



Port of Brownsville

Minutes of Meeting

9 October 2013

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Commissioners led pledge of allegiance.

APPROVAL OF AGENDA

Allen Miller made a motion to approve the agenda as written. Motion seconded by Fred Perkins and motion was approved unanimously.

APPROVAL OF CONSENT AGENDA

Motion made by Fred Perkins to approve the Consent Agenda. Consent agenda includes the 18 September 2013 Regular Meeting Minutes, 18 September Special 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: October General Fund voucher numbers 28518 through 28571 for a total amount of \$140,105.56. Also approved for payment was October 2013 Electronic Transfer Voucher numbers 2013-77 through 2013-83 for a total amount of \$17,421.35. Motion seconded by Allen Miller and motion was approved unanimously.

PUBLIC COMMENT FOR ITEMS NOT LISTED ON AGENDA

None

PRESENTATION TO OR BY THE BOARD

None

FINANCIAL REPORTS

Port Accountant Dennis Bryan provided the August 2013 end of month reports. As of August 31, 2013, the balance was \$2,247,396.64.

	With Fuel	Without Fuel
Operating Revenue	Under Budget by 6.3%	Over Budget by 3%
Non-operating Revenue	Under Budget by 3%	Under Budget by 3%



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Operating Expenses	Under Budget by 6.9%	Over Budget by 3.9%
Administrative Expenses	Even to Budget	Even to Budget
Non-operating Expenses	Even to Budget	Even to Budget
Capital Improvements	Even to Budget	Even to Budget
Bond Payments	Even to Budget	Even to Budget

Dennis Bryan announced that the Port has maintained their 'AA' rating from Standard & Poors.

Jerry Rowland stated that by the end of the year the budget for 2013 will not be exceeded.

INFORMATION, STAFF AND COMMITTEE REPORTS

- a. Manager Report – Attached. Jerry Rowland added that the boathouse that was damaged has been dismantled and is disposed of. John Mitchell asked if the boathouse was one that the Port owned. Jerry Rowland replied, no, it was privately owned.
- b. Commissioners Report – Allen Miller and Fred Perkins had nothing to report. Jack Bailey announced that he had attended the Environmental Conference in Vancouver. He stated that there was a lot of discussion about storm water drainage and LIGO problems. Storm water is being checked now and anyone can sue on behalf of the State. It was also announced that the coal trains would not be coming to Seattle. The writer of the SEPA regulations said it was never intended to go beyond Washington State borders. Jack said he did ask questions about lead plumes but no one would respond. He stated that dredging will also be a problem in the future. Global warming was also discussed with the focus on adapting to climate changes. He said the conference was interesting and made him more aware of the challenges that will be facing everyone in the future when it comes to the environment.
- c. Standing Committee Report –

BAD IX – Jerry Rowland reported that it was a little damp on the 28th of September. In fact, there was a storm that drenched the Port and everyone in it. However, the volunteers showed up, the food was cooked, and the zombies were well hidden and ready to be shot by the zombie hunters. The elementary school kids arrived to perform on stage, or maybe it should be said that their parents got them to the Port so they could perform, and the Karate demo was a big success. There were 10 vendors that showed up to brave the elements, 22 automobiles and 12 boats. All in all the people who showed up had a good time. Jerry stated that he waited until the last performance on stage by Esquire hills and then at 2:30, shut the event down. Since it was less than a great day, the food that was prepared was not sold, but was given away. At the end of the day, the Salvation Army was called and they very gladly came out and took all the uncooked food and condiments to serve to those in need. Jerry continued with the good news of the event. Thanks to the generosity of the tenants, constituents, sponsors and the raffle the Port was able to provide \$505.00 for the art show winners and still ended up the day with \$5,359.00 to donate to the schools. That calculates to be \$1,339.75 per school. Jerry added that he just recently received another \$200.00 for the schools.



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Jack Bailey thanked the staff and the volunteers for braving the weather conditions and proceeding with the event rather than just cancel it at the beginning. Unfortunately the weather did not cooperate but the volunteers did not complain. Jack added that he measured $\frac{3}{4}$ " rain fall from 8 AM to 4 PM and another $\frac{3}{4}$ " until midnight. He also thanked the people who held on to the stage tent when the school kids were singing.

Fred Perkins added that even though the weather was not the greatest, everyone had a good spirit and a smile on their face.

PUBLIC HEARING

Jack Bailey recessed the regular meeting at 7:26 PM and called to order the public meeting. The 2014 budget was presented by Jerry Rowland. A power point presentation was given showing all of the capital improvements, maintenance costs and the expected income for the year of 2014. Ned Cook asked why C dock was less cost than the other docks. Jerry Rowland stated that the 2013 budget paid for building the docks, 2014 budget was for installation only. Robert Bale asked about the medical costs of the employees. Jerry Rowland explained that with the new Affordable Care Act the medical costs had gone up by \$17,000.00. The dental had not increased and was required by law for each employee. Ned Cook asked if there had been adjustments for the utilities. Jerry Rowland replied that the only item that had changed was the sewer cost and it has been adjusted in the 2014 budget. Jerry continued with fuel, which fluctuates in price throughout the year but the real calculation that is hard to determine is how much fuel will be sold. He went over the total amounts for all expenses and revenues. He said that due to the new construction that is planned for next year there will be a deficit next year but the Port will still end up with a balance of approximately 1.4 million dollars at the end of 2014. Jack Bailey stated he was amazed that the Port can do that well with all of the new construction costs coming up in the next year. He added that the budget was an estimate but that the Port had come very close every year. Public Hearing was closed and regular meeting was resumed at 7:40 PM.

OLD BUSINESS

- a. Resolution 13-12 Contracting Indebtedness LTGO Bonds. This is the official resolution written by Foster Pepper PLLC the bonding attorneys. This is the first reading but due to time constraints the Port Manager suggested that the second reading be waived and should be signed at this meeting. The purchase agreements will also have to be signed which Jim Blumenthal had with him. At that point Jerry turned it over to Jim Blumenthal of Martin Nelson and Company. Jim introduced his associate Alex Lynch. He distributed the purchase agreement to the commissioners. He said that the interest rates had decreased Since September 18 and the Port will get a rate of 2.38% for this bond. He added that the financial rating that was maintained of 'AA' will help in getting the bond. He also said that doing the bonds in 2 separate installs has created a savings for the Port. Allen Miller asked what the rates were at the last bond. Jim Blumenthal pointed him to the graph that showed it was 3.25%. This resulted in a savings of about \$14,000.00 for the Port. Jim Blumenthal went over the investors in the first bond which were mostly banking institutions, some of them local.



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Fred Perkins made a motion to pass Resolution 13-12. Allen Miller seconded and the motion passed unanimously.

At this time the commissioners signed all of the documents necessary to allow Martin Nelson Company to proceed with getting the bond.

The commissioners thanked Jim Blumenthal and Alex Lynch for attending the meeting and helping the Port obtain this bond.

- b. Resolution 13-10 - 2014 Comprehensive Scheme. This is the second reading of the 2014 Comprehensive Scheme. There have been no changes or modifications since the last meeting. The Commissioners had no further changes for this resolution at this meeting. Robert Bale asked about some of the entries in the Comprehensive Scheme. It was determined that he had an outdated copy. The Port Manager stated he would get him a recent copy.

Fred Perkins made a motion to pass Resolution 13-10. Allen Miller seconded it and the motion passed unanimously.

- c. Security Camera's - At the last meeting the Commissioners authorized the Port Manager to develop a scope of work and go out for bids. Two of the companies contacted were not interested in bidding on this project. Also, there was some time consuming events since the last meeting and the scope of work did not get finished. Jerry Rowland stated that he and the Assistant Port Manager, Gregg Faulkner, would work on this and send it out to the commissioners for your perusal. Robert Bale asked some questions about the locations of the cameras and where the monitoring/viewing area would be. Jerry Rowland stated the locations had not been decided yet and the viewing area would be in the office. The guard will monitor the viewing area. Jack Bailey added that the tapes will not be reviewed unless there is a problem.
- d. E, C & D Dock Rebuild Project - After requesting an "in water work window" variance, which was denied, the Army Corps stated the maintenance permit the Port currently has is not sufficient to cover this project. When the Port Manager was informed of this he immediately submitted a new JARPA permit. He was told that there should be no problem getting this approved since the Port was not increasing the footprint of the marina. As of this meeting, in spite of several email inquiries, the Port Manager had not heard how this is progressing. In fact, the Army Corps of Engineers has been furloughed because of the government shutdown due to no approved budget by Congress. Jerry Rowland stated that he was contacted that day by Kitsap County Shoreline Management and they said the 5 year maintenance permit that was submitted has items in it that will require a building permit. This means that the county will receive 1% of the cost of the maintenance costs as well as the cost of the Shoreline review.

Robert Bale asked what the amperage ratings were going to be on the new docks. Jerry Rowland replied that E Dock will have 50 and 30 amp power supply on the 38' and 50' slips and 30 amp power supply on the 34' slips; C Dock would have 50 and 30 amp power supply; D



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Dock would have 30 amp power supplies for 24' slips and 50 and 30 amp power supply for 40' slips.

NEW BUSINESS

- a. Resolution 13-11 Establishing the 2014 Budget and Property Tax Levy. The numbers come straight from the County and the format used is the one they have established. This is the first reading and should be signed next month with the 2014 budget.

PUBLIC COMMENT

Jerry Rowland announced that Chris Reitz from Beacon Wi-Fi (who bought Broad Band Express) called. Since the Port has elected to not purchase their equipment they will be discontinuing service effective the end of October.

Jerry Rowland stated that the next All Ports Meeting is scheduled for 21 October 2013.

Ned Cook asked Jack Bailey if 'Rain Gardens' were discussed at the Environmental Conference. Jack Bailey stated that it was addressed as a possible solution to water drainage and he was aware that there were some in the area. However, he didn't want to put one in the Port until there was a whole plan that addresses all of the drainage in the Port.

EXECUTIVE SESSION

None

CLOSE MEETING / ADJOURN

Commissioner Allen Miller made a motion to adjourn, Commissioner Fred Perkins seconded. The motion passed unanimously. Meeting adjourned at 8:50 P.M.

President/Commissioner

Secretary/Commissioner

Commissioner

Recording Secretary