



*Port Of Brownsville*  
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**Commissioners:**  
Bob Kalmbach  
Jack Bailey  
Fred Perkins

November 12, 2015

## **CALL TO ORDER**

Commissioner Bob Kalmbach called the regular session of the meeting to order at 6:00 PM. In attendance were Commissioner Jack Bailey, Commissioner Fred Perkins, Port Manager Jerry Rowland, Maintenance Supervisor Matt Appleton, Port Attorney John Mitchell and Port Accountant Dennis Bryan.

## **PLEDGE OF ALLEGIANCE**

Commissioners led pledge of allegiance. Jerry Rowland thanked the Brownsville Yacht Club for loaning their flag for this year.

## **APPROVAL OF AGENDA**

Commissioner Fred Perkins made a motion to approve the agenda as written. Motion seconded by Commissioner Jack Bailey, motion was approved unanimously.

## **APPROVAL OF CONSENT AGENDA**

Consent agenda includes the 14 October 2015 Study Session Meeting Minutes, 14 October 2015 Regular Meeting Minutes, 26 October 2015 Study Session Meeting Minutes, 19 October 2015 Kitsap All Ports Draft 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: November 2015 General Fund voucher numbers 30268 through 30324 for a total amount of \$74,058.89, also approved for payment was November 2015 Electronic Transfer voucher numbers 2015-88 through 2015-93 for a total amount of \$13,196.35.

Motion made by Commissioner Jack Bailey to approve consent agenda. Motion was seconded by Commissioner Fred Perkins and motion was approved unanimously.

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

Jonathon Thomas reported from Kitsap Maritime Association. Jonathon stated the Association is going to apply for a funding package in the form of a grant. To obtain this the Association is asking for letter of collaboration. In the past Lady Washington and Hawaiian Chieftain have not been in the Puget Sound during the summer months but this year they will be from May through September. This will give more of an opportunity for the education cruises that all 3 of these tall ships are providing to students. This collaboration means the Port recognizes that these ships and the Association will be providing this education and support it. This grant will allow the Association to advertise the education programs prior to them occurring. He stated that the grant application has to be submitted by the end of November he



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would like a quick response. However, the package can be submitted with these minutes so it is apparent the Association is seeking this collaboration. Bob Kalmbach stated the letter of collaboration would have to be reviewed by the Port attorney and getting done by the end of November may be an issue. Jonathon recognized this as a possible obstacle to getting the letter by the end of November. Jerry Rowland stated the only one that has to sign the letter of collaboration is the President of the Commissioner Board so that may help with the time frame. He added that he thought this could be done by the end of next week. Bob Kalmbach asked for confirmation from Port attorney, John Mitchell. John said he could do this time frame.

Carolyn Thomas, Commodore of the Brownsville Yacht Club, reported on the recent event they sponsored. It was the "Haunted Harbor" that was held on October 30, 2015. It was a great success with over 200 people (children and adults) that attended. Nine boats participated, some of them not Yacht Club members. She passed around pictures of the event. Also, there were 5 hearses that gave out "Coffins of Treats" and it was well received. There were 72 decorated pumpkins and there was a safety brief prior to the event. She thanks the Port of Brownsville for the loan of the children floatation jackets. With this being such a success there will be another one next year. Dr. Terry Asla noted that this event is one of the continuing relationships growing between the tenants of the Port. He also stated that if you get the children of the Port district at the event, the parents will be there also. The event ran 3 hours and raised over 100 pounds of food and \$100 dollars which was donated to the Bremerton Food Line. Bob Kalmbach thanked the Yacht club for sponsoring this event and he has heard positive feedback from the people he has talked to about this event. Ned Cook asked why the Bremerton Food Line was chosen over Kitsap County Food Bank. Dr. Terry Asla stated that Bremerton Food Line shares any extra food with other food banks so this was a decision of the Yacht club to use them. Bob Kalmbach stated this was Brownsville Yacht Club business and Carolyn should take this concern back to them. Carolyn added that there will be a clam chowder cook off on November 21, 2015 at 5 PM in the Yacht Club. She stated that the Brownsville Yacht Club will be having the lighted boat parade this December. This is open to all boats, not just yacht clubs. Illahee will be on December 19 and Bainbridge on December 18. There will be the Brownsville Polar Plunge on New Year's Day. She encouraged a commissioner to participate.

## **PRESENTATIONS TO OR BY THE BOARD**

None

## **FINANCIAL REPORTS**

Port Accountant Dennis Bryan stated that the Port Manager and his company have started reviewing the contract modification that has been discussed previously. He added that tonight's report has been second checked by someone besides himself, which is new policy based on the state audit results. He provided the September 2015 end of month financial report. As of September 30, 2015 the balance was \$962,170.11.



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	With fuel	Without fuel
Operating Revenue	Under budget by 11%	Even to Budget
Non-Operating Revenue	Under Budget by 2.8%	Under Budget by 2.8%
Operating Expense	Under Budget by 11.3%	Over budget by 2.5%
Administrative Expense	Under Budget by 2.7%	Under Budget by 2.7%
Non-Operating Expense	Even to Budget	Even to Budget
Capital Improvement	Even to Budget	Even to Budget
Bond Payments	Even to Budget	Even to Budget

He added that this is a good time for the commissioners to review the Manager's Report and see if there are any changes they wish to make to this report. Dennis the Accounting rules state that the contract has to be on his company letterhead and have certain wording. He is working with Jerry Rowland on getting this contract modified. John Mitchell stated that it doesn't matter whose letter head it is on, the content is what is important. Bob Kalmbach asked if the Port has received the second installment on county taxes. Dennis Bryan stated it has not been received and it is overdue. Bob Kalmbach asked to be notified when this installment was received. Fred Perkins asked when the state audit bill will be received and where would reflect on the management report. Dennis stated that it would be in the Administration Expense section and in detail in the December monthly report. Jack Bailey noted that the expenses are down but the revenue is maintaining. He attributed that to being able to move boats and keep boats moored during the marina rebuild. No boat owners left the marina because of this.

## INFORMATION, STAFF AND COMMITTEE REPORTS

- a. Manager Report – Attached.
- b. Commissioners Report – Jack Bailey will be attending the WPPA conference next week. He attended the marina boat yard conference in Bremerton with Maintenance Supervisor Matt Appleton on October 19, 2015. He noted that there was good discussion on the role of educating people in marine industries. The Aquatic Lands is taking the approach of being strict on the rules for using the land around the water. The Ports were encouraged to develop a good relationship with the Aquatic Lands representative. Testing for stray current was also discussed and it should be done yearly and copy of the report is to be made available. Most of the staff do not know how to do this. Matt Appleton said he has performed this task several times with Gregg Faulkner. The session was a good refresher for him. Jack Bailey stated that the person giving the refresher said you can't overdo zines but you can. Jack reported that the state has now reversed the decision of allowing boats to be a bed and breakfast type of business. However, he is still against this type of business at the Port of Brownsville. He reported on the marina fire that occurred recently with a burning candle. He reminded everyone to be fire conscious. The hydraulics rule is not finalized and may affect the ability to dump the dredging material.

Fred Perkins stated he attended the Small Ports Conference in Leavenworth with Matt Appleton. He did not have his notes so he will report in more detail next month. Matt said he didn't have his notes either but he enjoyed meeting other marina people and getting their viewpoints. Carolyn Thomas



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asked if the conferences were one day or overnight. Bob Kalmbach stated it depends on the conference. She asked if the Port covers the cost and Bob Kalmbach replied yes, there is a budget set aside for this.

- c. Standing Committee Report – None

## **OLD BUSINESS**

- a. Boathouse Compliance – Matt Appleton said the boat house compliance has slowed down due to the weather but there will be one more additional on Monday that will be in full compliance. There is a few more that say they will be done by the first of the year.
- b. Final 2016 Budget Resolution 15-16– This is the final reading of the budget as it needs to be at the County by the end of the month. The budget was modified by adding money for next year's State Audit and increased the maintenance budget. This caused the overall numbers to be reduced by \$50K but the Port should be able to bank around 100K. Jack Bailey made a motion to approve resolution 15-16 and Fred Perkins seconded the motion. Motion passed unanimously.
- c. Resolution 15-15 Substantial Need. Along with the County Tax Levy Calculations was a note explaining that the Implicit Price Deflator (IPD) is less than 1%. This impacts tax districts with a population greater than 10,000. The levy limit applied to the highest allowed levy is the lesser of 1% or the IPD for tax districts with a population greater than 10,000. The tax district may increase the levy limit up to 1% if they pass a substantial need resolutions/ordinance. The substantial need resolution is in addition to the normal resolution required to increase the prior year's levy. This will add about \$3,000.00 more income for the Port in 2016. Jack Bailey made a motion to approve resolution 15-15 and Fred Perkins seconded the motion. Motion passed unanimously.
- d. Resolution 15-10 Final 2016 Tariff – Other than eliminating the \$45.00 charge for full holding tank pump out service there have been no changes. Jack Bailey made a motion to approve resolution 15-10 and Fred Perkins seconded the motion. During discussion, Ned Cook asked if anyone was entitled to get the \$45.00 fee. Jerry Rowland stated no one has been charged this fee. Motion was passed unanimously.

## **New Business**

- a. Resolution 15-13 was approved by the commissioners at the last meeting but there was a change requested to delineate what the Maintenance Supervisor duties were during the Port Manager's absence. Even though this was not on the agenda it needs to be signed. Question came up as to whether a new motion is needed since it has changed. It was decided to make a motion to do so. Jack Bailey made a motion to approve resolution 15-13 and Fred Perkins seconded the motion. Motion passed unanimously.



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## PUBLIC COMMENT

Jerry Rowland stated at the last meeting it was decided to move the December meeting to the 16<sup>th</sup>. He wanted to make sure this was the case as the commissioners said they wanted to discuss it at this meeting. It was determined to leave it on the 16<sup>th</sup> of December. Location will be determined later.

Marjorie Rowland read the minutes from last month and Resolution 15-13 had been approved as modified. The question was whether there was an issue on having it voted on again. John Mitchell stated it was not an issue, just really passed now.

Jerry Rowland gave a report to date on the amount of money spent on the rebuild of the marina. To date it is \$3,695,883.78. That is approximately what was estimated. All that is left is to purchase some material. Bob Kalmbach said the commissioners need to authorize Jerry Rowland to spend the funds necessary to finish the rebuild. Fred Perkins made a motion to allow Jerry Rowland no more than \$45,000.00 to purchase the material to finish the marina rebuild. Jack Bailey seconded the motion and motion passed unanimously. Bob Kalmbach asked once this was all done, how many empty slips would the Port have. Jerry Rowland replied that the only empty slips are under 24 feet, which is about 18. This is normal for this time of year for the smaller size slips since the owners of small boats pull them out of the water over the winter.

Jerry Rowland reported that Suquamish tribe just received a Department of Revenue Audit and it was determined that the seafood boats were not required to pay sales tax and leasehold excise tax. They have been paying this in the past so there will be a bill from Suquamish tribe for this year and 4 previous years. The Department of Revenue is aware and will allow the Port to deduct the amount of leasehold excise tax that is owed from the next installment. Sales tax is another matter but the decision may be to not charge them sales tax from a certain date, present or in the future. Dr. Terry Asla announced that the Suquamish tribe is going to get rid of the boat "Misty". Jerry Rowland stated he knew they were working on this.

Carolyn Thomas said that the Brownsville Yacht Club wanted to go on record that they are very pleased with how the staff has been able to keep up with the normal business of maintaining the marina while doing the marina rebuild.

Ned Cook brought up a concern about the transparency of the letter of collaboration with the Kitsap Maritime Association that was discussed earlier. He thought it may not comply with the Public Information Act. Bob Kalmbach said there is no financial obligation in the letter, only support for the program they are doing for education. If there is any disagreement then it will be put on the agenda for next month's meeting. Marjorie Rowland said it could be put on the agenda for next month regardless so the public knows about it. Jack Bailey said that he already noted in 5A that does refer to obligations that would not be in the best interest of the Port. Ned Cook said the best answer is if there is discussion that it be on the agenda for next month. Bob Kalmbach asked John Mitchell if there would be a problem with



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doing what is proposed, having it on the agenda after the fact. John Mitchell said the safest way was to have it on the agenda for next month prior to signature. Jack Bailey said he agreed with it in principle. However, there are technical details that he would have to comment on and get involved with. Ken McKuen asked if there is need for public comment on this letter of collaboration or if it is a decision that the commissioners can make. He expressed that there is the 30 day clause that says the agreement can be canceled. John Mitchell said it was not the fault of the Port that the deadline is the end of November 30 and it seemed the Kitsap Maritime Association would be all right with something stating the Port is reviewing it. Bob Kalmbach said he wants to put this item on the next meeting's agenda. Jerry Rowland said he could give a response to Jonathon Thomas that the Port is reviewing this letter of collaboration for signature.

## **EXECUTIVE SESSION**

None

## **CLOSE MEETING / ADJOURN**

Commissioner Bob Kalmbach adjourned the meeting at 7:22 PM.

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President / Commissioner

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Secretary / Commissioner

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Commissioner

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Recording Secretary