

PORT OF BROWNSVILLE

9790 Ogle Rd • NE Bremerton, WA 98311
Office: 360-692-5498 • FAX 360-698-8023

Commissioners:
Bob Kalmbach
Jack Bailey
Fred Perkins

October 18, 2017

CALL TO ORDER

Commissioner Fred Perkins called the regular session of the meeting to order at 6:03 PM. In attendance were Commissioner Jack Bailey, Commissioner Bob Kalmbach, Interim Port Manager Matt Appleton, Contract 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 amended to approve the agenda as written. Jack Bailey seconded the motion and motion passed unanimously.

APPROVAL OF CONSENT AGENDA

Consent agenda includes the 13 September 2017 Regular Meeting minutes, the 25 September 2017 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: October 2017 General Fund voucher numbers 41187 through 41263 for a total amount of \$119,159.34. Also approved for payment was October 2017 Electronic Transfer voucher numbers 2017-74 through 2017-85 for a total amount of \$34,404.46.

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

PUBLIC COMMENT FOR ITEMS NOT LISTED ON AGENDA

Jonathan Thomas of Kitsap Maritime Heritage Foundation gave a report on the status of the organization. He thanked the marina and the public for having patience with all of the hammering that was coming from the schooner Fiddlers Dream. The hammering was from the “corking” of the deck plank pieces. The deck is now complete and the organization is selling plank pieces. He announced that there was a surprise visit to Fiddlers Dream on September 1, 2017, from Governor Jay Inslee. The organization has partnered with Pathways to Success and there have been 3 interns from that program working with Kitsap Maritime. One of them is now attending Tung Point Academy in Astoria, Oregon, to be a merchant marine. He also described the partnership with Joint Base Lewis McCord for the reconnect program for veterans entering civilian life. Kitsap Maritime is in the process of applying for a grant from the Murdock Trust and the decision will be made in November. Jonathan said he has requested Trudy Inslee to be the Fiddlers Dream sponsor which means that person will help recommission Fiddlers Dream.

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Julie Jablonski recommended that the Port of Brownsville should start an advisory committee that would have community members. This would increase the communication between the Port and the people who live in the Port district.

Ed Wurden stated he had information to share that was not intended to be critical. The first think he wanted to state was that the Port of Brownsville needs to improve communication with the people in the Port district. He gave the Port of Keyport as an example of how good communication is achieved. He said there was a public meeting that was held at the Port of Brownsville with a notice that was published in the paper but it did not state what an IDD was so no one showed up to the meeting. He read the report from the WPPA that Industrial District Development district should promote economic development and employment opportunities for the Port. He stated the projects planned would not do that as all the work would be done by companies outside the Port district. He then read a statement that the Port is now maxed out in loans and now wants to secure a 3rd loan of \$2,000,000 to finance projects that he questions as being justified. They were \$400,000 for the main pier, \$700,000 for A dock, \$650,000 for dredging. He noted these were estimates. In order to fund these projects the Port is considering raising property taxes 60%, that is from 28 cent per thousand value to 44 cents per thousand value. He distributed some information about his report. He stated that the Port did not communicate any of this in the announcements or their newsletters, except the last one which mentioned raising taxes. He then distributed and read the Keyport monthly newsletter. He said they had 700 people in their district but they asked for public input by questionnaire. They received 101 answers to their questionnaire. The Port of Keyport does a good job of communicating what they are doing and planning on doing. Ed then talked about the Main Pier. He stated that it has been reported that 12 out of the 40 pilings need to be replaced. He said he tested the pilings with a hammer and only need to replace 2. Pilings number 29 and 30 have holes in them because of the cross board. Water intrudes the holes and barnacles grow. He recommended that the pilings have rings installed at a cost of \$400 plus bolts. He added that the engineering technical evaluation that was done on those pilings only addresses replacement, not repair. He next reported on A dock with fuel lines. He stated the fuel lines get inspected every 2 years. It is a concrete structure and there are no major cracks. It does need to be raised up and that would cost approximately \$28,000 in his estimation. He added that I dock could also be raised up at a decreased cost than the proposed \$95,000. He then discussed dredging of the Port. He shared the depth soundings that he took at 0 tide and pictures. He stated there has been no measurable silting in his evaluation and the reason was that houses are now being built with retention bases so no run off. He estimated that there would be no silting change for the next 4 years. The only suggestion he made was to move one buoy by the fuel dock. He then reported on the North Breakwater (which is not on the list of projects) that is being held in place with chain. They should be checked for cracks. If that North Breakwater failed it would wipe out a major portion of the marina. It would be so severe the insurance coverage would not be able to cover it. He suggested installing pilings to stabilize the North Breakwater. Ed Wurden then gave a report of the pilings below the Pavilion (which is not on the list of projects) and showed examples of material that peeling off the pilings. He said the galvanizing on the pilings is gone after 12 years when exposed to salt water. Then the pilings are open to rust. He suggested painting the pilings with marina bottom paint. He then showed pictures of 2 transformers on the breakwater that have steel cases but are constantly washed with seawater. He recommended painting or repairing those.

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PUBLIC MEETING

Fred Perkins recessed the regular meeting and called the public meeting to order at 6:59PM. Fred explained that there had been 2 public meetings held on the subject of an IDD but there were few attendees so the commissioners wanted more public input and advertised this 3rd meeting. He added that it must have worked because there were a lot of people in attendance at this meeting.

Matt Appleton gave a presentation of projects that have been completed, projects that were planned and the funding sources. Someone from the audience asked if there was documentation of the project estimates and property tax needed. Matt answered that the Port is only allowed to request a maximum of \$392,000 a year and rate of property tax fluctuates depending on the total property values in the Port and new construction. Someone else asked if there other sources of income other than taxes that the Port receives. Matt answered that there was other income that amounted to 1.5 million dollars so the property tax was a small portion of the Port's income. She then asked if the State gave any funding to the Port and Matt answered no. When Matt discussed the possible walking trail someone asked where that would be located and he explained where. Then someone asked about another boat launch that the Port had and why it wasn't used. Matt explained that it did not go into the water so people would have to walk in the mud to launch their boat unless it was a 10+ tide. Another person said it has a block in front of it and should be available to the people who use the Port. Fred Perkins stated this was a public meeting for IDD and not this subject but the commissioners will take that as an action item to look into. Someone else said the money should be used for maintenance of the marina. Fred Perkins explained that the Port has a budget for the maintenance needed and these projects not maintenance. Matt added that the fuel lines on A dock were not per code at this time because they were not triple wall and would have to be replaced soon. Someone else asked when they would have to be replaced and Matt said whenever EPA states they need to be replace which can be any time. This person then said this should be a maintenance line item to replace these fuel lines periodically. Another person commented that it didn't seem right to increase taxes for items that did not need to be replaced. Fred Perkins said this is not a debate and they were entitled to their opinion. John Green asked when EPA comes to the Port and Matt said they come every year. Bob Kalmbach explained that if A dock is replaced then the fuel lines would have to be replaced. Someone asked what was wrong with A dock and Matt said it is listing and refloating will not fix this problem. Vic Peters said an aluminum dock would not be strong enough to protect the fuel lines. Fred said that Matt needs to get through the presentation and then there can be comments. The plan is designed to get the marina to last for generations not just 10 or 20 years. Julie Jablonski asked if there was an engineer study that supports the A dock replacement. Fred said there has been no engineering study done to this point. In order to complete the planned projects and have the one million dollar reserve required to maintain a high credit rating, the Port needs to increase their income. The options to do this are one of the following:

1. Increase moorage to \$8 a foot
2. Increase in property tax rate by vote of the people at ballot. This is an additional cost of putting this on the ballot and the end result would be 45 cents per thousand of property value.
3. Industrial Development District which would raise the tax rate to 44 cents per thousand over 20 years which would equate to \$39 a year on a \$300,000 valued property. As total property values in the Port increases the tax rate will decrease.

John Green asked if the \$8 was per linear foot what would that do to the moorage amount. Jerry Rowland said it would double. Plus the boathouse rate would increase to 80 cents per square foot. There has been

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two different opinions on the condition of the pilings, asked what the Port information is based on. He asked if the engineer was not on sight. John Piccone said they were on sight and a licensed construction engineer. Julie Jablonski asked if this engineer evaluation did pile by pile and if the Port had a copy of that available and Fred answered yes. Jerry Rowland explained that the request to the engineering firm was what the Port needs to do to replace the main pier. The reason for that request was because the boat launch was going to be replaced and angled differently and this was a perfect opportunity to replace main pier, shorten it and make the ramp ADA compatible. Someone asked if the ramp was not grandfathered in for ADA compatible. Jerry said it does 50% of the time so for that reason it is grandfathered in. John Green asked if there was an engineering study on the boat ramp condition because he thought it was in good shape. Jerry Rowland stated there was and the walkway is in good shape but the concrete is not. He asked if the study was to replace not repair and Jerry replied yes. John asked how many people were in the Port district compared to the 700 people in the Keyport district. Jerry Rowland replied over 16,000 people. Jerry added that the last time the Port sent a mailing out to every person in the Port district it cost over \$3,000 and with very little response.

Kim Fox asked why the Port was going after the IDD instead of the Levy vote. Jerry Rowland stated that the Levy vote would lock in the rate of 45 cents per thousand property value for 20 years. The IDD would allow less than that. She then asked why the Port was not considering repair instead of replacement. Fred Perkins stated that the Commissioners were not looking at a band aid fix but at something that would last for generations. The more you delay the replacement the more it will cost when you do have to replace it.

Julie Jablonski is a property owner and her biggest concern is the communication from the Port. She requested the commissioners to inform the constituents by mail or any means to get more input. She did want to see the good reputation of the Port to be squandered by lack of communication.

Ned Cook stated that the ramp keeps getting lumped into the IDD and it is not. Fred Perkins stated it was not part of the IDD and is partially funded already. Ned Cook then asked what the financial rating of the Port would be if the bonding happened. Jerry Rowland said with the Revenue Bond and LTGO Bond the rating would stay at AA. After these last two bonds the Port would no longer be able to bond. Fred Perkins added that all the projects would be complete and the Port would last for generations.

Vic Peters said he has handed out some information on the IDD. He asked what the statutory authority was that allowed the commissioners to invoke an IDD. An IDD is for major ports with the responsibility to create jobs and the authority to condemn lands. It is a very powerful organization such as the Port of Seattle. This IDD is not creating a single job. Jerry Rowland said there is an RCW that states this Port has the authority to invoke an IDD. Jack Bailey stated the RCW was 53.25.100 and it states that the Port is authorized to invoke an IDD for harbor improvements and that is what this is all about, not just raising taxes. Vic Peters said the Port was not looking at the real meaning of an IDD and it was not meant for marinas. Jack Bailey said the legislature did give the ports and marinas the authority to invoke an IDD. Fred Perkins stated there would not be debate and the Port has a Port Attorney that the commissioners consult to make sure everything they do is legal. Vic Peters said he felt the Port was rushing into this IDD to fund the big replacement projects that should be moved out until the marina has the money.

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Ken McKuen lives in the port community and has a boat. He appreciated the work that Ed Wurden did to evaluate the condition of the Port. He stated he is a stake holder and after listening to the comments there is concern that there is lack of communication. He stated he was not notified of this IDD and the commissioners should consider that the community is blue collar workers. He added that the purpose of the IDD was not only harbor improvements but also economic development, including creating jobs. The Port should communicate with their constituents. He read the mission statement of the Port and he said it did not address that the Port should be an economic power house, like a deep water port or railway. He urged the commissioners to reconsider this IDD. He added that the Port was denying the stake holders their say.

Steve Neuhauser stated he supported the Port since 1970. He said he agreed with Ken McKuen about lack of communication. He said the newsletter was newsy but lacked information about what the Port was doing. He requested the newsletter to have more information about what is going on. He said when he wants to do something he saves the money to do it. Borrowing costs more money. This Port is a working man's marina. He asked Jerry Rowland how many times the moorage rate has increased. Jerry Rowland said 3 times in the last 3 years. He said he didn't see any more service for the increase. Fred Perkin said there were reasons for those increases that had nothing to do with an IDD.

Kim Brennan said she did not live in the district but pays moorage and if the Port doubles the moorage rate she would leave the marina. She would hate to see all those people leave the marina.

Jack Bailey clarified that the moorage rate increase is only one option to increase income. It is not in addition to the IDD.

Dave Warter said he lives in the darker and has been in the Port since 1989. He repairs because he hasn't gotten a raise in 5 years and his bills and taxes keep going up. He feels the Port should be doing the same, repairing instead of replacing.

Libby Tyler said she lives in the Port and loves it but she is there tonight to get information and to make sure that the funding requested is necessary. She asked if the projects will bring in more income. Are these projects worth the increase in taxes?

Krystal Stein said she is a recent home owner and agrees with supporting improvements but she is skeptical on how much needs to be done. She wants to get a boat and she want to know more information. She wants to know the operating costs. Matt Appleton the revenue of 1.5 million included the property taxes. She requested the commissioners to defer the vote so the community can have more time to study this proposal. She also stated that she felt that the moorage rate increase was only presented so the IDD property tax looked like a better option. She requested to see the path forward with the current income the Port receives.

Glenn Cox said he felt that in this day and age that there should be a better way to communicate with the community than postage of \$3,000.

William Carly said he felt the Port was using misdirection and misinformation when it comes to replacement versus repair. He felt it was a shady way of getting revenue on items that need it. He also

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felt that the communication could be more modern. Matt Appleton said the Port has a web site. Marjie Rowland added the minutes are on the web site Mr. Carly asked if the Port had a face book page. Matt replied no, only a web site. He asked if the engineering study was on the web site. Matt said no. He requested that type of engineering study should be on the web site and there was no excuse why the Port could not find a way to communicate with the people of the Port district.

Date Warter stated he did look at the web site and the last time the minutes were input was June of 2017. Matt Appleton replied he has been negligent in updating the web site and he would take that for action.

John Zarachion asked what the process was to invoke an IDD. Fred Perkins replied that the state through RCW's gives the Port the authority. He stated that this IDD is taxation without representation. Fred Perkins added that this IDD process has not been an easy decision and has

Jonathan Thomas stated he is a resident of the Port district and tenant of the marina. He thanked everyone for being here. He said attended a lot of Port meetings on second Wednesday of the month when it has only been a few people so he was glad to see so many attend. He then asked what the current tax rate was. Fred Perkins replied it was 27 cents per thousand property value. That equates to \$81 a year for a \$300,000 home. He then asked what the limit was for the tax rate the Port could request. Bob Kalmbach said it was 45 cents per thousand property value which equates to \$135 per year. He then asked if it had to go to 45 cents per thousand property value per levy vote how long would that last. Jerry Rowland stated until there was another levy vote to change it but it could never go above 45 cents per thousand property value. He then asked what it would be for an IDD and Jerry Rowland said it would be 42 cents per thousand property value for 20 years and then it would go down to the standard rate which today is 25 cents per thousand property value. Jonathan Thomas then asked how much it would cost the Port to put a levy vote on the ballot. Jerry Rowland replied about \$15,000. Jonathan then asked the people in the audience if that helped them understand what he has been listening to for the past months about this IDD.

Bob Kalmbach addressed John Zarachion question of what gave the authority of the Port to invoke IDD. He read the WPPA publication on what an IDD is and why the State gave the Port the authority to invoke and IDD.

Julie Jablonski said that she has background on repair versus replacement. She said that it is a difficult decision and unless the facts and the right analysis is in place it can be costly when the wrong decision is in place. She said there are people in the community that can help with this decision.

Dave Warter said that the levy tax increase does not have to be a permanent. Jerry Rowland agreed.

Someone asked what qualifies the Port as an Industrial District. Fred Perkins stated the state gave the commission the authority to call it an Industrial District.

John Green asked for clarification on the 3 income proposals. Fred Perkins replied that these were 3 separate proposals to increase income. It was not to a combination that all would happen. It is just 3 separate proposals.

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Frank Reed stated that the Port should communicate what they need and there is probably people in the community that will be able to help. He stated the Port's communication sucks.

William Crowley stated that RCW 53.25.04 requires the Port has to define the boundaries of the IDD so what are they. Jerry Rowland said by resolution it is defined as the borders of the Port district. Fred Perkins added that if there is money left over from the IDD it had to be used to pay off the IDD and nothing else.

Public Meeting was adjourned at 8:22 PM with a 10 minute recess. Regular meeting was reconvened at 8:32 PM

PRESENTATIONS TO OR BY THE BOARD

None

FINANCIAL REPORTS

Port Accountant Dennis Bryan distributed copies to the attendees. Port Accountant Dennis Bryan provided the August 31, 2017 end of month financial report. As of August 31, 2017 the balance was \$1,695,122.05. He reviewed commissioner's report. Financial report is available upon request.

Jack Bailey stated that when the Port started rebuilding the marina bonds were used to fund the replacement. Now the Port has reached its capacity to bond based on the income.

Bob Kalmbach said that in 2007 the estimate to rebuild the marina was \$2,000,000, then in 2009 it was \$2,300,000, then in 2011 it was \$2,600,000, then in 2013 it was \$3,000,000. By 2017 the actual cost was over \$4,000,000. In order to do anything more the Port has to generate more income. Krystal Stein stated that the need for more revenue is based on inflation and Bob agreed to some extent. Glenn Cox said this information would have been good to know one hour ago. Bob explained that the public meeting is for the public to make statements not the commissioners to justify.

INFORMATION, STAFF AND COMMITTEE REPORTS

- a. Manager Report – Attached. Bob Kalmbach said that the money from BAD goes to the local grade schools in the amount of over \$8,000
- b. Maintenance Report – Attached.
- c. Commissioners Report –
Bob Kalmbach will be attending the WPPA small ports meeting along with Fred Perkins and Matt Appleton.

Jack Bailey reported on chairing the All Ports meeting at the Brownsville Yacht Club. Other ports are interested in expanding the inter port agreements like the Port has with Keyport. There was also discussion about one port annexing into Brownsville Port District.

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Ned Cook asked about the Fire Hose connector that broke and Matt Appleton said the Port is awaiting parts to complete the repair.

d. Standing Committee Report –

BAD XII – BAD debriefing was given by Matt Appleton. Bob Kalmbach said the Navy wives had a fantastic time and their only suggestion was to have more than one person at the Bounce House.

Comprehensive Scheme meeting and review is complete and at the commissioners for review. Julie Jablonski asked what involvement there was from the community on this.

PUBLIB MEETING FOR BUDGET

Fred Perkins recessed the regular meeting at 9:08 PM and called to order the public meeting for the 2018 budget. Matt briefly went over the budget on a slide show presentation. This presentation is available upon the request. Ned Cook asked about the sewer and water amounts being equal. Matt Appleton said that is the agreement with the water company and went over how he calculated. After income and expenses it was projected to have \$116,539 more income than expenses. None of this budget has any additional income such as and IDD.

Public Hearing was adjourned at 9:17 PM. Regular meeting was reconvened.

OLD BUSINESS

- a. Boathouse Compliance – Matt Appleton reported he has not contacted the owner of C-32 recently to repair the sheet metal that is coming loose on his boat house. C-25 is almost done. Jack Bailey expressed concern over C-32 with the loose sheet metal that will be dangerous if it comes loose during a wind storm.
- b. Boat Launch – The Port is still waiting for the Grant money from RCO. This is dependent on the State passing the capital budget.
- c. Boat Compliance list – Matt Appleton reported on boats that did not have current registration and those that were behind in payment. It is the same six people as last months.
- d. Resolution 17-11 Industrial Development District – Jack Bailey asked John Piccone to talk about the pilings under the main pier. He stated that he was concerned that the main pier would not last another 10 years and if it is gone the revenue from the marina is gone. John Piccone stated that all the discussion was repair or replacement. He asked how long does the Commissioners want the main pier to last. Is it just to last 10, 20 or 30 years proposition? He said there have been many studies that state the most fiscally conservative thing to do is to maintain a structure when it is new not when it is old. When you go through a process of continually going through a maintenance it will cost more money than replacement. There is no doubt in his mind that replacement is the best choice but he would be glad to do more studies on it. He said the study that was done was very preliminary and it was not to determine how long it will last or what repairs it should have. The study cost about \$800 and was a quick look on how long it would take to replace it. Another study could be done that is in more depth at a cost of \$6,000 to 9,000. The bigger question is how long do the commissioners want it to last. If it is 20 to 30 years then replacement is the best option. Jack then asked about A dock and the areas where the rebar is showing through the concrete. He said you can only see the top and don't

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know what is on the bottom. John Piccone stated the exposed rebar will continue to rust and not do its job of holding the concrete together. Jack Bailey said it would cause the concrete to deteriorate as well and John Piccone agreed. John added the exposed rebar has to be addressed. Jack Bailey stated that the mud coming into Burke Bay is adding up more each year. Matt added the buoy does have to be moved because of this. Jack Bailey added the fact that I dock sets on the ground during low tides which is not allowed. He continued to state that the IDD is controversial but he felt it was the responsible things to do. He said the Port has completed some major projects already and the Port is innovators in design and construction. Other Ports are coming to Brownsville to look at the new docks. Matt Appleton added another Port was coming next week. Jack Bailey said he gave an environmental presentation at the Environmental Port Conference and he stated the Port has gotten rid of most of the creosote in the marina. Everyone is interested in what this Port has done. He said it will never cost less because construction costs, including dredging, are increasing. Fred Perkins said he was in the middle but Bob Kalmbach said he has these concerns. He stated that the increase in the cost from the previous work completed in the marina will be the same for the planned projects now. The 1.3 million that is estimated to be needed will grow in cost and will probably double. Even with the 2 million dollars that the IDD will bring in will not be enough to complete the projects in the 5 years that it will take. He said if the IDD does pass the Port has no way to increase income in any other way. If anything happens that requires the Port to get more money, it will not be there. Jack Bailey said that as he understands it these projects will be done in 3 years. John Piccone said the main pier is at 60% design and permitting is in hand which will expire in 5 years. Jack Bailey said some of the contract work may be less expensive because they are looking for work such as the dredging. John Piccone said he has not had anything to do with dredging plans but he is absolutely sure that money would be saved by doing the main pier the same year as the boat ramp. John Piccone added that most ports put dredging in their budget and design the work around that. Fred Perkins stated that he appreciated all the work that has been done in the past by volunteers but it was more of a trend where today people are less inclined to help. He continued with his concern about the dredging where in his experience he has trouble launching his boat at minus tides. His biggest concern is the communication and he can't let that go. He added that Bob Kalmbach has a great point that it will cost more than estimated but that the longer you wait the more it will cost. Fred Perkins said he wants to have more studies done and table this resolution. The other commissioners agreed that it could be tabled but Jack Bailey added that the interest rate for borrowing money is going to increase by the FEDs and the permits have an expiration date. Bob Kalmbach said if it is not approved tonight it will not happen until 2019 because there is not enough time to get it through the bonding process. Jack Bailey said that the Port had gone above and beyond in notifying the public. He asked the Port of Bremerton how they did their notifications and they said they make a list of people that have shown interest and they email directly to them. Fred Perkins said the Port cannot have a social media but a post card would be in line. Bob Kalmbach said at the next All Ports meeting it can be asked of the other Ports how they communicate with their district. Jack Bailey said it could be voted on at the December Port meeting and someone suggested a special meeting. Marjorie Rowland stated if it is not approved tonight the county and the bond organization will not have enough time to put in place for 2018. Fred Perkins stated he wanted to make it perfectly clear that he was not ready to vote on this resolution until more studies are done. Resolution was tabled.

- e. Resolution 17-12 2018 Tariff – Matt Appleton said that this has been discussed at the last 3 meetings and is now ready for vote. Fred Perkins explained some of the increases, mostly those people that are in the marina but not a taxed resident in the Port get a surcharge. Bob Kalmbach questioned the per

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foot rate of those that live outside the Port district. It was agreed that if the IDD is approved the surcharge rate would have to be changed. Marjorie Rowland reminded the commissioners that they can change the tariff at any time. Bob Kalmbach made a motion to approve Resolution 17-12 the 2018 tariff. Jack Bailey seconded the motion. Ned Cook asked for clarification of the moorage rate in 2018. Bob Kalmbach stated it is increasing by 18.17 cents but there is change in the utilities that will decrease. Matt Appleton it will be a total increase 5 cents per foot. Jack Bailey stated that he felt the surcharge may be unconstitutional. John Mitchell said that is for taxation not services. Jack Bailey said it could be challenged in court. Motion passed unanimously.

- f. Resolution 17-13 Tax Levy for 2018 – Bob Kalmbach made a motion to approve this resolution and Jack Bailey seconded. Motion approved unanimously.

NEW BUSINESS

- a. Resolution 17-14 Substantial need resolution. Bob Kalmbach made a motion to waive the second reading and approve this resolution. Jack Bailey seconded and motion was approved unanimously.
- b. Resolutions 17-15 and 17-16 - Bad Debt Write Off – Jack Bailey made a motion to waive the second reading and approve these resolutions. Bob Kalmbach seconded the motion. Bob Kalmbach requested to know if any monies were received from these being sent to recollections. Matt Appleton agreed to get and report that information.
- c. Resolution 17-17 – Comprehensive Scheme. This is the first reading and commissioners need time to review this. First reading.
- d. Resolutions 17-18 and 17-18 – These change the company name in existing contracts from SEALASKA to Sound West Engineering due to SEALASKA dissolving their engineering division. This is for the contracts for on call and task orders. John Mitchell has reviewed these resolutions and determined this was legal and administrative in nature. Jack Bailey made a motion to approve these resolutions. Bob Kalmbach seconded the motion. Bob Kalmbach was concerned that this would allow Matt Appleton to approve task orders up to \$50,000. John Mitchell says this does not void the spending power of Matt Appleton at \$500 that is in place now. Motion passed unanimously.

PUBLIC COMMENT

Carolyn Thomas stated that the Brownsville Yacht Club, Port of Brownsville, Kitsap Maritime Heritage Foundation and Art Slam are sponsoring the Haunted Harbor on October 27, 2017. It will be from 6 PM to 8:30 PM. Fred Perkins asked if zombies were needed and Carolyn said no, avoiding scary things because it is for children under 12. It is scare away hunger to support the Bremerton food line so bring a can of food. Jack Bailey said he was at the Brownsville church event and 3 people asked him if the Port was doing Haunted Harbor. Carolyn added there will not be a Halloween costume contest. Someone asked if this could be posted and Carolyn said she would. There were some suggestions on where to post it on social media.

Chrystal Stein stated that it might be a conflict of interest to have an engineer on staff. Matt Appleton explained that the engineer company is not on Port staff and only works to task orders. She just cautioned the Port on the appearance of this type of agreement.

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Fred Perkins read a thank you from the Silverdale Rotary for the great job they did during the Great Duck Race. Fred recognized Matt Appleton and his team that participated in this.

EXECUTIVE SESSION

None

CLOSE MEETING / ADJOURN

Meeting was adjourned at 10:12 PM.

October 18, 2017 meeting

President / Commissioner

Secretary / Commissioner

Commissioner

Recording Secretary