



Port of Brownsville
Minutes of Meeting
15 September 2010

CALL TO ORDER

Commissioner Jack Bailey called the regular session of the meeting to order at 7:02 PM. In attendance were Commissioner Allen Miller, Commissioner Bob Kalmbach, 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 approve 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 August 11, 2010 regular meeting, minutes for the September 8, 2010 special meeting / study session, 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: September special voucher numbers 26322 through 26344 for a total amount of \$32,739.71; September 2010 General Fund voucher numbers 26345 through 26375 for a total amount of \$78,808.38. Also approved for payment was September special Electronic Transfer voucher numbers 2010-68 through 2010-71 for a total amount of \$7,695.78 and September Electronic Transfer voucher numbers 2010-72 through 2010-77 for a total amount of \$7,445.94. Motion seconded and approved unanimously.

PUBLIC COMMENT FOR ITEMS NOT LISTED ON AGENDA

None

PRESENTATION TO OR BY THE BOARD

Jonathon Thomas provided an update on the Lavengro. On August 15, there was a public sail that had 6 people. Lavengro was part of the sails while the Washington Tall Ships were at the Port of Brownsville, including using their new cannon. The Lavengro also visited the Bremerton Marina during the Blackberry Festival and the Wooden Boat Festival in Port Townsend, where there were schooners 4 deep at the piers. There was a schooner race at the Wooden Boats Festival that the Lavengro participated in. The Lavengro got the chance to use their new fisherman sail. There were 15 schooners in the race with no collisions. The test date still has to be picked, which requires a 3 day window. Recently the docks have been used by the Alaskan fishing boats preparing for their season. The Tacoma Sea Scouts program contacted the Lavengro to have a discussion with the captains. J.T. guessed they would propose to use the Lavengro for their events while their boat is under repair. The next public sail

is scheduled for September 19. The Lavengro will be at the Keyport festival celebrating the city's 100+ Anniversary.

Jack Bailey asked what happened to the ship's Kitsap County Flag. J.T. stated that after Labor Day they had to give it back to the County since it was just borrowed. Jack Bailey announced that the Port had a Kitsap County flag that they were not able to use and they would be glad to loan it to the Lavengro, the official Tall Ship of Kitsap County. J.T. thanked the Commissioners and the Port staff for loaning the flag to them.

FINANCIAL REPORTS

Port Accountant Dennis Bryan provided the end of month reports for August. The balance at the end of the month was \$1,406,641.36. There was a loss of \$5,726.64 due to late in the month delivery of gas which cost more than the price that it was sold for during the month. This will catch up in September when this delivery is sold in September. The breakdown comparison to budget was:

With Fuel Sales

Operating Revenue	Even to Budget
Non-Operating Revenue	Under by 5.1%
Operating Expenses	Under by 3.4%
Non-Operating Expenses	Even to Budget
Administrative Expenses	Even to Budget
Capital Improvement	Even to Budget

Without Fuel Sales the only differences are

Operating Revenue	Over by 6.9%
Non-operating Revenue	Under by 5.1%
Operating Expenses	Over by 2.3%
Administrative Expenses	Even to Budget
Non-operating Expenses	Even to Budget

INFORMATION, STAFF AND COMMITTEE REPORTS

a. Managers Report – Attached.

Commissioner Allen Miller asked about the sunken boat, if the bilge pumps were not working or failed. Jerry Rowland replied that the bilge pumps failed to keep up with the water leak.

Commissioner Jack Bailey asked if all the boat houses had a window to see into the boat houses to inspect the condition of the boat. Jerry replied that the only ones that didn't or were covered were those who were live aboards. Jack Bailey also praised staff member Kelly Cody for noticing this condition as soon as possible. Ned Cook asked if the Port boat, Ms Nug, was used to lift the boat out of the water. Jerry Rowland replied Ms Nug was not used, that the rafters of the boat house were used with a come-along to lift the boat out of the water. Jack Bailey asked if the Port had floating bags for this type of situation. Jerry Rowland stated the Port was not in the position to use these at this time.

b. Commissioners Report –

Bob Kalmbach reported on the Port of Bellingham that he visited during his recent boating trip. He said that the marina people and a local business helped get his boat repaired by procuring a heat exchanger in one day.

Jack Bailey will be attending the Marina's committee meeting on September 24 in Olympia. The discussion will be about boat yard permits, what they are allowed to do in those yards and the controls they have to have for environmental concerns. This type of permit may be required for the type of work that happens in a marina. They will also discuss saving the grants for the boaters and the hydraulic permits. They will also discuss for Emergency Management Plans which Mr. Bailey felt this Port needed to have for emergencies such as earthquakes and fires. He reported that he will be gone about 2 and a half weeks after BAD Event but he would be back for the next meeting in October.

Discussion followed on when the October meeting should be held. Allen Miller stated he had made a mistake at the last special meeting on his hunting trip days. It was agreed that the October meeting would be moved to October 19, 2010. Port Manager will check with the Yacht Club to see if the Yacht club room is available on that date. If it isn't there, other areas are available such as the lower level of the Fire Hall. The November meeting will be November 17, 2010.

- c. Standing Committee Report – BAD VI – Marjie Rowland announced that this year will be known as the year of changes. Most of the major event items had changed since the last Port meeting. The bands have all canceled and the one playing now is “Shameless”, a local rock and roll band. The Brownsville Choir will not be singing this year but Woodland School and Fairview Junior High will provide a Jazz band and singing group. Also Esquire Hills will have a dancing group. Other than that the rest of BAD should be about the same as last year. Marjie Rowland showed one of the T-Shirts that was designed by a 14 year old student. There will also be kayak and paddleboard free trials. There will also be the art show in the Yacht club with gift certificates from Barnes and Noble for the first, second and third overall prizes as well as first place for the elementary schools. Marjie Rowland requested a donation for the People's Choice award. After discussion the commissioners agreed to donate \$90 for the second and third overall award and the People's Choice award. The raffle prizes for this year are a violin worth \$1,800.00, a two night stay at the Point No Point Lighthouse, a \$200 Gift Certificate to the Suquamish Casino, 20 pounds of manila clams ready to cook, a smoked turkey, and dinner for two at a Wednesday night deli dinner. There will be other automotive prizes. Jack Bailey stated he is donating a half dozen DVD's titled Metal to Metal that shows classic cars. Jerry Rowland announced that the long range forecast stated it would not rain on that day.

PUBLIC HEARING

Jack Bailey closed the regular session of the meeting and opened the public meeting for the 2011 budget at 7:56 PM. This was the first public hearing on the 2011 budget.

Jerry Rowland gave a power point presentation on the proposed 2011 budget. He proposed 3 different scenarios for the budget; 1) No bonds, no step and no COLA increases for the payroll, 2) Bonds, no step and no COLA increases, 3) Bonds, Step and COLA increases. He stated that the COLA is 1.0157. He gave a breakdown of what the proposed revenue was for 2011. Then he moved to the Expenses using the 3 proposed scenarios. There were some questions on the Fire Pump for Ms Nug by Bob Kalmbach and Jerry explained that it would be an upgrade with it being salt water use approved.

Jack Bailey asked about the fuel dispensers, comparing the cost in the past and what was in the budget for 2011.

Bob Kalmbach stated that most of the other marinas are now having the employees pay for part of the medical insurance costs. Jerry Rowland stated that this was within the rights of the commissioners to

change but in the past it was part of the compensation for a lower wage than other marinas. However, the wages were now comparable to other marinas.

Bob Kalmbach asked if Jerry knew why the propane costs were so high and he replied he didn't know but the budget reflected the price the Port was being charged now.

Jack Bailey stated that he was concerned about the Port losing money with fuel purchases especially with the charge card fees.

There was some discussion on the tariff prices and Bob Kalmbach reminded everyone that it was decided in the past to have the tariff discussion during June and July so it was not part of the budget discussion, causing the budget approval process to be lengthy. However, it did not happen this year.

Bob Kalmbach noted that there was no amount for the election costs for 2011 and for documents. He noted that 2011 was an election year and that the Port has historically spent a certain amount for periodicals that interested the Port constituents. Jerry Rowland agreed with him and stated he would put those amounts in the budget and would be there for the next public meeting.

Jack Bailey adjourned the public meeting and opened the regular meeting at 8:46 PM.

OLD BUSINESS

- a. Modify Lease Lines – DNR is finalizing the paperwork to approve the permit and will bring it to the Port.
- b. Equipment Purchase - Jerry Rowland presented the 4 proposals provided by Mayda to install HVAC for the Port building. One was for the Yacht Club, one was for the Deli, one was for the office and one was for the restrooms. There was also a proposal for the entire building with zones for each portion of the building. Jack Bailey stated he thought this type of modification and improvement would have to go out for bid. Jerry Rowland stated that it was not required by law to do so.

Bob Kalmbach stated he was not ready to approve the installation of the entire building. He couldn't justify the cost.

Allen Miller stated he wanted to proceed with the Yacht Club and Deli areas.

Jack Bailey stated he thought these HVAC units would give the Port a lot of savings now and in the future. He was impressed with the presentation at the special meeting/study session. However, he felt that there should be a bid process and look at some manufacturers that give a rebate. Jerry Rowland said that there are other installers of different manufactures equipment but that equipment did not have the reputation of reliability and efficiency as the Mitsubishi. Bob Kalmbach agreed stating that his research showed that Mitsubishi was the most efficient per all consumer information.

Bob Kalmbach made a motion to accept bids from Mayda numbered 16556 and 16807 for the Deli and Yacht Club which would be a non-bid sale. Allen Miller seconded the motion. During discussion Jack Bailey continued to express his concern that there was no bid process. Jerry Rowland stated again that it is not required by the law. However, since Mayda was the only company installing Mitsubishi units he would generate a sole source document justifying no

bids. John Mitchell said the Port is within their rights to do the sole source document. Jack Bailey also stated that he was disappointed that the restrooms were not getting a HVAC system as they used a lot of power in the winter.

Motion carried unanimously.

- c. Rental House – Jerry Rowland gave an update on the repairs to the rental house. He said the curtain drain was complete, the flooring was done (both hardwood floors and vinyl flooring) and the windows were done. Gregg had also changed the water source line to the house and put in a sprinkler system for the lawn. The next step was to paint the interior of the house. Jack Bailey stated he thought the commissioners agreed that the interior of the house didn't need painting. Jerry Rowland stated that it is in the minutes that the interior painting was part of the improvements to the house. Jerry continued that the total cost of the improvements for the rental house is approximately \$26,787.00. He added that it would be advertised in the next newsletter and there will be applications available in the office by the end of the week. He noted that the house would not be rented to smokers and only one pet would be allowed.

NEW BUSINESS

- a. Resolution 10-05 2011 Budget – First reading – this will be discussed at the next public meeting on October 19, 2010. Commissioner Allen Miller requested that he get a copy of the power point that was presented at the public meeting. Jerry Rowland stated he would provide each of the commissioners a copy.
- b. Resolution 10-06 2011 Tariff – First Reading of this resolution – The only change in the tariff for this year was that if someone wanted to use the upper park and they live outside the Port district they would be charged \$25. Jack Bailey noted that he was looking for an RV charge. Jerry Rowland stated they are considered campers and are charged the same as tent campers. Jack Bailey asked if the RV dump was being used. Jerry Rowland replied that it is being used once in awhile. The word is going out slowly about the fact the Port has an RV dump. Jack Bailey stated that at the commissioners meeting it was advised that the tariff amount should be adjusted to the CPI every year. This eliminates the arguments every year on raising fees and rates. Bob Kalmbach noted that the tariff guidelines already allowed the commissioners to use the CPI as they choose to. Jack Bailey said he was proposing that it happens automatically every year. Bob Kalmbach stated that any increase this year would be objected to by the people who use the marina. There have been increases in the last few years.

Allen Miller commented that the commissioners should address the CPI increase since the Ports expenses are going up. He said the only increases in revenue that are discussed are to the taxpayers. Bob Kalmbach stated that the Port did not increase taxes but have actually lowered the tax amount per \$1,000.00 of house and property value.

PUBLIC COMMENT

Ned Cook stated he requested at the last meeting a breakdown of all the costs to improving and modifying the Fire Hall. The Port Manager stated he had not accomplished this yet but would by the next meeting.

Bob Kalmbach reported that he got a call from a constituent suggesting that the lower level of the Fire Hall be used as a hostel. It was noted as an interesting concept. Jack Bailey stated that it would

probably be a lot of modifications and he wasn't sure the Fire Department would approve that use. He also added that it might take a lot of staff time managing this.

EXECUTIVE SESSION

None

CLOSE MEETING / ADJOURN

Motion made to adjourn. Motion seconded and passed unanimously.

Meeting adjourned 9:35 PM.

President/Commissioner

Secretary/Commissioner

Commissioner

Recording Secretary