

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

A G E N D A
(Please note time change)

July 11, 2017
2:00 PM

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 June 13, 2017.
- B. Payment of checks #102434 through #102469 and #76036 through #76040 and #76045 through #76101 from the General Fund for \$181,993.92; #76041 through #76044 from the Construction Fund for \$34,477.74 and the payment of payroll taxes for \$21,039.85.

Payment of checks #102470 through #102516 and #76102 through #76105 and #76108 through #76165 from the General Fund for \$164,648.85; #76106 through #76107 from the Construction Fund for \$20,186.25 and the payment of payroll taxes for \$19,596.54.
- C. Fund Transfer Resolutions:
 - Resolution 2017-20 monthly transfer to the General Fund: \$65,542.46 from the Airport Fund; \$185,415.31 from the Harbor Fund; \$36,000.21 from the Airport-Industrial Development Fund.

Citizen Comments: *Open to the public for comment on subjects not listed on the agenda. 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. Kitsap Enterprises, Inc., Lease Amendment #5
2. Bremerton National Airport 2017 Pavement Maintenance Project Bid Award to CR Contracting, LLC (Federal Aviation Administration AIP Project No. 3-53-0007-031)

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>
07/11	2 pm	<i>*Commission Regular Meeting – Bill Mahan Conference Room</i>
07/12	1 pm	<i>Puget Sound Regional Council Economic Development District</i>
07/25	12:30 pm	<i>Kitsap Aerospace & Defense Alliance Steering Committee</i>
07/25	6 pm	<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

June 13, 2017
6:00 PM

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

Call to Order

President Strakeljahn called the meeting to order at 6:00 p.m., June 13, 2017, and led the Pledge of Allegiance.

Commissioners and Staff Present

Commissioners
Axel Strakeljahn
Larry Stokes
Cary Bozeman

Staff Members
Jim Rothlin
Fred Salisbury
Sherman Hu
Tim Mensonides
Ginger Waye
Gordon Walgren, Atty
Jim Ryan, Atty

Approval of Agenda

It was moved by STOKES, 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 May 23, 2017.
- B. Payment of checks #102365 through #102433 and #75947 through #75957 and #75964 through #76035 from the General Fund for \$260,633.58; #75958 through #75963 from the Construction Fund for \$34,329.32 and the payment of payroll taxes for \$37,050.12.

It was moved by BOZEMAN, seconded by STOKES to:

Approve the Consent Items as presented.

MOTION CARRIES, 3-0

Information Items

1. Legislative Update – Dylan Doty, Jensen Walgren Doty Governmental Consulting

Mr. Doty provided an update of the legislative sessions and remarked that next week will be the conclusion of the 2nd special session with a 3rd session anticipated. He noted the transportation budget was done during the regular session; however, the operating and capital budgets are still up for negotiation with the capital budget of concern for the Port because it contains money for the Port Orchard Marina breakwater project. Bills of interest to the Port that have passed were 1594 and 1595 which were related to the Public Records Act. Another bill of interest still being worked on is 5935 (updated version of 5679) related to broadband and advanced telecommunications services. It is anticipated the operating budget will be completed by June 30 but the capital budget is not so likely. He reported on the weekly meetings of the Washington Highway Users Federation (WHUF) and encouraged attendance at their upcoming meeting in Tacoma on September 28. There was discussion with the Board on Fixing America's Surface Transportation (FAST) Act and Connecting Washington transportation funding as it relates to the completion of Airport Industrial Way.

Citizen Comments

Jerry McDonald, Bremerton City Council Member

- Announced the 1st Annual Bremerton Bridge Blast on the Manette Bridge will be held on July 1. The bridge will be closed and will host a 15-minute professional fireworks show in the evening. In the afternoon, the Bonanza BeechBoys will provide a flyover during the street fair on the Bremerton Boardwalk.
- The Rock the Dock concert series begins July 4 on the Boardwalk with the second concert of the series being held the following Saturday.

Action Items

1. Airport Terminal Re-Roofing Project Bid Award to Bates Roofing, LLC
Presented by Fred Salisbury, Director, Airport & Real Estate

It was moved by STOKES, seconded by BOZEMAN to:

Approve the bid award to Bates Roofing, LLC, and authorize the CEO to execute the contract and issue a Notice-to-Proceed.

Following discussion;

MOTION CARRIES, 3-0

New Business - None

Staff Reports

Jim Rothlin, Chief Executive Officer

- Described three potential airport/industrial tenants the Port is currently working with.
- Introduced new permanent hires at the marina facilities, Charles Britt and Jolene Ortiz and seasonal maintenance hires John Thies, Matt Corbell, and Will Collins.
- Collings Foundation Wings of Freedom tour is scheduled to be at the airport June 19-21. The Veteran's Living History Museum from Port Orchard will set up in the terminal and there will be a display of vintage military vehicles.
- Reported on the excellent numbers received from Trawler Fest that was held in May. Commissioner Stokes suggested offering them a tour of boat manufacturing facilities at the Port and Commissioner Strakeljahn suggested having a booth at the next Trawler Fest event.

Commission Reports

Commissioner Strakeljahn

- Reported on the Kitsap Regional Coordinating Council retreat that was held June 7.

Executive Session

President Strakeljahn recessed the meeting at 6:50 p.m. and reconvened into executive session at 6:55 p.m. for approximately 15 minutes regarding: Review of negotiations on the performance of a public contract pursuant to RCW 42.30.110(1)(d). At 7:10 p.m., executive session was extended 10 minutes.

At 7:20 p.m. the regular meeting was reconvened.

Adjournment

There being no further business before the Board, the meeting was adjourned at 7:20 p.m.

Submitted,

Approved,

Jim Rothlin
Chief Executive Officer
July 6, 2017

Cary Bozeman
Commission Secretary
July 11, 2017

PORT OF BREMERTON
BOARD OF COMMISSIONERS
EXECUTIVE SESSION

MINUTES

June 13, 2017
6:55 PM

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

Call to Order

President Strakeljahn called the executive session to order at 6:55 p.m., June 13, 2017.

Commissioners and Staff Present

Commissioners

Axel Strakeljahn
Larry Stokes
Cary Bozeman

Staff Members

Jim Rothlin
Fred Salisbury
Gordon Walgren, Atty
Jim Ryan, Atty

Item #1: Review negotiations on the performance of a public contract pursuant to RCW 42.30.110(1)(d).

With no further business to come before the Board, the meeting was adjourned into regular session at 7:20 p.m.

Submitted,

Approved,

Jim Rothlin
Chief Executive Officer
July 19, 2017

Cary Bozeman
Commission Secretary
July 25, 2017

**PORT OF BREMERTON
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2017-20
DATED: July 11, 2017**

A RESOLUTION of the Board of Commissioners, Port of Bremerton, providing for the transfer of monies to replenish the General Fund for warrants issued to cover expenses related to other funds during the month.

WHEREAS, all non-construction warrants were issued from the General Fund, and

WHEREAS, some of the expenses covered by the warrants related to other funds,
and

WHEREAS, the General Fund should be replenished for the monies related to other fund expenses.

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners, Port of Bremerton that the Port Treasurer transfer monies between Port funds as follows:

1. Transfer \$64,542.46 from the Airport Fund to the General Fund.
2. Transfer \$185,415.31 from the Harbor Fund to the General Fund.
3. Transfer \$36,000.21 from the Airport-Industrial Development Fund to the General Fund.

ADOPTED by the Board of Commissioners of the Port of Bremerton at the regular public meeting thereof held this 11th day of July, 2017, 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 #1
Subject: Kitsap Enterprises, Inc. Lease Amendment No. 5
Exhibits: Lease Amendment No. 5
Prepared By: Fred Salisbury
Meeting Date: July 11, 2017

Summary:

Kitsap Enterprises has leased 2.59 acres of land from the Port since 1992 and subleases to Imperial Custom Body & Diesel, FedEx, and Defiance Boats. The lease allows for eight 5-year options following the first ten year term. Kitsap Enterprises has notified the Port of their desire to exercise their fourth five year option. Kitsap Enterprises lease rate is set to CPI by lease agreement; therefore the new rate is a reflection of CPI adjustment over the last five years. Accordingly, the new monthly rent is an increase of \$66.48 per month over current rent. The lease amendment also extends the lease for another five years.

Fiscal Impact:

None, rate increase was factored into the 2017 budget.

Recommendation:

The staff recommends approval of the lease amendment with Kitsap Enterprises.

Motion for Consideration:

Move to approve Lease Amendment No. 5 with Kitsap Enterprises, Inc.

LEASE AMENDMENT No. 5 Kitsap Enterprises, Inc.

IT IS HEREBY AGREED by and between the **PORT OF BREMERTON**, a municipal corporation organized under the laws of the State of Washington, hereinafter referred to as "Port" and **KITSAP ENTERPRISES, INC.**, a corporation organized under the laws of the State of Washington, hereinafter referred to as "Lessee", to amend that certain lease dated June 23, 1992, amended October 14, 1997, and further amended August 13, 2002, November 19, 2007, and August 14, 2012, to read as follows (all other terms remain the same):

ARTICLE II – TERM AND OPTION TERMS

The term of this agreement amendment shall be for a period of five (5) years, commencing on the 1st day of August, 2017 and continuing through the 31st day of July, 2022, hereinafter referred to as the "Termination Date", unless earlier terminated under the provisions of the Agreement.

So long as Lessee is not in default, the Port grants Lessee an option to renew or extend this Lease upon the same terms and conditions, except as to rent, for four (4) successive terms of five years each, upon prior written notice thereof to the Port prior to 180 days of the expiration of this Lease or any extended term hereof. Rent renegotiation under Article IV is automatic with each option term election.

ARTICLE III – RENT

3.01. Rent. Rent for the five year period beginning August 1, 2017, for the Premises described in Article I shall be THREE THOUSAND SEVEN HUNDRED THIRTY FOUR DOLLARS AND 35/100 per acre per annum, totaling \$9,564.10. Payment shall be made in equal monthly installments, in advance, in the sum of \$797.01 plus applicable leasehold tax as set forth in paragraph 5.02.A, the first payment to be made on or before the first day of August 1, 2017. Payments shall be made on or before the first day of each month hereafter during the term of this Agreement. It is understood and agreed that the payments specified above may be adjusted pursuant to ARTICLE IV hereof, and that each such adjustment may result in a change in the annual and monthly rent.

IN WITNESS WHEREOF the parties hereto have caused this Amendment to Lease this _____ day of _____, _____.

KITSAP ENTERPRISES, INC.
A Washington Corporation

PORT OF BREMERTON
A Municipal Corporation

Jeffrey A. Bucholz, President

President and Commissioner

Vice President and Commissioner

Secretary and Commissioner

Approved As To Form:

Port Attorney
Date:_____

STATE OF _____)
)ss
County of _____)

On this _____ day of _____ before me personally appeared _____ to me known to be the _____ of the _____ corporation/company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation/company, for the uses and purposes therein mentioned, and that they are authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Notary Public in and for the State of _____

Name Printed
residing at _____
My commission expires: _____

STATE OF WASHINGTON)
)ss
County of KITSAP)

On this _____ day of _____ before me personally appeared _____ to me known to be the _____ of the **Port of Bremerton**, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and that they are authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Notary Public in and for the State of Washington

Name Printed
residing at _____
My commission expires: _____

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item #2
Subject: 2017 Pavement Maintenance Project –Notice of Award to C.R.
Contracting, LLC
AIP 3-53-0007-31-2017
Exhibits: FAA Concurrence in Award Letter, dated June 12, 2017
Prepared By: Tim Mensonides, Airport Manager
Meeting Date: July 11, 2017

Summary:

On May 31, 2017 sealed bids were received and opened for the 2017 Pavement Maintenance Project. The project involves seal coating and striping the runway and portions of the taxiways which will extend the useful life of the pavement. The Engineer's estimate for this project was \$501,373.87. Three bids were received:

CR Contracting, LLC	\$540,366.96
Granite Construction Co.	\$750,524.95
Maxwell Asphalt, Inc	\$783,853.34

Port staff has completed its due diligence on CR Contracting, LLC and has recommended the award to the FAA. The FAA has issued its concurrence of award and has authorized the Port to issue a Notice to Proceed. Receipt of the FAA grant offer is expected end of July.

Fiscal Impact:

In the current budget, \$528,323 is budgeted for the project. The airport has applied for a 90% grant funded by the FAA and a 5% grant funded by WSDOT Aviation.

Recommendation:

Recommend the bid award to CR Contracting, LLC for the 2017 Pavement Maintenance Project, FAA AIP No. 3-53-0007-031-2017.

Motion for Consideration:

Move to approve the bid award to CR Contracting, LLC for the 2017 Pavement Maintenance Project \$540,366.96 and authorize the CEO to execute the contract and issue a Notice to Proceed (pending a grant offer from the FAA).



U.S. Department
of Transportation
**Federal Aviation
Administration**

Northwest Mountain Region
Colorado · Idaho · Montana · Oregon · Utah
Washington · Wyoming

Seattle Airports District Office
1601 Lind Ave S.W., Suite 250
Renton, WA 98057-3356

June 12, 2017

Tim Mensonides
Port of Bremerton
8850 SW State Hwy 3
Bremerton, WA 98312

Bremerton National Airport
Bremerton, WA
AIP: 3-53-0007-031-2017
Concurrence in Award

Dear Mr. Mensonides:

I have reviewed the bid documents, and concur with your recommendation to award CR Contracting, LLC, in the amount of \$540,366.96. Furthermore, I accept your statement that the cost is reasonable based on the price/cost analysis performed by you or your consultant. Please maintain a copy of your price/cost analysis for future audit purposes.

You are reminded that your Disadvantage Business Enterprise (DBE) Accomplishments reports are due annually by on December 1 for the previous Fiscal Year. Details regarding the Federal Aviation Administration (FAA) Airport DBE Program can be found at the address below:

http://www.faa.gov/about/office_org/headquarters_offices/acr/bus_ent_program/

FAA regulations require the sponsor certify that adequate construction supervision and inspection have been arranged. Also, the sponsor ensures that construction conforms to the approved plans and specifications.

Please provide me with the following documents:

1. One copy of the executed contract.
2. A copy of the Notice to Proceed so we will be aware of the beginning construction date. This should be provided only after the sponsor determines that all necessary contracts, bonds, certificates of insurance, etc., are satisfactory, so that a Notice to Proceed may be issued to the contractor.

A preconstruction conference should be scheduled after the contract is awarded. Please inform us of the time and place of this meeting. The contractor's construction schedule and the overall project should be discussed. We will attempt to attend this meeting, however, in the event that we cannot attend the meeting, please include the FAA preconstruction guidance package, in the agenda for your preconstruction meeting. This information can be found in Advisory Circular 150/5300-9. Please provide us with a copy of the minutes of the meeting and a list of those in attendance.



U.S. Department
of Transportation
**Federal Aviation
Administration**

Northwest Mountain Region
Colorado · Idaho · Montana · Oregon · Utah
Washington · Wyoming

Seattle Airports District Office
1601 Lind Ave S.W., Suite 250
Renton, WA 98057-3356

Federal participation is contingent upon construction conforming to the approved plans and specifications. To accomplish this, your resident engineer and inspectors must be familiar with the specification requirements and perform testing as required.

Copies of all test results should be available, during construction, at the job site for our review. In addition, Construction Progress and Inspection Reports, using FAA Form 5370-1 must be submitted on a weekly basis during construction.

Changes to the plans and specifications should be made by change order or supplemental agreement. Approval by the FAA should be obtained prior to performing the work to be eligible for participation.

Complete a [*Strategic Events Submission Form*](#) and forward to appropriate FAA Air Traffic Organization (ATO) Planning & Requirements office for any project that requires temporary shutdown of a facility.

If you have questions regarding your responsibilities during construction, please call me at (425) 227-2652.

Sincerely,

Randal Anton,
Project Manager, SEA-638
Seattle ADO