

REGULAR MEETING
Port of Toledo Board of Commissioners
Meeting via GoToMeeting
496 NE Hwy 20, Unit #1, Toledo, OR 97391
Tuesday, June 16, 2020, 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 Chuck Gerttula. The meeting was conducted electronically by GoToMeeting.

2) **In Attendance:** Commissioners Chuck Gerttula, Rick Graff, Zack Dahl, Mike Kriz, and Penny Ryerson. Port Staff: Port Manager Bud Shoemake and Assistant Port Manager Debbie Scacco

3) **Introduction of Visitors/Visitor Comments:** Majalise Tolan of Lincoln County School District.

4) Majalise Tolan presented Manager Shoemake with the Lincoln County School District's Annual Tom Moore award. The award was in recognition of Manager Shoemake's contributions to the development of vocational training programs and support of the school district. Accomplishments included developing the internship program, obtaining Maritime Administration Small Shipyard Grant to build a welding lab, assistance with setting up the welding lab at Taft, support of vocational programs at Eddyville Charter School, and providing a location for Eddyville, Toledo and Siletz High Schools to have their senior photos. Tolan said the award recognized Manager Shoemake's commitment to supporting living wage jobs.

Manager Shoemake was honored to receive the award and acknowledged Tolan's contributions to the vocational programs.

President Gerttula thanked the School District and said that the Commission appreciates Manager Shoemake's efforts.

Tolan was excused from the meeting.

5) **Budget Hearing:** President Gerttula opened the Budget Hearing, and with no visitors present to make comment, he left hearing open and carried on with the meeting.

6) **Approval of Minutes:** It was moved and seconded (Ryerson/Kriz) to approve the minutes of the Regular Commission Meeting of May 19, 2020. Motion passed 5/0.

7) **Financial Report:** Scacco reported on administrative activities for the past month. The budget filings were made to the County Clerk and BOLI. Staff is preparing for year end and audit. A physical inventory will be taken at the shipyard. Scacco advised that for this year's audit the Port will have a GASB 75 report completed per Auditor, Signe Grimstad's request. Special Districts Association of Oregon contracts with Milliman to complete the analysis. Scacco provided administrative support to Manager Shoemake and Maintenance Supervisor Les Hall for the construction projects and prepared Request for Quotes for the electrical/mechanical procurement for the new building and for the fab shop. The internet at the Port Office has been upgraded, and Scacco has contacted WAVE to get a quote to install internet at the new building, using access to fiber provided by Central Lincoln PUD. She will also check with Charter regarding cost of service to the new building. Scacco worked with maintenance crew on cleaning protocols in response to COVID19 which follow CDC and Oregon Health Administration guidelines.

Scacco reviewed the financial reports and answered questions posed by Commissioners. Commissioner Dahl inquired if the Shipyard needed a petty cash fund, Scacco responded that there are sometimes cash payments, or incidentals purchased by staff that need to be reimbursed. Commissioner

Dahl commented that staff should consider full accrual accounting. It was moved and seconded (Dahl/Ryerson) to pay the bills and accept the financial report. Motion passed 5/0.

Commissioner Ryerson requested to be excused from the meeting at 6:55 pm.

8) Manager's Report: There were three vessels hauled out on the 660-tonlift and eighteen hauled on the 85-ton lift the past month. Shoemake reported that both painting and welding crews assisted on the F/V Channa Sea at Yaquina Boat Equipment with paint crews painting the tanks, engine room and all voids, and welding crews assisting YBE. The F/V Kylie Lynn is scheduled to be hauled out on June 27 for a sponson. Crews have also been busy building safety gear as well as getting yard projects caught up.

Manager Shoemake reported that he has been enforcing the Best Management Practices and what tasks vessel owners can do. He will also only authorize vendors to complete work that is their main business, not allowing vessel owners to register as a service vendor. .

Planning in response to Coronavirus: The recent outbreak at Pacific Seafood and other local businesses are concerning and staff has to say diligent. Cleaning and sanitizing protocols for the Port's common areas have been set up. Restrooms at the parks have remained closed and staff are repainting the interiors of the restrooms at the Paddle Park, Launch Ramp and Waterfront Park.

Shipyards Work Building: Building erection is going smoothly. The 2 five-ton cranes are in place, and JH Kelly crews are framing the main 70'x70' door. They are installing cross framing on the roof, and once the frame is completed they will have about 2 weeks of welding and torqueing bolts. We are scheduled to take delivery of the Megadoor (70'x70') on June 26. It will take about a week to install it. Manager Shoemake said JH Kelly has been exceptional to work with.

The final electrical and mechanical plans have been completed. Quotes for the equipment and materials have been requested and are due on June 18. Approval has been granted from our Building Official for an alternative fire suppression system instead of sprinklers.

Fabrication Building: Following the last meeting the proposed pre-engineered steel building, fabrication shop, was redesigned from 40'x 60' to a 40'x 80'. Five quotes from different building manufacturers were received. However, the granting agency, the Maritime Administration, does not fund buildings or permitting, but will fund components that go into the building: doors, overhead crane, ventilation, electrical wiring, and possibly the concrete slab. There is \$97,000 remaining in grant funds. Manager Shoemake reported that cost for a basic building with engineered permit drawings for the building and foundation, polycarbonate light panels, insulation panels and delivery is about \$58,600 and Lincoln County Permits will cost about \$1,000.

Manager Shoemake said the new fab shop is critical infrastructure for the continued growth of the shipyard and the MARAD grant can significantly assist with completing it. The current 30' x 40' sq. ft fabrication shop will be utilized as a machine shop. This project is supported by the 5-year Strategic Business Plan.

Commissioners discussed concerns regarding cash flow, and current economic conditions. They asked Manager Shoemake regarding additional costs.

It was moved and seconded (Dahl/Graff) to purchase the building not to exceed a budget of \$120,000.

Commissioner Dahl asked if enough funds were budgeted. Scacco advised that sufficient capital outlay funds are in Boatyard Ops category for Capital Outlay-Equipment in the proposed budget for the new year. A resolution to transfer budgeted funds will be needed if the budget is adopted as it is currently presented.

Motion passed 4/0.

Slides were shown of the New building, R/V Elakha, crew at work, and safety rails fabricated by the crew.

9) Discussion Items: No Additional discussion Items.

President Gerttula closed the Budget Hearing. No comments were received.

10) Decision Items: It was moved and seconded (Kriz/Graff) to adopt Resolution 2020-05 to adopt fiscal year 2020-2021 Budget and to Impose and Categorize the Tax. Motion passed 4/0.

Manager Shoemake presented a request to apply to the Oregon State Marine Board for a Waterway Access and Boating Facility Grant or Small Grant to be matched by labor. The grant will be used at the Launch Ramp for asphalt repair, crack seal and new fenders on the float. It was moved and seconded (Graff/Dahl) to authorize Port Manager to apply for the OSMB grant. Motion passed 4/0.

11) Commissioner Comments: Commissioner Graff congratulated Manager Shoemake on the award and commented that there are a lot of kids benefiting from the programs. He said the new building is looking great.

Commissioner Kriz also congratulated Manager Shoemake on the Tom Moore award, He is happy that the previously missing piece of the building has already been installed.

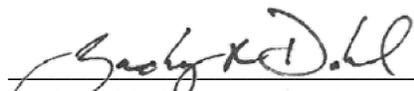
Commissioner Dahl congratulated Manager Shoemake on the award saying it was well deserved and that Manager Shoemake continues to bring good things to this county. He appreciates the staff's contributions to economic development.

Commissioner Gerttula congratulated Shoemake. He asked about Port Tenant, Celestial Seafood. Manager Shoemake advised that Bob Aue has moved out of the Port Complex and Celestial Seafood will be expanding into that space. American Grounding Systems is doing well.

12) Upcoming Meetings: Upcoming meetings are as noted on the agenda.

13) Executive Session ORS 192.660(2) (a, e, &h): Port of Toledo Board of Commissioners entered Executive Session to discuss personnel, real estate and legal matters at 7:45 p.m. Session closed at 8:02 p.m. No decisions were made.

14) Adjournment: It was moved and seconded (Graff/Dahl) to adjourn the meeting at 8:02 p.m. Motion passed 4/0.



Zack Dahl, Commission Secretary/Treasurer