

City of Fort Smith  
Port Authority Meeting  
11:30 a.m. Thursday, May 2, 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, May 2, 2019 at the Bank OZK building, 5401 Rogers Avenue, Fort Smith, Arkansas.

The meeting was called to order by Larry Combs, chairperson, at 11:45 a.m. and a quorum was noted present. Other Port Authority members present were Philip Doss and Chad Lane. Eddie Norman and Dustin Collyge were absent and excused by unanimous vote. Others present were Marty Shell and Wesley Danial of Five Rivers Distribution and Jeff Dingman of the City of Fort Smith.

The minutes of the January 31, 2019 were presented, and Mr. Doss moved approval. Mr. Lane seconded, and the motion carried unanimously.

Mr. Dingman reviewed the Port Authority's bank account statements for the months comprising the first quarter of 2019. The balance of the operating account as of March 29, 2019 was \$31,206.42. Mr. Dingman noted the canceled checks for regular disbursements, and no other bills were outstanding. Mr. Doss moved ratification of bills paid and acceptance of the Treasurer's Report. Mr. Lane seconded, and the motion carried by unanimous vote.

Mr. Danial recounted the first quarter tonnage report for the Port of Van Buren and the Port of Fort Smith. The Port of Fort Smith moved 15,138.37 net tons of material, the Port of Van Buren 39,664.22 net tons, with a total for the quarter of 54,802.59 net tons of material for the quarter. Mr. Doss asked how the net tonnage compared to a normal month, to which Mr. Shell replied that it was unusually low, a normal month should be in the area of a combined 70,000 net tons. As for reasons for the low tonnage, Mr. Shell cited high river currents and tariffs on steel. High river currents make it difficult and even dangerous to operate barges on the river, and currents have been in the area of 156,000 cubic feet per second. The USACE issues advisories for small watercraft to stay off the river at currents above 70,000 cf/s. Federal policies regarding tariffs on imported steel has further hampered river freight traffic. Mr. Doss moved approval of the tonnage report. Mr. Lane seconded, and the motion carried by unanimous vote.

For the Operator's Report, Mr. Shell further discussed how federal tariffs and trade policies on steel and other materials has tremendously impacted the freight industry. One longstanding customer that manufactured steel food cans has closed, eliminating that source of business. Bekaert Steel, one of Five Rivers' biggest customers, went eight months without delivering a single barge.

The freight industry continues to see problems with labor availability. Low unemployment rates lead to shortages in truck drivers. The freight industry continues to wait for some sort of relief to tariff and trade policies.

Mr. Shell asked about property insurance relating to adding the new bulk storage building to the covered property schedule, and the timing of the premium payments. Mr. Dingman agreed to verify that the building has been added and the timing for the necessary payment. Mr. Doss moved acceptance of the Operator's Report. Mr. Lane seconded and the vote was unanimous to approve.

Mr. Dingman referred to the Port Authority's Financial Statements for FY2018 that were included in the packet. The Financial Statements were prepared by Landmark PLC CPA's.

The next regular meeting of the Port Authority will be scheduled for July 25, 2019. There being no further business before the body, the meeting adjourned at 12:09 pm.

Respectfully submitted,



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Jeff Dingman  
Deputy City Administrator  
City of Fort Smith, Arkansas