



STOCKTON PORT DISTRICT

Board of Port Commissioners

June 7, 2021

Pursuant to notice duly given, the regular meeting of the Board of Commissioners of the Stockton Port District was held on June 7, 2021, in Room 18 of the Port of Stockton Administration Building located at 2201 West Washington Street in Stockton, California.

COMMISSIONERS PRESENT: R. Jay Allen, Chairman
Anthony Barkett
*Elizabeth (Liz) Blanchard, Vice Chairperson
Michael Patrick Duffy
Gary Christopherson
William R. Trezza

COMMISSIONERS ABSENT: None

COMMISSIONERS EXCUSED: Stephen Griffen

OTHERS PRESENT: Kirk DeJesus, Port Director
Steve Escobar, Senior Deputy Port Director
Michelle Bowling, Director of Finance
Juan Villanueva, Director of Development and Planning
Jeff Wingfield, Director of Environmental & Public Affairs
Sylvester Aguilar, Port Real Estate & Properties Development Manager
Esmeralda Correa, Port Controller
Steven A. Herum, Port Counsel
Melanie Rodriguez, Secretary to the Board

*Commissioner Blanchard arrived at 3:49 p.m. during Agenda Item #6.

A quorum being present, the meeting was called to order by Chairman R. Jay Allen at 3:31 p.m. Chairman Allen presided and Melanie Rodriguez, Secretary to the Board, acted as Secretary for the meeting.

CONSENT CALENDAR

In compliance with Port Policy Statement #003, the Consent Calendar items of business, having been provided to each member of the Board prior to this meeting, the Commissioners present acted upon Consent Calendar items of business under one vote.

Commissioner Barkett moved, to adopt the following resolutions:

MINUTES OF MAY 17, 2021 MEETING

Resolution #8240: RESOLVED, that the minutes of the REGULAR meeting of the Board of Commissioners of the Stockton Port District held on the 17th day of May 2021, as the same are endorsed on Page No. 057 to Page No. 063, inclusive, of Minutes Book No. 63, be and they are hereby approved.

APPOINTMENT OF COMMISSIONED PILOTS FOR FISCAL YEAR JULY 1, 2021 THROUGH JUNE 30, 2022

Resolution #8241: WHEREAS, the following Pilots have submitted applications and medical forms to the Stockton Port District for appointment as Commissioned Pilots for the ensuing fiscal year, it is hereby

RESOLVED, that the Board of Commissioners of the Stockton Port District approves the appointment of the following individuals as Commissioned Pilots of the Stockton Port District for the period of one (1) year commencing July 1, 2021 and ending June 30, 2022:

Captain Bruce Alden
Captain Sam D'Aloisio
Captain Erik H. Fawcett
Captain Mark J. Haggerty
Captain Eric Johnson
Captain Kristopher Laakso
Captain Dan Larwood
Captain Matt Lingo
Captain Joseph Long
Captain Jermey Lowe
Captain David V. Pate
Captain Ray Ridens
Captain Eric Robinson

APPROVAL OF AUTHORIZED SIGNATORIES FOR FINANCIAL INSTITUTION DOCUMENTS AND INVESTMENTS

Resolution #8242: RESOLVED, that in accordance with in the *Cash Reserve and Investment Policy*, the following Port executives are officially authorized, empowered and directed to sign on behalf of the Port of Stockton relative to financial institution documents and to place investments at the following financial institutions: BAC Community Bank, Bank of Stockton, US Bank (Bond Funds) and the Local Agency Investment Fund:

Kirk DeJesus, Port Director
Steven W. Escobar, Senior Deputy Port Director
Michelle R. Bowling, Director of Finance
Jason A. Katindoy, Director of Maritime Operations
Katrin S. Miller, Director of Human Resources and Administration Services
Esmeralda M. Correa, Controller

RESOLVED FURTHER, that effective June 20, 2021, all similar resolutions previously adopted by the Board of Port Commissioners are revoked; and

RESOLVED FURTHER, that the Port Director is hereby authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

APPROVAL TO AUTHORIZE THE PORT DIRECTOR TO EXECUTE A CONTRACT WITH T.A. KRAUSE FOR TRANSIT SHED 16 ROOF IMPROVEMENTS FOR AN AMOUNT NOT-TO-EXCEED \$164,610

Resolution #8243: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized, empowered and directed to award the Transit Shed 16 Roof Improvements contract to T.A. Krause for an amount not-to-exceed \$164,610.00 (One Hundred Sixty-Four Thousand Six Hundred Ten and 00/100 Dollars); and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

APPROVAL TO AUTHORIZE THE PORT DIRECTOR TO PURCHASE A 2021 CHEVROLET SILVERADO 1500 LT VEHICLE FOR OPERATIONS FROM CHASE CHEVROLET FOR \$42,126.35

The above agenda item was removed from the Consent Calendar.

APPROVAL TO AUTHORIZE THE PORT DIRECTOR TO EXECUTE A CONTRACT WITH BOCKMON & WOODY ELECTRIC CO., INC., FOR THE ELECTRICAL SWITCH GEAR AND INSTALLATION OF THE SHED 8 FIRE PUMP FOR AN AMOUNT NOT-TO-EXCEED \$118,850.00

The above agenda item was removed from the Consent Calendar.

APPROVAL TO AUTHORIZE THE PORT DIRECTOR TO EXECUTE A CONTRACT WITH WAGNER MECHANICAL, INC., FOR THE DEMOLITION AND INSTALLATION OF THE SHED 8 FIRE PUMP AND STRUCTURE FOR AN AMOUNT NOT-TO-EXCEED \$96,092

Resolution #8244: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized, empowered and directed to award the Demolition and Installation of the Shed 8 Fire Pump and Structure contract to Wagner Mechanical, Inc., for an amount not-to-exceed \$96,092.00 (Ninety-Six Thousand Ninety-Two and 00/100 Dollars); and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolutions #8240, #8241, #8242, #8243 and #8244 were passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Christopherson, Duffy, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Blanchard, Griffen

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

At the request of Chairman Allen and Commissioner Barkett Consent Calendar Items E and F were removed from the Consent Calendar.

APPROVAL TO AUTHORIZE THE PORT DIRECTOR TO PURCHASE A 2021 CHEVROLET SILVERADO 1500 LT VEHICLE FOR OPERATIONS FROM CHASE CHEVROLET FOR \$42,126.35

Development and Planning Director Villanueva provided an executive summary on this agenda item. The staff report was provided to each member of the Board prior to the meeting and was also available as a link on the Agenda posted on the Port's website.

Mary Elizabeth with the Delta-Sierra Group submitted emailed comments that were read by Chairman Allen and submitted to the Commission.

Commissioner Duffy moved, to adopt the following resolution:

Resolution #8245: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized, empowered and directed to purchase a 2021 Chevrolet Silverado 1500 LT Vehicle from Chase Chevrolet for an amount of \$42,126.35 (Forty-Two Thousand One Hundred Twenty-Six and 35/100 Dollars); and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolution #8245 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Christopherson, Duffy, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Blanchard, Griffen

APPROVAL TO AUTHORIZE THE PORT DIRECTOR TO EXECUTE A CONTRACT WITH BOCKMON & WOODY ELECTRIC CO., INC., FOR THE ELECTRICAL SWITCH GEAR AND INSTALLATION OF THE SHED 8 FIRE PUMP FOR AN AMOUNT NOT-TO-EXCEED \$118,850.00

Development and Planning Director Villanueva provided an executive summary on this agenda item. The staff report was provided to each member of the Board prior to the meeting and was also available as a link on the Agenda posted on the Port's website.

Chairman Allen acknowledged that there were no requests to address the Port Commission on this matter.

Commissioner Trezza moved, to adopt the following resolution:

Resolution #8246: RESOLVED, by the Board of Commissioners of the Stockton Port District that the Port Director is hereby authorized, empowered and directed to award the Electrical Switch Gear and Installation of the Shed 8 Fire Pump contract to Bockmon & Woody Electric Company for an amount not-to-exceed \$118,850.00 (One Hundred Eighteen Thousand Eight Hundred Fifty and 00/100 Dollars); and

RESOLVED FURTHER, that the Port Director is authorized, empowered and directed to ensure that the provisions of this resolution are appropriately effected.

Resolution #8246 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Christopherson, Duffy, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Blanchard, Griffen

CONSIDERATION AND POSSIBLE APPROVAL FOR THE PORT TO DECLARE OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM FUTURE BOND PROCEEDS

Director of Finance Bowling and Mr. Kenneth Dieker, Principal with Del Rio Advisor, LLC, provided an executive summary on this agenda item. The staff report was provided to each member of the Board prior to the meeting and was also available as a link on the Agenda posted on the Port's website.

Chairman Allen acknowledged that there were no requests to address the Port Commission on this matter.

Commissioner Duffy moved, to adopt the following resolution:

Resolution #8247: WHEREAS, the Stockton Port District (the "District") is a port district duly created, organized and existing under part 4 of division 8 of the Harbors and Navigation Code of the State of California, and the Board of Port Commissioners of the Stockton Port District (the "Board of Port Commissioners"), as the governing body of said District, is authorized to exercise and execute all powers conferred by law on the District; and

WHEREAS, the District requires to upgrade the District's rail infrastructure ("Project"), to provide a reliable rail track system; and

WHEREAS, the District intends to finance the Project or portions of the Project with the proceeds of the sale of revenue bonds; and

WHEREAS, the District expects to pay certain expenditures in connection with the Project from the District's General Fund (the "Reimbursement Expenditures") prior to the issuance of the bonds for the purpose of financing the Project on a long-term basis; and

WHEREAS, the District reasonably expects that revenue bonds in an amount not expected to exceed \$30.0 million will be issued to finance the Project and that some of those bond proceeds will be used to reimburse the Reimbursement Expenditures of the District; and

WHEREAS, while it has not yet been determined whether the revenue bonds will be issued as tax-exempt bonds or otherwise structured to receive favorable tax treatment for purposes of federal tax law, if this is ultimately the case then, for purposes of Section 1.150-2 of the regulations promulgated by the United States Department of the Treasury (the "Treasury Regulations"), the District must declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing, if the revenue bond proceeds are to be deemed spent on the Reimbursement Expenditures;

NOW, THEREFORE, IT BE ORDAINED BY THE BOARD OF PORT COMMISSIONERS OF THE STOCKTON PORT DISTRICT AS FOLLOWS:

SECTION 1. RECITALS. All of the above recitals are true and correct and the Board of Port Commissioners of the Stockton Port District so finds.

SECTION 2. COMPLIANCE WITH THE REQUIREMENTS OF SECTION 1.150-2 OF THE TREASURY REGULATIONS. For purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations, the Board of Port Commissioners hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures. This declaration does not bind the District to make any expenditure, incur any indebtedness or proceed with any aspect of the Project.

SECTION 3. EFFECTIVE DATE. This resolution shall take effect immediately.

Resolution #8247 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Christopherson, Duffy, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Blanchard, Griffen

PRESENTATION, CONSIDERATION AND POSSIBLE APPROVAL OF THE PORT OF STOCKTON BUDGET FOR FISCAL YEAR 2021/2022

On May 24, 2021, an Ad Hoc Committee comprised of Commissioners Barkett and Trezza met with Port Director DeJesus and staff to review and discuss the proposed 2021/2022 fiscal year budget. The Commissioners commended Port Director DeJesus and staff for the presentation, comprehensive analysis and detailed information provided in the budget as well as the consolidated debt report.

Director of Finance Bowling provided a financial briefing of the proposed 2021/2022 budget. Information presented compared and highlighted the budget and forecast for the current fiscal year to the proposed budget for the upcoming fiscal year. Finance Director Bowling's presentation included financial highlights, operating revenues and operating expenses. Controller Correa provided a briefing of the planned or in-process capital projects.

Fiscal year-end 2021 unrestricted cash is forecasted at approximately 330 days of operation. The Cash and Investment Policy established by the Commission identifies a goal of unrestricted cash sufficient for 360 days of operation.

Chairman Allen acknowledged that there were no requests to address the Port Commission on this matter.

Commissioner Barkett moved, to adopt the following resolution:

Resolution #8248: RESOLVED, by the Board of Commissioners of the Stockton Port District that the budget for fiscal year 2021/2022, a copy of which is on file with the Secretary, be and it is hereby adopted.

Resolution #8248 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Blanchard, Christopherson, Duffy, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Griffen

CONSIDERATION AND POSSIBLE APPROVAL TO ADOPT THE 2021/2022 ADMINISTRATIVE SALARY SCHEDULES

The 2021/2022 administrative salary schedules were provided to each member of the Board prior to this meeting.

Chairman Allen acknowledged that there were no requests to address the Port Commission on this matter.

Commissioner Barkett moved to adopt the following resolution:

Resolution #8249: RESOLVED, by the Board of Commissioners of the Stockton Port District that the administrative salary schedules for fiscal year 2020/2021, copies of which are on file with the Secretary, be and it is hereby adopted.

Resolution #8249 was passed by the following vote:

COMMISSIONERS IN FAVOR:	Allen, Barkett, Blanchard, Christopherson, Duffy, Trezza
COMMISSIONERS AGAINST:	None
COMMISSIONERS ABSTAINING:	None
COMMISSIONERS ABSENT:	None
COMMISSIONERS EXCUSED:	Griffen

CONSIDERATION AND POSSIBLE APPROVAL TO AUTHORIZE THE PORT DIRECTOR TO EXECUTE A CONTRACT WITH OC JONES & SONS, INC., FOR ROAD REHABILITATION ON THE WEST COMPLEX FOR AN AMOUNT NOT-TO-EXCEED \$839,970.12

This agenda item was not acted upon.

COMMITTEE REPORTS

Budget Ad Hoc Committee Meeting

On May 24, 2021, an Ad Hoc Committee Meeting for the Budget for Fiscal Year 2021/2022 comprised of Commissioners Barkett and Trezza, Port Director DeJesus and Port staff met to review the budget. Chairman Allen thanked Commissioners Barkett, Trezza and Port staff for all of their time and work on the budget.

PORT DIRECTOR'S COMMENTS

Port Director DeJesus provided an executive summary of recent Port activities.

- Port Director DeJesus thanked Port staff for the welcome he has received since he started with the Port.
- Since the last Commission meeting, the following short-term leases have been executed:
 - Lessee: BWC Terminals, LLC
 - Location: East Complex, 8.70 acres at 300 Port Road 21
 - Term: 5 years

 - Lessee: Tesoro Logistics
 - Location: East Complex, 1.36 acres at the corner of Stork and Washington Street
 - Term: 5 years
- Current calendar year-to-date shipping reflects 131 ships. Shipping activity for the same period in 2020 reported 101 ships. Since the last Commission meeting, 22 ships have called at the Port.
- Current calendar year-to-date tonnage totaled 2,207,703 metric tons. Tonnage for the same period in 2020 totaled 1,747,703 metric tons. Since the last Commission meeting, 390,177 metric tons have been handled.
- Port Director DeJesus provided an update on the two (2) barges that were used for the Marine Highway Demonstration.
- Port Director DeJesus provided information about vessel crew COVID-19 vaccinations.

COMMISSION COMMENTS

The Commission welcomed new Port Director DeJesus.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Mary Elizabeth with the Delta-Sierra Group submitted emailed comments that were read by Chairman Allen and submitted to the Commission.

ADJOURNMENT

On behalf of the Stockton Port District Board of Commissioners, it was announced by Chairman Allen that today's Commission meeting would be adjourned in memory of retired Port Police Officer Anthony (Tony) Novaresi.

Tony Novaresi has born in French Camp on March 17, 1954 and passed away on May 11, 2021 at the age of 67. Tony started with the Port on April 1, 1977 as a Patrolman which has later changed to Police Officer. Tony held the position of Police Officer until his retirement on July 2, 2010. Tony was commended on many occasions for his outstanding effort and dedication to the Port of Stockton. Tony enjoyed taking road trips to play slots at the MGM Casino, see the beauty of the California coast and lighthouses, rescuing kittens, bowling, fishing and panning for gold. Tony is survived by his loving wife of 39 years Sandra, father Lester and sister Lesta (Tim).

On behalf of the Commissioners, Port Director and staff, sincere sympathy and condolences were extended to the family of Tony Novaresi.

There being no further business to discuss, the meeting was adjourned at 4:37 p.m. by Chairman Allen.

Melanie Rodriguez
Secretary to the Board

Chairman R. Jay Allen