



Port Of Brownsville

9790 Ogle Rd • NE Bremerton, WA 98311
Office: 360-692-5498 • FAX 360-698-8023
pob@portofbrownsville.org

Commissioners:

Fred Perkins
Bob Kalmbach
Jack Bailey

November 12, 2014

CALL TO ORDER

Commissioner Fred Perkins called the regular session of the meeting to order at 6:04 PM. In attendance were Commissioner Bob Kalmbach, Commissioner Jack Bailey, Port Manager Jerry Rowland, Port Attorney John Mitchell and Port Accountant Dennis Bryan.

PLEDGE OF ALLEGIANCE

Commissioners led pledge of allegiance.

APPROVAL OF AGENDA

Commissioner Bob Kalmbach 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 15 October 2014 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: November 2014 General Fund voucher numbers 29436 through 29500 for a total amount of \$98,069.94. Also approved for payment was November 2014 Electronic Transfer voucher numbers 2014-86 through 2014-91 for a total amount of \$13,880.58.

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

PUBLIC COMMENT FOR ITEMS NOT LISTED ON AGENDA

Jonathon Thomas gave a report from the Kitsap Maritime Association. The boat "Fiddler's Dream" is still in Tacoma. They just purchased 7,000 pounds of lead in 15 pound ingots to replace a steel plate. Bottom paint is almost complete. The Boat should be back at the marina around Thanksgiving. Fred Perkins asked if the weld repairs were complete and Jonathon replied yes. Also, the final coat of 4 coats of epoxy is being applied. Jack Bailey asked what they were using for the paint. Jonathon replied that it is a product called Tuff Coat. He did not know the copper content. He added that they did research on a product that was called Impressed Current Protection system but the cost versus benefit analysis determined the paint they are using is the right choice which is a zinc system. Jack Bailey said that current guidelines is to use aluminum instead of zinc products. Jonathon said the marina services is on top of all the requirements and the top coat should have no copper products. Jerry Rowland added that he recalled reading that the Tuff Coat no longer has copper in its product. Jack Bailey said zinc is now getting the focus that copper did as far as a product that should not be used so it does not go into the water. Jonathon continued that they would be loading the ballast on November 19. Marjie Rowland asked the condition of the masts. Jonathon said they are in the spar barn in a controlled environment that



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will keep them from drying out too quickly as well as a wax product on the ends. Jerry Rowland stated he has one inquiry to view the masts in the spar barn. Jonathon provided the contact information to set up a viewing of the masts.

Terry Asla gave a report on the host boat which has been quiet recently. WIFI is working better thanks to the Port for the financial support for improvements. The Port mascot “Brownie” is attracting attention from various groups including a big yacht that came down Rich Passage and stopped to see the mascot and the water was turned on to display the operation of the attraction. There have been many people catching squid and they are well behaved and clean up after themselves.

PRESENTATIONS TO OR BY THE BOARD

None

FINANCIAL REPORTS

Port Accountant Dennis Bryan provided the September 2014 end of month financial report. As of September 30, 2014 the balance was \$1,430,046.24. There will be a drop in the balance in October due to all of the expenses for marina upgrades. Dennis added that there are some items placed in Maintenance that should be moved to Capital Improvements. Jerry Rowland agreed.

	With fuel	Without fuel
Operating Revenue	Under budget by 2.2%	Over Budget by 1.8%
Non-Operating Revenue	Under Budget by 4.1%	Under budget by 4.1%
Operating Expense	Even	Over budget by 6.5%
Administrative Expense	Over Budget by 4.5%	Over Budget by 4.5%
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

Dennis stated if you are looking at the actual revenues and expenses, you should look at the values without fuel. Bob Kalmbach noted a discrepancy between Page 2 and 3 on the amount of budget used and amount of budget remaining. Dennis said he failed to change it on Page 3 and it should be the values on Page 2, 75% of the budget used and 25% remaining. Jack Bailey said considering all of the unexpected expenses such as overtime the Port is in good financial shape.

INFORMATION, STAFF AND COMMITTEE REPORTS

- a. Manager Report – Attached. Reminder was given that the Port will be closed on Thanksgiving, Christmas and New Year’s Day.
- b. Commissioners Report – Jack Bailey attended the NW Marine Trade Association Conference. A lot of information was provided and he tried to take as many notes as possible. There was a good in depth report on Shelter Bay the outcome. The boat owners had a difficult time with the insurance. He



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advised everyone take pictures and inventory of everything that is on board your boat to have proof. Also, the Coast Guard sent a bill to each boat owner of \$30,000.00 for their participation in the event. The good news was that the nearby Tribe had additional booms to be used and they were able to do the bay entrance. Jerry Rowland asked if this was an actual emergency response trailer and Jack responded yes. Jack added that the Port should have an emergency crisis plan. He suggested a study session to discuss this and get one established. DNR provided information on the hydraulic permit changes. The advice was for marinas to look at and comment on Chapter 5 because it will have an effect on marinas and ports. Fred Perkins stated there was a draft sent out with comments. Jack continued that the DNR permits will have a time limit in the future rather than in perpetuity. They are doing this because they see the marinas aging with no improvements and water sports are changing from boating to other types such as kayaking. There was a section on how to get on the first page of Google. The person presenting this information has offered one hour of free advice. The next important thing is what is coming up in the State Legislature. Due to some bills passing such as decreased class sizes which will mean another \$4 billion in increased taxes. Governor is pushing for a carbon tax on all vehicles that use fuel to pay for education, not the environment. Transportation has to pay attention to economic development as well. The recent research that was done on how jobs are impacted by marine trades is causing Olympia to pay attention to the marine trades. They are still pursuing a no discharge zone in the Puget Sound. The recent opinion is that the discharge problem is coming from cars. Jack continued with the new fire extinguishers that are being marketed now. It is like a hand grenade that you throw into the space and allow the foam emitted to put out the fire. Cost is about \$200 a canister.

Ned Cook noted that there has been an extensive research done on eel grass in the Port's area. He asked if there was any discussion by DNR on that subject. Jack Bailey said he did talk to the biologist but they did not talk about eel grass specifically in this area. However, eel grass has been noted to be good for salmon and it should be protected but he pointed out that the reason there is an increase in eel grass is the change in environment. He suggested that eel grass should be planted in areas that will not be a conflict with the Port use. Ned continued that it may be a potential threat to the Port's operations. John Mitchell noted that it was interesting how these organizations try to add on additional requirements that are not required per law. He noted that Kingston marina recently had an issue where all requirements and regulations had been complied with for permitting and then a DNR representative added surveys and other items that were not required. He wrote a letter to DNR to cite the regulations they were requesting from the Port. They could not cite it so it was dropped but John noted that DNR and Fisheries are doing this quite frequently so Port's should challenge these additional requests that are not required by regulations. Jack Bailey stated that Kitsap County also does this when a permit is requested.

Bob Kalmbach reported on the WPPA Small Ports Conference he attended in Leavenworth. He noted that Willapa County Port district has had a decrease in usage and the whole area is suffering economically. They recently were approached by a company to use their warehouses to grow marijuana and they approved this concept. There were 22 empty warehouses that now are leased to this company that spent 100 million dollars in warehouse upgrades and provided 600 new jobs at livable wages. Now the company has subleased these warehouses to individual growers to comply with the square footage requirement for each grower. The income and business has helped the



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community. He continued that there was information on having an emergency response plan. He noted that Jerry Rowland had already started one and it was on the agenda for this meeting.

Fred Perkins stated that he also attended the WPPA Small Conference and on the first morning Enduris discussed HR cleanup and stated to not hesitate to call for information. One item that he found interesting was the duties of the position of Assistant Port Manager. He felt that this position should be more for helping with researching bonds and permitting but these duties can be performed by contracting as well. He recommended looking at doing that and eliminating the Assistant Port Manager position. He said he would provide additional information to the Port Manager from the conference. He said this conference was good because the big ports were not there and it was focused on the issues of the small ports.

Bob Kalmbach added that science is now tightening the requirements for how clean the water should be (parts per million, etc.) coming from the docks should be. Comments were made that now the water coming from the sky is now dirtier than the water coming off of the docks. The Ports have spent a lot of money to install filters and other water cleaning apparatus. Jack Bailey added that some of the requirements aren't even measureable by any equipment.

Terry Asla asked if there was any discussion on the impact of radiation from the Fukushima outfall. Jack Bailey replied no.

- c. Standing Committee Report – None

OLD BUSINESS

- a. Dock Rebuild Update – The first half of C-dock is complete. The cleats and standoffs have to be installed and then ensure the boathouses are reattached. The next phase is to redo the electrical and plumbing on I-dock. This will require finishing the bull rail on the south side, running new wiring from the transformers outside the office to the transformer on I-dock then splitting it down the north and south side. Then plumbing has to be installed from under the main walkway to the west end of I-dock and then split it down both the north and south side. This work can be done now as it is all above water. The plan is to have it rewired and plumbed by the time we start in water work in July 2015.

Thompson Pile driving put the seven 16" diameter pilings that were pulled from E-dock in place on I-dock. The anchor chains will remain until an evaluation can be made if the seven pilings are going to be enough to stabilize I-dock or if more are going to have to be installed.

Jim Holmes asked if there will be a main gate added between the fuel dock and the other docks (B, C, D and E). Jerry Rowland stated that the plan was to not install one there. In fact the one at A Dock will be removed and the code on the remaining gate will be changed frequently. Jack Bailey asked if the code is the same as the bathrooms. Jerry Rowland stated no but that code will also be changed frequently. The key and code are available at the office or at the deli for the bathrooms. Fred Perkins noted that we now have a camera security system that will help with monitoring the gate. He added



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that they looked into what other marinas are using and some have no gate at all. Terry Asla asked if the radio at the main gate was going to be removed. Jerry Rowland stated that is being experimented with now. Terry made the comment that security is better than it was before and Jerry Rowland replied it was as far as he was concerned. Ned Cook stated he was confused as to who had the right to access the docks at the Port. Jerry Rowland stated it is a public Port and marina so the docks belong to the public and the Port cannot refuse access. It is not a gated community but a public marina. However, if the Port considers a person to be of questionable character, they can escort that person. Jack Bailey stated he thought the Port could control access to the docks that are not called public docks. John Mitchell stated he has not researched this thoroughly but he will. He did state that boat repair does have to be monitored. Jack Bailey said that it was recommended to use the terms "recreational marina" so it will not be confused with shipyard type of functions which would require different controls. Jim Holmes asked about how the boat ramp sometimes is more of a commercial dock. The commissioners commented that these organizations pay a commercial fee for the use of the ramp and are entitled to use it. Jim stated they were not very polite to everyone else. Jerry Rowland said that if at any time anyone was unhappy with the treatment they were receiving from these organizations, let him know and he will make sure it is taken care of. Terry Asla stated that this marina is special in the fact that there is a mixture of recreational and commercial boats. It makes for an interesting mix of people at the marina. Fred Perkins added that all of these activities are monitored.

- b. Boathouse compliance – Jerry Rowland reported that the commissioners have the updated list and most of the boathouses are in compliance. Those that are not have been sent letters. Jack Bailey stated that some of the boathouses are very high compared to the height of the new 'C' dock. Bob Kalmbach stated that these boathouse owners were waiting for the completion of the dock replacement and then they would ballast and level their boathouses to be the same as the dock.
- c. Resolution 14-05 2015 Tariff. Jerry Rowland reminded the commissioners that this has to be signed at this meeting to meet the timeline of the budget being sent to the county. He said there is an increase and a 30 foot slip will increase by \$3.50 a month. All inclusive should be \$5.50 a foot. Fred Perkins asked if this was planned in the past. Jerry Rowland stated that this has been discussed many times that with the upgrades to the marina there would be an overall 10% increase in moorage. With this tariff the amount of increase is at 8.5%. Terry Asla asked how this compares with other marinas in the area. Bremerton is about twice as much as Brownsville and Poulsbo is about 25% higher than Brownsville. Bob Kalmbach noted that at Poulsbo the costs of utilities increases the monthly amount. Jack Bailey noted that some ports and marinas are doing a yearly increase of CPI plus 1%. Brownsville uses the CPI only. Bob Kalmbach made a motion to approve resolution 14-05 2015 Tariff. Jack Bailey seconded the motion and motion passed unanimously.
- d. Resolution 14-06 - 2015 Budget – This is the second and final reading of the budget. The budget needs to be signed at this November meeting in order to be at the County by the 30 November deadline. The estimate at this time is to have a profit of \$85,000.00 for 2015. Bob Kalmbach made a motion to pass resolution 14-06 2015 Budget. Jack Bailey seconded the motion and motion passed



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unanimously. Jack Bailey asked what the population is for the Port District. Jerry Rowland stated he didn't know the exact population but he noted that there are 9,200 registered voters so it would be a comfortable estimate to say over 10,000 people. Terry Asla noted that the Port and marina is getting a lot of use for other than water activities. Bob Kalmbach noted that this is the one of the only recreational sites in the area.

- e. Resolution 14-09 Modify Marina Rules and Regulation – Jerry Rowland reported that sent a copy of the trespass policy that would be incorporated as part of this resolution to Mr. Mitchell. Mr. Mitchell has forwarded it to the Kitsap County prosecuting attorney for them to look at and respond to. Until there is a response, Jerry requested that this resolution continue be deferred.
- f. Security Contract – The bid opening was today 12 November at 1:00 P.M. The apparent low bidder is only low by \$60.00 a year. However, the request for bids that went out did not state that we would use experience and pricing as the criteria for award so no consideration can be used for determining the winner of this bid. Our local policy governing this only states that we will award to lowest qualified bidder. Jerry Rowland stated that he contacted MRSC to determine what criteria can be used to select the bid winner. The response was that since there was not definition for “qualified” the Port cannot use this as a basis for award. The Port is will have to award this contact on price only at this point. Jack Bailey brought up that this type of issue came up before and the tenants were willing to pay the difference in the bid amount to keep the security company they were comfortable with. He recently overheard a lawyer state that there is nothing wrong with going with a bid that is not the lowest if you feel you get the best service from your preferred bidder. John Mitchell noted that a bid protest is not a big concern as there are no damages. If there is a protest you just put out a different bidding package. Jack Bailey stated that there is another month to consider this bid package. Bob Kalmbach asked what Jack's concern was since the company with low bid is a legitimate company with references. Jack stated his concern was that the Silverdale Marina that uses the company that is low bidder has had problems with security even though this company is in place. Bob asked if a reference was provided from Silverdale marina. Jerry reviewed the letters of references but none from Silverdale marina. Jack stated again that he has heard from tenants they like the current security company. He has heard that the low bid company is just a drive around company. Jerry Rowland replied that the contract does have certain criteria they have to make. Fred Perkins asked if the Port could ask for more references. Jerry Rowland said he could contact the references. Jack Bailey said he would still like to hear from the tenants. Fred Perkins stated this would be on next month's agenda after more input from references and tenants. Bob Kalmbach asked what was in the contract if the company does not perform as required. Jerry Rowland stated they would be terminated after a 30 day notice. Terry Asla said he would like to hear from the tenants at the marina. Jonathon Thomas stated that he was concerned with the inexperience of the security guards on what to look for concerning boats. The current company now has that experience. Jerry Rowland stated that experience was not a requirement in the contract. Bob Kalmbach added that there is also a possibility that the experienced guards may quit tomorrow and you would be faced with the same type of situation. Terry Asla stated that the current guards have developed good relationships with the marina tenants. There is some validity in training the individuals and using them effectively. Ned Cook stated his experience with the current guards is good but he has also had a situation where it was not good. But he understands that all they are required to do is observe and report. With that requirement it is not a required for



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them to know boats or do anything but know what to report and to whom. Ned added that it is more important to honor the contract process.

NEW BUSINESS

- a. Resolution 14-10 Emergency Response Plan – At Commissioners request, Jerry Rowland developed an emergency response plan. This is the first reading and it is open to any and all comments. Jack Bailey in the past requested this to be done so it had been started. With Bob Kalmbach's encouragement after the Small Ports Conference, Jerry finished it. Jack Bailey reported it had been suggested to put the locations of the emergency shut off valves and switches to react quickly.

PUBLIC COMMENT

- a. Terry Asla and Jerry Rowland have been working on creating a new web site. The Commissioners were provided a list of items that Terry has suggested could be incorporated into the web site. There was some questions as to the legalities of a couple of those items such as the proposed links to other businesses. John Mitchell stated that the Port could not advertise for another company on their web site without the company paying for the advertisement. Terry Asla asked if there was an event that the business was associated with could that be put on the Port web site. John Mitchell stated it depends on what the event was. Anything for profit would have to be paid advertising on the web site. If it was non-profit, than it could be advertised. Jerry Rowland requested the commissioners to review the list and give input on what they want on the web site.
- b. Jerry Rowland told the Commissioners that they had a copy of the minutes from the last All Port Meeting. Since only one Commissioner attended it is not necessary to adopt the minutes as part of the Brownsville minutes. Bob Kalmbach stated there has been suggestions to have the All Ports meeting at the Port of Brownsville. Under the contract the Port has with the Brownsville Yacht Club it is allowed to have other meetings days in the month. Jerry Rowland agreed with that. Jack Bailey stated he did bring that subject up at the last All Ports meeting but it was a small attendance so there was not much concern over leaving at Silverdale. They did say if there was a speaker it would be beneficial to have it at another location. Bob Kalmbach suggested that the Port provide the yacht club the proposed dates of the All Ports meeting. If there are changes in the dates the Port would let the yacht club know. It was agreed to contact the yacht club of the planned dates. The Rear Commodore of the yacht club will be notified. Bob Kalmbach added that there was some clarification that if more than one commissioner attended a meeting it was not necessary to advertise it. However, if it is not advertised the commissioners cannot discuss port business. It is more better to advertise to the commissioners have the freedom to discuss Port business.
- c. It was noted that some of the commissioners will not be available on the next Port meeting on December 10 due to the annual WPPA event. Jack Bailey made a motion to move the next meeting to December 17 at 6 PM. Bob Kalmbach seconded the motion and it was passed unanimously.



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- d. Jerry Rowland received confirmation from the Auditor on that performance awards can be approved by motion by the Commissioners. It does not require a resolution, only a motion from the board to approve or not. Also the motion requires an approval for the dollar amount requested or if the board wishes to change that amount, what that amount is. Jack Bailey commented that the staff has performed exceptionally and always busy. He agreed these awards were deserved. He would like to see them get the awards in time to spend before the holidays. He also agreed with the dollar amount. Jack Bailey made a motion to approve the awards presented to the commissioners in the dollar amounts presented. Bob Kalmbach seconded the motion and it passed unanimously.

Jack Bailey requested that a letter of appreciation be drafted for the staff to be presented at the next Port Commissioner's meeting. Other commissioners concurred and Jerry Rowland stated he would do so and let the staff know to be at the next meeting.

EXECUTIVE SESSION

None

CLOSE MEETING / ADJOURN

Commissioner Bob Kalmbach made a motion to adjourn. Motion seconded by Commissioner Jack Bailey motion passed unanimously. Meeting adjourned at 8:11 PM.

President / Commissioner

Secretary / Commissioner

Commissioner

Recording Secretary