

City of Fort Smith
Port Authority Meeting
11:30 a.m. Thursday, January 31, 2019
Bank OZK Building
5401 Rogers Avenue
Fort Smith, Arkansas

MINUTES

The Fort Smith Port Authority scheduled its regular quarterly meeting at 11:30 a.m. on Thursday, January 31, 2019 at the Bank OZK building, 5401 Rogers Avenue, Fort Smith, Arkansas.

The meeting was called to order by Larry Combs, chairperson, at 11:40 a.m. and a quorum was noted present. Other Port Authority members present were Philip Doss, Dustin Collyge Eddie Norman and Chad Lane. Others present were Marty Shell of Five Rivers Distribution and Jeff Dingman of the City of Fort Smith.

The minutes of the November 1, 2018 were presented, and Mr. Doss moved approval. Mr. Norman seconded, and the motion carried unanimously.

Mr. Collyge reviewed the bank statements for the two Port Authority accounts for the months comprising the fourth quarter of 2018. It was noted that the current balance of the operating account as of the date of this meeting was \$28,501.76 and the balance of the grant account on this date was zero. Mr. Collyge further addressed the matter of the preparation of FY2018 financial statements, as well as any tax items that may exist. All agreed that Mr. Dingman would reach out to Chris Cluck of Landmark (formerly Beall Barclay) to perform that work for the Port Authority.

Mr. Collyge asked about the renewal of the Port Authority's membership in the AOPOA, which was approved last year. All agreed that the membership should be renewed, and Mr. Shell agreed to secure a current invoice for membership dues from the AOPOA, expected to be \$250, the same as the previous year. All agreed that Mr. Collyge should pay that invoice. The Treasurer's Report was moved approved by Mr. Norman, seconded by Mr. Doss, and unanimously approved.

Mr. Shell recounted the fourth quarter tonnage report for the Port of Van Buren and the Port of Fort Smith. The Port of Fort Smith moved 20,211.209 net tons of material, the Port of Van Buren 33,514.2015 net tons, with a total for the quarter of 53,725.14105 net tons of material for the quarter. For the year 2018, the two ports moved 285,916.0545 net tons, compared to 347,204.8835 net tons in 2017, a decrease of 61,288.829 net tons (17.65%). This was represented by 43 fewer barges in 2018 than in 2017. Mr. Lane moved approval of the tonnage report. Mr. Collyge seconded, and the motion carried by unanimous vote.

For the Operator's Report, Mr. Shell said that federal tariffs and trade policies on steel and other materials has tremendously impacted the freight industry. This is the most direct reason for the reduced tonnages this quarter. Mr. Shell said that the barge freight business has had a tough go since about June of 2018, and that the tariffs intended to help the domestic steel producers need to end very soon. The Port of

Fort Smith currently has a barge, but prior to that had not had a barge in 30 days. He has reviewed the possibility of seeking Foreign Trade Zone status for relief from the tariffs, but the difficulty and expense of that process makes it unfeasible.

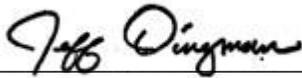
The freight industry is seeing labor problems, with shortages in truck drivers. Five Rivers Distribution is adding another 30,000 square foot storage building at the Port of Van Buren, and it is almost complete and ready for the storage of bulk materials.

Mr. Shell informed the group that subsequent to his initial appointment last year, he has been named the chair of the Arkansas Waterways Commission (AWC). The AWC will not be offering its grant program for public port improvements this year. For the next few years, the AWC has decided to defer any grant awards to set aside funding for assisting the US Army Corps of Engineers with any critical maintenance items on the Arkansas River's lock and dam system. Mr. Doss moved approval of the Operator's Report. Mr. Lane seconded, and the motion carried by unanimous vote.

There were no items of Unfinished Business or New Business to consider.

The next regular meeting of the Port Authority will be scheduled for April 25, 2019. There being no further business before the body, the meeting adjourned at 12:38 pm.

Respectfully submitted,



Jeff Dingman
Deputy City Administrator
City of Fort Smith, Arkansas