

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

A G E N D A

February 11, 2025
10:00 AM

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

The Port of Bremerton Board of Commissioners have resumed in-person meetings but are maintaining the option for the public to participate remotely as well. The public is invited to view and/or participate in the hybrid meeting by attending in person or through one of the following options:

- To stream online only (via BKAT feed, with no interaction possible):
<https://bremerton.vod.castus.tv/vod/?live=ch1&nav=live>
- To join the online Zoom meeting: <https://us02web.zoom.us/j/3359030010>
- For audio only; dial 1.253.215.8782; Meeting ID: 335 903 0010

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 January 28, 2025.
- B. Payment of checks #902664 through #902667 and #902668 through #902679 and #902680 and #902681 and #902682 and #902683 and #E02507 through #E02508 and #86598 through #86613 and #E02509 through #E02520 from the General Fund for \$357,959.78. Void Check #86364.

Citizen Comments: *Open to the public for comment. Speakers are asked to keep their comments to less than 3 minutes. Please feel free to submit further comments in writing to the Clerk of the Board (gingerw@portofbremerton.org).*

Action Items

1. Airport Rates & Tariffs
2. Resolution 2025-02 recognizing the contributions of former Port Commissioner Larry Stokes

Staff Reports

Commission Reports / New Business

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>02/11</i>	<i>10:00 am</i>	<i>*Commission Regular Business Meeting – Hybrid</i>
<i>02/20</i>	<i>12:00 pm</i>	<i>Kitsap Regional Coordinating Council (KRCC) Executive Committee</i>
<i>02/20</i>	<i>3:00 pm</i>	<i>KRCC TransPOL</i>
<i>02/21</i>	<i>10:00 am</i>	<i>Peninsula Regional Transportation Planning Organization (PRTPO)</i>
<i>02/25</i>	<i>10:00 am</i>	<i>*Commission Regular Business Meeting – Main Meeting Chambers, Norm Dicks Government Center / Hybrid</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

January 28, 2025
10:00 AM

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

Commissioners and Staff Present

Commissioners
Gary Anderson
Cary Bozeman
Axel Strakeljahn

Staff Members
Jim Rothlin
Arne Bakker
Aaron Schielke
James Weaver
James Goodman
Cole Barnes
Ginger Waye
Stephanie Frame
Anne Montgomery, Atty

Call to Order

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

Approval of Agenda

It was moved by BOZEMAN, seconded by STRAKELJAHN to:

Approve the Agenda as presented.

MOTION CARRIES, 3-0

Consent Items

- A. Minutes of the regular business meeting and executive session of January 14, 2025.
- B. Payment of checks #902627 through #902628 and #902629 through #902640 and #902641 and #902642 through #902645 and #902646 through #902650 and #902651 through #902663 and #E02470 through #E02471 and #86552 through #86597 and #E02472 through #E02506 from the General Fund for \$360,375.22.
- C. Authorize the addition of Aaron Schielke, CFO and removal of Jeremiah Wiley, former CFO, as signers on all bank accounts held by the Port at Kitsap Bank. Other authorized signers on the Port's Kitsap Bank accounts are Commissioners Gary Anderson, Cary Bozeman and Axel Strakeljahn; and CEO Jim Rothlin.

It was moved by BOZEMAN, seconded by STRAKELJAHN to:

Approve the Consent Items as presented.

MOTION CARRIES, 3-0

Information Items

1. 2025-2027 Airport Rates & Fees – Cole Barnes, Airport Manager

Mr. Barnes opened the presentation by providing detail on the Port's hangars and tie-down spaces and outlining the Port's strategic goal of "determining market-based direction for key assets to reduce tax dollar dependency." Commissioner Bozeman shared his overall view that each of the three Port facilities should be breaking even or making a profit which the Airport is not doing at this time.

Mr. Barnes described the previous 3-year cycle procedure for setting rates and tariffs which included CPI increases and the stipulation that rates would be reviewed every three years. A chart was provided showing the large CPI increases over the last three years which were well above the 5% cap placed on 2021-2024 rates.

The result of a recent survey of regional airports was provided which shows Bremerton National Airport (BNA) being a bit below average but it still puts the Port where it needs to be. Most airports in the region are showing rate increases between 5% and 15% with BNA at 8% which keeps the airport current within the region and will help to offset rising construction and maintenance costs.

CEO Rothlin explained the system used in evaluating rates at both the airport and marinas which is a 3-year cycle beginning by using a market rate study to assist in setting rates, then the next 2 years follow CPI. To begin this next 3-year cycle, the market rate study shows rates should be 8% higher than last year. He discussed a letter from a previous airport manager to tenants which led to a misunderstanding of the 5% CPI cap. Due to the misunderstanding, staff would like to provide three options for bringing rates up to market.

- 8% increase April 1, 2025 (January 1, 2026 & 2027 increase using CPI)
- 5% increase April 1, 2025 (January 1, 2026, 2027, and 2028, CPI + 1%)
- 5% increase April 1, 2025 (January 1, 2026, CPI + 3%; January 1, 2027, CPI)

The 2025-2027 Airport Rates & Tariffs is scheduled for adoption at the February 11, 2025, regular commission meeting.

Questions and comments from the Board were addressed throughout the presentation.

Citizen Comments

The following individuals provided public comments against the method used in determining airport rates and fees:

- Doug Haughton, Bremerton Pilots Association (BPA) President, hangar tenant
- Joel Mapes, long-time hangar tenant now condo owner
- Andrew Graham, condo owner
- George Steed, BPA member, Experimental Aircraft Association (EAA), condo owner

- Dan Jepsen, hangar tenant
- Ed Hall, condo owner
- Andrew Vertson, hangar tenant
- Jeff Varady, hangar tenant
- Jim Burchett, BPA, condo owner
- Tristan Lester, condo owner

Action Items

1. Real Estate Purchase & Sale Agreement with VRC, LLC
Presented by Arne Bakker, Chief Operations Officer

Following presentation and after questions were addressed:

It was moved by STRAKELJAHN, seconded by BOZEMAN to:

Approve the Real Estate Purchase & Sale Agreement with VRC, LLC, for the building located at 8390 SW Barney White Road and authorize the Port CEO to execute said Agreement and any further agreements related to this purchase.

MOTION CARRIES, 3-0

Staff Reports

Jim Rothlin, Chief Executive Officer

- Employee Milestones:
 - Ginger Waye, Executive Assistant, 32 years with the Port
 - Jacob Dosch, Marina Port Attendant, new regular/full-time hire after being a seasonal worker over the summer.
 - Kristie Miller was promoted to Accounting Manager
- Seattle Boat Show January 31 – February 8. Several staff members will be involved in manning the booth under the leadership of Marina Operations Manager Kathy Garcia.
- The Airport hosted Bremerton High School students that are interested in aviation for an airport tour and presentation.
- The Board will receive a final report on the Airport Feasibility Study at the February 25 meeting and, if we see opportunity, a determination will be made as to whether to continue investigating that opportunity. The meeting will be held in the main meeting chambers at the Norm Dicks Government Center (NDGC).
- The Port's Winter Newsletter has been published and distributed.
- The Bremerton Air Show is scheduled for July 11-13, 2025.

Commission Reports / New Business

Commissioner Strakeljahn

- Reported on a government relations update received at the Puget Sound Regional Council Executive Board meeting.
- It was confirmed by CEO Rothlin that the Port's legislative agenda is focused on airport feasibility this year.

Commissioner Bozeman

- Would like to review the long-range vision plan for Olympic View Industrial Park (OVIP) and try to work through it piece-by-piece.
- Attended the recent Quincy Square groundbreaking ceremony held in downtown Bremerton.

Commissioner Anderson

- Will be attending the Washington Public Ports Association (WPPA) Port's Day in Olympia and will be meeting with our district legislators.

Director of Marina Facilities, James Weaver, provided an update on the Port Orchard Marina breakwater replacement project.

Executive Session - None

Adjournment

There being no further business before the Board, the meeting was adjourned at 11:37 a.m.

Submitted,

Approved,

Jim Rothlin
Chief Executive Officer
February 6, 2025

Axel Strakeljahn
Commission Secretary
February 11, 2025

PORT OF BREMERTON

AGENDA SUMMARY

Agenda Item No: Action Item #1
Subject: 2025-2027 Proposed Airport Rates & Tariffs Schedule
Exhibits: Bremerton National Airport Proposed 2025 Tariff Schedule
Prepared By: Cole Barnes, Airport Manager
Meeting Date: February 11, 2025

Summary:

On January 28, the Port presented an information item to the commission on the proposed Bremerton National Airport 2025 rates and tariffs update. The airport market rate study was last accomplished in 2021. The regular review of airport lease rates is consistent with Port of Bremerton Strategic Plan, Goal #3 “*Determine market-based direction for key assets to reduce tax dollar dependency*”.

Bremerton National Airport has experienced a continued rise in hangar demand, with a long-established waitlist and no vacancies. Operational costs, repairs, and material expenses have steadily increased, and the previous rates have not accommodated these changes.

The proposal for 2025 airport rates incorporates a modest increase in airport lease rates. The proposed airport rates and tariffs update would be consistent with other local airports and remain very competitive within the surrounding region. The proposed airport rates and tariffs update, upon approval, would be scheduled for April 1, 2025, implementation.

Fiscal Impact:

Increased 2025 revenue for Bremerton National Airport of \$11,534.00 with CPI increases over the next 2 years

Strategic Purpose:

Goal 3. Determine market-based direction for key assets to reduce tax dollar dependency.
Strategy 3.a. Create, adopt and keep current lines of business Development Plans.
Strategy 3.b. Undertake a multi-year analysis to determine viability of operational self-sufficiency.

Recommendation:

Staff recommend the approval of the 2025-2027 Airport Rates and Tariffs for Bremerton National Airport as presented.

Motion for Consideration:

Move to approve:

- **The 2025-2027 Airport Rates & Tariffs Schedule for Bremerton National Airport with an effective date of April 1, 2025.**
- **3-year cycle: 2025, rate survey and market adjustment; 2026, CPI adjustment; 2027, CPI adjustment; 2028, rate survey and market adjustment.**
- **Authorization for setting electrical rates to achieve a cost neutral basis.**



2025 Hangar/Tie-Down/Vehicle Parking/Storage Unit Rates

T-Hangars – Buildings 1-6 (62 hangars)

2024 Rate:	\$ 295.54	
2025 Rate:	\$ 275.21	8.0% Base monthly rate increase
	35.34	12.84% Leasehold Excise Tax (LET)
	<u>8.90</u>	<u>Flat rate electrical charge</u>
	\$ 319.44	Grand total monthly rate
Aggregate annual 2025 increase:	\$ 286.82 (\$23.90 per month)	

Large T-Hangars – Buildings 7-8 (20 hangars)

2024 Rate:	\$ 437.46	(Plus variable electricity fee)
2025 Rate:	\$ 418.15	8.0% Base monthly rate increase
	53.69	12.84% Leasehold Excise Tax (LET)
	<u>.56</u>	<u>Variable: Metered electricity fee (\$.56 minimum)</u>
	\$ 472.41	Grand total minimum monthly rate (plus variable electricity)
Aggregate annual 2025 increase:	\$ 419.35 (\$34.95 per month)	

Tie-Downs/Vehicle Parking:

2024 Rate:	\$ 59.91	
2025 Rate:	\$ 57.34	8.0% Base monthly rate increase
	<u>7.36</u>	<u>12.84% Leasehold Excise Tax (LET)</u>
	\$ 64.70	Grand total monthly rate
Aggregate annual 2025 increase:	\$ 57.47 (\$4.79 per month)	

Storage Units:

2024 Rate:	\$ 354.77	
2025 Rate:	\$ 339.55	8.0% Base monthly rate increase
	<u>43.60</u>	<u>12.84% Leasehold Excise Tax (LET)</u>
	\$ 383.15	Grand total monthly rate
Aggregate annual 2025 increase:	\$ 340.57 (\$28.38 per month)	

PORT OF BREMERTON AGENDA SUMMARY

Agenda Item No: Action Item #2
Subject: 2025 Commissioner Larry Stokes Plaque Dedication at Port Orchard Marina Park
Exhibits: Port Orchard Marina Proposed 2025 Dedication
Prepared By: Erica Filler, Marketing & Communications
Meeting Date: February 11, 2025

Summary:

On December 10, 2024, the Port presented an information item to the commission on the proposed 2025 plaque dedication for former Port Commissioner Larry Stokes at Port Orchard Marina Park.

This dedication serves as a remembrance to the Port Commissioner who was instrumental in creating the Port Orchard Marina Park, tangibly connecting the public visiting our park with the Port's contributions and exemplifies being a strong communicator to the public.

The proposal for placing a plaque of dedication in former Commissioner Larry Stokes' name is in line with similar plaques already present at Port Orchard Marina and follows design elements currently present. The proposed plaque installation, upon approval, would be scheduled for the Spring of 2025.

Fiscal Impact:

Budget impact expected to be less than \$1,000.00.

Strategic Purpose:

This dedication is consistent with the Port of Bremerton's Strategic Plan, Goal #5, to "Continue to maintain the Port's strong connection with the community and support its unique quality of life," and goal 5.a. to "Be a strong communicator to the community, customers, tenants, staff, public agencies, and the private sector on Port strategy, projects, and events".

Recommendation:

Staff recommend the approval of Resolution #2025-02 and the 2025 Commissioner Larry Stokes Plaque Dedication at Port Orchard Marina Park as presented. A celebration date of this memorial is to be determined at a time suitable for Port attendees and the Stokes family.

Motion for Consideration:

- **Move to approve Resolution 2025-02 recognizing the contributions of former Port Commissioner Larry Stokes in his efforts at the Port of Bremerton and expansion of Port Orchard Marina Park.**

PORT OF BREMERTON
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2025-02
DATED: February 11, 2025

A RESOLUTION of the Board of Commissioners, Port of Bremerton, recognizing the contributions of former Port Commissioner Larry Stokes in the expansion of Port Orchard Marina Park.

WHEREAS, Commissioner Stokes had a visionary approach and was instrumental in the expansion of Port Orchard Marina Park (Park), and

WHEREAS, the Port Orchard community has benefited greatly by the expansion of the Park and families gained a versatile place to enjoy; and

WHEREAS, Commissioner Stokes developed a public/private partnership with the Port Orchard Soroptimists to construct the Soroptimist Overlook within the Park; and

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners, Port of Bremerton, that a suitable dedication plaque recognizing the public spirit and generous contributions of Larry Stokes be installed at the entrance to the Park.

ADOPTED by the Board of Commissioners of the Port of Bremerton at the regular public meeting thereof held this 11th day of February, 2025, 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