



Port of Brownsville
Minutes of Meeting
12 May 2010

CALL TO ORDER

Commissioner Jack Bailey called the regular session of the meeting to order at 7:00 PM. In attendance were Commissioner Bob Kalmbach, Port Manager Jerry Rowland, Assistant Port Manager Gregg Faulkner, Port Attorney John Mitchell and Port Accountant Dennis Bryan. Commissioner Bailey stated that Commissioner Miller was attending a WPPA meeting therefore his absence was excused.

PLEDGE OF ALLEGIANCE

Commissioners led pledge of allegiance.

APPROVAL OF AGENDA

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

APPROVAL OF CONSENT AGENDA

Motion made to accept consent agenda. Consent agenda includes 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: May 2010 General Fund voucher numbers 26094 through 26145 for a total amount of \$49,737.35. Also approved for payment was May 2010 Electronic Transfer voucher numbers 2010-38 through 2010-44 for a total amount of \$10,098.48. Motion seconded and approved unanimously.

The breakdown of the major expenses was read by Jack Bailey. Part of the expenses was the new carpet that is now installed in the deli.

PUBLIC COMMENT FOR ITEMS NOT LISTED ON AGENDA

Jonathon Thomas gave a monthly update report on the Lavengro activities. They have logged over 1200 volunteer hours. The Lavengro has made it to the second step of the grant applied for. The grant consultant came to look at the boat on April 29, 2010 and talk about the grant that was applied for, to retrofit the interior. The consultant also gave them information on other grants to apply for. Web site schoonerlavengro.com should be up and running soon. The boat will be participating in the Armed Forces festivities at Bremerton this weekend and the Kitsap Harbor festival. They now have a Kitsap County flag to fly on the boat. Commissioner Kalmbach asked what the \$95,000.00 grant was for. Jonathon Thomas replied that it was for a complete modification and upgrade to the interior. The interior will be removed down to the ribs. This would include an increase of five beds and it would be in overhaul for 4 months. He is hoping for

an October 1, 2010 date to start this overhaul. He added that he would not know which shipyard would be doing the modifications until the grant was awarded. Bob Kalmbach asked what condition the hull was in and Jonathon replied the hull survey report stated it was in good condition.

Jack Bailey stated he was impressed with the improvements to the Lavengro already.

Jonathon reported that the pancake breakfast fundraiser brought in \$937.00. The breakfast was for a new foresail and they have found a company that will make one for about \$1,100.00.

PRESENTATION TO OR BY THE BOARD

None

FINANCIAL REPORTS

Port Accountant Dennis Bryan presented the 30 April 2010 monthly financial reports. The ending balance for the month of April was \$1,273,238.83. He also presented the draft of the annual report that will be sent to the State auditors office. Also presented is the December 31, 2009 financial report revision. This revision was a result of the suggestion from the state audit on the Port concerning reporting contributed capital. Also, because of the increase in contributing capital the depreciation has increased. Any future contributed capital will be recorded as income. The commissioners asked why the changes and Dennis Bryan replied it was all due to the State audit suggestion.

For the monthly report, with fuel in the report, operating revenue is under budget, non-operating revenue is under budget, operating expense is under budget, Admin expense is under budget, non-operating expense is even to budget, and capital improvement is even to budget.

Without fuel in the calculations, the only changes were operating revenue is over budget and operating expense is under budget.

Port Manager, Jerry Rowland, stated he has developed the MD&A as suggested by the state audit.

INFORMATION, STAFF AND COMMITTEE REPORTS

- a. Managers Report – Attached. Bob Kalmbach asked why the Port is the highest in the area on fuel prices. Port Manager stated the Port is not the highest and the Managers report was in error. It has last month's prices on the report. He said the report would be corrected.
- b. Commissioners Report – Jack Bailey went to the All Ports meeting. He discussed the lady from the Shoreline Master Plan update and she stated that it was their number one priority to increase water access to the public. Community Development doesn't have the same plan. The lady also requested the Ports send them their Comprehensive Plan so they can develop the 20 year Shoreline Master Plan. Jack Bailey stated that most of the Ports have only a 5 year plan including the Port of Brownsville. Jack Bailey suggested a questionnaire be sent to the Ports instead.

Jack Bailey also attended the WPPA marinas committee meeting. The new edict (new regulations) from the Department of Ecology will increase the cost to boat yards. This will include any deposits in the water the boat yards make concerning metals.

- c. Standing Committee Report – BAD VI - the first committee meeting was 5 May at 6:00 pm. Marjie Rowland reported that there was good attendance at the first BAD VI committee meeting. All areas of the event were discussed and the progress made so far. The committee members were tasked to come up with ideas for the T shirt and the car dash plaque at the next meeting. Also the next meeting will go into more detail on the lessons learned from the BAD V (the good, the bad and the ugly). The next meeting will be June 2, 2010 at 6 PM in the Brownsville Yacht Club.

OLD BUSINESS

- a. Modify Lease Lines – DNR has tentatively approved the PMA boundary line changes. Inca Inc has submitted the new PMA description to Kitsap County for filing. There is a resolution under new business that formally requests DNR to approve the changes. The next step is for the Port to submit the JARPA and other permit applications for review.
- b. Fire Hall Rental / Use – Robert Ellsworth and Jackie Susan have indicated they would like to open a General Merchandise Retail shop along with doing some Kayak rentals and sales. They will submit a business plan as soon as possible. When that is ready for presentation, the Commissioners will probably need to call a study session.

Bob Kalmbach asked what was all the stuff that was inside the Fire Hall. Jerry Rowland stated all of that would be moved out soon.

NEW BUSINESS

- a. Resolution 10-02 - Revise Personnel Policy Manual. This resolution revises the personnel policy manual by defining summer employees and to allow them to be eligible for state medical insurance and retirement due to state changes. This resolution will cost the Port \$11,000.00 this year. The summer employees are eligible but have to pay for the insurance and will not affect this year's summer employees. This is the first reading of this resolution. Bob Kalmbach asked if this is part of the budget line items in the future. Jerry Rowland replied that it does have to be in the Port's budget.
- b. Resolution 10-03 - Adopt Employee Security Policy and Procedure Manual Credit Card Security Policies and Procedures. This State RCW requirement states that all data processors have a manual (attached to the resolution) and be trained on this. Credit card receipts must be under lock and key. The Port is looking for a locking file cabinet for receipts. This is the first reading of this resolution.
- c. Resolution 10-04 - Request Modification to PMA Boundary Lines. This resolution is the official request to Department of Natural Resources for modifying the existing PMA boundary lines. INCA, Inc. has developed the drawing showing the new proposed boundary lines. This

modification will make the Port 34.27 acres in the water. This is the first reading of this resolution. Jerry Rowland requested a special meeting be set up to have the second reading and pass this resolution. The special meeting will be on May 25, 2010 at 6 PM. Bob Kalmbach asked if this changes our lease agreement with DNR. Jerry Rowland stated the agreement stays the same.

- d. Proposal authorizing electrical upgrade work of the Fire Hall, not to exceed \$19,000.00. Jerry Rowland stated this upgrade would include all new lines from the power pole to a 3 meter box, new 42 panel box upper and lower levels, and lighting modifications.

Jack Bailey asked what panel powered the heat. Jerry Rowland replied there is a thermostat on each level for the heat.

Bob Kalmbach stated that he thought more radiant heat may be required for the upper level and he was concerned that upgrade would increase the estimated cost. He requested to know how much more amperage service would be needed for that.

The commissioners agreed to pursue the electrical upgrade now, not to exceed \$20,000.00. Motion was made, seconded and passed unanimously.

PUBLIC COMMENT

Jerry Rowland said there was a letter from the Great Peninsula Conservancy requesting a letter from the Port supporting the Grahn Cove Project. They also requested to be on the agenda for next month to request a donation. Carolyn Thomas asked what the content of this letter was so Bob Kalmbach read the letter from the Great Peninsula Conservancy. The commissioners agreed to task Jerry Rowland to draft a letter of support for the Grahn Cove Project and to have all the commissioners sign the letter.

Jerry Rowland read a letter from Esquire Hills elementary school stating that they had used the money from BAD V to purchase a projector and a document camera. They also stated they would be interested in having a group of their students do a Philippine National Dance at the next BAD event.

Arnold Haskins asked what was happening with the triangle piece the Port was trying to purchase. John Mitchell stated the Port has sued to have the property condemned. The owners counter sued for the Port erecting a structure on the property, which the Port has not done. Once this is proven, then the suit condemning the property will proceed.

Jerry Rowland introduced the general manager of the Blue Knight Security Company, Michael Darst.

Jack Bailed asked when the next public sail on the Lavengro is. Jonathon Thomas replied it will be June 6 out of Poulsbo.

Carolyn Thomas asked if the cost of the Port Credit card expenses will not affect the tenants.

The next meeting will be a special meeting and a study session on May 25, 2010 at 6PM in the Brownsville Yacht Club.

EXECUTIVE SESSION

None

CLOSE MEETING / ADJOURN

Motion made to adjourn. Motion seconded and passed unanimously.

Meeting adjourned 8:30 PM.

President/Commissioner

Secretary/Commissioner

Commissioner

Recording Secretary