

**PORT OF BREMERTON**  
**BOARD OF COMMISSIONERS**  
**REGULAR BUSINESS MEETING**

**MINUTES**

October 27, 2020  
6:00 PM

**Remote Access Only**  
**Zoom Meeting ID: 335 903 0010**  
**Zoom Call-In: (253) 215-8782**  
**BKAT Live Stream**

**Commissioners and Staff Present**

Commissioners

Cary Bozeman  
Axel Strakeljahn  
Gary Anderson

Staff Members

Jim Rothlin	Warren Hendrickson
Fred Salisbury	Ginger Waye
Sherman Hu	Taylor Korizon
Arne Bakker	Anne Montgomery, Atty
James Weaver	Jim Ryan, Atty

**Call to Order**

President Bozeman called the meeting to order at 6:00 p.m.

**Approval of Agenda**

**It was moved by STRAKELJAHN, seconded by ANDERSON to:**

Approve the Agenda as presented.

**MOTION CARRIES, 3-0**

**Consent Items**

- A. Minutes of the regular business meeting and executive session of October 13, 2020.
- B. Payment of checks #E00253 and #E00254 through #E00255 and #81682 and #81685 through #81703 and #E00257 through #E00263 and #901238 through #901240 and #81706 through #81756 and #E00264 through #E00271 from the General Fund for \$207,147.76; #81683 through #81684 and #E00256 and #81704 and #81705 from the Construction Fund for \$48,708.27.

**It was moved by STRAKELJAHN, seconded by ANDERSON to:**

Approve the Consent Items as presented.

**MOTION CARRIES, 3-0**

### **Information Items**

1. CHS Northwest Rail Spur Expansion

Arne Bakker, Director of Business Development, presented the drawings and discussed CHS Inc.'s plan for their propane facility expansion in Olympic View Industrial & Business Park (OVIBP) which will include the addition of three rail spurs with 1500 lineal feet of rail accommodating up to 14 rail cars which doubles their capacity. He discussed the project timeline and responded to questions from the Board. The Board commented they were pleased to see expansion of the rail.

2. Waterman Mitigation Partners (WMP) Site Assessment Presentation – Steve Segoe, President

Mr. Segoe reiterated what he presented at a previous meeting: Waterman Mitigation Partners' objectives in developing wetland habitat, restoration, and mitigation concepts and their desire to create mitigation assets to support our community. He provided an overview of WMP's current endeavor of organizing a mitigation bank project which would go from Port Orchard to Port Gamble and which could provide a useful tool for the Port to become more effective in creating economic opportunity. There was further discussion with the Board on the mitigation project and a potential Port site.

### **Work Study Session**

1. 2021 Preliminary Budget – 1st Draft

CEO Jim Rothlin provided opening comments on the budget process and schedule.

CFO Sherman Hu addressed the maintenance and operations portion of the budget discussing Port mission, guiding principles, and best budget practices. He provided a summary of revenues and expenditures for facilities and general/administrative discussing variances between the 2020 and 2021 budgets and, along with CEO Rothlin, responded to questions from the Board.

COO Fred Salisbury described the line item projects in the capital budget at each facility (airport, industrial park, and marinas). Mr. Salisbury and directors/managers responded to questions and comments from the Board.

The budget as it stands is \$1M over so CEO Rothlin provided options for bringing it in to balance. It was determined that if funds from Kitsap Public Facilities District (KPFDD) is awarded for the Circuit of the Northwest project, of the \$1.4M the Port has budgeted for that project, \$1.1M would be borrowed with a payment debt structure to match KPFDD's reimbursements to the Port. If KPFDD funds are not awarded for the project, it drops from the budget. That brings the budget into balance.

The Board was in agreement with the budget as presented with modification to the funding for the Circuit of the Northwest project; the final 2021 preliminary budget will be presented at the November 10 meeting.

### **Citizen Comments**

Chris Tibbs, Executive Director, Arc of the Peninsulas

- Provided background on Arc of the Peninsulas and stated they will become a tenant in Olympic View Industrial & Business Park on November 1 with their used goods textile facility. He thanked Arne Bakker, Director of Business Development, for his help in locating a phenomenal warehouse with loading dock that meets the needs of their non-profit.

**Action Items** - None

### **Staff Reports**

*Jim Rothlin, Chief Executive Officer*

- Thanked Mr. Tibbs for his comments and reiterated that the building is not Port-owned but it sits on Port-leased land. Mr. Bakker was able to connect Arc with the building owner. The Port also has four tenants looking to increase space and are actively looking for solutions.
- He provided updates on the following projects:
  - South Hangar Development Phase I
  - Multi-Purpose Facility
- Reported on a recent meeting and tour with Joe Morrison the new Executive Director of Kitsap Economic Development Alliance.
- Reported on the virtual Washington Public Ports Association small ports conference commenting that the online format allowed for more staff to participate.

### **Commission Reports / New Business**

*Commissioner Anderson*

- Reported on the City of Port Orchard's Economic & Tourism Committee meeting which included a report on sea level rise and what that means for waterfront development.

*Commissioner Strakeljahn*

- Attended a virtual meeting with tenant WRG and Congressman Kilmer regarding the navy fire training that will be going on in the industrial park.
- Reported on the Puget Sound Regional Council (PSRC) Executive Board meeting and emphasized that PSRC's Aviation Baseline Study is a capacity study not a siting study.

- Reported on today's Kitsap Aerospace & Defense Alliance meeting.

*Commissioner Bozeman*

- Reported on his continued involvement with the COVID-19 coalition (Kitsap Pandemic Community Support Coalition).

**Executive Session**

President Bozeman recessed the meeting at 7:10 p.m. and reconvened into executive session for approximately 20 minutes regarding: real estate issues [RCW 42.30.110(1)(c)]. At 7:30 p.m. executive session was extended 30 minutes, extended again at 8:00 p.m. for 30 minutes, and again at 8:30 p.m. for 15 minutes.

At 8:45 p.m. the regular meeting was reconvened.

**Adjournment**

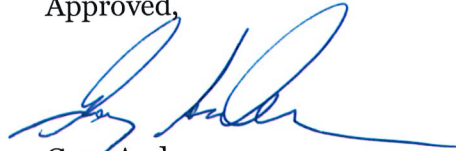
There being no further business before the Board, the meeting was adjourned at 8:45 p.m.

Submitted,



Jim Rothlin  
Chief Executive Officer  
November 5, 2020

Approved,



Gary Anderson  
Commission Secretary  
November 10, 2020