



**Port of Port Townsend
2nd Monthly Meeting Agenda
Wednesday, September 22, 2021, 5:30 p.m.**

Via <https://zoom.us/> – or call (253) 215-8782 – and use Webinar ID: 862 6904 3651, Password: 911887
This meeting will only be accessible remotely, as per Governor's Proclamation 20-28.

Agenda

- I. Call to Order / Pledge of Allegiance
 - II. Approval of Agenda
 - III. Public Comments
 - IV. Consent Agenda
 - A. Approval of Workshop and Business Meeting Minutes from September 8, 20211-6
 - B. Approval & Ratification of Warrants 7-21
 - C. Sunrise Coffee Lease 22-38
 - D. Accounts Receivable Write-Off/Collection Register 39
 - V. Special Presentation: Staff Recognition – Tim Nelson..... 40
 - VI. Second Reading ~ none
 - VII. First Reading
 - A. 1st Draft of 2022 Budget with CIP & Proposed Rates41-62
 - VIII. Regular Business
 - A. PIF Grant Application..... 63-87
 - IX. Staff Comments
 - X. Commissioner Comments
 - XI. Next Regular Business Meeting: Wednesday, October 13, 2021
Workshop at 9:30 a.m. & Meeting at 1:00 p.m., via Zoom
 - XII. Executive Session – none as of 9/17/2021
 - XIII. Adjournment
-
- Informational Items 88
- a. Lease Briefing..... 89-90
 - b. Commission Contracts Update91
 - c. Amendment to Port of Port Townsend Rules & Regulations 92-96

PORT COMMISSION PUBLIC WORKSHOP – September 8, 2021

The Port of Port Townsend Commission met for a Public Workshop online via Zoom

Present: Commissioners Hanke, Petranek & Putney
Executive Director Berg
Finance Director Berg
Port Engineer & Director of Capital Projects Love
Recorder Erickson

I. CALL TO ORDER:

Commissioner Hanke opened the Workshop at 9:30 a.m.

II. AGENDA:

- 2022 preliminary recommendations for regular property tax levy and IDD tax levy with Jefferson County Assessor, Jeff Chapman

III. ADJOURNMENT:

The Workshop adjourned at 11:00 a.m.

ATTEST:

Pamela A. Petranek, Vice President

William W. Putney III, Secretary

Peter W. Hanke, President

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, September 8, 2021

The Port of Port Townsend Commission met for a regular business session via Zoom online.

Present via Zoom online video: Commissioners Hanke, Petranek and Putney
Executive Director Berg
Deputy Director Toews
Finance Director Berg
Port Engineer Love
Port Recorder Erickson
Port Attorney Woolson

- I. CALL TO ORDER (00:00:02): Commissioner Hanke called the meeting to order at 1:02 p.m.
- II. APPROVAL OF AGENDA (00:00:24)
Commissioner Putney moved to accept the agenda as presented; Commissioner Petranek seconded, and motion was approved unanimously.
- III. PUBLIC COMMENTS (00:00:49) - none
- IV. CONSENT AGENDA (00:00:58)
 - A. Approval of Workshop and Regular Meeting Minutes from August 11, 2021.
 - B. Approval & Ratification of Warrants:
Warrant #064101 in the amount of \$434.09 for Accounts Payable.
Warrants #064102 through #064108 in the amount of \$11,432.41 and Electronic Payment in the amount of \$83,548.48 for Payroll & Benefits.
Electronic Debit in the amount of \$17,196.54 for Combined Excise Tax Return.
Warrants #064109 through #064152 in the amount of \$338,394.72 for Accounts Payable.
Warrants #064153 through #064163 in the amount of \$38,161.86 and Electronic Payment in the amount of \$159,942.32 for Payroll & Benefits.
Warrants #064164 through #064215 in the amount of \$96,583.08 for Accounts Payable.
Warrants #064013 for \$483.00 and #064116 for \$928.14 are declared void.
 - C. Jefferson County Land Lease (333 Benedict Street)
 - D. Collective Bargaining Agreement Amendment**Commissioner Putney moved to accept the Consent Agenda as presented; Commissioner Petranek seconded, and motion was approved unanimously.**
- V. SECOND READING (none)
- VI. FIRST READING (none)
- VII. REGULAR BUSINESS (00:01:28)
 - A. July Year-to-date Financial Report
Finance Director Berg referred to her report showing that the final payment of approximately \$570,000 to Scarcella Brothers will be made this month from unreserved cash. Commissioner Petranek asked about the grant award from FAA to help fund half of the overlay work on the JCIA Runway 9/27 Reconstruction Project. Ms. Berg explained that although that has been awarded to the Port, the Port must first pay the full price and then 50% of the payment (or about \$280,000) would be returned to us.
Ms. Berg noted the list of 2021 Capital Project Expenses that add up to almost \$400,000; with five of those projects being done by Port staff. She then noted the 2021 Capital Purchases, most notably the down payment (35% deposit is \$214,288) for the 75-ton Travelift. The purchased equipment is slated to be delivered and assembled early in 2022 with balance (close to \$400,000) due upon delivery.

Commissioner Hanke asked about plans for the old Travelift. Executive Director Berg explained that there were basically three alternatives: (1) keep the old 70-ton lift as a back-up unit (for the shelter and other areas that are only assessable with that lift) until we can no longer find parts to fix it; (2) surplus it and buy a hydraulic trailer to serve that same purpose and tight-pack storage vessels; (3) surplus it and not buy the trailer, and let those who own those spots to purchase a dolly to get the boats into their buildings.

Finance Director Berg said other capital purchases—two Gator trailers and a forklift costing \$100,000 together—are on order and due to be delivered in December.

Ms. Berg reviewed ending cash balances compared year-to-year with a growth of \$2.7 million overall, IDD increased \$1 million, other cash reserves increased by \$874,000, and unreserved cash & investments increased by \$847,000. Commissioner Putney asked Ms. Berg if she was happy with the reserve account balances. She responded that she is really pleased that the Port has this program in place and has reserves. She said it would be a good idea to take another look at Port-wide capital reserves to see if they can be tied to future projects, with a target set that focuses on the cost of those future projects. Executive Director Berg said one example is the fueling facilities at the Port have predictable future-year replacement costs, and neither operation generates enough revenue to support that. He thought future contracts for operations should ensure that these facilities fully cover the cost of maintaining their own infrastructure needs.

Finance Director Berg noted that on the financial statement she had added a column for 2019 because 2020 was an anomaly year and having 2019 to compare to gives a better sense of how 2021 is going. She said that overall, 2021 is looking very healthy with Port revenues, and the Port is doing well in expenses this year compared to budget and compared to last year. She said although our bottom line is strong, she would still be a little conservative for the next year because there still seem to be COVID-related issues that are unknown for the future.

Commissioner Hanke asked what Finance Director Berg meant when she said she would be conservative—since there is significant growth and revenues are good now, would she be using similar figures to 2021? She responded that although it's difficult to say, she'd be conservative with revenue predictions and keep expenses down as much as possible. She mentioned that the Port also needs to keep projects in mind, for example the Point Hudson Jetty. Since contractors will access the jetty project through the RV park, this capital project at Point Hudson will affect Port revenue.

Executive Director Berg said there was less variability on the moorage revenues than on the yard revenues, and he would recommend a conservative estimate of revenue and expenditures, recognizing that things shift, and although things are going well now, that could change. He said Port tenants were seeing increases commensurate with current rates when their leases are renewed, and he felt that lease costs should support maintenance of the buildings being rented. He then said he felt that the Port should step up its building maintenance; we own 35 buildings and should get into the habit of working on five buildings every year to keep pace with degradation. Commissioner Putney agreed and said that in addition to buildings, big assets like the jetties could also have a fund for maintenance. He was pleased that the Port is doing so well as opposed to four years ago. Commissioner Petranek asked if Port maintenance and replacement plans could be included in future budgets in an outline format that would include the years and costs. Mr. Berg responded that it would be technically feasible, staff could work on this; he'd like to tie these costs back to Port-wide capital as a recurring line item.

Port Engineer Love estimated the Port spends \$100,000 per year in building maintenance; and felt that although it's difficult to know what costs will be or when building maintenance will be required, the Port could just start this program and adjust as needed. An example he gave was

that \$70,000 was budgeted for maintenance on the two Sperry Buildings, and the Port spent way less because Port Maintenance staff were used. He suggested it was possible to plan ahead, knowing roofs, for instance, have 40-year life spans, so an account could be set up and added to with the estimated cost of replacement as a goal, accounting for inflation.

Commissioner Petranek asked if things like LTGO bond could be labeled on the budget so she could easily see what they're for. She then asked how the Port uses/applies the Consumer Price Index (CPI) in our budget. Ms. Berg replied that the Port is contractually obligated by our Collective Bargaining Agreement to give up to 5% salary increases based on CPI; this means that the Port should also increase revenues by about the same amount to balance accounts. Ms. Petranek asked if the CPI were an average, and Executive Director Berg said the Port uses a June-to-June CPI-U for Seattle, Bremerton, Tacoma for a Cost-of-Living Adjustment (COLA) in January of the following year. Asked if there were another comparative value to use for Ports, Port Attorney Woolson said that other than CPI for COLAs and rates, he only knew of using fair market value adjustments in leases.

Commissioner Petranek asked whether the Port could pass on the credit card fees to customers, since these fees are adding up to large amounts, and she said that some Ports and our County and City charge customers for credit-card fees. Commissioner Putney said it would be difficult to compare our Port to other Ports. Commissioner Hanke said that people were using cards more because they are getting rewards from the card companies; he felt that passing along the fees we pay is not unusual. Finance Director Berg said that with the onset of using the Molo software we're paying more because there's an added Molo fee for online charges; she agreed that passing this fee along to the customer might be a good idea. Executive Director Berg suggested that the Port do a bit of research to characterize the nature of our customers, because, for example, if 90% of the Port's customers are using credit cards, rather than passing along a credit card fee, we might want to raise rates instead, and offer a discount for those who don't use a credit card. Commissioner Putney suggested that perhaps the Port of Port Angeles might be a good Port to ask how they handle this. Ms. Berg said she would reach out to the WPPA Finance Directors group with the question.

B. Resolution 752-21: Meeting Procedures – eliminate the need for seconding a motion (00:48:42)

Executive Director Berg said the Commission had asked for this change to the meeting procedures. With this change, any Commissioner could pose a question to be voted on; once a motion is made then there would be discussion, potential amendments to the motion, and then ultimately a vote could be taken on the motion.

Commissioner Petranek said she thought this might allow all Commissioners a voice, and it would speed up the process because many agenda items are more routine; she thought this idea seemed reasonable for a three-person commission.

Commissioner Putney said that it rarely happened, but currently, when a motion doesn't get a second, that idea is not discussed. He said that once a motion is seconded, the three-person commission has basically voted. However, without a second needed, the commission would have better discussions after the motion and before taking a vote.

Commissioner Hanke said that without a second needed, any idea could get the right to be heard, and he knew of some goofy things came forward at Commission meetings in the past. He said that seconding a motion doesn't preclude a majority vote or passage of the motion. In this way, requiring a second could be good for brevity, too, because it would keep the Commission focused. He said he was leaning towards keeping the second as a stopgap to ensure the commission focuses on the things that truly matter.

Commissioner Petranek asked if the Commission chair could keep the Commission focused and on topic. Commissioner Putney said the Chair has a lot of authority and they can use it to move the collegiality of the commission forward. He felt that it was worth the effort to

discuss ideas during a meeting because Commissioners can't talk outside the meeting and agree upon a way forward through opposing viewpoints. Commissioner Petranek stated that the intent for making a motion on an agenda item was for an opportunity to present something and be heard, and of course the other two Commissioners can weigh in and a vote can be taken, but to shut down a Commissioner before being heard doesn't seem to be a welcoming way for three Commissioners to work together.

Commissioner Petranek moved to approve Resolution 752-21 changing meeting procedures to eliminate the need for seconding a motion; Commissioner Putney seconded, and motion passed unanimously.

IX. STAFF COMMENTS (01:05:54)

Executive Director Berg commented that under Informational Items on the agenda there was a new Lease Briefing showing what the Port is working on, which he hoped would help the Commission stay up to date with leases and know what to expect at upcoming meetings.

Mr. Berg then spoke about the potential for boatyard expansion both to the north and west; investing \$2.7 million would allow the Port to grow the yard by 3.7 acres on a two-year time frame. This is something that he hoped the Commission could talk in more detail about to see if they'd like to go forward with preliminary plans and permitting. This could be a PUD/City/Port partnership, with each contributing funds. He asked Commission if they were supportive of using this mega joint project for a PIF funding application. Commissioners agreed that because of the real need for expanding our yard, and how this would positively affect marine trades jobs this would be a good PIF request, despite PIF funding being limited.

Mr. Berg reported that the Yard is fuller than usual and Port staff is worrying about capacity as we move into October; the Director of Capital Projects / Port Engineer recruitment is not going well; and the 2021 Wooden Boat Festival was cancelled. He said he had talked with Jake Beattie about the timing of Wooden Boat Festival during construction years. Port staff are puzzling over what to do about timing for the Point Hudson Jetty work as it appears that we may receive permitting to start the project in 2022, and currently there are no reservations after January of 2022, which means we are a couple of months away from deciding on the 2022 reservation model, with things to consider like access for SEA Marine's lift, and the impact of the construction noise, lights, and vibratory hammer on RV guests. One factor of the timing is the Festival which is during the best construction window, and the timing of the Festival affects direct Port revenue, marina businesses, and Main Street revenues, too.

Commissioner Hanke said that the last time we discussed Jetty construction, the misstep was in not planning with those businesses that were affected. He suggested that the Port could avoid a lot of community upset if we're proactive in addressing this upfront as we try to make this work.

Commissioner Petranek agreed that the Port needs to be really proactive and suggested that Executive Director Berg meet out at Point Hudson with community members to get input.

Commissioner Putney remembered a meeting at the PTYC that was really constructive, where businesses gave suggestions about how to work around some problems; having different bids based on timing for construction was helpful. The Commission suggested Mr. Berg speak with each Point Hudson tenant and give them all a chance to weigh in; later they could be invited to a public workshop with the Commission. Mr. Berg said he would plan to meet with Point Hudson tenants this week, then an outdoor meeting with the community to listen to questions and concerns on the issue of jetty construction timing.

Port Engineer Love said the Point Hudson Jetty permits are headed in the right direction in terms of timing. The cost of steel has gone up 20-40% which will affect the cost of the Jetty, depending on the price at the time contractors bid the project. He said that if the number of construction constraints are reduced on the contractors, they can be more creative with their bids – allowing a summer construction window, for instance, would be less expensive than starting in September

and ending in February; however the Port would lose more in revenue to clear the marina during the summer months.

Mr. Love said that he has had conversations with NOAA regarding the Boat Haven Breakwater repair and if the Port replaces 20 creosote piles with 20 steel piles and removes 40 derelict vessels from Puget Sound, it could offset the environmental impact. American Construction could still be able to do the work, depending on when we get permitting.

He reported that the Pavilion Building HVAC bids are due September 14; the Port estimates the cost to be \$60,000.

Deputy Director Toews commented that he had submitted a Boating Infrastructure Grant (BIG) Tier II application to replace 1,035 feet on the long east-west section of the linear dock, which is estimated to cost \$2.7 million, a portion of which is fundable. If awarded, 67% of this project would be Port funded. This grant has a long lead time: we will hear back in late spring 2022, possibly get the grant in summer, bids in fall, with project predicted to finish by end of 2024.

X. COMMISSIONER COMMENTS (01:37:23)

Commissioner Petranek commented on the EDC Director hiring process – there were a total of nine applicants. The Public Sector Cabinet with the four administrators along with the EDC Executive Board and the 4 elected representatives reviewed applications and pared this list down to four finalists who will be interviewed by a panel mid-October. EDC has added five new board members from District 2 and 3. Other updates were:

- She will participate in KPTZ’s “Our Working Waterfront” interview this week that will focus on four marine trades people who achieved the 2021 Lifetime Achievement Award (Diana Talley, Jim Franken, David King and Jake Jacobsen). This episode will be aired on Friday at noon.
- There is a new Port Townsend Maritime magazine that will be available at Port offices; go to PTMaritime.us to check it out.
- She attended the Marine Resource Committee last night and learned of a new app called “My Coast” that allows mariners to take photos of problems they see (derelict boats, floating flotsam, shoreline changes) note its location, and send this information in.

Commission Putney said he had been keeping up with the broadband issues; the PUD is going forward with some projects on that front. He asked Executive Director Berg if there were a Port emergency or business contingency plan? Mr. Berg responded that this is still in the works. Mr. Putney asked about the WPPA Small Ports Seminar and who was going, saying that he didn’t feel safe attending in person, and didn’t know if a virtual seminar would be offered.

XI. Next Regular Business Meeting: Wednesday, September 22, 2021, at 5:30 p.m., via Zoom

XII. Executive Session: none.

XIII. Adjournment: Meeting was adjourned at 2:50 p.m. there being no further business before the Commission.

ATTEST:

Peter W. Hanke, President

William W. Putney III, Secretary

Pamela A. Petranek, Vice President



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the material has been furnished, the labor performed and the services provided, as described herein, and that this claim is a just and unpaid obligation of the Port of Port Townsend, and that this claim, in Warrant No. **064208** in the amount of **\$4,902.48** is declared **void** on this on this **22nd** day of **September, 2021**.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner William W. Putney III

S. Abigail Berg, Director of Finance
And Administration

Manual Check and Payment Register
Journal Posting Date: 9/9/2021
Register Number: MC-000260

Port of Port Townsend (PTA)

Bank: W WARRANTS PAYABLE

Check Number/ Invoice Number	Check Date Invoice Date	Vendor Number Invoice Amount	Discount	Distribution Amount	Check Amount
0000064208	REV 9/8/2021	SNO040 Lawerence Snow			4,902.48
Check Comment: Custmr filed CC dispute - refunded by CC					
CK000006420801					
	9/8/2021	4,902.48-	0.00		
G/L Account: 112-1000-00		ACCOUNTS RECEIVABLE - TENANTS		4,902.48-	
Bank W Total:		4,902.48-	0.00	4,902.48-	4,902.48-
Report Total:		4,902.48-	0.00	4,902.48-	4,902.48-



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WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the labor performed and the services provided, as described herein, and that the claim is a just and unpaid obligation of the Port of Port Townsend, and that this claim, in Warrant No. 064216 is approved for payment in the amount of \$86,352.00 is ratified

Signed and Authenticated on this 22nd day of September, 2021.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner William W. Putney III

S. Abigail Berg, Director of Finance
And Administration

Check Register**Journal Posting Date: 9/13/2021****Register Number: CD-000878****Port of Port Townsend (PTA)**

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064216	9/13/2021	ALL080	Alliant Insurance Services, Inc - NPB Main				Check Entry Number: 001
			1742544	9/1/2021	86,352.00	0.00	86,352.00
Report Total:					86,352.00	0.00	86,352.00

Check Entry Number: 001



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Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims is a just, due and unpaid obligation of the Port of Port Townsend, that I am authorized to authenticate and certify to said claim and that these claims, in Warrant No 064217 through No. 064260, are approved for payment in the amount of \$91,698.33 on this 22nd day of September, 2021.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner William W. Putney III

S. Abigail Berg, Director of Finance
And Administration

Check Register
Journal Posting Date: 9/22/2021
Register Number: CD-000879

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE						
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied Payment Amount
0000064217	9/22/2021	ADL050	Adler Tank Rentals			Check Entry Number: 001
			4550811	8/31/2021	1,167.16	1,167.16
0000064218	9/22/2021	ADM002	Admiral Ship Supply Inc.			Check Entry Number: 001
			8/31/21 STATEMENT	8/31/2021	2,775.88	2,775.88
0000064219	9/22/2021	ALO010	Aloha Plumbing Inc			Check Entry Number: 001
			050671	9/15/2021	8,000.00	8,000.00
0000064220	9/22/2021	BAN005	Bank of America			Check Entry Number: 001
			9/5/21 STATEMENT	9/5/2021	2,659.43	2,659.43
0000064221	9/22/2021	CAR001	Carl's Building Supply			Check Entry Number: 001
			8/31/21 STATEMENT	8/31/2021	181.63	181.63
0000064222	9/22/2021	CEN010	Central Welding Supply			Check Entry Number: 001
			PT 138113	9/13/2021	76.89	76.89
0000064223	9/22/2021	CEN030	CenturyLink			Check Entry Number: 001
			9/1/21 STATEMENT	9/1/2021	125.00	125.00
0000064224	9/22/2021	COA050	Mott MacDonald			Check Entry Number: 001
			100339-23	9/13/2021	14,091.50	14,091.50
0000064225	9/22/2021	COO050	Cooper Fuel			Check Entry Number: 001
			9/1/21 STATEMENT	9/1/2021	1,245.00	1,245.00
0000064226	9/22/2021	COW020	Cowling and Co. LLC			Check Entry Number: 001
			267	6/30/2021	1,363.20	1,363.20
			268	6/30/2021	2,044.80	2,044.80
			269	6/30/2021	2,044.80	2,044.80
			273	6/30/2021	1,113.60	1,113.60
			310	7/31/2021	144.00	144.00
			311	7/31/2021	681.60	681.60
			312	7/31/2021	1,363.20	1,363.20
			313	7/31/2021	2,899.20	2,899.20
			355	8/31/2021	1,884.00	1,884.00
			356	8/31/2021	1,161.60	1,161.60
			357	8/31/2021	8,388.74	8,388.74
Check 0000064226 Total:					23,088.74	23,088.74
0000064227	9/22/2021	DIE030	Everett Diehl			Check Entry Number: 001
			REFUND 9/6/2021	9/6/2021	449.99	449.99
0000064228	9/22/2021	DIR070	DirecTV			Check Entry Number: 001
			075436554X210828	8/27/2021	419.50	419.50
0000064229	9/22/2021	FER001	Ferrellgas			Check Entry Number: 001
			5006506431	8/26/2021	409.45	409.45
0000064230	9/22/2021	FIS020	Fish N Hole			Check Entry Number: 001
			5596797	9/13/2021	49.00	49.00
0000064231	9/22/2021	FOX050	Patrick Fox			Check Entry Number: 001
			REFUND 9/10/21	9/10/2021	67.20	67.20
0000064232	9/22/2021	GEE050	Peter Geerlofs			Check Entry Number: 001
			REFUND 9/10/21	9/10/2021	70.72	70.72
0000064233	9/22/2021	GUA080	Guardian Security Systems, Inc.			Check Entry Number: 001
			1143049	6/29/2021	1,052.03	1,052.03
			1150290	7/1/2021	147.29	147.29
			1158655	8/1/2021	147.29	147.29
Check 0000064233 Total:					1,346.61	1,346.61
0000064234	9/22/2021	JAM040	Jamestown Networks			Check Entry Number: 001
			6630	9/1/2021	548.00	548.00

Run Date: 9/15/2021 4:39:01PM
A/P Date: 9/22/2021

Page: 1
User Logon: DLF

Check Register
Journal Posting Date: 9/22/2021
Register Number: CD-000879

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064235	9/22/2021	JC0003	Jefferson County - Public Work				Check Entry Number: 001
			8/31/2021 STATEMENT	8/31/2021	1,402.84	0.00	1,402.84
0000064236	9/22/2021	KIT001	Kitsap Tractor & Equipment				Check Entry Number: 001
			IK33749	8/5/2021	62.73	0.00	62.73
			IK33749A	8/10/2021	826.20	0.00	826.20
			Check 0000064236 Total:		888.93	0.00	888.93
0000064237	9/22/2021	LEM040	Lemay Mobile Shredding				Check Entry Number: 001
			4714418	9/1/2021	12.88	0.00	12.88
0000064238	9/22/2021	LES050	Les Schwab				Check Entry Number: 001
			37900459477	8/4/2021	1,773.83	0.00	1,773.83
0000064239	9/22/2021	MUR002	Murrey's Disposal Co. Inc.				Check Entry Number: 001
			9/1/2021 STATEMENTS	9/1/2021	9,291.49	0.00	9,291.49
0000064240	9/22/2021	NEL020	Timothy Nelson				Check Entry Number: 001
			UNIFORM 9/7/21	9/7/2021	74.98	0.00	74.98
0000064241	9/22/2021	NOR001	North Coast Electric Co				Check Entry Number: 001
			S011155046.001	8/31/2021	153.63	0.00	153.63
			S011158020.002	9/1/2021	262.84	0.00	262.84
			S011158020.003	9/1/2021	268.69	0.00	268.69
			S011158020.0041	9/1/2021	471.40	0.00	471.40
			Check 0000064241 Total:		1,156.56	0.00	1,156.56
0000064242	9/22/2021	OES001	OESD 114				Check Entry Number: 001
			2122000065	9/15/2021	4,029.00	0.00	4,029.00
0000064243	9/22/2021	OLY001	Olympic Equipment Rentals Inc				Check Entry Number: 001
			281166	9/1/2021	10.33	0.00	10.33
			281379	9/3/2021	130.85	0.00	130.85
			Check 0000064243 Total:		141.18	0.00	141.18
0000064244	9/22/2021	OLY002	The Home Depot Pro Institutional				Check Entry Number: 001
			8/27/21 STATEMENT	8/27/2021	143.35	0.00	143.35
0000064245	9/22/2021	OLY003	Olympic Springs, Inc.				Check Entry Number: 001
			91607356	9/22/2021	26.02	0.00	26.02
0000064246	9/22/2021	PAC004	Pacific Office Equipment Co				Check Entry Number: 001
			8/31/21 STATEMENT	8/31/2021	392.22	0.00	392.22
0000064247	9/22/2021	PEN060	Peninsula Pest Control, Inc				Check Entry Number: 001
			57922	9/10/2021	545.50	0.00	545.50
0000064248	9/22/2021	PET055	Doug Peterson				Check Entry Number: 001
			REFUND 09/03/2021	9/3/2021	737.85	0.00	737.85
0000064249	9/22/2021	POR005	Port Townsend Leader				Check Entry Number: 001
			107973	8/25/2021	1,053.00	0.00	1,053.00
0000064250	9/22/2021	POR065	Port of Port Townsend				Check Entry Number: 001
			E DIEHL PTBH	9/6/2021	181.20	0.00	181.20
			G JONES 117.77	9/22/2021	117.77	0.00	117.77
			MANDER PTBH	9/6/2021	265.73	0.00	265.73
			Check 0000064250 Total:		564.70	0.00	564.70
0000064251	9/22/2021	PUD005	PUD #1 of Jefferson County				Check Entry Number: 001
			9/10/2021 STATEMENT	9/10/2021	40.51	0.00	40.51
0000064252	9/22/2021	QUI001	Quill Corporation				Check Entry Number: 001
			19191001	8/31/2021	13.74	0.00	13.74
			19226362	8/31/2021	16.04	0.00	16.04
			Check 0000064252 Total:		29.78	0.00	29.78

Run Date: 9/15/2021 4:39:01PM
A/P Date: 9/22/2021

Page: 2
User Logon: DLF

Check Register

Journal Posting Date: 9/22/2021

Register Number: CD-000879

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064253	9/22/2021	SAF001	Safeway, Inc.				Check Entry Number: 001
			9/4/21 STATEMENT	9/4/2021	1,971.84	0.00	1,971.84
0000064254	9/22/2021	SAL060	Saltchuck Resources Inc.				Check Entry Number: 001
			REFUND 9/3/21	9/3/2021	3,644.78	0.00	3,644.78
0000064255	9/22/2021	SEC010	Security Services				Check Entry Number: 001
			117921	9/1/2021	190.85	0.00	190.85
0000064256	9/22/2021	TAC001	Tacoma Screw Products, Inc				Check Entry Number: 001
			140019407-00	9/9/2021	494.70	0.00	494.70
0000064257	9/22/2021	TER030	Terrapin Architecture PC				Check Entry Number: 001
			21-306	9/1/2021	877.93	0.00	877.93
			21-320	9/8/2021	2,154.64	0.00	2,154.64
Check 0000064257 Total:					3,032.57	0.00	3,032.57
0000064258	9/22/2021	ULI040	ULINE				Check Entry Number: 001
			138082692	8/31/2021	1,361.78	0.00	1,361.78
0000064259	9/22/2021	US0001	United States Postal Service				Check Entry Number: 001
			3RD QTR 2021	9/22/2021	1,500.00	0.00	1,500.00
0000064260	9/22/2021	VEN070	VenTek International				Check Entry Number: 001
			128634	9/1/2021	425.49	0.00	425.49
Report Total:					91,698.33	0.00	91,698.33



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the labor performed and the services provided, as described herein, and that the claim is a just and unpaid obligation of the Port of Port Townsend, and that this claim, in Warrant No. 064261 is approved for payment in the amount of \$15,000.00 on this 22nd day of September, 2021.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner William W. Putney III

S. Abigail Berg, Director of Finance
And Administration

				Bank Code: W - WARRANTS PAYABLE			
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
0000064261	9/22/2021	ECO002	EDC Team Jefferson				
		0121					
				8/31/2021	15,000.00	0.00	15,000.00
				Report Total:	15,000.00	0.00	15,000.00

Check Entry Number: 001



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Administration: (360) 385-0656
3988

Operations: (360) 385-2355

Fax: (360) 385-

WARRANT/ELECTRONIC PAYMENT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, and that the claims are just, due and unpaid obligations against the Port of Port Townsend, that we are authorized to authenticate and certify to said claim and that payment of these claims, in Warrant No 064262 through No. 064269 generated on July 15th, 2021 in the amount of \$26,124.38 and Electronic Payment in the amount of \$96,951.68, for a total amount of \$123,076.06 **is ratified.**

Signed and Authenticated on this 22nd day of September, 2021.

For: **Payroll and Benefits**

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner William W. Putney III

S. Abigail Berg, Director of Finance
And Administration



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ELECTRONIC DEBIT – Kitsap Bank

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claim is a just, due and unpaid obligation of the Port of Port Townsend, that we are authorized to authenticate and certify said claim, and that the Electronic Debit from the Port Checking Account held at Kitsap Bank is approved for payment in the amount of **\$16,864.34 is ratified.**

Signed and Authenticated on this **22nd** day of **September**, **2021**.

For: Washington State, Department of Revenue
Combined Excise Tax Return – for **August, 2021** in the amount of
\$16,864.34.

Commissioner Pete W. Hanke

Commissioner Pam Petranek

Commissioner William W. Putney III

S. Abigail Berg, Director of Finance
and Administration

Washington State Department of Revenue

Your Return has been submitted and your confirmation number is **0-022-318-001**

Below is information from your Monthly Return for the period ending August 31, 2021

Filing Date	September 16, 2021
Account ID	161-000-044
Primary Name	BOAT HAVEN FUEL DOCK
Payment Method	ACH Debit/E-Check
Payment Effective	September 20, 2021
Total Tax	16,864.34
Total Due	16,864.34



Combined Excise Tax Return

161-000-044
BOAT HAVEN FUEL DOCK
PORT OF PORT TOWNSEND

Filing Period: August 31, 2021

Due Date: September 27, 2021

Filing Frequency: Monthly

Business & Occupation

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retailing	120,030.54	0.00	120,030.54	0.004710	565.34
Service and Other Activities (\$1 million or greater in prior year)	177,186.13	0.00	177,186.13	0.017500	3,100.76
Total Business & Occupation					3,666.10

State Sales and Use

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retail Sales	120,030.54	0.00	120,030.54	0.065000	7,801.99
Use Tax	6,696.88	0.00	6,696.88	0.065000	435.30
Total State Sales and Use					8,237.29

Public Utility Tax

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Other Public Service Business	11,300.16	0.00	11,300.16	0.019260	217.64
Water Distribution	1,410.70	0.00	1,410.70	0.050290	70.94
Total Public Utility Tax					288.58

Deductions

Tax Classification	Deduction	Amount
Business & Occupation		
Retailing	Motor Vehicle Fuel Tax	0.00
State Sales and Use		
Retail Sales	Motor Vehicle Fuel Sales	0.00

Local City and/or County Sales Tax

Location	Taxable Amount	Tax Rate	Tax Due
1600 - JEFFERSON COUNTY	616.00	0.026000	16.02
1601 - PORT TOWNSEND	119,414.54	0.026000	3,104.78
Total Local City and/or County Sales Tax			3,120.80

Local City and/or County Use Tax/Deferred Sales Tax

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	6,696.88	0.026000	174.12
Total Local City and/or County Use Tax/Deferred Sales Tax			174.12

Transient Rental Income

Location	Income
1601 - PORT TOWNSEND	68,872.68
Total Transient Rental Income	
	68,872.68

Special Hotel/Motel

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	68,872.68	0.020000	1,377.45
Total Special Hotel/Motel			1,377.45

Total Tax	16,864.34
Subtotal	16,864.34
Total Amount Owed	16,864.34

Prepared By:	Donna Frary
E-Mail Address:	donna@portofpt.com
Submitted Date:	9/16/2021
Confirmation #:	0-022-318-001

Payment Type:	ACH Debit/E-Check
Amount:	\$16,864.34
Effective Date:	9/20/2021

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	September 22, 2021		
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational		
AGENDA TITLE	IV.C. Lease Agreement – Sunrise Coffee Company, Ltd.		
STAFF LEAD	Eric Toews, Deputy Director		
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion		
ATTACHMENTS	1. Info Memo 2. Summary of Key Terms 3. Sunrise Coffee Co. Lease Agreement with Exhibit 'A'		

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 9/14/2021
TO: Port Commission
FROM: Sue Nelson, Lease & Contracts Administrator, and Eric Toews, Deputy Director
SUBJECT: Proposed Lease Agreement – Sunrise Coffee Company, Ltd.

ISSUE: Should the Commission authorize the Executive Director to enter into a new lease agreement with Sunrise Coffee Company?

BACKGROUND: Sunrise Coffee is located at 308 - 10th Street, occupying two-thirds of a building shared with the Port Townsend Furniture Clinic. The current lease with Sunrise Coffee, which commenced on September 20, 2012, expires on September 30, 2021. Bill Curtsinger and Sue Ohlson, owners of Sunrise Coffee Company, would like to enter into a new long-term lease agreement with the Port to secure the future of their business. The proposed lease is for building space and an adjacent outdoor dining area.

DISCUSSION: The 2012 lease rate was based on the rate applied to industrial buildings. The proposed new lease acknowledges that a portion of the premises is also used for retail commercial purposes. Accordingly, the lease presented reflects a “blended” rate for industrial and commercial use. The proposed lease term is ten (10) years, with two (2) subsequent five (5) year optional renewal periods. Mr. Curtsinger and Ms. Ohlson have signaled that they may wish to seek an assignment of the lease prior to the end of the lease term. Consistent with all other Port leases, such an assignment would be possible, subject to prior written consent by the Port (see paragraph #21 of the proposed lease). Finally, the lessees have requested that a six (6) month period be granted to allow incremental payments to achieve the required security deposit (i.e., equivalent to three months’ rent together with leasehold excise tax; see paragraph #5 of the proposed lease).¹

As noted, the lease presented is a Building and Land Lease. Included within the premises are approximately 2,000 total square feet of floor space (600 sf retail and 1,400 sf warehouse space), together with approximately 590 square feet of outdoor dining space. A retractable awning has previously been authorized by the Port for the outdoor dining, along with a storage container for unroasted coffee beans (i.e., Conex Box).

Sunrise Coffee Company has been a long-time Port tenant, always in excellent standing, as well as a fixture in our community. The proposed lease is consistent with adopted policy in all material respects and will reaffirm the cordial and mutually beneficial business relationship between the parties.

RECOMMENDATION: Authorize the Executive Director to execute the attached Lease Agreement with Sunrise Coffee Company, Ltd.

MOTION: None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the lease with Sunrise Coffee Company, Ltd.

ATTACHMENTS

- Summary of Key Terms
- Sunrise Coffee Company Lease (incorporating Exhibit “A”)

¹ The Commission’s adopted Lease Policy, which allows an up to two (2) year “ramp up” period to achieve market rent, has previously been interpreted and applied to also permit a reasonable timeframe within which the required security may be posted.

PORT OF PORT TOWNSEND:
Summary of Key Terms – Sunrise Coffee Building & Land Lease
(July 14, 2021)

1. **TENANT:** Sunrise Coffee Company Limited, a Washington limited liability corporation.
2. **PREMISES:** Approximately 2,000 square feet of floor space in Boat Haven, fire building number 3, together with approximately 590 square feet of land situated immediately adjacent and to the west of said building, which is located at 308-10th Street, Port Townsend, Jefferson County, Washington.
3. **TERM:** Ten (10) years, beginning on October 1, 2021 and ending on September 30, 2031. Option to extend the lease term by two (2) additional five (5) year terms. Notification to extend the Lease to be done in writing ninety (90) days prior to the end of the lease or any extended term.
4. **RENT:** 2,000 square feet of floor space encompassing approximately 600 square feet of retail space @ \$1.17 per sq. ft (\$702.00); approximately 1,400 square feet of warehouse space @ \$0.69 per sq. ft (\$966.00); and, a parcel of land approximately 590 square feet @ \$0.26 per sq. ft (\$153.40). Total \$1,821.40 + \$233.87 (12.84% Leasehold Excise Tax), Grand Total \$2,055.27 per month. CPI-U applied at the beginning of year (two) 2 and each year thereafter in any extended lease term. Market rate adjustment may be applied at beginning of year (five) 5, and every five years after.
5. **HOLDING OVER:** In the event Lessee allows the lease to expire without negotiating a new agreement with the Port, the tenancy will roll over into a month-to-month basis, with all other provisions of the lease agreement remaining in effect, except that the rent will increase to 125% of the rent due in the month preceding the holdover.
6. **USE OF PREMISES:** Coffee roasting, and retail and wholesale sales of coffee and products, wholesale packaging and distribution, outdoor dining, business-related office spaces, and such other uses as are connected with and pertinent thereto.
7. **SECURITY:** Three month's security + LHT would be required at lease inception (\$6,165.80). Because Lessee already has a deposit of \$2,502.80 on file with the Port, an additional \$3,663.00 would be required prior to execution of the lease. **Lessee will pay the deposit balance on a six (6) month deposit installment plan with monthly payments of \$610.50, in addition to the monthly rent payment.**
8. **UTILITIES:** All utilities are the responsibility of the Lessee.
9. **MAINTENANCE & REPAIR:** Lessee is responsible for maintaining and repairing all interior walls, floors, ceilings, doors, interior and exterior windows and fixtures, exposed electrical, plumbing and sewerage systems, and for repairing damage caused to any portion of Port-owned buildings, per Port-adopted policy.
10. **INSURANCE:** Per Port policy. Commercial General Liability of \$1,000,000 combined single limit; Workers Compensation Insurance of not less than \$1,000,000 per occurrence; insurance certificates naming the Port as an additional insured; proof of insurance must be provided prior to occupancy.
11. **ASSIGNMENT/SUBLEASE:** Permitted only by prior written consent of the Port.
12. **DEFAULTS/TERMINATION:** Time is of the essence. Failure to pay rent, or to abide by the covenants/agreements contained in the lease, may serve as a basis for termination. Lessee will be provided with fifteen (15) days' written notice to cure defaults. Port may also terminate upon one-hundred and eighty (180) days' written notice, at its sole discretion, for public or private use in connection with the operation of the business of the Port.

**PORT OF PORT TOWNSEND
BOAT HAVEN BUILDING & LAND LEASE**

THIS LEASE AGREEMENT made this ____ day of _____ 2021, by and between the PORT OF PORT TOWNSEND, a municipal corporation organized and existing under the laws of the State of Washington, Lessor, hereinafter referred to as "the Port," and **SUNRISE COFFEE COMPANY, LIMITED**, a Washington limited liability corporation, hereinafter referred to collectively as "Lessee,"

WITNESSETH:

FOR AND IN CONSIDERATION of the mutual promises, covenants, and conditions hereinafter set forth, the parties agree as follows:

- 1. LEASED PREMISES:** The Port hereby leases to Lessee, and Lessee hereby hires and leases from the Port, the following described premises situated in Jefferson County, State of Washington:

Approximately 2,000 square feet of floor space in Boat Haven Building Number 3, together with approximately 590 square feet of land situated immediately adjacent and to the west of said building, which is located at 308 – 10th Street, Port Townsend, Jefferson County, Washington,

hereinafter referred to as "the premises." The premises are depicted on Exhibit "A" which is attached hereto and which by this reference is incorporated herein as if fully set forth herein.

- 2. TERM:** The term of this Lease is ten (10) years, beginning October 1, 2021, and ending at midnight, September 30, 2031, unless sooner terminated as provided in this Lease. The Lessee shall also have an option to extend the lease term by two (2) additional five (5) year terms. Notification to extend the Lease to be done in writing ninety (90) days prior to the end of the Lease or any extended term.

3. RENT:

- a. Lessee agrees to pay as rental for the leased premises the sum of **One Thousand Eight Hundred Twenty-One Dollars and Forty Cents (\$1,821.40)**, plus all applicable taxes (\$1,821.40 x 12.84% Leasehold Excise Tax (LET) = \$233.87; **\$1,821.40 + \$233.87 = \$2,055.27**)¹, per month.
- b. The rental rate beginning in year two (2) and annually throughout the term of the lease will be adjusted by an amount equal to the accumulative amount found on the Consumer Price Index for all urban consumers (CPI-U) for Seattle-Tacoma-Bellevue, which is compiled by the Department of Labor, Bureau of Statistics.
- c. Beginning in year five (5) and every five (5) years thereafter, the rental rate may be adjusted to the fair market rental rate then prevailing for comparable commercial and/or industrial

¹ Calculated as follows: Building: 600 s.f. of retail space x \$1.17 per s.f. = \$702.00; 1,400 s.f. of warehouse space x \$0.69 per s.f. = \$966.00; 590 s.f. of Land x \$0.26 per s.f. = \$153.40; \$702.00 + \$966.00 + \$153.40 = \$1,821.40 rent; \$1,821.40 x 12.84% LET = \$233.87; \$1,821.40 + \$233.87 = \$2,055.27

property in the Western Washington area, bearing in mind all allowable uses of the property and all services and amenities available to the property by virtue of its location.

- d. In no event shall any rent adjustment result in a reduction in rent from the rate paid in the prior year.
 - e. The rent for each month shall be paid to the Port in advance on or before the first day of each and every month of the lease term and shall be payable at such place as the Port may hereinafter designate.
4. **LATE CHARGE:** In the event that any installment of rent remains unpaid more than twenty (20) days after it is due, then Lessee shall also be obliged to pay a "late charge" as per the Port of Port Townsend Rate Schedule then in effect.
5. **DEPOSIT:** Lessee shall deposit with the Port at lease inception, three months' security in the amount of **Six Thousand One Hundred Sixty-Five Dollars and Eighty Cents (\$6,165.80)**². Lessee has an existing deposit of **Two Thousand Five Hundred Two Dollars and Eighty Cents (\$2,502.80)** currently on file with the Port under an agreement now superseded by this Lease. Accordingly, Lessee shall deposit an additional ~~One Thousand Eight Hundred Seventy Three Dollars and Seventy Cents~~ **Three Thousand Six Hundred Sixty-Three Dollars (\$3,663.00)** in order to satisfy the requirements of this Paragraph 5 (the "additional deposit"). The additional deposit shall be made in six (6) equal monthly installments of **Six Hundred Ten Dollars and Fifty Cents (\$610.50)** concurrent with the monthly rental payments set forth in Paragraph 3 hereinabove. The deposit shall be held by the Port as security for Lessee's faithful performance of all its obligations under this Lease. Any interest earned on amounts deposited shall be retained by the Port. The deposit shall be returned to Lessee upon termination of this Lease, less any charges owing to the Port or expenses incurred by the Port in repairing damage caused by Lessee or restoring the leased premises to the condition required upon termination of this Lease.
6. **USE OF PREMISES:** Lessee shall use the building premises for the purpose coffee roasting and retail and wholesale sales of coffee and products, wholesale packaging and distribution, outdoor dining, business-related office space, and such other uses as are connected with and pertinent thereto, and shall not use them for any other purpose without the prior written consent of the Port. Lessee shall use the entire premises for the conduct of said business in a first-class manner continuously during the entire term of this Lease with the exception of temporary closures for such periods as may reasonably be necessary for repairs or redecorating or for reasons beyond Lessee's reasonable control. Lessee agrees that it will not disturb the Port or any other tenant of the Port's by making or permitting any disturbance or any unusual noise, vibration, or other condition on or in the premises.
7. **CONDUCT COVENANTS AND WARRANTIES:** In addition to all other covenants and warranties set forth herein, Lessee specifically represents to the Port as follows:
- a. **Quiet Conduct.** The conduct of Lessee and such others for whom Lessee is responsible shall not, in any manner, disturb the quiet enjoyment of other tenants, invitees, or visitors, in or near where the Premises are located, including common areas.

² Required security for all Port leases is an amount equivalent to three (3) months' rent together with applicable taxes (i.e., at lease inception, \$1,821.40 per month x 3 = \$5,464.20; \$5,464.20 x 12.84% LET = \$701.60; \$5,464.20 + \$701.60 = \$6,165.80

- b. **Damage.** The conduct of Lessee and such others for whom Lessee is responsible shall not result in or cause destruction or damage to the Premises, or any part thereof including, but not limited to any and all common areas, or the property of other tenants, their invitees, and visitors.
8. **UTILITIES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all utility services furnished to the premises, including, but not limited to light, heat, electricity, gas, water, sewerage, garbage disposal, and communications. Wi-Fi and/or fiber services are not included in the rent.
9. **ACCEPTANCE OF PREMISES:** Lessee has examined the leased premises and accepts them in their present condition "as is" and without further maintenance liability on the part of the Port. The Port makes no representations or warranties with respect to the condition, suitability, zoning restrictions, or usability, except the Port's right to grant a lease of the premises. Lessee acknowledges that Lessee has fully inspected the premises and is not relying on any statement or representation made by the Port or the Port's agents with respect to the condition of the premises, and Lessee assumes the responsibility and risks of the same, including any defects or conditions that cannot be observed by casual inspection.
10. **MAINTENANCE AND REPAIR:** Maintenance and repair of the premises shall be the sole responsibility of Lessee. Accordingly, at the expiration or sooner termination of this Agreement, Lessee shall return the premises to the Port in the same condition in which received (or, if altered by Lessee with the Port's consent, then the premises shall be returned in such altered condition), reasonable wear and tear and damage by fire or unavoidable casualty excepted. Lessee's obligation to make repairs shall not extend to any structural parts of the building, including the foundations, bearing and exterior walls, subflooring and roofs, the unexposed electrical, plumbing and sewerage systems (including those portions of the systems lying outside the premises), exterior siding, exterior doors, window frames, gutters, downspouts, and the heating, and the ventilation system serving the premises, unless such repairs are necessitated by Lessee's negligence or failure to maintain the interior. Lessee shall, at its' own expense, and at all times:
- a. Keep the premises, and the adjoining roadways and sidewalks, neat, clean and in a safe and sanitary condition.
 - b. Maintain and keep the leased premises in a good state of repair; and
 - c. Not commit waste of any kind.
11. **ALTERATIONS AND IMPROVEMENTS:** Lessee shall make no alterations or improvements to or upon the premises or install any fixtures (other than trade fixtures which can be removed without injury to the premises) without first obtaining written approval from the Executive Director of the Port. Such written approval shall also include agreement for disposition of the improvements upon termination of this Lease.
12. **INSPECTION - "FOR RENT" SIGNS:** The Port reserves the right to inspect the leased premises at any and all reasonable times throughout the term of this Lease, PROVIDED, that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Port hereunder shall impose no obligation on the Port to make inspections to ascertain the condition of the premises and shall impose no liability upon the Port for failure to make such inspections. The Port shall have the right to

place and maintain "For Rent" signs in conspicuous places on the premises for thirty (30) days prior to the expiration or sooner termination of this Lease.

13. DAMAGE OR DESTRUCTION:

- a. Should the premises or the buildings or structures of which the premises are a part be damaged by fire or other casualty, and if the damage is repairable within four (4) weeks from the date of the occurrence (with the repair work and the preparations therefore to be done during regular working hours on regular work days), the premises shall be repaired with due diligence by the Port, and in the meantime the monthly minimum rental shall be abated in the same proportion that the untenable portion of the premises bears to the whole thereof, for the period from the occurrence of the damage to the completion of the repairs.
- b. Should the premises or any buildings or structures of which the premises are a part be completely destroyed by fire or other casualty, or should they be damaged to such an extent that the damage cannot be repaired within four (4) weeks of the occurrence, the Port shall have the option to terminate this Lease on thirty (30) days' notice, effective as of any date not more than sixty (60) days after the occurrence. In the event that this paragraph shall become applicable, the Port shall advise Lessee within thirty (30) days after the happening of any such damage whether the Port has elected to continue the lease in effect or to terminate it. If the Port shall elect to continue this Lease in effect, it shall commence and prosecute with due diligence any work necessary to restore or repair the premises. If the Port shall fail to notify Lessee of its election within said thirty (30) day period, the Port shall be deemed to have elected to terminate this Lease, and the lease shall automatically terminate sixty (60) days after the occurrence of the damage. For the period from the occurrence of any damage to the premises to the date of completion of the repairs to the premises (or to the date of termination of the lease if the Port shall elect not to restore the premises), the monthly minimum rental shall be abated in the same proportion as the untenable portion of the premises bears to the whole thereof.

14. INDEMNIFICATION AND HOLD HARMLESS: The Port, its employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage be caused, sustained, or alleged to have been sustained by the Lessee or by others as a result of any condition (including existing or future defects in the premises) or occurrence whatsoever related in any way to the premises and the areas adjacent thereto or related in any way to Lessee's use or occupancy of the premises and of the areas adjacent thereto. Lessee agrees to defend and to hold and save the Port harmless from all liability or expense of litigation) in connection with any such items of actual or alleged injury or damage.

15. LIMITED WAIVER OF IMMUNITY UNDER WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW AND OTHER SIMILAR INDUSTRIAL INSURANCE SCHEMES: For purposes of the indemnification provision set forth in Paragraph 14, above, and only to the extent of claims against Lessee by the Port under such indemnification provision, Lessee specifically waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW, The United States Longshore and Harbor Workers Compensation Act, 33 USC §901-950, or any other similar workers' compensation schemes. The indemnification obligation under this lease shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other

employee benefit acts. The foregoing provision was specifically negotiated and agreed upon by the parties hereto.

- 16. INSURANCE:** Lessee agrees to maintain during the lease term liability insurance as set forth below, at Lessee's sole expense. All such insurance shall name the Port of Port Townsend as an additional insured and shall be with insurance companies acceptable to the Port.
- a. Comprehensive General Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$1,000,000.00 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, personal injury liability, property damage liability, broad form property damage liability, contractual liability, and products/completed operations liability.
 - b. Workers Compensation Insurance as will protect Lessee's employees from claims under Washington Workers Compensation Act as well as all Federal Acts applicable to the Lessee's operations at the site such as but not limited to U.S. Longshoremen and Harbor Workers' Act, Jones Act, and Federal Employers Liability section of the Washington Workers Compensation Policy and all Federal Acts Insurance shall not be less than \$1,000,000.00 for each occurrence.

The Lessee agrees to supply the Port with appropriate evidence to establish that its insurance obligations have been met, and that the insurance policy or policies are not subject to cancellation without at least thirty (30) days advance written notice to the Port. The conditions set forth in subparagraphs a, b and c of this Paragraph 16 shall be met prior to inception of this Lease Agreement.

- 17. WAIVER OF SUBROGATION:** The Port and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance contracts, including any extended coverage endorsements thereto, PROVIDED, that this Paragraph 17 shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of the Port or Lessee.
- 18. INCREASE IN COST OF INSURANCE:** Lessee shall not use the demised premises in such a manner as to increase the existing rates of insurance applicable to the buildings or structures of which the premises are a part. If it nevertheless does so, then, at the option of the Port, the full amount of any resulting increase in premiums paid by the Port with respect to the buildings or structures of which the leased premises are a part, and to the extent allocable to the term of this Lease, may be added to the amount of rental hereinabove specified and shall be paid by Lessee to the Port upon the monthly rental day next thereafter occurring.
- 19. TAXES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all license and excise fees and occupation taxes covering the business conducted on the premises, and all taxes on property of Lessee on the leased premises and any taxes on the leased premises or leasehold interest created by this Lease Agreement.
- 20. COMPLIANCE WITH PORT REGULATIONS AND WITH ALL LAWS:** Lessee agrees to comply with all applicable rules and regulations of the Port pertaining to the building or other realty of which the premises are a part now in existence or hereafter promulgated for the general safety and convenience of the Port, its various tenants, invitees, licensees, and the general public. Lessee also agrees to comply with all applicable federal, state, and municipal laws, ordinances, and regulations.

Lessee further agrees that all buildings, structures, or other improvements, approved by the Port, will be properly permitted by the City of Port Townsend. Any fees for any inspection of the premises during or for the lease term by any federal, state, or municipal officer and the fees for any so-called "Certificate of Occupancy" shall be paid by Lessee.

- 21. ASSIGNMENT OR SUBLEASE:** Lessee shall not assign or transfer this Lease or any interest therein nor sublet the whole or any part of the premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, otherwise, without the written consent of the Port first had and obtained. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this Lease more than one-half (1/2) of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half (1/2) of the outstanding shares of that class of stock at the time of the execution of this Lease or to members of their immediate families, such change in the ownership of the stock of the Lessee shall be deemed an assignment of this Lease within the meaning of this paragraph. If the Port shall give its consent to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the Port's consent.
- 22. DEFAULTS:** Time is of the essence of this Lease Agreement, and in the event of the failure of Lessee to pay the rentals or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth to be kept and performed, the Port may elect to terminate this Lease and reenter and take possession of the premises with or without process of law, PROVIDED, however, that Lessee shall be given fifteen (15) days' notice in writing stating the nature of the default in order to permit such default to be remedied by Lessee within said fifteen (15) day period. If upon such reentry there remains any personal property of Lessee or of any other person upon the leased premises, the Port may, but without the obligation so to do, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Lessee shall reimburse the Port for any expense incurred by the Port in connection with such removal and storage. The Port shall have the right to sell such stored property, without notice to Lessee, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts which may then be due from Lessee to the Port, and the balance, if any, shall be paid to Lessee. Notwithstanding any such reentry, the liability of Lessee for the full rental provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to the Port any deficiency arising from a re-letting of the leased premises at a lesser rental than that hereinbefore agreed upon. Lessee shall pay such deficiency each month as the amount thereof is ascertained by the Port. Any failure by the owners, officers, or principals of Lessee to pay rentals, storage fees, moorage or any other charges owed to the Port under separate contract shall constitute default under provisions of this Lease Agreement.
- 23. TERMINATION BY PORT:**
- a. In the event that the Port, at its sole discretion, shall require the use of the premises for any purpose for public or private use in connection with the operation of the business of the Port, then this Lease may be terminated by the Port by written notice delivered or mailed by the Port to the Lessee one hundred and eighty (180) or more days before the termination

date specified in the notice. Lessee and the Port Executive Director will agree upon compensation to Lessee for loss of use, cost of relocation, and/or cost of improvement.

- b. In the event the term of this Lease or any extended term expires, and an indefinite month-to-month tenancy results, then the resulting tenancy may be terminated by the Port by written notice delivered or mailed by the Port to the Lessee twenty (20) or more days before termination date specified in the notice. In the event of a holdover, month-to-month tenancy, no compensation shall be owed to Lessee for loss of use, cost of relocation, and/or cost of improvement.

- 24. **TERMINATION FOR GOVERNMENT USE:** In the event that the United States Government or any agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the premises or any part thereof, the Port may, at its option, terminate this Lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this Lease on said date, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.
- 25. **TERMINATION BECAUSE OF COURT DECREE:** In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this Lease, then either party hereto may terminate this Lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this Lease on the effective date of such termination, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.
- 26. **SIGNS:** No signs or other advertising matter, symbols, canopies, or awnings shall be attached to or painted or within the leased premises, including the windows and doors thereof, without the approval of the Executive Director of the Port first had and obtained. At the termination or sooner expiration of this Lease, all such signs, advertising matter, symbols, canopies, or awnings attached to or painted by Lessee shall be removed by Lessee at its own expense, and Lessee shall repair any damage or injury to the premises, and correct any unsightly condition, caused by the maintenance and removal of said signs, etc.
- 27. **INSOLVENCY:** If Lessee shall file a petition in bankruptcy, or if Lessee shall be adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee shall be appointed in any proceeding brought by or against Lessee, or if Lessee shall make an assignment for the benefit of creditors, or if any proceedings shall be commenced to foreclose any mortgage or any other lien on Lessee's interest in the premises or on any personal property kept or maintained on the premises by Lessee, the Port may at its option, terminate this Lease.
- 28. **WAIVER:** The acceptance of rental by the Port for any period or periods after a default by Lessee hereunder shall not be deemed a waiver of such default unless the Port shall so intend and shall so advise Lessee in writing. No waiver by the Port of any default hereunder by Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee. After any default shall have been cured by Lessee, it shall not thereafter be used by the Port as a ground for the commencement of any action under the provisions of Paragraph 22 hereof.

- 29. PROMOTION OF PORT COMMERCE:** Lessee agrees that throughout the term of this Lease it will, insofar as practicable, promote and aid the movement of passengers and freight through facilities within the territorial limits of the Port. Lessee further agrees that all incoming shipments of commodities that it may be able to control or direct shall be made through facilities within the territorial limits of the Port if there will be no resulting cost or time disadvantage to Lessee.
- 30. SURRENDER OF PREMISES – ATTORNEY’S FEES:**
- a. At the expiration or earlier termination of the term, Lessee shall surrender to the Port the possession of the premises and all improvements. Surrender or removal of fixtures, trade fixtures and improvements shall be as directed in Paragraph 11 of this Lease on ownership of improvements at termination. Lessee shall leave the surrendered premises and any other property in broom-clean condition except as provided to the contrary in provisions of this Lease on maintenance and repair of improvements. All property that Lessee is required to surrender shall become the Port’s property at termination of this Lease. All property that Lessee is not required to surrender but that Lessee does abandon shall, at the Port’s election, become the Port’s property at termination. If Lessee fails to surrender the premises at the expiration or sooner termination of this Lease, Lessee shall defend and indemnify the Port from all liability and expense resulting from the delay or failure to surrender, including, without limitation, claims made by any succeeding tenant founded on or resulting from Lessee's failure to surrender.
 - b. In the event that either party shall commence legal action to interpret or to enforce any of the provisions of this Lease, the substantially prevailing party shall be entitled to an award for all reasonable costs and attorney fees incurred in any such action. Any action brought under the terms of this Lease shall be maintained in Jefferson County, Washington.
- 31. HOLDING OVER:** Any holding over by the Lessee after the expiration of this Lease shall be construed as a tenancy at sufferance (unless such occupancy is with the written consent of the Port) in which event the Lessee will be a tenant from month to month, upon the same terms and conditions of this Lease, except at a rent for such holdover period of 125% of the rental rate in effect for the month preceding such holdover. Acceptance by the Port of rent after such termination shall not constitute a renewal.
- 32. ADVANCES BY PORT FOR LESSEE:** If Lessee shall fail to do anything required to be done by it under the terms of this Lease, except to pay rent, the Port may, at its sole option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Port, Lessee shall promptly pay the Port the amount of that cost.
- 33. LIENS AND ENCUMBRANCES:** Lessee shall keep the leased premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the said premises by Lessee. At the Port's request, Lessee shall furnish the Port with written proof of payment of any item which would or might constitute the basis for such a lien on the leased premises if not paid.
- 34. NOTICES:** All notices hereunder may be delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

To Lessor:

THE PORT OF PORT TOWNSEND
Attn: Lease & Contracts Administrator
P.O. Box 1180
Port Townsend, Washington 98368
(360) 385-0656

To Lessee:

SUNRISE COFFEE COMPANY, LTD.
Attn: Bill Curtsinger
308 – 10th Street
Port Townsend, WA 98368
O: (360) 385-4117 C: (360) 774-0750

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

- 35. JOINT AND SEVERAL LIABILITY:** Each and every party who signs this Lease, other than in a representative capacity, as Lessee, shall be jointly and severally liable hereunder.
- 36. "LESSEE" INCLUDES "LESSEES", ETC.:** It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this Lease, regardless of the number, gender, or fact of incorporation of the party who is, or of the parties who are, the actual Lessee or Lessees under this Lease Agreement.
- 37. CAPTIONS:** The captions in this Lease are for convenience only and do not in any way limit or amplify the provisions of this Lease.
- 38. SEVERABILITY:** If any term or provision of this Lease Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect.
- 39. NON-DISCRIMINATION SERVICES:** The Lessee agrees that it will not discriminate by segregation or otherwise against any person or persons because of race, creed, color, sex, sexual orientation, or national origin in furnishing, or by refusing to furnish, to such person, or persons, the use of the facility herein provided, including any and all services, privileges, accommodations, and activities provided thereby.

It is agreed that the Lessee's noncompliance with the provisions of this clause shall constitute a material breach of this Lease. In the event of such noncompliance, the Port may take appropriate action to enforce compliance, may terminate this Lease, or may pursue such other remedies as may be provided by law.

40. NON-DISCRIMINATION EMPLOYMENT: The Lessee covenants and agrees that in all matters pertaining to the performance of this Lease, Lessee shall at all times conduct its business in a manner which assures fair, equal and non-discriminatory treatment of all persons without respect to race, creed or national origin and, in particular:

- a. Lessee will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities, and
- b. Lessee will comply strictly with all requirements of applicable federal, state, or local laws or regulations issued pursuant thereto relating to the establishment of non-discriminatory requirements in hiring and employment practices and assuring the service of all patrons or customers without discrimination as to any person's race, creed, color, sex, sexual orientation, or national origin.

41. EASEMENTS: The Parties recognize that the Port facilities are continuously being modified to improve the utilities and services used and provided by the Port. The Port or its agents shall have the right to enter the demised premises of the Lessee, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair, and operate the sewer, water, and drainage lines, and the electrical service, and all other services required by the Port for its use. The Port is hereby granted a continuous easement or easements that the Port believes is necessary within the lease premises of the Lessee, without any additional cost to the Port for the purposes expressed hereinabove; PROVIDED however, that the Port by virtue of such use does not permanently deprive the Lessee from its beneficial use or occupancy of its leased area.

In the event that the Port does permanently deprive the Lessee from such beneficial use or occupancy, then an equitable adjustment in rent or in the cost required to modify its premises to allow the Lessee to operate its business, will be negotiated and paid by the Port to the Lessee. In the event that such entry by the Port is temporary in nature, then the Port shall reimburse the Lessee for the cost required to modify its premises for the temporary period that the Lessee is inconvenienced by such Port entry. The Port will not be responsible to the Lessee for any reduced efficiency, or loss of business occasioned by such entry.

42. ENTIRE AGREEMENT: This Lease Agreement contains all of the understandings between the parties. Each party represents that no promises, representations, or commitments have been made by the other as a basis for this Lease which have not been reduced to writing herein. No oral promises or representations shall be binding upon either party, whether made in the past or to be made in the future, unless such promises or representations are reduced to writing in the form of a modification to this Lease executed with all necessary legal formalities by the Commission of the Port of Port Townsend.

Lease Agreement dated this ____ day ____ 2021 as approved by the Port of Port Townsend Port Commission, on the ____ day of ____ 2021 and effective upon the receipt of a deposit and liability insurance documentation from the Lessee.

THIS AGREEMENT HAS BEEN NEGOTIATED BETWEEN THE PARTIES AND CONTAINS A LIMITED WAIVER OF IMMUNITY UNDER TITLE 51 RCW, AN INDEMNIFICATION AND A RELEASE.

LESSEE – SUNRISE COFFEE, LTD.

Bill Curtsinger, Managing Party

ATTEST:

LESSOR - PORT OF PORT TOWNSEND

APPROVED AS TO FORM

Eron Berg, Executive Director

Port Attorney

**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that Bill Curtsinger signed this instrument and that he is authorized to execute the instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____

Signature

Printed Name

NOTARY PUBLIC in and for the State of Washington,
residing at Port Townsend

My commission expires: _____

**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that Eron Berg signed this instrument and that he is authorized to execute the instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: _____

Signature

Printed Name



NOTARY PUBLIC in and for the State of Washington,
residing at Port Townsend

My commission expires: _____

Exhibit 'A'

308 - 10th Street, Port Townsend, WA
2,000 s.f. of floor space, northern two-thirds
of building, plus 590 s.f. adjacent land parcel

Legend

-  308 10th St
-  Sunrise Coffee Company



**ACCOUNTS RECEIVABLE
WRITE-OFF/COLLECTION REGISTER
September 22, 2021**

The staff of the Port of Port Townsend recommends that the following accounts be written off and turned in for collection as applicable.

ACCOUNT NAME	TYPE	DESCRIPTION	BALANCE
Strong, Richard	Yard	Boat was discovered unattended and moored at the wharf 9/29/2020 and in danger of sinking due to damage. Boat was hauled out and owner located by searching WN number. Owner was billed for haul out and storage. He has been sent billing statements and past due notices. No response. Boat was in such bad shape it was destroyed in April of 2021. Recommend doing a write off of the account balance.	\$ 15,625.26
Sefton, John	Yard	Boat was auction 8/8/2018 due to non- payment. It was accidently omitted on the December 9, 2020 write off register. Recommend doing a write off of the account balance	\$ 13,442.24
Senitz, Dawn M. & James	Yard	Boat was auctioned 9/19/2019 due to non- payment. It was accidently omitted on the December 9, 2020 write off register. Recommend doing a write off of the account balance.	\$ 6,890.98
Easterlin, Steven	Yard	An emergency haul out on 10/30/2020. Insurance paid through March 2021. Boat was no longer in the yard as of 5/11/2021. Unpaid balance and late fees for April through May 11, 2021 were left unpaid by the insurance company. Calls to the insurance company were not returned and notices were ignored. Recommend doing a write off of the account balance.	\$ 1,189.22
Snapp, Trevor	Yard	As of January 1, 2020 Trevor Snapp became the owner of the GLORY OF THE SEAS and was to pay the in water fee. However, he has been sent billing statements and past due notices regarding this charge and has not responded. Recommend doing a write off of the account balance.	\$ 267.97
Cole, Herb	Moorage	This vessel was in the yard and went into the water on 6/29/2021. Stayed a night in slip SY-W3 and was billed for the nights moorage. Billing statements and past due notices have been sent with no response. Recommend doing a write off of the account balance.	\$ 160.40
Honey Badger Reverse Engine	Point Hudson	Customer stayed at RV site R-310 8/31/2020 to 9/4/2020 and left without paying. They have been sent billing statements and these were returned as "Attempted - Not Known - Unable to Forward". The Phone number on file is not a working phone number. Recommend doing a write off of the account balance.	\$ 208.00
TOTAL:			\$ 37,784.07

S. Abigail Berg
Director of Finance & Admin.

Port Attorney

Eron Berg
Executive Director

Date

Peter W. Hanke
President

William W. Putney III
Secretary

Pamela A. Petranek
Vice President

Date

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	September 22, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational
AGENDA TITLE	Special Presentation: Work Anniversary
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	none

Eron will lead a short discussion about this Port employee on his work anniversary:

- Tim Nelson (15 years)

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	September 22, 2021		
AGENDA ITEM	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational		
AGENDA TITLE	VII.A. 1 st Draft of 2022 Budget with CIP & Proposed Rates		
STAFF LEAD	Abigail Berg, Director of Finance & Administration & Eron Berg, Executive Director		
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion		
ATTACHMENTS	1. Staff Informational Memo 2. 1 st Draft of 2022 Budget 3. Capital Improvement Program 4. Proposed 2022 Rates		

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 9/17/2021
TO: Port Commission
FROM: Abigail Berg, Director of Finance & Administration & Eron Berg, Executive Director
SUBJECT: 1st Draft of 2022 Budget with CIP & Proposed Rates

ISSUE

What direction does the Commission have following its initial review of the first draft of the 2022 Budget, including assumptions, the 1 Year Capital Improvement Program, the 5 Year Capital Plan, and the proposed 2022 Rate Cards.

BACKGROUND

The Commission adopted the 2022 Budget schedule on July 14, 2021 which included subsequent meetings and a workshop to discuss potential issues, goals and assumptions being used to develop the budget.

The schedule included the 1st Draft of the 2022 Budget to be presented at this meeting.

DISCUSSION

2022 Budget Assumptions – 1st DRAFT

This coming year's budget is being developed during year two (2) of an unprecedented, modern-day pandemic. The 2021 budget was developed with a conservative focus as the result of the pandemic, but with some growth. However, 2021 year-to-date (YTD) activity has shown a significant surge in revenues and grant opportunities when compared to the first year of the pandemic. There is still some uncertainty as we roll into autumn and winter 2021 regarding supply chains; however, the bulk of Port facilities provides opportunities to be outside (RVs, boats) and customers have been eager to return to these activities. Included is actual activity for years 2019 and 2020, the 2021 budget, and the 2021 July YTD actuals plus remaining budget, all to provide perspective as you review the draft 2022 budget.

The formatting for this year's budget was changed from last year to be in alignment with the monthly and quarterly financial reports. A cash flow will be added when I present the 2nd draft that revives the one used in 2020 and prior and will follow the CIP budget pages. Also in the 2nd draft, the estimated 2021 ending cash will be presented with the estimated ending cash for 2022 (this will include details on each reserve fund).

The following details specific areas of change for the 2022 Port Operating budget when compared to the 2021 YTD July actuals with remaining budget:

Operating Revenue

1. A 5% increase was added to most revenues. The June year-over-year (12-month) CPI-U rate (All Urban Consumer Price Index Seattle-Tacoma-Bellevue) was 5.5%.
2. An exception to the 5% CPI increase is for the Boat Haven Permanent Moorage rate which will be increased by 3% with the understanding that in years 2023 and 2024 another 3% CPI will be added each year. The objective of this exception is to provide a predictable and consistent means of increasing rates that is broadly consistent with CPI over time.
3. Various other Operating Revenues were adjusted based on the activity YTD July 2021, prior year trend analysis, planned business strategies for 2022, and leases projections. We were

conservative in these projections since there is still come uncertainty of the long-term impact of the pandemic.

4. Of note is Point Hudson revenues projected for 2022. It is anticipated that almost \$224,000 in revenues will be lost due to the beginning of the jetty project on the North side. Some of that revenue should move to Boat Haven as we accommodate as many moorage tenants as possible.
5. Overall, 2022 operating revenues are projected to increase 0.8% over the YTD July 2021 actuals with remaining budget. In spite of the Port's success in 2021 performance and a 5% increase in many Port rates, we want to be conservative in our projections, due to the uncertainty of the economic climate.

Operating Expenses

6. Personnel costs were calculated based on being fully staffed in accordance with the Organizational Chart approved on May 12, 2021. Salaries/Wages were calculated to include a 5% COLA. The Port is obligated by its Teamsters Local 589 Union contract to annually provide a CPI COLA increase, not to exceed 5% and not to be less than 2%, (CPI-All Urban Consumer Price Index for Seattle-Tacoma-Bellevue Bi-Monthly Data June over June) to the union wage table January 1 of each year (per the 2021-2024 contract). As such, the Port elected years ago to include this annual COLA increase to all Port employees (per the Port Policy Handbook). The June to June CPI-U was 5.5%; the 2022 CPI-COLA increase is 5%.
7. When comparing to 2021, it should be noted the part-time position for the Director of Capital Projects & Port Engineer is now changed to a FT position in 2022. There are two (2) legacy employees retiring in 2022 and we anticipate extra costs related to filling those positions, in addition to the retirement cash outs of sick leave and vacation. There are 3 seasonal workers budgeted for 2022.
8. The cost for the Port's unrepresented staffs' health insurance was received and used to estimate 2022 costs; it increased 4%. The 2022 health insurance premiums for represented staff haven't been received, though we estimated a 10% increase for budget purposes because they have not increased for several years; those premiums should be received by December. The PERS employer contribution rate decreased from 12.97% to 10.25%, effective July 1, 2021.
9. Contract Services are budgeted for \$282,456, an increase over 2021 YTD July actual and remaining budget by about \$19,000, but less that the original 2021 budget of \$296,906.
10. Insurance costs were increased by \$7,560 over 2021 YTD July actual and remaining budget. Insurance costs in general have sky-rocketed; costs rose from 2020 to 2021 by about 28%.
11. Equipment Rental increased by \$8,600 as the result of the stormwater unit being rented. It is expected that this will not be needed once the stormwater project is completed in 2022.
12. Repair and Maintenance costs are increased when compared to the original 2021 budget by \$30,000; however, this is a decrease when compared to prior years.
13. A Single Audit is scheduled for the fall of 2021 as the result of the Port spending greater than \$750,000 in federal funds in 2020 on the JCIA Runway Rehabilitation project. (*The Single Audit Act of 1984, as amended in 1996 requires a federal compliance audit for expenditures of federal funds equal or greater than \$750,000 in an entity's fiscal year.*) Since a Single Audit is required, a financial statement audit will also be performed, as required by the State Auditor's Office. The estimated cost is \$25,000. We anticipate there will be a small amount of audit costs incurred in 2021 audit costs that will be paid in early 2022 so the budget amount is \$9,580. With planned projects, we are likely to have Single Audits each year for the next several years.

Other Increases in Fund Resources

14. There is a reduction in expected lease deposits as we are getting closer to having all the Port facilities leased out.
15. Sales Tax and Hotel/Motel taxes were reduced to reflect the anticipated reduction in RV revenues due to the PH jetty project commencing in 2022.
16. Capital Contributions/Grants projections includes the close-out funds for the AIP 016 and AIP 017 grants that funded the 2020 Runway Rehabilitation project. In addition, there is the AIP 020 grant for the additional overlay work required (\$333,333) and the NPE funds in the amount of \$81,000 for the Taxiway A2 commencing in 2022. The EDA funds for \$3,000,000 for the Jetty are included as well as the \$2,000,000 for the Stormwater Treatment project.
17. The Port's budgeted Operating Tax Levy was increased to \$1,071,500 in accordance with the recommendation of the County Assessor at the September 9th Commission meeting.
18. A preliminary IDD Levy estimate is included at \$2,634,289. This is based on identification of various capital projects that need funding (see the 1 Year Capital Improvement Program & 5 Year Capital Plan) and discussed at that same meeting. The objective of this IDD levy level is to fund the five-year capital program without the use of long-term debt, instead using the existing line of credit for cash flow purposes.

Other Decreases in Fund Resources

19. Sales Tax and Hotel/Motel taxes were reduced to reflect the anticipated reduction in RV revenues due to the Point Hudson jetty project commencing in 2022.
20. Bond interest and principal amounts are reduced in accordance with the bond amortization schedules. Currently, there is no plan to incur additional debt in 2022; however, we assume it will be necessary to draw from the already established 2021 Line of Credit (LOC) as we construct major capital projects. The budget does not anticipate using those funds in 2022.
21. See the 1 Year Capital Improvement Program & 5 Year Capital Plan for years 2022-2026 for more detail on the projects section for 2022 and beyond. The Equipment & Vehicles amount of \$518,000 for 2022 is for the final payment upon delivery of the new 75-ton Travelift (\$398,000), (3) trucks for \$90,000 and (2) electric vehicles for \$30,000.
22. Elections for Commissioner Districts 2 and 3 will occur in the autumn of 2021; as with the 2019 election, we project a split billing from the Jefferson County Auditor in December 2021 and January 2022.

FISCAL IMPACT

As detailed in the draft 2022 Budget

RECOMMENDATION

Please provide feedback on the 1st Draft of the 2022 Budget, the 1 Year Capital Improvement Program and 5 Year Capital Plan.

Port of Port Townsend
SOURCES AND USES OF CASH
2022 Budget with Comparison to Prior Years

	2021 July YTD					2021 YTD-2022 Bdgt Variance
	2019 Actual	2020 Actual	2021 BUDGET	Actual & Remaining Bdgt	2022 Budget	
OPERATING REVENUES						
PTBH - Permanent Moorage	1,151,242	1,225,793	1,216,467	1,212,341	1,254,909	42,568
PTBH - Monthly Guest	318,828	271,741	302,807	263,846	302,807	38,961
PTBH - Nightly Guest	259,395	218,016	172,737	237,108	283,925	46,817
PTBH - Electric	105,105	101,228	99,023	97,372	112,075	14,703
PTBH - Liveaboard Fee	24,512	27,091	26,826	24,871	23,605	(1,266)
PTBH - Liveaboard Background Ck Fee	-	-	-	60	-	(60)
PTBH - Work Float/Lift Pier Usage	8,042	1,996	4,942	13,163	5,189	(7,974)
PTBH - Miscellaneous Revenue	14,565	17,761	13,004	19,727	17,700	(2,027)
PTBH - Showers	10,443	8,617	10,102	9,394	10,102	708
PTBH - Laundry	6,549	6,137	6,268	7,095	7,423	328
PTBH - Kayak Racks	-	-	-	54	-	(54)
PTBH - Key Fobs	1,270	370	646	382	5,000	4,618
PTBH - Promotional Sales	585	155	329	299	329	30
PTBH - Port Labor	445	980	68	1,310	272	(1,038)
Boat Haven Moorage	1,900,981	1,879,883	1,853,219	1,887,022	2,023,336	136,314
Yard - 70/75 Ton Yard Revenue	623,501	663,833	587,624	801,725	813,676	11,951
Yard - 70/75 Ton Hoist Revenue	340,124	296,273	293,045	314,253	325,772	11,519
Yard - 300 Ton Yard Revenue	397,364	408,561	410,397	461,443	463,719	2,276
Yard - 300 Ton Hoist Revenue	177,846	189,524	186,651	198,034	216,555	18,521
Yard - Washdown Revenue	81,756	76,018	85,707	88,363	85,707	(2,656)
Yard - Bilge Water Revenue	6,463	3,469	5,374	3,455	5,374	1,919
Yard - L/T Storage	69,857	80,219	72,334	75,143	81,005	5,862
Yard - Blocking Rent	31,977	39,163	45,917	47,037	49,507	2,470
Yard - 70/75 Ton Electric	9,652	36,263	33,976	38,920	43,694	4,774
Yard - 300 Ton Electric	41,589	45,237	46,116	47,444	51,984	4,540
Yard - Off Port Property Tarp Fee	1,980	4,160	3,104	2,220	1,476	(744)
Yard - Liveaboard Fee	1,626	2,486	1,908	2,797	3,604	807
Yard - Miscellaneous Revenue	13,692	5,873	1,629	615	1,629	1,014
Yard - 70/75 Ton Port Labor	4,753	9,323	909	3,059	4,606	1,547
Yard - 300 Ton Port Labor	6,179	4,665	3,096	2,588	3,668	1,080
Yard - 70/75 Ton Enviro Fee	38,520	57,478	48,906	66,740	70,279	3,539
Yard - 300 Ton Enviro Fee	6,100	18,071	19,871	17,451	14,015	(3,436)
Yard - Enviro Clean-Up Fee	185	3,977	3,040	2,367	1,000	(1,367)
Yard Operations	1,853,163	1,944,593	1,849,605	2,173,654	2,237,271	63,617
Pt Hudson - Building Lease Revenue	363,046	398,703	380,386	403,079	428,819	25,740
Pt Hudson - Parking	11,809	3,143	2,837	13,584	13,584	-
Pt Hudson - Event Facility Rev	25,479	(260)	78	457	3,000	2,543
Pt Hudson - Property Utility Reimb	41,839	35,030	35,938	33,217	35,938	2,721
Pt Hudson - Permanent Moorage	138,628	146,202	147,227	154,961	124,142	(30,819)
Pt Hudson - Liveaboard Fee	6,145	7,494	6,687	7,983	8,656	673
Pt Hudson - Liveaboard Background Ck Fee	-	2,700	-	120	180	60
Pt Hudson - Monthly Guest	120,550	131,248	127,923	124,882	72,954	(51,928)
Pt Hudson - Nightly Guest	215,172	200,031	196,085	227,677	172,727	(54,950)
City Pier & Union Wharf Usage	17,093	3,111	4,422	6,899	7,006	107
Pt Hudson - Monthly R.V.	70,559	83,365	63,283	67,043	49,041	(18,002)
Pt Hudson - Nightly R.V.	355,115	271,691	309,621	383,088	295,418	(87,670)
Pt Hudson - Kayak Racks	11,879	15,463	13,482	14,970	12,401	(2,569)
Pt Hudson - Reservation Fee	39,120	35,802	31,055	37,430	36,365	(1,065)
Pt Hudson - Showers	8,031	6,302	6,880	6,947	5,504	(1,443)
Pt Hudson - Laundry	10,561	9,948	9,659	10,120	7,727	(2,393)
Pt Hudson - Passenger Fee	14,091	2,538	3,793	6,948	13,334	6,386

Port of Port Townsend
SOURCES AND USES OF CASH
2022 Budget with Comparison to Prior Years

	2021 July YTD					2021 YTD-2022 Bdgt Variance
	2019 Actual	2020 Actual	2021 BUDGET	Actual & Remaining Bdgt	2022 Budget	
Union Wharf - Cruise Ship Garbage	1,489	-	3,794	-	700	700
Pt Hudson - Promotional Sales	977	562	660	691	660	(31)
Pt Hudson - Miscellaneous Rev	1,860	5,616	672	1,615	950	(665)
Pt Hudson - Enviro Clean-up	-	212	214	214	214	-
Pt Hudson - Electric	30,334	38,958	34,326	34,345	22,294	(12,051)
Point Hudson Marina/RV/Prop.	1,483,776	1,397,859	1,379,021	1,536,270	1,311,613	(224,657)
PTBH Prop - Lease Revenue	626,298	647,462	686,149	713,458	778,733	65,275
PTBH Prop - Fuel Dock Lease	21,198	21,037	20,514	19,716	20,514	798
PTBH Prop - Water, Swr, Garbage, Other	25,878	25,545	21,148	24,206	26,340	2,134
PTBH Prop - Electric	2,002	2,897	3,905	4,118	4,833	715
PTBH Prop - Stormwater Fees	9,174	11,593	10,984	10,286	10,984	698
PTBH Prop - Storage Unit Revenue	9,143	9,020	7,706	9,567	11,443	1,876
PTBH Prop - Miscellaneous	2,095	696	411	511	411	(100)
Boat Haven Properties	695,788	718,251	750,817	781,862	853,257	71,395
Quilcene - Lease Revenue	61,917	63,896	69,400	67,117	69,400	2,283
Quilcene - Permanent Moorage	47,547	59,882	53,813	62,250	56,684	(5,566)
Quilcene - Liveaboard Fee	743	3,667	2,683	3,144	-	(3,144)
Quilcene - Liveaboard Background Ck Fee	-	120	-	-	-	-
Quilcene - Nightly Moorage	3,532	2,473	2,111	2,074	2,678	604
Quilcene - Showers	3,671	3,125	3,126	2,997	3,126	129
Quilcene - Reservations	770	182	387	310	495	185
Quilcene - Miscellaneous Revenue	20	32	77	442	77	(365)
Quilcene - Water	13,695	13,378	12,830	12,830	12,830	-
Quilcene - Electric	1,788	4,061	2,582	3,767	3,955	188
Quilcene - Recreational Ramp Fees	10,232	10,379	10,254	11,172	13,718	2,546
Quilcene - Commercial Use Fees	2,400	1,616	1,818	100	2,200	2,100
Quilcene - Empty Trailer Parking	-	-	-	130	972	842
Quilcene - Fuel Sales	19,744	4,291	-	-	-	-
Quilcene Herb Beck Marina	166,058	167,103	159,080	166,333	166,135	(198)
JCIA - Lease Revenue	114,924	110,365	116,691	116,884	122,934	6,050
JCIA - Hangar Revenue	29,175	32,176	33,152	33,693	35,780	2,087
JCIA - Fuel Lease Revenue	2,605	1,622	1,725	1,722	1,725	3
JCIA - Electric	1,303	1,587	1,280	1,145	1,378	233
JCIA - Vehicle Parking Revenue	342	856	842	586	434	(152)
JCIA - Aircraft Parking	1,736	1,919	1,932	1,232	882	(350)
JCIA - Miscellaneous Revenue	550	-	134	5,588	1,000	(4,588)
Jefferson County Intl Airport	150,635	148,526	155,757	160,850	164,133	3,283
Ramp Fees	39,976	47,069	44,936	43,993	51,594	7,601
PTBH - Commercial Use Fees	5,500	4,383	4,427	9,682	5,500	(4,182)
Dinghy Float Revenue	2,110	1,216	1,177	1,244	1,177	(67)
Ramp Use	47,586	52,668	50,539	54,919	58,271	3,352
Total Operating Revenues	\$ 6,297,987	\$ 6,308,883	\$ 6,198,037	\$ 6,760,910	\$ 6,814,018	\$ 53,108
OPERATING EXPENDITURES						
Salaries & Wages	2,051,190	2,233,287	2,332,936	2,311,352	2,621,142	309,790
Payroll Taxes	223,337	234,500	251,957	243,461	265,077	21,616
Employee Benefits	777,463	821,474	889,398	855,703	918,525	62,822
Uniform Expense	8,627	8,868	8,950	7,140	10,715	3,575
Contract Services	277,935	270,900	296,906	263,497	282,456	18,959
Consulting Services	49,769	23,500	-	-	-	-
Legal fees	93,541	47,475	40,000	55,158	40,000	(15,158)
Audit	-	5,598	27,750	27,976	9,580	(18,396)

Port of Port Townsend
SOURCES AND USES OF CASH
2022 Budget with Comparison to Prior Years

	2021 July YTD					2021 YTD-2022
	2019 Actual	2020 Actual	2021 BUDGET	Actual & Remaining Bdgt	2022 Budget	Bdgt Variance
Insurance	276,190	313,259	316,857	402,440	410,000	7,560
Computer/Office Supplies	10,688	10,890	5,104	13,529	11,000	(2,529)
Operating supplies	88,166	61,969	94,569	92,531	85,000	(7,531)
Enviro - materials/supplies	5,358	50,885	23,258	45,114	12,667	(32,447)
Tarp Pool Expense	22,903	23,283	22,333	21,630	25,000	3,370
Exec - Emp Recog/Relations	1,229	284	2,887	3,707	3,000	(707)
Postage	5,297	5,926	5,213	5,353	5,500	147
Janitorial supplies	26,652	23,523	28,038	29,247	30,000	753
Fuel & Lubricants	33,270	26,461	22,421	28,812	28,461	(351)
Permits & Licenses	6,378	4,301	5,500	4,090	5,500	1,410
Equipment Rental	297	1,722	2,951	5,740	14,340	8,600
Claims & Damages	5,697	-	1,515	815	1,515	700
Membership & Dues	12,927	15,749	21,154	21,117	23,154	2,037
Bank Charges	89,488	93,984	90,784	110,824	110,000	(824)
Excise Tax	25,414	25,665	24,524	26,688	28,524	1,836
Miscellaneous Expense	8,160	19,522	1,500	3,555	4,000	445
Repair & Maintenance Supplies	141,871	166,095	100,000	178,545	130,000	(48,545)
Facilities & Operations	483,795	530,260	451,751	591,297	517,661	(73,636)
Utilities	568,049	543,402	565,773	559,557	575,389	15,832
Advertising (legal)*	4,677	4,830	4,767	4,645	5,267	622
Marketing	40,478	39,535	45,126	46,851	49,126	2,275
Promotion	12,088	2,275	2,729	3,966	13,500	9,534
Marketing & Advertising	57,243	46,640	52,622	55,462	67,893	12,431
Economic Development	-	-	-	15,000	30,000	15,000
Travel & Training	32,184	12,174	24,939	19,195	24,939	5,744
Cost of Goods - Fuel	16,255	2,035	-	-	-	-
Community Relations	1,025	6,896	6,965	9,312	6,965	(2,347)
Total Operating Expenditures	\$ 4,916,604	\$ 5,100,268	\$ 5,266,804	\$ 5,416,550	\$ 5,780,342	\$ 363,792
NET OPERATING INCOME	\$ 1,381,384	\$ 1,208,615	\$ 927,439	\$ 1,344,360	\$ 1,033,676	(174,939)
OTHER INCREASES IN FUND RESOURCES						
Retainage Collected	5,012	3,906	5,812	5,812	-	(5,812)
Yard Dep. Collected	22,000	22,877	11,110	25,781	22,220	(3,561)
PTBH Prop Lease Dep. Collected	21,979	22,379	20,009	22,861	18,000	(4,861)
PH Prop Lease Dep. Collected	12,836	11,129	4,804	14,908	8,000	(6,908)
PH Marina/RV Dep. Collected	48,098	32,639	36,771	34,584	30,620	(3,964)
JCIA Lease Dep. Collected	-	-	-	3,345	1,000	(2,345)
Deposits & Retainage Collected	109,925	92,930	78,505	107,291	79,840	(27,451)
Sales Tax Collected	86,181	69,813	68,376	88,457	76,663	(11,794)
Leasehold Tax Collected	615,429	519,948	531,583	558,905	577,930	19,025
Hotel/Motel Tax Collected	7,594	5,569	6,835	8,473	7,030	(1,443)
Taxes Collected	709,204	595,331	606,794	655,835	661,623	5,788
Grants - FAA	321,211	3,320,747	360,400	397,946	637,959	240,013
Grants - WA State	39,748	11,367	-	68,198	970,000	901,802
Grant - WSDOT - JCIA	-	8,014	655	105	4,500	4,395
Grant - Jefferson County	41,834	150,000	-	8,494	-	(8,494)
Grant - EDA Point Hudson Jetty Project	-	-	-	-	3,000,000	3,000,000
Grant - Fed/State Stormwater Treatment	-	-	-	-	2,000,000	2,000,000
FEMA - JCIA Airport Hangar Repair	-	-	-	-	60,000	60,000
Capital Contributions/Grants	402,793	3,490,128	361,055	474,743	6,672,459	6,197,716
ARRA Bond Interest Subsidy	32,829	16,441	32,000	48,951	32,000	(16,951)

Port of Port Townsend
SOURCES AND USES OF CASH
2022 Budget with Comparison to Prior Years

	2021 July YTD					2021 YTD-2022
	2019 Actual	2020 Actual	2021 BUDGET	Actual & Remaining Bdgt	2022 Budget	Bdgt Variance
Investment Interest	31,330	9,543	14,000	8,476	2,530	(5,946)
Interest	64,159	25,983	46,000	57,427	34,530	(22,897)
Debt Proceeds-20/21 LOC	-	1,650,000	-	-	-	(1,650,000)
Operating Tax Levy	1,004,079	1,023,601	1,048,500	1,047,873	1,071,500	23,627
IDD Tax Levy	-	868,941	1,634,289	1,650,256	2,634,289	984,033
State Forest Revenues	41,118	58,938	24,000	12,503	10,000	(2,503)
State Timber Excise Tax	42,710	31,294	24,000	33,592	24,000	(9,592)
Leasehold Excise Tax	6,960	9,636	8,090	9,237	9,072	(165)
Property & other taxes	1,094,866	1,992,409	2,738,879	2,753,461	3,748,861	995,400
Insurance Recovery	-	115,761	-	-	-	(115,761)
Finance Charges	22,678	9,051	17,000	19,364	19,053	10,001
Other Non-Operating Revenues	232,890	5,339	1,000	3,758	1,000	(4,339)
Misc. Incr. in Fund Resources	255,568	130,152	18,000	23,122	20,053	(110,099)
Total Incr. in Other Fund Resources	\$ 2,636,514	\$ 7,976,933	\$ 3,849,233	\$ 4,071,879	\$ 11,217,366	\$ 3,240,433
OTHER DECREASES IN FUND RESOURCES						
Retainage Paid	12,728	-	1,000	3,906	1,000	(2,906)
Yard Deposits Refunded	2,000	21,000	1,523	3,080	20,000	16,920
PTBH Prop Lease Dep. Returned	27,157	5,287	-	10,945	10,000	(945)
PH Prop Lease Dep. Returned	1,208	7,783	2,061	3,886	2,061	(1,825)
PH Deposits Refunded	46,673	31,636	5,960	2,460	-	(2,460)
Deposits & Retainage Paid	89,766	65,706	10,544	24,277	33,061	8,784
Sales Tax Remitted	88,673	70,521	68,376	86,071	74,882	(11,189)
Leasehold Tax Remitted	622,710	494,882	531,583	564,413	570,822	6,409
Hotel/Motel Tax Remitted	7,768	5,689	6,835	7,939	7,030	(909)
Taxes Remitted	719,151	571,092	606,794	658,423	652,734	(5,689)
Bond Principal Repaid - LOC	-	1,400,000	-	250,000	-	(250,000)
Bond Interest Repaid - LOC	-	9,093	-	1,565	-	(1,565)
Bond Principal - 2010 LTGO	235,000	295,000	310,000	310,000	320,000	10,000
Interest Expense - 2010 LTGO Bond	197,838	187,238	175,438	175,438	161,488	(13,950)
Bond Principal - 2015 LTGO	430,000	460,000	475,000	475,000	490,000	15,000
Interest Expense - 2015 LTGO Refund Boi	96,000	82,350	68,325	68,325	53,850	(14,475)
Bond Principal - 2013 Revenue Bond	409,507	-	-	250,000	-	(250,000)
Interest Expense - 2013 Revenue Bond	-	-	-	-	-	-
Bond Principal & Interest	1,368,345	2,433,680	1,028,763	1,530,328	1,025,338	(504,990)
Bond Management Fees	900	1,098	1,000	500	1,000	500
Bond Issue Costs	-	9,500	-	9,300	-	(9,300)
Investment Fees	600	340	475	278	475	197
Other Decr. In Fund Resources	-	-	-	49,795	-	(49,795)
Bond Mgmt, Issuance, Investment	1,500	10,938	1,475	59,873	1,475	(58,398)
Capital Project Expenses	818,185	4,491,246	1,504,361	1,819,004	11,002,785	9,183,781
Election Expense	10,021	15,674	22,000	22,000	2,000	(20,000)
Total Other Decr. In Fund Resources	\$ 3,006,967	\$ 7,588,336	\$ 3,173,937	\$ 4,113,905	\$ 12,717,393	\$ 5,129,056
Net Other Incr./Decr. In Fund Resources	\$ (370,453)	\$ 388,597	\$ 675,296	\$ (42,026)	\$ (1,500,026)	\$ (1,888,623)
Net Income/(Loss)	\$ 1,010,931	\$ 1,597,211	\$ 1,602,736	\$ 1,302,335	\$ (466,350)	\$ (2,063,562)

5 Year Capital Improvement Program
years 2022-2026
as of September 22, 2021

1ST DRAFT 2022 BUDGET		2022	2023	2024	2025	2026	Total 5 year
	note	estimate	estimate	estimate	estimate	estimate	estimate
JEFFERSON COUNTY INTERNATIONAL AIRPORT (JCIA)							
Airport Terminal	a	110,550	-	-	-	-	110,550
Underground Storage Tank Replacement		100,000	400,000	-	-	-	500,000
Renovate Hangars		-	-	-	100,000	500,000	600,000
Construct New Connector TW A2, Install Sign		-	-	-	-	-	-
Phase 1 Design		90,000	-	-	-	-	90,000
Phase 2 Construction			555,556	-	-	-	555,556
Rehabilitate Apron and Parallel TW (Crack/Slurry Seal)		-	-	-	333,333	-	333,333
FEMA-Airport Hanger repair	a	80,000	-	-	-	-	80,000
Maintenance Storage Building/County Building relocate		-	140,800	-	-	-	140,800
BOAT HAVEN							
70/75 Ton & 300 Ton Yard Resurfacing		-	100,000	100,000	100,000	50,000	350,000
Dock Renovations & Piling Replacement	a	200,000	150,000	150,000	150,000	1,625,000	2,275,000
Main Breakwater Repairs - Construction		350,000	-	-	-	-	350,000
Stormwater Treatment Compliance Upgrade		2,650,000	-	-	-	-	2,650,000
Moorage Office	a	191,250	-	-	-	-	191,250
70/75 Ton & 300 Ton Yard Electrical Upgrades							-
Design & Permitting		30,000	-	-	-	-	30,000
Construction		-	75,000	325,000	-	-	400,000
70/75 Ton & 300 Ton Yard Expansion Northwest 25-feet		450,000	450,000				900,000
70/75 Ton & 300 Ton Yard Expansion Southwest		100,000				2,600,000	2,700,000
Sperry Buildings Capital Maintenance (2 buildings per year)	a	100,000	100,000	40,000	-		240,000
Building Maintenance					100,000	100,000	200,000
BH-Linear Dock Replacement							-
Design		107,185	428,740	-	-	-	535,925
Construction		-	-	1,886,515	257,185	-	2,143,700
Remodel Skookum/Nomura Building	a	40,000	-	-	-	-	40,000
Marina Dredging		-	-	-	-	550,000	550,000
POINT HUDSON							
Building Preservation (incl. roof replacements)		100,000	100,000	100,000	100,000	525,000	925,000
Point Hudson Landscaping		-	-	-	-	40,000	40,000
Replacement of North & South Jetties							-
Construction		6,000,000	6,000,000	2,100,000	-	-	14,100,000
PH-RV Park Reconstruction		-	-	-	-	500,000	500,000
Cantilevered Esplanade		-	-	-	-	2,000,000	2,000,000
Roadway Resurfacing		-	-	-	-	165,000	165,000
QUILCENE							
Facility Planning & Preliminary Engineering	b	-	-	-	-	-	-
Implementation of Quilcene Plan		-	100,000	100,000	100,000	100,000	400,000
Marina Dock Repairs		-	-	-		256,000	256,000
Ramp Upgrade		-	-	-	-	400,000	400,000

1ST DRAFT 2022 BUDGET		2022	2023	2024	2025	2026	Total 5 year
	note	estimate	estimate	estimate	estimate	estimate	estimate
Building Maintenance		-	-	-	-	150,000	150,000
Marina Dredging		-	-	-	-	250,000	250,000
OTHER CAPITAL							-
Gardiner Launch Ramp w/Seasonal Float		-	625,000	-	-	-	625,000
Mats Mats Bay Boat Ramp Rehabilitate		-	-	-	-	300,000	300,000
FEMA-City Dock Repair		-	2,000,000	-	-	-	2,000,000
Small Capital projects		50,000	105,000	50,000	50,000	50,000	305,000
Port Equipment/Vehicle replacement		518,000	100,000	100,000	100,000	1,200,000	2,018,000
Total Estimated Project Expenses		11,266,985	11,430,096	4,951,515	1,390,518	11,361,000	40,400,114
	note	2022	2023	2024	2025	2026	Total 5 year
FUNDING SOURCES		estimate	estimate	estimate	estimate	estimate	estimate
GRANTS -- Secured							
RCO - PH North & South Jetties Replacement - Construction	c	-	-	-	-	-	-
Fed EDA - PH North & South Jetties Replacement - Construction		(3,000,000)	(3,000,000)	(1,031,300)	-	-	(7,031,300)
State - PH North & South Jetties Replacement - Construction		(970,000)	-	-	-	-	(970,000)
Fed/State - Stormwater Treatment Compliance Upgrade		(2,000,000)	-	-	-	-	(2,000,000)
FAA NPE -Construct New Connector TW A2, Install Sign		-	-	-	-	-	-
Phase 1 Design (FAA NPE fund)		(81,000)	-	-	-	-	(81,000)
Phase 1 Design (WSDOT funds)		(4,500)	-	-	-	-	(4,500)
Phase 2 Construction (FAA NPE fund)		-	(150,000)	-	-	-	(150,000)
Phase 2 Construction (FAA ST/DI fund)		-	(350,000)	-	-	-	(350,000)
Phase 2 Construction (FAA ST/DI fund)		-	(27,777)	-	-	-	(27,777)
Rehabilitate Apron and Parallel TW (Crack/Slurry Seal)		-	-	-	(300,000)	-	(300,000)
Rehabilitate Apron and Parallel TW (Crack/Slurry Seal)		-	-	-	(16,666)	-	(16,666)
FEMA-City Dock Repair		-	(1,500,000)	-	-	-	(1,500,000)
FEMA-Airport Hanger repair		(60,000)	-	-	-	-	(60,000)
RCO -Gardiner Launch Ramp		-	(500,000)	-	-	-	(500,000)
TOTAL PROJECTED GRANT FUNDS USE		(6,115,500)	(5,527,777)	(1,031,300)	(316,666)	-	(12,991,243)
PORT WIDE CAPITAL RESERVE							-
Main Breakwater Repairs		-	-	-	-	-	-
BOAT HAVEN RESERVE							-
Main Breakwater Repairs - Construction		(350,000)	-	-	-	-	(350,000)
Dock Renovation & Piling Replacement		(90,944)	-	-	-	-	(90,944)
IDD LEVY RESERVE							-
PH North & South Jetties Replacement							-
Construction		(2,030,000)	(3,000,000)	(1,068,700)	-	-	(6,098,700)
70/75 Ton & 300 Ton Yard Resurfacing		-	(100,000)	(100,000)	(100,000)	(50,000)	(350,000)
JCIA Underground Storage Tank Replacement		(100,000)	(400,000)	-	-	-	(500,000)
Dock Renovation & Piling Replacement		(109,056)	(150,000)	(150,000)	(150,000)	(1,625,000)	(2,184,056)
Sperry Buildings Capital Maintenance (2 buildings per year)		(100,000)	(100,000)	(40,000)	-	-	(240,000)
70/75 Ton & 300 Ton Yard Electrical Design		(30,000)	-	-	-	-	(30,000)
70/75 Ton & 300 Ton Yard Electrical Construction		-	(75,000)	(325,000)	-	-	(400,000)
70/75 Ton & 300 Ton Yard Expansion Northwest 25-feet		(250,000)	(250,000)	-	-	-	(500,000)
BH-Stormwater Treatment Compliance Upgrade		(650,000)	-	-	-	-	(650,000)
BH-Marina Dredging		-	-	-	-	(550,000)	(550,000)
FEMA-City Dock Repair		-	(500,000)	-	-	-	(500,000)

1ST DRAFT 2022 BUDGET		2022	2023	2024	2025	2026	Total 5 year
	note	estimate	estimate	estimate	estimate	estimate	estimate
Moorage Office		(191,250)	-	-	-	-	(191,250)
Maintenance Storage Building/County Building relocate		-	(140,800)	-	-	-	(140,800)
Mats Mats Bay Boat Ramp Rehabilitate		-	-	-	-	(300,000)	(300,000)
Quilcene Implementation of Plan	b	-	(100,000)	(100,000)	(100,000)	(100,000)	(400,000)
Quilcene Marina Dock Repairs		-	-	-	-	(256,000)	(256,000)
Quilcene Ramp Upgrade		-	-	-	-	(400,000)	(400,000)
Quilcene Building Maintenance		-	-	-	-	(150,000)	(150,000)
Quilcene Marina Dredging		-	-	-	-	(250,000)	(250,000)
PH Building Preservation (including roofs)		(100,000)	(100,000)	(100,000)	(100,000)	(525,000)	(925,000)
PH Roadway Resurfacing		-	-	-	-	(165,000)	(165,000)
JCIA Renovate Hangars		-	-	-	(100,000)	(500,000)	(600,000)
TOTAL PROJECTED IDD LEVY FUNDS USE		(3,560,306)	(4,915,800)	(1,883,700)	(550,000)	(4,871,000)	(15,780,806)
NET OPERATING INCOME (NOI)							-
FAA NPE -Construct New Connector TW A2, Install Sign							-
Phase 1 Design (match to FAA NPE fund)		(4,500)	-	-	-	-	(4,500)
Phase 2 Construction (FAA NPE fund)			(8,334)	-	-	-	(8,334)
Phase 2 Construction (FAA ST/DI fund)			(19,445)	-	-	-	(19,445)
Rehabilitate Apron and Parallel TW (Crack/Slurry Seal)		-	-	-	(16,667)	-	(16,667)
JCIA Airport Terminal		(110,550)	-	-	-	-	(110,550)
70/75 Ton & 300 Ton Yard Expansion Southwest		(50,000)					(50,000)
PH-RV Park Reconstruction		-	-	-	-	(500,000)	(500,000)
Point Hudson Landscaping		-	-	-	-	(40,000)	(40,000)
Building Maintenance					(100,000)	(100,000)	(200,000)
Gardiner Launch Ramp w/Seasonal Float		-	(125,000)	-	-	-	(125,000)
FEMA-Airport Hanger repair		(20,000)	-	-	-	-	(20,000)
Small Capital projects - unidentified		(50,000)	(105,000)	(50,000)	(50,000)	(50,000)	(305,000)
Port Equipment/Vehicle replacement		(518,000)	(100,000)	(100,000)	(100,000)	(1,200,000)	(2,018,000)
TOTAL PROJECTED NOI FUNDS USE		(753,050)	(357,779)	(150,000)	(266,667)	(1,890,000)	(3,417,496)
Total Funding Sources Secured		(10,869,800)	(10,801,356)	(3,065,000)	(1,133,333)	(6,761,000)	(32,630,489)
Unsecured Anticipated Grants							-
PH Cantilevered Esplanade		-	-	-	-	(2,000,000)	(2,000,000)
Remodel Skookum/Nomura Building funded by Tenant		(40,000)	-	-	-	-	(40,000)
BH-Linear Dock Replacement		(107,185)	(428,740)	(1,886,515)	(257,185)	-	(2,679,625)
70/75 Ton & 300 Ton Yard Expansion Northwest 25-feet		(200,000)	(200,000)	-	-	-	(400,000)
70/75 Ton & 300 Ton Yard Expansion Southwest		(50,000)	-	-	-	(2,600,000)	(2,650,000)
Total Unsecured Anticipated Grants		(397,185)	(628,740)	(1,886,515)	(257,185)	(4,600,000)	(7,769,625)
Total Funding Sources Secured & Unsecured		(11,266,985)	(11,430,096)	(4,951,515)	(1,390,518)	(11,361,000)	(40,400,114)

Notes:

- a.) Port maintenance staff will be involved in the project.
- b.) The Quilcene Facility Planning and Preliminary Engineering is budgeted for 2021. This will be completed once the 2021 Quilcene Outreach is completed. These projects may cause Quilcene capital work to occur sooner than this projection.
- c.) RCO Boating Infrastructure Grant (BIG) agreement term extended, however scope amendment not yet approved to reflect redesigned project.

Port of Port Townsend		
2021 Rate Schedule		
BOAT HAVEN		
360.385.6211		
Service Rates – Effective January 1, 2021		
Approved by Port Commission on 11/10/2020		
MOORAGE RATE IS BASED ON OVERALL LENGTH OR SLIP LENGTH, WHICHEVER IS GREATER.		
	2021 Rates	
<u>YEAR-ROUND NIGHTLY MOORAGE</u>		
Vessels Under 18’ Wide	\$1.36 /ft/nt	
Over Wide Vessels (18’ +)	\$1.87 /ft/nt	
<u>TEMPORARY TIE-UP</u> (up to 4 hours)	under 35'	over 35'
up to 4 hours	\$10.00	\$20.00
up to 8 hours with annual pass	\$20.00	
<u>PERMANENT MOORAGE</u>		
25' slip	\$227.83 /mo*	
27' slip	\$252.43 /mo*	
30' slip	\$285.31 /mo*	
34' slip	\$323.34 /mo*	
35' slip	\$348.66 /mo*	
40' slip	\$399.33 /mo*	
42' slip	\$419.58 /mo*	
45' slip	\$475.37 /mo*	
50' slip	\$528.72 /mo*	
Linear Rate Under 25’	\$9.11 /ft/mo*	
Linear rate 51’+	\$11.39 /ft/mo*	
Note: Receive 5% discount on annual permanent tenancy if total year is prepaid in cash or check before Jan. 15, 2021.		
<u>ACTIVE COMMERCIAL FISHING</u>		
Up to 70’	\$7.51 /ft/mo*	
71’+	\$8.55 /ft/mo*	
Limited Access	\$7.43 /ft/mo*	
Undesirable	\$6.44 /ft/mo*	
Business/Ltd Access	same as perm. rate /ft/mo*	
Overwide Vessels (18’+ wide)	length + 1/2 beam x estab. rate*	
<u>FEES</u>		
Liveaboard Fee	\$80.95 /month*	
Background Check Fee	\$60.00	
Restroom/Laundry Key Fobs (tenants only)		
1st Fob issued	free	
2nd Fob issued (max. of 2)	\$10.00 each	
Replacement Fob	\$25.00 each	
<u>ELECTRICAL FEES</u>		
Nightly Electric - under 55'	\$6.00	
Nightly Electric - over 55'	\$12.00	
Electric Connect Fee	\$30.00	
Metered Electric/Base Fee	\$11.00 /mo + KWHs used	
Electric Charges @	\$0.1007 per KWH	
(subject to change with utility increases)		
Non-metered Electrical	\$1.57 ft/mo	
<u>WINTER GUEST MONTHLY, based on availability</u>	(Oct. 1 – Apr. 30:)	
25’ slip	\$263.55 /month*	
27’ slip	\$291.31 /month*	
30’ slip	\$329.41 /month*	
34’ slip	\$373.32 /month*	

Port of Port Townsend		
2022 Rate Schedule - DRAFT		
BOAT HAVEN		
360.385.6211		
Service Rates – Effective January 1, 2022		
Approved by Port Commission on *****		
MOORAGE RATE IS BASED ON OVERALL LENGTH OR SLIP LENGTH, WHICHEVER IS GREATER.		
	2022 Rates	
<u>YEAR-ROUND NIGHTLY MOORAGE</u>		
Vessels Under 18’ Wide	\$1.43 /ft/nt	
Over Wide Vessels (18’ +)	\$1.96 /ft/nt	
<u>TEMPORARY TIE-UP</u>	under 35'	over 35'
up to 4 hours	\$15.00	\$25.00
<u>PERMANENT MOORAGE</u>		
<i>(Assumes annual increases of 3% for 2023 and 2024)</i>		
25' slip	\$234.66 /mo*	
27' slip	\$260.00 /mo*	
30' slip	\$293.87 /mo*	
34' slip	\$333.04 /mo*	
35' slip	\$359.12 /mo*	
40' slip	\$411.31 /mo*	
42' slip	\$432.17 /mo*	
45' slip	\$489.63 /mo*	
50' slip	\$544.59 /mo*	
Linear Rate Under 25'	\$9.38 /ft/mo*	
Linear rate 51'+	\$11.73 /ft/mo*	
<i>Note: Receive 5% discount on annual permanent tenancy if total year is prepaid in cash or check before Jan. 15, 2022.</i>		
<u>ACTIVE COMMERCIAL FISHING</u>		
Up to 70'	\$7.89 /ft/mo*	
71'+	\$8.98 /ft/mo*	
<u>OTHER MOORAGE</u>		
Limited Access	\$7.81 /ft/mo*	
Undesirable	\$6.77 /ft/mo*	
Business/Ltd Access	same as perm. rate /ft/mo*	
Overwide Vessels (18'+ wide)	length + 1/2 beam x estab. rate*	
<u>FEES</u>		
Liveaboard Fee	\$100.00 /month*	
Annual Background Check Fee	\$60.00	
MOVED FOBS TO MISC RATE CARD		
<u>ELECTRICAL FEES</u>		
Nightly Electric - under 55'	\$6.00	
Nightly Electric - over 55'	\$12.00	
Electric Connect Fee	\$30.00	
Metered Electric/Base Fee	\$11.00 /mo + KWHs used	
Electric Charges @	\$0.1029 per KWH	
<i>(subject to change with utility increases)</i>		
Non-metered Electrical	\$1.64 ft/mo	
<u>WINTER GUEST MONTHLY, based on availability</u>	<i>(Oct. 1 – Apr. 30:)</i>	
25' slip	\$276.73 /month*	
27' slip	\$305.88 /month*	
30' slip	\$345.88 /month*	
34' slip	\$391.99 /month*	
35' slip	\$420.20 /month*	
40' slip	\$483.40 /month*	

*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

**Subject to 9% WA State Sales Tax

Port of Port Townsend	
2021 Rate Schedule	
BOAT HAVEN	
360.385.6211	
Service Rates – Effective January 1, 2021	
Approved by Port Commission on 11/10/2020	
MOORAGE RATE IS BASED ON OVERALL LENGTH OR SLIP LENGTH, WHICHEVER IS GREATER.	
	2021 Rates
35' slip	\$400.19 /month*
40' slip	\$460.38 /month*
42' slip	\$483.42 /month*
45' slip	\$545.48 /month*
50' slip	\$632.96 /month*
Linear Rate Under 25'	\$10.53 /ft/mo*
Linear Rate 51'+	\$13.67 /ft/mo*
SUMMER GUEST MONTHLY, based on availability (May 1 – Sept. 30:)	
25' slip	\$321.05 /month*
27' slip	\$353.69 /month*
30' slip	\$400.08 /month*
34' slip	\$453.53 /month*
35' slip	\$488.20 /month*
40' slip	\$558.08 /month*
42' slip	\$586.32 /month*
45' slip	\$665.42 /month*
50' slip	\$739.89 /month*
Linear Rate Under 25'	\$12.84 /ft/mo*
Linear Rate 51'+	\$16.52 /ft/mo*
Also see Miscellaneous Rates and Fees for other fees that apply.	

Port of Port Townsend	
2022 Rate Schedule - DRAFT	
BOAT HAVEN	
360.385.6211	
Service Rates – Effective January 1, 2022	
Approved by Port Commission on *****	
MOORAGE RATE IS BASED ON OVERALL LENGTH OR SLIP LENGTH, WHICHEVER IS GREATER.	
	2022 Rates
42' slip	\$507.59 /month*
45' slip	\$572.75 /month*
50' slip	\$664.60 /month*
Linear Rate Under 25'	\$11.06 /ft/mo*
Linear Rate 51'+	\$14.35 /ft/mo*
SUMMER GUEST MONTHLY, based on availability (May 1 – Sept. 30:)	
25' slip	\$337.10 /month*
27' slip	\$371.38 /month*
30' slip	\$420.09 /month*
34' slip	\$476.21 /month*
35' slip	\$512.61 /month*
40' slip	\$585.98 /month*
42' slip	\$615.64 /month*
45' slip	\$698.69 /month*
50' slip	\$776.88 /month*
Linear Rate Under 25'	\$13.48 /ft/mo*
Linear Rate 51'+	\$17.35 /ft/mo*
Also see Miscellaneous Rates and Fees for other fees that apply.	
*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.	

Port of Port Townsend

2021 Rate Schedule

YARD RATES

360.385.6211

Service Rates – Effective January 1, 2021

Approved by Port Commission on 11/10/2020

2021 Rates

70/75 TON LIFTS

31' or less	\$9.36 /ft**
32'-41'	\$10.40 /ft**
42'-51'	\$11.44 /ft**
52'-61'	\$12.48 /ft**
62'+	\$14.56 /ft**
Minimum Hoist	\$220.00 **
Off-Port Blocking (subject to Tarp Fee)	\$2.30 /ft/mo*, **
One-way Haul Out	75% RT or Min. Hoist**
One-way Launch	50% RT or Min. Hoist**
Re-block Fee	75% RT or Min. Hoist**
Inspections	Roundtrip Rate**
Hang Overnight	Roundtrip Rate
Owner Wash Down	\$2.30 /ft/30 minutes**

If Port staff do the washdown, above rate is taxed** and hourly labor rate added. (See Port Labor rate**)

Environmental Fee	75¢ /ft/haul/mo or min. \$20
Delay of Lift	\$68.00 /half hour
Labor Rate	\$69.00 /person/hour **
Overtime Rate & Call-in Labor Rate	\$104.00 /person/hour **

WORKYARD STORAGE

Daily	\$0.78 /ft/day
Monthly	\$0.63 /ft/day*

Covered Storage

70' Covered Shed	\$75.00 /day*
Electrical Rate:	\$5.00 /day

Seasonal Workyard -- 1 month minimum prepaid

Oct 1, 2020-Mar 31, 2021	\$0.37 /ft/day*
Oct 1, 2021-Mar 31, 2022	50% off current rates*

(Leasehold tax to be charged on full current rate)

Non-working Long-term

3-month minimum, no power	\$8.32 /ft/mo*
6-month minimum, no power	\$6.77 /ft/mo*
Trailer Vessel (storage only)	\$6.77 /ft/mo*

Electrical Rate:

(applicable year-round)	\$1.52 /day \$30.30 /mo*
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300 TON TRAVEL LIFT

70' or less	\$18.58 /ft**
71'-89'	\$20.00 /ft**
90' or over	\$24.71 /ft**
Minimum Hoist	\$832.24 *
Off-Port Blocking (subject to Tarp Fee)	\$3.00 /ft/mo*, **
Trimaran hulls	150% RT or minimum**
One-way Haul Out/Reblock	75% RT or minimum**
Inspections	Roundtrip Rate**
Hang Overnight	Roundtrip Rate
Owner Wash Down	\$3.30 /ft/hr

Port of Port Townsend

2022 Rate Schedule - DRAFT

YARD RATES

360.385.6211

Service Rates – Effective January 1, 2022

Approved by Port Commission on *****

2022 Rates

70/75 TON LIFTS

31' or less	\$9.83 /ft**
32'-41'	\$10.92 /ft**
42'-51'	\$12.02 /ft**
52'-61'	\$13.11 /ft**
62'+	\$15.29 /ft**
Minimum Hoist	\$231.00 **
Off-Port Blocking (subject to Tarp Fee)	\$2.42 /ft/mo*, **
One-way Haul Out	75% RT or Min. Hoist**
One-way Launch	50% RT or Min. Hoist**
Re-block Fee	75% RT or Min. Hoist**
Inspections	Roundtrip Rate**
Hang Overnight	Roundtrip Rate
Owner Wash Down	\$2.42 /ft/30 minutes**

If Port staff does the washdown, above rate is taxed** and hourly labor rate added. (See Port Labor rate**)

Environmental Fee	\$0.79 /ft/haul/mo or min. \$21
Delay of Lift	\$71.40 /half hour
Labor Rate	\$72.45 /person/hour **
Overtime Rate & Call-in Labor Rate	\$109.20 /person/hour **

WORKYARD STORAGE

Daily	\$1.00 /ft/day
Monthly	\$0.75 /ft/day*

Covered Storage

70' Covered Shed	\$75.00 /day*
Electrical Rate:	\$5.00 /day

Seasonal Workyard -- 1 month minimum prepaid

Oct 1, 2021 - Mar 31, 2022	50% off current rates*
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Commission discussion needed on how to move forward on this program.

Non-working Long-term

3-month minimum, no power	\$8.74 /ft/mo*
6-month minimum, no power	\$7.11 /ft/mo*
Trailer Vessel (storage only)	\$7.11 /ft/mo*

Electrical Rate:

(applicable year-round)	\$1.60 /day \$31.82 /mo*
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300 TON TRAVEL LIFT

70' or less	\$19.51 /ft**
71'-89'	\$21.00 /ft**
90' or over	\$25.95 /ft**
Minimum Hoist	\$873.85 *
Off-Port Blocking (subject to Tarp Fee)	\$3.15 /ft/mo*, **
Trimaran hulls	150% RT or minimum**
One-way Haul Out/Reblock	75% RT or minimum**
Inspections	Roundtrip Rate**
Hang Overnight	Roundtrip Rate
Owner Wash Down	\$3.47 /ft/hr

If Port staff do the washdown, above rate is taxed** and hourly labor rate added. (See Port Labor rate**)

*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

**Subject to 9.1% WA State Sales Tax

Port of Port Townsend

2021 Rate Schedule

YARD RATES

360.385.6211

Service Rates – Effective January 1, 2021
Approved by Port Commission on 11/10/2020

2021 Rates

If Port staff do the washdown, above rate is taxed** and hourly labor rate added. (See Port Labor rate**)

Delay of Lift	\$68.00 /half hour
Labor Rate	\$69.00 /person/hour**
Overtime & Call-in Labor Rate	\$104.00 /person/hour**

BOATYARD STORAGE

Daily	\$1.19 /ft/day
Monthly	\$0.96 /ft/day*
Misc. Storage	\$0.89 /sq ft/mo*
Mast Storage	\$0.78 /sq ft/mo*
Storage Box Rental	\$25.00 /week*, **

(flat fee plus tax, no prorations) Subject to LHT if rented for 30 days or more.

Electric

Metered Electric	\$5.00 /day + KWH
KWH (subject to utility increases)	\$0.1007

TARP FEES (Off Port Property)

20 x 20	\$27.00
20 x 30	\$37.00
20 x 40	\$47.00
26 x 40	\$63.00
30 x 40	\$73.00
30 x 60	\$105.00
40 x 60	\$142.00

Port of Port Townsend

2022 Rate Schedule - DRAFT

YARD RATES

360.385.6211

Service Rates – Effective January 1, 2022
Approved by Port Commission on *****

2022 Rates

Delay of Lift	\$71.40 /half hour
Labor Rate	\$72.45 /person/hour**
Overtime & Call-in Labor Rate	\$109.20 /person/hour**

BOATYARD STORAGE

Daily	\$1.25 /ft/day
Monthly	\$1.01 /ft/day*

ELECTRIC

Metered Electric	\$5.00 /day + KWH
KWH (subject to utility increases)	\$0.1029

OTHER STORAGE

Misc. Storage	\$0.93 /sq ft/mo*
Mast Storage	\$0.82 /sq ft/mo*
Storage Box Rental	\$26.25 /week*, **

(flat fee plus tax, no prorations) Subject to LHT if rented for 30 days or more.

TARP FEES (Off Port Property)

20 x 20	\$28.35
20 x 30	\$38.85
20 x 40	\$49.35
26 x 40	\$66.15
30 x 40	\$76.65
30 x 60	\$110.25
40 x 60	\$149.10

* 12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

** Subject to WA State Sales Tax of 9.1%

*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

**Subject to 9.1% WA State Sales Tax

Port of Port Townsend

2021 Rate Schedule

POINT HUDSON

360.385.2828

Service Rates – Effective January 1, 2021

Approved by Port Commission on 11/10/2020

MOORAGE RATE IS BASED ON OVERALL LENGTH
OR SLIP LENGTH, WHICHEVER IS GREATER.

2021 Rates

YEAR-ROUND NIGHTLY MOORAGE

Vessels under 18' in width	\$ 1.36 /ft/nt
Overwide Vessels (18'+)	\$ 1.87 /ft/nt

TEMPORARY TIE-UP (up to 4 hours)

Boats under 35'	\$ 10.00
Boats over 35'	\$ 20.00

WINTER MONTHLY MOORAGE (October 1 – April 30)

25' slip	\$ 263.55 /mo*
27' slip	\$ 291.31 /mo*
30' slip	\$ 329.41 /mo*
35' slip	\$ 400.19 /mo*
40' slip	\$ 460.38 /mo*
45' slip	\$ 545.48 /mo*
50' slip	\$ 632.96 /mo*
Linear Rate Under 25'	\$ 10.53 /ft/mo*
Linear Rate 51'+	\$ 13.67 /ft/mo*

LIMITED ACCESS MOORAGE \$ 7.92 /ft/mo*

UNDESIRABLE MOORAGE \$ 6.44 /ft/mo*

BUSINESS MOORAGE same as Boat Haven permanent rate /ft/mo*

STORAGE ONLY

Kayak or rowing shell storage	\$ 27.00 /mo*
Top rack kayak storage	\$ 20.00 /mo*
Dory on dock	\$ 65.00 /mo*

FEES

Reservation Fee	\$ 11.00 /reservation
Live-aboard Fee	\$ 80.95 /mo*
Commercial Vessel Passenger Fee - See Miscellaneous Rates	

ELECTRICAL FEES

Nightly Electric	\$ 6.00
Nightly Electric over 55'	\$ 12.00
Electric Connect Fee	\$ 30.00
Electric Base Fee + KWHs Used	\$ 11.00 /mo
Electric Charges @	\$ 0.1007 /KWH
(subject to change w/utility rate increases)	
Non-metered Electrical	\$ 1.57 /ft/mo

*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

1. Sales Tax of 9.1% and Hotel/Motel Tax of 2%

Port of Port Townsend

2022 Rate Schedule - DRAFT

POINT HUDSON

360.385.2828

Service Rates – Effective January 1, 2022

Approved by Port Commission on *****

MOORAGE RATE IS BASED ON OVERALL LENGTH
OR SLIP LENGTH, WHICHEVER IS GREATER.

2022 Rates

YEAR-ROUND NIGHTLY MOORAGE

Vessels under 18' in width	\$ 1.43 /ft/nt
Overwide Vessels (18'+)	\$ 1.96 /ft/nt

TEMPORARY TIE-UP (up to 4 hours)

Boats under 35'	\$ 15.00
Boats over 35'	\$ 25.00

WINTER MONTHLY MOORAGE (October 1 – April 30)

25' slip	\$ 276.73 /mo*
27' slip	\$ 305.88 /mo*
30' slip	\$ 345.88 /mo*
35' slip	\$ 420.20 /mo*
40' slip	\$ 483.40 /mo*
45' slip	\$ 572.75 /mo*
50' slip	\$ 664.60 /mo*
Linear Rate Under 25'	\$ 11.06 /ft/mo*
Linear Rate 51'+	\$ 14.35 /ft/mo*

LIMITED ACCESS MOORAGE \$ 8.31 /ft/mo*

UNDESIRABLE MOORAGE \$ 6.77 /ft/mo*

BUSINESS MOORAGE same as Boat Haven permanent rate /ft/mo*

STORAGE ONLY

Kayak or rowing shell storage	\$ 28.35 /mo*
Top rack kayak storage	\$ 21.00 /mo*
Dory on dock	\$ 68.25 /mo*

FEES

Reservation Fee	\$ 11.00 /reservation
Live-aboard Fee	\$ 100.00 /mo*
Annual Live-aboard Background Check Fee	\$ 60.00
Commercial Vessel Passenger Fee - See Miscellaneous Rates	

ELECTRICAL FEES

Nightly Electric	\$ 6.00
Nightly Electric over 55'	\$ 12.00
Electric Connect Fee	\$ 30.00
Electric Base Fee + KWHs Used	\$ 11.00 /mo
Electric Charges @	\$ 0.1029 /KWH
(subject to change w/utility rate increases)	
Non-metered Electrical	\$ 1.64 /ft/mo

*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

1. Sales Tax of 9.1% and Hotel/Motel Tax of 2%

Port of Port Townsend

2021 Rate Schedule

POINT HUDSON

360.385.2828

Service Rates – Effective January 1, 2021

Approved by Port Commission on 11/10/2020

MOORAGE RATE IS BASED ON OVERALL LENGTH
OR SLIP LENGTH, WHICHEVER IS GREATER.

2021 Rates

RV PARK - SUMMER (May 1 – September 30)

Nightly – Premium Waterfront	\$ 64.00 /night ¹
Nightly - Hookup	\$ 53.00 /night ¹

RV PARK – WINTER (October 1 – April 30)

Nightly – Premium Waterfront	\$ 53.00 /night ¹
Nightly - Hookup	\$ 46.00 /night ¹

RV PARK – WINTER GUEST MONTHLY

Oct-Jun, back row only	\$ 555.00 /month*
Nov-Apr, front row	\$ 630.00 /month*

RV PARK – YEAR ROUND

Back Row	\$ 46.00 /night ¹
Dry Camp	\$ 33.00 /night ¹
Extra Vehicle in RV Space	\$ 6.50 /night
RV Holding Tank Dump Fee	\$ 13.00

EVENT PARKING - "Back 40 Lot"

Daily:	\$ 6.50 /day
Weekly:	\$ 31.00 /week
Monthly:	\$ 56.00 /month*

"Landfall Site" Parking (across from NW Maritime Center):

Daily (April 1–September 30):	\$ 10.00 /day
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*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

1. Sales Tax of 9.1% and Hotel/Motel Tax of 2%

Port of Port Townsend

2022 Rate Schedule - DRAFT

POINT HUDSON

360.385.2828

Service Rates – Effective January 1, 2022

Approved by Port Commission on *****

MOORAGE RATE IS BASED ON OVERALL LENGTH
OR SLIP LENGTH, WHICHEVER IS GREATER.

2022 Rates

RV PARK - SUMMER (May 1 – September 30)

Nightly – Premium Waterfront	\$67-\$77 /night ¹
Nightly - Hookup	\$56-\$66 /night ¹

RV PARK – WINTER (October 1 – April 30)

Nightly – Premium Waterfront	\$45.65 - \$55.65 /night ¹
Nightly - Hookup	\$40.30 - \$48.30 /night ¹

RV PARK – WINTER GUEST MONTHLY

Oct-Jun, back row only	\$ 666.00 /month*
Nov-Apr, front row	\$ 756.00 /month*

RV PARK – YEAR ROUND

Back Row	\$ 48.30 /night ¹
Dry Camp	\$ 34.65 /night ¹
Extra Vehicle in RV Space	\$ 6.50 /night
RV Holding Tank Dump Fee	\$ 13.00

EVENT PARKING - "Back 40 Lot"

Daily:	\$ 7.00 /day
Weekly:	\$ 33.00 /week
Monthly:	\$ 75.00 /month*

"Landfall Site" Parking (next to Puget Sound Express):

Daily (April 1–September 30):	\$ 10.00 /day
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*12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges for stays of 30 days or more. If stay exceeds 30 days, the LHT will be added to the first 29 days.

1. Sales Tax of 9.1% and Hotel/Motel Tax of 2%

Port of Port Townsend

2021 Rate Schedule

HERB BECK MARINA - QUILCENE

360.765.3131 or 360.385.6211

Service Rates – Effective January 1, 2021

Approved by Port Commission on 11/10/2020

MOORAGE RATE IS BASED ON OVERALL LENGTH
OR SLIP LENGTH, WHICHEVER IS GREATER.

2021 Rates

NIGHTLY MOORAGE	\$ 0.86 /ft/nt
TEMPORARY TIE-UP	\$ 6.00
over 35'	\$ 12.00

PERMANENT MOORAGE

Up to 24 ft.	\$ 6.98 /ft/mo*
25-29 ft.	\$ 7.52 /ft/mo*
30-35 ft.	\$ 8.05 /ft/mo*
36-45 ft.	\$ 8.61 /ft/mo*
46-50 ft.	\$ 9.68 /ft/mo*
Limited Access – Up to 18'	\$ 4.84 /ft/mo*

LIVEABOARD FEE

Background Check Fee	\$ 80.95 /mo*
	\$60.00

RESERVATION FEE

\$ 11.00 /reservation

ELECTRICAL FEES

Nightly Electric	\$ 6.00
over 55'	\$ 12.00
Connect Fee	\$ 30.00
Base Electric Fee	\$ 11.00 /mo
Metered Electric @	\$0.1007 /KWH

(subject to change with utility rate increase)

LAUNCH RAMP

Launch ramp fee	\$ 15.00 /day**
(Daily Launch pass includes 1 day of boat trailer parking)	
Annual Ramp Pass (Rolling Calendar)	\$ 100.00 /year**

**Free with verified DVA determination

STORAGE

	/day	/week	/month
Empty Boat Trailer	\$ 6.00	\$ 30.00	\$ 56.00*
Kayak or Rowing Shell storage*			\$ 27.00
Top Rack Kayak/Shell storage*			\$ 20.00

Port of Port Townsend

2022 Rate Schedule - DRAFT

HERB BECK MARINA - QUILCENE

360.765.3131 or 360.385.6211

Service Rates – Effective January 1, 2022

Approved by Port Commission on *****

MOORAGE RATE IS BASED ON OVERALL LENGTH
OR SLIP LENGTH, WHICHEVER IS GREATER.

New Rate
Type

2022 Rates

NIGHTLY MOORAGE	\$1.11 ft/nt
TEMPORARY TIE-UP	\$10.00
	\$20.00 over 35'

PERMANENT MOORAGE

6 month Minimum

Up to 26 ft.	\$9.11 ft/mo*
27-29 ft.	\$9.35 ft/mo*
30-34 ft.	\$9.51 ft/mo*
35-39 ft.	\$9.96 ft/mo*
40-50 ft.	\$10.56 ft/mo*
Limited Access – Up to 18'	\$6.44 ft/mo*

GUEST MONTHLY

1 month minimum- 6 month maximum

Up to 26 ft.	\$11.06 ft/mo*
27-29 ft.	\$11.33 ft/mo*
30-34 ft.	\$11.53 ft/mo*
35-39 ft.	\$12.00 ft/mo*
40-50 ft.	\$12.73 ft/mo*

ELECTRICAL FEES

Nightly Electric	\$6.00
over 55'	\$12.00
Connect Fee	\$30.00
Base Electric Fee	\$11.00 /mo
Metered Electric @	\$0.1029 per KWH

(subject to change with utility rate increase)

LAUNCH RAMP

Launch ramp fee	\$15.00 per day**
(Daily Launch pass includes 1 day of boat trailer parking)	
Annual Ramp Pass (Rolling Calendar)	\$100.00 per year**

**Free with verified DVA determination

STORAGE

	Daily	Weekly	Monthly
Empty Boat Trailer	\$7.00	\$33.00	\$75.00
Kayak/ Rowing Shell*			\$ 28.35
Top Rack Kayak/ Rowing Shell*			\$ 21.00

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** Subject to WA State Sales Tax of 9.1%

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**Subject to 9.1% WA State Sales Tax

Port of Port Townsend

2021 Rate Schedule

JEFFERSON COUNTY
INTERNATIONAL AIRPORT

360.385.6211

Service Rates – Effective January 1, 2021

Approved by Port Commission on 11/10/2020

	2021 Rates
Prevailing Ground Lease Rate	\$ 0.06 /sq ft/mo*
Overnight Tie-down	\$ 6.00
Monthly Grass Tie-down	\$ 43.00 *
Annual Grass (must pay in advance)	\$ 440.00 *
Monthly Paved Tie-down	\$ 59.00 *
Monthly Hangar	\$ 210.67 *
Commercial Landing Fee /1000 # of max loaded gross weight	\$ 0.31
VEHICLE PARKING	
Weekly (7 or more days) (rate includes WA State Sales Tax)	\$ 12.00
Monthly (rate includes Leasehold Tax)	\$ 32.00
Annual	\$ 208.00

Port of Port Townsend

2022 Rate Schedule - **DRAFT**

JEFFERSON COUNTY
INTERNATIONAL AIRPORT

360.385.6211

Service Rates – Effective January 1, 2022

Approved by Port Commission on *****

	2022 Rates
Prevailing Ground Lease Rate	\$ 0.07 /sq ft/mo*
TIE-DOWNS	
Overnight	\$ 6.00
Monthly Grass	\$ 45.15 *
Annual Grass (<i>must pay in advance</i>)	\$ 462.00 *
Monthly Paved	\$ 61.95 *
Monthly Hangar	\$ 250.00 *
Commercial Landing Fee /1000 # of max loaded gross weight	\$ 0.33
VEHICLE PARKING	
Weekly (7 or more days) (rate includes WA State Sales Tax)	\$ 33.00 1.
Monthly (rate includes Leasehold Tax)	\$ 75.00 *
Annual	\$ 400.00 *

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1. Subject to WA State Sales Tax of 9.1%

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**Subject to 9% WA State Sales Tax.

Port of Port Townsend

2021 Rate Schedule

**UNION WHARF,
CITY DOCK &
EVENT FACILITIES,**

360-385-2828 or 360-385-6211

Service Rates – Effective January 1, 2021
Approved by Port Commission on 11/10/2020

2021 Rates

NIGHTLY MOORAGE (3 night maximum stay)

Vessels up to 35'	\$30.00 /night
Vessels 35'-79'	\$40.00 /night
Vessels over 80' (Union Wharf only, advanced notice required)	\$1.87 /ft/nt

TEMPORARY TIE-UP (up to 4 hours)

Under 35' length	\$5.00
Over 35' length	\$10.00

COMMERCIAL VESSEL PASSENGER FEES - See Miscellaneous Rates

EVENT FACILITIES RENTAL – UNION WHARF & CITY DOCK

Daily Rental Fee ¹	\$313.00 /day
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EVENT FACILITIES -POINT HUDSON MARINA ROOM

Daily ¹ Rental Fee - Individual	\$157.00 /day
Daily ¹ Rental Fee – Group	\$56.00 /day
Hourly Rental Fee (2-hour min.)	\$26.50 /hour
Damage & Cleaning Deposit (refundable)	\$50.00

¹ 8:00 a.m. to 11:00 p.m.

Port of Port Townsend

2022 Rate Schedule - **DRAFT**

**UNION WHARF,
CITY DOCK &
EVENT FACILITIES,**

360-385-2828 or 360-385-6211

New Rate Type

Service Rates – Effective January 1, 2022
Approved by Port Commission on *****

2022 Rates

NIGHTLY MOORAGE (3 night maximum stay)

Vessels up to 35'	\$30.00 /night
Vessels 35'-79'	\$45.00 /night
Vessels over 80' (Union Wharf only, advanced notice required)	\$1.96 /ft/nt

TEMPORARY TIE-UP (up to 4 hours)

Under 35' length	\$10.00
Over 35' length	\$20.00

COMMERCIAL VESSEL PASSENGER FEES - See Miscellaneous Rates

EVENT FACILITIES RENTAL – UNION WHARF & CITY DOCK

Daily Rental Fee ¹	\$328.65 /day
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EVENT FACILITIES -POINT HUDSON MARINA ROOM

Daily ¹ Rental Fee	\$150.00 /day
Hourly Rental Fee (2-hour min.)	\$26.50 /hour
Damage & Cleaning Deposit (refundable)	\$50.00

EVENT FACILITIES - Point Hudson Pavillion

5 Hour Rental	\$500.00
Full Day 8am-11pm	\$1,000.00
Damage & Cleaning Deposit (refundable)	\$500.00

¹ 8:00 a.m. to 11:00 p.m.

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**Subject to 9% WA State Sales Tax.

Port of Port Townsend

2021 Rate Schedule

MISCELLANEOUS RATES & FEES

Service Rates – Effective January 1, 2021

Approved by Port Commission on 11/10/2020

PORT LABOR RATES & FEES

Port Labor Rate	\$69.00 /hr/person
Overtime Labor Rate	\$104.00 /hr/person
Docking Fee	\$1.87 /ft/day
Relocate Vessel by Hand	\$78.00
Relocate Vessel w/ Port Skiff	\$157.00
Emergency Pumps	\$131.00
Bail Skiff Fee	\$53.00
Bilge Water	\$0.78 /gallon

MISCELLANEOUS RATES & FEES

Miscellaneous Storage (with agreement)	25¢ /sq ft*
Mini Storage Units	\$1.06 /sq ft/mo*
Food Truck Rate (may be subject to tax)	\$36.00 /day
Commercial Vessel Pass. Fee (payable monthly in season)	\$1.10 /person
Kayak or Rowing Shell	\$27.00 /mo*
Top rack kayak or rowing shell	\$20.00 /mo*

WORK FLOAT MOORAGE/LIFT PIER ACCESS

(Reserve with Yard Office)

Daily Rate, includes Top Side Access	\$2.15 /ft/day, \$50 min
Lift Pier Access/Top Side Usage	\$50.00 2 hours

LAUNCH RAMP

Daily Pass	\$15.00
(includes 1 day of boat trailer parking)	
Annual Pass (Rolling Calendar)	\$100.00 /year
(free with DAV determination)	

COMMERCIAL TRUCK FEE

Daily	\$200.00 **
Monthly	\$600.00 **
Annual (Rolling Calendar)	\$1,515.00 **

PORT HADLOCK DOCK-DINGHY/SKIFF TIE-UP

	Monthly	Annual
Dock	\$26.00	\$151.00
Beach	\$21.00	\$94.00

	1st Offense	2nd Offense	3rd Offense
Violation Fees			
Best Management Practices	\$200.00	\$500.00	\$1,000.00
Chain-up Fee	\$150.00	\$250.00	\$400.00
Impound Fee	\$200.00	\$300.00	\$500.00
Non-payment of Parking	\$30.00	\$100.00	
Illegal Garbage Dump	\$355.00 /occurrence		
Late Payment	\$10.00 min. or 1.5%		
NSF Check	\$50.00 /occurrence		

Wait List Fees

Sign-up Fee	\$100.00
Renewal Fee or Pass Fee	\$50.00
Leave of Absence	\$100.00

GOODS & AMENITIES

Fax – first page	\$3.00
Fax-Each additional page	\$1.50
Notary Service	\$12.00
Laundry Soap	\$1.00 /ea**

Port of Port Townsend

2022 Rate Schedule - DRAFT

MISCELLANEOUS RATES & FEES

Service Rates – Effective January 1, 2022

Approved by Port Commission on *****

New Rate Type

PORT LABOR RATES & FEES

Port Labor Rate	\$72.45 /hr/person
Overtime Labor Rate	\$109.20 /hr/person
Docking Fee	\$1.96 /ft/day
Relocate Vessel by Hand	\$81.90
Relocate Vessel w/ Port Skiff	\$164.85
Emergency Pumps	\$137.55
Bail Skiff Fee	\$55.65
Bilge Water	\$0.82 /gallon

MISCELLANEOUS RATES & FEES

Miscellaneous Storage (with agreement)	\$0.26 /sq ft*
Mini Storage Units	\$1.11 /sq ft/mo*
Food Truck Rate (may be subject to tax)	\$37.80 /day
Commercial Vessel Pass. Fee (payable monthly in season)	\$1.16 /person
Kayak or Rowing Shell	\$28.35 /mo*
Top rack kayak or rowing shell	\$21.00 /mo*

WORK FLOAT MOORAGE/LIFT PIER ACCESS

(Reserve with Yard Office)

Daily Rate, includes Top Side Access	\$2.26 /ft/day, \$50 min
Lift Pier Access/Top Side Usage	\$52.50 2 hours

LAUNCH RAMP

Daily Pass	\$15.00
(includes 1 day of boat trailer parking)	
Annual Pass (Rolling Calendar)	\$100.00 /year
(free with DAV determination)	

COMMERCIAL TRUCK FEE

Daily	\$200.00 **
Monthly	\$600.00 **
Annual (Rolling Calendar)	\$1,515.00 **

PORT HADLOCK DOCK-DINGHY/SKIFF TIE-UP

	Monthly	Annual
Dock	\$27.30	\$158.55
Beach	\$22.05	\$98.70

	1st Offense	2nd Offense	3rd Offense
VIOLATION FEES			
Best Management Practices	\$200.00	\$500.00	\$1,000.00
Chain-up Fee	\$150.00	\$250.00	\$400.00
Impound Fee	\$200.00	\$300.00	\$500.00
Non-payment of Parking	\$30.00	\$100.00	
Illegal Garbage Dump	\$355.00 /occurrence		
Late Payment	\$10.00 min. or 1.5%		
NSF Check	\$50.00 /occurrence		

WAIT LIST FEES

Sign-up Fee	\$100.00
Renewal Fee or Pass Fee	\$50.00
Leave of Absence	\$100.00

GOODS & AMENITIES

Fax – first page	\$3.00
Fax-Each additional page	\$1.50
Notary Service	\$12.00
Laundry Soap	\$1.00 /ea**

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**Subject to 9.1% WA State Sales Tax.

Port of Port Townsend

2021 Rate Schedule

MISCELLANEOUS RATES & FEES

Service Rates – Effective January 1, 2021

Approved by Port Commission on 11/10/2020

Dryer Sheets	\$1.00 /ea**	
	Wash	Dry
Laundry	\$2.75	\$2.00
	90 sec.	3 mins.
Showers	25¢	50¢

LEASE & LICENSE FEES

Lease Assignment Review & Approval	\$275.00
Use License preparation fee	\$100.00
Use License	<i>varies by location, space & duration</i>

Port of Port Townsend

2022 Rate Schedule - DRAFT

MISCELLANEOUS RATES & FEES

Service Rates – Effective January 1, 2022

Approved by Port Commission on *****

	New Rate Type	
	\$1.00 /ea**	
	Wash	Dry
Laundry	\$2.75	\$2.00
	90 sec.	3 mins.
Showers	25¢	50¢

RESTROOM/LAUNDRY KEY FOBs (tenants only)

1st Fob issued	\$10.00
2nd Fob issued (max. of 2)	\$25.00 each
Replacement Fob	\$25.00 each

LEASE & LICENSE FEES

Lease Assignment Review & Approval	\$275.00
Use License preparation fee	\$100.00
Use License	<i>varies by location, space & duration</i>

* 12.84% WA State Leasehold Excise Tax (LHT) assessed in addition to Port charges

** Subject to WA State Sales Tax of 9.1%

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	September 22, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input checked="" type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	VIII.A. PIF Grant Application Authorization
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Informational Memo 2. Presentation from Port Townsend's Public Works Director, Steve King, to the City Council, updated

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 9/17/2021
TO: Commission
FROM: Eron Berg, Executive Director
SUBJECT: PIF Grant application authorization

ISSUE

Should the Commission authorize the Executive Director to apply to Jefferson County for Public Infrastructure Funds (PIF) for a joint City/PUD/Port project that would implement the Sims Way Gateway Plan and expand the boatyard in the amount of 50% of the total project cost?

BACKGROUND

The PUD owns and operates an electrical transmission line that runs parallel to Sims Way at the outside edge of the boatyard. Along the same alignment and very close to those power lines, there is a row of Lombardy poplar trees that are near and above the power lines. I understand that these trees were planted between 1964 and 1976¹ which makes them about 50 years old. This summer, Port staff witnessed arcing between the power lines and the trees. Burn marks are visible on the poplar trees at the height of the lines.

As a result of the safety concerns, earlier this summer, I authorized the PUD to enter Port property for any emergency tree trimming that they deemed appropriate and on July 14, 2021, the Commission authorized the PUD to fully remove those trees on Port property that create a safety hazard.

As the City, PUD and Port continue to work together, it has become clear that a broader opportunity exists that not only addresses the safety concerns, but also implements the City's Gateway Plan (which includes tree replanting and pedestrian amenities) while also expanding the boat yard.

DISCUSSION

Working in partnership with the PUD and City, the Port has an opportunity to help the PUD with a safety and reliability issue (as well as federal law compliance issue), help the City implement its Sims Way Gateway Improvement Plan and expand the boat yard from its existing location to the Port's actual property line. The outcome of this joint project is ambitious, as it would address multiple objectives in up to five phases and is estimated to cost just under \$2 million. However, upon completion, it would result in a safer and more reliable electrical grid serving Port Townsend, replanted trees (TBD following detailed process with the City), pedestrian amenities, including better and safer access to the Larry Scott Trail and additional boat yard workspace.

With direct funding from the three partners in the approximate amount of half of the total project cost, the remaining cost would seem to be a perfect fit for a PIF grant. While we have more to do to accurately estimate long-term job creation as a result of the project, based on the 2018 study by Martin and Associates, the yard supports 405 direct jobs in boat building and repair and a total of 879 jobs (marine trades sector wide, this number is 2,243). Just using the direct boat building and repair number and assuming a linear relationship between yard space and jobs, this project would create at least 20 new jobs at the boat yard and more than double that number beyond the boat yard.

¹ Simpson, Peter, *City of Dreams* (Jefferson County Historical Society, 2018) at page 192

The deadline for PIF applications is October 6, 2021. Staff is recommending authorization to proceed with the grant application at this time.

FISCAL IMPACT

Estimated match from the Port of \$550,000 in 2022 (possibly 2023 depending on permitting); with proposed capital project funding from IDD Levy revenue.

ATTACHMENTS

Presentation from Port Townsend's Public Works Director, Steve King, to the City Council, updated.

RECOMMENDATION

Motion to authorize the Executive Director to apply to Jefferson County for Public Infrastructure Funds (PIF) in the amount of 50% of the total project cost.



Sims Way Gateway Plan Implementation & Boat Yard Expansion Project

Port Commission Meeting – Sept. 22, 2021

City Council Business Meeting – Sept. 20, 2021

Council Infrastructure and Dev. Committee – Sept. 1, 2021

Parks Recreation and Tree Advisory Board Meeting - August 24, 2021



Presentation Objective

- Share information about this topic as well as feedback from the PRTAB and Council I&D Committee, Council and partners.
- Ask for feedback.
- Ask for support to apply for a Public Infrastructure Financing Grant.

Problem Statement & Opportunity



Setting and Background Gateway



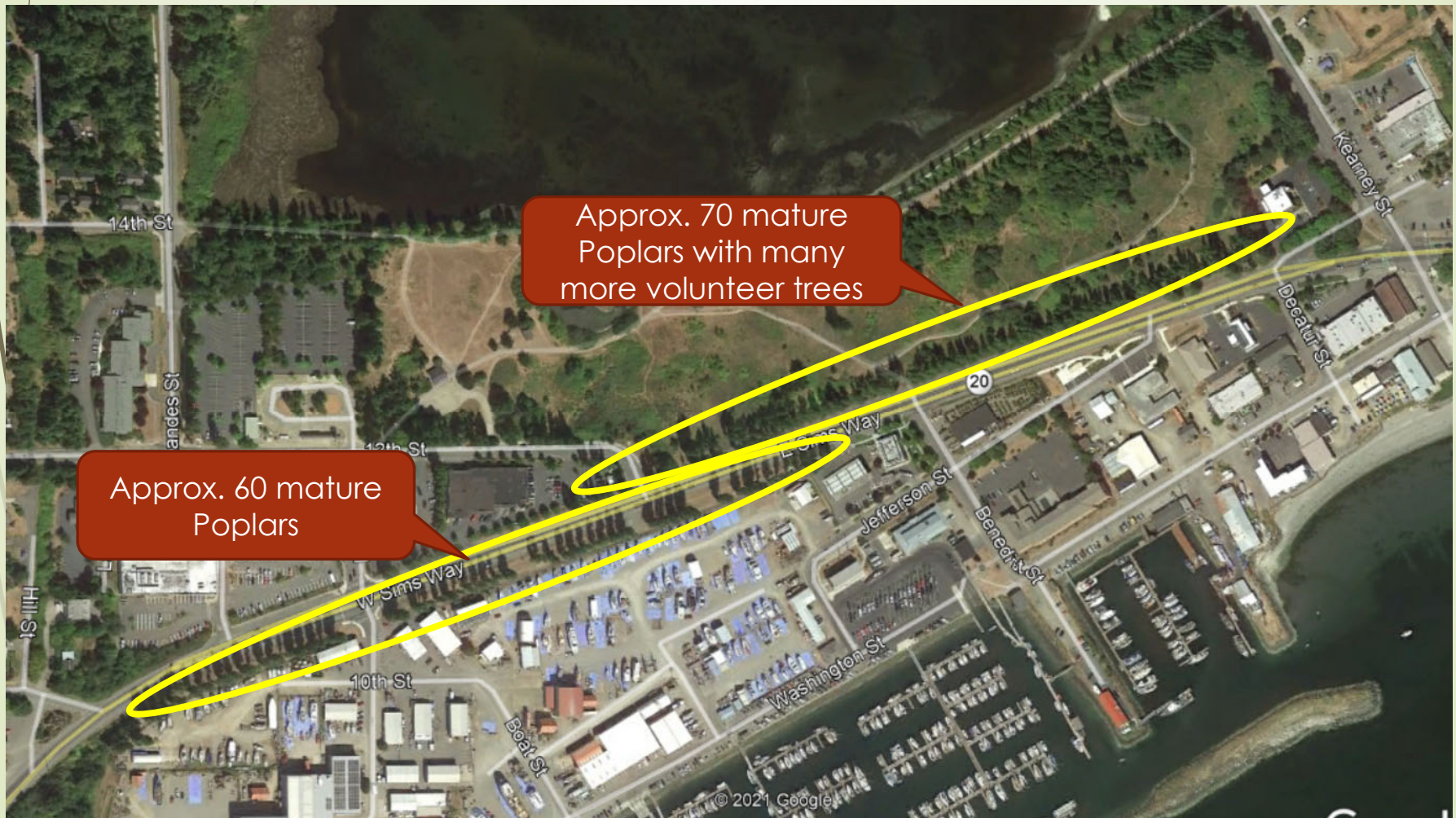
Setting and Background



Setting and Background



Setting and Background



Setting and Background

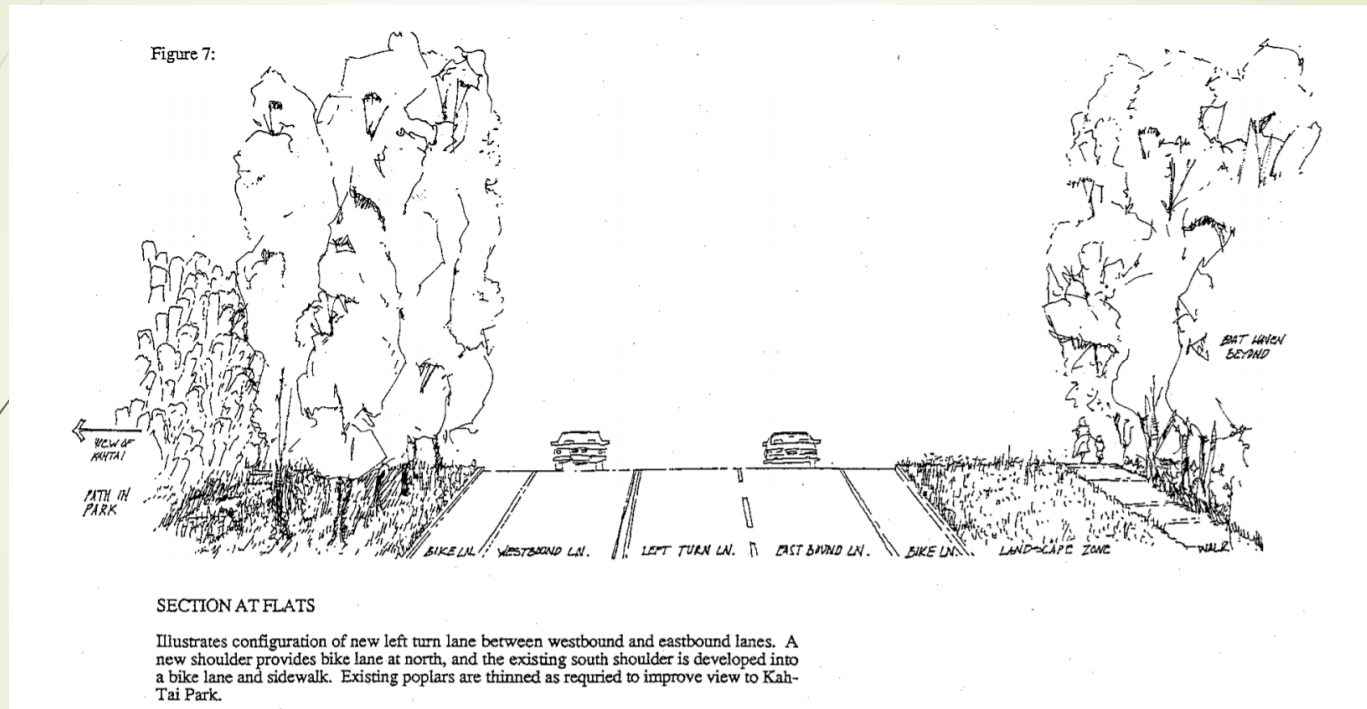


Setting and Background



Sims Way right of
way line

References: Gateway Development Plan - 1993

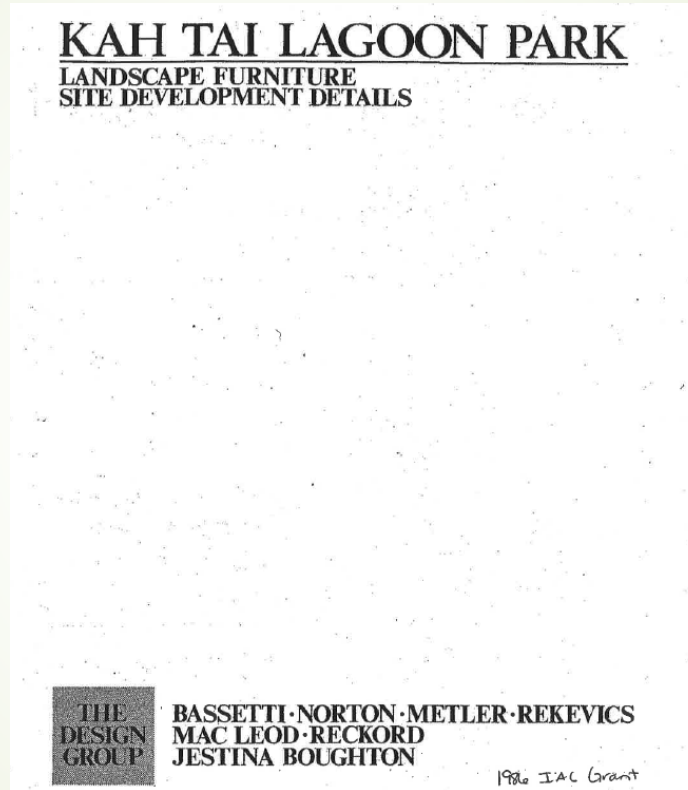


The Flats Commercial District proposes thinning of Poplars to enhance views... replanting of Poplars on the south side and other native trees on the north side... feature plantings along with trees and ground cover unique to this area... Strengthen pedestrian environment... Trees should be low enough to preserve views of uptown and the bluff... Sidewalk along the south side with a nature path on the north side.

Take away: Distinct difference between the north and south sides of Sims Way.

Kah Tai Lagoon Park

Landscape and Furniture Site Development -1986.



Recommended planting zones along Kah Tai to support the natural environment.

Recommends thinning and removal of Poplars with replanting of prescribed shrubs and trees according to the zone planting plan.

City Code

The Right Tree in the Right Place

Some species may provide great habitat and wind break in a greenbelt location, but block views and grow into power lines if planted on a corner uptown.

It's critical to consider species growth habits and mature size when choosing a location for a new tree.

The Right Tree in the Right Place

- Will not cause safety or line of sight issues for drivers,
- Will not interfere with utilities,
- Will not substantially block views,
- Will not block use of sidewalk or roads.



Very short trees are a good fit under Power Lines

I Want to Plant a Tree

Great! The City generally encourages the planting of trees. The City will review all planting requests to ensure the right tree is planted in the right place to avoid future problems as the tree matures. See the pre-approved tree list at: cityofft.us/development-services/page/trees-landscaping

See back of brochure to learn how to apply for a no-fee permit!

The Wrong tree in the Wrong Place

Sometimes a tree is not a good fit for the chosen location.

- Tall growing trees should not be planted under power lines.
- Bushy trees should not be planted near corners because they can cause safety issues by blocking drivers' line of sight.
- Deciduous trees should not be planted next to storm drains; the leaves can clog the grates and lead to flooding.
- No vegetation may interfere with free use of the sidewalk or roadway, and must be continually maintained to prevent blocking.



Tall trees grow into Power Lines



Overgrown bushes block sidewalk

Removing Trees

While the City discourages removal of trees, it is sometimes necessary. If the tree is in the wrong place, or if the tree is dead, dying, diseased or dangerous it must be removed. Sometimes pruning can resolve the issue which is preferred over removal, and performed under advisement by a certified arborist to ensure tree health.



Private trees in the right of way.

All work in the right of way requires a permit.

Who is Responsible for Trees?

Trees in the city right of way are generally considered "*Private Trees*" and are the maintenance responsibility of the adjacent property owner; however, the City is responsible for managing city right of way and its contents and thus all right of way work requires a permit and City review.

Additionally, sometimes the City will prune or remove trees that pose a hazard.

There are also "*Public Trees*" planted by the City, such as those in grates along Water Street, which the City maintains.

- Right Tree Right Location.
- Manage Trees in right of way
- Discourages planting of inappropriate trees such as Lombardi Poplars.

Kah Tai Side of Sims



Kah Tai Side of Sims



Existing Tree Profile



Proposed Work Phases

1. Mitigate the hazard – Tree trimming and removal
2. Power undergrounding
3. Path installation and tree replanting
4. Boatyard expansion
5. Kah Tai side of Sims Way tree removal and planting



Permitting Requirements

- Street Development Permit for all work within the right of way. (City, Port, and PUD)
- Flood Development Permit (Port of Port Townsend)
- Clearing and Grading Permit (Port of Port Townsend)
- Compliance with National Electric Code (PUD)

Concepts – Sims and Boat Haven





Boat Yard Expansion Phase

- Background (2018 PTMTA Study):
 - 2,243 jobs supported by marine trades
 - \$336.7M total economic value supported by region
 - \$135.4M total personal income/local consumption
 - \$12.6M state and local tax revenue
- Expands yard by approx. 1.0 acre or approx. 5%
- Based on existing estimate of 400 based jobs at the yard, this would support a minimum of 20 additional marine trades jobs at the yard with additional jobs throughout the county.



Cost and Grants

- PUD – Tree removal, undergrounding, and path installation. \$700,000
- Port – Boatyard expansion. \$900,000
- City – Replanting on Boat Haven side of Sims. \$170,000
- City – Tree removal and planting on Kah Tai side of Sims. \$200,000
- TOTAL = \$1,970,000
- **Grants are necessary!**



Tree Restoration Feedback

➤ PRTAB

- Right Tree, Right Location. Poplars are not the right tree
- Restoration should consider native trees, diversity, height, CO2 Sequestration, Water update, and aesthetics
- Concern over the Kah Tai side. Poplars need to be removed per prior recommendations for environmental health
- Recognize community interest and potential push back

➤ I&D Council Committee

- Support PRTAB
- Support Partnership
- Support Public Outreach



Public Outreach Necessary

- Work with PRTAB
- Public Process Recommendations
 - Work with partners
 - Develop visualizations
 - Work through process of selecting the appropriate trees and landscaping
 - Further the Gateway Plan vision with adjustments to today's environment.

Discussion and Questions



PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	September 22, 2021
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational
AGENDA TITLE	Informational Items
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	a. Lease Briefing b. Commission Contracts Update c. Amendment to Port of Port Townsend Rules & Regulations

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: September 16, 2021
TO: Commissioners
FROM: Sue Nelson, Lease & Contracts Administrator
SUBJECT: Lease Briefing for September 22, 2021 Commission Meeting

New Lease Agreements:

- **Johnson Fabrication.** Mr. Johnson signed a one-year Building & Land Lease, eff. 9/1/21. The Port has the ability to terminate the lease with 120 days' notice, due to building condition.
- **Jefferson County** (approved by Port Commission 9/8/22; on the County Commission agenda for 9/20/21.) Five-year lease with the ability to terminate by either party with 180 days' notice. Building Lease begins 10/1/21.
- **Sunrise Coffee Co., Ltd.** (to Commission for approval 9/22/21). Ten-year with two five-year options. Building & Lease begins 10/1/21.

Leases Soon to Expire-New Lease Agreements in the Works:

- Blue Moose Café, exp. 10/31/21. The Kettles agreed to the lease terms provided them for a five-year lease with one five-year option. We are working on a new agreement planned for presentation at the 10/13/21 meeting.
- Jeffco Hangar Associates, exp. 11/30/21. Mr. Toews and I met with Hangar owners Bill Corrigan and John Barrett, following their board meeting. Terms were agreed to for a twenty-year lease, dependent on specified capital improvements to be performed by the tenant within a five-year period, plus the required maintenance of adjoining ramps and aprons. We are working on a new lease planned for presentation at the 10/13/21 meeting.
- Rubicon Yachts, exp. 11/30/21. Received their 90-day notice to negotiate a new lease. Mr. Miner requests a one-year lease, as business has been a bit slow in Port Townsend. Permission was granted to offer Rubicon a one-year lease. Rubicon invested quite a bit in the remodel of the building (former moorage office, 2601 Washington) so they would like to keep it going.
- Marina Café, exp. 12/31/21. Ms. Takaki provided notice a year or so ago, that she would like a new lease. Term sheet provided to Ms. Takaki for a five-year lease, beginning January 1, 2022. Current rent for the Café has been based on the industrial rate. The new lease recategorizes the building space to retail/commercial, increasing the rent. Rent will be stepped. Beginning 10/1/21, Ms. Takaki will be renting land for outdoor dining. Planned for presentation at the 10/27/21 meeting.

New Rental Agreements:

- Blue Moose, Marina Café and PT Brewing each have new land agreements to provide for outdoor dining to customers (effective 10/1/21). Sunrise Coffee also has the outdoor dining area, and this land will be incorporated into their new lease agreement.

Miscellaneous:

- **SAIL LOFT SPACE, POINT HUDSON:** Directors Berg, Toews and I met with the tenants of the Armory Building in late August to hear their ideas for possible uses of the upstairs sail Loft space after PT Shipwrights have vacated. They all agreed they would like to see it rented to an active marine trade; the majority were open to renting it out for educational use; parking is an issue; assure the new tenant can tolerate the sounds of saws, hammering, etc. related to boat repairs. (The Co-op is planning to begin the move-out during the month of October. No set date yet on end date.)
- **SEA MARINE:** Port staff continue to seek to work with SEA Marine to develop deal points that would serve as the basis for a long-term lease agreement. At the timing of this meeting, the parties have not yet arrived at the meeting of the minds. Key issues yet to be resolved include (but are not limited to): 1) Location and estimate of expanded leasehold; 2) Capital improvements to be made to Port property; 3) Capital reinvestment in travel and lift ways, and basic provisions including length and cost of a new/expanded leasehold area.
- **PUGET SOUND EXPRESS:** A proposed Term Sheet is being drafted for Puget Sound Express that includes an expanded leasehold area, including parking. Once parties have agreed upon proposed terms, the Port would move forward with the appraisal process required by the Code of Ethics for Municipal Offices (RCW 42.23.030(7)). We anticipate bringing this lease to the Commission late 2021 or early 2022.

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: September 15, 2021

TO: Commissioners

FROM: Sue Nelson, Lease & Contracts Administrator

CC: Eron Berg, Executive Director

SUBJECT: **September 22, 2021 Commission Meeting** – Commission Update: New/Amended Contracts Under \$50,000, Approved by Executive Director Eron Berg, per Delegation of Authority Resolution No. 746-21

Name	Dates	Description	Amount Not to Exceed:
CP Communications, Amendment #1	7/31/21 7/31/22	Extended term	\$20,000 (no change)

AMENDMENT #5 TO THE RULES, REGULATIONS & PROCEDURES OF THE PORT OF PORT TOWNSEND

Issued by the Executive Director on September 23, 2021

Pursuant to Port of Port Townsend Commission Resolution No. 743-21, “A Resolution of the Board of Commissioners Delegating Administrative Powers and Duties to the Executive Director and Designees”, the Executive Director of the Port of Port Townsend is authorized to adopt Rules, Regulations and Procedures necessary for the efficient operation of the Port, so long as such Rules, Regulations and Procedures are reported to the Commission in a timely manner and are otherwise consistent with Commission policy.

Under Section 1.03.010 of the Port of Port Townsend Rules, Regulations and Procedures (“the Rules”) promulgated by the Executive Director on October 15, 2013, the Executive Director is also authorized to adopt subsequent amendments to the Rules. Consistent with this authority, the Executive Director of the Port of Port Townsend hereby amends the Rules as set forth below¹:

Chapter 4.07, “Live-Aboard Rules & Regulations”, shall be amended to include a new §4.07.010, with the current §4.07.010 to be renumbered as §4.07.015, as set forth below:

4.07.010 Applicability.

The provisions of this Chapter 4.07 shall apply only to Port marina facilities that are provided with full time moorage office staffing (i.e., 40 or more hours weekly) and a routine Port Security detail. No live-aboard permits shall be issued for tenants moored at facilities not meeting the criteria set forth above, except that one (1) Port-authorized caretaker may live aboard a vessel at such a facility if authorized in writing by the Port’s Executive Director.

~~4.07.010~~ 4.07.015 Applications and permits.

- A. Any person wishing to live aboard a vessel in one of the Port’s marinas shall first apply for, and obtain, a Live-Aboard Permit issued by the Moorage Office.
- B. Once issued, Live-Aboard Permits must be posted in a conspicuously visible location on the vessel.
- C. After having obtained a Live-Aboard Permit under subsection “A”, above, the permittee shall be obligated to reapply for a Live-Aboard Permit each successive January.

Rationale for the Amendment: The Port is committed to continuing to support the sailing lifestyle of Port tenants that live aboard their vessels. However, this use is most appropriate at Port operated marinas that are provided with adequate staffing and shoreside facilities and should not be understood as an alternative means of affordable housing for County residents. This rule clarification is intended to help achieve these objectives.

Chapter 5.06, “Enforcement, Work Privilege Termination, Default” shall be amended to read as follows:

¹ Language to be stricken indicated in ~~strikeouts~~, new language indicated by double-underlining.

5.06.010 Enforcement.

Failure to comply with these Rules, Regulations and Procedures, the Port's Best Management Practices (BMPs), and applicable federal, state, and local environmental regulations (hereinafter "the Rules") will lead to stepped enforcement as detailed below. Fees assessed for all violations under this Chapter 5.06 shall be as established by the Commission and set forth on the Port's current rate sheet.

5.06.020 First violation.

~~For the first violation of these Rules, Regulations and Procedures, individuals shall receive a verbal notice from Port staff. Port staff will note the nature of the violation on the Yard BMP Inspection Form and place a copy of the notation in the boat owners file. Also, staff will provide the individual and boat owner with a copy of the notation. While informing the person of the violation, Port staff will go over the appropriate steps and BMP's that need to be applied. The first violation of these Rules by an individual or vessel owner will result in issuance of a written Notice of Violation describing the nature of the infraction and the steps necessary to achieve compliance, together with assessment of the applicable BMP violation fee. For initial violations, Port staff shall retain administrative discretion to provide written warning in lieu of assessing a violation fee. A copy of the Notice of Violation will be placed in the vessel owner's file and a copy provided to the owner.~~

5.06.030 Second violation.

~~The second violation of these rules shall result in the boat owner receiving a written "Stop Work" notice. The notice shall spell out the specific infraction and remedies that will need to be enacted before work can begin again. This notice will also state that any further violations may lead to termination of individual's/vessel owner's privilege to work on Port property. The second violation of these Rules by an individual or vessel owner will result in issuance of a written "Stop Work Order & Notice of Violation" requiring immediate cessation of work, describing the nature of the infraction and the steps necessary to achieve compliance, together with assessment of the applicable BMP violation fee. The violation and necessary compliance measures will be discussed on-site with the violator or vessel owner before work may be permitted to resume. A copy of the Stop Work Order & Notice of Violation will be placed in the vessel owner's file and a copy provided to the owner. This notice will clearly indicate that any future violation may lead to termination of the individual's or vessel owner's privilege to work on Port property.~~

5.06.040 Third violation.

~~A third violation shall result in an immediate "Stop Work Order & Notice of Violation" order being issued, together with assessment of the applicable BMP violation fee. Port staff shall will notify the Port's Executive Director of the situation. The Executive Director shall review the facts surrounding the violation, and consider prior history of violations, in determining whether work privilege shall should be terminated.~~

5.06.050 Major infractions.

Major infractions or violations of these and other Port policies referenced in this document, may lead to immediate termination of privilege to work on Port property, notwithstanding the stepped enforcement process described in §§5.06.020 to 5.06.040, above. A "Major infraction" is one which poses a reasonably imminent threat to health or safety, including a threat of

~~environmental contamination would be one which is so blatantly obvious and egregious as to clearly pose safety and/or environmental hazards.~~

5.06.055 Stop Work Orders.

Notwithstanding the process regarding issuance of Stop Work Orders set forth in §§5.06.030 and 5.06.040, above, in any circumstance where Port staff has reason to believe that Rule violation is occurring or that the BMPs are not being met, and neither the violator nor vessel owner is present at the work site, Port staff may issue a Stop Work Order and require that the violator or vessel owner contact Port staff to discuss how to achieve compliance with the Rules before work may be resumed.

5.06.060 Appeal process.

~~All individual's /vessel owners covered by this policy shall have the right to appeal "termination of work privilege" decisions. In the event that a privilege to work on Port property is terminated by Port staff following the stepped enforcement procedures stated above, individuals/vessel owners can appeal the decision to the Port's Board of Commissioners. Stop work orders remain in effect during the appeal process. [Reissued by Exec. Dir. 10/15/13; formerly Appendix "I", 1.5]~~

5.06.070 5.06.060 Work privilege termination.

An individual's privilege to work on Port premises may be terminated for any of the following reasons:

- A. Default. Failure to promptly pay to the Port, when due, all rents, charges, fees, and other payments which are payable to the Port by the contractor.
- B. Violation of rules. A violation of any provision of these Rules, Regulations and Procedures, Best Management Practices, (BMPs) or any other terms, conditions, rules or regulations to which the contractor is subject.
- C. Violation of laws. Any violation of the laws or regulations of the United States, the State of Washington, Jefferson County, or the City of Port Townsend.
- D. False information. Furnishing of any false information or misrepresentation of any material fact to the Port on the Registration Form, or in statements to or before the Port, or any failure to make full disclosure on the Registration Form, or in statements to or before the Port.

5.06.080 5.06.070 Default.

- A. Termination. In the event of termination of privileges, the individual shall cease all operations on Port property. Should the individual fail to do so ~~this~~, the Port shall have the right, without further notice to the individual, to immediately request that all of the individual's equipment, supplies and personal property be removed from the Port's facilities ~~by force or otherwise, and~~ with or without further legal process to expel, oust and remove any and all parties and any and all goods and chattels not belonging to the Port that may be found within or upon the same, at the expense of the individual and without being liable to prosecution or to any claim for damages therefore. Upon such termination by the Port, all rights, powers, and privileges of the individual shall cease, and the individual shall immediately vacate any space occupied by it, shall cease all work being performed in the Port facility and shall make no claim of any kind whatsoever against the Port, its agents, or representatives by reason of such termination or any act incident

thereto. The Port shall have any and all other remedies at law and in equity, including the equitable remedy of injunction.

- B. Default – cost recovery. In the event that any party commences legal action to enforce or interpret any provision of these terms and conditions, the prevailing party in such legal action shall be entitled to an award of attorney’s fees and all litigation expenses, in amounts determined by the court.

5.06.080 Termination of work privilege - Appeals.

~~Individual’s /vessel owners covered by this policy shall have the right to appeal “termination of work privilege” decisions. In the event that a privilege to work on Port property is terminated by Port staff following the stepped enforcement procedures stated above, individuals/vessel owners can appeal the decision to the Port’s Board of Commissioners. Stop work orders remain in effect during the appeal process.~~ Appeals of a decision of the Executive Director to terminate a person’s work privilege or otherwise deprive a person of further use of the Port areas and its facilities may be appealed to the Port Commission for further review, consistent with the procedure described in §1.03.060. Such appeals shall be filed with the Executive Director within fourteen (14) calendar days after the date of the decision being appealed. A notice of appeal shall be delivered to the Port by mail or personal delivery and must be received by 4:30 p.m. on the last business day of the appeal period. Any Stop Work Order issued by the Port shall remain in effect during the appeal process.

Rationale for the Amendment: There has long been a “disconnect” between the stepped enforcement process outlined in Chapter 5.06, actual Port practice, and the adopted rate sheet (i.e., BMP violation fees set forth on the “Miscellaneous Rates” Sheet). The amendments outlined above are intended to clarify the staff discretion to first encourage and educate Port patrons as to how to achieve compliance before necessitating imposition of violation fees. The amendments also clarify when “Stop Work” orders may be issued, as well as the process, including appeals, of decisions by the Executive Director to terminate work privileges for defaults, violations of rules, laws, or furnishing false information.

Section 3, “Marina BMPs” of Appendix “B”, “Required Environmental Best Management Practices (BMPs)” shall be amended to read as follows²:

- 3.1 ~~Mix paint and solvent, and fuels, etc. onshore.~~ All paints, solvents, varnishes, coatings, fuels and similar liquids must be mixed onshore.
- 3.2 ~~Dispose of all garbage in proper shore~~ appropriate receptacles onshore.
- 3.3 ~~Use fixed platforms with appropriate plastic or tarpaulin barriers as work surfaces and for containment when work is performed on a vessel in the water, in order to prevent materials from contacting stormwater or the receiving water. Use of such platforms will be kept to a minimum and at no time may such platforms be used for extensive repairs or construction (i.e., “extensive” means 25 percent or more of the surface area of the vessel above the waterline).~~ Cleaning, repair, modifications, and surface preparation or coating of any portion of a vessel’s hull while the vessel is afloat is not permitted.

- 3.4 ~~Drop cloths, tarpaulins, drapes, shrouding, or other protective devices must be securely fastened between various portions of the vessel (e.g., between the gunnels). No work from a float, a barge, or another boat is allowed. Workers must clean up all collected materials daily to prevent their release into the environment.~~
- 3.4 Minor in-water repair, modification, surface preparation, or coating of that portion of a vessel lying within (and including) the top rail around the perimeter of the deck is allowed, subject to the following limitations:
- 3.4.1 The area to be cleaned, repaired, modified, prepared, coated does not exceed 25% of the total area of the vessel above the waterline.
- 3.4.2 All particles, oils, grits, dusts, flakes, chips, drips, sediments, debris, and other solids occasioned by stripping, sanding, scraping, sandblasting, painting, coating and/or varnishing are collected and disposed of on a daily basis to prevent their release into the environment and entry into waters of the State.
- 3.4.3 Drop cloths, tarpaulins, drapes, shrouding, or other protective devices are securely fastened between various portions of the vessel or between the vessel and the dock, pier, boathouse, bulkhead, or shoreline to collect all such materials.
- 3.4.4 No work is conducted from adjoining floats, barges, or other boats.
- 3.5 ~~All welding or “hot” work on vessels in the water must have prior~~ Prior written approval from the Harbormaster must be obtained before conducting welding or any other “hot work” on vessels in the water. The Harbormaster may require that Port Maintenance staff ~~the Port Electrician~~ inspect the equipment and power leads while in use to ~~insure~~ ensure proper grounding.
- 3.6 Containers of paint, thinner, or varnish are limited to one (1) gallon in size when applying coatings on vessels in water.
- 3.7 Boat fueling operations ~~shall~~ may only occur under the direction of the Port’s contracted operator.
- 3.8 Painting or varnishing of small parts is not permitted on docks. Such projects must be conducted in upland locations (i.e., either off Port property or on rented Port yard space) or on the deck of the subject vessel.
- 3.9 Boat topsides may be rinsed using water only (i.e., no detergents).

Rationale for the Amendment: There has been considerable confusion regarding the extent of refinishing work that may occur on vessels moored within the Port’s marinas. The modified language is intended to eliminate any uncertainty while also faithfully and accurately fulfilling the Port’s obligations under Section S3 (Mandatory Best Management Practices), Subsection C (In-Water Vessel Maintenance and Repair) of the currently applicable Boatyard General Permit (July 16, 2016).

Eron Berg, Executive Director

September ____, 2021