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**Port of Port Townsend
1st Monthly Meeting Agenda
Wednesday, June 14, 2017, 1:00 p.m.
District 2 Location: Old Alcohol Plant
Bayview Conference Room
310 Hadlock Bay Road
Port Hadlock, WA**

- I. Call to Order / Pledge of Allegiance
- II. Approval of Agenda
- III. Consent Agenda
 - A. Approval of Meeting Minutes – May 24, 2017.....1-4
 - B. Approval of Warrants
- IV. Public Comments (not related to Agenda)
- V. Second Reading
- VI. First Reading
- VII. Regular Business
 - A. Northwest School of Wooden Boat Building Update.....5
 - B. Workyard Resurfacing Project.....6-14
 - C. Resolution No. 666-17 Authorizing the Executive Director to Apply to DNR
To Amend the Port's PMA as to Term/Duration.....15-17
 - D. PYR, Inc. Land Lease.....18-23
 - E. April 2017 Financials.....24-27
- XIII. Staff Comments
- IX. Public Comments
- X. Commissioner Comments
- XI. Next Regular Meeting:
Wednesday, June 28, 2017 at 5:30 p.m. in **District 2 location: Chimacum Grange, 9572 Rhody Drive, Chimacum**
- XII. Executive Session:
 - A. Litigation, Pursuant to RCW 42.30.110 (i)
 - B. Litigation, Pursuant to RCW 42.30.110 (i)
 - C. Potential Litigation, Pursuant to RCW 42.30.110 (i)
- XIII. Adjournment

PORT COMMISSION REGULAR MEETING– May 24, 2017

The Port of Port Townsend Commission met in regular session at the Commission Building, 333 Benedict Street, Port Townsend, WA

Present: Commissioners – Hanke, Clinefelter and Tucker
Executive Director Gibboney
Auditor Berg
Director of Operations & Business Development Englin
Director of Planning Toews
Communications & Marketing Coordinator Matej
Attorney Goodstein
Minutes – Nelson

I. CALL TO ORDER/PLEDGE OF ALLEGIANCE:

Commissioner Hanke called the meeting to order at 5:30 p.m.

II. APPROVAL OF AGENDA:

Attorney Goodstein confirmed the Executive Session for Potential Litigation, pursuant to RCW 42.30.110 (i), duration ten minutes, with no action.

Commissioner Tucker moved to approve the Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

III. CONSENT AGENDA:

A. Approval of Public Workshop Minutes – May 10, 2017

Approval of Regular Meeting Minutes – May 10, 2017

B. Approval of Warrants

Warrant #057651 through #057661 in the amount of \$14,716.53 for Payroll & Benefits

Electronic Payment in the amount of \$65,306.96 for Payroll & Benefits

Warrant #057662 through #057704 in the amount of \$66,557.20 for Accounts Payable

Commissioner Tucker moved to approve the Consent Agenda as presented.

Commissioner Clinefelter seconded the motion.

Motion carried by unanimous vote.

IV. PUBLIC COMMENTS (Not related to agenda) (0:53):

Bertram Levy commented on the parking problem at the head of 'D' Dock and asked for a solution.

Bill Putney reported the pilots look forward to a briefing, to include consultants Reid Middleton, on the runway project.

V. SECOND READING (Action Items):

VI. FIRST READING (Discussion Only):

VII. REGULAR BUSINESS:

A. Acceptance of the Commercial Basin Breakwater Project (3:58):

Ms. Berg explained formal Commission acceptance of the project is required in order to finalize the project once. Releases, as required, have been received from Dept. of Revenue, Labor & Industries and Employment Security.

Commissioner Clinefelter stated he thought the project was well managed and moved along efficiently.

Commissioner Clinefelter moved to formally accept the Completion of the Breakwater Project.

Commissioner Hanke seconded the motion.

Motion carried by unanimous vote.

VIII. STAFF COMMENTS (6:13):

Ms. Gibboney reported she was asked to sit on the Lodging Tax Advisory Board.

She reported on the WA Public Ports Association (WPPA) Annual Spring Meeting, which she attended. She discussed some takeaways from the conference, including a session on derelict/abandoned/impounded vessels and Ports as places of refuge/safe harbor.

Ms. Gibboney stated the Port of PT is at the forefront of this issue and is helping to clarify policy and is reaching out to help sister ports. She reported she has been meeting with the Sheriff to clarify procedures and is working with State and Federal agencies for clarification on the policy.

Another session included discussion on a Supreme Court Ruling on SEPA and Port leasing, which she briefed.

CERB funding was discussed at the conference, where funding for the next biennium is still pending.

Ms. Gibboney provided an update on the stormwater project, adding that she believes the project cost will be in the range of \$300-400K and that the September 30 deadline will be met. She thanked Marc Horton, Landau & Assoc., Mr. Englin and Mr. Aase and his maintenance crew for their work.

Ms. Gibboney discussed dust control and reported plans are in the works to re-gravel travel ways throughout the yard. She stated the Port would find a vendor for gravel material (estimated cost of \$40K) and a contractor to do the grading and rolling (estimated cost of \$50K), both from the Small Works Roster. She reminded the Commission that both fall under her Delegation of Approval authority, but wanted to inform the Commission of the project plans since the project would total \$90K between the two contracts. See added that target date of completion is end of June.

The Port has received notice from CERB that we can move forward with Point Hudson planning. She has delivered to Maul Foster Alonghi (consultants) the Notice to Proceed. A stakeholder meeting will be scheduled, as well as a joint team-building workshop hosted by the Port to include the City and Maritime Center. The workshop would be noticed as a Public Meeting.

Ms. Gibboney reported she was asked to present to City Council the Port's Capital Projects on June 5, 2017. She would like Commissioner Tucker to accompany her.

Regarding the meeting on the airport project, she reported staff is working on contracts with the FAA and Reid Middleton, and at the appropriate time, an open house would be

scheduled. She added construction would not begin until 2019, so the open house is a ways out.

Last, Ms. Gibboney announced it was discovered the Port of PT used its levy authority on an IDD in 1966 and taxes were collected as of 1967. She stated those funds were applied towards the Point Hudson Jetty and Mats Mats. She added since the IDD levy was enacted once, law requires the second IDD to be noticed by April 1 of the base year, which deadline has passed. She stated staff would work towards establishing 2018 as the base year, with 2019 the collection year and would ask for a motion to proceed from the Commission at the beginning of 2018.

Mr. Englin reported on his work, including stormwater project, meeting with some tenants on utility billing, the work on the men's restroom at Quilcene, a lease audit and file formatting. He added the RV Park is doing well and that vessels are cycling through the yard.

Ms. Matej reported she is working on communication strategies for current Port projects.

She discussed the WPPA Spring Meeting she recently attended.

Ms. Matej also talked about the Port's attendance at the Rhododendron Festival Parade last weekend.

Mr. Toews announced a Notice to Proceed was issued to Maul Foster Alongi for Point Hudson planning consulting work.

He continues working on the BIG Tier II grant for the Point Hudson Jetty, due July 5.

He reported Reid Middleton, nor the FAA is under contract yet, he expects those to be completed sometime in June.

Mr. Toews stated we are are moving ahead on the Point Hudson Jetty with Mott McDonald for 100% design work. Soon that contract would be presented to the Commission. He is also moving forward with the Hydraulics Permit Approval (HPA), (permit for test moorings/pile driving).

Ms. Berg reported she is near completion with the Annual Report, which she hopes to submit to the State Auditors by the end of the week. She stated she has completed the financial statements, and notes to the financial statements, and is in the process of completing the Management Discussion Analysis.

Ms. Nelson stated she and staff have been working on a new filing structure.

Attorney Goodstein reported the Landry appeal has been stalled. He reported discussion continues with Seattle Maritime Academy on the derelict vessel issue.

IX. PUBLIC COMMENTS (38:35):

Gary Lathrum, incoming President of Jefferson Co. Pilots Association discussed the runway rehabilitation project.

Clayton White of the Quilcene Linger Longer Committee asked questions about who is the responsible party for paving at the Herb Beck Marina parking area.

Keith Beck, Quilcene announced the "End of the School Year" party at the Herb Beck Marina in Quilcene on June 16 from noon – 4 pm and the Port Commission and asked about beach clean-up. He also reported there is another shrimp opening on June 3.

Melinda Bryden of Port Townsend discussed the delayed IDD and how that would affect the budget and economic development activity.

X. COMMISSIONER COMMENTS (47:58):

Commissioner Tucker reported on the WPPA Spring Meeting and briefed about a session where Broadband was discussed. He mentioned PUD's role bringing Broadband to our area and how the Port might collaborate. He will continue to attend PUD meetings to learn more.

Commissioner Tucker briefly discussed Senator Bob Hasagawa's State Bank idea, and another possible idea, in which Ports with healthy bank accounts would have the opportunity to provide loans to other Ports in need of funding.

He talked about the Environmental Committee session at the conference. Discussion there included information on funding available to Ports for site cleanup.

Commissioner Clinefelter reported he had a meeting with a mooring installation contractor. He said the system is impressive, is low maintenance and does not require a diver to maintain; maintenance is performed from the surface. He added DNR and Fish & Wildlife allow installation within eelgrass beds with this type of mooring system. Commissioner Clinefelter said if this project happens it would be more than a year out.

Commissioner Hanke discussed his outtake from the WPPA Spring Meeting and elaborated more on the Derelict Vessel session, which was presented by a legal team. He went on to discuss the benefits of attending the WPPA conferences. Commissioner Hanke stated he was able to discuss our airport runway rehab project with other Ports. In regards to the delay with the IDD, our Port was able to discuss further with bond council at the conference. He passed on that the Port of PT is in excellent standing for bonding and there will be more to come (on capital project funding).

XI. NEXT PUBLIC WORKSHOP & REGULAR MEETING:

Wednesday, June 14, 2017 **District 2 location the Old Alcohol Plant, Bayview Conference Room, 310 Hadlock Bay Road, Port Hadlock.** Workshop at 9:30 am, meeting at 1:00 pm.

XII. EXECUTIVE SESSION:

The regular session recessed into Executive Session at 6:39 pm to discuss potential litigation, pursuant to RCW 42.30.110 (i), ten minute duration with no action. (Actual session began at 6:43 pm when audience cleared room).

XIII. ADJOURNMENT:

The meeting reconvened and adjourned at 6:55 pm there being no further business to come before the Commission.

ATTEST:

Brad A. Clinefelter, Secretary

Peter W. Hanke, President

Stephen R. Tucker, Vice President

PORT OF PORT TOWNSEND

MEETING OF: June 14, 2017

AGENDA ITEM: VII. Regular Business
A. Northwest School of Wooden Boat Building Update

BACKGROUND:

Northwest School of Wooden Boat Building update presentation.

Executive Director's Recommendation:

For discussion.

PORT OF PORT TOWNSEND

MEETING OF: JUNE 14, 2017

**AGENDA ITEM: VII. Regular Business
B. Workyard Resurfacing Project**

BACKGROUND:

The Port's Workyard (Shipyards and Boatyard) is predominantly comprised of a crushed gravel surface. Over time this surface has degraded to ultra-fine particles. These small particles combined with the clay content of the original gravel mix are easily transported by air or water. The ability for these particles to carry metals is suspected as a contributing factor in the ability to achieve compliance with the Port's Boatyard Stormwater Permit. In addition, the resulting dust and muddy water from wind, traffic, and rainfall has been a continuing issue for tenants and visitors alike.

Resurfacing the Shipyards and Boatyard with crushed rock would help minimize the mud and dust and thereby improve conditions for the tenants' work, the general work environment, and likely improve the level of contaminants that leave the site in stormwater. Therefore, a project for Workyard Resurfacing has been developed and is proposed for bidding and construction.

The work required for this project can be described in two elements and may be conducted in two phases:

- A. Portions of the Shipyards, and**
- B. Portions of the Boatyard.**

The work in each phase includes:

- excavation and on-site disposal of existing rock surfacing;
- furnishing, spreading and compacting new rock surfacing;
- transition excavation to existing edges of pavement and to manholes, catch basins, etc;
- sediment and erosion control provisions;
- and traffic control.

The Bid shall include two sections:

- Schedule A - Shipyards Resurfacing, and
- Schedule B - Boatyard Resurfacing

The Port may award one or both at its sole discretion.

Approximate Quantities are:

Shipyard:

- Excavation and on-site disposal - 667 CY
- Crushed Surfacing Base Course – 1590 Tons
- Manhole / Catchbasin / Structure Transition – 4 Locations

Boatyard:

- Excavation and on-site disposal - 175 CY
- Crushed Surfacing Base Course – 1614 Tons
- Manhole / Catchbasin / Structure Transition - None

The Engineers Cost Estimate is \$120,000 to \$140,000. This work will be capitalized as part of the stormwater treatment project.

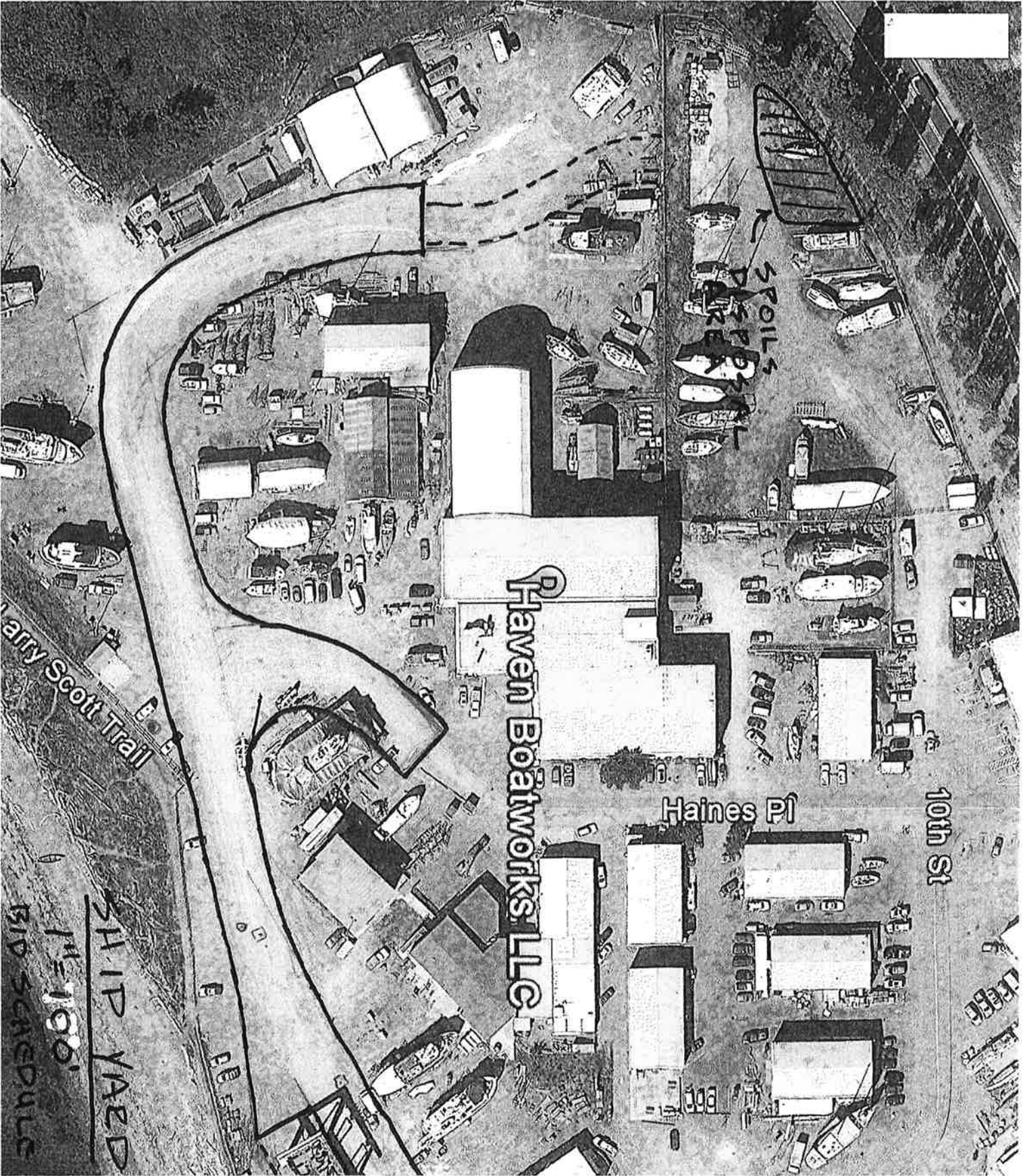
Work will be completed by September 1, 2017.

Draft Plans are attached.

The Engineer's estimate exceeds the authority delegated to the Executive Director. Consequently, I am seeking authorization to seek bids for this project. If an acceptable and responsive bid is received, I will bring back contract documents for Commission review and approval in the immediate near future.

Executive Director's Recommendation:

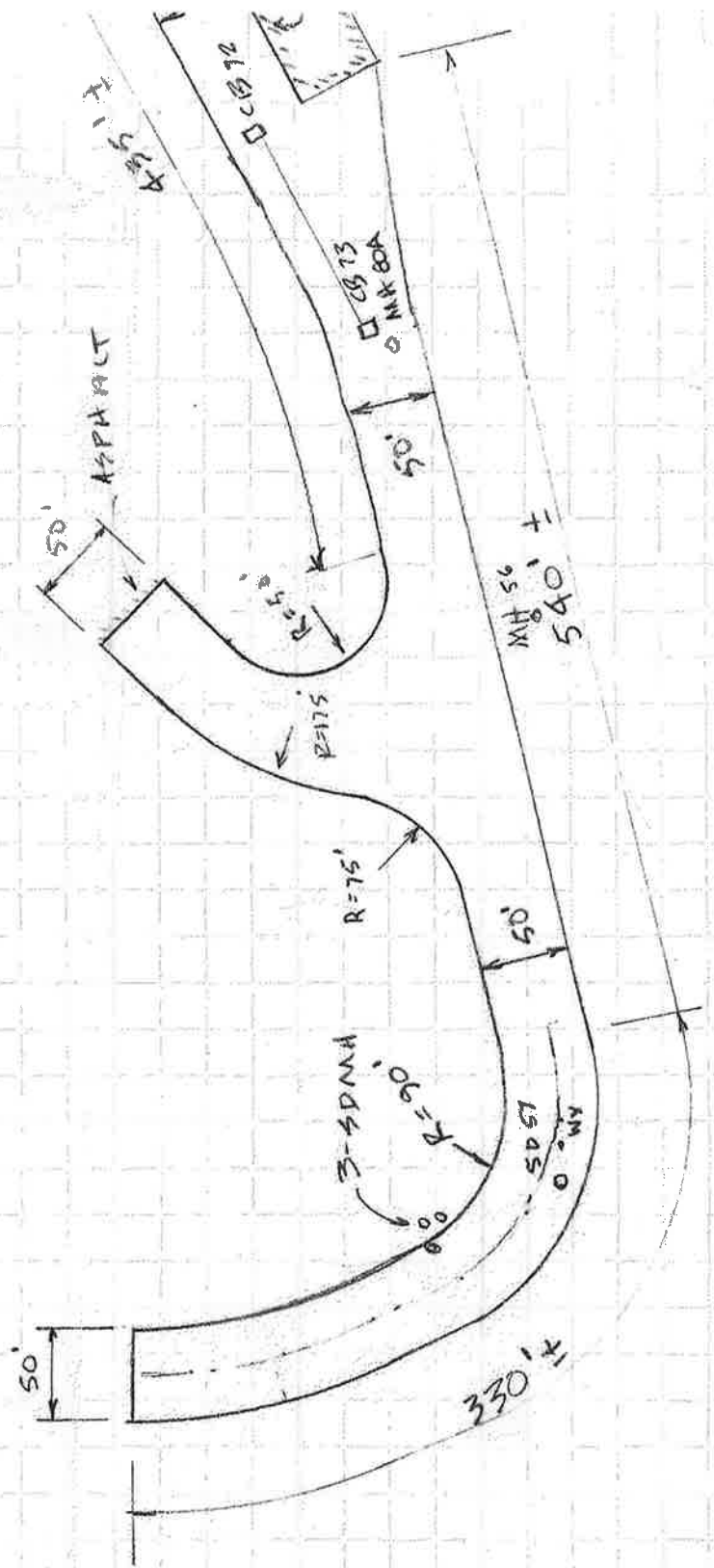
Motion for Commission approval to seek bids for the work as outlined.

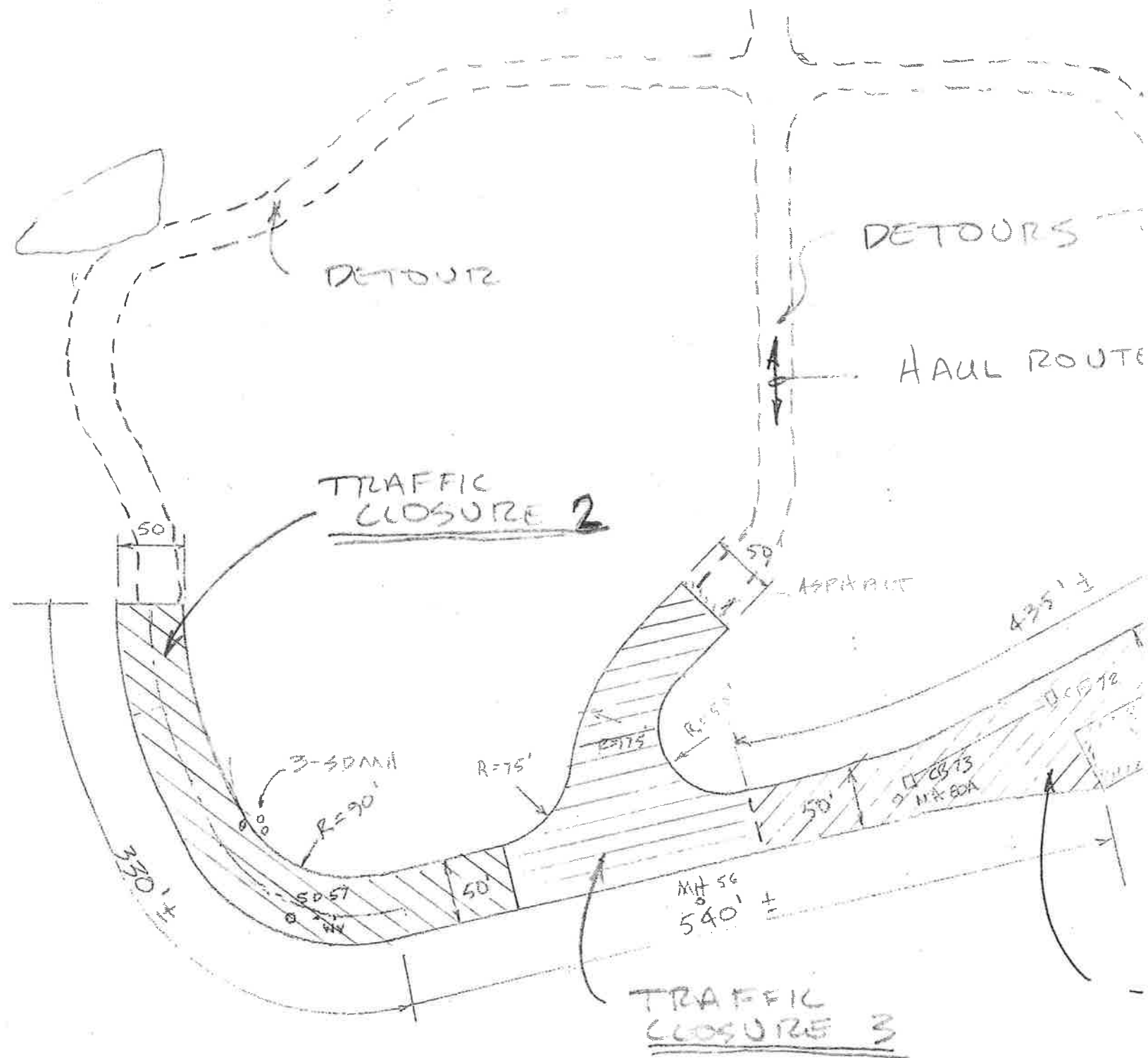


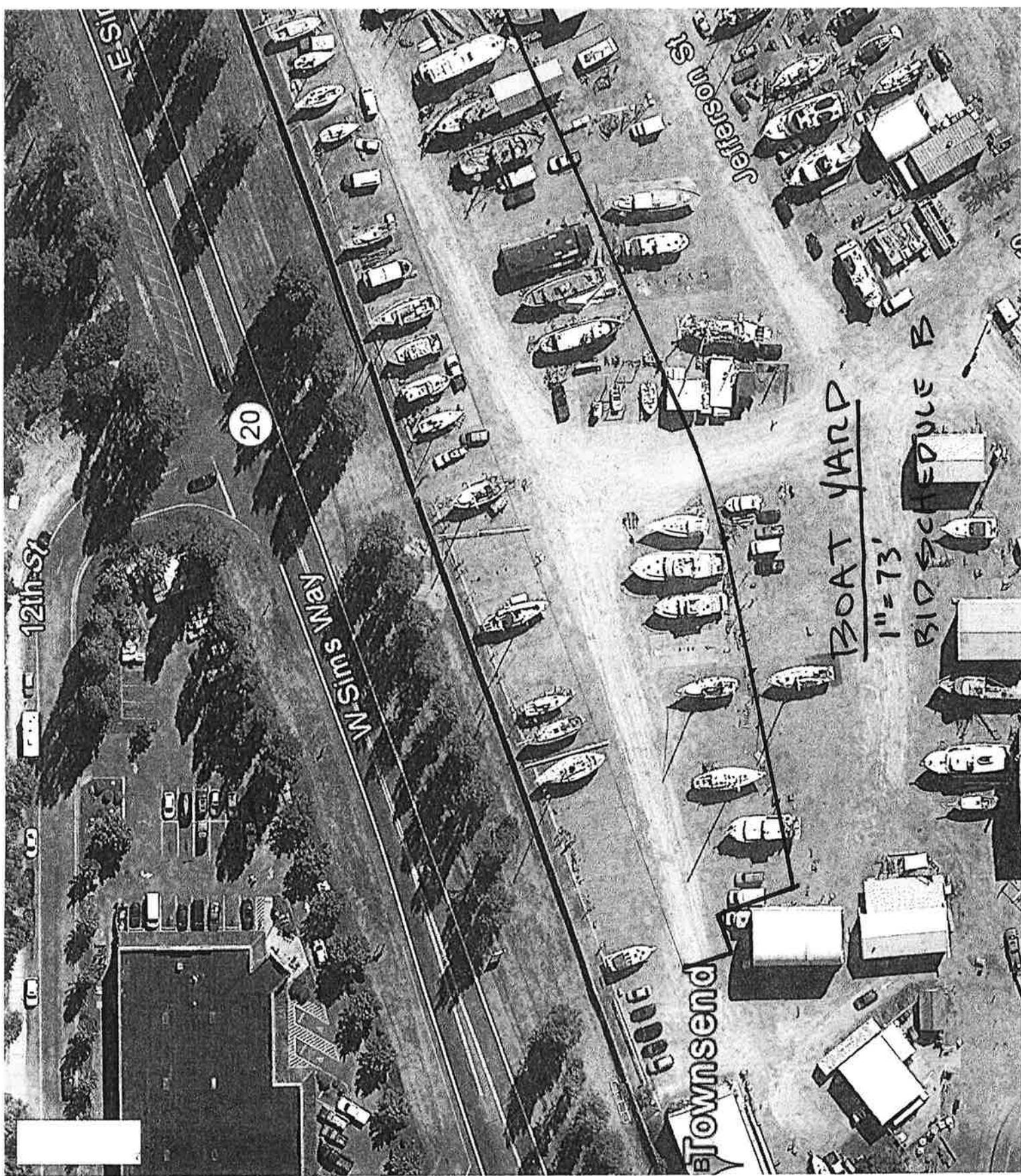
NEW TIT 2A 2Q

CSRC FULL: 1590 TOP (9064)

EXC AVATE = 88 TON (50 CY)

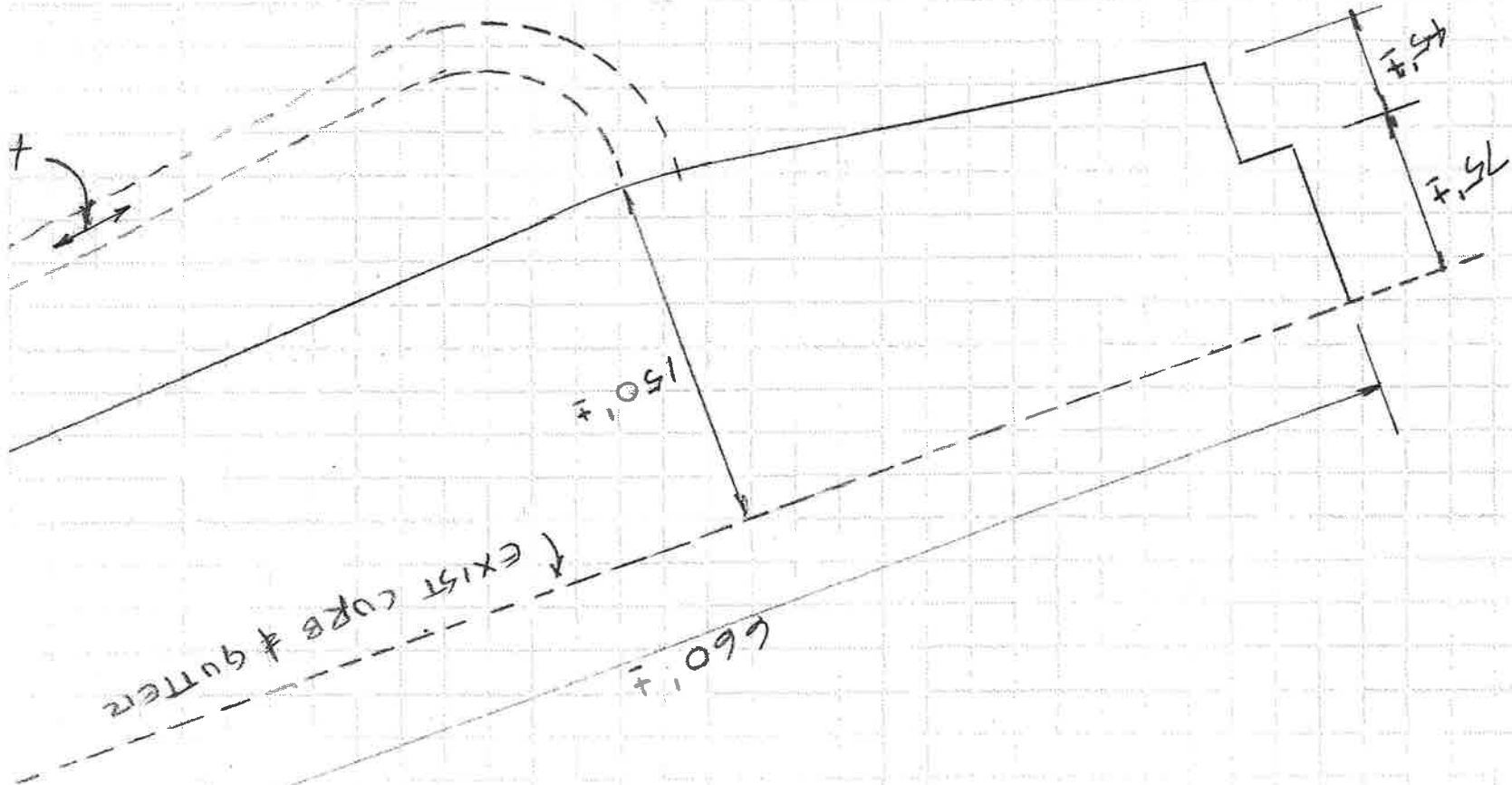




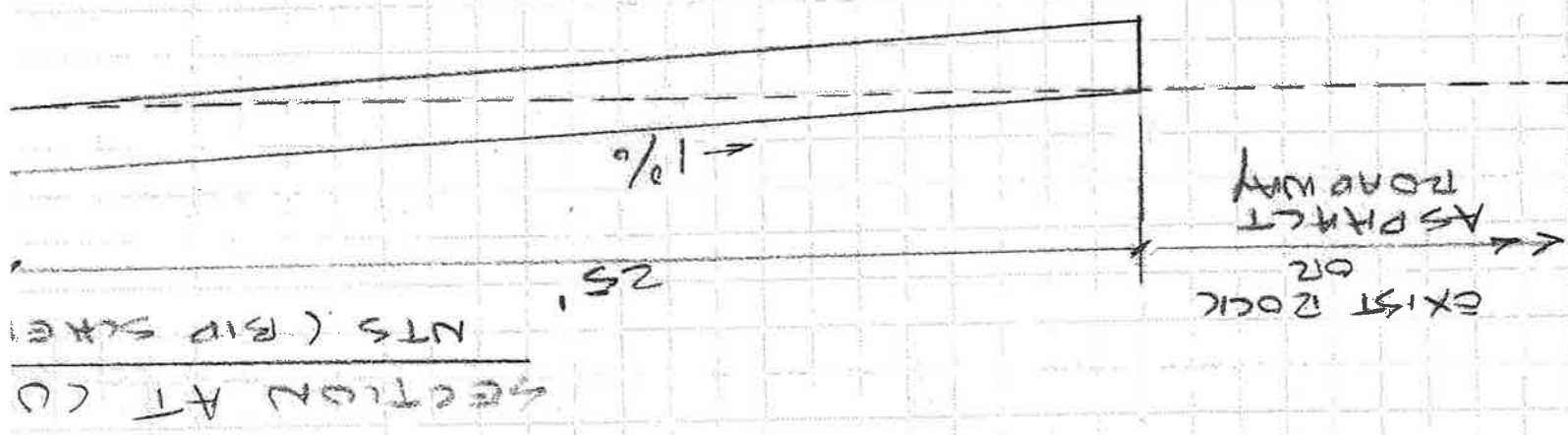
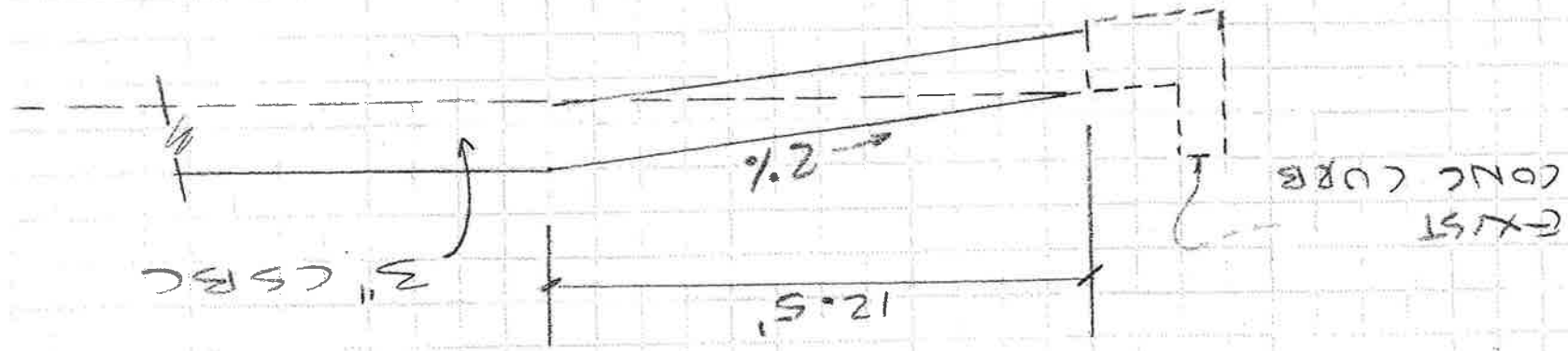
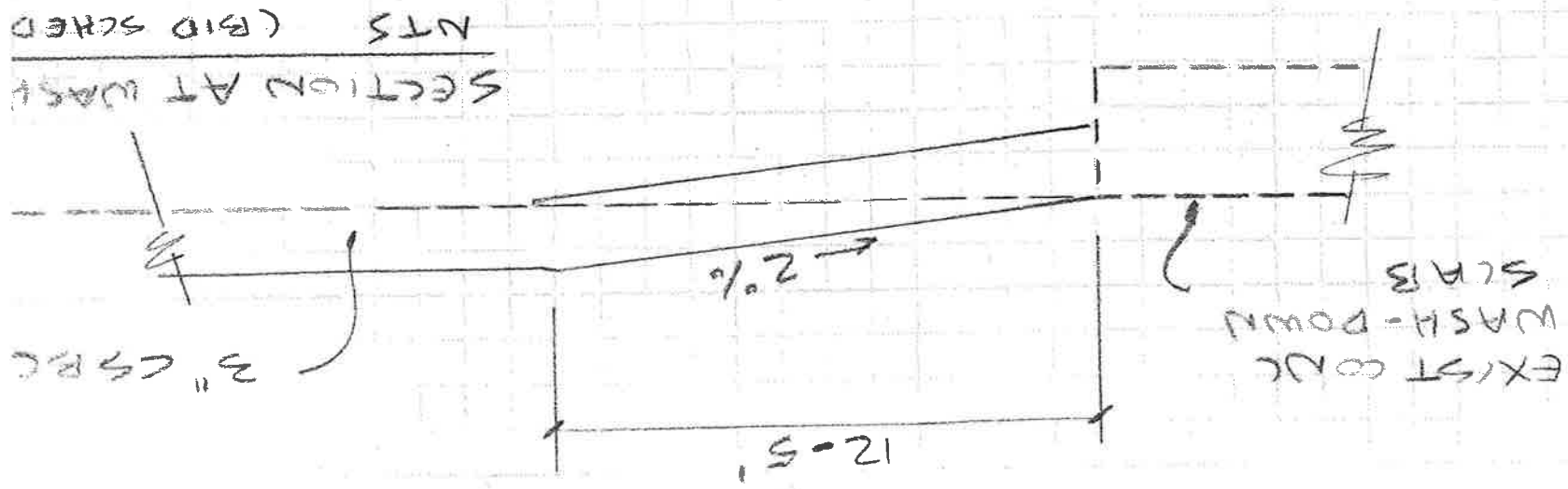


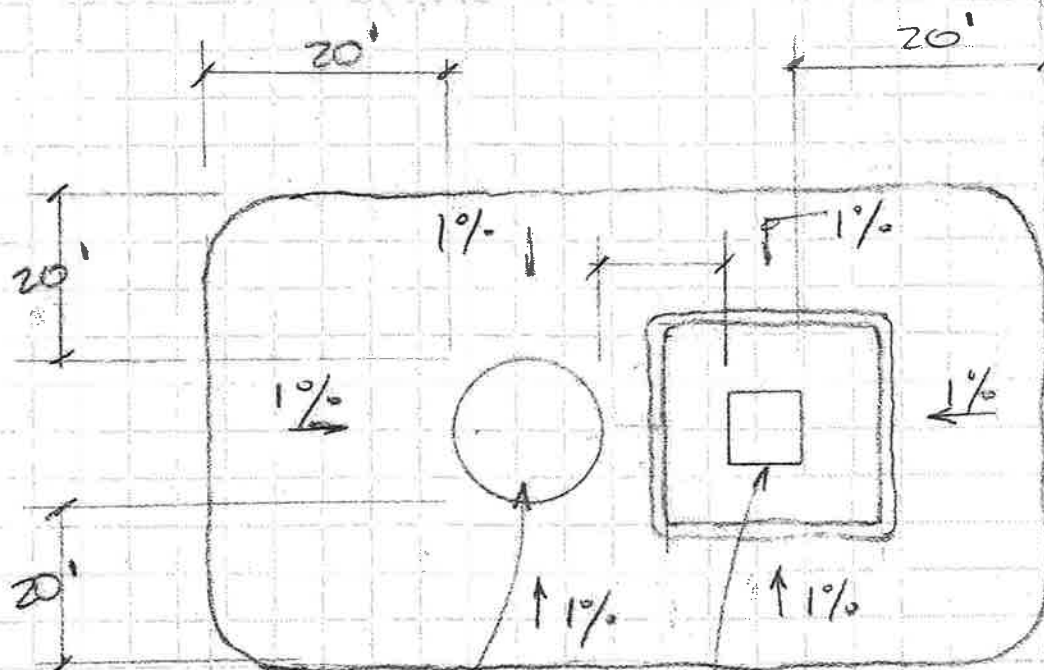
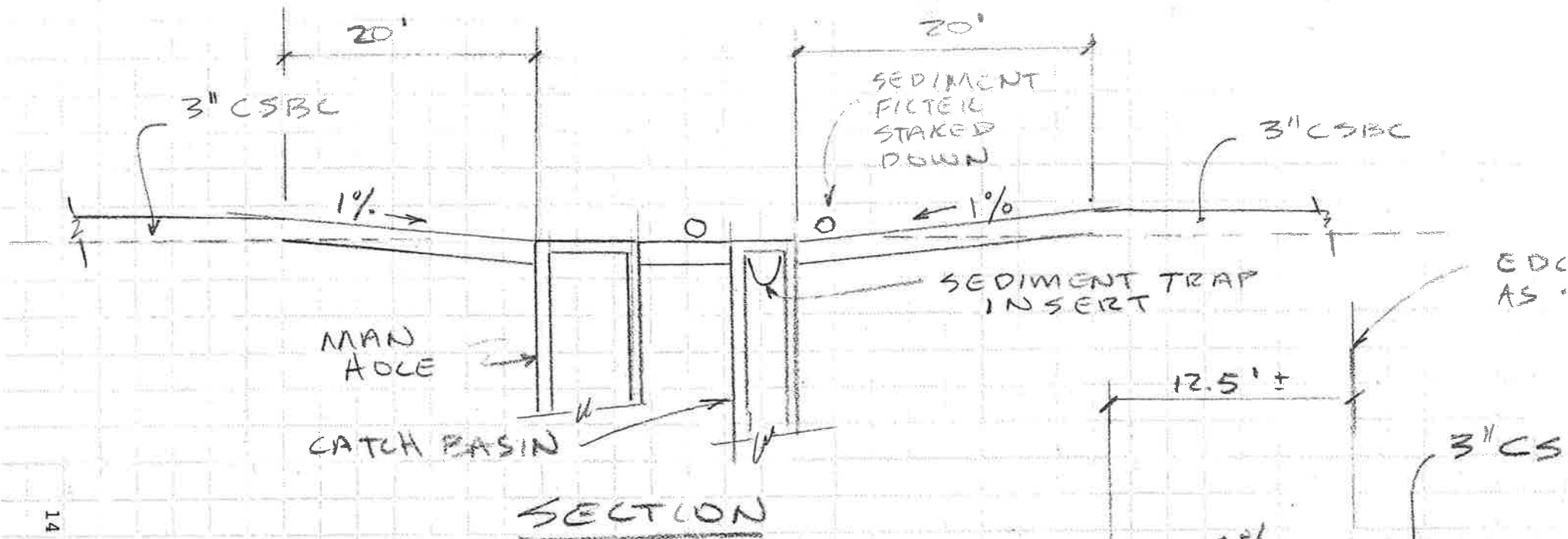
QUANTITIES

CSBC FILL : 1614 TON (920 CY)
EXCAVATE : 310 TON (175 CY)



ROAD
1" = 73'





PORT OF PORT TOWNSEND

MEETING OF: June 14, 2017

AGENDA ITEM: VII. Regular Business
C. Resolution No. 666-17 Authorizing the Executive Director
to Apply to DNR to Amend the Port's PMA as to
Term/Duration

BACKGROUND:

Port districts are granted the legal authority to manage certain aquatic lands that are owned by the state. These aquatic properties abut uplands that are owned, leased or managed by the port. The details of this management responsibility are set forth in a Port Management Agreement (PMA). The PMA is a document signed by both the port and the Department of Natural Resources (DNR).

On September 18, 1984, the Port of Port Townsend and DNR executed a thirty (30) year PMA for aquatic lands abutting its Point Hudson, Boat Haven and Port Hadlock properties (PMA No. 20-080014). In September of 2014, the parties executed Amendment #1 to the PMA, and extended the term of the PMA, which was nearing expiration, by an additional ten (10) years to September 18, 2024.

On April 26, 2017, the Commission authorized the Executive Director and staff to proceed with an application for Boating Infrastructure Grant (BIG) funds for the Point Hudson "North Jetty" demolition and replacement project (Resolution No. 664-17). Port staff is currently preparing the grant application submittal. Recent changes to the BIG program now require that sponsors demonstrate control and tenure of project sites through the anticipated useful life of the infrastructure funded through the program. Because the Port's current PMA expires in seven (7) years, our control and tenure documentation is insufficient to satisfy BIG program requirements.

The Port's engineer (Mott MacDonald/Coast & Harbor) indicates that the replacement jetty will have an anticipated useful life of twenty-five (25) or more years. The maximum permissible PMA term is thirty (30) years. Accordingly, staff has prepared a draft of Port Commission Resolution No. 666-17, which would authorize the Executive Director to apply to DNR's Aquatic Resources Division, requesting an amendment to the Port's PMA to extend the duration of the current agreement by thirty (30) years, to expire on September 18, 2047. Upon approval, the amended PMA would ensure that the Port's site control and tenure documentation will satisfy RCO and USF&WS requirements and ensure continued project funding eligibility.

Executive Director's Recommendation:

Approve the attached Resolution No. 666-17 authorizing the Executive Director to submit a formal request to DNR for a thirty (30) year extension to the term of the Port's PMA, and to execute and file the documents needed to effect such an amendment.

RESOLUTION NO. 666-17

A Resolution of the Commission of the Port of Port Townsend

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF THE PORT OF PORT TOWNSEND TO APPLY TO THE WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES, AQUATIC RESOURCES DIVISION, SEEKING AN AMENDMENT TO THE TERM OF ITS PORT MANAGEMENT AGREEMENT (PMA) TO ENSURE CONTROL & TENURE OF THE SITE THROUGH THE ANTICIPATED USEFUL LIFE OF THE FEDERALLY FUNDED REPLACEMENT JETTY

WHEREAS, the Port of Port Townsend is a municipal corporation established in 1924 under Title 53 of the Revised Code of Washington; and

WHEREAS, under RCW 53, the Port of Port Townsend is responsible for developing and maintaining infrastructure that fosters economic development, providing transportation facilities that support commerce and communities within Jefferson County; and

WHEREAS, under RCW §53.08.020 the Port of Port Townsend is specifically authorized to construct, purchase, acquire, lease, maintain and operate sea walls, jetties, piers, wharves, docks, boat landings, and other harbor improvements subject to all applicable state and federal laws; and

WHEREAS, the Port of Port Townsend is applying to the Washington State Resource Conservation Office (RCO) for financial assistance through United States Fish and Wildlife Service (USF&W) Boating Infrastructure Grant (BIG) Program to partially fund the demolition and replacement of the Point Hudson Jetty (the Jetty); and

WHEREAS, the replacement Jetty, which is expected to be completed by February 15, 2020, will have an anticipated useful life of twenty-five (25) to thirty (30) years; and

WHEREAS, the grant agreement for BIG Program financial assistance imposes certain obligations upon the applicant Port, and requires the Port to provide documentation demonstrating that it has control and tenure through the anticipated useful life of such federally supported infrastructure; and

WHEREAS, the Port's current Port Management Agreement (PMA) with the Washington State Department of Natural Resources, which was adopted on September 18, 1984 and first amended on September 12, 2014 (PMA No. 20-080014), is set to expire on September 18, 2024, before the anticipated useful life of the federally supported infrastructure has elapsed; and

WHEREAS, an amended PMA which extended the term of the current agreement to September 18, 2047 would ensure satisfaction of RCO and USF&W requirements for control and tenure of the Jetty site;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Port Townsend, as follows:

Port Executive Director, Sam Gibboney, or her designee, shall be authorized to submit a formal request to the Washington State Department of Natural Resources, Aquatic Resources Division for a thirty (30) year extension to the Port's current PMA, thereby extending the duration of the agreement through September 18, 2047, and to execute and file such documents as may be necessary for the PMA amendment with the Washington State Department of Natural Resources, Aquatic Lands Division.

ADOPTED this 14th day of June 2017, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

ATTEST:

Peter W. Hanke, President

Brad A. Clinefelter, Vice President

Steven R. Tucker, Secretary

APPROVED AS TO FORM:

Port Attorney

PORT OF PORT TOWNSEND

MEETING OF: June 14, 2017

AGENDA ITEM: VII. Regular Business
D. PYR, Inc. Land Lease

BACKGROUND:

Draft land lease with PYR, Inc. attached.

Executive Director's Recommendation:

Approve land lease with PYR, Inc.

PORT OF PORT TOWNSEND TERM SHEET: LAND LEASE

June 9, 2017

1. TENANT: PYR Inc.
2. LEASED PREMISES: Approximately 6,600 square feet of land located in the 300 Ton yard inclusive of yard stalls designated as 133, 134 and a portion of 135 with dimensions of 110 feet x 60 feet. Actual premises to be determined at time of occupancy if footprint varies from initial lease estimate.
3. TERM: Term of two (2) years, beginning on June 1, 2017 and ending on May 31, 2019.
4. TERM OPTIONS: Two (2) year options.

- a. First Option: June 1, 2019 – May 31, 2021
- b. Second Option: June 1, 2021 – May 31, 2023

5. RENT:

Lease rates:

Initial two (2) year term:

July 1, 2017 - December 30, 2017:	No charge for first 6 months
December 31, 2017 - June 30, 2018:	\$0.42 per square foot per month NNN
July 1, 2018 - June 30, 2019:	\$0.84 per square foot per month NNN

Second two (2) year term:

July 1, 2019 - June 30, 2020:	\$0.84 per square foot per month NNN plus CPI
July 1, 2020 - June 30, 2021:	Previous term rate plus CPI

Third two (2) year term:

July 1, 2021 - June 30, 2022:	Previous term rate plus CPI
July 1, 2022 - June 30, 2023:	Previous term rate plus CPI

Note: Lessee subject to Leasehold tax of 12.84%. Rates do not include LH Tax.

6. RENT ADJUSTEMENTS: Rent shall be increased by Consumer Price Index for all urban consumers (CPI-U) for Seattle Tacoma-Bremerton, which is compiled by the Department of Labor, Bureau of Statistics. CPI adjustments will be applied from June 1, 2019 forward. In no event shall rent decrease.
7. ADDITIONAL RENT. Revenue Sharing of gross revenue for all work conducted at the Port. Revenue to be audited on a quarterly basis.

Revenue Paid on Rolling, Prorated Quarterly Basis to Port:

Every 12 month period: Initial \$0 - \$500,000	2.5% Gross Revenue
Every 12 month period: Equal or greater than \$500,001	5.0% Gross Revenue

8. USE OF PREMISES: Repair and maintenance including blasting, corrosion control, powder coating and painting as well as possible new construction of vessels of all classes.

9. SECURITY: Security will consist of a fee of \$4,000 due every six months from the lease start date until the security \$16,000.
10. UTILITIES: All utilities are responsibility of the TENANT.
11. MAINTENANCE AND REPAIR: All maintenance and repair are the TENANT'S responsibility on a reimbursable basis to the Port.
12. INSURANCE: Per Port policy.
13. ASSIGNMENT OR SUBLEASE: With permission of the Port.
14. TERMINATION: 180 days' notification by either party.
15. ENVIRONMENTAL: Per the standard Port terms and determined by Port insurance provider based on review of use of premises.

These terms serve as a baseline for our discussions. All leases are subject to Port commission approval which takes place twice per month. Please review and revert with any questions to me at Greg@portopt.com or (360) 301-0087. We are looking forward to partnering with you.

Sincerely,

Greg Englin
Director, Operations and Business Development
Port of Port Townsend.

Dan Cummins
President

EXHIBIT "A"
DESCRIPTION OF THE PREMISES

[MAP OF THE S.F. LEASED AREA RESERVED
TO BE COMPLETED PRIOR TO LEASE EXECUTION]

DRAFT

EXHIBIT "B"
**DESCRIPTION OF LESSEE-OWNED BUILDINGS UPON THE
LEASED PREMISES**

[MAP OF LESSEE-OWNED BUILDINGS UPON LEASED PREMISES RESERVED
TO BE COMPLETED PRIOR TO LEASE EXECUTION]

DRAFT

EXHIBIT "C"
HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT

DRAFT

PORT OF PORT TOWNSEND

MEETING OF: June 14, 2017

AGENDA ITEM: VII. Regular Business
E. April 2017 Financials

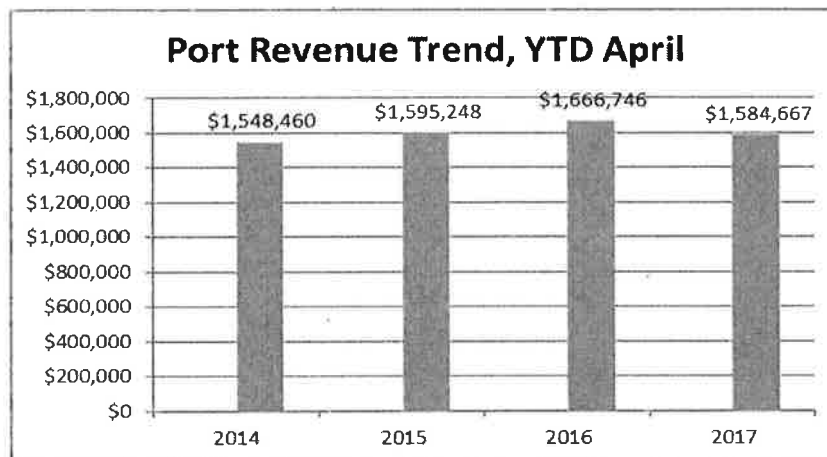
BACKGROUND:

In the Commission meeting packet for their review, is the year-to-date operating results of the Port. This is measured against the same period of the prior year and compares the budget to actual percentage of activity. The highlights of activity results are included in the narrative.

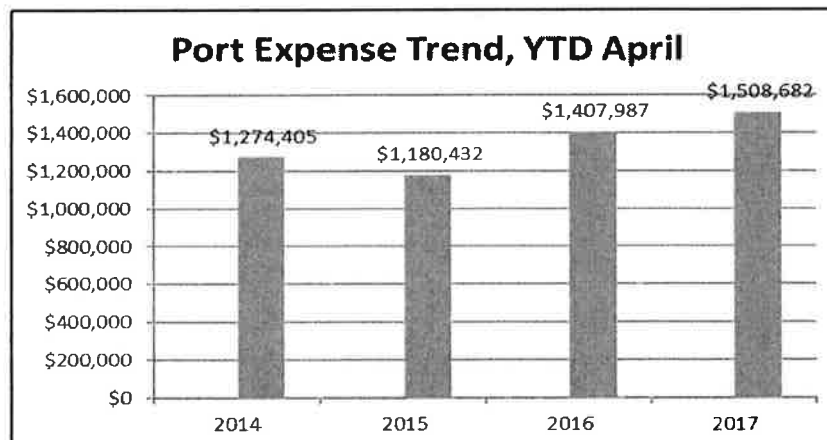
Executive Director's Recommendation:

For review.

DATE: June 7, 2017
TO: Commissioners and Directors
FROM: Abigail Berg, Director of Finance & Administration
CC: na
SUBJECT: Port Operating Results as of April 30, 2017



YTD Operating Revenues are \$82,079 less than the previous year, and short of budgeted amounts by 6.8%, although the new rates did not go into effect until April 1 (for Marinas & RV Parks) and May 1 (Yard). Utilities are the only revenue line item above budget at 36.3%.



Through April 2017 Operating Expenses are at 30.5% of total budget. Compared to the previous year, total Operating Expenses are up by \$100,695. Cost of Goods – Fuel is the only expense ahead of budget, but only by 2% or \$234. The remaining Operating Expense line items are below budget.

Before depreciation, Net Operating Income is \$75,986 and after depreciation, there is a loss of \$455,588. When including Non-Operating Revenues and Expenses, there is a Net Loss of \$220,791. This exceeds the previous year by \$285,140. The YTD loss increased by \$18,573 in April when compared to March.

In March, the Port expended \$13,447 in WIP (capital project "Work in Progress") which was primarily for the sales tax owed on the Commercial Basin Breakwater Repair project.

There were no bond payments, principal or interest, obligated or paid this month. However, the following Debt Service payments will be due in the next three months:

- May 1st - \$209,372 principle and interest for 2013 Jr. Lien Revenue Bond
- June 1st - \$108,819 interest for 2010 LTGO Bond
- July 1st - \$431,351 principle and interest for both the 2006 LTGO and 2015 LTGO Bonds
- July 31st - \$52,750 principle and interest on CERB loan (*final payment*)

Together these debt service payments total \$802,291. No further debt service will be due until November (\$209,372) and December (\$368,819).

End of month, the cash and investment balances were \$3,011,409, up \$424,684 from March. Of that cash and investment balance \$792,234 are reserves leaving a \$2,219,175 in unreserved cash and investment balances.

Port of Port Townsend
Summary of Operating & Non-Operating Revenues & Expenses
2017 Activity with Comparison to Prior Year and Budget

	Actual thru April 30, 2016	Actual thru April 30, 2017	Variance year to year	2017 Budget	% Actual to Budget at 33% of year
REVENUES					
Marinas and RV Parks	682,892	661,533	(21,358)	2,660,000	24.9%
Yard Operations	525,497	442,635	(82,862)	1,764,924	25.1%
Property Leases & Use	359,609	371,290	11,681	1,215,000	30.6%
Fuel Sales & Leases	8,518	10,528	2,010	50,000	21.1%
Ramp Use	15,200	15,201	1	55,000	27.6%
Utilities	75,030	83,480	8,450	230,076	36.3%
Total Operating Revenues	1,666,746	1,584,667	(82,079)	5,975,000	26.5%
OPERATING EXPENSES					
Personnel	893,850	989,036	95,186	3,006,270	32.9%
Outside Services	100,703	117,113	16,410	443,310	26.4%
Facilities & Operations	213,054	225,529	12,475	805,809	28.0%
Utilities	158,312	156,703	(1,608)	554,180	28.3%
Marketing	19,465	10,229	(9,237)	54,450	18.8%
Economic Development	12,500	-	(12,500)	40,000	0.0%
Travel & Training	7,275	5,527	(1,748)	30,000	18.4%
Cost of Goods - Fuel	2,828	4,234	1,406	12,000	35.3%
Community Relations	-	310	310	4,000	7.8%
Total Operating Expenses	1,407,987	1,508,682	100,695	4,950,019	30.5%
Income from Operations w/o Depr	258,759	75,986	(182,774)	1,024,981	7.4%
Depreciation Expense	509,718	531,574	21,855	1,585,632	33.5%
Income (Loss) from Operations w/Depr	(250,959)	(455,588)	(204,629)	(560,651)	81.3%
Non-Operating Revenue					
Capital Contributions/Grants	83,111	8,482	(74,629)	168,750	5.0%
Interest	1,842	5,657	3,815	38,000	14.9%
Property & other taxes	347,082	331,672	(15,410)	1,020,000	32.5%
Miscellaneous Non-Operating Revenue	7,703	16,727	9,024	16,200	103.3%
Total Non-Operating Revenues	439,738	362,539	(77,199)	1,242,950	29.2%
Non-Operating Expenses					
Bond Interest	124,348	118,191	(6,157)	369,339	32.0%
Bond Mgmt, Issuance, Investment	83	9,551	9,468	154,940	6.2%
Election Expense	-	-	-	17,340	0.0%
Total Non-Operating Expenses	124,430	127,742	3,312	541,619	23.6%
Net Non-Operating Income(Expense)	315,307	234,797	(80,511)	701,332	33.5%
Net Income (Loss)	64,349	(220,791)	(285,140)	140,680	-156.9%