

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

A G E N D A

November 13, 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 and executive session of October 30, 2018.
- B. Payment of checks #103569 through #103601 and #78519 through #78523 and #78524 through #78527 and #78528 through #78530 and #78535 through #78613 from the General Fund for \$381,187.52; #78531 through #78534 from the Construction Fund for \$97,339.88 and the payment of payroll taxes for \$18,766.63.

Information Items

1. Airport/Industrial Port Assets Condition Assessment – Jonathan Wilson, KPG
2. 2019 Legislative Strategy Update – Dylan Doty, Doty & Associates, Inc.

Work Study Session

1. 2019 Preliminary Budget

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

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><i>Date</i></u>	<u><i>Time</i></u>	<u><i>Meeting</i></u>
<i>11/13</i>	<i>10:00 am</i>	<i>*Commission Regular Meeting – Bill Mahan Conference Rm</i>
<i>11/19</i>	<i>9:00 am</i>	<i>*Kingston Fast Ferry Grand Opening</i>
<i>11/20</i>	<i>12:30 pm</i>	<i>Kitsap Regional Coordinating Council (KRCC) Executive Committee</i>
<i>11/22</i>	<i>9:00 am</i>	<i>Puget Sound Regional Council (PSRC) Operations Committee</i>
<i>11/22</i>	<i>10:00 am</i>	<i>PSRC Executive Board</i>
<i>11/27</i>	<i>12:30 pm</i>	<i>*Kitsap Aerospace & Defense Alliance (KADA) Steering Committee</i>
<i>11/27</i>	<i>6:00 pm</i>	<i>*Commission Regular Meeting – Bill Mahan Conference Rm</i>

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

October 30, 2018
6:00 PM

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	James Weaver
Fred Salisbury	Tim Mensonides
Sherman Hu	Ginger Waye
Arne Bakker	Jim Ryan, Atty

Call to Order

President Stokes called the meeting to order at 6:00 p.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 of October 9, 2018.
- B. Payment of checks #103538 through #103568 and #78423 through #78426 and #78428 through #78518 from the General Fund for \$313,934.38; and the payment of payroll taxes for \$17,504.33.
- C. Fund Transfer Resolution:
 - Resolution 2018-05 transferring \$50,000 into Seabeck Business Opportunities fund

It was moved by BOZEMAN, seconded by STRAKELJAHN to:

Approve the Consent Items as presented.

MOTION CARRIES, 3-0

Work Study Session

1. 2019 Preliminary Budget

CEO Jim Rothlin provided opening comments on the budget process and led a discussion on cash reserves. He presented a staff prioritized capital budget that included Commissioner input and vision. There was full Board and staff discussion with consideration being given to each individual capital line item.

CFO Sherman Hu addressed the maintenance and operations side of the budget discussing Port directives, fiscal management beliefs, budget development process, and budget oversight/monitoring. He provided a summary of revenues and expenditures for facilities and general/administrative and discussed variances from the 2018 budget.

Input received will be incorporated into the final Preliminary Budget which will be presented at the November 13 meeting.

Citizen Comments - None

Action Items

1. Olympic View Industrial Park (OVIP) Building #5 Painting Project Final Acceptance with Sabelhaus West, Inc.
Presented by Tim Mensonides, Airport Manager

Following discussion;

It was moved by BOZEMAN, seconded by STRAKELJAHN to:

Accept as final the OVIP Building #5 Exterior Painting Project contract with Sabelhaus West Inc., in the amount of \$54,439.63

MOTION CARRIES, 3-0

Commission New Business - None

Staff Reports

Jim Rothlin, Chief Executive Officer

- Reported that he would be meeting with the Port's lobbyist, Dylan Doty, to review the capital projects list as discussed. Mr. Doty will attend the next commission meeting to discuss legislative asks for 2019. Commissioner Stokes remarked that he thinks it a benefit when asking for more legislative funding for a previously awarded project to show that Port dollars have been earmarked for continuance of that project.

Commission Reports

Commissioner Strakeljahn

- Attended the final SR16 – Tacoma Narrows Bridge to SR3 congestion study executive committee meeting and reported on the conclusive and complete study that was provided.
- Reported on the Puget Sound Regional Council (PSRC) tour of the aerospace and flight services company Blue Origin. He discussed the tour and Blue Origin's mission statement stating space travel is months not years away.
- Welcomed new Director of Marine Facilities James Weaver and provided him uniform samples to evaluate.

Commissioner Stokes

- Reiterated that he feels Kitsap Aerospace & Defense Alliance (KADA) and Kitsap Economic Development Alliance (KEDA) have pipeline vision of aerospace but there is a need to be diversified when looking for businesses.
- Questioned whether anyone running for political office has visited the Port. Mr. Rothlin responded that only coroner candidate, Jeff Wallis, has visited. Commissioner Stokes expressed his disappointed that other candidates have not taken the time to look into the largest industrial center in the county.

Executive Session

President Stokes recessed the meeting at 7:40 PM and reconvened into executive session for approximately 20 minutes regarding: real estate issues [RCW 42.30.110(1)(c)].

At 8:00 p.m. the regular meeting was reconvened.

Adjournment

There being no further business before the Board, the meeting was adjourned at 8:00 p.m.

Submitted,

Jim Rothlin
Chief Executive Officer
November 8, 2018

Approved,

Axel Strakeljahn
Commission Secretary
November 13, 2018

PORT OF BREMERTON
BOARD OF COMMISSIONERS
EXECUTIVE SESSION

MINUTES

October 30, 2018
6:00 PM

CEO Office
Port Administration Offices
Bremerton Nat'l Airport Terminal Bldg
8850 SW State Hwy 3, Bremerton

Call to Order

President Stokes called the executive session to order at 7:40 p.m., October 30, 2018.

Commissioners and Staff Present

Commissioners

Larry Stokes
Cary Bozeman
Axel Strakeljahn

Staff Members

Jim Rothlin
Fred Salisbury
Arne Bakker
Jim Ryan, Atty

Item #1: Real estate issues were discussed [RCW 42.30.110(1)(c)].

With no further business to come before the Board, the meeting was adjourned into regular session at 8:00 p.m.

Submitted,

Approved,

Jim Rothlin
Chief Executive Officer
November 8, 2018

Axel Strakeljahn
Commission Secretary
November 13, 2018

Port of Bremerton 2019 Budget Draft

Operating and Capital Budgets

November 13, 2018



MISSION

“Prepare For The Future”

2019 Port Directives

- Ü Responsible spending that looks after tax payer's interests through operating efficiencies.
- Ü Take good care of what we own (asset management).
- Ü Actively make ready to lease and then market the developed property we own.
- Ü Look for property and/or facilities improvements that will generate good jobs and positive ROI.
- Ü Look for opportunities to partner on quality of life enhancements that will benefit the community.

Best Budget Practice

Ü Fiscal Management Belief:

The Port can meet the public requirements through continual systems improvement, automation and innovation.

Best Budget Practice

Ü Budget Development Process:

All stakeholders, CEO, COO, CFO, Directors and Commissioners have participated the 2019 Budget Process.

Each stakeholder has the opportunity and responsibility to address on how to use the Port's resources more efficiently and effectively.

Best Budget Practice

Ü Budget Oversight/Monitoring:

Every month, Finance meets with Directors and Managers, and working together to review the spending activities to ensure staying within the budget limits.

Budget Summary	2019 1st Budget	2019 2nd Budget	Changes
Revenue	11,445,301	11,445,301	-
Use of Net Position (Reserves)	4,629,356	4,629,356	-
Total Sources	\$ 16,074,657	\$ 16,074,657	\$ -
			-
Operating Expense	6,426,350	6,426,350	-
Capital Expense	9,648,307	9,648,307	-
Total Uses	\$ 16,074,657	\$ 16,074,657	\$ -

Revenues	2019 1st Budget	2019 2nd Budget	Changes
Airport	493,782	493,782	-
Industrial Parks	1,194,660	1,194,660	-
Port Orchard Marina	1,544,730	1,544,730	-
Bremerton Marina	1,055,811	1,055,811	-
Tax and Grants	7,156,317	7,156,317	-
Total Revenues	\$ 11,445,301	11,445,301	-

Operation and Maintenance	2019 1st Budget	2019 2nd Budget	Changes
Airport	1,228,589	1,228,589	-
Industrial Parks	978,448	978,448	-
Port Orchard Marina	1,880,954	1,880,954	-
Bremerton Marina	1,225,712	1,225,712	-
Other Marinas	76,705	76,705	-
General & Administrative	1,035,942	1,035,942	-
Sub-total O & M Expenses	\$ 6,426,350	6,426,350	-

Capital Projects	2019 1st Budget	2019 2nd Budget	Changes
Airport	3,622,826	3,622,826	-
Industrial Parks	3,235,000	3,235,000	-
Port Orchard Marina	81,000	81,000	-
Bremerton Marina	2,279,000	2,279,000	-
Other Marinas	-	-	-
General & Administrative	430,481	430,481	-
Sub-total Capital Expenses	\$ 9,648,307	9,648,307	-
Total Operating & Capital	\$ 16,074,657	16,074,657	-

2019 2nd Budget

Q & A