

REGULAR MEETING
Port of Toledo Board of Commissioners
496 NE Hwy 20, Unit #1, Toledo, OR 97391
Tuesday, October 15, 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:** CJ Drake, Communications and Public Affairs Manager at Georgia Pacific-Toledo; Randal Morris, Public Affairs Manager, Georgia Pacific-Atlanta; Caroline Bauman, Executive Director Economic Development Alliance of Lincoln County; Stu Strom, City Councilor, City of Toledo; and Doug Alldridge, Owner, Yaquina Boat Equipment.

4) **Presentation by CJ Drake** regarding Georgia Pacific's modernization project and its Strategic Investment Program (SIP) application. Drake explained that GP's \$25 million investment in the Juno project at the Toledo plant will qualify GP for the SIP program and there is the potential total investment of \$100 million over the next 15 years. The SIP includes a provision that the taxpayer (Georgia-Pacific) pays a Community Service Fee of 25% of the tax savings during the exemption period to the County to be distributed through an agreement between the taxing districts (non-school) that are impacted by the exemption: the County, the City of Toledo, the Greater Toledo Pool Recreation District, and the Port of Toledo. Drake answered questions from the Commissioners and invited them to attend County and City public hearing the following night at the Toledo Fire Station.

Randal Morris thanked the Commission and reported on recent incident at his local port at Brunswick, Georgia.

Doug Alldridge was excused at 6:40 pm.

CJ Drake, Randal Morris, and Caroline Bauman were excused at 6:50 pm.

5) **Approval of Minutes:** Commissioner Ryerson noted a correction to the minutes: Zack Dahl should have been recorded as excused. It was moved and seconded (Kriz/Graff) to approve the minutes of the Regular Commission Meeting of September 17, 2019. Motion passed 5/0.

6) **Financial Report:** Assistant Port Manager Scacco reviewed office activities for the previous month. She reported that Kathy Petty is retiring and Michael Meyer will be filling the Accounting Specialist position. The audit is in progress and Signe Grimstad says it is on schedule, she plans to present at the Commission's November meeting. Scacco reported that she has been assisting with Shipyard Compliance and has provided follow up information for the DEQ and OSHA consultations. She is also assisting with developing the hazardous substance inventory for the State Fire Marshall and Community Right to Know program.

Scacco reported on Special District Association of Oregon's annual Best Practices Survey saying the emphasis this year is on public records law. The Best Practices program provides up to a 10% discount on the Port's property/casualty insurance if all items are completed. Scacco completed the online training on the new Public Records Law and drafted an updated policy to be based on SDAO's sample policy to be considered by the Port Commission.

A Return-To-Work policy was also drafted for the Commissioner's consideration. Scacco explained that the Port currently has a policy, but SDAO has provided an updated policy.

Scacco reviewed the financial reports and answered questions posed by the Commissioners. Commissioner Dahl expressed concern regarding the current process of making bank transfers between bank accounts and said he will look into setting up additional security protocols. He also requested that

the General Fund Oregon Coast Bank checking account balance be increased to insure against accidental overdrafts. It was moved and seconded (Kriz/Graff) to pay the bills and accept the financial report. Motion passed 5/0.

7) Manager's Report: Manager Shoemake provided a report on activity at the Shipyard. There were 5 haul outs on the 660-ton lift and 18 haul outs with the 85-ton lift. The F/V Mickey was rehailed after hitting submerged piling when leaving the Transient Dock. Oregon Division of State Lands claim ownership of the piling and Manager Shoemake would like to see a hydrology report completed to determine which pilings should be removed. Manager Shoemake reported on recent purchases from the Department of Administrative Services: A 85' boom lift for \$15,000 – needed for shipyard operations and three additional small trucks, one of which is electric. Recruitment for two budgeted positions at the Shipyard will be opened soon: Shipyard Manager and Tool Room/Inventory Specialist. Mike Lee has been hired as a part-time project Manager and will be managing the Nauticam installation and repowering project on F/V Miss Sue. The High School intern program is continuing this year. Manager Shoemake reported that he interviewed five students at Toledo High School earlier in the day. There will be two - threes students at a time, for two hour periods during the day. Four students are returning for their second year.

Shipyard Work Building – Bids are due for the concrete foundation and building erection on October 23. There were five contractors that attended the mandatory pre-bid conference. Port staff has prepped the piling footings by filling with 1" gravel and compacting. The final electrical and plumbing plans are being developed. There is approximately \$585,000 of grant funds remaining. Manager Shoemake is working with BST and Associates to establish rates and look at the Shipyards's profitability to provide updated financial data to assist in securing additional funding from Business Oregon.

Vocational Training Lab: The metal work for welding booths, cutting tables and quench tanks has been completed and electrical materials and welding equipment are being ordered. Kevin Hill Marine has agreed to terminate the lease of the Industrial Park Unit 2 and the Community College and School District have agreed to rent the unit adjacent to the welding lab for instruction space. Kevin Hill requested first option on any new units in the future. New signs have been ordered for the building to identify the welding lab and Port shops as required by the Fire Marshall.

Oregon Public Ports Association and Pacific Coast Congress of Harbormaster and Port Manager's Conferences: Manager Shoemake attended the annual OPPA conference at the Port of Morrow in Boardman. The Port of Morrow puts \$3.4 billion into their economy annually and is second only to the Port of Portland in economic benefits.

The semi-annual PCC Conference was at the Port of Everett in WA. They have the largest marina on the West Coast. One of the educational sessions presented the dangers of electrolysis in the marina. Oregon State Marine Board has not provided any guidance on this subject, but the Port could use local marine electricians as resources.

Celebrate LBL – The annual event sponsored by Linn Benton Lincoln Council of Governments is on October 24. The Port nominated Joe Novello as Volunteer of the Year. Joe has been a true champion of the Port through his dedication to the management of the boathouses, family boating and the Wooden Boat Show.

8) Discussion Items: Manager Shoemake provided a letter of intent from Jennifer Kent, regarding potentially leasing Port Station 1, Unit 2 for use as a brewery. She provided letters of reference and support from colleagues including her current employer, McMenamins. She has been looking for an appropriate location in Toledo for a brewery for about a year. By consensus the Commissioners agreed that Manager Shoemake should negotiate a proposal for their consideration.

Manager Shoemake will make contact with the Port of Newport, City of Toledo and County Commission to schedule joint meetings over the course of the next 4-5 months.

9) **Decision Items:** It was moved and seconded (Ryerson/Kriz) to adopt the Return to Work Policy. Motion passed 5/0.

It was moved and seconded (Ryerson/Graff) to adopt the Public Records policy. Motion passed 5/0.

10) **Commissioner Comments:** Commissioner Kriz reported that he visited the welding lab, and the welding booths were nicer than they had at OIT when he attended.

Commissioner Dahl anticipates the impact of the completed work building. He reports that the Port is being discussed by other committees that he serves on. He said he looks forward to moving forward over the next year.

Commissioner Ryerson said that she is glad to be back. She thanked the Port for the flowers and Bud for staying in touch. She is proud of what the Port is doing.

Commissioner Graff said he was proud to be serving on the Commission with such a good board. He reported that he caught a fish in F/V Miss Sue's wake as it went to the shipyard. He complimented Port staff on their good work.

Commissioner Gerttula is looking forward to seeing the foundation poured for the work building. He commented on several port accomplishments that have been low key and not recognized: upgraded security cameras at the Park and Marina and the tenants at the Port Complex.

Manager Shoemake presented a slide show of work being done on the F/V Mickey, F/V Islander, and F/V Miss Sue.

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

12) **Recess:** Commissioner Graff called for a recess at 7:55 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 8:05 p.m. Session closed at 8:27 p.m. No decisions were made.

It was moved and seconded (Ryerson/Kriz) to support the Georgia Pacific SIP application. Commissioners Dahl and Graff declared potential conflicts of interest. Motion passed 5/0.

14) **Adjournment:** It was moved and seconded (Ryerson/Dahl) to adjourn the meeting at 8:29 p.m. Motion passed 5/0.


Zack Dahl, Commission Secretary/Treasurer