

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

A G E N D A

August 14, 2018
10:00 AM

Bill Mahan Conference Room
Port Administration Offices
Bremerton Nat'l Airport Terminal Bldg
8850 SW State Hwy 3, Bremerton

Call to Order

Pledge of Allegiance

Approval of Agenda

Consent Items

All matters listed under Consent Items have been distributed to each member of the Commission for reading and study, are considered to be routine, and will be enacted by one motion of the Commission with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Items and placed under Action Items by request.

- A. Minutes of the regular business meeting of July 10, 2018.
- B. Payment of checks #103361 through #103390 and #78003 through #78007 and #78012 through #78084 from the General Fund for \$468,072.94; #78008 through #78011 from the Construction Fund for \$33,441.62 and the payment of payroll taxes for \$18,202.36.

Payment of checks #103391 through 103417 and #78085 through #78088 and #78089 through #78092 and #78096 through #78165 from the General Fund for \$367,550.92; #78093 through #78095 from the Construction Fund for \$37,300.40 and the payment of payroll taxes for \$16,109.50.

Information Items

- 1. Fathoms O'Fun Report – Sharon King, Chair
- 2. Update on new Port Building – Arne Bakker, Director of Business Development

Citizen Comments: *Open to the public for comment. Speakers are asked to keep their comments to less than 3 minutes. A Commissioner may request to waive the 3 minute time limit. Please feel free to submit further comments in writing to the Clerk of the Board.*

Action Items

- 1. Resolution 2018-04 revising the procedure to issue and release checks
- 2. Assignment of Lease from Arroyo Energy to EDPO

Commission New Business

Staff Reports

Commission Reports

Executive Session *(if necessary)*

Adjournment

Regular business and other meetings that may be attended by members of the Board

<u>Date</u>	<u>Time</u>	<u>Meeting</u>
08/14	10 am	*Commission Regular Meeting – Bill Mahan Conference Rm
08/21	9:30 am	*New Mid-Market Airplane (NMA) Council – Governor’s Choose Washington
8/21	12:30 pm	Kitsap Regional Coordinating Council (KRCC) Executive Committee
08/23	9 am	Puget Sound Regional Council (PSRC)- Operations Committee
08/23	10 am	PSRC- Executive Board Meeting
08/28	12:30 pm	Kitsap Aerospace & Defense Alliance (KADA) Steering Committee
07/26	6 pm	*Commission Regular Meeting – Bill Mahan Conference Rm

Meetings are subject to change or cancellation

**Denotes events in which two (2) or more Commissioners may attend*

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

MINUTES

July 10, 2018
10:00 AM

Bill Mahan Conference Room
Port Administration Offices
Bremerton Nat'l Airport Terminal Bldg
8850 SW State Hwy 3, Bremerton

Commissioners and Staff Present

Commissioners

Larry Stokes
Cary Bozeman
Axel Strakeljahn

Staff Members

Jim Rothlin
Fred Salisbury
Sherman Hu
Arne Bakker
Kathy Garcia
Tim Mensonides
Ginger Waye
Jim Ryan, Atty

Call to Order

President Stokes called the meeting to order at 10:00 a.m. and led the Pledge of Allegiance.

Approval of Agenda

It was moved by STRAKELJAHN, seconded by BOZEMAN to:

Approve the Agenda as presented.

MOTION CARRIES, 3-0

Consent Items

- A. Minutes of the regular business meeting and executive session of June 26, 2018.
- B. Payment of checks #103335 through #103360 and #77947 through #77950 and #77954 through #77998 from the General Fund for \$154,370.86; #77951 through #77953 from the Construction Fund for \$35,068.37 and the payment of payroll taxes for \$15,408.05.

It was moved by BOZEMAN, seconded by STRAKELJAHN to:

Approve the Consent Items as presented.

MOTION CARRIES, 3-0

Work Study Session

1. Strategic Planning Workshop

CEO Rothlin stated that in response to the Commission's request to formulate a 3-5 year plan, staff met to start organizing the plan. He introduced Mr. Jim Darling of Maul Foster & Alongi (MFA) who will help facilitate this planning process. Mr. Darling provided his background and that of MFA and introduced Lauren Wirtis, an MFA urban planner.

Mr. Darling provided an introduction and outline of the 2018 strategic plan process which includes the previously held staff workshop; the current commission workshop #1; and an upcoming commission workshop #2 that will hopefully culminate in implementation of a plan prior to the 2019 budget process.

He led in-depth discussion on the following agenda items:

- The principles of strategic planning and practical tools to evaluate Port programs
- Review of progress on the 2009-2012 strategic plan
 - CEO Jim Rothlin provided a strategic update from 2012 to today
- Trends impacting the Port and community
- Structure of the updated plan

The meeting was recessed at 11:25 a.m. for a short break and reconvened at 11:32 a.m. The discussion continued with:

- Identifying goal areas
- Preliminary goals within those areas
- Next steps

Mr. Darling closed by stating they will provide staff with a set of questions to think about so that the next workshop will be more specific and will hone in on mission, vision, goals, and values. A decision can also be made as to what the structure of the plan will look like.

Citizen Comments

Roger Gay, South Kitsap

- Spoke to importance of strategic planning and suggested that while looking at economic development, the Port consider creating its own businesses and bringing in the job base itself.
- Discussed the Port's banked tax money stating he would like to see how it is going to be used in the strategic plan; taxpayers need to know what the goal is.

Jerry McDonald

- Suggested the Port consider doing marketing videos based on Kitsap Sun reporter Josh Farley's Five for Five video pieces.

Action Items – None

Commission New Business

1. Commissioner Stokes suggested the July 24, 2018, meeting be cancelled as he will be traveling out of state and Commissioners Bozeman and Strakeljahn will be returning from the WPPA Commissioners Seminar in eastern Washington that day. It was confirmed the meeting would be cancelled.
2. As the Port has an obligation to close on the Nordic properties transaction and commissioners may be unavailable:

It was moved by STOKES, seconded by BOZEMAN to:

Authorize the Port CEO to execute any documents related to the Nordic Properties transaction.

MOTION CARRIES, 3-0

It was moved by STOKES, seconded by BOZEMAN to:

Authorize the Port CEO to execute any lease agreements related to the Nordic Properties parcels.

MOTION CARRIES, 3-0

Staff Reports

Jim Rothlin, Chief Executive Officer

- The Port 2009 LTGO Bonds used for purchasing the Washington Ave property and enhancing Water Street Boat Launch can be paid off early due an “extraordinary exemption”. The early payoff will result in a \$160-\$170K savings in interest.
- He highlighted some of the articles that are within the Port’s quarterly electronic newsletter that will be distributed this week. Victoria Peters, Marketing & Communications Coordinator discussed the distribution list with the Board.

Commission Reports

Commissioner Strakeljahn

- Attended the Kitsap Regional Coordinating Council (KRCC) Board meeting and will be attending the Puget Sound Regional Council (PSRC) Economic Development Board meeting.

Commissioner Stokes

- He was asked to be Grand Marshal of the recent Fathoms O’ Fun parade representing the Port of Bremerton; it goes to show that what the Port does in the community is

appreciated. He noted that his wife and dog joined him in the grand marshal car and stole the show.

Executive Session - None

Adjournment

There being no further business before the Board, the meeting was adjourned at 12:40 p.m.

Submitted,

Approved,

Jim Rothlin
Chief Executive Officer
August 9, 2018

Axel Strakeljahn
Commission Secretary
August 14, 2018

DRAFT

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item #1
Subject: Check Release Procedure
Exhibits: Resolution 2018-04
Prepared By: Sherman Hu, Chief Financial Officer
Meeting Date: August 14, 2018

Summary:

Update check procedure to release the checks prior to Commissioners' approval.

Fiscal Impact:

None

Recommendation:

To Approve

Motion for Consideration:

I move to approve Resolution No. 2018-04 to update check approval procedures.

PORT OF BREMERTON
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2018-04
DATED: August 14, 2018

A RESOLUTION of the Board of Commissioners, Port of Bremerton, rescinding Resolution 2017-04 and revising the procedure to issue and release checks prior to Commission approval to include equivalent other coverage to bonding for the auditing officer and officer designated to sign the checks and warrants.

WHEREAS, the Port Commission approves all checks issued in payment of claims at each regularly scheduled public meeting; and

WHEREAS, there are required payment obligations of the Port that cannot and/or should not be held until the next regularly scheduled meeting; and

WHEREAS, the Port Commission can authorize a procedure following specific policies and procedures established under RCW 42.24, to issue checks before the Port Commission has approved the claims; and

WHEREAS, it is in the best interest of the Port to establish the policy to allow issue and release of checks prior to approval of the Port Commission at a regularly scheduled Commission meeting.

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners, Port of Bremerton, that the following policies and procedures to issue and release checks prior to Commission approval of the claims be established as required under RCW 42.24:

- 1) The auditing officer and the officer designated to sign the checks and warrants must have an official bond or equivalent other coverage. The amount should be determined by the Port Commission, but cannot be less than fifty thousand dollars (RCW 42.24.180):
- 2) The Port should adopt contracting, hiring, purchasing, and disbursing policies that implement effective internal controls:
- 3) The Port Commission must review and approve the claims paid at its next regularly scheduled public meeting; and
- 4) If the Port Commission disapproves some claims, the auditing officer and the officer designated to sign the checks must recognize these claims as receivables of the Port and pursue collection diligently until the amounts are either collected or the Port Commission is satisfied and approves the claims.

ADOPTED by the Board of Commissioners of the Port of Bremerton at the regular public meeting thereof held this 14th day of August, 2018, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission.

Commission President

Commission Vice President

ATTEST:

Commission Secretary

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item #2
Subject: Assignment of Lease from Arroyo Energy, LLC, to EDPO, LLC.
Exhibits: Assignment of Lease (*Will be provided upon Attorney review*)
Prepared By: Arne Bakker, Dir. Of Business Development
Meeting Date: August 14, 2018

Summary:

Arroyo Energy, LLC, dba Kitsap Propane leases the property on 9440 Barney White Road in the Olympic View Industrial Park. The premises consist of approximately 1.098 acre parcel. This lease currently runs through August 31, 2021, with one (1) five (5) year option remaining on the lease.

Arroyo Energy, LLC, wish to convey and assign existing lease to EDPO, LLC, all right title and interest of Lessee's in and to the lease and the amendments thereto, and to the leased property.

The Lessees are requesting consent to the assignment and transfer to EDPO, LLC, of all the Lessee's interests in the leases and amendments.

The consent and assignment documents are currently pending review of the Port Attorney.

Fiscal Impact:

None

Recommendation:

Staff recommends the approval of the consent to assignment of lease from Arroyo Energy, LLC, dba Kitsap Propane to EDPO, LLC, dba Kitsap Propane

Motion for Consideration:

Move to approve the consent to assignment of lease from Arroyo Energy, LLC, dba Kitsap Propane to EDPO, LLC, dba Kitsap Propane