision must be maintained, as required by Part 219 Subpart J.

If operating on tracks of another railroad, this railroad will coordinate with the host railroad and decide how the supervisor on the site will immediately communicate and coordinate decisions to test and who will administer the necessary testing. In all reasonable suspicion cases, the supervisor will ensure that the regulated service person is transported immediately to a collection site for a timely collection of a urine and/or breath specimen. If the regulated service person is deemed not fit to return to work, the supervisor will arrange transportation for the person. This is not a Federal requirement, but safety will be better assured if accomplished.

Supervisors must document their observations that led them to decide there was a “reasonable suspicion” to have the regulated service person subjected to Federal drug and/or alcohol testing.

#### FRA Post-Accident Toxicological Testing:

~~Part 219 subpart C requires this railroad to collect certain employee’s urine, blood and/or breath specimens (tissue in the event of a fatality) after qualifying FRA Post Accident events. FRA regulations require blood and urine specimens from all surviving regulated service personnel when they are directly involved in a qualifying accident or incident. Tissues are also collected, in addition to urine and blood, from any fatality involving an on-duty railroad employee (direct or “regulated service” contractual employee).~~ This railroad will provide training on the qualifying criteria for post-accident testing contained in subpart C of this part and the role of the supervisor in post-accident collections described in subpart C and Appendix C to Part 219. ~~Post-accident events are as follows:~~ Events requiring FRA post-accident testing include (note regulatory exceptions will be followed):

1. Major Train Accident involving any rail equipment accident with reportable damages in excess of the current calendar year reporting threshold under 49 CFR Part 225 and one or more of the following:
  - a. A fatality (any fatality).
  - b. A release of hazardous materials from railroad “lading” that results in an evacuation or reportable injury caused by the hazmat release.
  - c. Damage to railroad property of \$1.5 Million or more.
  
2. Impact Accident involving reportable damage in excess of the current reporting threshold that results in:
  - a. A reportable injury; or
  - b. Damage to railroad property of \$150,000 or more.

3. Fatal Train Incident involving any on-duty railroad employee or regulated contractor employee where damages do not exceed the current reporting threshold.
4. Passenger Train Accident with a reportable injury to any person in a train accident involving damage in excess of the current reporting threshold that involves a passenger train.
5. Human-Factor Highway-Rail Grade Crossing Accident/Incident meeting one of the following criteria:
  - i. If regulated employee interfered with the normal functioning of a grade crossing signal system, in testing or otherwise, without first providing for the safety of highway traffic that depends on the normal functioning of such a system, as prohibited by § 234.209, is subject to testing.
  - ii. If train crewmember who was, or who should have been, flagging highway traffic to stop due to an activation failure of a grade crossing system, as provided § 234.105 (c)(3), is subject to testing.
  - iii. If regulated employee who was performing, or should have been performing, the duties of an appropriately equipped flagger (as defined in § 234.5), but who failed to do so, due to an activation failure, partial activation, or false activation of the grade crossing signal system, as provided by § 234.105 (c)(1) & (2), 234.106, or 234.107 (c)(1)(i), is subject to testing.
  - iv. If there is a fatality of any regulated service employee regardless of fault. (fatally injured regulated employee must be tested)
  - v. If regulated employee violates an FRA regulation or railroad operating rules and whose actions may have played a role in the cause or severity of the accident/incident, is subject to testing.

Testing Decision: For an accident that meets the criteria for a Major Train Accident, all assigned crew members of all involved trains and on-track equipment must be tested. Any other regulated service employees that had a possible role in the cause(s) or severity of the accident must also be tested.

For an Impact Accident, Fatal Train Incident, Passenger Train Accident or Human-Factor Highway-Rail Grade Crossing Accident/Incident, any other regulated service employees that had a possible role in the cause(s) or severity of the accident/incident must also be tested. †The railroad must exclude ~~an~~ other regulated service employees if the responding railroad representative can immediately determine, on the basis of specific information, that the employee had no role in the cause(s) or severity of the accident/incident (considering any such information immediately available at the time). For a fatal train incident, the fatally injured employee cannot be excluded from being tested. If there is a fatality of any regulated service employee as result of a Highway-

Rail Grade Crossing Accident/Incident, the fatally injured regulated employee must be tested regardless of fault.

~~For all five types of accidents, in any case where an operator, dispatcher, signal maintainer or other regulated service employee is directly and contemporaneously involved in the circumstances of the accident/incident, those employees must also be required to provide specimens.~~

Exceptions from Testing: No test may be required in the case of a collision between railroad rolling stock (including any on-track equipment) and a motor vehicle or other highway conveyance at a rail/highway grade crossing, unless it meets the criteria set forth above in Item 5 (i-v).

No test may be required in the case of an accident/incident the cause and severity of which are wholly attributable to a natural cause (e.g., flood, tornado, or other natural disaster) or to vandalism or trespasser(s), as determined on the basis of objective and documented facts by the railroad representative responding to the scene.

The railroad supervisor(s) on the scene will make timely determinations as to the event being a qualifying event and which regulated service employees (if any) are required to be tested according to the rule. This railroad will identify the appropriate personnel who must be tested and then ensure that specimens are collected and shipped.

Collection of Urine and Blood Specimens: Employee specimens will be collected at a medical facility, i.e., hospital, clinic, physician's office, or laboratory where toxicological specimens can be collected according to recognized professional standards. Specimen collections will be accomplished using the FRA Post-Accident Toxicological Testing Kit. Specimens will be collected, packaged, and shipped via express courier service by the railroad to the FRA's designated post-accident testing laboratory. The shipping address is as follows:

Quest Diagnostics Chesapeake Toxicology Resources  
1777 Montreal Circle 8415 Progress Dr Ste V  
Tucker, GA 30084 Frederick, MD 21701  
1-800-729-6432 (240) 397-7060 (M-F 8am-5pm Eastern)  
Fax: 678-406-1037 (800) 879-3067 (All other times)

Implied Consent: Employee(s) required to participate in body fluid testing under subpart C of Part 219 (post-accident toxicological testing) consent to taking of specimens, their release for toxicological analysis under pertinent provisions of this part, and release of the test results to the railroad's Medical Review Officer by promptly executing a consent form, if required by the medical facility. The employee is not required to execute any document or clause waiving rights that the employee would otherwise have against the employer, and any such waiver is void. The employee may not be required to waive liability with respect to negligence on the part of any person participating in the collection, handling or analysis of the specimen or to indemnify any person for the negligence of others. Any consent provided consistent with this section may be construed to extend only to those actions specified in this section.

Any railroad employee who performs service for a railroad is deemed to have consented to removal of body fluid and/or tissue specimens necessary for toxicological analysis from the remains of such employee, if such employee dies within 12 hours of an accident or incident described in subpart C of Part 219 as a result of such event. This consent is specifically required of employees not in regulated service, as well as employees in regulated service.

#### H. DRUG TESTING PROCEDURES

The designated collection agents will be qualified and follow the proper collection procedures as described in 49 CFR Part 40.

- a. The Medical Review Officer (MRO) will review drug test results as required in 49 CFR Part 40. All test results will be reported exclusively through the MRO.
- b. A laboratory certified by the Department of Health and Human Services/ Substance Abuse and Mental Health Service Administration (DHHS/ SAMHSA), under the Mandatory Guidelines for Federal Workplace Drug Testing Programs, will perform all drug testing.
- c. Test results will be reported from the laboratory only to the MRO for review and action consistent with 49 CFR Part 40.
- d. The name of the individual providing the specimen will remain confidential and will not be provided to the laboratory performing the test. The testing laboratory is only able to identify the specimen by the specimen ID number printed on the chain-of-custody form. The laboratory will only use a urine custody and control form consistent with the requirements of 49 CFR Part 40.
- e. The designated laboratory will only test for the drugs listed in 49 CFR § 40.85.
- f. The MRO will verify the results and report (using procedures in 49 CFR Part 40) to the DER whether the test was positive or negative and the drugs for which there was a positive result.

#### I. ALCOHOL TESTING PROCEDURES

Breath alcohol testing will be performed by fully trained and certified Breath Alcohol Technicians (BAT) using the National Highway Traffic Safety Administration (NHTSA) approved testing devices. The results will be documented on an approved Federal Breath Alcohol Testing Form and will be signed by the employee and the BAT. At the time of the alcohol test, the employee will receive a copy of the test result, with an identical copy being sent to the railroad's DER.

- a. Negative results: The DER will be provided a copy of the negative test results.
- b. Positive results: The BAT will immediately and directly notify the railroad's DER if the test results are positive (0.02 percent or higher) who will take appropriate action to remove or restrict the employee from regulated service as required by Part 219.

## J. DRUG TEST RESULTS

For any FRA testing, the railroad should as a “best practice” notify the employee in writing of test results.

Positive or Otherwise Non-Negative Results: If the laboratory reports the drug test result as POSITIVE or otherwise non-negative, the following procedures will be followed:

- a. The MRO will immediately inform the regulated service person of the result and offer the person the opportunity for an interview to discuss the test result. If the MRO has difficulty reaching the employee, the procedures set forth in 49 CFR § 40.131 will be followed.
- b. The MRO will complete and document the review as required by 49 CFR Part 40 Subpart G, determining if the external chain of custody was intact, ~~and~~ if the person has a legitimate medical explanation for the presence of any controlled substance, and whether there is any basis to question the scientific sufficiency of the test results. In the case of an opiate positive, the MRO will also make the special determinations required by the regulation.
- c. If the MRO verifies the test result as positive, the MRO will report the result to the railroad’s DER. If the MRO determines that the result is non-negative, and the non-negative result cannot be explained, the appropriate regulatory action will be pursued. The MRO will report the verified test result in accordance with 49 CFR § 40.163. The MRO will not provide the DER with the quantitative test results unless the employee, as stipulated in the regulation, disputes the test.

Negative results: If the MRO has determined that the drug test is NEGATIVE, the MRO will accomplish the required administrative review and report the negative results to the railroad’s DER in accordance with 49 CFR § 40.163.

Negative-dilute results: Unless the MRO directs a railroad to conduct a recollection under direct observation (for a result with creatinine from 2 to 5 mg/dL), per 40.197, a negative-dilute is considered a negative test, although a railroad may, but is not required to direct the employee to immediately take another test. Such recollections must not be collected under direct observation unless there is another regulatory basis to do so. A railroad must treat all regulated employees the same. For example, it must not retest some employees and not others. A railroad may establish different policies for different types of tests (e.g., conduct retests in pre-employment situations, but not in random test situations). This railroad’s policy for negative-dilutes that do not require re-collection under direct observation (when ordered by the MRO) is as follows: Will follow MRO direction.

## K. REFUSAL TO TEST

Failure to remain available for FRA post-accident testing following an accident or casualty (i.e., being absent without leave) is considered a refusal to participate in testing, without regard to any subsequent provision of specimens. An employee who has been transported to receive medical care is not released from duty for purposes of this section. Nothing in this section prohibits the

subsequent testing of an employee who has failed to remain available for testing as required (i.e., who is absent without leave); but subsequent testing does not excuse such refusal by the employee to provide the required specimens in a timely manner.

For all types of Federal testing, an employee who refuses to cooperate to provide specimens as required by Part 219/40 “has refused to test” and must be withdrawn from regulated service and must be deemed disqualified for regulated service for a period of nine (9) months. What constitutes a “refusal to test” is described in 49 CFR § 40.191. The requirement of disqualification for nine (9) months does not limit any discretion on the part of the railroad to impose additional sanctions for the same or related conduct.

#### L. CONFIDENTIALITY

- a. Medical information a regulated person provides to the MRO during the verification process is treated as confidential by the MRO and is not communicated to the railroad except as provided in Part 40.
- b. Confidentiality of Federal drug or alcohol testing results will be maintained as required by the regulations. For example:
  1. The laboratory observes confidentiality requirements as provided in the regulations. This railroad does not advise the laboratory of the identity of persons submitting specimens. The laboratory performing the testing must keep all records pertaining to the drug test for a period of two years.
  2. All test results will remain exclusively in the secure files of the MRO. The MRO will observe strict confidentiality in accordance with the regulations and professional standards. The MRO will retain the reports of individual test results as required in Part 219 Subpart J.
  3. The DER will maintain all test results reported by the MRO, both positive and negative, in secure storage. The results will be retained as required in Part 219 Subpart J. Other personnel will be informed of individual test results only in the case of positive tests and authorized only on a need-to-know basis.

#### M. COMPLIANCE WITH TESTING PROCEDURES

- a. All regulated service personnel/applicants requested to undergo a Federal drug and/or alcohol test are required to promptly comply with this request. This railroad expects all prospective and current regulated service personnel to exercise good faith and cooperation in complying with any procedures required under this policy. Refusal to submit to a Federal drug or alcohol test required under FRA rules, engaging in any conduct which jeopardizes the integrity of the specimen or the reliability of the test result, or any other violations of the prohibited conduct in 49 CFR 219.101 or 219.102 could subject the person to disciplinary action (up to and

including termination), independent and regardless of any test result. This includes failure to show up on time for a drug/alcohol test, failing to remain at the testing site until the testing process is complete, etc. (see 49 CFR § 40.191).

- b. All DOT Federal return-to-duty and follow-up urine specimens must be collected under direct observation (using the ~~new~~ direct observation procedures in 49 CFR § 40.67 (i)) ~~when the regulatory service employee has had a previous positive Federal drug test result or has previously refused to take a Federal test (including adulteration or substitution)~~. Note that an SAP may also require return-to-duty and follow-up “drug” tests in addition to alcohol tests following an alcohol positive of 0.04 percent or greater.
- c. Direct Observation Urine Collection Procedures: The collector (or observer) must be the same gender as the employee. If the collector is not the observer, the collector must instruct the observer about the procedures for checking the employee for prosthetic or other devices designed to carry “clean” urine and urine substitutes AND for watching the employee urinate into the collection container. The observer will request the employee to raise his or her shirt, blouse or dress/skirt, as appropriate, above the waist, just above the navel; and lower clothing and underpants to mid-thigh and show the observer, by turning around, that the employee does not have such a device.
  - 1) If the employee has a device, the observer immediately notifies the collector; the collector stops the collection; and the collector thoroughly documents the circumstances surrounding the event in the remarks section of the testing form. The collector notifies the DER. This is a refusal to test.
  - 2) If the employee does not have a device, the employee is permitted to return his/her clothing to its proper position for the observed collection. The observer must watch the urine go from the employee’s body into the collection container. The observer must watch as the employee takes the specimen to the collector. The collector then completes the collection process.
  - 3) Failure of the employee to permit any part of the direct observation procedure is a refusal to test.
- d. As a minimum, a regulated service person will be removed from FRA regulated service for a minimum of nine months if there is a finding of “refusal to test.”

#### N. POSITIVE TEST RESULTS

- a. Alcohol positive of 0.02 to 0.039: Regulated service personnel should receive written notification of test results which are other than negative. A Federal positive drug test or a Federal alcohol test result of 0.02 percent or greater or a refusal to test will result in immediate removal from regulated service under FRA regulations. A positive alcohol test of at least 0.02 percent but less than 0.04 percent will result in the removal of the person from regulated service for at least eight hours. The railroad is not prohibited from taking further action under its own company policy.

- b. Federal violation: A regulated service person with an MRO verified positive drug test or a breath alcohol test result of 0.04 percent or greater (or a refusal) has violated Federal regulations and must be immediately removed from regulated service. Prior to or upon withdrawing the employee from regulated service, the railroad must provide notice to the employee of the reason for this action. If the employee denies that the test result is valid evidence of alcohol or drug use prohibited by 49 CFR Part 219.101 or 219.102, the employee may demand and must be provided an opportunity for a prompt post-suspension hearing. See 49 CFR § 219.104 (c) for the hearing provisions.

Even if the railroad does not wish to keep the employee in its employment, it must provide the above hearing (if requested) and at a minimum provide the employee with a list of qualified Substance Abuse Professionals. Prior to returning to regulated service the employee will be required to undergo an evaluation by a qualified Substance Abuse Professional (SAP) that is railroad approved, to determine the need for treatment and/or education. The employee will be required to participate and comply with the SAP-recommended treatment and any after-care or follow-up treatment that may be recommended or required.

After successful treatment, for a Federal positive drug test (or alcohol test result of 0.04 percent or greater), per the SAP's requirements, the person must provide a Federal return-to-duty urine specimen and/or breath specimen for testing (which is negative) prior to being allowed to return to regulated service. In addition, the person will be subject to additional unannounced Federal follow-up testing, as determined by the SAP, for a maximum period of 60 months, with a minimum of six tests being performed in the first twelve months (engineers and conductors – SAP ~~with will~~ require a minimum of 6 drug tests and 6 alcohol tests in the first 12 months). Failure to comply with these provisions and remain alcohol and/or drug-free will result in subsequent removal from regulated service and could result in disciplinary action, up to and including termination. Note: Federal regulations do not guarantee the employee will maintain an employment relationship. This is determined via company policy and/or collective bargaining agreement. These Federal return-to-duty and follow-up drug tests must be collected under direct observation.

- c. Identify other employer sanctions (if applicable) for a Federal alcohol test result of at least 0.02 percent but less than 0.04 percent: Employee will be withheld from service pending SAP/EAP review, who can provide evaluation of the employee and a D&A test before returning to work.

Identify other employer sanctions (if applicable) for a Federal alcohol test result of 0.04 percent or greater: The Eemployee will immediately be removed from service, and an investigation will be held. The employee ~~will may~~ be removed from service for a period of 9 months under company policy and may not return to regulated duties until the completion of an SAP evaluation and the return to duty process to determine whether ~~unless the SAP/EAP can provide that~~ the employee is fit for duty.

Identify other employer sanctions (if applicable) for a Federal positive drug test: The Eemployee will immediately be removed from service, and an investigation will be held. The employee ~~will may~~ be removed from service for a period of 9 months under company policy

and may not return to regulated duties until the completion of an SAP evaluation and the return to duty process to determine whether ~~unless the SAP/EAP can provide that~~ the employee is fit for duty.

#### O. EMPLOYEE ASSISTANCE

Employee Rehabilitation: CBR is committed to maintaining a safe and healthy work place for all employees by assisting them to overcome drug or alcohol related problems through appropriate treatment. Employees may voluntarily request confidential assistance from the Human Resources department in dealing with a personal drug and/or alcohol problem. Human Resources will assist employees in identifying and selecting an appropriate private treatment program. Medical confidentiality will be maintained, consistent with this policy.

If an employee seeks drug or alcohol treatment voluntarily and not under adverse employment circumstances, accrued Paid Time Off (PTO) benefits may be used while attending rehabilitation. After such accommodation, the discontinuation of any involvement with alcohol or drugs is an essential requisite for employment and is consistent with CBR's policy of maintaining a drug free workplace.

All medical rehabilitation records will be deemed confidential "patient" records and shall not be disclosed without the prior written consent of the patient, authorizing court order, or otherwise as permitted by Federal law.

Reasonable Suspicion From Co-Workers: Whenever an employee has a reasonable suspicion that another employee is under the influence of alcohol or drugs, including the unlawful use of a controlled substance without a valid prescription, the employee in question may be asked to submit to discovery testing, including urinalysis or a blood screen, or both, to confirm involvement with alcohol or drugs or that the employee is drug or alcohol free at the time in question.

Reasonable Suspicion is defined as specific observations by another employee concerning the work performance, appearance (including noticeable odor of an alcoholic beverage), behavior, or speech of the employee. Any accident or incident involving physical injury to any person is considered as constituting reasonable suspicion for discovery testing for drugs and alcohol where human factors contribute to the incident and a question of sobriety short of reasonable suspicion exists. Reasonable suspicion testing may be based upon, among other things:

- Observable phenomena, such as direct observation of drug use or possession and/or the physical symptoms of being under the influence of a drug;
- A pattern of abnormal conduct or erratic behavior;
- Arrest or conviction for a drug-related offense, or the identification of an employee as the focus of a criminal investigation into illegal drug possession, use or trafficking;
- Newly discovered evidence that the employee has tampered with a previous drug test.

Although reasonable suspicion testing does not require certainty, mere "hunches" are not sufficient to meet this standard.

P. ADDITIONAL RAILROAD POLICIES

As applicable, include information on additional railroad policies with respect to the use or possession of alcohol and drugs, including any consequences for an employee found to have a specific alcohol concentration, that are based on the railroad's authority independent of Part 219: CBR has ~~a~~ zero tolerance for drug and alcohol use and as such any employee reporting to work or on duty with any measurable prohibited substance will be removed from service pending investigation.

## APPENDIX A

### Release of Information Form -- 49 CFR Part 40 Drug and Alcohol Testing

**Section I. To be completed by the new employer, signed by the employee, and transmitted to the previous employer:**

Employee Printed or Typed Name: \_\_\_\_\_

Employee SS or ID Number: \_\_\_\_\_

I hereby authorize release of information from my Department of Transportation regulated drug and alcohol testing records by my previous employer, listed in *Section I-B*, to the employer listed in *Section I-A*. This release is in accordance with DOT Regulation 49 CFR Part 40, Section 40.25. I understand that information to be released in *Section II-A* by my previous employer, is limited to the following DOT-regulated testing items:

1. Alcohol tests with a result of 0.04 or higher;
2. Verified positive drug tests;
3. Refusals to be tested;
4. Other violations of DOT agency drug and alcohol testing regulations;
5. Information obtained from previous employers of a drug and alcohol rule violation;
6. Documentation, if any, of completion of the return-to-duty process following a rule violation.

Have you worked for a DOT-regulated employer in the last 2 years?  YES  NO

Have you tested positive, or refused to test, on any Federal pre-employment drug/alcohol test?  YES  NO

Employee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**I-A.** New Employer Name: Coos Bay Rail Line, Inc.  
Address: 125 Central Avenue, Suite 300  
Coos Bay, OR 97420  
Phone #: (541) 267-7678  
Fax #: (541) 269-1475  
Designated Employer Rep: ~~Lanelle Comstock~~ Krystal Karcher

**I-B.** Previous Employer Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_ Designated Employer Representative (if known): \_\_\_\_\_

**Section II. To be completed by the previous employer and transmitted by mail or fax to the new employer:**

**II-A.** In the two years prior to the date of the employee's signature (in Section I), for DOT-regulated testing ~

1. Did the employee have alcohol tests with a result of 0.04 or higher?  YES  NO
2. Did the employee have verified positive drug tests?  YES  NO
3. Did the employee refuse to be tested?  YES  NO
4. Did the employee have other violations of DOT agency drug and alcohol testing regulations?  YES  NO
5. Did a previous employer report a drug and alcohol rule violation to you?  YES  NO
6. If you answered "yes" to any of the above items, did the employee complete the return-to-duty process?  YES  NO

*NOTE: If you answered "yes" to item 5, you must provide the previous employer's report. If you answered "yes" to item 6, you must also transmit the appropriate return-to-duty documentation (e.g., SAP report(s), follow-up testing record).*

**II-B.** Name of person providing information in *Section II-A*: \_\_\_\_\_

Title: \_\_\_\_\_ Phone #: \_\_\_\_\_

Date: \_\_\_\_\_



## **APPENDIX B**

### **What You Need to Know About Federal Drug and Alcohol Testing**

Federal drug & alcohol testing in the railroad industry must comply with DOT and FRA Federal regulations/procedures. This flier is a cooperative effort to provide regulated employees like you with the information you need to comply with Federal testing. Any other testing would be conducted under company authority.

- DOT and FRA testing regulations (49 CFR Parts 40 and 219) apply to all regulated employees who perform work regulated by the Federal Hours of Service Laws (see 49 U.S.C. §§ 21101-21108) **or** performing duties as Maintenance-of-Way (MOW) workers as described in the definition of “Roadway Worker” in § 214.7 **or** employees performing Mechanical functions (MECH) duties covered by the definition of “Mechanical Employees” in § 219.5. (e.g., train and engine employees, dispatchers, signal employees, roadway workers and mechanical employees).
- Always conduct yourself in a business-like manner and do not joke or make fun of the collection process. Testing is part of your responsibilities as a safety-sensitive rail employee.
- Follow the specimen collector’s instructions; e.g., remove your coat and empty your pockets.
- Be alert during the collection process and save the copies of the forms that are given to you.
- The paper form that is used to record the testing information will identify whether the test is under Federal or company authority, and state the reason for the test. A special form is used for FRA post-accident testing.
- Only the results of a **Federal** test (positive, adulterated, or substituted drug test; positive alcohol test - concentration of 0.04 or more; or refusal) trigger Federal sanctions, which include engineer decertification under Part 240 and conductor decertification under Part 242.
- If you feel you have been wrongfully charged with a Federal drug or alcohol violation, you are entitled to a hearing per 219.104 (c).
- Testing for **drugs** requires a urine specimen. Testing for **alcohol** uses a breathalyzer or a saliva swab (blood is taken for FRA post-accident testing only).

### **Drug and Alcohol Prohibitions**

You are in violation of Federal regulations if you are in possession of alcohol or illegal drugs while assigned to perform regulated service; or if you use alcohol on duty; or within 4 hours of reporting for regulated service; or after receiving notice to report (whichever is the lesser period). Use of illegal drugs is prohibited on or off-duty.

**Alcohol Concentration Below 0.02:** A regulated employer may not use a Federal test result below 0.02 for Federal or company action. Breathalyzers are not certified at levels below 0.02, so a test result below 0.02 is negative.

**Alcohol Concentration 0.02 to 0.039:** If you are on railroad property with an alcohol test result from 0.02 through 0.039, your test result is “positive” for alcohol, and the regulated employer must remove you from regulated service for at least 8 hours. The regulated employer is not prohibited from taking further disciplinary action under company policy.

**Alcohol Concentration 0.04 or More and/or Illegal/Unauthorized Drug Use:** If you test positive for illegal or unauthorized drugs, and/or if you test positive for alcohol at 0.04 or higher, you are in “violation” of the Federal rules and the regulated employer must remove you from regulated service. To be allowed to return to regulated service, you must first:

- Complete the Federal return-to-duty requirements, including evaluation by a Substance Abuse Professional and any recommended education and/or treatment; and have a negative result on your Federal return-to-duty test.

- If the regulated employer chooses to return you to duty, you may be subject to Federal follow-up testing for up to 60 months. You will take a minimum of six follow-up tests in the year after you return to work.

**Drugs Tested:** A certified laboratory tests your urine specimen for marijuana, cocaine, opioids, amphetamines, and PCP (and additional drugs for FRA post-accident testing).

**Non-Negative Drug Test:** The testing laboratory will report a non-negative (positive, adulterated, invalid, or substituted result) to the regulated employer’s Medical Review Officer (MRO).

- If your test result is non-negative, the MRO will interview you to determine whether you have a legitimate medical explanation for your test result (for example, use of a prescribed medication).
- The MRO will inform you of your right to request a test of your “split specimen” at a different laboratory. The regulated employer may charge the cost of testing your split specimen back to you if your split specimen test result is positive; and you only have 72 hours to make this request.

### **Prescription and Over-The-Counter Medications**

You must inform one of your treating physicians of all the prescribed and over-the-counter drugs you are taking so that your doctor can determine if your use of these drugs is consistent with the safe performance of your duties.

- You must use the medication at the doctor’s prescribed or authorized dosage.
- The regulated employer may require you to obtain prior approval for any drugs you are taking.
- **Use Only Prescriptions in Your Name:** You may only legally use medications prescribed for you. You are not authorized to use medication prescribed for someone else, such as medications prescribed for your spouse, parents, or children. Using someone else’s prescription drugs can result in a positive Federal test result.

### **Direct Observation Urine Collection**

Federal regulations require a collector or observer to directly observe you while you provide your urine specimen if:

- Your previous urine specimen was out of normal temperature range; or
- The collector previously observed you attempting to tamper or substitute a specimen; or
- Your previous test result was invalid due to an interfering substance and you did not have a legitimate medical explanation; or
- Your split specimen could not be tested following a non-negative test result; or
- A Federal return-to-duty or follow-up test (after you’ve had a Federal positive test result or refusal to test). The collector (or the observer) must be of the same gender as you for direct observation collections.

### **Shy Bladder (If you have difficulty providing a urine specimen)**

- After your first unsuccessful attempt to provide an acceptable specimen, you have up to 3 hours to produce a single specimen of sufficient volume (you can’t combine specimens). You can consume up to 40 ounces of fluid.
- If you do not provide a specimen within those 3 hours, you must undergo a medical evaluation to determine if there was a medical reason for your inability to do so. If a physician determines that there was no medical reason for your failure to provide a urine specimen, you will be charged with a refusal.
- Hours of service limitations generally apply to random collections except when the collector determines a direct observation collection is required (as referenced above).

## **Refusal to Test**

A refusal to take a Federal test usually has harsher penalties than a positive test result. **Never** refuse to cooperate with the testing requirements. Take the test and if needed, address any issues you have later. A refusal includes:

- Failure to appear for a test or remain at the testing site
- Failure to cooperate with the testing process
- Failure to provide a sufficient amount of breath or urine (without an adequate medical explanation as determined by a physician through a required medical evaluation)
- Adulteration or substitution of your urine specimen
- Failure to permit any part of the direct observation procedures.

## **Fatal Flaws**

There are only a few procedural errors serious enough to be considered “fatal” flaws that cause a Federal drug or alcohol test to be cancelled. A fatal flaw is a non-correctable procedural error which calls into question whether the specimen tested was really yours or whether the test result on your specimen was correct (for example, if the specimen ID numbers on your specimen bottle do not match those on your test form).

## **Highway- Rail Grade Crossing Accidents**

If you are involved in a collision at a Highway-rail grade crossing, the event would *not* normally meet the criteria for Post-Accident testing, unless it meets specific Human Factor criteria described in 49 CFR Part 219.201(5)(i-v).

Since FRA regulations cover specific criteria for post-accident testing at highway-rail grade crossings, State and local laws on toxicological testing after rail accidents may not apply. **But**, an officer can still require you to be tested if he or she has “probable cause” to suspect that you were impaired (this has to be more than just the fact that an accident occurred - for example, the officer finds an open beer bottle in the cab) at the time of the accident. FRA does **not** advise resistance to law enforcement action. You must comply if the officer decides to test you. A carrier officer should become involved in this discussion immediately.

## **Voluntary Referral and Co-Worker Report Policies**

- All regulated employers must have both of these programs available if you decide to voluntarily initiate action to address a substance abuse problem, whether that problem is yours or that of a co-worker.
- If you ask for help or a co-worker refers you under one of these programs, the regulated employer must keep you in their employment, maintain your confidentiality, and provide you a leave of absence as specified by the Drug and Alcohol Counselor (DAC) for treatment.
- You must follow the program’s guidelines to maintain these employee protections. The regulated employer is required to offer you only one “bite at the apple,” but programs vary. Check with your employer.

For more complete information review 49 CFR Part 40 and Part 219, ask your union representative, or your regulated employer’s Designated Employer Representative (DER) to share additional information with you. Text of the CFR is available at:

[http://railroads.dot.gov/divisions/partnerships-programs/drug-and-alcohol.](http://railroads.dot.gov/divisions/partnerships-programs/drug-and-alcohol)

**COOS BAY RAIL LINE, INC.  
BOARD OF DIRECTORS  
ACTION/DECISION REQUEST**

**DATE:** June 11, 2026

**PROJECT TITLE:** 2026Res03: Amending Coos Bay Rail Line, Inc.’s Freight Tariff CBR 8500

**ACTION REQUESTED:** Adoption of Resolution 2026Res03 Amending Coos Bay Rail Line, Inc.’s Freight Tariff CBR 8500

**BACKGROUND:**

The Oregon International Port of Coos Bay owns and contracts for the operation of the Coos Bay rail line with Coos Bay Rail Line, Inc., a wholly owned nonprofit subsidiary of the Oregon International Port of Coos Bay. As owner of the rail line, the Port retains responsibility for capital repairs, rehabilitation, and replacement of the infrastructure on the rail line. Since acquiring the line the Port has undertaken a comprehensive capital rehabilitation campaign designed to restore and improve service to regional employers that ship and receive cargo by rail.

In 2013, the Port of Coos Bay instituted a Capital Surcharge Fee on every revenue rail car transported on the Coos Bay Rail Line for the purpose of establishing a revenue stream to pay for debt service and other expenses related to the Port’s acquisition of the rail line, as well as any capital repair and rehabilitation costs that are not covered by grant funds. Any fees not expended during the fiscal year collected are held in a reserve to be used for approved expenses in future fiscal years.

The existing Capital Surcharge rates have been in place since August 15, 2020 and have not been increased since. In order to cover the increased costs of capital repairs and to meet future anticipated expenses related to the rail line, Port & CBRL staff recommend a 10% increase to the Capital Surcharge Fees.

In addition, an Operations Surcharge Fee of \$100.00 per car is being proposed to help supplement operation revenues of Coos Bay Rail Line, Inc. The Operations Surcharge is pending review and approval from Union Pacific.

The proposed red-line version of CBR Freight Tariff 8500 is attached as Exhibit A to the following resolution. Upon approval by the Board, the amended CBR Freight Tariff 8500 will be effective on July 1, 2026 or following 30 days of notice to the shippers, whichever is later, and will cancel all previous versions in its entirety.

**RECOMMENDED MOTION:**

Adopt resolution 2026Res03 amending and implementing Coos Bay Rail Line, Inc.’s Freight Tariff CBR 8500.

**RESOLUTION 2026Res03**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF COOS BAY RAIL LINE, INC.**

**AMENDING AND IMPLEMENTING COOS BAY RAIL LINE, INC.'S  
FREIGHT TARIFF CBR 8500**

**WHEREAS**, the Oregon International Port of Coos Bay owns and contracts for the operation of the Coos Bay rail line with Coos Bay Rail Line, Inc, a wholly owned nonprofit subsidiary of the Oregon International Port of Coos Bay; and

**WHEREAS**, the Port has and continues to undertake a comprehensive capital rehabilitation campaign designed to restore and improve service to regional employers that ship and receive cargo by rail; and

**WHEREAS**, the Port of Coos Bay instituted a Capital surcharge fee on every revenue rail car transported on the Coos Bay Rail Line for the purpose of establishing a revenue stream to pay for debt service and any capital repair and rehabilitation costs that are not covered by grant funds; and

**WHEREAS**, Staff recommends a 10% increase to the Capital Surcharge Fees; and

**WHEREAS**, an Operations Surcharge Fee of \$100.00 per car is being proposed to help supplement operation revenues of Coos Bay Rail Line, Inc.; and

**WHEREAS**, Freight Tariff CBR 8500 will be effective July 1, 2026 or following 21 days of notice to the shippers, whichever is later, and cancels all previous versions in its entirety.

**NOW THEREFORE, BE IT RESOLVED**, the Board of Directors of Coos Bay Rail Line, Inc. amends and implements Freight Tariff CBR 8500 for Coos Bay Rail Line, Inc., effective July 1, 2026 or following 30 days of notice to the shippers, whichever is later, identified as Exhibit A, attached hereto and incorporated herein by this reference.

**APPROVED and ADOPTED**, by the Board of Directors of Coos Bay Rail Line, Inc. this 18th day of June 2026.

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Lanelle Comstock, President

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Kyle ViksneHill, Chair

# COOS BAY RAIL LINE



## SURCHARGE FEES CBR 8500

This tariff applies on intrastate and interstate traffic, except where expressly provided to contrary in connection with particular rates and provisions contained herein.

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**ISSUED: June 1, 2026**

**EFFECTIVE: July 1, 2026**

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**ISSUED BY:**

Coos Bay Rail Line  
Biran Early, General Manager  
115 Hall Avenue  
Coos Bay, OR 97420

**ITEM 100: CAPITAL PROJECTS SURCHARGE FEE**

In addition to the transportation charge or charges published in tariffs or other instruments whatsoever, the per car surcharge rates shown below shall be used for the purposes of calculating Capital Project Surcharge Fees on traffic moving to or from stations on the CBR assigned ZONES A, B, C and D:

1. Except as provided for in (2) below, the following per car surcharge rates will apply:

- (a) ZONE A ..... ~~\$52.50~~ **\$57.75**
- (b) ZONE B ..... ~~\$78.75~~ **\$86.63**
- (c) ZONE C ..... ~~\$89.25~~ **\$98.18**
- (d) ZONE D (Crossing the Coos Bay Bridge) ..... ~~\$105.00~~ **\$115.50**

2. In lieu of the per car surcharge rates listed in (1) above, the following per car surcharge rates shall be used for the specific loads listed below:

- (a) Woodchips (Not crossing the Coos Bay Bridge) ..... ~~\$71.40~~ **\$78.54**
- (b) Woodchips (Crossing the Coos Bay Bridge)..... ~~\$81.90~~ **\$90.09**
- (c) Intra-Zone moves ..... ~~\$42.00~~ **\$46.20**
- (d) Inter-Zone (Not crossing the Coos Bay Bridge)..... ~~\$89.25~~ **\$98.18**
- (e) Inter-Zone (Crossing the Coos Bay Bridge) ..... ~~\$105.00~~ **\$115.50**
- (f) Inter-Zone Logs/Aggregates (Not crossing the Coos Bay Bridge)..... ~~\$50.40~~ **\$55.44**
- (g) Inter-Zone Logs/Aggregates (Crossing the Coos Bay Bridge) ..... ~~\$60.90~~ **\$66.99**

Surcharge to be paid by the rail user (i.e., receiver or consignee on inbound shipments, and shipper or consignor on outbound shipments), and to be billed by CBR and accrue solely to the Port of Coos Bay.

Explanation of Zones:

<b><u>ZONE "A"</u></b>	<b><u>ZONE "B"</u></b>	<b><u>ZONE "C"</u></b>	<b><u>ZONE "D"</u></b>
Eugene, OR	Cushman, OR	Gardiner / Reedsport, OR	North Bend, OR
Veneta, OR	Canary, OR	Lakeside, OR	Coos Bay, OR
Noti, OR	Kroll, OR	Hauser, OR	McCormac, OR
Vaughn, OR	Gardiner Jct., OR	Cordes / North Spit, OR	Hayden, OR
Richardson, OR			Chrome, OR
Swisshome, OR			Coquille, OR
Siuslaw, OR			
Tide, OR			
Mapleton, OR			
Beck, OR			
Wendson, OR			

**ITEM 102: OPERATIONS SURCHARGE FEE**

In addition to the transportation charge or charges published in tariffs or other instruments whatsoever, the surcharge rates shown below shall be imposed per car:

- 1. Operations Surcharge..... \$100.00