



**Port of Brownsville**  
Minutes of Meeting  
19 October 2010

**CALL TO ORDER**

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

Agenda was corrected in paragraph 4.e. by changing the month of September to October. Motion made to approve agenda as corrected. Motion seconded and approved unanimously.

**APPROVAL OF CONSENT AGENDA**

Motion made to accept consent agenda. Consent agenda includes the minutes for the September 15, 2010 regular 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 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: October special voucher numbers 26382 through 26394 for a total amount of \$35,590.39; October 2010 General Fund voucher numbers 26395 through 26444 for a total amount of \$70,969.84. Also approved for payment was October special Electronic Transfer voucher numbers 2010-78 through 2010-79 for a total amount of \$975.68 and October Electronic Transfer voucher numbers 2010-80 through 2010-89 for a total amount of \$15,883.21

Motion seconded and approved unanimously.

Jack Bailey read the list of major expenses for the month of October.

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

None

**PRESENTATION TO OR BY THE BOARD**

Greg Lynch, Superintendent of Central Kitsap School district thanked the commissioners, Port Manager Jerry Rowland and Brownsville Appreciation Day organizer Marjie Rowland for all of their hard work presenting the Brownsville Appreciation Day event and the fact that all the proceeds from the event go to the Central Kitsap Elementary Schools. He stated that he wanted to continue to foster the good relationship between the Port of Brownsville and Central School district to put this event on. He recognized that this event took a lot of time and organization to make it successful. He stated that the art show was a good addition this year and gave the students an opportunity to display their talent early in the school year.

Jonathon Thomas provided an update on the Lavengro. He showed 2 videos, one showing the latest cruise on the Lavengro with school students from Brownsville Elementary and Woodlands Elementary on board and underwater scenes. He noted that the Lavengro was able to use their new cannon when entering the Port of Brownsville. He also added that the underwater portion would be given to the teachers so the students could identify what the creatures are under the water. He stated that the Lavengro has been used for award ceremonies and has had 9 official sailings with 108 volunteers. The second video showed the process for the stability test that was performed on the Lavengro. The Lavengro passed the stability test to allow 26 passengers on board for their sailings and is now licensed to do so.

Jack Bailey said he enjoyed the videos and it was a good way to get the message across of what the Lavengro offers the community.

## **FINANCIAL REPORTS**

Port Accountant Dennis Bryan provided the end of month reports for September. There was reduction in overall cash levels for the month of September. The end of the month balance was \$1,322,694.13.

With fuel sales:

Operating Revenue	Even to Budget
Non-operating Revenue	Under budget by 5.8%
Operating Expenses	Under budget by 3.5%
Administration Expenses	Even to Budget
Non-operating Expenses	Even to Budget
Capital Improvements	Even to Budget
Bond Payments	Even to Budget

Without fuel sales the only differences:

Operating Revenue	Over Budget by 8.7%
Operating Expenses	Over Budget by 2.1%

## **INFORMATION, STAFF AND COMMITTEE REPORTS**

- a. Managers Report – Attached. Bob Kalmbach asked if there will be a lock box on the thermostat for the new HVAC system in the Yacht Club. Jerry Rowland stated it was not planned at this time. Jack Bailey thanked the Port Manager for bringing the HVAC system to the attention of the commissioners which will lead to cost savings.
- b. Commissioners Report – Jack Bailey announced he attended WPPA Planning Session for the marina’s committee which is working on emergency procedures. The goal is to have a standard set of procedures during different types of emergencies (earthquake, fire, etc.) for all ports.

Jack Bailey stated he attended the Kitsap All Ports meeting. There was a presentation from Community Development on Shoreline Management Plan. He was pleased to announce that the attitude is that the Ports are an asset to development. He added that they were using the Port of Brownsville 2010 Comp Plan as the Port’s input to future development.

Jonathon Thomas asked when and where the Kitsap All Ports meetings were held. Jack Bailey provided him with the contact information.

- c. Standing Committee Report – BAD VI – Jerry Rowland announced that the lessons learned for the event will be November 10, 2010, at 6 PM in the Brownsville Yacht club. Jerry announced that the event cost the Port \$7,345.35 for the entire event. The total proceeds for this year were a little over \$5,000.00 so the money going to the local elementary schools went up about \$600.00 from last year. The budget was \$7,000.00 so the event went over budget by a small amount. Jack Bailey stated that the over budget amount was not bad since there were some unexpected costs this year. Marjie Rowland added that the sun was out, and that the whole event went very smoothly. She reported that there were lots of cars and good raffle prizes. There was food left over this year for the first time. This will be discussed at the lessons learned meeting. Also, the art show was a good addition as Mr. Lynch stated in his statement. This will be expanded on for next year. Skip Nordal stated that the check list for the cooking areas helped a great deal. He said when the food inspector came he was impressed that all of the necessary items were there.

Jonathon Thomas added that the Lavengro is planning on going to most of the events and festivities in the Kitsap area. He requested a letter of collaboration from the commissioners for participating in the BAD event. The grant he is applying for will pay for the advertising for the Lavengro when they are at each event and therefore the event will get the same advertising. Jack Bailey stated he agreed with the letter of collaboration. Jerry Rowland said he would draft the letter and upon agreement he would get the president of the board to sign the letter. Bob Kalmbach stated he would agree with signing a collaboration letter. Jack Bailey stated the Port gave the Lavengro some free advertising in the certificates that were made for the students that participated in BAD.

## **OLD BUSINESS**

- a. Modify Lease Lines –The PMA has been signed and notarized from the Port side of the agreement. It now goes to the land's manager and it is anticipated it will be signed by the end of the week. Ned Cook asked what the status was on the dredging permit. Jerry Rowland stated he is still working on the permit for that process. Allen Miller asked how the triangle property legal matters were going. John Mitchell announced that it is about 2 months away from final resolution. More information is being requested from the Port.
- b. Rental House – Jerry Rowland gave an update on the repairs to the rental house. The repairs are complete. The house is now ready to be rented. The notice was sent out in the newsletter but no applications have been submitted yet.
- c. Resolution 10-05; 2011 Budget – The next public hearing on this will be in November. Jerry Rowland stated there were several changes in the budget since it was presented last month. There are now only 2 proposals; 1) no bonds, no step increases, no COLA and 2) no bonds, with step increases and. COLA. Jack Bailey made a comment that the Port Manager did not take a step increase or COLA last year and is not planning on taking one for this year. He stated that the Port Manager is an employee like everyone else and should be treated like the other employees. Bob Kalmbach agreed that all of the employees should get the pay increases or none of them should get it. Allen Miller agreed with this philosophy as well. Port Manager stated he would put together another budget proposal showing the Port Manager getting the pay increases he is entitled to. Allen Miller stated that the 7% step increase should be evaluated. Jerry Rowland replied that not all employees get a step increase every year. Bob Kalmbach said that

the step increase system should be reviewed in the future to compare it to other ports and the periodicity between steps should be evaluated. This hasn't been reviewed since 1997. Jack Bailey said he had the comparison sheet from the WPPA on what other employees in other ports are getting paid.

- d. Resolution 10-06; 2011 Tariff – Fees and moorage rates for 2011 is based on the calculated CPI for 2009. This is a value of 1.05%. This would bring the moorage rates from \$5.12 a foot to \$5.14 per foot. This would correlate to a 20 foot boat would increase about 23 cents a month, a 30 foot boat is an increase of 50 cents a month. The longest boat of 65 feet would increase about \$1.08 a month. The total income increase for the Port would be about \$6,000.00. Jack Bailey said he hoped that the new numbers would be acceptable to everyone. The aging of the marina will cause the costs of the marina to increase as well as the cost of building a new marina. The incremental CPI increases will be easier to handle than one big increase and basing the fees on the CPI will do this. Bob Kalmbach asked if there was a moorage rate increase for the last 2 years. Jerry Rowland explained that 2 years ago there was a moorage rate increase and last year there was a utility rate increase. Last year's increase also included a small moorage rate increase. Allen Miller stated that the utility increase is just a pass through money. He felt the Port should look at increases that will bring in more money to the Port. He felt the fact that the CPI in the past was not used has negatively affected the income to the Port. Bob Kalmbach asked what the moorage rate increase was for last year. Jerry Rowland stated he wasn't sure but thought it was around 1%. Most of the increase last year was due to the utility increases. Ned Cook asked if the tariff increase that is now being proposed was proposed at the last meeting where there was a public meeting. Jack Bailey and Bob Kalmbach stated it was discussed at the last meeting. Skip Nordal asked if the Port used the CPI and there was no increase in future years, would the Port not be able to raise moorage rates. Jack Bailey responded that the Port commissioners have the option to use the CPI or not. Jerry Rowland also responded that the CPI that is used for 2011 is a final calculation from 2009 and is a local CPI rather than a national CPI. He added that if there was no increase in CPI then the Port would not raise the fees and moorage rates. Ned Cook posed that if the economy for this year dropped dramatically the Port could still raise the moorage rates based on a CPI from two years ago. Jack Bailey stated that was true but the commissioners had the option to use the CPI or not. Ned Cook stated he is against this policy of using the CPI because a precedent is going to be set that the CPI will be used all of the time. Jack Bailey stated there would be another public hearing on this issue next meeting on November 17, 2010. Bob Kalmbach added that he thinks the commissioners should review in the future the Port's policy of paying 100% of the employee's insurance premiums. He suggested that this be included in the June discussion that is supposed to occur on the tariff.

## **NEW BUSINESS**

- a. None

## **PUBLIC COMMENT**

Ned Cook asked how much the Port has spent on the Fire Hall. Jerry Rowland responded that it was \$58,996.86 for renovations plus \$675,000.00 for the purchase.

## **EXECUTIVE SESSION**

None

**CLOSE MEETING / ADJOURN**

Motion made to adjourn. Motion seconded and passed unanimously.

Meeting adjourned 8:55 PM.

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President/Commissioner

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Secretary/Commissioner

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Commissioner

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Recording Secretary