

REGULAR MEETING
Port of Toledo Board of Commissioners
496 NE Hwy 20, Unit #1, Toledo, OR 97391
April 23, 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:** Jason Johnson from the F/V Pegasus arrived at 6:08 pm.
- 4) **Approval of Minutes:** It was moved and seconded (Kriz/Gerttula) to approve the minutes of the Regular Commission Meeting of February March 19, 2019. Motion passed 5/0.
- 5) **Financial Report:** Assistant Port Manager Scacco reported that staff has been working on the proposed budget. She advised that she discovered \$13,000 of State Forestry Income was not received from the County, and she is working with the County to correct the deposit. She reported that Health Insurance renewal rates have increased 9.6%. Commissioner Dahl asked if a Health Savings Account has been considered, he would like to investigate options in plan offerings for next year to decrease the Port's costs.

The MARAD Small Shipyard Grant was submitted for a \$348,381 project. The project is to equip a welding vocational lab at the Port's industrial Park. The project is a partnership with Oregon Coast Community College and Lincoln County High School to offer vocational training for shipyard welding. Manager Shoemake reported that he met the MARAD Interim Director for the Pacific Northwest at the Pacific Coast Congress of Harbormasters and Port Managers Conference and she was very supportive of the project, and suggested other grant opportunities if the project is not funded through this grant. Shoemake said the project has a lot of support, and expects that additional grant funding can be secured.

Scacco advised that a Request for Proposals for Audit Services had been sent to five potential auditors. The proposals are due May 28. She reviewed the need for a budget adjustment to appropriate contingency funds for the unforeseen Industrial Park Fire Hydrant project. Scacco reported that Admin staff has chosen to upgrade the accounting software to Hosted Quickbooks Enterprise which is a subscription-based program, and provided a written report on the criteria used to make the choice.

Scacco reviewed the financial reports and answered questions posed by the Commissioners. It was moved and seconded (Gerttula/Ryerson) to pay the bills and accept the financial report. Motion passed 5/0.

Visitor's Comments: Mr. Johnson reported that he went to Salem with Heather Mann of the Midwater Trawlers Cooperative to testify against House Bill 2284. HB 2284 would make the Port of Newport a State ran Port. Johnson asked to keep local leadership for the Port of Newport and said he supports the need for a multi-user facility. He reported that the commercial fleet needs access to the terminals for about four months of the year.

Johnson excused himself from the meeting at 6:50 pm.

Commissioners discussed Port of Newport's current situation. Commissioner Ryerson supported PON's leadership staying in Newport. Commissioner Dahl understands that PON needs to increase its operating income without offending its customer base. Manager Shoemake

expressed confidence in the new PON Port Manager, Paula Miranda, and believes that she can gain the support of the Midwater Trawlers.

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 nine vessels hauled out with the 660 – ton lift, and twenty-one on the 85-ton lift since the last meeting. He highlighted several of the projects and reported that the F/V Pegasus and F/V Predator will both likely be in the yard until July.

Manager Shoemake reported that the State OSHA inspection from October 2018 has been finalized and closed. Originally, he was told that there would not be a citation, however the Federal Inspector substantiated a fall hazard. The original citation of \$3,600 was reduced to \$1,750 after Manager Shoemake and Compliance Specialist Jason Sasso appealed for a reduction. An OSHA Consultation had been scheduled prior to the October inspection, but was postponed by OSHA until the inspection was closed. Manager Shoemake recognized that dangerous work is being done in the Shipyard and said safety has to be a priority.

Boatyard Work Building – Manager Shoemake reported that the waterline easements are being surveyed and “As-Builts” are being completed for the relocated waterline. These are the two remaining tasks required for the City to sign off on the Public Right Away easement.

Billeter Marine was the low bidder for the pile installation for the building foundation. The Notice of Intent to Award was sent out the previous week and there were no challenges. Manager Shoemake asked the Commissioner to authorize award of the contract. Billeter's schedule would have him start pile driving the first week of June. Commissioner Ryerson asked if there was enough room in the Shipyard for him to work. Manager Shoemake responded that the steel for the building is being moved to the industrial Park. Commissioner Dahl asked if employee and vendor parking could be at the Industrial Park with a shuttle into the yard.

Hydrant installation at the Industrial Park: Leo's Excavating completed this project. It was determined that the placement of one of the fire hydrants included in the Waterline Relocation Project was not practical after the City located where their main line came into the Shipyard. It was determined that the best location for the hydrant would be at the entrance to the Industrial Park, which would require additional waterline to be placed under the Bay Road. This is a separate project that was not anticipated at the beginning of the year, but is cost effective to complete at this time since Leo's Excavating was at the Shipyard site.

Depoe Bay Wooden Boat Show – Manager Shoemake reported that the Port's booth displayed a draft of the 2019 Wooden Boat Show Poster. He said the booth was very popular, but mainly because they had propane heaters.

7) Discussion Items: The joint meeting with Toledo City Council is scheduled for May 15 for 6 pm to 7 pm. Scacco advised that this is also the date of the Port's second budget meeting if needed. Scacco asked Commissioners if there were topics they would like to discuss. Discussion topics: City Sewer Services to Industrial Park and the Shipyard and the need for workforce housing.

8) Decision Items: It was moved and seconded (Gerttula/Kriz) to authorize the Port Manager to award Contract 2019-1 for the Shipyard Work Building Foundation Piling. Motion passed 5/0.

It was moved and seconded (Ryerson/Kriz) to adopt Resolution 2019-2 authorizing a 2018-2019 budget adjustment in the General Fund. Motion passed 5/0.

It was moved and seconded (Gerttula/Kriz) to approve the Software upgrade to Hosted Quickbooks Enterprise as recommended by Debbie Scacco. Motion passed 5/0.

9) Commissioner Comments: Commissioner Ryerson reported that she went to the PCC Conference and that it was a good meeting.

Commissioner Gerttula thanked Sacco for finding the missing State Forestry Income. He said he was happy with the MARAD Grant application being written for a workforce development program.

Commissioner Dahl thanked the Commission and said he is looking forward to next year.

Commissioner Kriz reported on his visit to the Shipyard saying the admin staff is looking forward to the new software. He was impressed by the variety of boats in the Shipyard. He said he was happy that Justin Johnson attended the meeting. Commissioner Kriz asked if a kayak launch, as described by City Councilor Strom at a previous meeting, is being considered in the budget. Manager Shoemake responded that we would like to pursue an Oregon State Marine Board grant for that purpose.


Commissioner Graff commented that he was happy that rock work was done on the driveway at the shipyard. He agreed with Zack about the potential parking issues in the shipyard. He asked Manager Shoemake about the locations of the fire hydrants in the Shipyard. Manager Shoemake described the location of the 4 hydrants. Graff also commented that the Paddle Park was looking nice with the addition of a culvert and the trees cut back. Manager Shoemake responded that Dundas set the culvert because water was draining into the neighbor's yard, and that Dennis Chavarria has been maintaining the vegetation.

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

At 8:00 pm President Graff called a 5-minute recess.

11) 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 8:05 p.m. Session closed at 8:35 p.m. No decisions were made.

12) Adjournment: It was moved and seconded (Gerttula/Ryerson) to adjourn the meeting at 8:35 p.m. Motion passed 5/0.


Zack Dahl, Commission Secretary/Treasurer