



## **Port of Brownsville**

Minutes of Meeting

17 October 2012

### **CALL TO ORDER**

Commissioner Bob Kalmbach called the regular session of the meeting to order at 7:02 PM. In attendance were Commissioner Jack Bailey, Commissioner Allen Miller, 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 by Allen Miller to approve agenda as written. Motion seconded by Jack Bailey and approved unanimously.

### **APPROVAL OF CONSENT AGENDA**

Motion made by Jack Bailey to approve consent agenda. Consent agenda includes the 12 September 2012 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 have been made available to the public. Those vouchers approved for payment are included in the audited and certified list and further described as follows: September 2012 special voucher, numbers 27784 through 27788 for a total amount of \$2,946.42, October 2012 General Fund voucher, numbers 27789 through 27850 for a total amount of \$165,255.88. Also approved for payment was September Special Electronic Transfer Voucher, numbers 2012-83 through 2012-84 for a total amount of \$670.28 and October electronic Transfer Voucher, numbers 2012-85 through 2012-93 for a total amount of \$17,612.63.

Motion seconded by Allen Miller and approved unanimously.

### **PUBLIC COMMENT FOR ITEMS NOT LISTED ON AGENDA**

Jonathon Thomas stood in front of the commissioners as the President of the Kitsap Maritime Heritage Foundation. He reported that the organization is now a 501C3 with a fiduciary agreement. They are doing fund raisers to raise money to have a contract with "Fiedler's Dream" which is a 2006 steel hull John Alden schooner. It is at Poulsbo at this time. The owner is anxious to sell it. It is a 48 foot schooner built in Sawmill Gulch, Montana. It sailed to Mexico twice. They are looking to raise \$5,000 to \$10,000 to enter into a lease with option to buy. Bob Kalmbach asked what the capacity was for passengers. Jonathon answered it was similar to Lavengro in capacity but would require the same Coast Guard certification to expand passengers allowed on board. They need to build up the volunteer ranks again since it has been two years. He received an e-mail from a private foundation that gives grants to organizations that provide a way to change people's lives. The boat can be seen on "Yacht World" on the internet. Jack Bailey asked how tall the ship is. Jonathon said he is not sure of the height but the width is 48 feet. He added that with a steel hull you don't have to worry about the issues with a wooden hull but they would have to monitor for rust. At this time there are no signs of rust.



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Allen Miller asked how often they have to check for rust. Jonathon replied that surveys have to be performed every two years.

## PRESENTATION TO OR BY THE BOARD

None

## FINANCIAL REPORTS

Port Accountant Dennis Bryan presented the September end of month financial reports. At the end of September there was a balance of \$3,186,071.42.

### September Report

	With Fuel	Without Fuel
Operating Revenue	Under budget by 3.5%	Over budget by 9.4%
Non-operating Revenue	Under budget by 1.3%	Under budget by 1.3%
Operating Expense	Under budget by 9%	Under budget by 2.8%
Non-operating Expense	Even to budget	Even to budget
Administrative Expense	Even to budget	Even to budget
Capital Improvement	Even to budget	Even to budget
Bond Payment	Even to budget	Even to budget

Bob Kalmbach asked if there had been a transfer of funds from the bond received to the Port account to pay back what the Port paid for while waiting for the bond. Dennis said it has all been transferred. Bob Kalmbach asked what the interest rate was on the investment account and Dennis said he wasn't sure at this time.

Jack Bailey asked why the operating revenue was 9.4% over budget. Jerry Rowland stated he would look into it. He added that the marina was full the whole boating season and guest moorage was full. Also, the fishing and crabbing was excellent this year as well as the weather. All of that added up to more activity at the Port and more revenue.

Jack Bailey discussed how visiting Yacht Club rates should be reviewed and should have non-refundable fees. Jerry Rowland stated that there is a non-refundable \$5.00 fee at this time. Bob Kalmbach added that it was discussed previously to contact the Yacht club ahead of time to make sure they were attending as planned. Jack Bailey added that some Ports have the ability to take reservations on line. Bob Kalmbach stated that the Ports he was aware of that had that function; it didn't work when he tried to use it. Most Ports are having troubles with this function. Bob added that some Ports are requiring payment for at least the first night and if you don't show up you have lost your money, no refund. Bob Kalmbach asked what percentage of no-shows have there been this year. Jerry Rowland stated it was between 20% to 30%. Jerry Rowland said that they do call one week ahead of time to confirm the reservations. Bob asked if the Port is turning away people while waiting for Yacht Club boats. Jerry Rowland stated that he has been able to accommodate everyone that wants to stay at the



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marina. He said he talks to the Yacht Club Commodore and lets him know that after a certain time, if the boats don't show he is going to use the slips for other boats. Jerry Rowland that he didn't want to change the reputation of the Port as the "friendly port" since that brings in a lot of people.

Jack Bailey said he was still concerned over the credit card fees. There was some discussion over this and some thoughts on options to somehow capture the fee charged.

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

a. Manager Report – Attached. He added that the new trapper has caught 5 otters in 3 weeks which is more than the amount caught in the last 3 years. Bob Kalmbach noted that gas sales were up and diesel sales were down. Jonathon Thomas asked if there were any special requirements for trapping the otters. Jerry Rowland stated you needed a state license only.

b. Commissioners Report –

Jack Bailey reported on the All Ports Meeting. He said Mr. Baker from the Kitsap County Community Development said they now have a new philosophy on permitting process. They are being more helpful with shortened forms. Minor permits are back in 4 days. Jack Bailey said he suggested that Ports have a zoning all their own. He suggested Mr. Baker meet with the Port once a year to go over the plans of the Port, specifically the Comprehensive Scheme. He was receptive to that suggestion. Jack Bailey talked about the storage unit permit and Mr. Baker said to bring it back to them for reconsideration.

Allen Miller had nothing to report.

Bob Kalmbach stated he was going to WPPA Small Port Conference next Wednesday, October 24, 2012 and would report on that at the next meeting.

c. Standing Committee Report –BAD VIII

Cassandra Rowland, event coordinator, gave the following report:

The weather man scared some of the people off but if you looked at the parking lot you know we had a pretty good crowd. They bought the hamburgers and hot dogs but they were not as giving in the extra dollars like in the past. As a result the overall take was down from last year. After paying for the food and the art show using the donated funds, the final tally on money was \$5,212.00 or \$1,303.00 per school and of course we also provided \$470.00 worth of gift certificates for the art show winners. As a comparison, last year, we were able to give each of the schools \$1,780.00 plus the gift certificates.

On a positive note, the car show was a great success and they are already looking forward to next year. The kids, as usual, were having a wonderful time and the entertainment put on by the schools was a great success. The dunk tank, was extremely cold based on personal experience, but very successful with a lineup of people waiting to throw and splash whoever was sitting over the water.



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The mini tennis set up by the Bremerton Tennis & Racket Club had kids cycling through there all day and of course the batting cage went nonstop.

Speaking of next year, the Port Manager did receive word from John Schroeder the president of the Classic Yacht Association that CYA will be coming to Brownsville for BAD IX instead of going to Poulsbo. The commissioners have the budget information to review.

Jack Bailey asked what events were successful and which ones were not. Cassandra Rowland said the dunk tank was a success. Jack Bailey asked how many cars showed up. Jerry Rowland stated that there were 126 cars, which is down in numbers from last year. He said the rain the day before may have scared some people away. Bob Kalmbach said that there are more car shows added every year and the people can pick and choose more as to which ones they attend. Jerry Rowland added that all the car show people who come to this event thoroughly enjoy it and look forward to it. Jack asked if there was any event that should not happen next year. Cassandra Rowland stated the ladder golf was not very popular and worth the effort of setting it up. Jack Bailey stated he hoped there were pictures taken. Cassandra Rowland replied that some of her friends were taking pictures and they were reviewing them. Jack Bailey requested that the pictures be put on the Port's web page. Jerry Rowland said he would do that. Jack Bailey asked if any Kitsap County Commissioners attended the event. Jerry said he knew of Robert Guilder only.

### **PUBLIC HEARING**

Commissioner Kalmbach recessed the regular meeting at 8:19 PM and opened the Public hearing on the 2013 Budget.

Ned Cook said he talked with Gail Smith, the unicycle lady, and she stated that this event is now her only funding source for the unicycle school club. He wanted to make sure the commissioners knew that.

Marjorie Rowland proposed to the commissioners that the Port does not have BAD next year for the following reasons:

- Donations are now required to purchase the food and the art show. This year the donations were enough but it will become increasingly harder to get those donations in the future.
- Volunteer numbers are dwindling. Although the youth academy provides excellent youth volunteers it is not the same as the adult volunteers that are needed to keep the events running smoothly
- The costs of putting on the event are rising and it is now costing the Port over \$10,000.00 for putting on this event and that is on top of the donations received. This will rise even more next year because the Adventures In Fun has gone out of business and the only other organization that provides this entertainment costs 3 times as much.
- Donations to the schools is decreasing rather than increasing as we had hoped. Even though it is not the only reason for putting on the event, it is something to consider.



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- The people who put on the Car Show have stated that they do not wish to continue putting on the car show and if that is the case it would have to be canceled or the Port would have to take it on which they do not have the volunteers or staff for.
- The parking continues to be a problem. Never enough room for all the people during the time period when the schools are performing.
- Even though there is a committee, the Port Manager makes all the arrangements and makes sure everything is available on the day of BAD. He will be very busy next year rebuilding the marina and may not have the time to devote to this event.

For the above reasons Marjorie Rowland proposed that the commissioners give serious thought to canceling BAD for next year.

Bob Kalmbach thanked Marjie for the information she provided and the commissioners will give it consideration.

Skip Nordal stated that instead of waiting until May to start planning the event, it should start right away to make preparations and donations. He added that he would hate to see it canceled so instead of letting it go maybe there should be more help for the Port Manager to plan this event. Cassandra Rowland remarked that it isn't that the committee members aren't willing to help; it is that the Port Manager is available to make the calls and arrangements during the day. But more people on the committee would help.

Jack Bailey said that most of the organizations that are setting their budgets for helping events like this are doing it now. If we want their support we need to request it now. Bob Kalmbach suggested submitting a letter to nearby organizations to request funding for this event. Jerry Rowland said he would try to come up with the letter with Cassandra Rowland's help. Skip Nordal questioned whether it would be against the rules to get funds from these companies as a Port; maybe a committee member should do that. Jerry Rowland said the state made it clear that there was no problem with the Port sponsoring this event, the Port just couldn't purchase things and then sell them to the public. Dennis Bryan suggested putting out a donation bucket now in the Port office to start collecting for the next event.

Jack Bailey said this event would pay off to the community in the future. Children who are attending now will remember the event and how much fun it was.

Jonathon Thomas stated his involvement with other events like this did not have the manager being the person that did all the arrangements. He suggested that there should be a Project Manager. Bob Kalmbach said it is a good idea but finding the "right" person would be difficult since they would have to have knowledge of the event and the Port. John Mitchell suggested contacting the Parent Teacher Associations to see if they would have people that would be interested. Jerry Rowland stated a phone call to Greg Lynch, Superintendent of Central School District, would be in order. Jack Bailey said that when he was involved in Silverdale Whaling Days they planned the next year's event as soon as it was over.



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Skip Nordal asked if most of the volunteers were tenants of the Port. Jerry Rowland replied they were. Skip suggested having a special meeting with the tenants and present the concerns and see what the group could come up with. Jack suggested getting the community invited to that meeting. He added that most community organizations are having problems with finances.

Bob Kalmbach said he thought the information that was given and proposed was good and it needed to be acted on within the next few months. He challenged the group to think about this and propose some ideas at future meetings.

Jack Bailey thanked Marjie Rowland and Cassandra Rowland for all the efforts they have put into the past BAD events. Bob Kalmbach added he appreciated the time that they had put into these events.

Skip Nordal suggested contacting the Leadership Kitsap organization to provide some leadership to this event. John Mitchell explained this organization and how they do take on projects. Skip Nordal asked permission to contact Leadership Kitsap and the commissioners agreed.

Jerry Rowland discussed the budget for BAD. The Port spent 8,342.19 and then there were additional donations of over \$2,000.00. He pointed out that the T shirt costs have raised substantially so he will look at other organizations for cost reductions. Bob Kalmbach asked how many were ordered and Jerry replied about 150 T shirts. He added that the bounce castles and other kids' attractions were going to cost \$3,000.00 next year. Jack Bailey stated we should just do away with this attraction. Bob Kalmbach suggested at looking at where other organizations get their attractions similar to this. Jerry Rowland stated that the Port had an opportunity to buy the bounce houses and dunk tanks from Adventures In Fun but the insurance company for the event would not insure them. He added he would talk to other places that have them to see how they got them set up. Skip Nordal stated that in summary the BAD VIII event cost about \$10,000.00. Jerry replied that was correct. He added that the Car Show expenses have increased. Ned Cook asked how much money the raffle brought in for the event. Jerry Rowland replied that it was between \$800 to \$1000. Jack Bailey stated that the car club needs to put in more effort. Bob Kalmbach suggested looking at having a different car club to put on the car show.

Bob Kalmbach challenged everyone to come back to the next meeting with ideas for BAD IX.

### Public Hearing

Commissioner Kalmbach recessed the regular session of the meeting at 8:18 PM and opened the Public Hearing for the 2013 budget.

Jerry Rowland stated that it was only required to have one public hearing on the budget but the Port has historically had two so this is the 2<sup>nd</sup> public hearing. There is only one change from the last month's presentation. He discussed the maintenance and capital improvements that were being proposed for the 2013 budget. Total expenditures was estimated at \$2,981,975.00. The budget shows a 2.5% COLA in wages for the staff. Added was rebuilding the waterfront fence and extending past the fire station. Revenue should exceed expenditures by \$369,000.00.



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Jack Bailey asked what would be likely not to happen, if there are unexpected costs. Jerry Rowland stated that the Fire House roof could last another year. The parking lot could be delayed for another year. The rolling stock (truck and tractors) really need to be purchased.

Ned Cook asked about the improvements to the deli, such as the vent hood. Bob Kalmbach replied that this would be taken care of in this year's budget.

Bob Kalmbach adjourned the Public Hearing on the 2013 Budget at 8:31 PM and reopened the regular session of the Port meeting.

## OLD BUSINESS

- a. Resolution 12-09, 2013 Tariff. This is the second reading of this resolution. There have been no changes since last month's reading. Commissioner Bailey requested at the last meeting, the Port Manager to look into the "Commercial Ramp Fee". The Port of Port Townsend charges the vendors to use the space they use. The Port of Port Angeles is trying to come up with a method to get a percentage of the "Catch". The other Ports won't let any of the fishermen off load products. The Port of Brownsville is unique in this respect. Jerry Rowland said what the Port has is working. No one is complaining about the \$200.00 per year Commercial Ramp Fee. Jerry Rowland added that since the Suquamish Tribe pays full moorage for the boats they have here and they, so far, have not seriously challenged that, they are paying for the use of the area to off load.

Jack Bailey said he thought the commercial trucks should register with the Port and follow the laws of the State which says that diesel trucks should not sit idling after a certain amount of time.

Jack Bailey moved to approve Resolution 12-09, Tariff for 2013. Allen Miller seconded the motion and it was approved unanimously.

- b. Resolution 12-10 Revise Personal Policy Manual, Section Eight, Leave. Second Reading. Commissioner Kalmbach requested a check into the section of this resolution concerning the amount of annual leave earned after an employee reaches 20 years. Currently the state is 240 hours or 30 days. The WPPA annual survey only asks Ports what leave an employee earns at 15 years and does not ask for anything beyond that so that is all the Ports answer to. The Port of Brownsville is pretty consistent with the rest of the Ports up to the 15 year mark. Jerry Rowland contacted several of the Washington State Ports to ask what their policy is for a 20 year employee. of the ones that he contacted (Longview, Pasco, Bremerton, Olympia, Kingston) all but one at year 16, go to 5 weeks or 200 hours earned leave and nothing changes after year 16. Jerry added that he also discovered that they all had some type of buyback for annual and sick leave. Jerry reviewed the leave earning policy for the Port of Brownsville and at 16 through 20 years the earned leave is 192 hours. Jerry suggested the following modification: Leave earnings will be as follows:
- Sixteen (16) hours per month, 192 hours per years from 16 through 18 years.
  - Eighteen (18) hours per month, 216 hours per year thereafter, or about 5 ½ weeks.



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Jerry also proposed modification of paragraph (D) from what was written to add the words "or in the case of the Port Manager the Commissioners". It now reads; Annual leave in excess of three hundred sixty hours that is not used by the end of the current leave year must be sold per paragraph C unless the Port Manager authorizes the rollover, or in the case of the Port Manager the Commissioners, of the excess annual leave.

Jack Bailey asked if there were any changes in the 20 year mark. Jerry said it had not changed from the 240 hours it is currently. Jack Bailey noted that many employees have 20 years.

Bob Kalmbach stated he would like to see it 192 hours of earned leave from 16 through 19 years and then 200 hours at 20 years. He revised that to 216 hours at 20 years. Other commissioners agreed and Jerry Rowland said he would revise the resolution and present it at the next meeting.

- c. Resolution 12-11 Establishing 2013 Budget and Property Tax Levy. (First Reading) The tax levy numbers reflected on the budget resolution are provided by Kitsap County.

## NEW BUSINESS

None

## PUBLIC COMMENT

None

## EXECUTIVE SESSION

None

## CLOSE MEETING / ADJOURN

Commissioner Allen Miller made a motion to adjourn, Commissioner Jack Bailey seconded. Motion passed unanimously. Meeting adjourned at 8:58 P.M.

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President/Commissioner

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Secretary/Commissioner

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Commissioner

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Recording Secretary