



# Port of Brownsville

Minutes of Meeting

13 February 2013

## **CALL TO ORDER**

Commissioner Jack Bailey called the regular session of the meeting to order at 7:03 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**

Bob Kalmbach suggested amending the agenda by removing #4, Election of Officers and #13, Executive Session. There is no need for either item tonight. Bob Kalmbach made a motion to approve agenda as amended. Motion seconded by Allen Miller and motion was approved unanimously.

## **APPROVAL OF CONSENT AGENDA**

Motion made by Bob Kalmbach to approve the Consent Agenda. Consent agenda includes the 9 January 2013 Study Session Minutes, 9 January 2013 Regular Meeting Minutes, 15 January 2013 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: February 2013 General Fund voucher, numbers 28020 through 28087 for a total amount of \$138,317.06. Also approved for payment was February Electronic Transfer Voucher, numbers 2013-07 through 2013-20 for a total amount of \$21,399.76.

Motion seconded by Allen Miller and approved unanimously.

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

None

## **PRESENTATION TO OR BY THE BOARD**

Jack Bailey read a letter of appreciation to Michael Browning, security guard from Pierce County Security, for saving one of the Port tenant's life. The tenant had fallen into the water and couldn't get out. Mr. Browning pulled the tenant from the water and escorted the tenant to their boat to make sure they were safe. Michael Browning also periodically checked on the tenant to make sure of their safety and well-being. Robert McPherson from Pierce County Security was there to assist in the presentation to his employee.



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Jack Bailey commented that this tenant has fallen in before. Jerry said this is true as well as the spouse of the tenant.

## FINANCIAL REPORTS

Port Accountant Dennis Bryan provided the end of year reports for 2012. As of December 31, 2012 the account balance was \$3,145,246.88.

	With Fuel	Without Fuel
Operating Revenue	Over Budget by 11.6%	Over Budget by 12.5%
Non-operating Revenue	Even to Budget	Under Budget by 1.7%
Operating Expenses	Under Budget by 19.5%	Under Budget by 3.9%
Administrative Expenses	Even to Budget	Even to Budget
Non-Operating Expenses	Under Budget by 3.5%	Even to Budget
Capital Improvements	Even to Budget	Even to Budget
Bond Principal Payments	Event to Budget	Even to Budget

Jack Bailey commented that there were a number of fishing boats (Geoduck and Crab) moored at the Port which accounted for an increase in income. Jerry Rowland added that the Geoduck season that was supposed to be opened, closed shortly after the boats arrived.

Bob Kalmbach stated that it appears the Port had a profit of over \$382,000.00. Dennis Bryan stated it looks like that but it doesn't include depreciation and other cash outlays. With that there would be a negative cash flow. Dennis added that the official report that goes to Kitsap County does reflect those numbers and the profit shown is different. Jack Bailey said there were quite a few of unexpected repairs this last year which did drive up the expenses.

Ned Cook asked what the current interest rate was for the Port bond. Dennis Bryan estimated that it was somewhere between 1.4% and 1.8%. The rate is about the same in today's market as when it was bonded. He added that the general philosophy for interest rates is that it will not increase a significant amount for the next few years.

## INFORMATION, STAFF AND COMMITTEE REPORTS

- a. Manager Report – Attached.
- b. Commissioners Report – Allen Miller had no report at this time. Bob Kalmbach had no report at this time.

Jack Bailey stated that the derelict vessel wording was changed and he wondered if there were any significant changes. Jerry Rowland stated he reviewed it and he didn't see anything significant. WPPA was also good with the changes that were made.



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Jack Bailey added that the Ports Day in Olympia is March 7, 2013, and he planned on attending that.

Jack Bailey stated that he was at 'C' dock last Sunday to look at a repair that was made. He was shocked to see the condition of the wood on that pier but he was very pleased with the repair. He commended the staff for being able to repair the rotten wood.

Bob Kalmbach stated that 'F' dock had some warping on the middle section grating. Part of the reason was that the grating was not screwed down. He wanted to know the reason. Jerry Rowland replied it was because the staff was constantly inspecting the spigots for cracks and until he was satisfied that there would be no further issues, the grating would stay unattached. He added that the spigots have been cracking and they don't know the reason. Bob Kalmbach commented that those spigots were very expensive and he wanted to know if the manufacturer had been contacted. Jerry Rowland said the manufacturer is replacing the spigots free of charge but they have no reason for the problem other than they may have gotten a bad batch of material. Bob Kalmbach said that still did not answer his original question of why the grating is warping. He was concerned it would become a tripping hazard. Jerry Rowland stated he wasn't sure why but would check into it.

### c. Standing Committee Report –

1. BAD IX - The Commissioners were provided a list of all the actions (64 actions) that need to take place to have a successful BAD event. The commissioners can review this list and discuss it further at the March Meeting. Jerry Rowland noted that most of the actions need to be done by the office and Port staff. As far as donations for the food, he has received 3 refusals from companies, which were polite but said they can't accommodate. Jerry Rowland stated that he was planning on putting a request in the newsletter for donations for the food. John Mitchell added that the Port is a municipal organization and donations are tax deductible. Bob Kalmbach noted that for his company he requires donation requests be submitted in October for the following year so the requests may have been too late for this year. There was some discussion on the Adventures N Fun company that provided the bounce house, face painting and other items, is now no longer in business. There was some discussion on alternatives to this type of entertainment. Bob Kalmbach asked if there was any item on the list that Jerry Rowland suggests the commissioners help with. He noted a few of the action items. Jerry Rowland also stated that this year the Port may have to consider using the Grange for parking and shuttling back and forth. Jack Bailey stated he thought there should be a task to close the road for that event date. Jerry Rowland said he would add that to the list of actions. Jack volunteered to do that action. Bob Kalmbach volunteered for notifying schools and the Brownsville Yacht Club.

Jerry Rowland announced there would be a BAD IX meeting at 6:00 PM on 23 April, 2013. The meetings will continue on the 4th Tuesday of each month.

2. Comprehensive Scheme – Jerry Rowland announced that he plans on advertising and then having the first Comp Scheme meeting 7 May, 2013, at 5:30 PM.



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It was announced that the next Port Meeting is March 13, 2013. There will be an engineering review of the contract for replacement of Docks C, D and E on February 19 and there should be follow up Special Meeting which has to be within ten working days from opening bids that was done this evening; which makes the required date to be February 27, 2013. It was decided to have the Special Meeting on February 26, 2013, at 6 PM for awarding the contract for replacement of C, D and E docks.

## OLD BUSINESS

Brownsville Yacht Club Lease - At the last meeting Commissioner Bailey indicated he wanted to review the lease before arbitrarily sanctioning the 5 year lease option. Jerry Rowland said he did answer all the questions and there is no reason why the lease cannot be extended as stated in the lease. Commissioners unanimously agreed to the 5 year lease extension.

## NEW BUSINESS

- a. Resolution 01-13 Bad debt write-off - This is an administrative resolution to update the accounts.
- b. Resolution 02-13 Bad debt write-off - This is an administrative resolution to update the accounts. Bob Kalmbach made a motion to pass both Resolutions 01-13 and 02-13. Allen Miller seconded and motion passed unanimously.
- c. Fuel Tank Change – It has been discussed over the years about switching the gas and diesel tanks. The Port is not necessarily selling more diesel than gas but the boats that take diesel take on larger quantities so the Port runs out of diesel faster. Jerry Rowland talked to APP about switching the tanks around. They initially thought this could be done for as little as four to five thousand dollars. However, if the vent lines need to be switched it could be more along the lines of \$12,000.00. There is still more research that needs to be done and answers that have not come back yet. If the lines need to be switched the current ones will need to be dug up, which requires cutting the blacktop, and then putting it back. The Diesel tank will need to have the top cut and gas vent lines installed along with a new containment bucket. If that is not required then all that will be necessary is to have APP bring in a truck to pump the tanks down to around 6 inches. This fuel will be able to go back into the tanks. That leaves 130 gallons of gas and 78 gallons of diesel in the tanks. This will then be pumped out by a different company to prevent any contamination. The vent lines will then have to be purged. There is 1.63 gallons in 10' of 2" pipe. We have approximately 800' so that is 130 gallons of fuel in each line. We could potentially lose all this fuel the 260 gallons in the lines along with the 207 that was left in the tanks or roughly 470 gallons total at a delivery price of \$3.10 a gallon, for a total of \$1,488.00. Allen Miller asked why the Port was considering swapping the tanks. Jerry Rowland stated that more boats that use diesel take larger quantities than the boats using gas. Jack Bailey added that boats in the past used gas but today's boats use diesel due to efficiency. Bob Kalmbach asked how much it would cost just to replace the diesel tank with a bigger tank. Jerry Rowland stated he would look into that cost but he was concerned



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with permitting. Jerry added that after further research he would bring back the information to the commissioners at a future meeting.

## **PUBLIC COMMENT**

Jerry Rowland said there was a recent letter from Beacon WIFI. He said that unless there were any objections from the commissioners he was going to decline the offer. Commissioners had no objections.

Ned Cook asked what the progress was on the Deli Vent Hood. Jerry Rowland said it is installed but needs a Fire Marshal inspection. The Deli has opted to purchase a new range and is delaying the Fire Marshal inspection until that is installed. There was some discussion on the location of the propane tank required for the new range.

## **EXECUTIVE SESSION**

None

## **CLOSE MEETING / ADJOURN**

Commissioner Allen Miller made a motion to adjourn, Commissioner Bob Kalmbach seconded. Motion passed unanimously. Meeting adjourned at 8:26 P.M.

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President/Commissioner

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Secretary/Commissioner

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Commissioner

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Recording Secretary