



# Port of Brownsville

Minutes of Meeting

9 March 2011

## CALL TO ORDER

Commissioner Allen Miller called the regular session of the meeting to order at 7:01 PM. In attendance were Commissioner Bob Kalmbach, Commissioner Jack Bailey, Port Manager Jerry Rowland, Port Attorney John Mitchell and Port Accountant Dennis Bryan.

## PLEDGE OF ALLEGIANCE

Commissioners led pledge of allegiance.

## APPROVAL OF AGENDA

Motion made to approve agenda as written. Motion seconded and approved unanimously.

## APPROVAL OF CONSENT AGENDA

Motion made to accept consent agenda. Consent agenda includes the 9 February 2011 regular meeting minutes, vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required by RCW 42.24.090, which have been recorded on a listing and has been made available to the public. Those vouchers approved for payment are included in the audited and certified list and further described as follows: March 2011 General Fund voucher numbers 26668 through 26732 for a total amount of \$87,791.44. Also approved for payment was March Electronic Transfer voucher numbers 2011-17 through 2011-26 for a total amount of \$13,098.13.

Motion seconded and approved unanimously. Commissioner Miller read the list of high dollar amount expenditures.

## PUBLIC COMMENT FOR ITEMS NOT LISTED ON AGENDA

None

## PRESENTATION TO OR BY THE BOARD

None

## FINANCIAL REPORTS

Port Accountant Dennis Bryan distributed the financial reports for February 2011. There was a balance of \$1,338,892.21 at the end of February, with \$700.00 in petty cash. The end of month report included the following:

With fuel included:

Operating Revenue

Non-operating Revenue

Under budget by 3.9%

Even to budget

|                         |                      |
|-------------------------|----------------------|
| Operating Expenses      | Under budget by 2.8% |
| Administrative Expenses | Under budget by 2.1% |
| Non-operating Expenses  | Even to budget       |
| Capital Improvement     | Even to budget       |

Without fuel included the only differences are:

|                    |                     |
|--------------------|---------------------|
| Operating Revenue  | Even to budget      |
| Operating Expenses | Over budget by 3.0% |

Jack Bailey expressed concern about the escalating fuel prices and the associated credit card fees. As these expenses go up, the profit margin goes down. He requested a way to track this difference. Jack said he would like to look at other ways of paying for fuel, such as other credit cards that don't charge transaction fees.

Jerry Rowland stated that since the fuel sold by the Port is branded Shell, they control the kind of credit cards that are allowed to be used.

Bob Kalmbach stated this happened before when the fuel prices reached this price. He asked if it was raised last time this was discussed. Jerry Rowland stated it was not raised, only discussed. Bob said he hated to raise the price since it was so high already, but it may be time to consider increasing the profit margin on fuel prices to compensate for increased fuel prices.

Bob Kalmbach noted that credit cards are necessary due to the amount of gallons that are required on the boats, and people don't like to carry that much cash with them.

Jack Bailey asked if the change in profit could be tracked. Jerry Rowland stated he wasn't sure and couldn't answer that question at this time.

Mike Tinder said if you raise the price of fuel that may cause people to purchase less and therefore less profit anyway.

Bob Kalmbach said that the fuel dispensary was never a money maker for the Port but was there for service more than anything.

Jack Bailey added that he didn't want the Port to lose money for this service and would like to know how much profit was being lost.

Jerry Rowland stated he would have to do more research before being able to give an answer and would report next month if possible.

## **INFORMATION, STAFF AND COMMITTEE REPORTS**

### **a. Managers Report – Attached.**

1. Jonathon Thomas asked if the reason was known why the boat sunk. Jerry Rowland said there was no official reason but because it was plugged as much as possible and it was still leaking, it may have been from the keel, but this was just his opinion.
2. Mike Tinder remarked on the boat that was sunk at the pier and noted that the Port had a portable pump on board this boat. He asked how many other boats had a Port pump on board. Jerry Rowland replied there was one more boat, the Pelican that had

- one. Mike asked what to do if the same situation happens in the middle of the night. Jerry replied to call 911.
3. Carolyn Thomas asked if this temporary pump was a free service. Jerry Rowland replied, no, the owners of the boat were notified and charged \$10 a day.
  4. Ned Cook asked if this temporary pump service resulted in any liability to the Port. Jerry Rowland replied only if the temporary pump causes the boat to sink or causes damage, but no liability for putting the temporary pump on board the boat with owner's permission.
- b. Commissioners Report – Jack Bailey
1. Jack Bailey stated he was watching the hydraulic permitting bill closely since it will affect how the marina operates in some areas. He added he would be attending Port's Day in Olympia on the 14<sup>th</sup> of March. This is a celebration of 100 years of Ports in Washington State.
  2. Skip Nordal stated that OFM will send you copy of every bill and he has read the hydraulic permitting bill. He advised everyone to read that bill. Jack Bailey added that the ports that rent state land will be affected the most. John Mitchell added that it will have a large impact on the small marinas. Bob Kalmbach noted that it is already affecting the Seabeck marina because the DNR fee went up from \$7,000.00 to \$100,000.00 and the marina cannot make a revenue to make up for that difference.
- c. Standing Committee Report – Jerry Rowland announced that the announcements had been sent out to all interested parties and past members for the Comprehensive Scheme update. The first meeting will be Tuesday, May 24, which is the Tuesday before Memorial Day weekend. Frank Reed volunteered to be on the committee. Jerry Rowland said he would send him an announcement.

## **OLD BUSINESS –**

- a. **FOIA** - Freedom of Information Act is really only for Federal records. In the state of Washington the Port falls under the Public Records Act RCW 42.56. This RCW essentially says any information about the Port is public record so any private equipment, if used to record that information, is subject to seizure to get that public information if requested. For that reason the Port Manager recommended that the Port purchase for the staff and the commissioner's cell phones and notebooks that will be used for Port business. The Commissioners were requested to decide which provider they wish to go with, AT&T or Verizon. After the selection is made for the service, the type of phone needs to be selected and whether or not the commissioners want a lap top, a notebook or something else. The Port will then purchase these items. The commissioners can contact the Port Manager for their individual selection. After some discussion a motion was made to go with AT&T as the service provider. Motion seconded and passed unanimously.
- b. "A" Dock Finger Pier Replacement. The statement of work is completed as well as the CAD drawings. The bid submission is by 1600 April 19<sup>th</sup>, 2011.

John Mitchell asked how many suppliers there were in the area. Jerry Rowland replied there was one in the immediate area but there are 2 other companies in Washington State and on the small works roster.

## **NEW BUSINESS**

None

**PUBLIC COMMENT**

Mike Tinder asked if there was a time limit on the use of the temporary pump provided by the Port. Bob Kalmbach stated that was a good point. Jack Bailey responded he didn't want to have another sunk boat. Jerry Rowland stated that the pumps are put on board with owner's permission when a problem is first noted. If any action is needed further, then the landlord tenant act comes into effect which means a lot of court actions have to take place to prove that the tenant has not complied with the rules and regulations of the Port and the boat is not seaworthy. John Mitchell affirmed what Jerry Rowland stated. Mike Tinder said maybe there is some change that can be made to the rules and regulations that could prevent this situation.

Ned Cook asked about the triangle piece that was under litigation. John Mitchell gave a brief of the history of the triangle piece and how the Port obtained it through eminent domain. The owners of the triangle piece claimed that the Port didn't have the right to do this and there were trespassing claims as well. At the last court hearing everything was dismissed but the trespassing claim. This charge will be addressed in the next court hearing in July. In the meantime, the Port is looking for an appraiser for the bottom land that is the triangle piece. Jack Bailey said the DNR may have an assessment. Ned Cook asked if any of this court action will affect the DNR Lease Line. Jerry Rowland stated there is no affect. John Mitchell said the only thing that could happen now is that the owners would force the Port to pay more than they want to pay. Jack Bailey said that one of the things that bothers him is that at first these people said they did not even own this piece of property. However, the survey showed differently so that doesn't matter.

There was discussion on when the Port Manager's appraisal should be held. It was decided to have it in executive session next meeting.

**EXECUTIVE SESSION**

None

**CLOSE MEETING / ADJOURN**

Bob Kalmbach made a motion to adjourn and Jack Bailey seconded. Motion passed unanimously.

Meeting adjourned 8:11 PM.

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President/Commissioner

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Secretary/Commissioner

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Commissioner

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Recording Secretary