



**Port of Brownsville**  
Minutes of Meeting  
9 June 2010

**CALL TO ORDER**

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

**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 the minutes for the May 12, 2010 regular meeting, the May 25, 2010 special meeting and study session 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: June 2010 General Fund voucher numbers 26146 through 26204 for a total amount of \$74,716.04. Also approved for payment was June 2010 Electronic Transfer voucher numbers 2010-45 through 2010-51 for a total amount of \$10,831.96. Motion seconded and approved unanimously.

The breakdown of the major expenses was read by Commissioner Bailey.

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

None

**PRESENTATION TO OR BY THE BOARD**

Jonathon Thomas gave a monthly update report on the Lavengro activities. They now have almost 2,000 volunteer hours. There will be Coast Guard inspectors in June to authorize more passengers on the boat. The Lady Washington and Hawaiian Chieftain will be in Port Orchard June 14<sup>th</sup> to the 20<sup>th</sup> and the Lavengro will join them on June 18, 19 and 20. On June 26, Jeremy Fitchitt will be with the Lavengro team. He is a junior naturalist from the Harbor wild watch "Get your Feet Wet" program. On that day from 2 to 4 PM there will be dockside tours. July 17<sup>th</sup> there will be a sail with the Sea Cadets.

There is a concerted effort to get the boat in great shape for the Certificate of Inspection from the Coast Guard. Next public sail will be August 15<sup>th</sup> at the Port of Brownsville.

Bob Kalmbach asked how the grant application was progressing. Jonathon replied that they would find out on next Tuesday the results of the grant application.

Bob Kalmbach asked if the skippers of the boat were licensed for the increased capacity of passengers that the boat is planning on. Jonathon replied that the skippers are licensed to the tonnage of the vessel. Passengers do not affect the license.

Jack Bailey asked how much lead they had to put on the boat and Jonathon replied it is 4,700 lbs. He explained that there was an incident on a lake when all the passengers went to one side of the boat and it capsized. So now the boats have to ballast in case that event happens. There has to be an increase of the lead ballast due to the fact that the average person in America has gone from 140 lbs. to 180 lbs.

Reliable Storage has offered the Lavengro storage for their needs.

## **FINANCIAL REPORTS**

Port Accountant Dennis Bryan presented the 2009 Annual Report and the May 2010 monthly financial reports.

The 2009 Annual Report has been filed with the State. There have been no significant changes from the draft that was submitted at the last meeting. If the commissioners have any questions on this report they should contact Dennis Bryan.

The May 2010 monthly report showed a balance of \$1,314,605.95. With gas, the operating revenue is under budget, the non-operating revenue is under budget, the operating expenses are under budget, the administrative expenses are under budget and the non-operating revenue is even to budget. Without gas the only change is operating revenue is over budget.

Jerry Rowland gave a report of income through the past years. In 1997 there was a balance in the bank for the Port of approximately \$581,000.00. On 30 April of 2010 there was a balance of approximately \$1,272,000.00 which means the Port made approximately \$691,000.00 through that time. Also during that time frame the Port built the Pavilion, the Upper Park gazebo, added the East Breakwater, replaced the North Walkway, added two floating bathrooms and purchased real estate. Jerry stated he thought the Port was doing well financially.

Jerry Rowland reported that the MD& A has been submitted to the State.

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

- a. Managers Report – Attached.
- b. Commissioners Report –

Allen Miller reported that he attended the WPPA Spring Meeting in Lake Chelan. He stated there are new people in charge and it was a good meeting. He stated that the WPPA is now renting an office in Olympia but is proposing to buy the building and will lease spaces out to other organizations.

Jack Bailey announced that he would be attending the Commissioners Seminar July 25 through the 27<sup>th</sup>.

- c. Standing Committee Report – BAD VI – Marjie Rowland reported that the second meeting on June 2, 2010, reviewed the lessons learned from last year. The decisions were made on the design of the Tee Shirt, the amount of the food and the price will be \$1.00. The design of the car plaque will be finalized at the next meeting. It was discussed that new tables may have to be purchased. A student art show with the nautical theme was proposed and there will be more discussion on that. Jack Bailey noted that it was also proposed that someone like Amy Burnett will be requested to judge the art show.

Bob Kalmbach asked if there would be awards for the art show. Marjie stated that was discussed and there would be some decision on that soon. Bob also stated that the tables available at Costco are very sturdy and worth the price. Marjie stated that was also discussed and would take the recommendation to the committee.

Jack Bailey stated that this year the T shirts would be ordered for volunteers that sign up ahead of time. After that the T Shirts will be available by ordering at a price to be determined.

It was asked what date BAD VI is this year and Jerry Rowland stated that it is September 25, 2010.

## **OLD BUSINESS**

- a. Modify Lease Lines – Resolution 10-04 was approved by the Commissioners 25 May requesting formal approval from DNR to approve the PMA boundary line changes. A copy of this resolution along with the other required information was sent to Don Olmstead at DNR on 26 May. Don has acknowledged receipt of all the information and has stated he does not think there will be any problems. However he is going on vacation for the next two weeks so nothing will happen until he returns.  
In conjunction with this Jerry Rowland contacted Amy Leitman to start the bottom survey process. There will need to be a bathymetric survey and core samples taken, a dredge plan including a cross section drawing view and a determination of annual sedimentation rate to identify future dredge timelines. All this will need to be accomplished prior to submitting the permit applications. The bid package for this will be sent out by the end of next week with a closing date of 14 July. The cost will not be known until that time, but a calculated guess is 15 to 18 thousand dollars.
- b. Fire Hall Rental – The lease agreement has not changed from the special meeting on May 25, 2010. Robert Ellsworth and Jackie Susan have been provided a copy for their review. They have tentatively indicated that the lease as written is acceptable to them.

Kitsap County initially rejected the permit due to the fact that the method of attaching the shelves to the wall was not listed on the floor plan. Jerry Rowland made several telephone calls after the resubmitted plans were provided trying to discover the status only to find out the planner assigned to this permit has gone on vacation. Several more telephone calls later and a second planner looked at the package and decided additional information was needed, which was the ADA bathroom layout and if the new ADA doorway was in a load bearing wall. This information has been provided as of 9 June. There is no other information at this time.

Bob Kalmbach stated we have asked other prospective tenants to provide a financial plan and business statement. He asked if this tenant has been asked to provide the same. John Mitchell stated all the prospective tenants should be treated the same. Jack Bailey asked Jerry Rowland to request a Business Plan and Financial Statement from these tenants.

- c. Resolution 10-02 Revise Personnel Policy Manual – Second reading - This change is designed to clarify the summer employment positions and the medical benefits paid by the Port. Bob Kalmbach made a motion made to approve this resolution, motion seconded by Allen Miller and passed unanimously.
- d. Resolution 10-03 Adopt Employee Security Policy and Procedure Manual Credit Card Security Policies and Procedures. – Second reading - This resolution is required by the credit card companies to ensure compliance to their requirements of keeping all credit card information under lock and key at all times. Bob Kalmbach made a motion to approve this resolution, Jack Bailey seconded it and it passed unanimously.

## **NEW BUSINESS**

- a. Rental House above the Port office – The Port invested approximately 12,000.00 in the rental house after Jerry and Kathleen Prescott moved out in late 1999. At the time the house needed a lot more work than was put in to it but the current tenants said they would take it as is. They have managed to put up with the basement flooding every time it rains, along with a myriad of other small things. After renting the house for a little over ten years they are moving out 31 July 2010. The current renters over this ten year period have paid the Port approximately \$90,000.00 in rent. The Port did install a new oil heater and new kitchen electric stove and did some electrical work all of which cost about \$6,000.00. If the house is to be rented out again it will need to have some work done on it. Primarily it will require sealing the basement or putting in curtain drains of some kind to stop the flooding that occurs every time it rains. This could be an expensive fix. In addition to that the Port will need to do some painting, both inside and outside. The windows should be replaced as they are a constant source of condensation that is fast and furiously rotting the window sills and surrounding areas as well as presenting a large mildew issue. From a safety standpoint the light fixtures should be upgraded from the 40's style that are in there and it would not hurt to upgrade the electric panel from fuses to breakers. Jerry Rowland estimated that at this point in time the Port will need to put upwards of 20 thousand dollars or possibly more into the house before it will be in any condition to rent. This was not anticipated and is not reflected on the 2010 budget.

Jack Bailey stated before a decision could be made he needed to see for himself what condition the house was in. He requested the Port Manager to arrange for an appointment to see the house. Allen Miller agreed with this request.

Bob Kalmbach requested the Port Manager to get a cost estimate for the repairs that were described as necessary, such as the windows, the basement sealing, the lights and power panel. Also an estimate for a curtain drain would be needed. Jerry Rowland stated he would pursue this.

John Mitchell pointed out that the window problems with the mildew and mold is an item that has to be corrected since it is a health hazard.

Jack Bailey stated he wanted to see the house remain in place, since it has been a part of the Port for a long time.

Jerry Rowland stated he would try to get a walk through scheduled before the next Port meeting on July 14, 2010.

## **PUBLIC COMMENT**

Bob Kalmbach announced that he would not be present at the August meeting. He did not see a need to reschedule the meeting as he would be gone for most of the month.

Jerry Rowland encouraged all 3 commissioners attend the Commissioners Seminar on July 25 through 27.

Jerry Rowland read a Letter of Appreciation from a customer on the fuel dock for the way they were received at the dock and the service from Ken Hertz.

Jack Bailey reported that the boat yards will be required to have permits for certain functions. He stated concern that this will affect the marinas as well since some of these boat yard like functions are performed in marinas. He added that some boat yards are just closing down due to the cost of the permits.

Arnold Haskins suggested for the rental house that the Port hire a building inspector to make a list of needed improvements and work on those improvements only. This will get the necessary repairs done and at one time, rather than piece meal. John Mitchell stated that this type of inspection would be good to have if there are future claims by tenants. Bob Kalmbach thought this was a good idea and asked Jerry Rowland to pursue this. Arnold added that this would show that the Port had good intentions of keeping the house in good shape. Jack Bailey requested that no inspections be performed until the commissioners had the opportunity to look at the house.

## **EXECUTIVE SESSION**

None

**CLOSE MEETING / ADJOURN**

Motion made to adjourn. Motion seconded and passed unanimously.

Meeting adjourned 8:31 PM.

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President/Commissioner

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Secretary/Commissioner

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Commissioner

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Recording Secretary