



PORT OF BROWNSVILLE

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

Commissioners:

Jack Bailey
Mathew Messing
Shaun Nye

February 16, 2022

CALL TO ORDER

Commissioner Jack Bailey called the regular session of the on-line meeting to order at 6:04 PM. In attendance were Commissioner Mathew Messing, Commissioner Shaun Nye, CPA Jan Fancher, Interim Port Manager Jerral Williams, Auditor Joseph DaBell and Attorney Peter Ruffatto of Chmelik Sitkin and Davis.

PLEDGE OF ALLEGIANCE

Commissioners led the Pledge of Allegiance.

APPROVAL OF AGENDA

Commissioner Bailey motioned to strike item “12c RCW 42.30.110(1)(c)” from the agenda. Commissioner Nye moved to add item “7b Financial Workshop” and add the language “action may be taken” to item 10c under New Business. Commissioner Nye motioned to approve the agenda as amended, Commissioner Messing seconded the motion. The motion was approved unanimously.

APPROVAL OF CONSENT AGENDA

The consent agenda included Meeting Minutes for the January 12, 2022 Commission Meeting, 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 checks approved for payment are included in the audited and certified list and further described as follows:

Accounts Payable:

Voucher Numbers	50475 – 50504	\$91,865.14
Electronic Payments	1/21/22 – 2/16/22	<u>\$28,744.08</u>
Total Accounts payable		\$120,609.22

Payroll & Payroll Liabilities:

Voucher Numbers	-----	\$-----
Electronic Payments	1/21/22 – 2/16/22	<u>\$35,564.60</u>
Total Payroll & Payroll Liabilities		\$35,564.60

Total General Fund checks and electronic payments in the amount of \$156,173.82.

Motion made by Commissioner Nye to approve the consent agenda. Commissioner Messing seconded. Motion was approved unanimously.



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PUBLIC COMMENT – Citizen comments for items not on the agenda.

Ed Wurden stated he had two questions. He asked if Commissioner Bailey will answer questions asked to him tonight. Mr. Wurden commented that the Port management is in tatters, maintenance has been lacking, and the Port's financial system is terrible. He asked Commissioner Bailey what his part has been in the current mismanagement mess.

Steve Neuhauser commented that he had emailed Commissioner Bailey five questions regarding the 2017 Revenue Bond. Was there a feasibility study done? Was a specific project defined? What revenue stream was established to pay it off? Why were port tenants and tax payers not addressed about the consequences of the bond?

JM Morrison spoke on behalf of the Brownsville Community Group. He thanked IPM Williams for meeting with their group and will meet again on March 2nd. He thanked Commissioner Nye for working on establishing the Financial Workshops. He also requested Commissioner Bailey to have details of Commissioner travels and training on the website so the public can better ask questions.

Sally Hass asked that Commissioner Bailey speak with respect towards staff, the community, and his fellow commissioners. She stated Ed Wurden provided documents at the January meeting detailing three million in wasteful spending by the Port during Commissioner Bailey's tenure. She invited Commissioner Bailey to meet with their group by the end of February to explain his perspective and role in this and explain his accountability in advance of pending actions in March that will involve the press, county, and state officials. She also advised Commissioner Bailey to consider stepping down as Commissioner for the sake of his health.

Johnathan Thomas asked if the Port recognizes it has received correspondence in the meeting minutes. He also thanked Attorney Ruffatto for his knowledge on the lease issues and his advice on properly leasing public property.

Julie Jublanski thanked Commissioner Nye for inviting the public to the financial workshops. She stated the community has plenty of experience and knowledge that can assist the Port, but this was ignored years ago when the Port was attempting to establish an Industrial Development District (IDD). She also requested that the Zoom meeting info be made available on the front page of the website for better public access.

Terryl Asla thanked Commissioner Nye for starting the Financial Workshops. He encouraged the commission make the selection of the next manager open to public input. He also asked that meetings be held at a time the public can attend.

Matthew Gardner-Brown commented that IPM Williams should have everyone's support. He stated he feels his comments to the Commission have no response and he feels unheard. He has also heard rumors of nepotism in the potential new commissioner hire.



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PRESENTATION TO OR BY THE BOARD

Commissioner Bailey presented his answers to questions asked at the previous month's Commission meeting. Matthew Thomas asked when fees will end, and Commissioner Bailey stated that his understanding was that as the projects are paid down the fees will decrease. The Technology Fee will remain unless the money is not used for its intended purpose. In regard to the increase in moorage rate differing among customers, Commissioner Bailey stated that the increases differed based on the size of the slips with larger slips receiving larger increases.

Tammy Cox asked for transparency on the candidate Commissioner Bailey spoke of for the management position, Commissioner Bailey stated that candidate is no longer interested in the position.

John Thomas has asked about the financial outlook of the Port and how it currently appears much different than how Commissioner Perkins said it was in the previous year. Commissioner Bailey commented that Commissioner Perkins was likely not looking long-term and that the increase was necessary.

Commissioner Bailey stated that when the Revenue Bond was taken out, the Port stated that moorage would be used to cover the bond. Former Port Manager Jerry Rowland's philosophy had been that when the job was done rebuilding the Port everyone would be able to recognize the increased value. The money was strictly to be used for completing the projects on the books. The Port had asked for an Industrial Development District, but that did not proceed.

Commissioner Bailey stated, "As of the last day of this month, I am resigning."

FINANCIAL REPORTS

- a. CPA Fancher gave an update on cash and investments ending January 31, 2022, and year to date cash and investments. The Washington State Auditor's Office (SAO) will be doing a two-year audit of the Port this fall. IPM Williams and Commissioner Nye are preparing to reach out to the SAO in the lead up. The Leasehold Excise Tax Department of the Department of Revenue is currently auditing many Ports and are likely to come to the Port of Brownsville as well. The Port is currently looking to hire a finance manager to serve as a great asset to the Port.
- b. The Port will be holding Financial Workshops to help the public better understand the Port's financials. The proposed schedule is the fourth Tuesday of each month. Attendance will be tracked and the public will be able to submit topics for discussion in advance of the meetings.

INFORMATION, STAFF AND COMMITTEE REPORTS

- a. Manager's Report – IPM Williams presented the Manager's Report. He would like to request a study session with the Commission and CPA to review the tariff after the first quarter is finalized. Three bids have been secured for the security camera project which have been provided to the Commissioners. All quotes include their own server system and storage and would operate separately from the Port's main server. There are still some vacancies in the marina from people leaving or selling their vessels. The wait-list is being worked through with four slips being filled in just the last week. Auditor DaBell is working with the Port's Merchant Services provider to implement the Credit



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Card convenience fee, but there are many rules and nuances affecting government organizations. IPM Williams also reminded everyone listening that an increase to the local sales tax was approved by voters last November and that that increase will go into effect April 1, 2022.

- b. Maintenance Report – Interim Port Manager Jerry Williams gave the Maintenance Report. The bid for the electronic kiosks has been provided to the Commissioners. These are part of the RCO grant prepared by former IPM Smith and Commissioner Nye. Other Ports that use the kiosks have been contacted and all report increased revenues. The maintenance crew recently completed their HAZWOPER training for hazardous material. The Port has also enquired on the viability of CERB grants to improve they Port’s building for rentals.

A bid was received for a preliminary dive in advance of the North Breakwater Anchor Chain Replacement project. The company would provide a dive report that can be used to gain more accurate bids from multiple vendors. The estimate is approximately \$5,000 and would provide pictures and video of the anchor chains. Commissioner Bailey motioned to approve IPM Williams to contract with Ballard Construction to not exceed \$7,000 to perform a preliminary dive on the North Breakwater Chains and Anchors. Commissioner Nye seconded the motion. All approved and the motion passed.

The newest maintenance employee James Long has almost completed his probationary period, and everyone has been very happy with his addition to the Port. C-dock power pedestals will be inspected soon for any issues. The soldier wall near the Pavilion will be cleaner out once it manages to dry. The Port has managed to save approximately \$600 per month on sewers bills this year after communicating with Kitsap Public Works.

- c. Comprehensive Plan for Harbor Improvement.
Commissioner Bailey stated that this has been set back due to several unexpected events. Commissioner Bailey is retiring and this task will be passed on to the other Commissioners.
- d. Commissioners Report
Commissioner Nye requested the public provide input on topics for the Financial Workshops. Commissioner Bailey reminded his fellow Commissioners that the WPPA Spring Meeting was coming up and recommended Commissioner Messing attend.

OLD BUSINESS

- a. Redistricting – IPM Williams has contacted a recommended party to provide a preliminary report and final report for redistricting for \$600 total. This would save the Port many hours of effort.

NEW BUSINESS

- a. Resolution 22-02 – Declaring Vessel Abandoned and Authorization to Sell or Dispose: Two boats have been seized by the Port of Brownsville due to non-payment. This Resolution is to surplus the vessels and allow them to be sold at auction. Commissioner Messing motioned to approve the Resolution. Commissioner Nye seconded.

The Vote:



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Commissioner Bailey: Aye
Commissioner Messing: Aye
Commissioner Nye: Aye
The Resolution passes.

- b. Amendment to CPA Contract: The current amendment for the Port's CPA ends on February 28, 2022. The new amendment would continue to the end of June 2022. Commissioner Nye motioned to approve the amendment to the CPA Contract and Commissioner Bailey seconded the motion.

The Vote:

Commissioner Bailey: Aye
Commissioner Messing: Abstain
Commissioner Nye: Aye

The motion passes and the Amendment to the CPA Contract is approved.

- c. Qualifications of an Executive Director: Commissioner Nye made the motion to promote Jerral Williams to Port Manager. Commissioner Messing seconded the motion. Attorney Ruffatto commented that a formal Resolution would need to be approved to formalize the promotion. Commissioner Bailey stated he was opposed so long as the qualifications and compensation for the position were not defined.

The Vote:

Commissioner Bailey: Nay
Commissioner Messing: Aye
Commissioner Nye: Aye

The motion was passed. It was then decided for Commissioner Messing to take the lead in arranging the details of the formalized employment agreement.

PUBLIC COMMENT

Tammy Cox commented that the direction of the Commission has been positive the past few months. She likes the financial reports and how the Commission is taking in public input better than the past. She stated Jerry has done well listening to people and bringing their concerns forward. She stated she is against using the technology fee for replacing the Port's computers.

David Tippits congratulated Commissioner Bailey on his retirement and congratulated Jerry on his promotion. He stated he would like to see some approval for Jerry to proceed on the security camera system.

Julie Jublanski thanked Commissioner Bailey for his time at the Port. She stated that WPPA has a financial seminar in June and suggested the Port contact WPPA to find what is on the agenda for that and the Small Ports seminar in the Fall.



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Johnathan Thomas thanked Commissioner Bailey for his service. He then stated that the Port's sewer bill decrease should have been in effect since 2016.

JB Morrison on behalf of the Brownsville Community Group thanked the Commission and expressed their concern for Commissioner Bailey's health. He stated that their group will provide whatever support the Port needs in appointing a new Commissioner.

EXECUTIVE SESSION

At 8:15 PM Commissioner Bailey recessed the meeting to go into Executive Session for 30 minutes to begin at 8:20 PM after a five minutes recess pursuant to RCW 42.30.110(1)(i) Potential Litigation and 42.30.110(1)(g) Review Applicant for Public Employment. No action is expected.

CLOSE MEETING / ADJOURN

Next Regular Meeting is scheduled for March 16, 2022 at 6:00PM.

Meeting was adjourned at 8:52 PM.

A handwritten signature in black ink, appearing to be "Jack Bailey", written over a horizontal line.

President / Commissioner

Secretary / Commissioner

A handwritten signature in black ink, appearing to be "Shaun Nye", written over a horizontal line.

Treasurer / Commissioner

Recording Secretary