

**REGULAR MEETING**  
**Port of Toledo Board of Commissioners**  
**496 NE Hwy 20, Unit #1, Toledo, OR 97391**  
**Tuesday, November 19, 2019, 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 Bud Shoemake and Assistant Port Manager Debbie Scacco.
- 3) **Introduction of Visitors/Visitor Comments:** Signe Grimstad of Grimstad and Associates, City Councilor Stu Strom, and Doug Alldridge of Yaquina Boat Equipment.

Stu Strom asked permission to set up the plywood cutout Holiday Decorations along the boardwalk as he has in previous years. By consensus the commissioners agreed that it was acceptable, and thanked Strom for volunteering. Strom was excused at 6:04 pm.

Cheri Brubaker of the News Times joined the meeting at 6:05pm and Steven Alldridge of Yaquina Boat Equipment joined the meeting at 6:10 pm.
- 4) **Presentation of Fiscal Year 2018-2019 Audit by Signe Grimstad:** Grimstad reported that it had been a good year for the Port and that the financial records were in good shape. She said the Port received a clean opinion and there were no budget overages. Grimstad reviewed the Managers Discussion and Analysis and the Statement of Net Position reporting a net change in position of a gain of \$1.5 million, mainly due to a gain in capital assets as a result of the work building project. Grimstad reported that payroll procedures were also audited and she will provide staff recommendation. She said that she was pleased with the changes that were made according to last year's recommendations. Grimstad advised that the commission should review the audit and can formally accept it at their December meeting. Once the Management letter is signed, and the audit accepted by the Commission, Grimstad will send it to the Secretary of State.
- 5) **Approval of Minutes:** It was moved and seconded (Ryerson/Kriz) to approve the minutes of the Regular Commission Meeting of October 15, 2019. Motion passed 5/0.
- 6) **Financial Report:** Assistant Port Manager Scacco reviewed office activities for the previous month. She reported that Accounting Specialist Cuttaliya Robinson had resigned and Yvette Farris was hired to fill her position in the Port Office. This was the first meeting that Farris and Mike Meyer, the new Accounting Specialist in the shipyard office have assisted in preparing the financials. Scacco reported that Varon Larsen was hired as the Compliance Specialist. Larsen provided a letter of introduction in the Commissioner's meeting packet that outlined his priorities as he continues the follow up on the Oregon DEQ, OSHA and Fire Marshal consultations.

Scacco reported that during the previous month she provided support and follow up for the audit, the bid process for the concrete foundation and erection of the shipyard work building, and to BST and Associates as they developed the shipyard financial review to be used in the Port's request to Oregon Business for additional project funding.

Scacco reviewed the financial reports and answered questions posed by the Commissioners. It was moved and seconded (Ryerson/Dahl) to pay the bills and accept the financial report. Motion passed 5/0.
- 7) **Manager's Report:** Manager Shoemake reported that Congressman Schrader toured the shipyard and welding lab on November 5. Included in the tour were Commissioner's Gerttula and Dahl, as well as board members and staff from both Oregon Coast Community College and Lincoln County School

District. Manager Shoemake said that the Congressman supported the Port's Maritime Administration Small Shipyard Grant, and hasn't been to the Port since the new lift has been installed.

Status of the welding lab – the equipment has been received, and is being set up for wiring. Michael Rasmussen has been hired by Oregon Coast Community College as the instructor for the program. Two classes of 12 students have been filled for the first term. A ribbon cutting is being planned for January.

Shipyard Report: Manager Shoemake reviewed the list of vessels hauled out over the previous month. There were 10 haul outs on the 660-ton lift and 20 haul outs with the 85-ton lift. Manager Shoemake reported that the yard was busy with the distant water fleet, and that the paint crews had been working overtime to complete the work during the nice weather.

Shipyard Work Building – Manager Shoemake reported that the distant water fleet is scheduled to head north the 2<sup>nd</sup> week in January and he would like to schedule the foundation work to start mid-January. The report from BST and Associates will be submitted to Oregon Business to support the Port's request for additional funding. Manager Shoemake requested that the Commission authorize him to award the contracts for the Concrete Foundation and Building Erection once an award letter is received from the State confirming the additional funding.

Safety Trainings - Crews will be attending a Confined Space Rescue Training on Monday, November 25, along with crews from Yaquina Boat Equipment. Yaquina Boat Equipment and the Port are partnering to provide a Confined Space Rescue Team in case either location is short of trained staff.

Manager Shoemake presented a slide show with photos of Congressman Schrader's tour, welding lab, the f/V Leslie Lee; Ted replacing bulwarks on the F/V Azalea, the F/V Cayman Isle, and the F/V New Life in the Ascom Lift.

8) **Discussion Items:** Manager Shoemake reported that the Port of Newport is meeting this evening, and Port Manager Paula Miranda will discuss with their Commission possible dates for a joint meeting.

City of Toledo's Mayor proposed having a joint meeting on November 25. The commissioners wanted to wait until after the first of the year. Manager Shoemake will propose several dates at the December meeting.

9) **Decision Items:** It was moved and seconded (Kriz/Ryerson) to authorize the Port Manager to award Contract 2019-2 to construct the Concrete Foundation. President Gerttula asked if there were any questions or discussion. Manager Shoemake reviewed the bids and reported that JH Kelly was the lowest bidder at \$588,477. Manager Shoemake stated that JH Kelly was the only bid for erection of the building at \$768,777. He said the bid announcements were published in the Journal of Commerce and the Newport Times, and there were other bidders that had attended the mandatory pre-bid meeting. Commissioner Dahl asked about the project financing, if enough contingency was included in the request to the state. Commissioners discussed appropriate contingency percentage and advised the Port Manager to increase the request to the state to include a 20 – 25% contingency. Manager Shoemake requested that the authorization to award be contingent on the State's award letter.

Commissioner Kriz withdrew his previous motion and Commissioner Ryerson withdrew her second of that motion.

It was moved and seconded (Dahl/Ryerson) to authorize Manager Shoemake to award contracts 2019-2 for the Concrete Foundation and 2019-3 for Building Erection contingent on receiving the authorization letter for additional funding from Oregon Business. Motion passed 5/0.

10) **Commissioner Comments:** Commissioner Kriz said that everything is looking good at the Shipyard.

Commissioner Dahl is glad to have the contracts authorized to keep the project moving, and said is at a big step forward in completing the shipyard expansion project. He is glad that the Port is following the Strategic Business Plan and said to keep up the good work.


Commissioner Graff is happy to see the mount of big boats in the yard. He was pleased with the Auditor's report.

Commissioner Ryerson was also happy with the Auditor's report. She was impressed by Compliance Specialist's Varon Larsen's written report.

Commissioner Gerttula was happy to see the Holiday Party Invitation. He was glad to have participated in the tour for Congressman Schrader's visit. He was happy with the audit presentation. He thanked Doug and Steven Alldridge for staying for the meeting, and is happy to have Yaquina Boat Equipment's support and as a partner for the confined space rescue team.

Doug Alldridge reported that Yaquina Boat Equipment also invited Toledo Fire Department to participate in the Confined Space Rescue Training.

- 11) **Upcoming Meetings:** Upcoming meetings are as noted on the agenda.
- 12) **Recess:** Commissioner Gerttula called a five-minute recess at 7:20 pm.
- 13) **Executive Session ORS 192.660(2) (e & h):** Port of Toledo Board of Commissioners entered into Executive Session to discuss real estate matters and legal matters at 7:26 p.m. Session closed at 7:50 p.m. No decisions were made.
- 14) **Adjournment:** It was moved and seconded (Graff/Kriz) to adjourn the meeting at 7:50 p.m. Motion passed 5/0.

  
Zack Dahl, Commission Secretary/Treasurer