

**REGULAR MEETING**  
**Port of Toledo Board of Commissioners**  
**496 NE Hwy 20, Unit #1, Toledo, OR 97391**  
**October 16, 2018 – Tuesday, 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, Assistant Port Manager Debbie Scacco and Boatyard Manager Joe Johnson.
- 3) **Introduction of Visitors/Visitor Comments:** There were no visitors in attendance.
- 4) **Approval of Minutes:** It was moved and seconded (Gerttula/Ryerson) to approve the minutes of the Regular Commission Meeting of September 18, 2018. Motion passed 5/0.
- 5) **Financial Report:** Assistant Port Manager Scacco reviewed office activities for the previous month. She reported that the audit is underway. The auditor made a site visit to the boatyard for inventory last week. At the boatyard, Scacco worked with crew and a representative from JH Kelly to access the extent of damage to the building delivery that slid off of its truck. There is only damage to one beam. JH Kelly will follow up with the building manufacturer regarding a resolution. Scacco also attended the Oregon Public Ports Association's annual conference in Coos Bay.

Scacco reviewed the requirements of Special Districts Association of Oregon's 2018 Best Management Program. The program provides a 10% discount of the Port's property and liability insurance if the Port meets certain requirements including being a member of Oregon Public Ports Association, uploading two pictures of each insured structure to SDAO's website, complete an online training for Facility Emergencies, attend SDAO's conference or trainings, and adopt a Preventative Maintenance Policy. She advised that a draft policy is being presented for the Commission's approval.

In regards to the Boatyard building project, Scacco advised that funds from the Business Oregon loan can be used to pay expenses for the Boatyard Work building but cannot be reimbursed by the ConnectOregon grant, as both funding sources are state lottery funds. Since the ConnectOregon grant is on a reimbursement basis, a loan or line of credit will be needed to pay the invoices for remaining project expenses. The line of credit will be immediately paid down once reimbursement is received through the grant program. Manager Shoemake advised that he recommends requesting a limit of \$500,000. The tasks to still be completed are: waterline relocation, building foundation, and building erection. Commissioner Zack asked that the bank fees for the loan be compared between Oregon Coast Bank and Bank of the West.

An email from the Chamber of Commerce was provided to the Commission reporting the success of the first year of the Waterfront Market and the Chamber's plans to continue next year at Waterfront Park.

Scacco reviewed Kathy Petty's, Boatyard Office Manager, written report advising that revenue picked up in September and reporting that there are several big boats on the schedule through December. The first boat has been scheduled in the new building in October 2019. She reported that the search for new accounting software is back underway. Commissioner Dahl asked if the Port's auditor should participate in the software review. Scacco said she would consult with the auditor.

Commissioner Dahl asked if a Purchase Order system had been considered. Scacco responded that the boatyard office manager, Kathy Petty, is handling all ordering, receiving, and invoicing, but the purchase order system will be evaluated as an integral part of any new software.

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.

**6) Boatyard Report:** Boatyard Manager Joe Johnson reported that there were four haul outs on the large lift and fifteen haul outs on the 85-ton lift since the last meeting. The FV Widgeon is in the tent for a bulbous bow, rolling chocks, sonar tube and an upper pilot house. The FV Pegasus is scheduled to arrive at the end of October for a sponson, and will be a Yaquina Boat Equipment project that the Port will also work on. Johnson reported that all of the steel for the work building has been delivered. Crew has tarped the pieces that should be protected from the weather. Manager Shoemake reported that the boatyard was going to be in need of skilled welders, he is looking into the possibility of bringing in temporary welders to complete the upcoming projects.

Commissioner Dahl, in response to Johnson's written report, asked if Johnson had any suggestions on how to overcome the logistical hurdles of the yard. Johnson's responded with ideas to divert the current at the haul out piers.

**7) Manager Report:** Boatyard Work Building – Manager Shoemake reported that engineering to relocate the water line is close to being completed. He has a meeting the following week with the State Fire Marshall and Toledo Fire Department to determine the building requirements for fire protection. After the City approves the new waterline the Port will be able to proceed.

Wooden Boat Show: The Northwest Steam Society sent the Port a nice letter regarding their participation in the Wooden Boat Show. Members are planning on attending the show next year.

Dredging Appropriations: The Oregon congressional delegation is lobbying for \$290,000 to be designated for Army Corps of Engineers permitting of the Yaquina River for dredging for FY 2019.

Manager Shoemake presented a slide show of activities:

- At the Boathouse, the Old Retired Guys Sailing Club volunteers installed lights and heaters that were purchased with the boathouse's grant funding
- Boatyard crew, Steve Leech with the lathe recently purchased from the surplus yard
- Steve Leech rebuilding a wench
- Manager Shoemake's vacation photos of a Fench harbors, boats, and a boatyard with a 100-ton lift.

**8) Discussion Items:** There were no discussion items.

**9) Decision Items:** It was moved and seconded (Gerttula/Ryerson) to adopt Resolution 2018-12 to Authorize the Port Manager to obtain a loan or line of credit. The resolution was revised to specify up to \$500,000 credit limit, and to omit specification of the bank. Motion passed 5/0.

It was moved and seconded (Zack/Ryerson) to adopt the Preventative Maintenance Policy. Motion passed 5/0.

**10) Commissioner Comments:** Commissioner Ryerson said she was amazed at how busy the boatyard is and is very proud of everyone working there.

Commissioner Kriz reported that he believes the boatyard has had a positive impact in many businesses in Newport. He looks forward to getting the work building completed.


Commissioner Gerttula welcomed Bud back from vacation.

Commissioner Dahl welcomed Joe. He said he was happy that the software search is moving forward. He was happy that the first vessel is tentatively scheduled for the new Work Building. He said he is looking forward to Boatyard Manager Johnson taking over the boatyard in order to free up Manager Shoemake to work on projects.

Commissioner Graff appreciated Johnson's survival of his first few weeks at the boatyard while Manager Shoemake was on vacation.

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

**12) Adjournment:** It was moved and seconded (Gerttula/Kriz) to adjourn the meeting at 7:47 p.m. Motion passed 5/0.

  
Zack Dahl, Commission Secretary/Treasurer