

REGULAR MEETING
Port of Toledo Board of Commissioners
496 NE Hwy 20, Unit #1, Toledo, OR 97391
May 21, 2019 – Wednesday, 6:00 pm

- 1) **Call to Order:** The regular meeting of the Port of Toledo Board of Commissioners was called to order at 6:00 pm by Commission President Rick Graff.
- 2) **In Attendance:** Commissioners Rick Graff, Mike Kriz, Zack Dahl, Chuck Gerttula, and Penny Ryerson. Port Staff: Manager Bud Shoemake and Assistant Port Manager Debbie Scacco.
- 3) **Introduction of Visitors/Visitor Comments:** A visitor named Matt joined the meeting at 6:10 pm, and left the meeting during the Manager's report.
- 4) **Approval of Minutes:** It was moved and seconded (Ryerson/Kriz) to approve the minutes of the Rescheduled, Commission Meeting of April 23, 2019 and Budget Committee Meeting of May 9, 2019. Motion passed 5/0.
- 5) **Financial Report:** Assistant Port Manager Scacco reported on the budget, staff will be preparing the Budget Hearing Notice to be published on June 6, and the Budget Resolution for the next meeting. She advised that there are two changes to the budget that she will be requesting at the hearing. The first is to increase the amount of the MAP Grant expense, and the second is to provide a transfer out of the Special Grant Fund to match the General Fund's transfer in.

There was discussion regarding the changes requested to the Asset Schedule. Commissioner Dahl requested additional review to verify that items that are still owned by the Port are not being deleted. Scacco will review the list with the auditor to determine which assets should be retained and will resubmit the resolution for consideration at the next meeting. Scacco asked the Commission to consider raising the capitalization threshold from \$2,500 to \$5,000. She said that due to the increase business in the shipyard and increase in the size, type, and cost of tools and equipment needed, that items under \$5,000 are less material and better expensed then tracked on the Asset Schedule.

The accounting software was upgraded to Hosted Quickbooks Enterprise. Staff will be working on making procedural changes and having the inventory system ready for the new year on July 1. The capability of having two files open at a time has been saving staff processing time.

The Request for Proposals for audit services is due on May 28th. Scacco advised that the RFP was sent to five firms and is posted on the website. She is expecting a proposal from Grimstad's and Associates, another firm declined to offer a proposal, and there have been no other responses. Proposals will be reviewed by a committee consisting of admin staff and Commissioner Dahl, and a recommendation and draft contract will be presented to the Commission at the June meeting. There was discussion regarding the shortage of qualified accountants.

Scacco also reported that she and Accounting Specialist Cuttaliya Robison have been working on planning and marketing for the Teak Lady Sail on May 25 and the Wooden Boat Show.

Scacco reviewed the financial reports and answered questions posed by the Commissioners. She advised that she had transferred \$200,000 of shipyard funds to the Local Government Investment Pool and \$60,000 to the Money Market Account. She also transferred \$100,000 from the Special Grant Fund to the Local Government Investment Pool. There was discussion if additional checks and balances were needed for transfers. Manager Shoemake advised that Special Districts Association of Oregon provides guidance on financial Best Management Practices. Scacco will contact SDAO and provide a policy draft to be considered at the next Commission meeting. Commissioner Dahl recommended transferring an additional

\$10,000 from the LGIP to the General Fund checking account in order to maintain a minimum account balance to avoid possibility over drafts.

It was moved and seconded (Gerttula/Ryerson) to pay the bills and accept the financial report. Motion passed 5/0.

6) Manager's Report: Shipyard Report – Manager Shoemake provided the commissioners with a written report of vessels hauled at the shipyard during the past month. There were six vessels hauled out with the 660 – ton lift, thirty-three on the 85-ton lift, nine boats at the Small Boat Shop, and five vessels were serviced off site since the last meeting. Four additional employees have been hired.

The Launch Ramp Dock Repair project has been completed. It was delayed from starting as originally planned in March due to the Maintenance Crew having the flu, after that the U DA Man fishing club was scheduled to use the ramp for river cleanup. The Maintenance Crew has rebuilt the five original wooden floats that are about thirty years old. Shoemake predicts they will be good for another ten to fifteen years.

Dredging update – Manager Shoemake reported that he is serving on an oversight committee for the State-owned suction Dredge. Chris Cummings the Director if the Infrastructure Finance Authority, Dave Harlan of the Ports Division, Port Managers of Bandon and Garibaldi along with representatives from the Port of Coos Bay, which has taken responsibility for operating and maintaining the dredge, are also on the committee. The committee will survey Oregon Ports regarding their dredging needs, assist in scheduling use of the dredge, and mediate any issues regarding dredging operations. The committee will meet at the Port Office as it is a central location.

Manager Shoemake reported that he met with the Army Corps of Engineers earlier in the day. Dredging of the Authorized Channel in Depot Slough is on a ten-year rotation and last dredged in 2016. Currently the Port of Toledo is not included in the president's budget, but the Corps is tentatively scheduling the Port's dredging for 2023.

The contract has been signed with Billeter Marine for pile driving for the Shipyard Work building foundation and the Notice to Proceed was issued on April 30. Work is scheduled to begin on June 3, with three weeks of pile driving to be completed by June 30. The first load of pilings was delivered earlier today. Foundation Engineering Inc (FEI) will be monitoring the pile driving, this is the company that Mel McCracken, the geotechnical engineer on the project works for. The two remaining tasks to meet the City's requirements to deed the public right-away and receive the building permit are in the process of being completed. The As-Builts for the waterline relocation have been provided to the City and the easement survey is expected from the surveyor this week.

The 2nd Annual Teak Lady Sail will be May 25. The Boats will be taken to Newport on Thursday, May 23 and will be on display until Saturday. Repairs to Ma Zu have been completed by the Teak Lady Society's volunteers with assistance from Toledo High School intern Jacob Rogers.

A slide show was presented showing photos of:

- F/V Pegasus gantry fitting
- F/V Emerald Sea and F/V Big Wave in the river during a haul-out double dip.
- Mike Lee and JAG worker David Brussard working on the F/V Predator
- Tristan Wilson working on the F/V Recompense
- Demolition of F/V Valentine, it was built in 1958 and was not well maintained
- Offloading piling with ACME lift
- Maintenance crew rebuilding docks
- Rick Johnson working on Teak Lady Ma Zu

- John Kohnen's boat being built at the Toledo Community Boathouse by the Retired Old Guys

Manager Shoemake reviewed the agreement with Deanne Dunlap to purchase 6 metal sculptures for \$7,000. \$3,500 has been paid this year and the remaining \$3,500 will be paid next fiscal year.

Commissioner Dahl commented that he appreciated Compliance Specialist's Jason Sasso's written report on the month's compliance and training activities.

7) **Executive Session ORS 192.660(2) (e & h):** Port of Toledo Board of Commissioners entered into Executive Session to discuss property, and legal matters at 7:25 p.m. Session closed at 7:33 p.m. No decisions were made.

8) **Discussion Items:** There were no discussion items.

9) **Decision Items:** Consideration of Resolution 2019-3 was postponed to the June Commission meeting.

It was moved and seconded (Gerttula/Kriz) to increase the capitalization threshold to \$5,000. Motion passed 5/0.

10) **Commissioner Comments:** Commissioner Ryerson said she appreciated Jason Sasso's written compliance report. She thanked Admin Staff. She said the joint meeting with the City was very beneficial.

Manager Shoemake added that he was interested in the City's proposed biosolid project. Commissioners discussed the city's proposed project.

Commissioner Gerttula asked if dredging of the transient dock could be completed with the State's suction dredge or in coordination with the Corps of Engineers dredging of the authorized channel. Manager Shoemake replied that he did not have an answer from the Corps yet, but using the State's dredge is a possibility. A disposal site will be needed.

Commissioner Dahl was happy with the Port's current momentum and by the prospect of the Tokyo Slough project. He offered his assistance to Port staff.

Commissioner Kriz asked about the possibility of adding additional moorage at the shipyard.

Commissioner Graff reminded everyone that the first Waterfront Market of the year will be June 7. He appreciates the addition of cameras at the Pavilion and Restroom. He complimented Dennis Chavarria's work at the Paddle Park, saying the park looks as good.

Commissioner Ryerson added that the launch ramp camp host, Gary Corkum, is making a difference in traffic at the launch ramp after dark.

11) **Adjournment:** It was moved and seconded (Gerttula/Ryerson) to adjourn the meeting at 8:00 p.m. Motion passed 5/0.



Mike Kriz, Commission Vice President