

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

A G E N D A

March 26, 2012
6:30 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 work study session and regular business meeting of March 12, 2013.
- B. Payment of checks #100540 through #100569 and #67197 through #67205 and #67213 through #67267 from the General Fund for \$176,851.27; #67206 through #67212 from the Construction Fund for \$132,128.02 and the payment of payroll taxes for \$26,253.81.
- C. Fund Transfer Resolutions:
 - Resolution 2013-15 transferring \$3,127.00 from the GO Bond 2009 Fund to the General Fund for the Port Orchard Marina Park Extension Project.
 - Resolution 2013-16 transferring \$3,645.00 from the GO Bond 2009 Fund to the General Fund for the Water Street Boat Ramp Project.
 - Resolution 2013-17 monthly transfer to the General Fund: \$76,589.14 from the Airport Fund; \$190,549.74 from the Harbor Fund; \$47,800.67 from the Airport-Industrial Development Fund.
 - Resolution 2013-18 transferring \$28,000.00 from the General Fund to the Airport Fund.
 - Resolution 2013-19 transferring \$40,862.55 from the General Fund to the Harbor Fund.

- Resolution 2013-20 transferring \$153,153.35 from the General Fund to the Construction 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.*

Action Items

1. Final Acceptance of the Water Street Boat Launch Reconstruction Project with Quigg Bros., Inc.
2. 2013 Personal Services Contract with Kitsap Economic Development Alliance (KEDA).
3. Lease Amendment with Viking Fence Company.

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>
3/26/13	9 am	KRCC Executive Board
3/26/13	6 pm	*Commission Work Study Session – Bill Mahan Conference Room
3/26/13	6:30 pm	*Commission Business Meeting – Bill Mahan Conference Room
3/28/13	10 am	Puget Sound Regional Council (PSRC) Executive Board
3/28/13	12 pm	PSRC VISION 2040 Awards Selection Committee
4/9/13	6 pm	*Commission Work Study Session – Bill Mahan Conference Room
4/9/13	6:30 pm	*Commission Business Meeting – Bill Mahan Conference Room

Meetings are subject to change or cancellation

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

PORT OF BREMERTON
BOARD OF COMMISSIONERS
WORK STUDY SESSION

MINUTES

March 12, 2013
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 Stokes called the work study session to order at 6:00 PM and led the Pledge of Allegiance. Per Commissioner Stokes' request, Fred Salisbury, Director of Airport/Industrial Operations, reported on the airport/industrial tour provided to the Kitsap Young Professionals group just prior to the meeting. Commissioner Stokes welcomed the group and thanked them for attending the tour and the meeting. He extended an invitation to any other group to schedule a tour.

Commissioners and Staff Present

Commissioners

Larry Stokes
Roger Zabinski
Axel Strakeljahn

Staff Members

Tim Thomson
Fred Salisbury
Becky Swanson
Rich Peterson
Ginger Waye
Gordon Walgren, Atty

Discussion Items

1. Business Development Initiatives – *Tim Thomson, Chief Executive Officer.*

In answer to the Board's direction during the previous commission business meeting requesting the CEO decide on a process for developing revenue strategies and business development initiatives, Mr. Thomson specified this study session would be used to present to the Commission a list of business initiatives that staff has composed and to answer any questions. During the next study session, after having time to review, the Board will provide their feedback, thoughts, and potential additional initiatives.

Mr. Thomson pointed out that the Port has recently spent time on ways to cut costs; now it is time develop creative ways to generate revenue while continuing to emphasize retention of current tenants and businesses.

He outlined and discussed departmental business development goals and initiatives for the following three facilities and responded to Board questions:

- Airport
- Industrial
- Marina

Commissioner Stokes reiterated that the Board would provide their suggestions and comments in two weeks at the next work study session. He invited comment from the Young Professionals group.

Gene Devin, Kitsap Young Professionals, provided background on the group and also provided comment and suggestions on some of the business development goals and initiatives that had been presented.

Adjournment

President Stokes adjourned the work study session at 6:40 p.m.

Submitted,

Approved,

Tim Thomson
Chief Executive Officer
March 22, 2013

Axel Strakeljahn
Commission Secretary
March 26, 2013

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

MINUTES

March 12, 2013
6:30 PM

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

Call to Order

President Stokes called the meeting to order at 6:45 p.m. The Pledge of Allegiance was held at the work study session.

Commissioners and Staff Present

Commissioners

Larry Stokes
Roger Zabinski
Axel Strakeljahn

Staff Members

Tim Thomson
Fred Salisbury
Becky Swanson
Rich Peterson
Ginger Waye
Gordon Walgren, Atty

Approval of Agenda

It was moved by ZABINSKI, seconded by STRAKELJAHN to:

Approve the Agenda as presented.

MOTION CARRIES, 3-0

Consent Items

- A. Minutes of the work study session and regular business meeting of February 26, 2013.
- B. Payment of checks #100508 through #100539 and #67107 through #67113 and #67125 through #67196 from the General Fund for \$144,609.69; #67114 through #67124 from the Construction Fund for \$51,539.21 and the payment of payroll taxes for \$38,371.63.

It was moved by ZABINSKI, seconded by STRAKELJAHN to:

Approve the Consent Items as presented.

MOTION CARRIES, 3-0

Citizen Comments

Jerry McDonald, provided comment on the following subjects:

- Items addressed in the work study session: golf fly-in and marketing of 2nd floor of the Avian building.
- Discussed efforts to provide Washington Filmworks photos of various local locations to assist in their charter to bring movie and commercial film makers to Washington.
- Discussed efforts to acquire funding for additional events along the Bremerton and Port Orchard waterfronts during the summer.
- He is working on a “retiring the colors” program for the American flag similar to what is done at Roach Harbor.

Information Item

1. Presentation by Leadership Kitsap Class of 2013 Team 1 on their partnership with the Port on volunteer site improvements within the Marina Park Extension project – *Team Members Sunny Wheeler, Abbie Cates, Melody Sky Eisler, Mike Hoyt, and Trish Tierney*

Ms. Wheeler thanked the Board for partnering with Team 1 on the site improvements within the Park Extension/Boardwalk project and provided background on Leadership Kitsap. Ms. Cates introduced other members of the team and provided an update on how the site improvement project is coming along. A photo was provided of the project site area including a new retaining wall and Ms. Cates explained how the site will look in the near future. Also provided were photos of the view from the project area and a site drawing.

Commissioner Stokes stated that Soroptimist Int'l of Port Orchard has shown interest in the possibility of next year using this area as their fundraising project to put in handicap rides for children and questioned whether future play structures could be included with Team 1's plan. Ms. Wheeler stated there should be room for two more play structures. There was further discussion about layout and detail of the project area and Commissioner Stokes questioned the possibility of vandalism. Ms. Eisler stated that research has been done that shows these areas are well received and loved by the community and there is no real history of vandalism.

Each Commissioner thanked the group for their commitment and contribution to the project.

Action Items - None

New Business

Commissioner Stokes

- Discussed the recommendation of the Kitsap Aerospace and Defense Alliance (KADA) Steering Committee for there to be KADA and Port representation at the upcoming Paris Air Show in June to market our area to the aerospace industry. Commissioner Stokes stated that although Port CEO Tim Thomson does not feel it is appropriate to go because of the current budget situation, he feels this is an investment the Port should make. There was discussion by the Board on the importance of making this investment toward marketing the Port abroad and directed that the CEO be authorized to make the trip. Commissioner Stokes commented that, with his background, there is no one more appropriate than Mr. Thomson to represent the Port on this sales and marketing trip.

Staff Reports

Rich Peterson, Director of Business Development

- Provided the 4th installment of the Port's centennial factoids which was related to the Port being the 4th oldest port district and provided the history of the district boundary enlargement in 1956.

Tim Thomson, Chief Executive Officer

- Provided an update of the following projects:
 - Marina Park Extension
 - Harper Pier Reconstruction
- Reported on Marina Park Extension and Pathway Project briefing given to South Kitsap Rotary by him and Mark Dorsey, City of Port Orchard.
- He will provide a Port briefing to Senator Nathan Schlicher, 26th Legislative District.
- Seattle Boat Show update has been received and will be forwarded to the Board soon.
- The Senior Accountant job announcement has been released.
- Reported on a request from the City of Port Orchard for \$6,500 for foot ferry funding for summer holiday/festival weekends and shifting from Sunday service to Friday and Saturday late evening service. There was full discussion on this request with Commission decision to support up to a maximum level of \$5,500 as allowed in the 2013 Budget with the stipulation that all three entities (Port and Cities of Port Orchard and Bremerton) remain committed and that ferry service for holidays and festival weekends be preserved.

Commission Reports

Commissioner Zabinski

- Thanked staff for business development ideas presented today. Discussed economic recovery coming from local communities and some of the initiatives will focus on that.

Commissioner Strakeljahn

- Thanked staff for presentation; however, was disappointed that initiatives were not more detailed; felt there were numerous amounts of information given out in the last year and was hoping for more of a consolidation of that information. Looking forward to the next meeting where that information should be consolidated and more specifics provided.

Executive Session - None

Adjournment

There being no further business before the Board, the meeting was adjourned at 7:30 p.m.

Submitted,

Approved,

Tim Thomson
Chief Executive Officer
March 22, 2013

Axel Strakeljahn
Commission Secretary
March 26, 2013

PORT OF BREMERTON
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2013-15
DATED: March 26, 2013

A RESOLUTION of the Board of Commissioners, Port of Bremerton, providing for the transfer of monies from the GO Bond 2009 Fund to the General Fund.

WHEREAS, there exists additional monies in the GO Bond 2009 Fund, and

WHEREAS, there is a need for additional monies in the General Fund for cost of the Port Orchard Marina Park Extension Project.

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 \$3,127.00 from the GO Bond 2009 Fund to the General Fund.

ADOPTED by the Board of Commissioners of the Port of Bremerton at the regular public meeting thereof held this 26th day of March, 2013, 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
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2013-16
DATED: March 26, 2013**

A RESOLUTION of the Board of Commissioners, Port of Bremerton, providing for the transfer of monies from the GO Bond 2009 Fund to the General Fund.

WHEREAS, there exists additional monies in the GO Bond 2009 Fund, and

WHEREAS, there is a need for additional monies in the General Fund for cost of the Water Street Boat Ramp Project.

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 \$3,645.00 from the GO Bond 2009 Fund to the General Fund.

ADOPTED by the Board of Commissioners of the Port of Bremerton at the regular public meeting thereof held this 26th day of March, 2013, 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
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2013-17
DATED: March 26, 2013**

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 \$76,589.14 from the Airport Fund to the General Fund.
2. Transfer \$190,549.74 from the Harbor Fund to the General Fund.
3. Transfer \$47,800.67 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 26th day of March, 2013, 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
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2013-18
DATED: March 26, 2013**

A RESOLUTION of the Board of Commissioners, Port of Bremerton, providing for the transfer of monies from the General Fund to the Airport Fund.

WHEREAS, there exists additional monies in the General Fund, and

WHEREAS, there is a need for additional monies in the Airport Fund.

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 \$28,000.00 from the General Fund to the Airport Fund.

ADOPTED by the Board of Commissioners of the Port of Bremerton at the regular public meeting thereof held this 26th day of March, 2013, 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
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2013-19
DATED: March 26, 2013

A RESOLUTION of the Board of Commissioners, Port of Bremerton, providing for the transfer of monies from the General Fund to the Harbor Fund.

WHEREAS, there exists additional monies in the General Fund, and

WHEREAS, there is a need for additional monies in the Harbor Fund.

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 \$40,862.55 from the General Fund to the Harbor Fund.

ADOPTED by the Board of Commissioners of the Port of Bremerton at the regular public meeting thereof held this 26th day of March, 2013, 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
KITSAP COUNTY, WASHINGTON
RESOLUTION NO. 2013-20
DATED: March 26, 2013

A RESOLUTION of the Board of Commissioners, Port of Bremerton, providing for the transfer of monies from the General Fund to the Construction Fund.

WHEREAS, there exists additional monies in the General Fund, and

WHEREAS, there is a need for additional monies in the Construction Fund.

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 \$153,153.35 from the General Fund to the Construction Fund.

ADOPTED by the Board of Commissioners of the Port of Bremerton at the regular public meeting thereof held this 26th day of March, 2013, 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: Final Acceptance of Water Street Boat Launch Reconstruction Project with Quigg Bros., Inc.
Exhibits: None
Prepared By: Tim Thomson, Chief Executive Officer
Meeting Date: March 26, 2013

Summary:

The Water Street Boat Launch reconstruction project is complete. The project was completed by Quigg Bros. of Aberdeen, WA. Last week the contractor installed the parking lot light fixtures. All punch list items have been completed.

The total construction cost of the boat launch project was \$415,931.66 w/o WSST.

We had a successful ribbon cutting ceremony on February 27.

Fiscal Impact:

None; funding for this project came from existing general obligation bonds.

Recommendation:

The staff recommends final acceptance of the Water Street Boat Launch Reconstruction Project.

Motion for Consideration:

I move to approve final acceptance of the Water Street Boat Launch Project.

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item #2
Subject: Kitsap Economic Development Alliance Personal Services Contract
Exhibits: Personal Services Contract
Prepared By: Rich Peterson
Meeting Date: March 26, 2013

Summary:

The Kitsap Economic Development Alliance has assisted the Port since 1988 and benefits the Port as an additional resource in targeting the recruitment of Defense and Aerospace contactors as well as manufacturing, transportation and services companies. KEDA also serves as a general research and reference resource for the Port and is a key asset to the Port's economic development efforts. KEDA remains an ardent advocate for the Port and its mission and vision.

Fiscal Impact:

There is no impact; this investment has already been factored into the 2013 budget

Recommendation:

Staff recommends the Port Commission approve the Personal Services Contract for 2013 with Kitsap Economic Development Alliance

Motion for Consideration:

I move to approve the 2013 Personal Services Contract with Kitsap Economic Development Alliance

Personal Services Contract

Between Port of Bremerton and Kitsap Economic Development Alliance

THIS PERSONAL SERVICES CONTRACT, made and entered into this _____ day of _____, 2013, between the PORT OF BREMERTON, (hereinafter referred to as "Port") and the KITSAP ECONOMIC DEVELOPMENT ALLIANCE (hereinafter referred to as "Alliance"),

WHEREAS, the Port owns and operates an airport, marinas, industrial and business parks, and various other industrial and recreational properties, and is therefore interested and actively involved with further economic activity on these properties and facilities; and

WHEREAS, the Port has need of economic development and diversification assistance, services, and information in regard to these and other aspects of its operation; and

WHEREAS, the Alliance is a nonprofit economic development corporation of the State of Washington, and the locally designated ADO, capable of providing such assistance and service;

NOW THEREFORE, the parties, in consideration of the mutual covenants and agreements herein, it is agreed by the parties as follows:

1. **SCOPE OF SERVICES**. The purpose of this agreement is to acknowledge the parties' mutual interest to enter into a **PERSONAL SERVICES CONTRACT** for specific services (tasks) to be performed as listed in the Scope of Work, attached and incorporated by reference herein as Exhibit A.
2. **TERMS AND CONDITIONS**. All rights and obligations of the parties to this Agreement shall be subject to and governed by the Terms and Conditions contained in the text of this Agreement, as incorporated herein.
3. **PERIOD OF PERFORMANCE**. Subject to its other provisions, the period of performance of this Agreement shall commence on January 1, 2013, and it shall remain in force through December 31, 2013, and may be extended upon agreement between the parties or terminated by either party in writing with thirty (30) days notice. If termination by default, the party in default may cure the defect, in which case this agreement shall continue in force of the full term.
4. **REIMBURSEMENT AND PAYMENT**. For services rendered by the Alliance, the Port will provide by payment in cash, the annual amount of \$20,000 (twenty thousand dollars).

5. BILLING PROCEDURE. Payment by the Port shall be made in four (4) equal quarterly payments of \$5,000.00 each. The Alliance shall invoice the Port, with appropriate supporting documents and the Port shall reimburse the Alliance no later than 30 days of invoice.
6. COMPLIANCE WITH LEGAL REQUIREMENTS. Each party accepts responsibility for compliance with federal, state, and local laws and regulations.
7. NOTICES. All notices and other communications to be given by either party may be given in writing, deposing the same in the United States mail, postage prepaid and addressed to the appropriate party as follows:

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

Kitsap Economic Development Alliance
4312 Kitsap Way, Suite 103
Bremerton, WA 98312

8. NON-DELEGATION/NON-ASSIGNMENT. Neither party may delegate the performance of any contractual obligation, to a third party, unless mutually agreed in writing. This Agreement may not be assigned by either party without the written consent of the other party.
9. HOLD HARMLESS. Each party shall be liable and responsible for the consequences of any negligent or wrongful act or failure to act on the part of itself, its officers, agents or employees. Neither party assumes responsibility for the other party of the consequences of any act or admission of any persons, firm or corporation not a party to this agreement.
10. SEVERABILITY. Any provision of this Agreement, which is prohibited or unenforceable, shall be ineffective to the extent of such prohibition or unenforceability, without invalidating the remaining provision or affecting the validity of enforcement of such provision.
11. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement among the parties and both parties acknowledge that there are no other agreements, written or oral, that have not been fully set forth in the text of this agreement. This Agreement may be amended only by written agreement and no purported oral amendment to the Agreement shall be valid.

12. VENUE. This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington, and, in the event of dispute, the venue of any action brought hereunder shall be in Kitsap County Superior Court.

IN WITNESS WHEREOF, this Agreement is approved and entered into by the undersigned the day and year above written.

For Port of Bremerton:

President

Date

Vice-President

Date

Secretary

Date

ATTEST:

Clerk of the Board

Approved as to Form:

Port Attorney

For Kitsap Economic Development Alliance:

Executive Director

Date

ATTEST:

EXHIBIT A

SCOPE OF WORK

1. Performance by the Kitsap Economic Development Alliance: The Alliance shall use its capabilities to perform the following specific services:

TASK (A): The Alliance will develop and implement a client contact strategy targeting the recruitment of defense contractors based in the U.S. and aerospace firms to Port of Bremerton properties, and other properties within the Port of Bremerton's boundaries. The Alliance will contact a minimum of 50 defense contractors with a target goal of generating at least 10 qualified leads. The Alliance shall include in its communications relevant marketing materials and/or information provided by the Port of Bremerton, including Port contact information (i.e. SKIA and KADA). The Alliance will coordinate with the Port of Bremerton on any follow-up information requests from defense contractors, and ensure that the companies also are made aware of local, state and federal enhancements and incentives that may support locating within the Port of Bremerton's boundaries. The Alliance will also arrange for interested defense contractors to meet with Port management and/or staff and tour properties when company visits to Kitsap County occur. Activities conducted under TASK (A) will be provided in a quarterly report to the Port of Bremerton, including the number of companies contacted, the form(s) of communication, number of leads generated, number and types of follow-up information requests, visits to Kitsap County, and other information that will inform and assist the Port of Bremerton in attracting companies to its properties.

TASK (B): The Alliance will develop and implement a client contact strategy targeting the recruitment of manufacturing, transportation and service companies that could benefit from access and utilization of the Port of Bremerton's airport industrial properties. The Alliance will contact a minimum of 50 such companies with a target goal of generating at least 5 qualified leads. The Alliance shall include in its communications relevant marketing materials and/or information provided by the Port of Bremerton, including Port contact information. The Alliance will coordinate with the Port of Bremerton on any follow-up information requests from manufacturing, transportation and service companies, and ensure that the companies also are made aware of local, state and federal enhancements and incentives that may support locating within the Port of Bremerton's boundaries. The Alliance will also arrange for interested manufacturing, transportation and service companies to meet with Port management and/or staff and tour properties when company visits to Kitsap County occur. Activities conducted under TASK (B) will be provided in a quarterly report to the Port of Bremerton, including the number of companies contacted, the form(s) of communication, number of leads generated, number and types of follow-up information requests, visits to Kitsap County, and other information that will inform and assist the Port of Bremerton in attracting companies to its properties.

TASK (C): The Alliance shall serve as a general research and reference service for the Port, and in this capacity, as is mutually agreeable, shall assist the Port in the preparation of research, reference, and marketing materials and will assist with replies to inquiries from new industries or other commercial ventures which seek information concerning Kitsap County, the Bremerton area, including Port economic development programs and resources available, and the facilities and resources managed by the Port. Specific programs under this task include but are not limited to:

- I. Inclusion of Industrial, Business Parks and Airport statistic and demographics in Alliance business location inquiry mailings. Additionally, Port of Bremerton information will be included in Alliance marketing materials, with the level of detail appropriate to the client's request and guidelines.
- II. Assistance to the Port in developing statistical and demographic information for the Port.

Activities conducted under TASK (C) will be provided in a quarterly report to the Port of Bremerton.

TASK (D): The Alliance will automatically refer all industrial/appropriate commercial economic development client leads generated by external or internal marketing efforts to the Port for its consideration. The parties recognize that the Alliance may not be informed on a day-to-day basis of the Port's ability to accommodate particular clients on particular properties. Therefore, inquiries to Alliance shall be reviewed by the marketing professionals of the Alliance and Port collectively. This referral process shall include the Executive Director or Business Development Director for the Alliance collectively with the Port's designated staff member. The parties also recognize that individual businesses may not be appropriate or suitable for Port sites, however, this decision must be made mutually and following reasonable discussion. In the event that a client requests confidentiality, and/or specifically expresses no interest in Port property, the referral requirement described above shall be waived. Activities conducted under TASK (D) will be provided in a quarterly report to the Port of Bremerton.

TASK (E): The Alliance shall, upon request, consult with and assist the Port and Port tenants at reasonable times and in a reasonable manner, in the development and execution of plans and programs intended to increase the utilization and development of Port services, facilities and properties. Specific programs under this task include, but are not limited to:

- I. Assist the Port in identifying grant funds available to fund economic development planning and marketing strategies.
- II. Work with Port tenants to assist in their involvement in the Alliance's Business Retention and Expansion program.

III. Continuation of diversification efforts including, in addition to basic economic development topics, transportation, education, training, housing and growth management.

Activities conducted under TASK (E) will be provided in a quarterly report to the Port of Bremerton.

TASK (F): On a regular basis during the term of this contract at mutually agreeable dates and times, the Alliance shall conduct, for the benefit of the Port, a report on general economics, trade and industrial conditions within the areas served by the Port.

TASK (G): Alliance will include Port sites in any listing of available business and industrial sites for new or expanded industry within the County, including appropriate economic information for those sites. Specific programs under this task include, but are not limited to, Port access to include listings of Olympic View Industrial/Business Parks and Bremerton National Airport and other Port industrial sites on future Alliance site- search websites.

TASK (H): Alliance will work in equal partnership with the Port as co-chair of the Kitsap Aerospace & Defense Alliance (KADA). Work to include equal effort in implementing the KADA strategic plan with a focus on soliciting interest in Port and SKIA properties by aerospace and defense manufacturers, suppliers and service businesses.

TASK (I): Alliance will assist the Port in its efforts to develop a master plan for the ongoing development of the Port's real estate portfolio holdings including, but not limited to: the Port's airport facilities and infrastructure; the Olympic View Industrial/Business Parks; and the Port's large industrial land holdings a/k/a – the South Kitsap Industrial Area (SKIA). This comprehensive master land use development plan shall address all elements of planning including: financing; marketing; operations and investment pro-forma modeling; and other strategies leading toward the development, build out, and leasing of Port properties involving industrial clusters identified in TASK (A) [defense], and TASK (B) [advanced manufacturing, transportation, and services companies that would benefit from access to, and utilization of, Bremerton National Airport].

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item #3
Subject: Viking Fence Lease Amendment
Exhibits: Lease Amendment Agreement
Prepared By: Rich Peterson
Meeting Date: March 26, 2013

Summary:

Viking Fence has leased from the Port a 12,000 sf building since 1997. The lease is up for term extension and rental adjustment. Staff has negotiated a five year lease term extension with Viking Fence with the option for one additional five year term. The Lease Amendment also provides for rental adjustments. Staff has negotiated rental adjustment increase of \$220.00 per month for the first year with incremental adjustments for the following four years. The adjustments reflect an 18.8% increase for the five year period.

Fiscal Impact:

The full value of the increase was not included in the budget and therefore is an additional source of revenue.

Recommendation:

Staff recommends the Port Commission approve the Lease Amendment with Viking Fence

Motion for Consideration:

I move to approve the Viking Fence Lease Amendment #4

**FOURTH AMENDMENT TO LEASE
VIKING FENCE, 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 **VIKING FENCE, INC.** hereinafter referred to as Lessee, to amend that certain lease dated February 8, 1988, amended February 23, 1993 and further amended February 24, 1998 and June 10, 2003 to read as follows (all other sections of the Lease shall remain the same):

2. TERM: The amended Lease shall commence on the 1st day of March, 2013, and be for a period of five (5) years expiring on the 28th day of February, 2018. So long as Lessee is not in default, the Port grants the Lessee an option to renew this Lease upon the same terms and conditions, except as to rent, for one additional five-year period. Notice to exercise such an option shall be given six (6) months prior to expiration of the amended lease term in writing by the Lessee to the Port.

4. RENT: Rent during the term of the Lease shall be as follows:

Year 1	3/1/13 – 2/28/14	\$3,720.00
Year 2	3/1/14 – 2/28/15	\$3,840.00
Year 3	3/1/15 – 2/28/16	\$3,960.00
Year 4	3/1/16 – 2/28/17	\$4,080.00
Year 5	3/1/17 – 2/28/18	\$4,200.00

Lessee shall pay the Port rental in the amounts stated above plus applicable leasehold tax in advance, commencing on the 1st day of March, 2013, and thereafter on the 1st day of each succeeding month.

IN WITNESS WHEREOF the parties hereto have executed this Lease Amendment this ___ day of _____, 2013.

VIKING FENCE, INC.
A Washington State Corporation

PORT OF BREMERTON
A Municipal Corporation

Bill Sloman

Commission President

John Rosebeary

Commission Vice-President

Approved as to form:

Commission Secretary

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 that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said 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 _____
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 _____
residing at _____

My commission expires: