

# **PORT OF BROWNSVILLE**

9790 Ogle Rd • NE Bremerton, WA 98311  
Office: 360-692-5498 • FAX 360-698-8023

## **Commissioners:**

Bob Kalmbach  
Jack Bailey  
Fred Perkins

March 14, 2018

## **CALL TO ORDER**

Commissioner Fred Perkins called the regular session of the meeting to order at 6:02 PM. In attendance were Commissioner Jack Bailey, Interim Port Manager Matt Appleton, Port Attorney John Mitchell and Port Accountant Dennis Bryan. Fred Perkins made an announcement that the meeting was being recorded.

## **PLEDGE OF ALLEGIANCE**

Commissioners led pledge of allegiance.

## **APPROVAL OF AGENDA**

Fred Perkins stated that an addition needs to be made to the Consent agenda, adding the State Audit Exit Meeting minutes on March 6, 2018. Jack Bailey made a motion to approve the agenda as amended. Fred Perkins seconded the motion and it passed unanimously.

## **APPROVAL OF CONSENT AGENDA**

Consent agenda includes the 10 January 2018 Regular Meeting minutes, 6 March 2018 State Audit Exit 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: March 2018 General Fund voucher numbers 41475 through 41519 for a total amount of \$73,453.10. Also approved for payment was March 2018 Electronic Transfer voucher numbers 2018-17 through 2018-22 for a total amount of \$10,680.02.

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**

Fred Perkins said that these comments need to be no longer than 2 minutes.

Marjorie Rowland gave a report for Kitsap Maritime Heritage Foundation since the Executive Director, Jonathan Thomas, was working. She stated Happy St. Patrick's Day to everyone and said that Kitsap Maritime would be in the St. Patrick's Day Parade on Saturday, March 17, in Bremerton. She invited everyone to attend. She said that whenever Kitsap Maritime attended a function like this they promoted the Port of Brownsville. She said that Kitsap Maritime has received funds from Silverdale Rotary as a result of the Great Duck Race that the Port of Brownsville is involved with. She then reported that Kitsap Maritime will be having an event titled Appreciation Night for the volunteers and sponsors. It will be on April 14, Saturday, at the Crystal Grange on Paulson Road, not far from the Port of Brownsville. The

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time will be 6 PM to 8 PM with auction items and other fundraising items. It will also be the kick off for the Kitsap Great Give which is on April 24, 2018, this year. She gave a brief explanation of the purpose of Kitsap Great Give and stated that donations for this event will be matched by local businesses and organization, and usually the match is about 10%. Donators are allowed to start donating as early as April 10 this year giving people more time to donate. Jack Bailey asked about clarification of giving to Kitsap Great Give early. Marjie replied that all the funds donated early would be placed in an account and not applied to the Kitsap Great Give or charged until April 24. Jack Bailey asked about the status of the work on the boat, Fiddlers Dream. Marjie replied that the crew is finishing the interior of the boat, the floor or sole, and then will move on to starting system installation such as the steering assembly, which the donation from Silverdale Rotary will help purchase. She stated that this week the crew is taking a break but will be back at work next week.

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

None

## **FINANCIAL REPORTS**

Port Accountant Dennis Bryan stated the State Auditors had the exit meeting and as he has previously stated, the problems with the reporting process, his company takes full responsibility for that. He said they have changed their process of reporting as suggested by the auditors. Fred Perkins clarified that the report for 2017 will be cash accounting. Jack Bailey said that the Port of Poulsbo does accrual accounting but their reports are in cash accounting. Dennis said the Port of Brownsville will be similar since the State requires information on the reports that can be provided only with accrual information. He reviewed the information that is required in the reports. He said his office and Claudia have already reviewed the financial reports and found that only the administration depreciation is affected. Dennis said the monthly reports would remain the same. He then reviewed the monthly reports and the changes that will be made due to cash accounting. He then provided the January 31, 2018 end of month financial report and the balance was \$1,530,399.21. He added that he did not have time to review this report ahead of time so the Net Income line should be negative which is expected because there is no revenue from taxes at this time. He added that the comparison to previous years is misleading because the Port received a yearly grant for the Clean Marina facilities. The State requires that the Port report the grant funds when they are received so it skews the comparison report. Jack Bailey asked if it would be possible to throw out the anomalies like the grant funds so it gives the Commissioners a better idea of where the Port is financially compared to previous years. Dennis said that he could do that but may not be for a few months, after tax season. Matt Appleton explained how the Clean Marina grant works. Jack stated that in a previous discussion with the grant people they stated to go ahead and purchase a replacement motor and charge it to the grant funds. Dennis said the comparison to last year without the grant funds is about 6%. Jack Bailey said this helped with understanding the Port's financial position. Jack Bailey added that in the State Audit exit meeting the State Auditor wanted the Port to have someone on staff that was familiar with all the manuals such as the GATSBY 68. Dennis said that was not possible for a Port of this size. He went on to explain why it would be a financial burden to the Port of Brownsville. Dennis added that one of the items from the State Audit was for the Port to report the retirement amount for the employees as a liability which is required by the GATSBY 68. This means that if the State Retirement Fund would go belly up, the Port would be responsible for these retirement funds. Financial report is available upon request.

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Dennis Bryan excused himself from the meeting due to tax season.

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

- a. Manager Report – Attached. CPR training is going to be provided on June 6, 2018. He also announced the marina is full, the earliest it has been since his employment.
- b. Maintenance Report – Attached. Matt Appleton gave the report which Jai Tew wrote.
- c. Commissioners Report –  
Jack Bailey said he attended the State Audit exit meeting. He said he was disappointed in the past contractor that built the aluminum docks who did not provide the proof of paying prevailing wage. Fred Perkins added that the Port needs to meet and determine how to lessen the time the State Auditors spend at the Port resulting in less cost to the Port.
- d. Standing Committee Report – None

## **OLD BUSINESS**

- a. Boat Compliance list – Matt Appleton reported on the boats that were on the list and those that have received notices of non-payment. Jack Bailey noted that one of the boats has been at the Port with no payment for almost 90 days. Matt said the Port has already sent a letter to the owner. Jack Bailey asked if the Port could pull the boat out of the water. Matt replied that it was not a hazard so the Port could not move the boat out of the water.
- b. Boat Launch Update - Matt Appleton said that the Port has completed the first four steps of the 27 steps of the grant process. He said that there is one permit from the Army Corps of Engineers that has not been received and he has contacted the engineer and the Port attorney to see if they can help with getting this permit. It has been 18 months since the application was submitted. John Mitchell said he is pursuing this. Jack Bailey said it should have been received last year.

## **NEW BUSINESS**

- a. Resolution 18-02 – RCO Grant Signature Authority  
Matt Appleton stated this is changing the name of the Signature Authority for the RCO Grant funds from Jerry Rowland (Past Port Manager) to Matt Appleton (Current Interim Port Manager). This is the first reading of this Resolution. John Mitchell stated there was no reason why this could not be voted on at this meeting. Jack Bailey said this was administrative in nature and made a motion to consider this a second reading of this resolution and move it on to vote. Fred Perkins seconded the motion. During discussion Marjorie Rowland noted that the Resolution designates Matt Appleton as the current Port Manager and he does not hold that title. It was suggested that the Resolution be amended to state Matt Appleton is the interim Port Manager. Fred Perkins made a motion to amend the Resolution to state the correct title of Matt Appleton. Jack Bailey seconded and motion passed unanimously. Fred Perkins called for vote of the previous motion made to vote on this Resolution at this meeting, considering it the second reading. Motion passed unanimously.

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## PUBLIC COMMENT

Fred Perkins announced that these comments should be kept to around 2 minutes.

Ken McEwan said he lives in District 1 and wanted to acknowledge the Port action and meetings with Matt Appleton over the safety of the new launch ramp location. He said it really underscores how the community can work together to make this a better Port. He then asked where the Port was in filling the vacant Commissioner position. He asked if there was criteria for this position and whether the public can participate on the interviews. Jack Bailey stated that the Commissioners are following the RCW's and position choice is up to the Commissioners only. He said they have 90 days from the vacancy to fill the position. If it is not decided in 90 days then the Kitsap County Commissioners would choose a person to fill the position. Ken McEwan asked when the 90 days was up and Fred Perkins said it is before the next meeting, 90 days from January 10, 2018.

Marjorie Rowland announced that she forgot to mention in her previous comments that Amazon Smile was offering a 1.5% of purchases to go to your charity of choice until the end of March. She explained how it worked; including it was not additional cost to the customer. The usual amount is .5%. She encouraged people to purchase and choose Kitsap Maritime Heritage Foundation as their charity of choice.

Carolyn Thomas asked for some clarification on the Port District locations and who the commissioners were for which district. She asked where she could find the designated borders and locations. Jack Bailey stated it could be found on the Kitsap County website.

Matt Appleton suggested possible reschedule of next Port Meeting due to it being very early in the month and the fact that the Brownsville Yacht Club wanted to use that whole week to set up for their rummage sale. It was determined to have it on April 10 at the Fire Hall. Matt Appleton said he would make the appropriate notifications. Jack Bailey asked about the contract with the Brownsville Yacht Club and Matt Appleton said it was coming due and would be ready for signature at the next meeting.

**EXECUTIVE SESSION** – Commissioner Fred Perkins recessed the regular session of the meeting at 7:05 PM for a five minute recess. At 7:10 PM the Executive Session would convene and it was estimated to be 30 minutes long. At 7:40 PM the Commissioners requested an additional 5 minutes.

- |                |      |                        |
|----------------|------|------------------------|
| a. Legal       | None | RCW 42/3-/11-(1) (I)   |
| b. Real Estate | None | RCW 42.30.110(1) (b-c) |
| c. Personnel   | Yes  | RCW 42.30.110(1) (f-h) |

Executive session was adjourned at 7:49 PM with no decisions made and regular session was reconvened.

It was announced that there would be a special meeting on March 28, 2018 at 5 PM.

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**CLOSE MEETING / ADJOURN**

Meeting was adjourned at 7:50 PM.

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President / Commissioner

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Secretary / Commissioner

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Commissioner

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Recording Secretary