



**Port of Port Townsend
2nd Monthly Meeting Agenda
Wednesday, October 27, 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, Business Meeting & Special Meeting 1-13
Minutes from October 13, 2021
 - B. Approval & Ratification of Warrants14-30
 - C. Marina Café – new Lease31-50
 - D. Out-of-state Travel Authorization51-53
- V. Public Hearing:
 - Draft 2022 Operating & Capital Budget, property tax levy & IDD tax levy 54-91
 - Draft 2022 Rates 92-102
- VI. Second Reading ~ none
- VII. First Reading ~ none
- VIII. Regular Business
 - A. Quilcene Next Steps 103-112
- IX. Staff Comments
- X. Commissioner Comments
- XI. Next Regular Business Meeting: Wednesday, November 10, 2021
Workshop at 9:30 a.m. & Meeting at 1:00 p.m., via Zoom
- XII. Executive Session – none as of 10/22/2021
- XIII. Adjournment

Informational Items

- Lease Briefing.....113-114

PORT COMMISSION PUBLIC WORKSHOP – October 13, 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:

- Commission Roundtable: ideas and issues facing the Commission to be discussed at future meetings:
 - Using a rolling average for rate increases, instead of annual CPI in order to create a consistent, lasting way of handling rate increases.
 - Update to the Port Strategic Plan, to help with lease policy practices; could be simplified as it is outlined in our Comprehensive Scheme.
 - Redistricting for County
 - EDC: Specific Port goals for quarterly reports; even distribution of board membership
- Executive Session – discussion of real estate transaction - RCW 42.30.110(1)(b); expected to last approximately 45 minutes with no follow up at the end, no action requested.

III. ADJOURNMENT:

The Workshop adjourned to Executive Session at 9:50 a.m.

Executive Session ended at 10:57 a.m. with no action taken.

ATTEST:

Pamela A. Petranek, Vice President

William W. Putney III, Secretary

Peter W. Hanke, President

PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, October 13, 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 (00:00:13): Commissioner Hanke called the meeting to order at 1:00 p.m.

II. APPROVAL OF AGENDA (00:00:29)

Commissioner Hanke moved to approve the agenda; vote was taken and motion was approved unanimously.

III. PUBLIC COMMENTS (00:00:45): *Comments sent in via email are posted online and summarized below.*

Joni Blanchard, “Marine Tradeslady who hauls out along the fence line every spring” commented on Sims Way Tree Replacements offering some information to be considered about what trees to use to replace the poplars.

LD Richert commented on the unavailability of haul out, saying that as a longtime customer of the Port and Marine Trades members he is disappointed by lack of availability for haul-out and work-yard scheduling. He suggested it was time to review of yard policies—if the yard is at maximum capacity, why are the rates still discounted? If the yard is full of boats using discounted storage, and haul-outs for work to be done are not happening, the Travelifts are not running and generating income and the trades people are not getting work.

IV. CONSENT AGENDA (00:06:58)

A. Approval of Workshop and Public Meeting Minutes from September 8, 2021.

B. Approval & Ratification of Warrants

Warrants #064270 through #064279 in the amount of \$34,836.47 and Electronic Payment in the amount of \$148,961.28 for Payroll and Benefits.

Warrants #064280 through #064360 in the amount of \$115,186.73 for Accounts Payable.

Electronic Debit for \$1,640.25 to WA State Employment Security Dept. for paid family medical leave.

Electronic Debit for \$21,439.93 to WA state Dept. of Labor & Industries, 3rd Qtr. Tax Return

C. Resolution Number 753-21 Authorizing Warrant Cancellations

D. Resolution Number 754-21 PIF Grant Authorization Resolution

E. Blue Moose Café Lease

Commissioner Putney moved to accept the Consent Agenda; vote was taken, and motion carried unanimously.

V. SECOND READING (00:09:00)

A. 2nd Draft of 2022 Budget with CIP & Proposed Rates

Finance Director Berg reviewed this second draft of the 2022 budget, which had departmental budgets and a high-level cash-flow projections for five years added to it, which combines capital projections with operational projections. She said when the departmental budgets were added, there were no significant adjustments necessary on the revenues; however, there were some minor adjustments needed on the expenses side. She noted that starting on page 47 of the packet, the column for the 2021 YTD actual and remaining budget were changed to include August numbers (the first draft only had July numbers available). She said that with the budget assumptions starting

on page 42 of the packet, wherever possible the additions/changes (which were very small) on this second draft were made in bold blue.

Commissioner Putney asked why the Operating Revenues were projected to be down. Ms. Berg said that these revenues look like they're trending down when you compare them to the current year; however, they're trending up when you compare to our original 2021 budget made last year. She said that early on in the 2022 budget she made reductions in the Point Hudson revenue projections because of the big Jetty project next year, the revenue reduction amounts to about \$250,000, which is significant. She hoped it wouldn't be that much, but would rather be more conservative than be caught short. Commissioner Putney asked if it would be better to compare 2021 to 2019 than to such an idiosyncratic year of the pandemic. Ms. Berg said that that comparison showed 2021 was doing better than 2019, but the pandemic is still affecting business, and there is still a lot of uncertainty.

Commissioner Hanke asked about the extra costs associated with staff retiring from the Port beyond retirement, sick leave and vacation. Finance Director Berg stated that there is the time it takes for training for new employees, and overlap, advertising costs, etc.

Commissioner Petranek asked about the increase of \$72,000 in operating expenses from the 1st draft. Ms. Berg stated that travel and training was increased because we anticipate that staff will be travelling more in 2022; a Mainstreet donation this year for \$15,000, which is new, and will result in a 75% credit on this amount towards our excise taxes paid in 2022, with a net effect of about \$5,000 to support local businesses; and bank charges were increased \$4,000 because of the volume that has grown in credit card payments online (more payments are being made online, which means we're getting charged the fees, but we are also getting the money more quickly). She went over other increases like environmental supplies, salary increases, etc. Commissioner Petranek asked if Ms. Berg had explored a way to charge a service fee for online bank charges like the city and county do. Ms. Berg said that the city and county will take cash or check for payment, but if you want to pay with a credit card, they have an outside vendor that processes those for a fee, so it's the vendor that passes on the fee. She said that in 2019 57% of total revenues were paid through credit card, in 2021 to date, 65% of revenue comes from credit card payments, which is a big jump, hence the increase in fees.

Finance Director Berg then continued with each of the changes to the 2nd draft of the 2022 budget.

The discussion then moved to Rate cards (00:29:35). Finance Director Berg said there were no significant changes here, staff adjusted the daily yard charge for the 70/75 ton and references the daily (not the monthly) charge, also the cards now refer to the yards as 70/75 and 300 ton areas to be clear. She said one thing not on the rate card was something that the Port had not changed in a long time; it's been almost 20 years since we changed the late/non-payment fee which is currently 1.5%, minimum of \$10. She suggested that we adjust that to be a 5% late/non-payment fee, minimum of \$25 dollars to incentivize people to pay on time, and commission agreed.

Commissioner Petranek said that the proposed rate card in this second draft shows the seasonal discount increase from 2021 to 2022 is 11% not 5% and the monthly (April – Sept.) work yard rate is an increase of 16%. In addition, she said she was advocating for a 3% increase, because the primary goal of the seasonal rate is a full boat yard that equals jobs for marine trades. Finance Director Berg said the monthly rate adjustment to 5% was missed in the updates, and would be changed to be a 5% increase (66¢/ft./day). Executive Director Berg said the seasonal discount rate is set as half the daily rate, so the daily rate is increased by 5%, then the seasonal discount is half of that. He went on to say that he was advocating on behalf of staff that we really need to talk more about the very full yard and customers we're turning away; this rate is problematic from staff perspective and the yard is too full. Commissioner Hanke said he's hearing from trades that this is not helping them, that the yard is filled up with boats just sitting there, and not being worked on. He'd like to see actual data and hear names of tradespeople who are advocating for reduced rates.

Commissioner Petranek suggested steps on how to deal with a full boat yard: 1) we need customer service to focus on retaining, serving and welcoming customers, improving communications first (not rates); 2) we need consistent, predictable rates that are increased incrementally, this will build trust, repeat business, stability and overall ease of working relationship between customers and staff – takes less time, streamlines service, yard workers & marine trades people know the boats, they understand the BMPs, so it saves time and money. 3) we need to improve our day-to-day operations—communications with employees, customer service, improve the day-to-day responsibilities between customer service, yard and maintenance (right now it's operating more like three separate entities causing a lot of confusion and extra steps) with one staff member overseeing labor, customers and tenants. 4) We need to wait for the boatyard working group to propose ways to expand our boat yard capacity. 5) We need to consider yard priorities; the proposed rates show we are incentivizing storage of boats. She suggested at intake, don't take any more storage boats, unless it's an emergency, raise the rates and proactively move out the boats being stored (and not worked on). She said we should state everywhere that working on boats in the yard is our priority.

Commissioner Hanke said that it is too difficult for staff to discern if a boat is not being worked on or, for instance, is just waiting for a part. He said the Port is losing money by turning away paying customers when we can't even predict when we will have space to accommodate them.

Commissioner Putney said that it doesn't matter what we say, it matters what we do.

Executive Director Berg said that the 300 ton yard is full and we don't have a discount rate for that yard, so he didn't understand the premise that we're going to lose customers if they pay the going rate.

Commissioner Petranek said she was advocating for a 3% increase in rates based on the Washington State Revenue forecast for 2022, it is estimated to be an average of 2.4% and for 2023 the estimate is 1.8%. The last time we did a rate increase of 11% in 2017 we had an empty boat yard in 2018, and there is an 11% increase in the seasonal discount rate.

Commissioner Putney we will have to spend 5% more on goods and services, so the Port will lose at both ends of that spectrum.

Executive Director Berg asked if the Commission was thinking of the seasonal discount rate as a permanent rate, and not a temporary measure to address a concern. He is thinking of a cessation of a discount rather than an increase and realizes that the effect is the same.

Commissioner Hanke said he'd like to see a change to the rate card and dates on the discount for January 1, 2022; everyone who's booked would be grandfathered in, but no others will be allowed to utilize the 50% discount. Customer service needs to improve, but in their defense the staff is frustrated because there is nothing they can do to help the customer. Redesigning the yard won't happen this fall, so we need a way to increase our revenue and remedy the situation we're in.

Commissioner Putney said that fundamentally more boats do not necessarily mean more work for the marine trades, and a discount means less revenue to the Port. Maybe those who are hauled out during the slower months could get "Port bucks" to spend at marine trades to promote them.

Finance Director Berg suggested that the discount might be given for only 2 months.

Commissioner Hanke asked how to accomplish that with the current (2021) rate cards. Executive Director Berg said there were two issues – one is the current time period (Oct-Mar) and the other is that we need to discuss next year's busy season discount. He said the Commission can change the rate as of January 1 and honor those in the yard now; the change would apply to new reservations only, and then work on a program for 2022-23 work window.

Commissioner Hanke moved to eliminate the discount rate for the 2022 season, asking staff to revise the draft rate cards to remove the discount rate for service effective January 1, 2022 and change the percentage increase for monthly yard rates to 5%. This would in effect

mean having simply a daily and monthly rate (no discount January to March, and no discount for the 2022-23 season) and honoring everything that has been booked to date for the 2021-22 season.

Discussion followed. Ideas and issues brought out by commissioners and staff were: the timing of the discount—winter is the time when people work on their boats and summer when they use their boats—so we ought to be incentivizing people to pull their boats out in summer, not winter; the inability of marine trades people to hold spots for boats not yet booked; the inability of staff to haul boats because other boat projects are not complete and cannot leave; the supply-chain issues caused by the pandemic; the inability of boat owners to predict how long their projects will take. Commissioner Putney encouraged marine trades to come to the next meeting and share their views.

Vote was called and Commissioners Hanke & Putney voted yes, and Commissioner Petranek voted no. Motion passed.

VI. FIRST READING ~ none

VII. REGULAR BUSINESS (01:24:04)

A. Resolution Number 755-21 regarding Commissioner Compensation

Port Attorney Woolson explained the need for this Resolution the legislature changed the compensation increases to start in January instead July to tie in with normal Port budget process, but didn't make it clear that the next inflation adjustment scheduled for 2024 would be done using current rates. We've brought it to the Office of Financial Management and State Auditor's Office and they both agree that it was not the intent of the new statute, and it won't be enforced that way; however as your counsel, we recommend that you adopt this resolution that keeps the rate where it is currently, and get the adjustment based on that rate in 2024.

Commissioner Petranek moved to adopt Resolution number 755-21 to maintain commissioner compensation. The motion passed unanimously.

B. August Year-to-date Financial Report (01:28:28)

Finance Director Berg said these numbers are in the current draft of the 2022 Budget. Overall we're doing well, we are up almost \$700,000 in revenues compared to budget, with expenses, we're almost on target with budget. Our capital project expenditures are close to \$500,000 year to date—the Port is getting a lot of things done, mostly by maintenance staff. She said Port cash balances are looking good. She said she had added the purpose under debt services as requested.

VIII. STAFF COMMENTS (01:31:06)

Executive Director Berg commented that he attended a good meeting with the Moorage Tenant Group where they discussed customer service, near derelict boats in the yard for years, the updated moorage waiting list—now at 5 years estimated time to wait for a slip—is posted to the website, and a discount for annual quick maintenance haul-outs during slow summer season. He said he had met with Marine Science Center executive director, Jeanine Boire to talk about the Point Hudson Jetty project, and coordinate with them and volunteer divers who would help species get to the right spot during the jetty project. He then announced that the Port had hired a new Port Engineer and Director of Capital Projects, Matt Klontz, who starts November 1st, and that the Port now has another person on the list of employees retiring soon: Terry Taylor will retire mid December.

Deputy Director Toews is working to better align standard forms and agreements with Port rules and regulations (hoist, yard & moorage license and use agreements). He said they were working with Jefferson County staff to advance progress on Moderate Risk Waste (MRW) facility to have documents to Commission in early December for their early termination of the ILA and lease agreement.

Finance Director Berg commented that she was looking forward to the WPPA Small Ports Conference being held in person in Leavenworth next week.

Port Engineer Love said he would have a smooth transition with newly hired Matt Klontz; they plan to talk for an hour each week until he starts work in November and after that Mr. Love plans to be available for questions as needed. Update on projects: removal of asbestos from Tommy Tailspin's hangar and sprayed 90 gallons of coating material onto the roof, for which FEMA should compensate the Port. The crew and Terry Taylor did some good work on the stormwater filtration system; the Port learned from good rains in September, adding new sand and possibly adding pre-settling tank to unit 1. Commissioner Hanke gave kudos to Mr. Love for a job well done in his short tenure at the Port.

IX. COMMISSIONER COMMENTS (01:42:20)

Commissioner Petranek commented that on October 11 there was a KPTZ Working Waterfront interview, a podcast on the Quilcene planning process with guests Eric Toews and Jeannie McMacken. She attended the MRC meeting this week, discussed working with MSC & jetty & diving project. She said October 15 is the interview for the EDC Executive Director, in person as well as Zoom.

Commissioner Putney commented that he had 80 days left in his tenure as Commissioner.

Commissioner Hanke commented that he took soon to be commissioner Carol Hasse on a flight to see all Port properties from Quilcene, past Mats Mats, to Port Townsend and in between. He commented on the yard rates and remembers when the Port increased rates by 11% and realizes that we have to be careful in the balance of long-term storage, maintenance, and rates.

- X. Next Special Meeting later today regarding Quilcene Outreach Results Report at 6:00 p.m. (01:49:10)
Next Regular Business Meeting: Wednesday, October 27, 2021 at 5:30 p.m., via Zoom

- XI. EXECUTIVE SESSION: Discussion of real estate transaction - RCW 42.30.110(1)(b); expected to last approximately 15 minutes with no follow up at the end, no action requested.

- XII. ADJOURNMENT: Meeting adjourned to Executive Session at 2:49 p.m.
Executive Session ended at 3:07 p.m. with no action taken.

ATTEST:

Peter W. Hanke, President

William W. Putney III, Secretary

Pamela A. Petranek, Vice President

PORT COMMISSION SPECIAL MEETING – October 13, 2021

The Port of Port Townsend Commission met for a special meeting online via Zoom

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

Guest: Jeannie McMacken, special consultant for the Quilcene Listening Project

I. CALL TO ORDER:

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

II. AGENDA:

The purpose of this meeting is to present the feedback taken during the Quilcene Outreach Campaign this past Summer and hear public comments.

A. “Quilcene Listening Report”

Jeannie McMacken gave a presentation with an overview of the results of the surveys (in-person and online) taken in the summer of 2021 regarding the Port’s Quilcene Marina facilities.

Commissioner Petranek thanked Ms. McMacken and the citizens who spoke up to answer the survey and said the Commission is open and willing to listen, collaborate and take action.

Commissioner Putney said he’s tried to be as involved as he could be in Quilcene and agreed with most everything that came out in the survey—there are so many possibilities for such a great spot. Getting comments from the community is a really important step towards having the outcome be the best it can be for the community, especially with the thoughtful interaction that took place.

Commissioner Hanke said community and collaboration are what comes to mind as he listened to the responses to the survey. A lot of concerns heard at the Port are related to Port maintenance, and he felt the community will see major things happening in the future. He said it is important to have discussions about issues like keeping the bathroom open, when that results in it being vandalized; collaboration between the Port and County and community is important, because some issues brought to the Port are also county issues, for instance the Port owns access to the swimming beach, but the County owns the beach. The more dialogue, the better, in these cases.

Commissioner Putney said another example is the request for a 30 mph speed zone – this would be something the County can help with. He commented that our county is lucky to have government entities that work together on solutions; hopefully this will result in some issues being addressed and problems solved.

Commissioner Petranek said it is clear that there are community leaders in Quilcene and creating an ad hoc advisory committee to advise the Port as well as an on-site manager would be good ways to address some of these local issues. For economic development there are businesses and leaders in Quilcene who can help us with this: the North Hood Canal Chamber of Commerce, the School District, and County Commissioner for District 3. She felt that an advisory committee that we work with on a regular basis to help prioritize maintenance items would be an awesome platform and starting place.

Executive Director Berg thanked the citizens of Quilcene and District 3, saying the Port really appreciates hearing directly from them. Regarding the condition of Port properties in Quilcene, he said the Port has heard you, and hopes you've seen an increase in maintenance activity in 2021 and will continue to invest more in Port properties there. He said he got inspiration from the slide focused on community and partnership; the Port can't do it all alone, so is supportive of community groups taking that kind of inspiration and making some magic happen there. He thought the Port's mission should be to bring the facility up to standard and help the Quilcene community take ownership of the Marina in a day-to-day management way to make it into a place that is remarkably cool for everyone around to come and visit. He felt that it is fair to recognize that regardless of how we staff it, it would be a challenge for the Port to directly put that kind of management energy on the ground in Quilcene given the size of the facility. Right now, it is staffed with one part-time Port employee, and it is difficult to imagine that even with one full-time employee it would fundamentally change the nature or the feel of the place. I'm excited about the potential of partnerships and new energy and hoping that there's room for people other than Port staff to do something there. He gave an example of such a transformation at Finnriver Farm & Cidery.

Commissioner Petranek used the example of Ladysmith on Vancouver Island where the community formed a nonprofit to do what Eron described using community volunteers with the Ladysmith & District Historical Society to promote awareness of Ladysmith archives, museum and industrial heritage site and to help preserve its heritage.

Commissioner Hanke said his uncle lives in Ladysmith and he finds a lot of inspiration there. The more we can get behind a community group and support them in their vision of the marina the better Quilcene marina will be.

B. Public Comments

Frank Redmon, who works for the school district and is member of the Quilcene yacht club, said he appreciates the work the Port has done to bring Quilcene voices out and help design the path forward, to keep us working together with the Port as mediator shaping the vision, making the Quilcene marina what it can be with all of us working together.

Patricia Jones thanked the Port for entering into this process, and for mentioning the Linger Longer Advisory Committee, and asked how the report would be shared. (Deputy Director Toews said the report along with the entirety of the raw results will be posted on the Port's website for people to access.) Ms. Jones said she agrees with partnership and collaboration and asked about the more formal committee process that Commissioner Petranek mentioned. She said she heard a "No" on the staffing and on doing it alone as a Port, but was hoping the positive tone set tonight about opportunities would continue throughout this process. Commissioner Hanke said it was not so much "no," as that getting things done in Quilcene is all about collaboration—the Port is not capable of doing all the things

requested in the survey; but can work together with others to develop that property into a beautiful place.

Ray Canterbury, lives just south of the marina, said he appreciates the Port taking the time to get input from the community. He asked what the Port is doing down there—are they going to sell? Maintain? He said they'd like to settle on some of those issues and determine where to go from here as a community. He's seen a lot of work being done, and said dredging the marina entrance would be excellent, as they've been trying for many years to get this done. He said lots of people feel we should just maintain what we have, keep it a nice place to visit. He said more public meetings in Quilcene would be great. Commissioner Hanke agreed and said that the Port is on the path to making the marina nice—dredging, fixing the ramp (also a huge safety hazard) and providing fuel (not sure how all of this can be made to work economically). The Port Commission hopes to do an in-person meeting early in 2022. Commissioner Putney said that the Port has challenges in terms of staffing the marina 24/7, but that in Jefferson County there are so many really smart, caring people that perhaps a volunteer organization could really make a difference in Quilcene in collaboration with the Port. He also mentioned that the Port has a great maintenance team taking on a lot of tasks, and a community that alerts the Port to things that need work would help the Port slowly and gradually improve the operations down there to make it a place where people would like to go and hang out. He felt that there was a need for more meetings in and about Quilcene.

Commissioner Petranek felt that there is support for a formal Quilcene advisory committee.

Mark Knudsen, resident in Dabob Bay who visits the marina by car and boat, and a lifelong person in port business, said with community involvement and port economic development there is so much that could be done using what's there – Coast Seafoods, beach, yacht club, uplands. He said he is willing to lend his experience to any boards or committees.

Commissioner Putney said that although the meeting tonight is focused on the Herb Beck Marina, the Port has economic development responsibilities for the whole county and if someone in Quilcene sees an opportunity for economic development there, let the Port know that, because we're here to help but we need help from the community to take a hand in encouraging or fostering such activity.

Clayton White asked what Commissioner Petranek would like to do to see Linger Longer Advisory Committee formalized? We've been having meetings for quite some time, and this week, we've discussed every one of these issues. Commissioner Petranek said she would like to see this committee recognized as a formal group by the Port, that advises the Port and the Commission. She said she knew of the work the Linger Longer Committee has done and how they have been an integral part in keeping this whole thing alive all along and right up to today and beyond. Executive Director Berg said a sanctioned or officially created committee stands between the community and the commission and works to develop proposals that come to the Commission. Another way forward is with an ad hoc committee or open forum; the commission could host a series of meetings that are open and those who are interested attend and keep going with the ideas that are brought forward at the meeting. He said that it isn't that the Port cannot staff the marina, but we couldn't do it as well as the people who are in Quilcene.

Clayton White said to be taken seriously he felt that the Linger Longer Advisory Committee needed to be formally designated and asked who did that? Commissioner Petranek asked if a motion were needed. Executive Director Berg said there were multiple ways of doing this,

and one way would be to officially designate a committee at a future meeting, but that could possibly make it difficult to be creative like the example he gave earlier.

Commissioner Putney knew of quite a few committees that worked with the commission, but none of them were established by proclamation and they were very successful and did valuable work that has become an integral part of the Port's policies.

Patricia Jones asked about grant proposals for Quilcene. Deputy Director Toews said there were grants available that could help fund projects in Quilcene, but before chasing after grant funding, it would be best to consult the community further to assure alignment.

Commissioner Hanke said that the purpose of the study is the key, if the purpose is to inform the Port about what needs improving, then we need to know what does Quilcene as a community want to do with these properties? How can we as a Port come alongside the community and help them get to something other than just a marina? The Port would like to work with a community committee to make that vision become a reality.

Clayton White asked if the Port would like more details on how to get projects done?

Commissioner Hanke said the goal is to take something that isn't working and find an approach that will work to make it better, bringing people into the facility, making it magic. Executive Director Berg gave the boat yard as an example; the Port owned the physical infrastructure, but the magic of the boatyard was the marine trades people who made that happen; the Port can only take credit for enabling the space where it occurred. Last year in the Intergovernmental Collaborative Committee, the plan that was ultimately created was with working committees made up of experts in their areas, this is different than the type of committee that sits between the Commission and the Community. He didn't see a need for a committee that functions between the small port staff/commission and the community – we need local experts in Quilcene on this facility and that area with the vision who are able to take the baton and run a bit.

It was noted that there were questions being posed on the Q&A section of the video conferencing software. What follows are the questions posed and answers given both written and spoken verbally during the meeting.

Q: Frank and Sharon Redmon: Would it be possible to have a "live in" manager—someone who lives on their boat in the marina—serve in the manager role, similar to an apartment building superintendent?

A: Executive Director Berg: Yes, that is possible and a "marina host liveaboard" is allowed in our rules.

Q: Patricia Jones: What are plans for grant proposals for Quilcene?

A: Deputy Director Toews: One opportunity that is worth considering is through the US Dept. of Commerce Economic Development Administration grant that is supportive of tourist and recreational uses in rural communities. Since they like the funds to be spent quickly after award, and permitting windows and lead time are so long for water/marina work, the Port would focus on upland projects for this grant. For marina improvements, the best agency to apply to is the Washington State Recreation and Conservation Office (RCO); the next cycle for that is 2023, with grant application submitted in spring, grants typically are awarded in summer, and grant agreements signed in autumn. Since this is some time out, it gives us time to ensure alignment with what the community wants to see there, and make sure that we're all pulling in the same direction as we apply for that.

Q: Anonymous Attendee: Are live-aboards allowed in the marina?

A: Executive Director Berg: No, they are not allowed at any port facility that isn't staffed with security and full-time marina hours coverage.

Q: Anonymous Attendee: Currently, DOH has decertified a large area of tidelands due to the marina and boat traffic. Can this negative aspect of the ownership be corrected and let's hope there is no enlargement of the polluted area.

A: Executive Director Berg: I don't know -- this is a good question to keep in mind as we work through the plan for the future.

Q: Joel Kawahara: I am thinking about how NOSC and JLT organize volunteer work parties. These work parties are on State lands, usually WDFW or DNR land. The issue of liability is solved somehow. I'd suggest using that model to use volunteer workers at the Marina.

A: Executive Director Berg: Great idea! Yes, the Port can host volunteer work parties and address the same liability issues as our friends in state government.

Q: Joel Kawahara: Secondly, the Feds have the Federal Advisory Committee Act that guides the recognition of advisors and allows the Feds to take input from advisory committees and use it in decision making. The Port might want to look at some sort of formal reg to make advisory official.

A: Executive Director Berg: The Port has (and has had) both formal and informal committees. There are no limits on the Port Commission's ability to establish an advisory committee.

Q: Patricia Jones: Is the chat saved in the minutes?

A: Commissioner Putney: It's an official Port Commission meeting and is being recorded; that recording will be available on the Port website.

Recorder Erickson: it will be a part of the minutes, too.

Q: Anonymous Attendee: How much potable water is available for users?

A: Executive Director Berg: The Port is doing background work now with PUD and consultant to understand water rights and usage, so we will be able to answer that in the near future.

Q: If the Port has other priorities for grant funds (PT), then can citizens with Port support make proposals? An economic development council, so we do not keep getting shunted down the list?

A: Commissioner Putney: as an Economic Development agency if citizens in Quilcene / south county have ideas and desires, let us help make them come true.

Executive Director Berg & Commissioner Putney: Citizens cannot apply for grants, but we have a list of projects all over the county and what we look for is best fit – Quilcene will be highly competitive in a lot of grants, and with the community backing the grants makes it more likely we'll get the grant. That is the value of not just using Port funds to achieve a project but leveraging those funds as matching funds for a grant to get the best bang for our buck. Port money is best spent on maintenance, engineering, design, grant applications. If there is someone from the community who can help with grant applications, we'd love to work with you.

Talia Munn said she appreciated all the work that the Linger Longer Advisory Committee does, but she'd had a hard time getting ahold of them, so she said that if the Port chose to use an official advisory committee, to make sure it is representative of a larger group.

Q: How do I get on the Linger Longer list?

A: Patricia Jones: Call Anne Ricker, 360 774 0465, happy to hear from you.

Q: Anne Ricker is with Patricia Jones, due to a lack of WiFi access here in Quilcene... One thing the Port could help with.

A: Executive Director Berg: fiber expansion and internet access / better WiFi is something the PUD is working on. For some things, the PUD and County ought to be at the table with the Port and the community to discuss issues for things to occur on Port property, and I know they would be glad to be there.

Commissioner Putney is an active participant on the Broadband Action Team, and he knows that the PUD is planning to extend fiber all the way down the Linger Longer Road to the marina.

Q: Perhaps step one is to get a full-time person on site, as Pam mentioned.

A: Commissioner Petranek: one action item we could pursue quickly is a campground host type position at the marina in Quilcene either on land or on a boat.

Q: Is the marina able to provide septic pump-out for the host if they are living in a boat in the marina?

A: Commissioner Putney said that in the past the Port has had a study to do a sewer system in Quilcene and ultimately the project wasn't feasible, but there is precedent for the Port sponsoring for such studies.

Kit Kitteredge: With the amount of taxes the Quilcene community pays for the Port and with the \$700,000 over budget that was mentioned in the last meeting, some of that could be spent to address the items that came to light in the survey. There is the will of the Quilcene community to help, but what is needed is the funds and for the Port to choose action this year.

Commissioner Hanke: We don't want to over burden the process and not get anything done; there is a lot we can do now, and we will be spending maintenance dollars in fixing up the marina – get down to community, collaboration, and communication. Making sure that when we move forward with an advisory committee that it does speak for the whole community. We are making progress, and the dialogue started tonight needs to continue, with the first step is to come up with a group of people to rep and a purpose with where we're going to go with that and start moving forward.

Executive Director Berg: would like to hear from stakeholders who would like to participate on such a committee. My email is eron@portofpt.com.

Commissioner Hanke said his number is 360-301-2033 and he said he'd always answer and happy to hear from you.

Commissioner Petranek said her email is pam@portofpt.com and she welcomes your input and welcomes talking to you at any time.

Commissioner Putney said he's bill@portofpt.com for 79 more days and after that stop him and talk to him any time.

Kit Kitteredge: let Talia know we're open to any convo and wanting to have full community conversation and is hopeful once again.

Sharon Redmon: would like to have some action taken tonight – a motion for action on getting some security in the marina. Executive Director Berg: cannot have Commission take action in a special

meeting, but for a host at Quilcene the staff can move ahead on that right away. What we imagine is something like the camp host at Point Hudson, a marina host at Quilcene, and we'll get the process started (description of what we want the person to do, in trade for what we're going to provide), post an ad for the position by end of October, and make a selection from those who are interested.

Carol Hasse: thanks to the Port for putting this together and to all the residents of Quilcene who spoke up about their beloved place. I'm excited to help the vision you have for your community come to fruition with your fellow Port commissioners and am grateful for your willingness to step up and help get things done.

Clayton White: if you could post the meeting on Facebook on "I've heard of Quilcene" you'd reach a lot of people.

III. ADJOURNMENT:

The Special Meeting adjourned at 7:49 p.m.

ATTEST:

Pamela A. Petranek, Vice President

William W. Putney III, Secretary

Peter W. Hanke, 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 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 064369 through No. 064412, are approved for payment in the amount of \$118,588.363 on this 27th day of October, 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: 10/27/2021
Register Number: CD-000886

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
0000064369	10/27/2021	AIR070	Airside Solutions, Inc				Check Entry Number: 001
			34508	10/1/2021	44.91	0.00	44.91
0000064370	10/27/2021	BAN005	Bank of America				Check Entry Number: 001
			10/5/2021	10/5/2021	1,009.01	0.00	1,009.01
0000064371	10/27/2021	BER045	Eron Berg				Check Entry Number: 001
			8/2021 EXPENSE	10/7/2021	69.42	0.00	69.42
			9/2021 EXPENSE	10/7/2021	55.15	0.00	55.15
Check 0000064371 Total:					124.57	0.00	124.57
0000064372	10/27/2021	BLA065	Blake Tile & Stone, Inc.				Check Entry Number: 001
			87531	10/7/2021	1,200.50	0.00	1,200.50
0000064373	10/27/2021	CAS010	Cascade Columbia Distribution Company				Check Entry Number: 001
			820567	10/14/2021	319.58	0.00	319.58
0000064374	10/27/2021	CEN010	Central Welding Supply				Check Entry Number: 001
			PT 138734	10/14/2021	333.01	0.00	333.01
0000064375	10/27/2021	CEN030	CenturyLink				Check Entry Number: 001
			10/1/2021 STATEMENT	10/1/2021	200.00	0.00	200.00
0000064376	10/27/2021	CEN035	CenturyLink				Check Entry Number: 001
			10/8/21 STATEMENTS	10/8/2021	797.12	0.00	797.12
0000064377	10/27/2021	CIT001	City Of Port Townsend				Check Entry Number: 001
			FINAL BILL 333 BENE	10/6/2021	20.00	0.00	20.00
0000064378	10/27/2021	CON080	Construction Group International LLC				Check Entry Number: 001
			21044/3	10/18/2021	41,006.03	0.00	41,006.03
0000064379	10/27/2021	COO070	Coon Plumbing				Check Entry Number: 001
			22368A	10/14/2021	3,683.87	0.00	3,683.87
0000064380	10/27/2021	COP055	Patt & Marvin Copeland-Griggs				Check Entry Number: 001
			REFUND 10/6/21	10/6/2021	11.00	0.00	11.00
0000064381	10/27/2021	COU025	Deborah Coughlin				Check Entry Number: 001
			REFUND 10/13/2021	10/13/2021	686.27	0.00	686.27
0000064382	10/27/2021	DAN050	Dana Rensi				Check Entry Number: 001
			REIMBURS	10/25/2021	1,135.65	0.00	1,135.65
0000064383	10/27/2021	EMM080	William Emmens				Check Entry Number: 001
			REFUND 10/20/2021	10/20/2021	212.16	0.00	212.16
0000064384	10/27/2021	FIN030	Fine Edge Nautical & Recreational Publishing				Check Entry Number: 001
			105919	10/14/2021	2,160.00	0.00	2,160.00
0000064385	10/27/2021	GOO002	Good Man Sanitation				Check Entry Number: 001
			10/11/21 STATEMENT	10/11/2021	2,263.00	0.00	2,263.00
			112081A	10/5/2021	922.99	0.00	922.99
Check 0000064385 Total:					3,185.99	0.00	3,185.99
0000064386	10/27/2021	HIG020	Highway Specialties LLC				Check Entry Number: 001
			2110644	10/15/2021	163.65	0.00	163.65
0000064387	10/27/2021	JC0003	Jefferson County - Public Work				Check Entry Number: 001
			9/30/2021 STATEMENT	9/30/2021	824.44	0.00	824.44
0000064388	10/27/2021	JC0004	Jeffco County Public Health				Check Entry Number: 001
			9/30/21 STATEMENT	9/30/2021	268.00	0.00	268.00
0000064389	10/27/2021	JON035	Darrin Jones				Check Entry Number: 001
			REFUND 10/13/2021	10/13/2021	481.66	0.00	481.66
0000064390	10/27/2021	KAM060	Pat Kamman				Check Entry Number: 001
			REFUND 10/8/21	10/8/2021	81.60	0.00	81.60
0000064391	10/27/2021	KEN010	Kendrick Equipment				Check Entry Number: 001
			U50463	10/13/2021	13,278.21	0.00	13,278.21

Run Date: 10/22/2021 10:19:40AM
A/P Date: 10/27/2021

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User Logon: DLF

Check Register

Journal Posting Date: 10/27/2021

Register Number: CD-000886

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
0000064392	10/27/2021	MCM015	McMacken Creative/Marketing				Check Entry Number: 001
			10/15/2021 INVOICE	10/15/2021	4,528.00	0.00	4,528.00
0000064393	10/27/2021	O'RE030	O'Reilly Auto Parts				Check Entry Number: 001
			3939-100938	10/18/2021	60.01	0.00	60.01
			3939-101041	10/19/2021	42.54	0.00	42.54
Check 0000064393 Total:					102.55	0.00	102.55
0000064394	10/27/2021	OES001	OESD 114				Check Entry Number: 001
			2122000185	10/15/2021	4,029.00	0.00	4,029.00
0000064395	10/27/2021	OLY003	Olympic Springs, Inc.				Check Entry Number: 001
			342055	9/7/2021	26.02	0.00	26.02
0000064396	10/27/2021	PEN030	Peninsula Paint Co.				Check Entry Number: 001
			62726	9/30/2021	15,534.29	0.00	15,534.29
0000064397	10/27/2021	PET025	Petrick Lock & Safe				Check Entry Number: 001
			20535	10/14/2021	27.00	0.00	27.00
0000064398	10/27/2021	PIN010	Pinnacle Investigations Corp				Check Entry Number: 001
			76777	10/16/2021	159.55	0.00	159.55
			76780	10/16/2021	451.75	0.00	451.75
Check 0000064398 Total:					611.30	0.00	611.30
0000064399	10/27/2021	PUD005	PUD #1 of Jefferson County				Check Entry Number: 001
			10/11/2021 STMNT	10/11/2021	32.65	0.00	32.65
			10/11/21 STATEMENTS	10/11/2021	15,520.45	0.00	15,520.45
Check 0000064399 Total:					15,553.10	0.00	15,553.10
0000064400	10/27/2021	QUI001	Quill Corporation				Check Entry Number: 001
			19922218	9/30/2021	24.91	0.00	24.91
0000064401	10/27/2021	QUI010	Quimper Mercantile				Check Entry Number: 001
			92972	10/11/2021	118.66	0.00	118.66
			93099	10/12/2021	82.83	0.00	82.83
Check 0000064401 Total:					201.49	0.00	201.49
0000064402	10/27/2021	SHO010	Shold Excavating Inc				Check Entry Number: 001
			63930	10/12/2021	520.41	0.00	520.41
0000064403	10/27/2021	SNE020	S-Net Communications				Check Entry Number: 001
			114183	10/11/2021	592.56	0.00	592.56
0000064404	10/27/2021	SOU055	Sound Publishing, Inc				Check Entry Number: 001
			PDN940078	10/10/2021	139.90	0.00	139.90
0000064405	10/27/2021	SPA070	Chris Sparks				Check Entry Number: 001
			DIRECT TV PARTS	10/21/2021	35.59	0.00	35.59
0000064406	10/27/2021	TER030	Terrapin Architecture PC				Check Entry Number: 001
			21-349	10/8/2021	3,057.90	0.00	3,057.90
			21-350	10/8/2021	202.50	0.00	202.50
Check 0000064406 Total:					3,260.40	0.00	3,260.40
0000064407	10/27/2021	THE020	Thermo Fluids, Inc.				Check Entry Number: 001
			87232375	10/5/2021	1,052.50	0.00	1,052.50
0000064408	10/27/2021	TOW001	Townsend Electric				Check Entry Number: 001
			16004	9/30/2021	109.33	0.00	109.33
0000064409	10/27/2021	TWI001	Spectra Laboratories - Kitsap				Check Entry Number: 001
			21-07531	10/11/2021	58.00	0.00	58.00
			21-07649	10/13/2021	348.00	0.00	348.00
Check 0000064409 Total:					406.00	0.00	406.00
0000064410	10/27/2021	WA0125	State of Washington				Check Entry Number: 001

Run Date: 10/22/2021 10:19:40AM

A/P Date: 10/27/2021

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Check Register**Journal Posting Date: 10/27/2021****Register Number: CD-000886****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
0000064411	10/27/2021	WAC050	2021 UNCLAIMED PROP	10/27/2021	268.24	0.00	268.24
			Washington City/County				
0000064412	10/27/2021	WES060	21-63994	10/20/2021	315.00	0.00	315.00
			West Marine Pro				
			006863	10/18/2021	23.54	0.00	23.54
Report Total:					118,588.36	0.00	118,588.36



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 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 064368, generated on October 20th, 2021 in the amount of \$135,407.54 is ratified.

Signed and Authenticated on this 27th day of October, 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
0000064368	10/20/2021	WA1803	State of Washington				
			3RD QTR 2021 LET				
				10/20/2021	135,407.54	0.00	135,407.54
				Report Total:	135,407.54	0.00	135,407.54

Check Entry Number: 001

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 these claims are a just and unpaid obligation of the Port of Port Townsend, and

that these claims: Warrant No. 061927 in the amount of \$ 89.24
Warrant No. 061943 in the amount of \$ 11.00
Warrant No. 062006 in the amount of \$ 11.00
Warrant No. 062100 in the amount of \$ 10.00
Warrant No. 062125 in the amount of \$ 10.00
Warrant No. 062186 in the amount of \$ 10.00
Warrant No. 062204 in the amount of \$ 10.00
Warrant No. 062259 in the amount of \$ 10.00
Warrant No. 062324 in the amount of \$ 10.00
Warrant No. 062348 in the amount of \$ 11.00
Warrant No. 062439 in the amount of \$ 10.00
Warrant No. 062480 in the amount of \$ 11.00
Warrant No. 062486 in the amount of \$ 22.00
Warrant No. 062497 in the amount of \$ 10.00
Warrant No. 062564 in the amount of \$ 11.00
Warrant No. 062569 in the amount of \$ 11.00
Warrant No. 062618 in the amount of \$ 11.00

are declared **void** per **Resolution No. 753-21** on this **27th** day of **October**, **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: 10/27/2021
Register Number: MC-000265

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
0000061927 Check Comment: Canceled by Resolution 753-21 CK000006192701	REV 4/8/2020 4/8/2020	LAI070 Robert Laitman			89.24-
	G/L Account: 213-7400-00	89.24- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	89.24-	
0000061943 Check Comment: Canceled by Resolution 753-21 CK000006194301	REV 4/8/2020 4/8/2020	NOT040 Kevin Notling			11.00-
	G/L Account: 213-7400-00	11.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	11.00-	
0000062006 Check Comment: Canceled by Resolution 753-21 CK000006200601	REV 4/22/2020 4/22/2020	AQU050 Mike Aquino			11.00-
	G/L Account: 213-7400-00	11.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	11.00-	
0000062100 Check Comment: Canceled by Resolution 753-21 CK000006210001	REV 4/22/2020 4/22/2020	WIL026 Frank & Lynn Wilson			10.00-
	G/L Account: 213-7400-00	10.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	10.00-	
0000062125 Check Comment: Canceled by Resolution 753-21 CK000006212501	REV 5/13/2020 5/13/2020	BAR020 Betty & Richard Bark			10.00-
	G/L Account: 213-7400-00	10.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	10.00-	
0000062186 Check Comment: Canceled by Resolution 753-21 CK000006218601	REV 5/13/2020 5/13/2020	HOO070 Jared & Amanda Hoover			10.00-
	G/L Account: 213-7400-00	10.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	10.00-	
0000062204 Check Comment: Canceled by Resolution 753-21 CK000006220401	REV 5/13/2020 5/13/2020	MAC055 Jason Mackenzie			10.00-
	G/L Account: 213-7400-00	10.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	10.00-	
0000062259 Check Comment: Canceled by Resolution 753-21 CK000006225901	REV 5/13/2020 5/13/2020	SCH080 Kathy Scheffer			10.00-
	G/L Account: 213-7400-00	10.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	10.00-	
0000062324 Check Comment: Canceled by Resolution 753-21 CK000006232401	REV 5/27/2020 5/27/2020	HAT070 Sean Halt			10.00-
	G/L Account: 213-7400-00	10.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	10.00-	
0000062348 Check Comment: Canceled by Resolution 753-21 CK000006234801	REV 5/27/2020 5/27/2020	PIT015 Curtis Pitts			11.00-
	G/L Account: 213-7400-00	11.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	11.00-	
0000062439 Check Comment: Canceled by Resolution 753-21 CK000006243901	REV 6/10/2020 6/10/2020	SMI045 Arden Smith			10.00-
	G/L Account: 213-7400-00	10.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	10.00-	
0000062480 Check Comment: Canceled by Resolution 753-21 CK000006248001	REV 6/24/2020 6/24/2020	HOP045 Tom Hopkins			11.00-
	G/L Account: 213-7400-00	11.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	11.00-	
0000062486 Check Comment: Canceled by Resolution 753-21 CK000006248601	REV 6/24/2020 6/24/2020	MAC030 Kimo Mackey			22.00-
	G/L Account: 213-7400-00	22.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	22.00-	
0000062497 Check Comment: Canceled by Resolution 753-21 CK000006249701	REV 6/24/2020 6/24/2020	ORT015 Bob & Sylvia Orth			10.00-
	G/L Account: 213-7400-00	10.00- UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE	0.00	10.00-	
0000062564 Check Comment: Canceled by Resolution 753-21	REV 7/8/2020	HAR010 Bill Harkley			11.00-

Run Date: 10/21/2021 9:51:01AM

A/P Date: 10/27/2021

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User Logon: DLF

Manual Check and Payment Register

Journal Posting Date: 10/27/2021

Register Number: MC-000265

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
CK000006256401	7/8/2020	11.00-	0.00		
G/L Account: 213-7400-00		UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE		11.00-	
0000062569	REV 7/8/2020	JAC020			
Check Comment: Cancelled by Resolution 753-21		Cynthia Jacobs			11.00-
CK000006256901	7/8/2020	11.00-	0.00		
G/L Account: 213-7400-00		UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE		11.00-	
0000062618	REV 7/22/2020	HOL075			
Check Comment: Cancelled by Resolution 753-21		Susan Holms			11.00-
CK000006261801	7/22/2020	11.00-	0.00		
G/L Account: 213-7400-00		UNCLAIMED PROPERTY/CANCELLED WARRANTS PAYABLE		11.00-	
Bank W Total:			268.24-	268.24-	268.24-
Report Total:			0.00	268.24-	268.24-



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

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 **\$16,182.72 is ratified.**

Signed and Authenticated on this **27th** day of **October**, **2021**.

For: Washington State, Department of Revenue
Combined Excise Tax Return – for **September, 2021** in the amount of
\$16,182.72.

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 **0-022-797-453**

Below is information from your Monthly Return for the period ending September 30, 2021

Filing Date	October 19, 2021
Account ID	161-000-044
Primary Name	BOAT HAVEN FUEL DOCK
Payment Method	ACH Debit/E-Check
Payment Effective	October 21, 2021
Total Tax	16,182.72
Total Due	16,182.72



Combined Excise Tax Return

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

Filing Period: September 30, 2021 **Due Date:** October 25, 2021

Filing Frequency: Monthly

Business & Occupation

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retailing	125,688.20	0.00	125,688.20	0.004710	591.99
Service and Other Activities (\$1 million or greater in prior year)	144,257.21	0.00	144,257.21	0.017500	2,524.50
Total Business & Occupation					3,116.49

State Sales and Use

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Retail Sales	125,688.20	0.00	125,688.20	0.065000	8,169.73
Use Tax	411.00	0.00	411.00	0.065000	26.72
Total State Sales and Use					8,196.45

Public Utility Tax

Tax Classification	Gross Amount	Deductions	Taxable Amount	Tax Rate	Tax Due
Other Public Service Business	9,121.18	0.00	9,121.18	0.019260	175.67
Water Distribution	1,099.88	0.00	1,099.88	0.050290	55.31
Total Public Utility Tax					230.98

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
1601 - PORT TOWNSEND	125,688.20	0.026000	3,267.89
Total Local City and/or County Sales Tax			3,267.89

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

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	411.00	0.026000	10.69
Total Local City and/or County Use Tax/Deferred Sales Tax			10.69

Transient Rental Income

Location	Income
1601 - PORT TOWNSEND	68,010.88
Total Transient Rental Income	
	68,010.88

Special Hotel/Motel

Location	Taxable Amount	Tax Rate	Tax Due
1601 - PORT TOWNSEND	68,010.88	0.020000	1,360.22
Total Special Hotel/Motel			1,360.22

Total Tax	16,182.72
Subtotal	16,182.72
Total Amount Owed	16,182.72

Prepared By: Donna Frary
E-Mail Address: donna@portofpt.com
Submitted Date: 10/19/2021
Confirmation #: 0-022-797-453

Payment Type: ACH Debit/E-Check
Amount: \$16,182.72
Effective Date: 10/21/2021



PO Box 1180 • Port Townsend, WA 98368

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 064361 through No. 064367 generated on July 15th, 2021 in the amount of \$9,674.65 and Electronic Payment in the amount of \$81,980.18, for a total amount of \$91,654.83 is ratified.

Signed and Authenticated on this 27th day of October, 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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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. **064219** in the amount of **\$8,000.00** is declared **void** on this on this **27th** day of **October, 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: 10/27/2021
Register Number: MC-000266

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
0000064219	REV 9/22/2021	ALO010 Aloha Plumbing Inc			8,000.00-
Check Comment: No longer doing job CK000006421901					
	9/22/2021	8,000.00-	0.00		
G/L Account:	168-0097-00	WIP - PH PAVILLION BLDG 2021		8,000.00-	
	Bank W Total:	8,000.00-	0.00	8,000.00-	8,000.00-
	Report Total:	8,000.00-	0.00	8,000.00-	8,000.00-

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	October 27, 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. Marina Café Lease
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Informational Memo 2. Key Terms 3. Lease

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 10/19/2021
TO: Port Commission
FROM: Eric Toews, Deputy Director and Sue Nelson lease & Contracts Administrator
SUBJECT: Proposed Lease Agreement – Jennifer A. Takaki d/b/a Marina Café

ISSUE: Should the Commission authorize the Executive Director to enter into a lease agreement with Jennifer A. Takaki d/b/a Marina Café for the premises she currently occupies at Boat Haven?

BACKGROUND: The Marina Café is located on the ground floor of the southwestern corner of the Chinook Building, occupying 640 square feet of the building currently shared with ACI. Ms. Takaki first opened the Marina Café and entered into a lease agreement with the Port in 2011. As an established and widely appreciated Boat Haven eatery, Ms. Takaki requests a five (5) year lease.¹

DISCUSSION: The prior lease rate for this restaurant space was aligned with the rate for comparable industrial, rather than commercial, space. In 2021, Ms. Takaki opted to enter into a short-term lease agreement (one-year) due to uncertainty occasioned by the COVID-19 pandemic on the restaurant industry. This short-term lease agreement established a rental rate for the Café that was closer to the commercial use rate established in the most recent market rent survey.² The proposed new lease would employ rent step increases to achieve the market rent for commercial space by month 19 of the lease term. Inflation adjustments (CPI-U) would be applied annually beginning in month 25 of the lease term, with market rate adjustments occurring every five (5) years thereafter.

The Marina Café is another economic and cultural asset to the Port. The Café is a staple to marine trades' workers at Boat Haven and enjoyed by the local community and tourists alike. Ms. Takaki is well known for her home-cooked fresh food, and her kindness, smile and generosity.

Staff believe the lease as presented is both consistent with, and helps to implement, the Commission's adopted lease policy. Authorization to enter into the agreement would also reaffirm a positive and mutually beneficial business relationship between the parties.

RECOMMENDATION: Authorize the Executive Director to execute the attached Lease Agreement with Jennifer A. Takaki d/b/a/ Marina Café.

MOTION: None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the lease with Jennifer A. Takaki d/b/a/ Marina Café.

ATTACHMENTS

- Summary of Key Lease Terms; and
- Marina Café Lease (incorporating Exhibit "A").

¹ The Marina Café also offers outdoor dining which is addressed via a separate month-to-month rental agreement.

² Kidder-Matthews, April 2018

**PORT OF PORT TOWNSEND:
Summary of Key Terms – Marina Café**

1. **TENANT:** JENNIFER ALYS TAKAKI d/b/a MARINA CAFÉ, a Washington sole proprietor.
2. **PREMISES:** Approximately 640 square feet of floor space in suite 'A', situated on the ground floor (southwestern corner) of the "Chinook Building" in the Boat Haven Industrial Park, located at 2800 Washington Street.
3. **TERM:** Five (5) years, beginning on January 1, 2022, and ending on December 31, 2026.
4. **RENT:** Lessee agrees to pay as rental for the leased premises \$0.83 per square foot at lease inception, increasing to \$1.03 by the beginning of month nineteen (19), plus all applicable taxes, consistent with the rent schedule set forth below:

Months 1-6 (January 1, 2022-June 30, 2022): \$531.20 per month (\$0.83/sf) + \$68.21 Leasehold Excise Tax LET (12.84%) = \$599.41

Months 7-12 (July 1, 2022-December 31, 2022): \$576.00 per month (\$0.90/sf) + \$73.96 LET = \$649.96

Months 13-18 (January 1, 2023-June 30, 2023): \$620.80 per month (\$0.97/sf) + \$79.71 LET = \$700.51

Months 19-24 (July 1, 2023-December 31, 2023): \$659.20 per month (\$1.03/sf) + \$84.64 LET = \$743.84

CPI-U applied at the beginning of year two (2), and annually thereafter.

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:** Café/restaurant.
7. **SECURITY:** Three month's security + LHT would be required at lease inception (\$1,798.22). Because Lessee already has a deposit of \$577.74 on file with the Port, an additional \$1,220.48 would be required prior to execution of the lease.

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.
10. **INSURANCE:** Per Port policy. Commercial General Liability of \$1,000,000 combined single limit and \$2,000,000 in the annual aggregate; 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 LEASE

THIS LEASE AGREEMENT made this ____ day of October 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 **JENNIFER ALYS TAKAKI d/b/a MARINA CAFÉ**,¹ a Washington sole proprietorship, 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 640 square feet of floor space in suite "A", situated on the ground floor (southwestern corner) of the "Chinook Building" in the Boat Haven Industrial Park, located at 2800 Washington 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 five (5) years, beginning January 1, 2022, and ending at midnight, December 31, 2026, unless sooner terminated as provided in this Lease.
- 3. RENT:** Lessee agrees to pay as rental for the leased premises \$0.83 per square foot at lease inception, increasing to \$1.03 by the beginning of month nineteen (19), plus all applicable taxes, consistent with the rent schedule set forth below:

Months 1-6 (January 1, 2022-June 30, 2022): **\$531.20** per month (\$0.83/sf) + \$68.21
Leasehold Excise Tax LET (12.84%) = \$599.41

Months 7-12 (July 1, 2022-December 31, 2022): **\$576.00** per month (\$0.90/sf) + \$73.96
LET = \$649.96

Months 13-18 (January 1, 2023-June 30, 2023): **\$620.80** per month (\$0.97/sf) + \$79.71
LET = \$700.51

¹ UBI #602-272-505.

Months 19-24 (July 1, 2023-December 31, 2023): \$659.20 per month (\$1.03/sf) + \$84.64 LET = \$743.84

The rental rate beginning in month twenty-five (25) and annually thereafter 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. In no event shall any rent adjustment result in a reduction in rent from the rate paid in the prior year. 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 **One Thousand Seven Hundred Ninety-Eight Dollars and Twenty-Two Cents (\$1,798.22)**². Lessee has an existing deposit of **Five Hundred Seventy-Seven Dollars and Seventy-Four Cents (\$577.74)** currently on file with the Port under an agreement now superseded by this Lease. Accordingly, Lessee shall deposit an additional **One Thousand Two Hundred Twenty Dollars and Forty-Eight Cents (\$1,220.48)** in order to satisfy the requirements of this Paragraph 5. Annually thereafter throughout the initial term or extended term, the amount deposited with the Port may be adjusted to ensure that an amount equivalent to three (3) months' then current rent plus LET is maintained as security. 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 a café/restaurant, 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

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, \$531.20 per month x 3 = \$1,593.60; \$1,593.60 x 12.84% LET = \$204.62; \$1,593.60 + \$204.62 = \$1,798.22).

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.
 - 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:** Lessee agrees that it will defend (with legal counsel acceptable to the Port), indemnify and hold harmless the Port, its officers, employees, and agents, from any and all demands, claims, judgments or liability for loss or damage arising as a result of accidents, injuries or other occurrences on the Premises or on Port's property that are:

- a. Occasioned by either the negligent or willful conduct of the Lessee and/or its agents; and/or
- b. Made by any person or entity holding under the Tenant; and/or
- c. Made by any person or entity on the Premises or on the Port's property as a result of Lessee's activity, regardless of who the injured party may be.

This indemnification and hold harmless shall not apply to the extent the damages were caused by the gross negligence or willful misconduct of the Port.

- 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.

- 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 per occurrence and \$2,000,000 in the annual aggregate. 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. The policy of insurance required under this sub-paragraph 16(a) shall:
 - i. Be written as a primary policy; and

- ii. Expressly provide that the defense and indemnification of the Port as an “additional insured” will not be affected by any act or omission by Lessee which might otherwise result in a forfeiture of said insurance; and
 - iii. Contain a separation of insureds provision such that the policy applies separately to each insured that is the subject of a claim or suit; and
 - iv. Not contain a crossclaim, cross-suit, or other exclusion that eliminates coverage by one insured against another; and
 - v. Provide for coverage for damage to the Port’s property caused by the Lessee.
- 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.
- c. 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: JENNIFER A. TAKAKI d/b/a
MARINA CAFÉ
2800 Washington Street
Port Townsend, WA 98368
(360) 385-9578

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 of October 2021 as approved by the Port of Port Townsend Port Commission, on the 27th day of October 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 – JENNIFER ALYS TAKAKI d/b/a MARINA CAFÉ

Jennifer Alys Takaki, Governing 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 Jennifer Alys Takaki 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: _____



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PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	October 27, 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.D. Authorization for Out-of-State Travel
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input checked="" type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Informational Memo 2. Agenda for Intermediate Marina Management Course

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 10/21/2021
TO: Port Townsend Port Commission
FROM: Eric Toews, Deputy Director
SUBJECT: Authorization for Out-of-State Travel – Intermediate Marina Management Course

ISSUE: Should the Commission authorize the Executive Director to allow Kristian Ferrero, Customer Service Representative II, to attend the Intermediate Marina Management Course offered by the Association of Marina Industries (Training Institute) in Fort Lauderdale Florida?

BACKGROUND: Providing staff with the training and education necessary to excel in their jobs, and better serve customers and the public, is a priority for the Port management team. Our objective is to give staff the tools, training and support necessary to increase our overall level of knowledge and professionalism, and to improve the Port's bottom line.

Each year, the Training Institute of the Association of Marina Industries (AMI) offers a week-long intensive intermediate course in marina management. This year, the course is being offered in-person, in Fort Lauderdale, Florida (October 31 to November 4). We have encouraged Kristian to take this course, and he is excited to seize the opportunity.

Section VII of the Commission's Delegation of Authority Policy, adopted via Resolution 746-21, requires that the Commission pre-approve all requests for travel outside the State of Washington.

FISCAL IMPACT: As a member of the AMI, the total cost for attendance is approximately \$2,995 (including four nights of lodging and some meals); travel to and from Fort Lauderdale is not included and has not yet been arranged. However, the estimated total costs are well within the adopted budget for training and travel.

RECOMMENDATION: Staff recommends that the Commission authorize the training and travel as requested.

MOTION: None required. Approval of this item on the Consent Agenda authorizes the Executive Director to permit the requested out-of-state travel.

ATTACHMENT: Agenda for Intermediate Marina Management Course, AMI Training Institute, October 31 to November 4, 2021, Fort Lauderdale, Florida.

AGENDA

Intermediate Marina Management

October 31 - November 4, 2021

Hyatt Place Fort Lauderdale * 17th Street Convention Center
1851 S.E. 10th Avenue • Fort Lauderdale, FL • 33316 • 954-763-7660

Sunday, October 31

6:00 PM

Welcome Reception and Student Introductions

Monday, November 1

7:00 AM

Breakfast in hotel restaurant on your own

8:00 AM

Daily Introduction & Housekeeping, Merritt Alves, AMI Training Coordinator

8:05 AM

Personal Development/Management, Pam Lenzion, MarineTec Mgt.

12:00 PM

Lunch

1:00 PM

Branding & Social Media in the Digital Age, Steve Chandler, Chandlerthink

5:00 PM

Adjourn, Dinner on your own

Tuesday, November 2

7:00 AM

Breakfast in hotel restaurant on your own

8:00 AM

Daily Introduction & Housekeeping, Merritt Alves, AMI Training Coordinator

8:05 AM

Safety and Health, Kellie Thornell-Crete, Gowrie Group

10:00 AM

Environmental Compliance, Kellie Thornell-Crete, Gowrie Group

12:00 PM

Off-site Lunch

1:00 PM

Marina Tour, Merritt Alves, AMI Training Coordinator

5:00 PM

Adjourn, Dinner on your own

Wednesday, November 3

7:00 AM

Breakfast in hotel restaurant on your own

8:00 AM

Daily Introduction & Housekeeping, Merritt Alves, AMI Training Coordinator

8:05 AM

Marina Law, Dennis Nixon, University of Rhode Island

12:00 PM

Lunch

1:00 PM

Emergency Management, Carl Wolf, CMM, CMI, Robson Forensic, Inc.

4:00 PM

Marina Industry 60,000 feet, Carl Wolf, CMM, CMI Robson Forensic, Inc.

5:00 PM

CMM handbook review, Merritt Alves, AMI Training Coordinator

5:15 PM

Adjourn

AMI Sponsored Group Dinner

Thursday, November 4

7:00 AM

Breakfast in hotel restaurant on your own

8:00 AM

Daily Introduction & Housekeeping, Merritt Alves, AMI Training Coordinator

8:05 AM

Human Resource Management, Jim Schuman; Fortune, Alsweet, Weiss & Schuman, Inc

12:00 PM

Lunch

1:00 PM

Action Planning, Course Evaluations, and Certificates

2:00 PM

Adjourn, Course Concludes

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	October 27, 2021		
AGENDA ITEM	<input checked="" type="checkbox"/> Public Hearing		
AGENDA TITLE	V. Draft 2022 Operating & Capital Budget, rates, property tax levy & IDD tax levy		
STAFF LEAD	Finance Director Abigail Berg		
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. Draft 2022 Operating & Capital Budget, Property Tax Levy & IDD Tax Levy 2. Draft 2022 Rate cards 		



2022 OPERATING & CAPITAL BUDGET



Approved by Port Commission on _____

Resolution _____

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MESSAGE FROM THE EXECUTIVE DIRECTOR

Introduction

2021 was another whirlwind year at the Port of Port Townsend. Pandemic impacts continued, but not entirely in the ways we might have imagined, Port staff undertook a major shift in marina management and billing software, vaulting us into the modern era with online booking for Point Hudson, we continued to advance major capital projects while ramping up maintenance to a new high, and we planned for transition both on the commission and among the staff team.

I shared the following from last year and repeat it this year because I believe it is vitally important to first focus on the Port's purpose, as expressed by the community through its elected commissioners. Three messages from the community remain completely clear: (1) people actively use and love port properties, (2) marine trades are not just vitally important for the economy but are also core elements of the fabric of this community, and (3) the community expects the port to maintain its properties so future generations may enjoy the same or similar opportunities as exist today. The Port exists not just to manage real estate, but to provide trusted stewardship of vitally important community assets.

In thinking about those three messages, the theme of the 2022 budget is a step further down the path of generational viability. Specifically, planning and implementing plans to position the Port to weather future storms through economic resilience and provide opportunities to future generations of Jefferson County residents to live, work and thrive in this remarkable place.

Economic & Financial Outlook

The pandemic hit the Port hard in 2020 as a result of a mandated shut down of operations followed by a voluntary reduction in yard activity by the marine trades. Particularly hard hit was our tourist or guest visitor-oriented properties like Point Hudson's RV park and marina. In 2021 the ball rebounded fast with a marked increase in activities across Port properties making 2021 a watershed year for Port revenues. Pandemic woes continued in the form of more demand than Port staff could adequately serve and challenges hiring seasonal staff to help which together resulted in an increase in customer service complaints. At the same time the boat yard was full or nearly full all year as the marine trades worked long days to keep up with the new demand and renewed interest in boating. Moorage waitlists are at an all time high with those on the list to be placed in a 40' slip likely waiting 5+ years for their opportunity. With that as a local backdrop and the national and world economic outlook showing signs of distress and uncertainty, the 2022 budget does not assume unfettered straight-line growth in revenue. It seems more challenging today than ever to forecast the future and the 2022 budget reflects some of that ambiguity.

Planned 2022 Capital Investments

Not ambiguous, however, is the Port's massive commitment to infrastructure in 2022. The 2022 capital budget includes a five-year program with critical projects that are funded, partially funded or unfunded at this time. 2022 projects that are funded are as follows:

- Construction of the North Point Hudson jetty: \$6,000,000
- Yard Stormwater Treatment Compliance Upgrade: \$2,650,000
- Yard Expansion Northwest 25 feet & Southwest: \$550,000
- Boat Haven Breakwater Repair: \$350,000
- Boat Haven Dock Renovations & Piling Replacement: \$200,000
- Sperry Building annual rehab project at Boat Haven: \$100,000
- Moorage/Yard Office: \$191,250
- Boat Haven Linear Dock Replacement (*design*): \$107,185
- Jefferson County International Airport (JCIA) terminal: \$110,550

• Quilcene Restoration program:	\$100,000
• Point Hudson Building Restoration (including roofs):	\$100,000
• Jefferson County International Airport Unground Storage Tank Replacement:	\$100,000
• Jefferson County International Airport (JCIA) Connector Taxiway A2 (<i>design</i>):.....	\$90,000
• Jefferson County International Airport (JCIA) Hangar repair:	\$80,000
• Equipment/vehicle purchases:	\$518,000
• Automated Weather Observing System (AWOS) replace Present Weather Sensor:	\$50,000
• Small capital projects (<i>not identified, >\$10,000</i>):.....	\$50,000
• Remodel Nomura building – phase II:.....	\$40,000
• Yard Electrical Upgrades (<i>design and permitting</i>):.....	<u>\$30,000</u>

Total:..... \$11,416,985

Along with the significant projects planned for construction phase work in 2022 (Point Hudson Jetty, Phase 1, Boat Yard Stormwater upgrade, Sims Way Gateway Plan Implementation & Boat Yard Expansion Project), Port staff continue to work on future year projects. One such project of interest is the Quilcene Plan implementation which will seek to construct facilities at the Herb Beck Marina that are consistent with the community's vision, Port mission and are economically viable.


2022 Budget Priorities

Key priorities in the 2022 budget remain unchanged from 2021 and include:

1. Maintaining core lines of revenue for the Port by focusing on the basics (i.e., increasing business and holding the line on costs).
2. Faithfully executing IDD Levy funded projects.
3. Continuing and expanding the trend of enhanced maintenance at all Port properties to both keep our infrastructure working, sustainable, and to improve their appearance.
4. Improving customer service throughout the Port.

With gratitude for the energy and effort shouldered by the Port community, those tenants, volunteers, and members of the community who use and love Port properties, all of us on the Port staff team look forward to working with you in 2022.

With due care and caution, we remain full speed ahead!


Eron Berg
Executive Director



INTRODUCTION

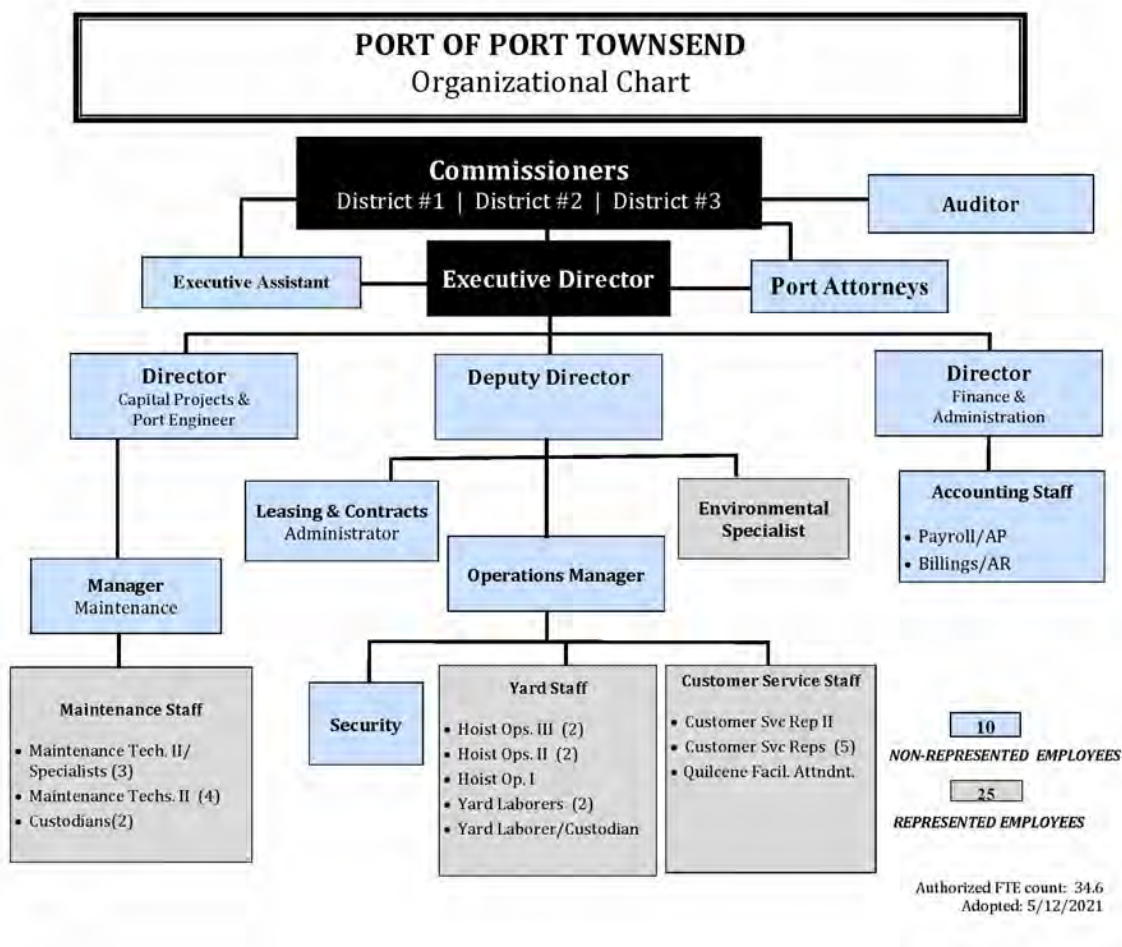
About Us

The Port of Port Townsend is a municipal corporation authorized by Washington State statute (Revised Code of Washington [RCW] Title 53) to provide for the development and maintenance of harbors and terminals and to promote tourism and foster economic activity. Created in 1924, the Port is a special purpose district independent from other local or state governments. The Port's geographical boundaries consist of all of Jefferson County, Washington.

The Port is governed by a 3-member Board of Commissioners; each elected to a 4-year term. The Commission delegates administrative authority to an Executive Director who manages staff to conduct operations of the Port. The County levies and collects taxes on the Port District's behalf, as determined by the Board of Commissioners, and acts as treasurer for the Port as defined under RCW 53.36.010.

Mission

The Mission of the Port of Port Townsend is to serve the citizens of Jefferson County by responsibly maintaining and developing property and facilities to promote sustainable economic growth, to provide community access to Port facilities and services, and to protect and maintain our community resources and maritime heritage.

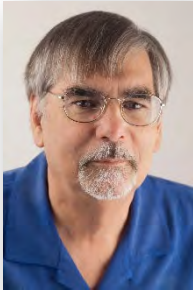


Port Commissioners

District 1 Commissioner: *Pamela Petranek, Vice President*

Term of Office: *January 1, 2020 – December 31, 2023*

Commissioner Petranek was first elected Port Commissioner in November 2019. She has a B.A. in Education, earned a U.S. Coast Guard Captain's license, teaches sailing and is a commercial fisherwoman for wild catch salmon in Alaska. Pam co-leads the Port Citizens Advisory Group and serves on the board of the Port Townsend Marine Trades Association.



District 2 Commissioner: *William W. Putney III, Secretary*

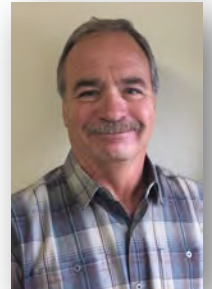
Term of Office: *January 1, 2018 – December 31, 2021*

Commissioner Putney is completing his term as Port Commissioner and will be succeeded by Carol Hasse beginning January 1, 2022. He is a retired technologist and entrepreneur. Since his retirement in 2009, he has devoted himself to volunteering. Currently, Bill serves as the Chief Engineer at KPTZ, and volunteers for PTFF, Northwind Art Center and AAUW. He has his private pilot's license and holds an FAA Airframe and Powerplant Mechanic's certificate.

District 3 Commissioner: *Peter W. Hanke, President*

Term of Office: *January 1, 2018 – December 31, 2021*

Commissioner Hanke was elected Port Commissioner in 2013 and re-elected in 2017 and again in 2021. Mr. Hanke owns and operates Puget Sound Express, a family-owned passenger ferry and whale watch operation located at the Point Hudson marina. Besides being a boat captain and a business owner, Pete is also a pilot who has enjoyed flying out of Jefferson County International Airport since 1998.



OPERATING BUDGET 2022

Overview

The goal of the 2022 Operating Budget and 5-year Capital Improvement Plan is to align our business practices and objectives to support both our organizational capital needs and our short and long-term financial sustainability. The Port Commission has instructed staff to prepare a budget that supports economic vitality while increasing our net cash position.

Organizational Initiatives

As part of our efforts to improve the Port's financial position over the coming year, we intend to:

- Update the Strategic Plan.
- Modernize business and administrative procedures across our operations to both improve customer service and effectively utilize staff time.
- Implement our robust Capital Improvement Plan while planning for successive projects in the future.
- Directly pursue and develop business to increase the Port's revenues by utilizing capacity in the boatyard, marinas, RV park, airport, and properties in Boat Haven and Point Hudson.
- Develop marketing and brand strategies to better position the Port in successfully attracting businesses and customers.
- Continue to fine-tune the Port's existing pricing structures across all business operations.

Revenue from Operations

The 2022 budget reflects total revenue from operations of \$6,815,934, a 10% increase over the 2021 Budget. However, when comparing projected 2022 operating revenue to the year-to-date August 2021 with remaining budget, there's a decrease of 1%. The key aspect of Port revenue is that it had trended upward over the past several years; however, when the pandemic hit in early 2020, this trend was broken, and yet conservative estimates for 2021 were subsequently surpassed. We are maintaining conservative projections due to the continued uncertainty of the economy with the pandemic, as well as the significant Point Hudson Jetty replacement project which is planned to begin in September of 2022. This project will require the full closure of the Point Hudson Marina and is likely to reduce our summer seasonal Point Hudson revenues by approximately \$268,000. Even with this large project impacting operating revenue, the goal is to continue to grow revenue from operations while controlling expenses to contribute to our Capital Improvement Program. Overall, the Port's revenues are generated throughout the operating units with the Yard providing 12.4%, Boat Haven Moorage 11.2%, Point Hudson 7.3%, PTBH properties 4.7%, Quilcene 0.9%, Ramps 0.3%, and Airport 0.9% of total operating revenue.

Expenses from Operations

Port-wide expenses from operations are budgeted to be \$5,884,057 in 2022, an 12% increase from the 2021 Budget; when compared to the 2021 YTD actuals plus remaining budget that number reduces to 9.5%. Much of this increase is due to gaining capacity for planning and executing capital projects by establishing a new, fulltime position for a Director of Capital Projects/Port Engineer as well as adjustments made to the compensation matrix in late 2021, both these drive increases to payroll taxes and benefits. In addition, there's almost a \$100,000 increase in insurance costs, and there are some more moderate increases in other expenses such as Repair & Maintenance, Bank Charges and Memberships & Dues. General & Administrative (G&A) expenses total \$1,601,546 or 27% of total operating expenses. This is an increase of 1% over the 2021

Budget; the actual 2019 G&A percent of total operating expenses was also 26%. G&A costs are allocated quarterly to each operating unit based on a weighted percentage of that unit's actual YTD operating revenues.

Net Operating Income

The 2022 budget reflects a net operating income of \$931,877, this is an increase of less than one (1) percent when compared to the 2021 budget, though when compared to the 2021 YTD actual plus remaining budget, there is a 40% increase. As previously mentioned, we are projecting conservatively due to some uncertainty due to the pandemic, its impact on the economy as well as having significant capital projects starting in 2022.

Other Increases & Decreases in Fund Resources

The 2022 budget reflects a \$1,071,500 property tax levy, an increase of 2.2% from 2021. This is a 1% increase on the prior year plus increases due to new construction, as calculated, and recommended by the County Assessor. The IDD tax levy is estimated at \$2,634,289 for 2022, \$1,000,000 more than for 2021, both to maintain the IDD reserve for capital projects and pay for current projects while not incurring additional debt. Interest income is budgeted conservatively at \$34,530 for 2022, which also includes the American Recovery & Reinvestment Act (ARRA) Bond Interest Subsidy received semi-annually on the 2010 Limited Tax General Obligation (LTGO) bond which is approximately \$32,000. Grant revenue is budgeted at \$6,672,860, including funding for the Point Hudson Jetty project (\$3,970,000), the Yard Stormwater Treatment Compliance Upgrade (\$1,988,500), the remaining FAA funds for the airport runway rehabilitation project completed in 2020, in addition to a few other smaller grants.

Other Increases in Fund Resources also includes Deposits & Retainage Collected (\$80,640) and Taxes Collected (\$661,623, these are collections of Leasehold, Sales and Hotel/Motel Taxes).

Other Decreases in Fund Resources includes Deposits & Retainage Paid (\$33,061), Taxes Remitted (\$652,734, these are remittances of Leasehold, Sales and Hotel/Motel taxes), Bond Principal and Interest (\$1,025,338), Capital Expenses (\$10,869,800), Bond Management, Issuance & Investment (\$1,475), and Election costs (\$2,000).

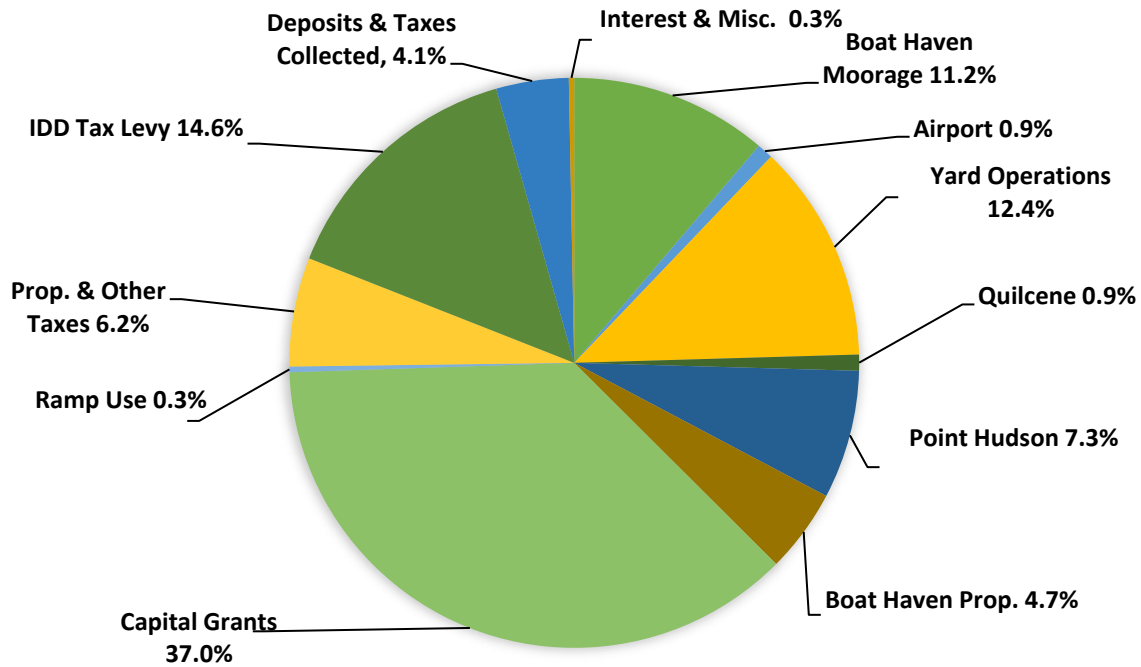
Estimated Ending Cash

The ending cash balances are estimated to total \$6,303,161 that includes \$4,533,524 in Reserves and \$1,769,637 in Unreserved Cash. The estimated composition of ending reserves is as follows:

<u>Estimated Ending Cash Reserves for 2022</u>	
IDD Levy Capital Reserve	\$1,558,438
Port-Wide Capital Reserve	1,001,646
Boat Haven Renovation Reserve	0
Operations Reserve	1,463,440
Emergency Reserve	500,000
Unemployment Reserve	10,000
	<u>\$4,533,524</u>

Graphic Summary of Budget

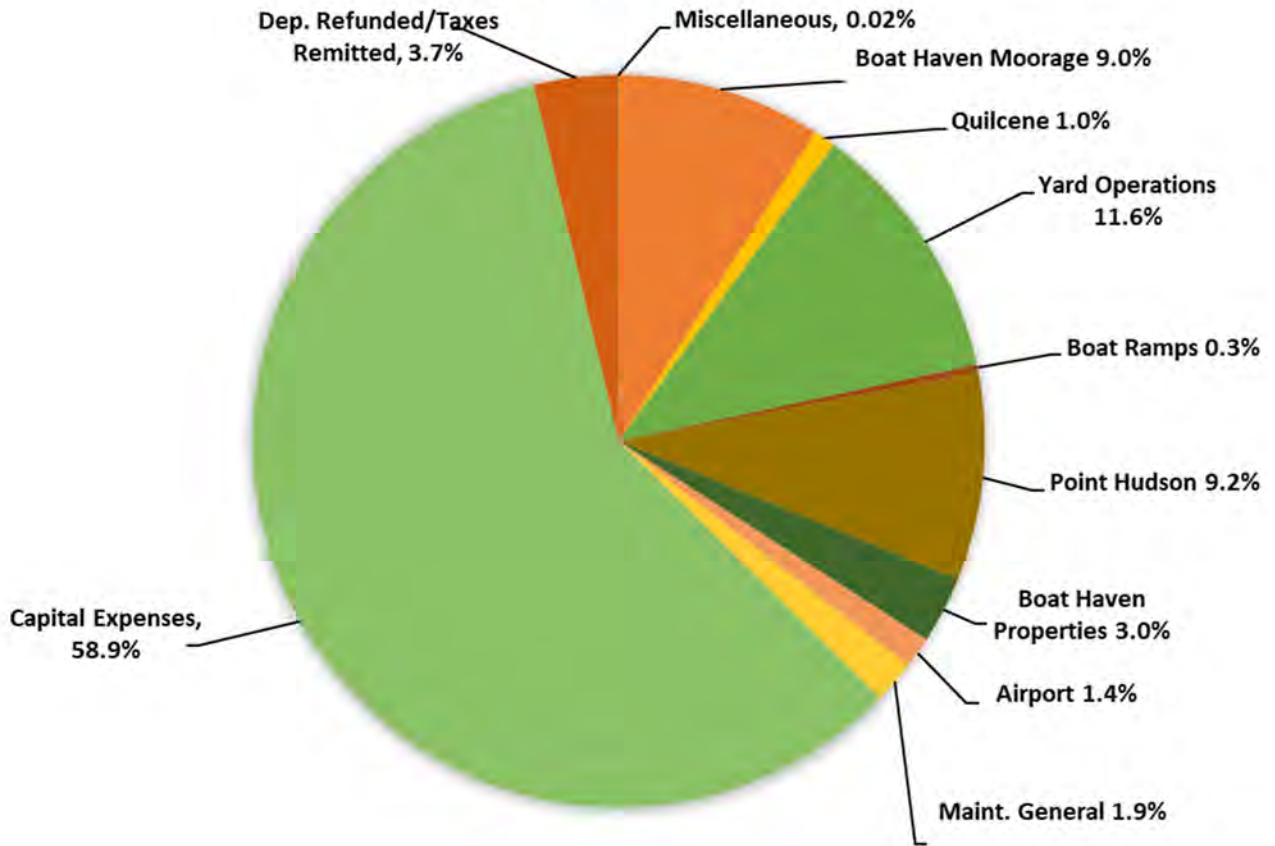
2022 "WHERE THE MONEY COMES FROM?"



2022 Budget - Revenue

Boat Haven Moorage	\$ 2,023,336	11.2%
Yard Operations	2,237,271	12.4%
Point Hudson	1,315,729	7.3%
Boat Haven Prop.	853,257	4.7%
Quilcene	163,935	0.9%
Ramp Use	58,271	0.3%
Airport	164,133	0.9%
Capital Grants	6,672,860	37.0%
Prop. & Other Taxes	1,114,572	6.2%
IDD Tax Levy	2,634,289	14.6%
Deposits & Taxes Collected	742,263	4.1%
Interest & Misc.	54,583	0.3%
	<u>\$ 18,034,499</u>	

2022 "WHERE THE MONEY GOES"



2022 Budget - Expenses

Boat Haven Moorage *	\$ 1,665,484	9.0%
Yard Operations *	2,147,507	11.6%
Point Hudson *	1,695,476	9.2%
Boat Haven Properties	546,544	3.0%
Quilcene	180,212	1.0%
Boat Ramps	61,166	0.3%
Airport	250,325	1.4%
Maint. General	347,683	1.9%
Capital Expenses	10,869,800	58.9%
Dep. Refunded/Taxes Remitted	685,795	3.7%
Miscellaneous	3,475	0.02%
	<u>\$ 18,453,467</u>	

* These include the debt services costs related to their departments which total \$1,025,338.

Consolidated Sources & Uses of Cash 2022 Budget

with comparison to Prior Years

3rd DRAFT - 10/27/21	2021 Aug YTD					2021 YTD-2022	
	2019 Actual	2020 Actual	2021 BUDGET	Actual & Remaining Bdgt	2022 Budget		Bdgt Variance
OPERATING REVENUES							
Boat Haven Moorage	1,900,981	1,879,883	1,853,219	1,910,772	2,023,336	112,564	
Yard Operations	1,853,163	1,944,593	1,849,605	2,224,144	2,237,271	13,127	
Point Hudson Marina/RV/Prop.	1,483,776	1,397,859	1,379,021	1,583,858	1,315,729	(268,129)	
Boat Haven Properties	695,788	718,251	750,817	786,238	853,257	67,019	
Quilcene Herb Beck Marina	166,058	167,103	159,080	169,275	163,935	(5,340)	
Jefferson County Intl Airport	150,635	148,526	155,757	162,209	164,133	1,924	
Ramp Use	47,586	52,668	50,539	53,784	58,271	4,487	
Total Operating Revenues	\$ 6,297,987	\$ 6,308,883	\$ 6,198,037	\$ 6,890,280	\$ 6,815,934	\$ (74,346)	
OPERATING EXPENDITURES							
Salaries & Wages	2,051,190	2,233,287	2,332,936	2,309,207	2,662,856	353,649	
Payroll Taxes	223,337	234,500	251,957	242,392	287,588	45,196	
Employee Benefits	777,463	821,474	889,398	845,647	907,613	61,966	
Uniform Expense	8,627	8,868	8,950	8,950	10,715	1,765	
Contract Services	277,935	270,900	296,906	271,857	288,906	17,049	
Consulting Services	49,769	23,500	-	-	-	-	
Legal fees	93,541	47,475	40,000	55,716	40,000	(15,716)	
Audit	-	5,598	27,750	24,634	9,580	(15,054)	
Insurance	276,190	313,259	316,857	365,552	410,000	44,448	
Facilities & Operations	483,795	530,260	451,751	606,375	554,781	(51,594)	
Utilities	568,049	543,402	565,773	546,108	575,389	29,281	
Marketing & Advertising	57,243	46,640	52,622	55,461	67,893	12,432	
Economic Development	-	-	-	15,000	30,000	15,000	
Travel & Training	32,184	12,174	24,939	18,841	31,771	12,930	
Cost of Goods - Fuel	16,255	2,035	-	-	-	-	
Community Relations	1,025	6,896	6,965	6,743	6,965	222	
Total Operating Expenditures	\$ 4,916,604	\$ 5,100,268	\$ 5,266,804	\$ 5,372,483	\$ 5,884,057	\$ 511,574	
NET OPERATING INCOME	\$ 1,381,384	\$ 1,208,615	\$ 927,439	\$ 1,517,797	\$ 931,877	(276,738)	
OTHER INCREASES IN FUND RESOURCES							
Deposits & Retainage Collected	109,925	92,930	78,505	99,355	80,640	(18,715)	
Taxes Collected	709,204	595,331	606,794	658,751	661,623	2,872	
Capital Contributions/Grants	402,793	3,490,128	361,055	474,743	6,672,860	6,198,117	
Interest	64,159	25,983	46,000	56,768	34,530	(22,238)	
Debt Proceeds-20/21 LOC	-	1,650,000	-	-	-	(1,650,000)	
Property & other taxes	1,094,866	1,992,409	2,738,879	2,742,460	3,748,861	1,006,401	
Misc. Incr. in Fund Resources	255,568	130,152	18,000	23,781	20,053	(110,099)	
Total Incr. in Other Fund Resources	\$ 2,636,514	\$ 7,976,933	\$ 3,849,233	\$ 4,055,858	\$ 11,218,567	\$ 3,241,634	
OTHER DECREASES IN FUND RESOURCES							
Deposits & Retainage Paid	89,766	65,706	10,544	23,777	33,061	9,284	
Taxes Remitted	719,151	571,092	606,794	662,125	652,734	(9,391)	
Bond Principal & Interest	1,368,345	2,433,680	1,028,763	1,280,328	1,025,338	(254,990)	
Bond Mgmt, Issuance, Investment	1,500	10,938	1,475	59,870	1,475	(58,395)	
Capital Project Expenses	818,185	4,491,246	1,504,361	1,952,416	10,869,800	8,917,384	
Election Expense	10,021	15,674	22,000	20,000	2,000	(18,000)	
Total Other Decr. In Fund Resources	\$ 3,006,967	\$ 7,588,336	\$ 3,173,937	\$ 3,998,516	\$ 12,584,408	\$ 4,996,071	
Net Other Incr./Decr. In Fund Resources	\$ (370,453)	\$ 388,597	\$ 675,296	\$ 57,343	\$ (1,365,840)	\$ (1,754,437)	
Net Income/(Loss)	\$ 1,010,931	\$ 1,597,211	\$ 1,602,736	\$ 1,575,140	\$ (433,963)	\$ (2,031,175)	

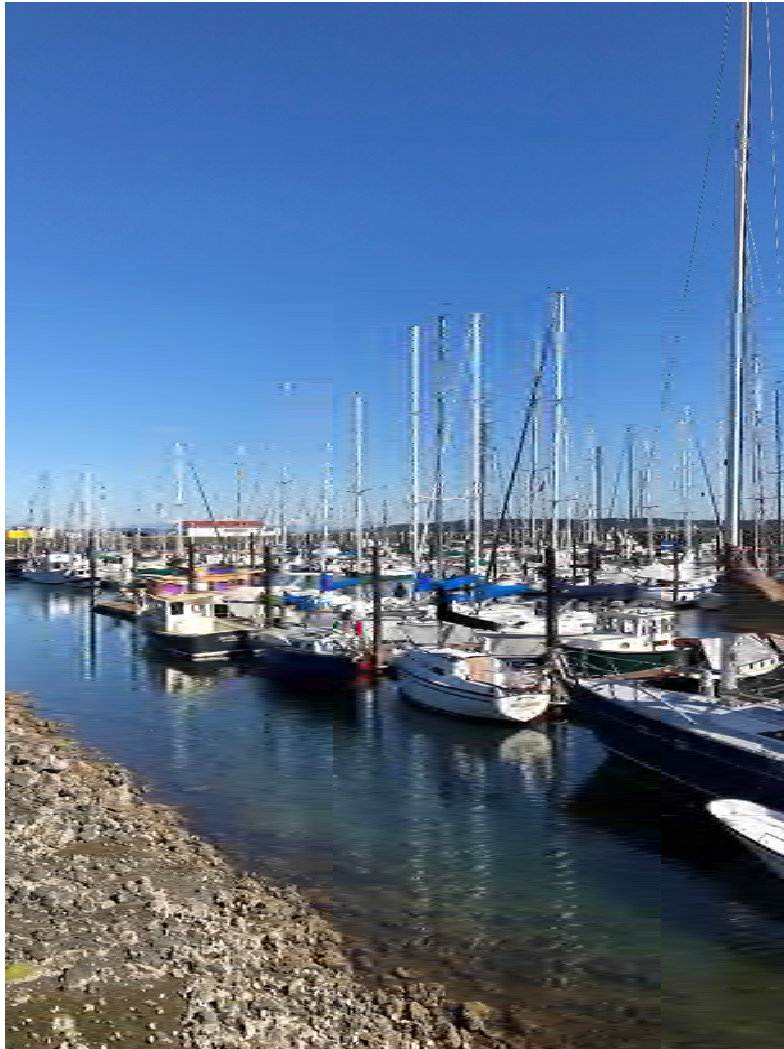
2022 DEPARTMENTAL OPERATING BUDGETS

Boat Haven Moorage

Boat Haven Moorage revenues are estimated to increase \$143,453, which is a 7.5% increase when compared to 2021 YTD August plus remaining budget. This estimate is expected as the result of increased moorage with moving Point Hudson customers during the jetty project to Boat Haven and sunseting legacy rates. The annual increase in permanent moorage rates represents a 3% increase.

As with last year, the current debt service cost, both principal and interest, is included. For Boat Haven Moorage, this is 83% of the 2010 Limited Tax General Obligation (LTGO) Bond used for reconstruction of the A/B docks. Including this in the departmental budget allows management to see the true picture of the department's gain/loss in operations year over year. The total increase in estimated moorage expenses is \$171,530. Most of this is related to staffing, maintenance costs, utilities, and insurance.

3rd DRAFT - 10/27/21	2021 Aug 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	1,212,651	1,254,909	42,258
PTBH - Monthly Guest	318,828	271,741	302,807	257,180	302,807	45,627
PTBH - Nightly Guest	259,395	218,016	172,737	266,457	283,925	17,468
PTBH - Electric	105,105	101,228	99,023	98,606	112,075	13,469
PTBH - Liveaboard Fee	24,512	27,091	26,826	24,463	23,605	(858)
PTBH - Work Float/Lift Pier Usage	8,042	-	-	60	-	(60)
PTBH - Miscellaneous Revenue	14,565	1,996	4,942	13,023	5,189	(7,834)
PTBH - Showers	10,443	17,761	13,004	19,393	17,700	(1,693)
PTBH - Laundry	6,549	8,617	10,102	9,602	10,102	500
PTBH - Key Fobs	1,270	6,137	6,268	7,329	7,423	94
PTBH - Promotional Sales	585	-	-	54	-	(54)
PTBH - Port Labor	445	370	646	322	5,000	4,678
PTBH - Ship Moorage	-	155	329	322	329	7
PTBH - Parking	-	980	68	1,310	272	(1,038)
Total Operating Revenues	\$ 1,900,981	\$ 1,879,883	\$ 1,853,219	\$ 1,910,772	\$ 2,023,336	\$ 143,453
OPERATING EXPENSES						
Moorage Pay	172,003	140,162	199,150	176,611	237,004	60,393
Moorage Taxes	20,860	17,043	21,508	18,700	25,650	6,950
Moorage Benefits	60,738	51,450	75,923	65,927	82,231	16,304
Uniform Expense	822	801	1,176	643	1,200	557
Maint Pay	39,433	48,729	46,081	31,418	32,998	1,580
Maint Taxes	4,803	5,974	4,977	3,497	3,564	67
Maint Benefits	16,185	16,879	17,568	11,618	11,608	(10)
Enviro Pay	4,158	776	1,000	1,558	1,000	(558)
Enviro Taxes	544	98	108	181	108	(73)
Enviro Benefits	1,368	716	381	543	381	(162)
Contract Services	34,506	14,743	25,700	16,963	17,254	291
Insurance	65,277	80,436	81,500	93,338	102,672	9,334
Facilities & Operations	87,902	123,201	73,184	84,298	81,730	(2,568)
Utilities	174,707	155,265	169,020	165,486	175,326	8,814
Marketing & Advertising	12,916	9,478	13,355	12,379	17,051	4,672
Travel & Training	2,007	675	1,000	662	800	138
2010 LTGO Bond Princ & Int pmts (83%)	384,155	400,257	402,913	402,913	399,635	(3,278)
General & Administrative	398,693	395,451	412,392	406,193	475,272	69,079
Total Operating Expenses	\$ 1,481,078	\$ 1,462,133	\$ 1,546,936	\$ 1,492,928	\$ 1,665,484	\$ 171,530
NET OPERATING INCOME	\$ 419,904	\$ 417,751	\$ 306,283	\$ 417,844	\$ 357,853	\$ (28,077)

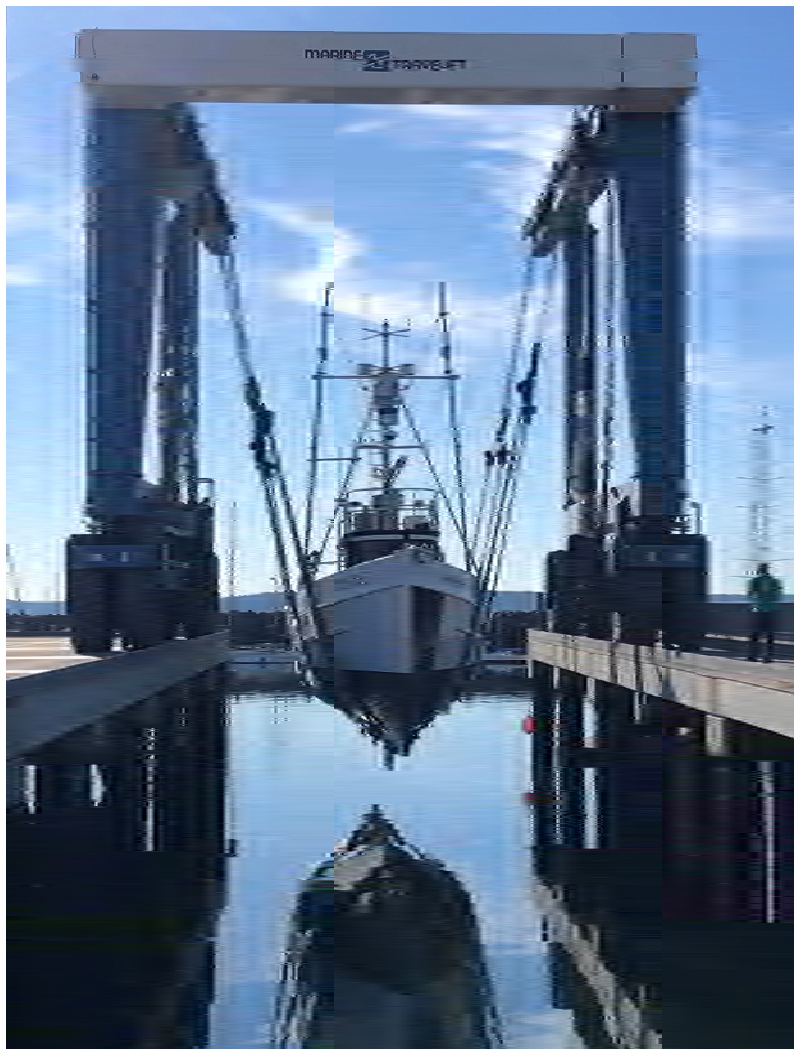


Boat Haven Yard

Overall Yard revenue is expected to increase by \$13,127, over 2021 YTD August plus remaining budget. When the pandemic hit in early 2020, there was a lull in Yard activity, but there was a solid recovery in 2021.

The 50% discount offered in the 70/75 Ton Yard will cease as of January 1, 2022, except for those customers that are already hauled-out and are current with their Port accounts.

As with last year, the current debt service cost, both principal and interest is included. For the Yard, this is 17% of the 2010 Limited Tax General Obligation (LTGO) Bond used for the 80-ton Lift Pier. Including this in the departmental budget allows management to see the true picture of the department's gain/loss in operations year over year. An increase operating expenses of \$154,351 is projected in the 2022 budget, and with the estimated small increase in operating revenue, the net effect is a reduction in the loss in operations to \$89,764 when compared to 2021 YTD August with remaining budget.



Boat Haven Yard

3rd DRAFT - 10/27/21						
	2019 Actual	2020 Actual	2021 BUDGET	2021 Aug YTD Actual & Remaining Bdgt	2022 Budget	2021 YTD-2022 Bdgt Variance
OPERATING REVENUES						
Yard - 70/75 Ton Yard Revenue	623,501	663,833	587,624	828,665	813,676	(14,989)
Yard - 70/75 Ton Hoist Revenue	340,124	296,273	293,045	325,064	325,772	708
Yard - 300 Ton Yard Revenue	397,364	408,561	410,397	469,081	463,719	(5,362)
Yard - 300 Ton Hoist Revenue	177,846	189,524	186,651	195,627	216,555	20,928
Yard - Washdown Revenue	81,756	76,018	85,707	89,692	85,707	(3,985)
Yard - Bilge Water Revenue	6,463	3,469	5,374	3,086	5,374	2,288
Yard - L/T Storage	69,857	80,219	72,334	74,592	81,005	6,413
Yard - Blocking Rent	31,977	39,163	45,917	47,978	49,507	1,529
Yard - 70/75 Ton Electric	9,652	36,263	33,976	39,490	43,694	4,204
Yard - 300 Ton Electric	41,589	45,237	46,116	48,455	51,984	3,529
Yard - Off Port Property Tarp Fee	1,980	4,160	3,104	1,961	1,476	(485)
Yard - Liveaboard Fee	1,626	2,486	1,908	2,800	3,604	804
Yard - Miscellaneous Revenue	13,692	5,873	1,629	481	1,629	1,148
Yard - 70/75 Ton Port Labor	4,753	9,323	909	5,483	4,606	(877)
Yard - 300 Ton Port Labor	6,179	4,665	3,096	2,657	3,668	1,011
Yard - Enviro Fee 70/75 Ton Yard	38,520	57,478	48,906	68,648	70,279	1,631
Yard - Enviro Fee 300 Ton Yard	6,100	18,071	19,871	18,071	14,015	(4,056)
Yard - Enviro Clean-Up Fee	185	3,977	3,040	2,313	1,000	(1,313)
Total Operating Revenues	\$ 1,853,163	\$ 1,944,593	\$ 1,849,605	\$ 2,224,144	\$ 2,237,271	\$ 13,127
OPERATING EXPENSES						
Yard Pay	557,927	526,706	551,556	560,969	622,446	61,477
Yard Taxes	61,873	65,254	59,568	62,215	65,823	3,608
Yard Benefits	191,759	202,859	210,273	204,023	203,479	(544)
Uniform Expense	4,281	4,145	3,704	3,424	4,065	641
Maint Pay	80,266	75,167	64,514	59,592	72,266	12,674
Maint Taxes	10,250	9,467	6,967	7,113	7,805	692
Maint Benefits	29,918	27,629	24,595	23,196	25,422	2,226
Enviro Pay	22,941	21,747	24,947	24,322	27,066	2,744
Enviro Taxes	2,861	2,756	2,694	2,818	2,923	105
Enviro Benefits	8,267	7,865	9,511	8,837	9,492	655
Contract Services	38,855	24,125	30,600	23,494	39,557	16,063
Insurance	74,849	74,684	75,684	86,890	95,579	8,689
Facilities & Operations	267,394	170,743	183,126	241,899	222,632	(19,267)
Utilities	121,425	121,533	110,771	119,288	121,862	2,274
Marketing & Advertising	6,974	8,690	14,713	12,231	17,713	5,482
Travel & Training	1,804	2,947	1,113	1,168	2,000	832
2010 LTGO Bond Princ & Int pmts (17%)	78,682	81,980	82,524	82,524	81,853	(671)
General & Administrative	399,074	410,659	411,588	468,853	525,524	56,671
Total Operating Expenses	\$ 1,959,400	\$ 1,838,956	\$ 1,868,448	\$ 1,992,856	\$ 2,147,507	\$ 154,351
NET OPERATING INCOME	\$ (106,237)	\$ 105,636	\$ (18,843)	\$ 231,288	\$ 89,764	\$ (124,480)

Point Hudson

Overall, Point Hudson revenue is expected to decrease by \$268,129 over the 2021 YTD August plus remaining budget. It is anticipated that Point Hudson Nightly RV Park revenue and Marina Permanent, Monthly and Nightly Guest revenues will all be greatly impacted due to the jetty projects commencing September of 2022.

Total estimated increases in operating expenses, when compared to 2021 YTD August plus remaining budget, should be nominal at \$8,234.



Point Hudson

3rd DRAFT - 10/27/21

	2019 Actual	2020 Actual	2021 BUDGET	2021 Aug YTD Actual & Remaining Bdgt	2022 Budget	2021 YTD-2022 Bdgt Variance
OPERATING REVENUES						
Pt Hudson - Building Lease Revenue	363,046	398,703	380,386	407,415	428,819	21,404
Pt Hudson - Parking	11,809	3,143	2,837	16,699	17,700	1,001
Pt Hudson - Event Facility Rev	25,479	(260)	78	1,027	3,000	1,973
Pt Hudson - Property Utility Reimb	41,839	35,030	35,938	33,616	35,938	2,322
Pt Hudson - Permanent Moorage	138,628	146,202	147,227	155,231	124,142	(31,089)
Pt Hudson - Liveaboard Fee	6,145	7,494	6,687	7,983	8,656	673
Pt Hudson - Monthly Guest	-	2,700	-	120	180	60
Pt Hudson - Nightly Guest	120,550	131,248	127,923	126,693	72,954	(53,739)
City Pier & Union Wharf Usage	215,172	200,031	196,085	241,428	172,727	(68,701)
Pt Hudson - Monthly R.V.	17,093	3,111	4,422	7,553	7,006	(547)
Pt Hudson - Nightly R.V.	70,559	83,365	63,283	66,488	49,041	(17,447)
Pt Hudson - Kayak Racks	355,115	271,691	309,621	398,725	295,418	(103,307)
Pt Hudson - Reservation Fee	11,879	15,463	13,482	15,841	12,401	(3,440)
Pt Hudson - Showers	39,120	35,802	31,055	41,302	36,365	(4,937)
Pt Hudson - Laundry	8,031	6,302	6,880	7,004	5,504	(1,500)
Pt Hudson - Passenger Fee	10,561	9,948	9,659	10,651	7,727	(2,924)
Pt Hudson - Promotional Sales	14,091	2,538	3,793	10,711	13,334	2,623
Pt Hudson - Miscellaneous Rev	1,489	-	3,794	-	700	700
Pt Hudson - Enviro Clean-up	977	562	660	670	660	(10)
Pt Hudson - Electric	1,860	5,616	672	1,997	950	(1,047)
Total Operating Revenues	\$ 1,453,443	\$ 1,358,689	\$ 1,344,481	\$ 1,551,154	\$ 1,293,221	\$ (257,933)
OPERATING EXPENSES						
Point Hudson Pay	181,445	171,514	259,999	202,212	193,330	(8,882)
Point Hudson Taxes	23,306	19,944	28,079	23,664	20,880	(2,784)
Point Hudson Benefits	60,435	60,459	99,121	72,272	67,351	(4,921)
Uniform Expense	-	421	1,160	434	800	366
Maint Pay	88,096	117,553	96,770	99,528	125,661	26,133
Maint Taxes	10,987	15,535	10,451	12,437	13,571	1,134
Maint Benefits	32,859	44,305	36,892	38,842	44,206	5,364
Enviro Pay	1,916	2,785	4,827	2,059	5,222	3,163
Enviro Taxes	253	332	521	226	564	338
Enviro Benefits	769	1,023	1,840	745	1,837	1,092
Contract Services	26,142	14,177	30,600	16,477	12,703	(3,774)
Insurance	56,647	63,761	64,890	68,793	75,672	6,879
Facilities & Operations	83,408	81,092	66,308	99,706	81,506	(18,200)
Utilities	182,498	181,382	178,120	176,015	181,545	5,130
Marketing & Advertising	23,268	17,796	14,849	14,962	17,120	2,158
Travel & Training	74	160	600	200	600	400
2015 LTGO Principal & Int pmts	546,000	542,350	543,325	543,325	543,850	525
General & Administrative	310,880	298,461	306,028	314,945	309,058	(5,887)
Total Operating Expenses	\$ 1,628,986	\$ 1,633,051	\$ 1,744,380	\$ 1,686,842	\$ 1,695,476	\$ 8,234
NET OPERATING INCOME	\$ (175,543)	\$ (274,361)	\$ (399,899)	\$ (135,688)	\$ (402,255)	\$ (266,167)

Boat Haven Properties

Properties are expected to increase by approximately \$102,440 with the increase in the number of leases and renewals, in addition to CPI increases. Most assets are marine dependent or related uses for manufacturing, warehousing, and office requirements.

Overall, operating expenses are expected to increase by \$61,954 when compared to the 2021 YTD August plus remaining budget. Most of this increase is staffing costs, both departmental and maintenance, who regularly works to maintain the condition of these properties.

Boat Haven Properties

3rd DRAFT - 10/27/21	2021 Aug YTD					2021 YTD-2022
	2019 Actual	2020 Actual	2021 BUDGET	Actual & Remaining Bdgt	2022 Budget	
OPERATING REVENUES						
PTBH Prop - Lease Revenue	626,298	647,462	686,149	715,989	778,733	62,744
PTBH Prop - Fuel Dock Lease	21,198	21,037	20,514	20,676	20,514	(162)
PTBH Prop - Water, Swr, Garbage, Other	25,878	25,545	21,148	24,672	26,340	1,668
PTBH Prop - Electric	2,002	2,897	3,905	3,864	4,833	969
PTBH Prop - Stormwater Fees	9,174	11,593	10,984	10,120	10,984	864
PTBH Prop - Storage Unit Revenue	9,143	9,020	7,706	9,893	11,443	1,550
PTBH Prop - Miscellaneous	2,095	696	411	1,024	411	(613)
Total Operating Revenues	\$ 695,788	\$ 718,251	\$ 750,817	\$ 786,238	\$ 853,257	\$ 102,440
OPERATING EXPENSES						
PTBH Property Pay	19,927	57,623	68,675	63,085	67,586	4,501
PTBH Property Taxes	2,091	5,230	7,417	6,103	7,299	1,196
PTBH Property Benefits	8,898	21,052	26,181	22,986	22,457	(529)
Maint Pay	47,011	45,437	55,298	64,259	83,239	18,980
Maint Taxes	5,785	5,653	5,972	9,245	8,990	(255)
Maint Benefits	16,428	16,225	21,082	23,623	29,282	5,659
Enviro Pay	14,669	19,111	22,326	22,914	24,150	1,236
Enviro Taxes	1,937	2,426	2,411	2,659	2,608	(51)
Enviro Benefits	5,315	7,156	8,511	8,353	8,496	143
Contract Services	4,799	3,107	5,926	2,574	6,486	3,912
Insurance	16,911	14,814	15,100	26,061	28,667	2,606
Facilities & Operations	33,622	17,775	17,775	24,273	17,560	(6,713)
Utilities	43,475	33,137	45,940	38,360	38,948	188
Marketing & Advertising	-	-	200	143	200	57
Travel/Training	-	-	250	101	150	49
General & Administrative	146,072	159,266	167,076	169,402	200,426	31,024
Total Operating Expenses	\$ 366,940	\$ 408,011	\$ 469,890	\$ 484,040	\$ 546,544	\$ 61,954
NET OPERATING INCOME	\$ 328,848	\$ 310,239	\$ 280,927	\$ 302,198	\$ 306,713	\$ 40,486

Quilcene

Quilcene revenues are projected to decrease by \$5,340, largely due to the elimination of liveaboard tenants with permanent moorage. This was implemented late 2021 as the result of lack of daily staffing to oversee the facility.

Overall, operating expenses are budgeted to increase by \$20,432. Most of this increase is staffing costs. In 2020 and 2021, the Quilcene Facility Attendant was frequently needed at other Port locations so there was a dip in those costs, but with adjustments to the wage matrix in October 2021, and the 5% COLA as of January 1, 2022, the projection for 2022 is understandable. Similarly, Maintenance staff costs are anticipated to increase as well as a slight increase in Contract Services for the newly installed fob and camera system for the restrooms.



3rd DRAFT - 10/27/21	2021 Aug YTD					2021 YTD-2022 Bdgt Variance
	2019 Actual	2020 Actual	2021 BUDGET	Actual & Remaining Bdgt	2022 Budget	
OPERATING REVENUES						
Quilcene - Lease Revenue	61,917	63,896	69,400	66,791	69,400	2,609
Quilcene - Permanent Moorage	47,547	59,882	53,813	62,726	56,684	(6,042)
Quilcene - Liveaboard Fee	743	3,667	2,683	3,244	-	(3,244)
Quilcene - Liveaboard Background Ck Fee	-	120	-	-	-	-
Quilcene - Nightly Moorage	3,532	2,473	2,111	1,816	2,678	862
Quilcene - Showers	3,671	3,125	3,126	2,631	3,126	495
Quilcene - Reservations	770	182	387	285	495	210
Quilcene - Miscellaneous Revenue	20	32	77	32	77	45
Quilcene - Water	13,695	13,378	12,830	13,171	12,830	(341)
Quilcene - Electric	1,788	4,061	2,582	3,730	3,955	225
Quilcene - Recreational Ramp Fees	10,232	10,379	10,254	11,353	11,518	165
Quilcene - Commercial Use Fees	2,400	1,616	1,818	2,300	2,200	(100)
Quilcene - Empty Trailer Parking	-	-	-	1,196	972	(224)
Quilcene - Fuel Sales	19,744	4,291	-	-	-	-
Total Operating Revenues	\$ 166,058	\$ 167,103	\$ 159,080	\$ 169,275	\$ 163,935	\$ (5,340)
OPERATING EXPENSES						
Quilcene Pay	35,386	33,991	31,907	30,655	43,136	12,481
Quilcene Taxes	4,678	4,029	3,446	3,472	4,659	1,187
Quilcene Benefits	12,857	13,143	12,164	10,869	15,175	4,306
Quilcene Uniforms	240	-	-	-	300	300
Maint Pay	15,444	20,309	18,433	17,375	21,220	3,845
Maint Taxes	1,907	2,427	1,991	2,076	2,292	216
Maint Benefits	6,280	7,322	7,027	6,620	7,465	845
Enviro Pay	251	283	-	594	-	(594)
Enviro Taxes	31	36	-	71	-	(71)
Enviro Benefits	57	96	-	212	-	(212)
Contract Services	5,608	6,657	8,000	8,141	10,300	2,159
Insurance	5,686	6,980	7,080	8,310	9,141	831
Facilities & Operations	13,897	26,991	11,343	21,328	12,961	(8,367)
Utilities	12,155	11,291	11,890	13,152	13,189	37
Marketing & Advertising	131	-	700	1,225	1,200	(25)
Travel & Training	16	481	100	136	150	14
Cost of Fuel Sold	16,255	2,035	-	-	-	-
General & Administrative	34,894	38,104	35,400	35,544	39,024	3,480
Total Operating Expenses	\$ 165,772	\$ 174,175	\$ 149,481	\$ 159,780	\$ 180,212	\$ 20,432
NET OPERATING INCOME	\$ 286	\$ (7,072)	\$ 9,599	\$ 9,495	\$ (16,277)	\$ (25,772)

Ramps

The Port has boat launch ramps located in Port Townsend, Port Hadlock, Gardiner, Quilcene* and Mats Mats in Port Ludlow. (*The Quilcene ramp is listed under the Quilcene facility.) All these boat ramps are single ramps, except for the one in Port Townsend which is a double. Ramp revenues are expected to increase by \$4,487 when compared to 2021 YTD August plus remaining budget.

Increased operating expenses are expected for Ramps in the amount of \$4,908. Most of that increase is in Maintenance and Environmental staff costs, and a small increase of \$1,413 for additional sanitation stations due to the pandemic.



3rd D R A F T - 10/27/21	2021 Aug YTD					2021 YTD-2022 Bdgt Variance
	2019 Actual	2020 Actual	2021 BUDGET	Actual & Remaining Bdgt	2022 Budget	
OPERATING REVENUES						
Ramp Fees	39,976	47,069	44,936	45,388	51,594	6,206
PTBH - Commercial Use Fees	5,500	4,383	4,427	7,282	5,500	(1,782)
Dinghy Float Revenue	2,110	1,216	1,177	1,114	1,177	63
Total Operating Revenues	\$ 47,586	\$ 52,668	\$ 50,539	\$ 53,784	\$ 58,271	\$ 4,487
OPERATING EXPENSES						
Ramps Pay	3,392	3,560	4,000	3,859	4,500	641
Ramps Taxes	487	497	432	476	486	10
Ramps Benefits	1,060	1,416	1,525	1,410	1,583	173
Maint Pay	14,194	7,648	9,216	10,024	12,403	2,379
Maint Taxes	1,767	958	995	1,127	1,339	212
Maint Benefits	6,339	2,704	3,513	3,635	4,363	728
Enviro Pay	1,431	3,058	3,620	1,642	3,916	2,274
Enviro Taxes	189	388	391	178	423	245
Enviro Benefits	574	1,185	1,380	608	1,378	770
Contract Services	905	1,534	2,200	2,304	1,545	(759)
Insurance	3,742	3,082	3,302	5,705	6,276	571
Facilities & Operations	4,863	4,077	4,749	10,205	5,249	(4,956)
Utilities	3,585	3,146	4,167	2,604	4,017	1,413
Marketing & Advertising	-	1,960	-	-	-	-
General & Administrative	10,626	11,071	11,248	12,481	13,688	1,207
Total Operating Expenses	\$ 53,153	\$ 46,283	\$ 50,738	\$ 56,258	\$ 61,166	\$ 4,908
NET OPERATING INCOME	\$ (5,567)	\$ 6,385	\$ (199)	\$ (2,474)	\$ (2,895)	\$ (421)

Jefferson County International Airport (JCIA)

JCIA revenues are estimated to increase nominally by approximately \$2,000 when compared to 2021 YTD August plus remaining budget. The largest increase is with Lease revenue due to CPI.

Expenses are estimated to be approximately 17% more, \$36,144, than for 2021 YTD August plus remaining budget. There continues to be an anticipated increase in maintenance staff work at the airport related to a more consistent mowing schedule and other maintenance related tasks.



3rd DRAFT - 10/27/21

	2019 Actual	2020 Actual	2021 BUDGET	2021 Aug YTD Actual & Remaining Bdgt	2022 Budget	2021 YTD-2022 Bdgt Variance
OPERATING REVENUES						
JCIA - Lease Revenue	114,924	110,365	116,691	117,475	122,934	5,459
JCIA - Hangar Revenue	29,175	32,176	33,152	33,879	35,780	1,901
JCIA - Fuel Lease Revenue	2,605	1,622	1,725	1,857	1,725	(132)
JCIA - Electric	1,303	1,587	1,280	1,160	1,378	218
JCIA - Vehicle Parking Revenue	342	856	842	604	434	(170)
JCIA - Aircraft Parking	1,736	1,919	1,932	1,457	882	(575)
JCIA - Miscellaneous Revenue	550	-	134	5,777	1,000	(4,777)
Total Operating Revenues	\$ 150,635	\$ 148,526	\$ 155,757	\$ 162,209	\$ 164,133	\$ 1,924
OPERATING EXPENSES						
JCIA Pay	6,681	9,843	9,240	8,556	8,868	312
JCIA Taxes	893	1,169	998	1,149	958	(191)
JCIA Benefits	2,739	3,512	3,523	3,169	2,460	(709)
Maint Pay	42,536	71,629	41,473	50,380	66,422	16,042
Maint Taxes	5,502	8,748	4,479	5,516	7,174	1,658
Maint Benefits	16,891	27,439	15,811	17,612	23,366	5,754
Enviro Pay	1,430	3,176	3,620	2,180	3,916	1,736
Enviro Taxes	189	403	391	244	423	179
Enviro Benefits	564	1,227	1,380	798	1,378	580
Contract Services	18,821	11,926	18,280	20,686	19,493	(1,193)
Insurance	28,515	41,993	38,479	34,164	37,580	3,416
Facilities & Operations	14,787	21,208	14,030	14,417	15,245	828
Utilities	20,260	18,829	22,800	17,287	19,600	2,313
Marketing & Advertising	1,446	64	2,750	1,200	4,888	1,688
General & Administrative	31,593	33,156	34,661	34,823	38,554	3,731
Total Operating Expenses	\$ 192,847	\$ 254,321	\$ 211,915	\$ 212,181	\$ 250,325	\$ 36,144
NET OPERATING INCOME	\$ (42,213)	\$ (105,795)	\$ (56,158)	\$ (49,972)	\$ (86,192)	\$ (34,220)

Maintenance - General

The Port's Maintenance department activity is typically recorded to the Port department in which it occurs. Maintenance costs not tied to a specific department are included here under Maintenance - General. Variances between 2022 and 2021 YTD August plus remaining budget simply show year-to-year activity variances for non-specific departmental maintenance activity.



3rd DRAFT - 10/27/21

	2019 Actual	2020 Actual	2021 BUDGET	2021 Aug YTD Actual & Remaining Bdgt	2022 Budget	2021 YTD-2022 Bdgt Variance
OPERATING EXPENSES						
Salaries & Wages	134,267	165,523	128,028	138,826	178,943	40,117
Payroll Taxes	13,290	15,309	13,935	14,660	19,326	4,666
Employee Benefits	51,973	59,201	49,190	52,429	62,949	10,520
Uniform Expense	3,321	3,365	2,910	2,300	4,350	2,050
Contract Services	1,000	448	1,100	542	859	317
Insurance	20,187	11,598	12,100	27,160	29,876	2,716
Facilities & Operations	46,052	44,654	34,799	61,433	43,630	(17,803)
Utilities	7,343	6,553	10,870	7,381	7,050	(870)
Advertising (legal)	87	-	196	498	300	(198)
Travel & Training	2,063	-	400	212	400	188
Total Operating Expenses	279,583	306,651	253,528	305,441	347,683	41,703

CAPITAL BUDGET 2022

Overview

Capital projects maintain, improve, and create new infrastructure within the Port. In 2021, the Port was successful in obtaining grant funding for several projects and we will continue to look for funding assistance whenever feasible. We have 14 planned projects and \$50,000 available for ad hoc repair and maintenance projects as they are identified. The budget for 2022 Capital project is approximately \$11,000,000 with \$4,800,000 local funding used to leverage \$6,200,000 funding from Federal and State Grants. If a project can be funded through rents or on a reimbursement basis and will break even or better with the current fiscal year, it may be considered. Below is a summary of the 2022 budgeted projects.

Jefferson County International Airport

Airport Terminal Building

The airport is a precious, under-utilized asset of the Port. Although there are many private pilots who utilize this facility, those more transient pilots are unable to do more than a simple, one-day fly-in because there are no facilities where they can rest, make flight plans, use the bathroom and or wait for transportation to take them to local restaurants, hotels, or shops. The Port is planning to relocate the moorage office currently in use at Boat Haven Yard/Marina to the Airport for use as a terminal building. The cost estimate is \$110,550 with most of the work to be performed by Port Staff.

Fuel Tank Replacement

The underground fuel tank is approaching the end of its useful life and becoming more difficult to meet current insurance standards. The Port plans to use IDD funding to replace the fueling system. The design of a new system will be prepared in 2022 with a cost estimate of \$100,000 and replacement planned for 2023.

Airport - Connector Taxiway A2 - Design

Available funding from the Federal Aviation Administration (FAA) and WA State Department of Transportation (WSDOT) will be applied toward the addition of a taxiway connector made necessary by the FAA mandated removal of the center taxiway connector in 2020. Design is scheduled to begin in 2022 at a cost estimate of \$90,000 with construction planned for 2023.

Airport Hangar Repair

December 2020 thru January 2021 severe weather caused damage to the roof of a Port owned hangar building. With funding assistance from the Federal Emergency Management Agency (FEMA), the Port was able to stabilize the roof in 2021 and plans to apply a foam roof system over the top of the existing roof to extend the useful life of the building. The cost estimate is \$80,000.

Automated Weather Observing System (AWOS) Present Weather Sensor replacement

The Port has a Federal Aviation Administration (FAA) certified inspector that visits JCIA twice/year to inspect the AWOS equipment to ensure proper operation. Recently the contractor notified the Port that the Present Weather Sensory system is very close to requiring replacement and he advised we plan on it in the next year. The cost including installation is estimated as \$50,000.

Boat Haven Marina

Dock Renovations and Piling Replacement

In 2022 we plan to remove 20 creosote pilings and replace them with 12 steel pilings as part of the environmental mitigation requirement for the Boat Haven Main Breakwater Repair project. The piles identified for replacement include the New Day fisheries dock and piles supporting the Commercial Net Float dock in the Commercial marina. The cost estimate for construction is \$200,000.

Boat Haven Main Breakwater Repairs

The eastern 600 feet of the main breakwater at Boat Haven was originally constructed in 1935. This portion of the breakwater suffered considerable damage during a storm on December 20, 2018. The damage is similar in nature to storm damage that occurred in 2016. Permitting for this project is not yet complete. Ongoing maintenance and repair of the breakwater is critical to all operations and activities at Boat Haven. The cost estimate for construction is \$350,000.

Boat Haven Stormwater Treatment Compliance Upgrade

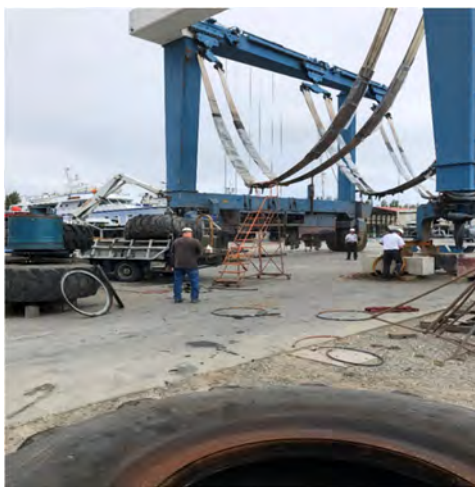
Boat Haven Yard stormwater is regulated by the Department of Ecology (DOE) under a Boatyard General Permit. The existing permit under which we operate was issued July 6, 2016, and expired July 31, 2021. We are operating under a temporary permit extension and a new permit is under consideration by DOE. The proposed permit reduces the allowable discharge limits for copper and adds new testing and reporting requirements for PH, turbidity, and oil. The proposed copper maximum benchmark is 15 ppb reduced from a seasonal benchmark of 50 ppb. Project design and construction is planned for 2022. The cost estimate for design and construction is \$2,650,000 with \$1,988,500 available in federal grant funds appropriated through the Washington State Capital Budget.

Moorage/Yard Office

In December 2018, Port Moorage staff were moved into the Yard office to increase efficiencies and customer service to port tenants and customers. While this has increased customer satisfaction, it has proved to be too small of a space for staff which was amplified by the onset of the pandemic in early 2020. The Port plans to remodel and relocate the Old Coast Guard building to be used as the moorage office. The Coast Guard building will increase the moorage/yard office space. The existing Moorage/Yard office will be relocated to the Airport for a terminal building. The cost estimate is \$191,250; most of the work will be performed by Port Staff.

70/75 Ton & 300 Ton Yard Electrical Upgrades - Design

Design work is required for the upgrade of the Yard's electrical conduits, wiring, transformers, pedestals and meters. This project will include industrial grade lighting in certain key areas for improved security and safety. Design is scheduled in 2022 for an estimated \$30,000 with construction planned in 2024. This work will most likely coincide with the Northwest Yard expansion.



75-Ton and 300-Ton Yard Expansion Northwest 25-feet

The Yard expansion to the northwest adjacent to Sims Way (SR 20) is a partnership project with the PUD and City to remove the hazardous trees, underground power and expand the Yard to fully utilize Port property. The Port's portion of the project is estimated at \$900,000 over the next two (2) years. The Port is currently seeking a grant through the County Public Infrastructure Fund (PIF) to assist in funding this project.

75-ton and 300-ton Yard Expansion Southwest

The boat yard would fill the low land area north of the maintenance yard access road to allow for an additional 4.16 acres of usable Yard area. The cost for preliminary design is estimated at \$100,000.

Sperry Building Improvements

The Sperry buildings are the original Port Townsend Industrial Park buildings constructed in the early 1970's. Many have moderate to substantial condition issues and require repair. This is an annual project scheduled over several years. We plan to repair two (2) buildings per year. In 2022, the planned work is estimated to cost \$100,000 with most of the work to be performed by Port staff.

Boat Haven Linear Dock Replacement

The Linear Dock was constructed in the 1970's and is in need of replacement. The floats are at the end of their useful life. The Port has applied for a federal Boating Infrastructure Grant (BIG) Tier II grant, administered by the Washington State Recreation & Conservation Office (RCO) to help fund replacement of this dock.

Remodel Nomura Building – Phase II

Phase 1 of building improvements were made in 2021 and Phase 2 additional structural changes to the building are being considered. The planned work would remove a structural wall to create a larger continuous space on the ground floor and add a restroom. The cost estimate is \$40,000 with most of the work to be performed by Port Staff.

Point Hudson

Building Preservation Program

The historic buildings that occupy Point Hudson were built in the 1930's. Repair work is needed to extend their useful life and protect this historic property. This is an annual repair program scheduled over several years to address building repair. This program will be funded by the IDD reserve. Replacement of the original roofing, which was made with asbestos laden materials, is a high priority for preservation of these buildings. In 2022, this project is estimated to cost \$100,000.

North & South Jetties Replacement

The replacement of the Point Hudson Jetty is among the Port's highest capital priorities due to the importance of Point Hudson to the community's economic vitality and maritime character. The existing structure is severely compromised and in need of replacement; the jetty was originally built in the 1930s with subsequent repairs in the 1960s and 1990s. We anticipate obtaining the required permits for this project in late 2021/early 2022 and authorization to proceed to bid from our federal funding partners early 2022 (the Economic Development Administration (EDA) and Department of Commerce). The 2022 budget for the project construction is \$6,000,000 with a total project cost for construction of \$14,100,000 over the next three years.

Quilcene

Quilcene Restoration Program

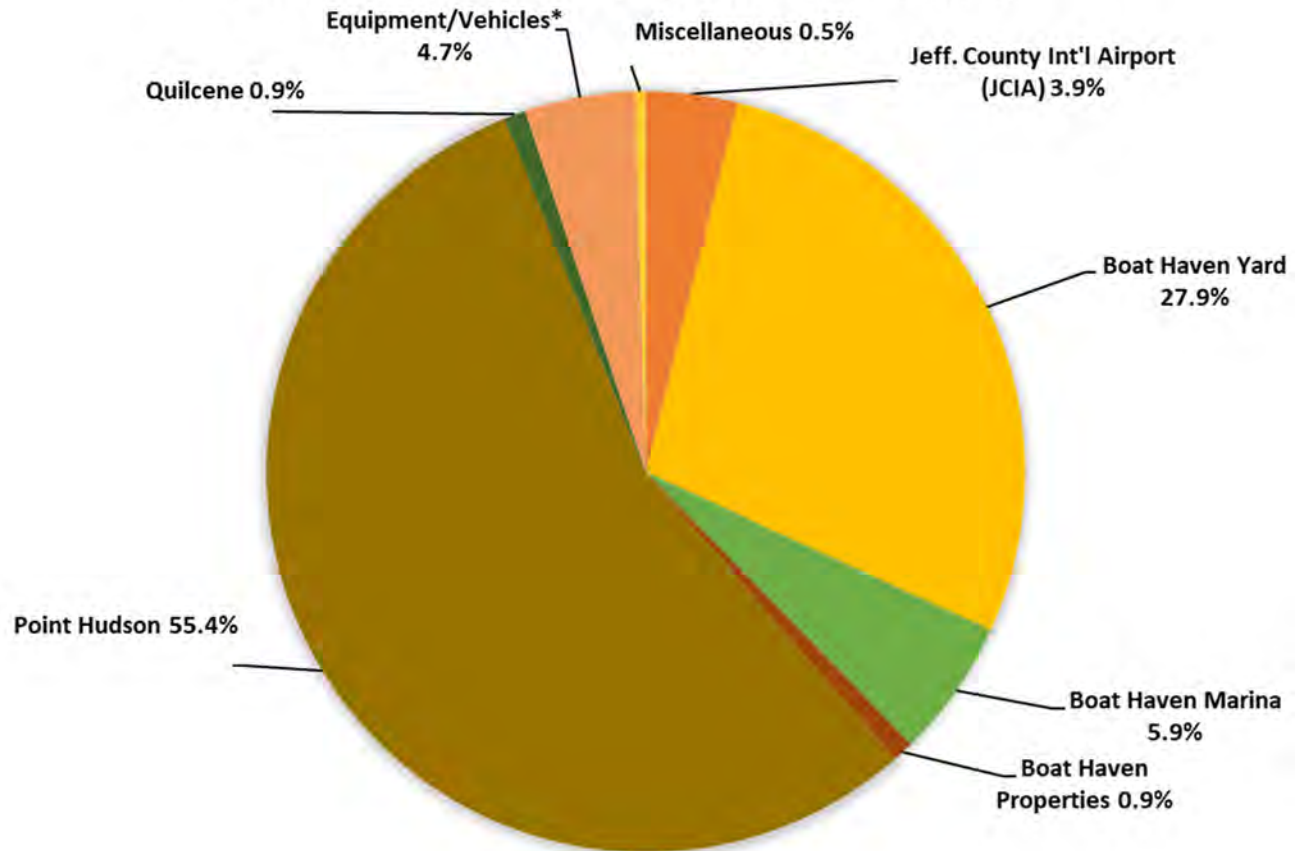
This is an annual repair program scheduled over several years to improve the Herb Beck Marina, launch ramp, and Port owned property at Quilcene. We are currently working with the local community to assess the current needs and future vision for this facility. In 2022, the program improvements are estimated to cost \$100,000 and planned funding is from the IDD levy.

Equipment & Vehicles

In 2022 we plan to replace two (2) pickup trucks (a 1987 Toyota, and a 1997 Ford Ranger), and replace the 1984 70-Ton lift with a new 75-Ton lift. It is becoming difficult to find replacement parts for repair of the critical 70-Ton lift. The 75-Ton replacement lift was preordered at the end of 2021 arriving in early 2022. We also plan to add three (3) new vehicles to the fleet, specifically (1) truck and (2) auxiliary vehicles for security and custodial services.

CAPITAL PROJECTS FOR 2022

2022 "WHAT PROJECTS ARE WE DOING?"

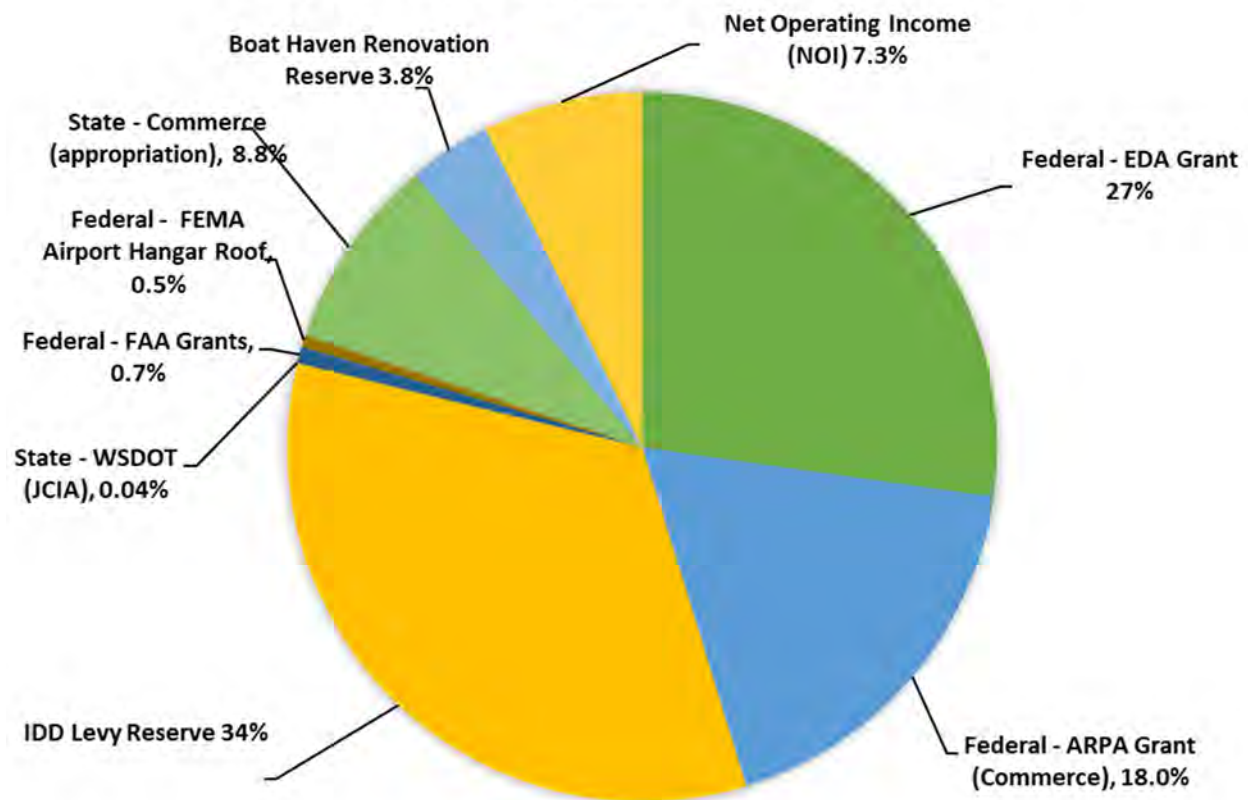


2022 Capital Projects funded

Jeff. County Int'l Airport (JCIA)	\$ 430,550	3.9%
Boat Haven Yard	3,075,625	27.9%
Boat Haven Marina	645,625	5.9%
Boat Haven Properties	100,000	0.9%
Point Hudson	6,100,000	55.4%
Quilcene	100,000	0.9%
Equipment/Vehicles	518,000	4.7%
Miscellaneous	50,000	0.5%
	<u>\$ 11,019,800</u>	

CAPITAL PROJECT FUNDING FOR 2022

2022 "HOW ARE PROJECTS FUNDED?"



2022 Budget - Capital Project Funding

Federal - EDA Grant	\$ 3,000,000	27%
Federal - ARPA Grant (Commerce)	1,988,500	18.0%
Federal - FAA Grants	81,000	1%
Federal - FEMA Airport Hangar Roof	60,000	0.54%
State - Commerce (appropriation)	970,000	8.8%
State - WSDOT (JCIA)	4,500	0.0%
IDD Levy Reserve	3,695,941	33.5%
Net Operating Income (NOI)	803,050	7.3%
Boat Haven Renovation Reserve	416,809	3.8%
	<u>\$ 11,019,800</u>	

5-YEAR CAPITAL IMPROVEMENT PLAN

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

3rd DRAFT 2022 BUDGET	note	2022 estimate	2023 estimate	2024 estimate	2025 estimate	2026 estimate	Total 5 year 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
Connector Taxiway A2, Install Sign		-	-	-	-	-	-
Phase 1 Design		90,000	-	-	-	-	90,000
Phase 2 Construction		-	555,556	-	-	-	555,556
Rehabilitate Apron and Parallel Taxiway (Crack/Slurry Seal)		-	-	-	333,333	-	333,333
FEMA-Airport Hangar repair	a	80,000	-	-	-	-	80,000
Automated Weather Observing System (AWOS) - replace Weather Sensor		50,000	-	-	-	-	50,000
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
BH Main Breakwater Repairs - Construction		350,000	-	-	-	-	350,000
Stormwater Treatment Compliance Upgrade		2,650,000	-	-	-	-	2,650,000
Moorage/Yard 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 - UNFUNDED \$200K		450,000	450,000	-	-	-	900,000
70/75 Ton & 300 Ton Yard Expansion Southwest - UNFUNDED 450K		100,000	-	-	-	2,600,000	2,700,000
Sperry Buildings Capital Maintenance (estimated 2 buildings/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 Nomura Building - Phase II	a	40,000	-	-	-	-	40,000
Marina Dredging		-	-	-	-	550,000	550,000

5 Year Capital Improvement Program
years 2022-2026 as of October 22, 2021, page 2

3rd DRAFT 2022 BUDGET	note	2022 estimate	2023 estimate	2024 estimate	2025 estimate	2026 estimate	Total 5 year estimate
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							-
<i>Construction</i>		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							-
Quilcene Restoration Program	b	100,000	100,000	100,000	100,000	-	400,000
Marina Dock Repairs		-	-	-	-	256,000	256,000
Ramp Upgrade		-	-	-	-	400,000	400,000
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		11,416,985	11,430,096	4,951,515	1,390,518	11,261,000	40,450,114

Capital Funding

3rd DRAFT 2022 BUDGET							
FUNDING SOURCES	note	2022 estimate	2023 estimate	2024 estimate	2025 estimate	2026 estimate	Total 5 year 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		(1,988,500)	-	-	-	-	(1,988,500)
FAA NPE -New Connector Taxiway 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 Taxiway (Crack/Slurry Seal)		-	-	-	(300,000)	-	(300,000)
Rehabilitate Apron and Parallel Taxiway (Crack/Slurry Seal)		-	-	-	(16,666)	-	(16,666)
FEMA-City Dock Repair		-	(1,500,000)	-	-	-	(1,500,000)
FEMA-Airport Hangar repair		(60,000)	-	-	-	-	(60,000)
RCO -Gardiner Launch Ramp		-	(500,000)	-	-	-	(500,000)
TOTAL PROJECTED GRANT FUNDS USE		(6,104,000)	(5,527,777)	(1,031,300)	(316,666)	-	(12,979,743)
PORT WIDE CAPITAL RESERVE							
PH North & South Jetties Replacement							-
Construction		-	(700,000)	-	-	-	(700,000)
BOAT HAVEN RESERVE							
BH Main Breakwater Repairs - Construction		(350,000)	-	-	-	-	(350,000)
BH Dock Renovation & Piling Replacement		(66,809)	-	-	-	-	(66,809)

Capital Funding, page 2

3rd DRAFT 2022 BUDGET		2022	2023	2024	2025	2026	Total 5 year
FUNDING SOURCES	note	estimate	estimate	estimate	estimate	estimate	estimate
IDD LEVY RESERVE							-
PH North & South Jetties Replacement							-
<i>Construction</i>		(2,030,000)	(2,300,000)	(1,068,700)	-	-	(5,398,700)
70/75 Ton & 300 Ton Yard Resurfacing		-	(50,000)	(100,000)	(100,000)	(50,000)	(300,000)
JCIA Underground Storage Tank Replacement		(100,000)	(400,000)	-	-	-	(500,000)
BH Dock Renovation & Piling Replacement		(133,191)	(150,000)	(150,000)	(150,000)	(1,625,000)	(2,208,191)
Sperry Buildings Capital Maintenance (estimated 2 buildings/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		(661,500)	-	-	-	-	(661,500)
BH-Marina Dredging		-	-	-	-	(550,000)	(550,000)
FEMA-City Dock Repair		-	(500,000)	-	-	-	(500,000)
Moorage/Yard 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 Restoration Program	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		(3,695,941)	(4,165,800)	(1,883,700)	(550,000)	(4,771,000)	(15,066,441)

Capital Funding, page 3

3rd DRAFT 2022 BUDGET		2022	2023	2024	2025	2026	Total 5 year
FUNDING SOURCES	note	estimate	estimate	estimate	estimate	estimate	estimate
NET OPERATING INCOME (NOI)							-
FAA NPE -New Connector Taxiway 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 Taxiway (Crack/Slurry Seal)		-	-	-	(16,667)	-	(16,667)
JCIA Airport Terminal		(110,550)	-	-	-	-	(110,550)
JCIA AWOS replace Present Weather Sensor		(50,000)					(50,000)
70/75 Ton & 300 Ton Yard Resurfacing		-	(50,000)	-	-	-	(50,000)
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)
BH Building Maintenance					(100,000)	(100,000)	(200,000)
Gardiner Launch Ramp w/Seasonal Float		-	(125,000)	-	-	-	(125,000)
FEMA-Airport Hangar 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		(803,050)	(407,779)	(150,000)	(266,667)	(1,890,000)	(3,517,496)
Total Funding Sources Secured		(11,019,800)	(10,801,356)	(3,065,000)	(1,133,333)	(6,661,000)	(32,680,489)
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		(11,416,985)	(11,430,096)	(4,951,515)	(1,390,518)	(11,261,000)	(40,450,114)

5 Year Capital Improvement Plan Notes:

- a.) Port maintenance staff will be involved in the project.
- b.) The Quilcene Facility Planning and Preliminary Engineering is budgeted for 2021 which will be initiated 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.

5-Year Projected Cash Flow

5 YEAR PROJECTED CASHFLOW

		2022	2023	2024	2025	2026
	note	Budget	Projection	Projection	Projection	Projection
Revenues - Operating	a	6,815,934	7,020,412	7,231,024	7,447,955	7,671,394
Revenues - General Property Tax Levy	b	1,071,500	1,082,215	1,093,037	1,103,968	1,115,007
Revenues - IDD Tax Levy	b	2,634,289	2,634,289	2,634,289	2,634,289	2,634,289
Revenues - Other Increases in Fund Resources	c	7,512,778	6,925,840	1,828,146	1,113,512	796,846
Total INFLOW		18,034,501	17,662,756	12,786,497	12,299,724	12,217,536
Expenses - Operating	d	5,884,057	6,119,419	6,364,196	6,618,764	6,883,514
Expenses - Bond Principal & Interest	e	1,025,338	1,021,088	1,020,788	1,024,288	484,838
Expenses - Capital Projects (secured funding)	f	10,869,800	10,801,356	3,065,000	1,133,333	6,661,000
Expenses - Other Decreases in Fund Resources	g	689,270	721,055	717,117	756,459	771,588
Total OUTFLOW		18,468,465	18,662,919	11,167,101	9,532,844	14,800,940
Net INFLOW / OUTFLOW -- Change in Cash Balance		(433,964)	(1,000,163)	1,619,396	2,766,880	(2,583,405)
Projected Beginning Year Cash		6,737,125	6,303,161	5,302,998	6,922,394	9,689,274
Total Ending Year Cash & Investments		6,303,161	5,302,998	6,922,394	9,689,274	7,105,870
Total Ending Cash Reserves		4,533,524	2,595,576	3,641,375	6,022,230	4,183,482
Total Unreserved Cash		1,769,637	2,707,422	3,281,019	3,667,044	2,922,388
RESERVE BALANCES						
IDD Levy Reserve	h	1,558,438	26,927	777,516	2,861,805	725,094
Port Wide Capital Reserve	i	1,001,646	551,646	801,646	1,051,646	1,301,646
Boat Haven Renovation	j	-	-	-	-	-
Operating Reserve	k	1,463,440	1,507,003	1,552,213	1,598,779	1,646,742
Emergency Reserve	l	500,000	500,000	500,000	500,000	500,000
Unemployment Reserve		10,000	10,000	10,000	10,000	10,000

5 Year Projected Cashflow Notes:

- Revenues - Operating were increased conservatively each year by 3.0% after 2022, based on averaging 10 year historical results.
- Revenues - General Property Tax Levy was increased annually by 1.0% as allowed by statute (actual may vary due to changes in the AV and new construction estimates calculated annually by County)
- Revenues - Other Increases in Fund Resources in all periods, are based on the previous years regular recurring such revenues less prior year projected grants and adding the current year's projected
- Expenses - Operating is increased annually at 4% after 2022, based on averaging 10 year historical results. Given the current economic uncertainty, these numbers may increase.
- Expenses - Bond Principal & Interest is based on bond amortization schedules of current debt. Due to the uncertainty of grant reimbursement timing, the Port obtained a \$7 million Line of Credit
- Expenses - Capital Projects was pulled out of the "Other" category so it can be easily identified to match the 5 Year Capital Improvement Plan as projected.
- Expenses - Other Decreases in Fund Resources start with 2022 budget. Subsequent years are based on non-capital costs that are known, regular and recurring increased annually by 2%, based on an
- In November 2019, Jefferson County voters approved the Industrial Development District Levy for the Port's use in county wide Port projects. This reserve is a restricted reserve.
- In January 2019, the Commission passed Res. 693-19, establishing the Port-Wide Capital Reserve. It currently extends only through 2023 to be funded \$250,000 per year. Here we have extended that
- With the Boat Haven centric projects planned for 2022, this reserve is expected to be exhausted.
- In January 2019, the Port commission approved a minimum cash reserve for operations to ensure the long term sustainability of the Port. The target is 25% of annual operating expenses. With
- In November 2020, the Port commission passed a resolution to fund an Emergency Fund for \$500,000, and should be fully funded by January 2022.

PROPERTY TAX LEVY

Regular Tax Levy

The preliminary total assessed value (AV) for the Port District for 2022, as of this budget version, is \$6,445,175,673. Per the County Assessor, the total recommended general tax levy to budget for 2022 is projected to be approximately \$0.17 per \$1,000 of AV, which calculates to \$1,071,500, including new construction.

The Jefferson County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Taxes are levied annually on January 1 on the property value listed as of the prior year. Assessed values are established by the County Assessor at 100% of fair market value. A revaluation of all property is required annually, which includes physical inspections every six-years while the remainder is performed with a combination of statistics, sales studies and inspections.

The Port is permitted by law to levy up to 45 cents per \$1,000 of assessed valuation for general port purposes. The rate may be reduced for either of the following reasons:

1. Washington State Law in Revised Code (RCW) 84.55.010 limits tax growth to 1% per year, plus adjustments for new construction,
2. If the assessed valuation increases by more than the tax limitations due to revaluation, the levy rate is decreased accordingly so that no more than the tax limit is collected.

Special Tax Levies

Special levies approved by the voters are not subject to the above limitation. The Port can levy property taxes for dredging, canal construction, leveling or filling upon majority voter approval within the Port District, not to exceed \$0.45 per \$1,000 of AV of taxable property. The Port currently has no such levies.

Industrial Development District (IDD) Tax Levy

The Port may also levy property taxes for Industrial Development Districts (under a comprehensive scheme of harbor improvements), for 2-multiyear levy periods only. (A third multiyear levy is allowed for counties bordering the Pacific Ocean, such as Jefferson County, but first must be brought to the voters for approval.) The IDD levy may not exceed the sum of \$2.70 per \$1,000 of AV for taxable property in the Port District for taxes collected in the base year and the maximum allowable amount that could have been collected under RCW 84.55.010 for the first six (6) collection years of the levy period. The levy period may not exceed 20-years from the date the initial levy is made, and the levy rate in any year may not exceed \$0.45 per \$1,000 of AV.

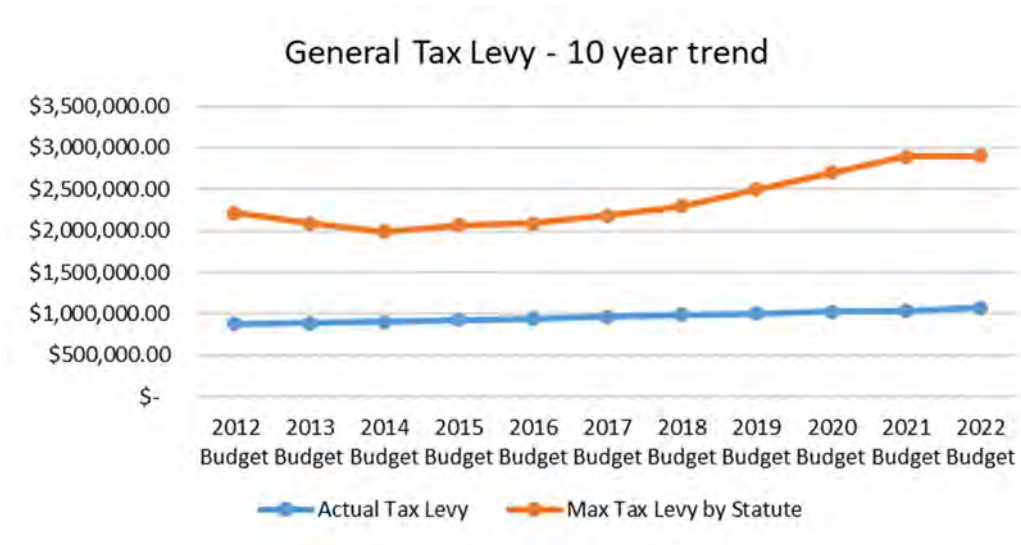
Jefferson County voters authorized the Port's 2nd IDD levy by a 53% to 47% margin in November of 2019. In consequence, 2019 is the base year from which the total permissible levy amount is calculated and is anticipated to generate up to \$16,167,993 in revenue during the allowable levy period (i.e., up to 20 years). Each year during the budget process, the Commission determines the amount to be levied (if any) during the following year. During the first year (2020), the Port levied \$809,054 in IDD tax; in 2021 the Port levied \$1,634,289 in IDD tax, and in 2022 the Port will levy \$2,634,289.

Tax Levy Uses

The Port Commission has directed that the funds collected by the regular tax levy will be used for debt service for general obligation bonds. It is anticipated that this use will result in zero long-term debt by the end of 2027, freeing these dollars for reinvestment in capital improvements, economic development, or other commission-approved port purposes.

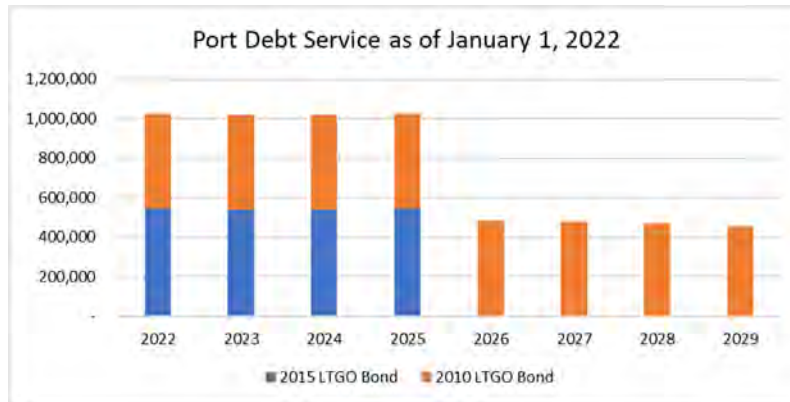
Tax Levy Graph

The following graph depicts the actual regular property tax levy for the last 10 years (blue line) as compared to the statutory maximum rate for the same period. This maximum by statute depicted by the graph's orange line, would require approval of the Port District's voters, as discussed above. Annually, the Port is restricted to increases in the levy by 1% (RCW 84.55.010) or more if there is banked capacity. A banked capacity can only occur when a taxing district opts not to take an increase in any given tax year. The Port does not have any banked capacity.



DEBT SERVICE (*legal obligation*)

Name of Debt	Principal balance	Interest balance	Retirement
2015 LTGO Refunding Bond	\$ 2,040,000	\$ 124,650	December 2025
2010 LTGO Bond	3,000,000	811,038	December 2029
totals	\$ 5,040,000	\$ 935,688	
collective total		\$ 5,975,688	



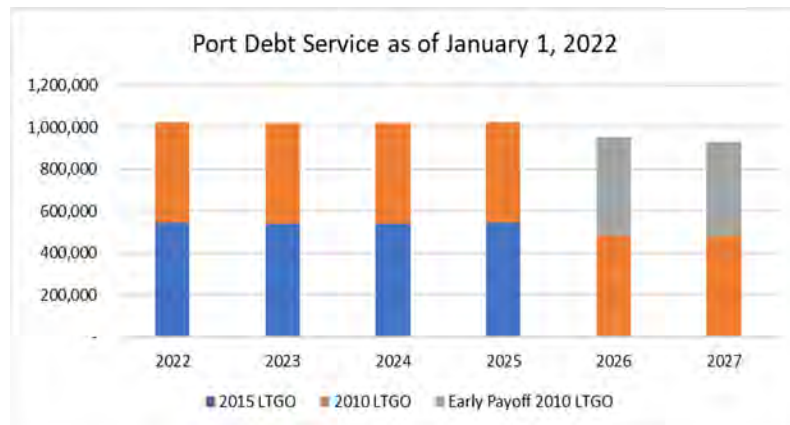
Schedule and Purpose of Debt:

2015 LTGO Bond – Refunding of 2005 LTGO Bond used for Point Hudson Marina Reconstruction

2010 LTGO Bond – Reconstruction of Boat Haven A/B Dock (83%) and 80-Ton Lift Pier (17%)

DEBT SERVICE RETIREMENT TARGET

As an alternative to paying off currently obligated debt in accordance with the amortization schedules, staff recommends the Port more quickly extinguish that debt. Starting in 2026, if the Port were to continue to use the general property tax levy receipts received annually (which will be just over \$1 million) to pay down current debt, it could be paid off by the end of 2027. Starting in 2028, this would free up those tax dollars to use on capital projects, community economic development, etc. to better serve the community and maintain or increase the Port's infrastructure.



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)		
up to 4 hours	under 35'	over 35'
up to 8 hours with annual pass	\$10.00	\$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*	
<i>Note: Receive 5% discount on annual permanent tenancy if total year is prepaid in cash or check before 12/31/2021.</i>		
<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	

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>		
(Assumes annual increases of 3% for 2023 and 2024)		
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*	
Note: Receive 5% discount on annual permanent tenancy if total year is prepaid in cash or check before Jan. 15, 2022.		
<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	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		

* 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
ELECTRICAL FEES	
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
<i>(subject to change with utility increases)</i>	
Non-metered Electrical	\$1.57 ft/mo
WINTER GUEST MONTHLY, based on availability <i>(Oct. 1 – Apr. 30:)</i>	
25' slip	\$263.55 /month*
27' slip	\$291.31 /month*
30' slip	\$329.41 /month*
34' slip	\$373.32 /month*
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 <i>(May 1 – Sept. 30:)</i>	
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
ELECTRICAL FEES	
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
WINTER GUEST MONTHLY, based on availability <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*
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 <i>(May 1 – Sept. 30:)</i>	
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.

**Subject to 9% 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
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*
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
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**

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 **
70/75 TON YARD STORAGE	
Daily	\$0.82 /ft/day
Monthly	\$0.66 /ft/day*
Covered Storage	
70' Covered Shed	\$75.00 /day*
Electrical Rate:	\$5.00 /day
Seasonal 70/75 TON YARD STORAGE -- 1 month minimum prepaid	
Oct 1, 2021 – Mar 31, 2022	50% off current daily rates*
Commission proposed at 10/13/21 meeting to cancel discount as of Jan. 1, 2022.	
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*
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**)	
Delay of Lift	\$71.40 /half hour
Labor Rate	\$72.45 /person/hour**
Overtime & Call-in Labor Rate	\$109.20 /person/hour**

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**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	
<u>BOATYARD STORAGE</u>	
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*, **
<i>(flat fee plus tax, no prorations) Subject to LHT if rented for 30 days or more.</i>	
Electric	
Metered Electric	\$5.00 /day + KWH
KWH <i>(subject to utility increases)</i>	\$0.1007
<u>TARP FEES (Off Port Property)</u>	
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 *****	
<u>300 TON YARD STORAGE</u>	
Daily	\$1.25 /ft/day
Monthly	\$1.01 /ft/day*
<u>300 TON ELECTRIC</u>	
Metered Electric	\$5.00 /day + KWH
KWH <i>(subject to utility increases)</i>	\$0.1029
<u>OTHER STORAGE</u>	
Misc. Storage	\$0.93 /sq ft/mo*
Mast Storage	\$0.82 /sq ft/mo*
Storage Box Rental	\$26.25 /week*, **
<i>(flat fee plus tax, no prorations) Subject to LHT if rented for 30 days or more.</i>	
<u>TARP FEES (Off Port Property)</u>	
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%	

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**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	
*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	
*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
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
<i>(subject to change w/utility rate increases)</i>	
Non-metered Electrical	\$ 1.57 /ft/mo
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
*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
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
<i>(subject to change w/utility rate increases)</i>	
Non-metered Electrical	\$ 1.64 /ft/mo
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. 1 to June 1, back row only	\$ 666.00 /month*
Nov. 1 to Apr. 1, 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
*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	\$ 80.95 /mo*
Background Check Fee	\$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
<i>(subject to change with utility rate increase)</i>	
LAUNCH RAMP	
Launch ramp fee	\$ 15.00 /day**
<i>(Daily Launch pass includes 1 day of boat trailer parking)</i>	
Annual Ramp Pass (Rolling Calendar)	\$ 100.00 /year**
<i>**Free with verified DVA determination</i>	
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
over 35'	\$20.00
PERMANENT MOORAGE	
<i>6 month Minimum</i>	
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	
<i>1 month minimum- 6 month ma</i>	
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
<i>(subject to change with utility rate increase)</i>	
LAUNCH RAMP	
Launch ramp fee	\$15.00 per day**
<i>(Daily Launch pass includes 1 day of boat trailer parking)</i>	
Annual Ramp Pass (Rolling Calendar)	\$100.00 per year**
<i>**Free with verified DVA determination</i>	
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*
<u>TIE-DOWNS</u>	
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
<u>VEHICLE PARKING</u>	
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
<u>NIGHTLY MOORAGE (3 night maximum stay)</u>	
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
<u>TEMPORARY TIE-UP (up to 4 hours)</u>	
Under 35' length	\$5.00
Over 35' length	\$10.00
<u>COMMERCIAL VESSEL PASSENGER FEES</u> - See Miscellaneous Rates	
<u>EVENT FACILITIES RENTAL – UNION WHARF & CITY DOCK</u>	
Daily Rental Fee ¹	\$313.00 /day
<u>EVENT FACILITIES -POINT HUDSON MARINA ROOM</u>	
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	
Service Rates – Effective January 1, 2022 Approved by Port Commission on *****	
	2022 Rates
<u>NIGHTLY MOORAGE (3 night maximum stay)</u>	
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
<u>TEMPORARY TIE-UP (up to 4 hours)</u>	
Under 35' length	\$10.00
Over 35' length	\$20.00
<u>COMMERCIAL VESSEL PASSENGER FEES</u> - See Miscellaneous Rates	
<u>EVENT FACILITIES RENTAL – UNION WHARF & CITY DOCK</u>	
Daily Rental Fee ¹	\$328.65 /day
<u>EVENT FACILITIES -POINT HUDSON MARINA ROOM</u>	
Daily ¹ Rental Fee	\$150.00 /day
Hourly Rental Fee (2-hour min.)	\$26.50 /hour
Damage & Cleaning Deposit (refundable)	\$50.00
<u>EVENT FACILITIES - Point Hudson Pavillion</u>	
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	\$1.10 /person
(payable monthly in season)	
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

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	\$1.16 /person
(payable monthly in season)	
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

*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

MISCELLANEOUS RATES & FEES

Service Rates – Effective January 1, 2021

Approved by Port Commission on 11/10/2020

	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**	
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

	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	\$25.00 min. or 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**	
Dryer Sheets	\$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%

* 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

AGENDA COVER SHEET

MEETING DATE	October 27, 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. Quilcene Next Steps
STAFF LEAD	Executive Director Eron Berg
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. LLAC minutes from October 18, 2021, and Letter dated October 20, 2021 3. Marina Host announcement (included as an FYI)

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 10/22/2021
TO: Commission
FROM: Eron Berg, Executive Director & Eric Toews, Deputy Director
SUBJECT: Follow up on Quilcene Listening and Outreach Process

ISSUE: Should the Commission support the staff recommendation to begin a series of monthly collaborative meetings in Quilcene to make recommendations regarding priorities for investments in the Herb Beck Marina facility?

BACKGROUND: The Port of Port Townsend owns the Herb Beck Marina facility in Quilcene. In response to concerns raised by citizens for many years, and in an effort to create goodwill, trust and chart a new course for the future, the Port engaged in a public listening process in 2021. The Commission heard from the community at its October 13, 2021, meeting with a report from Jeannie McMacken and public discussion of the findings. With that information in mind, the time is right to further develop the community's comments into an actionable plan for facility improvements.

DISCUSSION: The "We're Listening, Quilcene" report provided valuable information from the community both about how the Port's property in Quilcene is viewed and used, and how people imagine it being improved in the future. There was discussion at the October 13, 2021, meeting about establishing a standing advisory committee, an ad hoc committee or some other form of informal committee to help guide the process. As an alternative to establishing a formal committee, Port staff's recommendation is to schedule a series of public community meetings, in Quilcene (or on Zoom, if necessary), to collaboratively work through various ideas in support of a plan that could be adopted by the Commission. Staff believes that an informal, conversational, and consistent public engagement effort is the best way to continue to build trust and support and respond to community needs and desires. It is proposed that these meetings would begin in November.

Key guiding principles for recommendations should include:

1. Is aligned with the Quilcene community's vision for the future (i.e., broadly supported);
2. Helps to fulfill the Port's mission; and
3. Balances the economic, environmental, and social consequences of decisions to contribute to community well-being for generations to come.

In making this recommendation, staff is specifically recommending that the Linger Longer Advisory Committee (LLAC) not be identified as an official committee of the Port. The LLAC has carved out for itself a role as community watchdog as opposed to creative collaborators. As is made clear in minutes from its October 18, 2021, meeting and October 20, 2021 LLAC letter to the Commission and broadcast to the media, the LLAC has authorized hiring an attorney and determined that "... the time for being "nice" is over." Imagining engaging in a creative and collaborative process with a committee whose response to the Port's 2021 listening process is hiring an attorney is difficult, and

these actions do not indicate that the LLAC is positioned to participate in a process that will result in a broadly supported community plan for the Herb Beck Marina facility.

Nevertheless, it is our sincere hope that interested members of the LLAC will participate in these proposed open, public, collaborative meetings to help develop a plan that will work for the entire community. The Port takes its role as steward of key properties in Jefferson County seriously. And as the Commission has made clear, we desire to work with the community to ensure that the Herb Beck Marina is rehabilitated, improved, and preserved for the benefit of current and future generations.

FISCAL IMPACT: TBD but \$100,000 is included in the 2022 preliminary budget to support design development and permitting.

ATTACHMENTS:

1. LLAC minutes from October 18, 2021, and Letter dated October 20, 2021
2. Marina Host announcement (included as an FYI)

RECOMMENDATION: Motion to support a series of public community meetings to further refine the community's input into a series of actionable recommendations to the Commission.

Meeting called for all Quilcene residents interested in the Port property on Linger Longer Road. 10/18/21 Quilcene Harbor Yacht Club 5-6:45 pm

Minutes

Attendees: Brad Biehl, Ray Canterbury, Suzanne Carreira, Nancy Cochran, Linda Cupp, Kit Kittredge, Chris Llewellyn, Frank Redmon, Sharon Redmon, Anne Ricker, Fred Stern, Beth Stroh-Stern, Clayton White.

A special meeting was called to discuss Jeannie McMacken's vision survey results and to formally establish the Port's requested Quilcene Linger Longer Advisory Committee. Poster, web announcements, and phone calls were made to gather as many community members as possible. Thirteen came, six wanted to but couldn't, and many more have expressed interest, even with such short notice.

The discussion began with everyone agreeing that Jeannie's results closely mirror what the community has been asserting for years: The Port has failed to deliver on nearly every proposal they put forth. There has been some painting, some pothole filling, some dock repair, but nothing on the scale promised. Michelle, hired to fill the marina needs, spends more time in Port Townsend "where she is needed" instead.

Is it any wonder that Quilcene beach, marina, Yacht Club users are skeptical? The committee talked about the property's great recreational and economic potential and historic success. It takes investment to produce profits that would pay for the camping, RVing, moorage, and repairs and pay a fulltime harbormaster, etc.

Upon examining the budget 2019-2021, there are huge expenses for "Quilcene pay \$31,907, Quilcene Taxes \$3446, Quilcene Benefits \$12,164" and "Maint pay \$18,433, Maint Taxes \$1991, Maint Benefits \$7027." WHAT ARE THESE? Surely not Michelle.

The group's last formal request for a live-aboard manager was never addressed, although Commissioner Pam did say they would advertise for one this week. What the job description is and what pay offered were asked..

The Port's stated committee purpose as a community planning guide and visioner was talked over, and everyone voted to formalize ourselves, with more members to come as they volunteer. Some asked why Commissioner Pete asked all to call

him if they want to be members. Does that mean he decides who serves?

Unanimous consensus confirmed community disillusionment over the Port's perpetual promises--such as dredging the marina entrance--year after year after year--that never happens. The suggestion of engaging an attorney was approved and several members will work to find an appropriate one to represent our needs.

This is public property that does not belong to the Port. They are the stewards, elected public servants. The group then approved sending the brief history of how the Port has intentionally degraded the property over time. This will be sent to all local newspapers, will be posted, and will be put on line. Everyone agreed that the time for being "nice" was over.

When asked, Eron said the "Port can approve volunteer activities," but, as an example, when the Quilcene-Brinnon Garden Club offered to work on the degraded landscaping, they were denied for "liability concerns." Despite offering to sign waivers.

The hope was expressed that Commissioner Pam, our friend, would bring future Commissioner Carol Haase into our circle and act as a commission majority to accomplish our goals.

The group signed a sincere thank you note to Commissioner Bill for all his help and attention. And we made a point by point list to give to Commissioner Pete when members call him.

Meeting adjourned and none scheduled until after Port officials address this report and hold their next meeting.

AR:hs

Linger Longer Improvement Committee Meeting 18 October 2021

SIGN IN SHEET

Name	Business or Occupation	Contact Information
1) Anne Ricker	Quilcene Art & Antiques Quilcene Gallery, owner	quilcene-gallery@yahoo.com
2) Linda Cupp	Retired (Yacht Club Member) Teacher-Boater	landscupp@Olympus.Net
3) Chris Llewellyn	Organic Farmer Boat owner	info@serendipityfarm.org
4) Suzanne Carreira	Retired Teacher - boater	carreira.suzanne@yahoo.com
5) Brad Biehl	Retired teacher-boater	" " " " "
6) Nancy J. Cochran	retired - boat owner	quinn699@gmail.com
7) FRED R. STERN	" 42YRS CANNED SALMON BIZ Boat owner	fredstern@gmail.com
8) Beth Stroh-Stern	retired 101 Washington St, Quil	
9) Clayton White	retired 293382 101 " "	cawseafoam4827@gmail.com
10) Sharon Redmon	Teacher PT schools + Boater Quilcene Fair & Parade Yacht Club Lions Club	shredmon@gmail.com
Kit Kittredge	South County Massage Therapy	marnykit@gmail.com
Ray Canterbury		RayCanterbury@hotmail.com
11) Frank Redmon	Quilcene School District North Hood Canal Chamber of Commerce	frankredmon@gmail.com

*Letter from the newly formed Quilcene citizens committee requested by
the Port of Port Townsend* 10/20/21

In response to the Port of Port Townsend's contracted survey of Quilcene residents' vision of the Port property, and acting on the Port's request for a formal community committee, the Linger Longer Advisory Committee (LLAC) began forming on Monday October 18 at a meeting open to all.

The thirteen members listed below unanimously approved the committee name and the following synopsis of the events that have led to the deplorable condition of the Port property.

When Jim Speer, the long-time on-site harbormaster, had a heart attack, he became a Port liability. Then a heavy rain caused Brinnon Creek to overflow briefly, which provided Port officials with the perfect excuse to dismiss Jim, declare his home at risk, and remove it.

In one swoop the community lost the person who had collected all fees, pumped all the fuel, cleaned and maintained the bathrooms, mowed and landscaped, checked the marina several times a day, provided security for everyone, monitored the parking, kept the swim beach safe, scheduled the camping and moorage reservations, etc.

Thus began the total degradation of the property. Only the Quilcene Harbor Yacht Club was maintained, because its members did that. The Port must renew their lease.

The Herb Beck RV Park never materialized, despite the Port's constructing a \$320,000 septic for it, which was quickly occupied by Coast tanks. There was continual talk of selling Coast any part of the property they wanted. A formal property appraisal was even contracted for that.

The community was heartened when Michelle was hired, but her hours were restricted, and the job was far too extensive for a part-time person. All services continued to degrade, and Michelle's requests for help were ignored: little maintenance, no cleaning, no security.

Then, because management was nonexistent, the bathrooms were slightly vandalized and summarily locked. Only the live-aboards were allowed use, but they have been ejected. So there is no one there. **MISSION ACCOMPLISHED:** The Port property no longer functions and can be "surplused" to the highest bidder.

And yet, the Port commissioners have asked for this committee. We cautiously accept their request and are welcoming new members--business people, youth, families--as they step up to volunteer.

We hope to establish constructive dialogue that leads to specific actions: Hire a fulltime manager, dredge the marina entrance, restore the bathrooms, replace the fuel dock, sign a long-term lease with the Yacht Club, monitor the oyster hatchery effluent for contaminants, repair the boat launch ramps, reconfigure the parking and restore the landscaping, make the swim beaches safe, restore camping, and develop economic opportunities such as food and kayak concessions.

Signed October 18, 2021, by the Linger Longer Advisory Committee:

Brad Biehl
Ray Canterbury
Suzanne Carreira
Nancy Cochran
Linda Cupp

Chris Llewellyn
Frank Redmon
Sharon Redmon
Anne Ricker
Kit Kittredge

Fred Stern
Beth Stroh-Stern
Clayton White

QUILCENE
2021 Budget with Comparison to Prior Years

	2018 Actual	2019 Actual	2020 Covid-19 YTD Aug Actuals & Remaining Budget	2021 Budget	2020-2021 variance
OPERATING REVENUES					
Quilcene - Lease Revenue	60,055	61,917	68,713	69,400	687
Quilcene - Permanent Moorage	46,875	47,547	53,280	53,813	533
Quilcene - Liveboard Fee	377	743	2,656	2,683	27
Quilcene - Nightly Moorage	3,356	3,532	2,090	2,111	21
Quilcene - Showers	3,412	3,671	3,095	3,126	31
Quilcene - Reservations	330	770	383	387	4
Quilcene - Miscellaneous Revenue	247	20	76	77	1
Quilcene - Water	8,679	13,695	12,703	12,830	127
Quilcene - Electric	1,355	1,788	2,556	2,582	26
Quilcene - Recreational Ramp Fees	7,719	10,232	10,383	10,254	(129)
Quilcene - Commercial Use Fees	3,000	2,400	1,800	1,818	18
Quilcene - Fuel Sales	16,498	19,744	7,370	-	(7,370)
Quilcene - Monthly R.V.	3,545	-	-	-	-
Quilcene - Nightly R.V.	1,007	-	-	-	-
Total Operating Revenues	\$ 156,455	\$ 166,058	\$ 165,105	\$ 159,080	\$ (6,025)
OPERATING EXPENSES					
Quilcene Pay	19,755	35,386	34,860	31,907	(2,953)
Quilcene Taxes	2,784	4,678	4,259	3,446	(813)
Quilcene Benefits	3,808	12,857	12,639	12,164	(475)
Maint Pay	22,263	15,444	19,193	18,433	(760)
Maint Taxes	2,740	1,907	2,277	1,991	(286)
Maint Benefits	8,173	6,280	6,696	7,027	331
Enviro Pay	-	251	403	-	(403)
Enviro Taxes	-	31	52	-	(52)
Enviro Benefits	-	57	136	-	(136)
Contract Services	6,865	5,608	7,922	8,000	78
Insurance	4,783	5,686	6,98	7,080	100
Facilities & Operations	20,760	13,897	21,58	11,343	(10,242)
Utilities	12,196	12,155	10,97	11,890	920
Marketing & Advertising	-	131	300	700	400
Travel & Training	28	16	-	100	100
Cost of Fuel Sold	15,112	16,255	8,135	-	(8,135)
General & Administrative	46,771	34,894	37,036	35,377	(1,659)
Total Operating Expenses	\$ 166,038	\$ 165,532	\$ 173,443	\$ 149,458	\$ (23,985)
NET OPERATING INCOME	\$ (9,583)	\$ 526	\$ (8,338)	\$ 9,622	\$ 17,960

Herb Beck Marina, Quilcene: Marina Host (Live-Aboard) Opportunity

Position Status: Open

Position Summary: The Port of Port Townsend is seeking applications for a volunteer Marina Host that would live-aboard their vessel in the Herb Beck Marina, in Quilcene, Washington.

Description: The Herb Beck Marina is situated on the beautiful shores of Quilcene Bay, an unusually pristine and scenic pocket of the Salish Sea near the north end of Hood Canal. It is only minutes from US Highway 101 and is a perfect location for travelers looking for a spot to go fishing, sailing, swimming, hiking in Olympic National Park and Forest, or to explore the friendly small-town atmosphere of Quilcene. Located at the end of Linger Longer Road, the marina has 51-slips (both permanent and guest moorage) as well as a popular boat launch ramp. The adjacent uplands feature a public restroom (with showers), facilities, a marina office, kayak rentals, and parking.

Position Requirements:

- Hosts must be at least 21 years old and are required to pass a criminal background check and drug test.
- Hosts must provide their own vessel suitable for living aboard (i.e., marine head with holding tank, fire extinguisher, meets USCG requirements for recreational boats), current vessel registration and proof of insurance.
- Hosts are expected to perform a minimum of 10 hours of service a week and are expected to work five (5) days a week including weekends, with 2 days off.
- Hosts should possess sufficient physical ability and mobility to perform heavy and light labor, occasionally lifting and/or moving objects up to 35 pounds.
- Hosts should enjoy working with the public, have the desire to accept new challenges.

Host Duties: The Marina Host will support facility operations by providing excellent customer service to Port patrons while assisting the Port's Quilcene Facility Attendant with general maintenance. Routine duties include:

- Assisting with vessel check ins.
- Answering visitor questions in an attentive and respectful manner.
- Alerting boaters of weather conditions.
- Informing visitors of unique areas to explore.
- Conducting dock-walks to identify and report maintenance issues.
- Monitoring public restroom facilities.
- Picking up litter.
- Observing and reporting after-hours issues as necessary and stocking restroom supplies as needed.

The Port is offering free live-aboard moorage in the marina, including power (20/30 amp), water, pump-out station, and garbage. We request a minimum six-month commitment.

Background and Drug testing is required.

All interested candidates must submit a letter of interest, an application for employment form and resume. To apply, please contact Port Human Resources at hr@portofpt.com, or call 360-385-0656.

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	October 27, 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	Sue Nelson, Lease Administrator
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none"> Lease Briefing

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: October 19, 2021
TO: Commissioners
FROM: Sue Nelson, Lease & Contracts Administrator
SUBJECT: Lease Briefing for October 27, 2021, Commission Meeting

New Lease Agreements:

- *Marina Café – for either the Nov 10 or Nov 23 meeting*

New Rental Agreements: (none)

Miscellaneous Updates:

Tenant Meetings:

- *Directors Berg & Toews and I met with ACI on October 18 re continued negotiations and options for a lease agreement. Directors outlined preferred options, which Mr. Armstrong did not care to consider.*
- *Directors Berg & Toews and I meet with a few Sail Loft tenants on October 25 to continue discussions on a possible LLC formation, and other options.*

Agreement Updates:

- *Quilcene Village Store: Mr. Brotherton requested to rent land to place a storage container at the Herb Beck Marina in Quilcene for life jackets/paddles/possibly snacks. Staff offered land in the area Jim Spears had his mobile home (outside of shoreline jurisdiction). Waiting to hear back.*
- *Preparing new lease agreement with Jeffco Hangars for presentation at the 11/10/21 commission meeting.*
- *Preparing a lease amendment for Pete Stein/Compass Woodwork (Erik Fahlstrom) to combine Building 3, which they currently rent on a monthly basis, (former Shipwrights Co-op “hangar” building) with the current Building 2 lease. Stein and Fahlstrom have subtenants lined up (obtaining contracts and insurance from each) and will present for formal approval by Executive Director Berg after lease has been approved.*

On another note, Mr. Stein and Mr. Fahlstrom have cleaned up the grounds from the previous tenant at 3109 Jefferson. They refinished the wood floor in the upstairs of Building 2, which looks beautiful! They are also changing the old fluorescent lighting to new LED fixtures in the hangar portion of Building 3 and are replacing the old fluorescent tubes with new ones in the hangar addition.

- *Showed a potential tenant marine-related office space in the northern half of the duplex at Point Hudson.*

Maintenance-related:

- *Week of 10/18/21 North Olympic Wireless (NOW) Data installing small box on Nomura Building, south side, aiming towards their antenna currently situated on top of the building occupied by Rubicon Yachts. EDC Team Jefferson hired them to install internet for them at the Nomura location. According to NOW, this should speed up internet service for current NOW subscribers.*
- *PUD installed a separate power meter for Haven Boatworks at their Haines Place location. They had shared a meter with Johnson Fabrication, which got complicated.*
- *A separate water meter was installed for Skookum’s laundry, separating them from the meter shared by the Boat School and EDC, allowing for easier meter reading and billing.*