

**REGULAR MEETING**  
**Port of Toledo Board of Commissioners**  
**496 NE Hwy 20, Unit 1, Toledo, OR 97391**  
**Tuesday, July 19, 2022, 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.
- 2) **In Attendance:** Commissioners Chuck Gerttula, Rick Graff, Zack Dahl, Mike Kriz, and Penny Ryerson. Port Staff: Manager Lorna Davis and Assistant Port Manager Debbie Scacco
- 3) **Introduction of Visitors/Visitor Comments:** Jennifer Kent and Lee Hedgemon joined the meeting electronically.
- 4) **Presentations:** Kent and Hedgemon expressed their continued interest in opening a brewery/distillery in Port Station One, Unit 2. Lee Hedgemon currently operates a distillery. They asked about the current tenant's lease termination date and will work with staff regarding current utilities, their business needs, and lease terms.
- 5) **Election of Officers:** It was moved and seconded (Ryerson/Kriz) to retain the current slate of officers. Motion passed 5/0.
- 6) **Approval of Minutes:** It was moved and seconded (Graff/Kriz) to approve the minutes of the June 21, 2022 Regular Meeting and the minutes of the July 15, 2022 Executive Session. Motion passed 5/0.
- 7) **Financial Report:** Scacco reported on administrative activities for the past month. Shipyard inventory is still in progress with the major categories completed. Staff have been streamlining and cleaning up the QuickBooks database as well as reorganizing the physical inventory and setting up new storage areas. Audit has been scheduled with Grimstads. Staff will have yearend financials completed to turn over by the end of September. A GASB75 actuarial is in process. There is a new GASB 87 policy in affect that requires tracking of leased property. Grimstad will provide guidance on any new procedures. Shipyard office staff have returned to the Shipyard office. The building was inspected by an environmental hygiene company and the office was determined to be safe. However, there was not an active blast/paint job in progress at the time of inspection. Another inspection will be completed during an active job. Staff are aware that they have secondary work stations set up at the Port Office and can relocate at their own discretion.

Meetings: Scacco accompanied Manager Davis on a walkthrough of the Shipyard with federal lobbyist, Ray Bucheger of Federal Relations and Fritz Graham of Senator Wyden's office. Scacco has attended two meetings with the City regarding permit requirements to place piling, add ADA gangway and relocate the Boathouse at the Marina. The City Attorney is reviewing the Municipal Code and will notify the Port of his findings. A possible funding source has been identified through Business Oregon that could allow the Port to complete construction of the Vocational Fabrication building.

Sewer Extension project: Preliminary information regarding the Congressional Direct Spending funds has been received. The federal funds have additional requirements and Scacco suggested a Project Manager may be needed. Scacco and Manager Davis will attend an upcoming webinar regarding the funding process.

Wooden Boat Show: Coordination of the festival has become a priority. This year there is an online registration form for exhibitors and vendors. Davis is working with the New Tines for the poster and a special section in the paper.

Manager Davis has been including Scacco on all correspondence and ongoing tasks in preparation of her departure.

Scacco answered Commissioners questions regarding the financial reports. It was moved and seconded (Ryerson/Kriz) to accept the financial reports and pay the bills. Motion passed 5/0.

**8) Managers' Report:** Manager Lorna Davis reported on Shipyard Operations. She presented a list of current projects and reported on the status of repairs for the Large Vessel Building. The overhead crane, foundation settling and ventilation system are still being worked on. There are several vessels on the scheduled for demolition: Port of Newport -F/V Sylvia, and the Western Breeze. There was a significant water leak at the Shipyard, Leo's excavating located the leak and made emergency repairs. The Port will request a waiver or fee reduction from the City. Inventory and Invoice processes are still improving. Commissioner Ryerson inquired on the status of the building. Davis responded that she has been working with the foundation engineer, geotechnical engineer and building contractor for a resolution. If continued progress is not being made the next step will be to refer the issue to the Port's attorney.

**Maintenance:** In Maintenance Manager Les Hall's absence, maintenance staff Crystal Hunter and Stefan Vanderhoff are working as a team to supervise crew and assign tasks. The maintenance crew have been making repairs at the Marina and continue to repair equipment as it comes in from the Shipyard.

**Grants:** Sewer Extension Project – staff met with Business Oregon to continue discussion regarding scope of work and coordination of funding with Congressional Direct Spending funds. Vocational Fabrication Building – Business Oregon asked for a proposal outlining the Ports needs for this project and any additional equipment needs. If this funding can be secured it will be the match for the USDA grant.

**Dredging:** The Office of Counsel for the Army Corps of Engineers has determined the 1912 dredging authorization committed the Port to provide 60% of dredging costs for the federal channel of the Yaquina

**Events:** Davis recommended the Port consider a garbage/restroom policy for larger groups that use the Waterfront Park and pavilion.

**Permitting** for the boathouse/Marina is delayed due to the City's requirements for work in the floodway. Davis is concerned about the impact the City's code could have on future development

**9) Discussion Items:** Manager Davis requested the Commission authorize a Cost of Living increase. It was moved and seconded (Dahl/Ryerson) that staff bring a proposal to the Commission for Cost of Living Adjustment for all Port employees. Motion passed 5/0.

**10) Decision Items:** It was moved and seconded (Ryerson/Dahl) to adopt Resolution 2022-7 authorizing a supplemental budget for fiscal year 2021/2022. Motion passed 5/0.

**11) Commissioner Comments:** Commissioner Dahl thanked Manager Davis for her work at the Port and wished her the best as she begins her new job. He appreciated her accomplishments and the changes she made.

Commissioner Kriz recognized that Davis took on a lot when she took the position at the Port, with the effects of Covid and the Shipyard. He said he appreciated Commissioner Dahl's contributions.

Commissioner Ryerson confirmed Davis' last day will be July 26. She said she is proud to be a part of the Port and that staff is awesome. She appreciated that Davis and Scacco worked together and provided mutual education.

Commissioner Graff said he was sorry that Davis was going and wished her the best. He appreciated the amazing accomplishments made in the past year.

Commissioner Gerttula appreciated Scacco support of Davis and their ability to work as a team.

Manager Davis thanked the Commissioners saying it had been a pleasure and thanked them for their support.

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

**13) Executive Session ORS 192.660 (2a):** Port of Toledo Board of Commissioners entered Executive Session to consider the employment of staff at 7:33 p.m. Session closed at 8:03 p.m. No decisions were made.

It was moved and seconded (Dahl/Ryerson) to appoint Debbie Scacco as Interim Port Manager for six months, with a review on January 15, and an additional 60 days provided if any performance corrections are required to meet Commissioners expectations for leadership, development, continued financial improvements, and overall function of the Port. Wage and benefits to match current Port Manager's and to be effective as of Davis' last day, with the possibility of adjustment at 90 days. Motion passed 5/0.

By consensus the Commission supported Davis' proposal to promote Ben Victorine to the position of Shipyard Manager.

**14) Adjournment:** It was moved and seconded (Graff/Ryerson) to adjourn the meeting at 8:10 p.m. Motion passed 5/0.



Zack Dahl, Commission Secretary/Treasurer

