



1st Monthly Meeting Agenda
Wednesday, May 11, 2022, 1:00 p.m.

Port Townsend Yacht Club, 2503 Washington Street, & via Zoom

<https://zoom.us/> – or call (253) 215-8782 – and use Webinar ID: 862 6904 3651, Password: 911887

I.	Call to Order & Pledge of Allegiance	
II.	Approval of Agenda	
III.	Public Comments	
IV.	Consent Agenda	
	A. Approval of Regular Business Meeting Minutes from April 27, 2022.....	1-6
	B. Approval & Ratification of Warrants.....	7-16
	C. Accounts Receivable Write-off/Collection Register.....	17
V.	Special Presentation: Recognition of Jean Jameson's 20th anniversary at the Port.....	18
VI.	Second Reading ~ none	
VII.	First Reading ~ none	
VIII.	Regular Business	
	A. Quilcene Meeting Report.....	19-35
	B. Future Meeting Format.....	36-40
	C. ICG Meeting Preparation: Capital Project List	41-47
IX.	Staff Comments	
X.	Commissioner Comments	
XI.	Next Meeting of the Commission: Commission Retreat on Wednesday & Thursday, May 18 & 19 from 10:00 a.m. to 3:00 p.m. at the Point Hudson Pavilion, 355 Hudson Street, Port Townsend & via Zoom	
	Next Regular Business Meeting: Wednesday, May 25, 2022; 5:30 p.m., at the Pavilion Building & via Zoom	
XII.	Executive Session ~ none as of 5/6/22	
XIII.	Adjournment	
	<u>Informational Items</u>	48
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PORT COMMISSION REGULAR BUSINESS MEETING – Wednesday, April 27, 2022

The Port of Port Townsend Commission met for a regular business session at the Port Townsend Yacht Club, 2503 Washington Street, Port Townsend, and also online via Zoom.

Present: Commissioners Hanke, Hasse* & Petranek
Executive Director Berg
Director of Finance & Administration Berg*
Director of Capital Projects & Port Engineer Klontz
Port Recorder Erickson
Port Attorney Woolson*

* *via Zoom online video*

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE (00:00:08)
Commissioner Petranek called the meeting to order at 5:30 p.m.

II. APPROVAL OF AGENDA (00:01:08)
Agenda was approved as written by unanimous consent.

III. PUBLIC COMMENTS (00:01:18)

The following comments were sent in via email:

Ken Henshaw sent a comment via email regarding the Gardiner Boat Ramp project. He asked that the Port just replace the ramp, with no added facilities to make it attractive to the homeless.

Jeff Kelety wrote regarding the noise in front of ACI Sunday morning April 24, 2022. His decibel meter recorded 73, and he referred to EPA & WHO recommendations to keep environmental noises below 70 dBA to prevent noise-induced hearing loss.

No comments were made live at the meeting.

IV. CONSENT AGENDA (00:02:58)

A. Approval of Workshop & Regular Business Meeting Minutes from April 13, 2022.

B. Approval & Ratification of Warrants

Warrant #065100 in the amount of \$2,128.52 for Accounts Payable.

Warrant #065101 – #065104 in the amount of \$6,093.54 and Electronic Payment in the amount of \$107,470.50 for Payroll & Benefits.

Warrant #065105 - #065163 in the amount of \$339,218.78 for Accounts Payable.

Electronic Debit for \$9,044.31 to WA State Dept. of Revenue for Combined Excise Tax.

C. Hangar Site 5 Lease – JCIA Land Lease Agreement

D. JCIA AIP Grant Authorization – Resolution 769-22

Commissioner Petranek noted a small change to the minutes.

Consent Agenda was then approved as corrected by unanimous consent.

V. SECOND READING ~ none

VI. FIRST READING ~ none

VII. REGULAR BUSINESS (00:04:43)

A. Proposed revision of late fees (00:05:06)

Finance Director Berg noted that the Port has had the same late fees for twenty plus years, and in 2022 went from 1.5% to 5% with a minimum of \$25. As it was applied with the Port's

updated MOLO software, it became clear that the minimum fee of \$25 for anything over \$10 charge was not fair for those smaller amounts. She suggested removing the minimum finance charge of \$25 and applying a minimum finance charge of 5% on charges over \$50 and past-due for over 30 days.

Commissioner Hasse asked how often the Port had to apply this late fee charge, how hard it was to get funds, and if the charge had to be made manually for each past-due account.

Ms. Berg answered that it happened frequently, that the ease of getting the funds depended on the situation (the charge is a reminder or incentive to stay current with balances due); using MOLO, the late fee will be applied automatically.

Commissioner Hanke moved to approve the proposal to eliminate the \$25 minimum late charge and apply only the 5% late fee on amounts over-due to the Port that exceed \$50.00, effective upon passing. Motion passed by unanimous vote.

B. March (Quarter 1) Year-to-Date Financials (00:10:22)

Finance Director Berg referred to her memo on page 60 of the packet and reviewed the Operations Revenue five-year trend graph there. She noted a few corrections (*and later provided a corrected March 2022 Financial report & memo for the record, which differs from what was stated at the meeting*). She said that departmentally the yard continues to be the most robust revenue generator for the port, showing a 12% increase in revenues when compared to 2021, which is 56% of the total increase from last year.

Commissioner Hanke commented that the numbers looked good despite the pandemic, with approximately \$500,000 increase in revenue over 5 years and a \$270,300 increase in expenses for that same period, which is practically 2:1 in revenue vs. expenses, so good job!

Commissioner Hasse commented that she would like to see operation revenues and operation expenses in each of the 5 years together on the chart so the commission could easily see gross and net profit and show the trend of where the Port stands.

Finance Director Berg referred to page 61 of the packet and reviewed the expenses trend compared to the revenue trend, as Commissioner Hanke commented on, is a 2:1 ratio showing how we've grown in that five-year period. We've also grown in FTEs to build capacity for capital projects and improve customer service. She said debt service obligations had no activity for this report; one correction is that the title "total debt service for 2021" should be 2022. She stated the Port still has plans to retire these debts earlier in 2027, if things go as planned. She referred to page 62 which shows Capital Project Expenses Year-to-date. Commissioner Petranek suggested we add a column on this table showing amounts budgeted by project, as applicable. Ms. Berg reported that the Port's cash balances look healthy, with an increase of \$2.4 million in reserves; the majority of that increase is in IDD funds. The year-to-year decrease in unreserved cash is directly related to the 75-ton pay off in January 2022.

Commissioner Hasse asked Ms. Berg if she still felt the Port would be doing well after we begin spending the money set aside for large capital projects. Ms. Berg said she felt that the Port would be okay based on what is set aside for the jetty project, and in a worst-case scenario there is a \$7 million line of credit (LOC) as a bridge loan to temporarily fund deficiencies.

Commissioner Hanke noted the cost of a new 300-ton Travelift is currently approximately \$1.68 million and asked about planning for that expenditure.

Executive Director Berg said that staff hoped to bring a twenty-year look ahead to commission this fall, that would include capital projects and equipment expenses, with assumptions about how much they'll cost escalated to the future day when the Port will need them, as well as what the Port would contribute vs. grant dollars, then figuring out how much

the Port needs to save each year to have the amount needed for the project or equipment in the year that the Port needs it. That would be the target balance of the Port-wide Capital Reserve Fund, which today has \$835,000. He said he was also working on an aggregation of all these future costs, with an assumption of approximately 20% of the full cost as the Port's matching requirement for grant funding. The US Dept. of Agriculture World Development State Director will be visiting our Port tomorrow and she will take a look at our 300-ton Travelift; her department has a way to fund them, but there are not a lot of funds available in the program.

Commissioner Hanke said metal is expensive, and costs are rising, and with inflation the cost of a replacement will be even higher than today; he suggested that the Port plan for this, based on what will go up in cost faster (e.g. breakwater or Travelift).

Commissioner Hasse asked about availability of electric Travelifts, and Executive Director Berg said there is a Beta version for \$2.6 million (\$1 million extra).

Finance Director Berg continued the review of the March YTD report by moving to page 63 of the packet where the financial statement showed the comparison of March 2021 & 2022 Operating Revenues & Expenditures Year-to-date, along with YTD budget and variance to the budget. Overall operating revenues increased by 7.3% when compared to 2021 and 11% when compared to budget. Expenses year-to-date are about 10% greater than 2021 and 6% as compared to budget.

Commissioner Petranek asked whether the payment on the Line of Credit (LOC) for \$250,000 (Item D, page 64 of the packet) was Airport money. Ms. Berg confirmed that this was money used for the 2020 JCIA project, and the LOC was paid off in January 2021. Ms. Petranek asked Ms. Berg to explain the increase in marketing on page 63 in March of 2022 for \$17,000 compared to \$6,000 in 2021. Ms. Berg said the 2022 costs included legal ads, employment ads, and an increase in direct marketing like Scott Wilson's work—Port Reports, ads through the NWMC, 48° North, etc.

C. Update on consultant selection for Sims Way Gateway & Boatyard Expansion Project (00:32:53)

Port Engineer Klontz said that the Port is working in cooperation with Jefferson County PUD#1 and the City of Port Townsend on this project and has taken the lead on the selection of the consultant to provide engagement services for stakeholder meetings. Port staff interviewed the two firms who bid on this project, and the best of the two was SCJ Alliance.

Commissioner Hanke asked about the timeline for the project, and Mr. Klontz said that by late August they would have a good understanding of the project concept, so that in September the stakeholder group can start to present to PUD what the plan is and how it will impact power lines, with work potentially being done in the summer / fall of 2023.

Commissioner Petranek asked why SCJ Alliance had been chosen, and Mr. Klontz said they have a landscape architect who was part of the Gateway Development Plan 30 years ago so there is continuity there; they also brought a tree expert to the table with extensive experience.

Commissioner Hasse asked if the Port had gotten ahead of itself by declaring our vision of this project in order to get the funding, before we had asked the community for their input.

Executive Director Berg said he couldn't imagine it playing out differently, because at the key points in time we were acting with the understanding that there was an emergency to be handled in the moment. The PUD had the authority to address the emergency immediately without any input from the community, but instead stopped the process of tree removal and de-powered the high-voltage lines; this cost the Port \$50,000 in an insurance claim for damages during a power outage. He said at the time it wouldn't have been possible to engage

with the community; we had a hazard that was threatening the life and safety of Port employees and tenants as a fire danger with burn marks on poplars. He commented that although we're getting input from the community, it's unlikely we'll get broad consensus that removing long-standing poplars is a good thing to do, and this is a significant project in terms of look and feel of the result. He also said that there had been lots of discussions at multiple public meetings with no public comments until there was an article in the paper. He underscored that there are lessons to be learned and more opportunities to engage with the community as we imagine any project big enough for a multi-jurisdictional engagement.

Commissioner Petranek said that Jefferson County PUD could have just removed the tree, and they are literally putting themselves out on a limb, because their job is to safely and reliably provide power to Jefferson County. She said PUD staff had reached out to the City and Port to see if we could all work together on a project and make lemonade out of lemons.

VIII. STAFF COMMENTS (00:49:05)

Executive Director Berg commented on events from his calendar:

- Former Commissioner Herb Beck had passed away; his service and memorial will be on Saturday May 7. After 36 years of services as a Port Commissioner, his family requested the use of the Port logo on his gravestone.
- The USDA World Development State Director visit April 28, when he will mention the 300-ton Travelift, as they have a fund for this purpose which would require 35% match; however, the state has allocated only a few hundred thousand dollars for this fund.
- He will be meeting with Congressman Kilmer on May 6 to talk about Boat Haven main breakwater and west expansion of 3.7 acres of the boatyard (which includes construction of a stormwater facility to address the City and State's water that appears to have been dumped on Port property and created a non-jurisdictional wetland, and the construction of a couple of workspaces for 300-ton lift accessible work). He said he was hoping to achieve a sense that this might be a project for 2023 congressional spending request.
- He will attend the WPPA Spring Meeting next week, May 4-6, travelling there immediately following the Quilcene evening meeting on May 3.
- On May 9 he will attend a Gardiner Community meeting put together by Jefferson County Commissioner Brotherton regarding the Gardiner Boat Launch, and uplands.
- On May 18 & 19 the Commission Retreat will take place in the Point Hudson Pavilion building; from 10:00 am – 3:00 pm both days.

Mr. Berg added that the boatyard continues to be very busy and working beyond capacity.

Director of Capital Projects Klontz reported that on Tuesday, May 3 he was hosting a contractors' open house for the Point Hudson Jetty project (not open to the public), which is right before the Community meeting in Quilcene that evening. He commented that the Statements of Qualifications are due on May 10 for the Boat Haven Stormwater Improvement project.

Director of Finance and Administration Berg commented that Jeanine Johanson had been hired as the next Accounts Receivable person, replacing Jean Jameson, and that staff were in negotiations to hire a person to replace Karen Erickson, Port Recorder. She reported that she had finished the 2021 Annual Report, to be audited in 2023, and it will be on the website soon. She said a financial model had been created for Quilcene to project potential impacts of different scenarios based on potential revenue, expenditures, projects, and types of funding. As a comparison to Quilcene, this model will be populated with Boat Haven Marina data since it is profitable. We plan to use this model for each department Port-wide for the 2023 budget.

IX. COMMISSIONER COMMENTS (01:02:17)

Commissioner Hanke commented on the passing of former Commissioner Beck, who lived in Quilcene, was the patriarch for that community, and much of what he gave as advice regarding the position of commissioner made sense after being a commissioner for 9 years: “Don’t get stuck in the b.s., keep it simple, keep projects moving forward,” he liked to get projects done. Mr. Hanke said he respected Mr. Beck because he was community minded, fought for what was right, and wasn’t afraid to give his opinion.

Former Commissioner Bill Putney (attending as a citizen) said that he met Mr. Beck at a county fair where he spoke to Bill at length about the Port because he was concerned as a citizen. Mr. Putney said serving in public office is about public service, and Mr. Beck did that in spades.

Commissioner Hasse commented that Mr. Beck loved Quilcene and cherished his community; he was a true public servant.

Commissioner Petranek said the first time she’d met Mr. Beck was at a Port meeting in Quilcene when he spoke up to the Commission asking them to save Quilcene, which greatly impressed her.

Commissioner Hasse said she had attended the Salish Sea Ecosystem Conference where a Canadian First Nation Native spoke about the climate crisis, and how we need to work now to set new standards and values; our responsibility and obligation is to do this in collaboration with our community in order to make the best impact possible on the environment. She learned about a complete salmon-safe airport where they are using bioswales, solar panels, and other mitigations to keep toxins out of the Frazer River, which flows into the Salish Sea. She thought the Port should ask our community what they want at our airport—a shelter building for emergencies, food storage, or out-of-the-weather pilot planning space. She then asked if perhaps the Port could move faster on the Point Hudson leases.

Commissioner Petranek said she had attended the three-day Salish Sea conference as well; she was impressed with the number of scientists teaching classes. The opening Native speaker used a phrase throughout his speech “from snow cap to white cap” in thinking about our region. Classes were on salmon, whales, derelict vessels, etc. that can be accessed online later. She commented on a book she just finished called The Tyranny of Metrics which talks about how paying too much attention to the numbers bogs down creativity and innovation.

Commissioner Hanke said he had enjoyed the multi-tour boat trip to Ports of Friday Harbor and Anacortes. He had captained the boat, Red Head, taking Port staff to these Ports (as a way to keep down costs) and had enjoyed the collaboration, seeing new things (like a solar-powered pump-out barge), and coming up with so many ideas. He said the Port should have another such trip and he could let someone else drive the boat so that a different commissioner could attend. (Mr. Berg said next on the list were Ports with boatyards.)

X. Next Public Workshop & Regular Business Meeting (01:22:05): Wednesday, May 11, 2022, Workshop at 9:30 a.m. & Meeting at 1:00 p.m., at PTYC & via Zoom.

XII. EXECUTIVE SESSION ~ pursuant to RCW 42.30.110(1)(b) to consider the selection of a site or the acquisition of real estate (01:22:35)

Meeting moved to executive session at 6:55 p.m. Commissioners expected to take approximately 30 minutes in Executive Session with no action in public session afterwards.

Commissioner Petranek called the meeting to back to order at 7:43 p.m. (*Second Recording*)

XIII. ADJOURNMENT: meeting adjourned at 7:44 p.m., there being no further business before the Commission.

ATTEST:

Peter W. Hanke, Secretary

Pamela A. Petranek, President

Carol L. Hasse, Vice President



PO Box 1180 • Port Townsend, WA 98368

Administration: (360) 385-0656

Operations: (360) 385-2355

Fax: (360) 385-3988

WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the 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 Warrants No 065164 - 065166 generated on April 28th, 2022 in the amount of \$556.00 is ratified.

Signed and Authenticated on this 11th day of May, 2022.

For: **Accounts Payable**

Commissioner Pam Petranek

Commissioner Carol Hasse

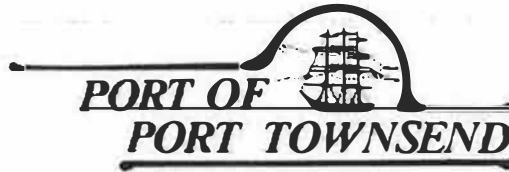
Commissioner Pete W. Hanke

S. Abigail Berg, Director of Finance
And Administration

Check Register**Journal Posting Date: 4/28/2022****Register Number: CD-000922****Port of Port Townsend (PTA)**

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Report Total:					556.00	0.00	556.00

Run Date: 4/28/2022 3:00:26PM
A/P Date: 4/28/2022**Page: 1**
User Logon: DLF



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3988

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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 065167 through No. 065173 generated on April 15th, 2022 in the amount of \$28,351.60 and Electronic Payment in the amount of \$174,636.39, for a total amount of \$202,987.99 is **ratified.**

Signed and Authenticated on this 11th day of May, 2022.

For: Payroll and Benefits

Commissioner Pam Petranek

Commissioner Carol Hasse

Commissioner Pete W. Hanke

S. Abigail Berg, Director of Finance
And Administration



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 Warrants No 065174 generated on May 3rd, 2022 in the amount of \$1,000.00 is ratified.

Signed and Authenticated on this 11th day of May, 2022.

For: Accounts Payable

Commissioner Pam Petranek

Commissioner Carol Hasse

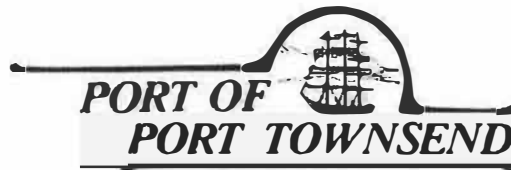
Commissioner Pete W. Hanke

S. Abigail Berg, Director of Finance
And Administration

Check Register**Journal Posting Date: 5/3/2022****Register Number: CD-000924****Port of Port Townsend (PTA)**

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				Report Total	<u>1,000.00</u>	<u>0.00</u>	<u>1,000.00</u>

Check Entry Number: 001



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 065175 through No. 065237, are approved for payment in the amount of \$179,390.42 on this 11th day of May, 2022.

For: Accounts Payable

Commissioner Pam Petranek

Commissioner Carol Hasse

Commissioner Pete W. Hanke

S. Abigail Berg, Director of Finance
And Administration

Check Register
Journal Posting Date: 5/11/2022
Register Number: CD-000925

Port of Port Townsend (PTA)

Bank Code: W - WARRANTS PAYABLE							
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0000065177	5/11/2022	ARN070	Randy Arnest				Check Entry Number: 001
			REFUND 4/25/22	4/25/2022	399.46	0.00	399.46
0000065178	5/11/2022	ARR010	Arrow Lumber Port Townsend				Check Entry Number: 001
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			3191	4/1/2022	275.00	0.00	275.00
0000065180	5/11/2022	BER010	William Berninger				Check Entry Number: 001
			4/2022 EXPENSE	4/30/2022	56.75	0.00	56.75
0000065181	5/11/2022	BER045	Eron Berg				Check Entry Number: 001
			4/2022 EXPENSE	4/30/2022	104.64	0.00	104.64
0000065182	5/11/2022	CAM045	Joe Cammack				Check Entry Number: 001
			REFUND 4/26/22	4/26/2022	141.81	0.00	141.81
0000065183	5/11/2022	CAR001	Carl's Building Supply				Check Entry Number: 001
			4/30/22 STATEMENT	4/30/2022	2,641.69	0.00	2,641.69
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			PT 142499	5/2/2022	16.52	0.00	16.52
0000065185	5/11/2022	CHM030	Chmelik Sitkin & Davis P.S.				Check Entry Number: 001
			3/2022 STATMENT	4/20/2022	3,966.65	0.00	3,966.65
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			4/2022 STATEMENTS	4/30/2022	11,028.63	0.00	11,028.63
0000065187	5/11/2022	COA050	Mott MacDonald				Check Entry Number: 001
			100339-30	4/12/2022	11,253.50	0.00	11,253.50
0000065188	5/11/2022	COH050	Coho Printing				Check Entry Number: 001
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0000065193	5/11/2022	DOU010	Double D Electric Inc.				Check Entry Number: 001
			CO-29292.1	4/27/2022	1,850.58	0.00	1,850.58
			CO-29292.2	4/27/2022	6,053.81	0.00	6,053.81
			CO-29292.3	4/27/2022	1,056.05	0.00	1,056.05
			CO-29292.4	4/27/2022	490.86	0.00	490.86
			CO-29292.5	4/27/2022	1,022.82	0.00	1,022.82
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A/P Date: 5/11/2022

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Check Register
Journal Posting Date: 5/11/2022
Register Number: CD-000925

Port of Port Townsend (PTA)

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			4/2022 EXPENSE	4/30/2022	19.19	19.19
0000065195	5/11/2022	GIL060	Peter Gillis			Check Entry Number: 001
			REFUND 04/22/22	4/22/2022	112.84	112.84
0000065196	5/11/2022	GOO002	Good Man Sanitation			Check Entry Number: 001
			4/25/22 STATEMENT	4/25/2022	2,451.93	2,451.93
0000065197	5/11/2022	GUA080	Guardian Security Systems, Inc.			Check Entry Number: 001
			1244130	5/1/2022	147.29	147.29
			1244131	5/1/2022	114.56	114.56
			1244132	5/1/2022	130.92	130.92
			1244133	5/1/2022	218.20	218.20
Check 0000065197 Total:					610.97	0.00 610.97
0000065198	5/11/2022	HEK070	Tom Hekker			Check Entry Number: 001
			REFUND 4/29/22	4/29/2022	118.92	118.92
0000065199	5/11/2022	HEN002	Henery Hardware			Check Entry Number: 001
			728964	3/28/2022	12.64	12.64
			729013	3/28/2022	74.17	74.17
			729084	3/29/2022	121.48	121.48
			729098	3/29/2022	32.72	32.72
			729174	3/30/2022	110.73	110.73
			729208	3/31/2022	110.73	110.73
			729224	3/31/2022	45.81	45.81
			729237	3/31/2022	78.54	78.54
			729238	3/31/2022	107.95	107.95
			729290	4/1/2022	26.15	26.15
			729458	4/4/2022	45.36	45.36
			729463	4/4/2022	146.18	146.18
			729539	4/5/2022	5.86	5.86
			729633	4/7/2022	16.77	16.77
			729658	4/7/2022	21.81	21.81
			729677	4/7/2022	67.62	67.62
			729703	4/8/2022	93.80	93.80
			729709	4/8/2022	18.10	18.10
			729763	4/8/2022	21.81	21.81
			729857	4/11/2022	33.93	33.93
			729994	4/12/2022	11.55	11.55
			730066	4/13/2022	21.80	21.80
			730222	4/15/2022	43.83	43.83
			730363	4/18/2022	13.08	13.08
			730365	4/18/2022	13.08	13.08
			730399	4/19/2022	45.63	45.63
			730412	4/19/2022	8.72	8.72
			730472	4/20/2022	20.19	20.19
			730552	4/21/2022	103.63	103.63
			730554	4/21/2022	32.26	32.26
			730559	4/21/2022	7.64	7.64
			730644	4/22/2022	15.26	15.26
			730731	4/25/2022	13.88	13.88
			730735	4/25/2022	52.34	52.34

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Check Register
Journal Posting Date: 5/11/2022
Register Number: CD-000925

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
			730757	4/25/2022	6.54	6.54
			Check 0000065199 Total:		1,353.97	1,353.97
0000065200	5/11/2022	HEN004	Port Townsend Garden Center			Check Entry Number: 001
			1420779	4/28/2022	31.56	31.56
0000065201	5/11/2022	HEN006	Quilcene Henery's Hardware			Check Entry Number: 001
			2205-160191	5/2/2022	3.26	3.26
0000065202	5/11/2022	HRA030	HRA VEBA Trust			Check Entry Number: 001
			4/2022 INS	4/30/2022	637.39	637.39
0000065203	5/11/2022	INS025	Insight Public Sector, Inc.			Check Entry Number: 001
			224938502	4/20/2022	5,993.19	5,993.19
0000065204	5/11/2022	JAM040	Jamestown Networks			Check Entry Number: 001
			6998	5/1/2022	530.00	530.00
0000065205	5/11/2022	JC0003	Jefferson County - Public Work			Check Entry Number: 001
			4/2022 STATEMENT	5/2/2022	861.91	861.91
0000065206	5/11/2022	JER040	Jeremy Johnson Photography			Check Entry Number: 001
			00001118	4/15/2022	100.00	100.00
0000065207	5/11/2022	KEN010	Kendrick Equipment			Check Entry Number: 001
			U50631	4/28/2022	36,056.78	36,056.78
			U50641	4/20/2022	1,567.18	1,567.18
			Check 0000065207 Total:		37,623.96	37,623.96
0000065208	5/11/2022	KIT001	Kitsap Tractor & Equipment			Check Entry Number: 001
			P0367401	4/11/2022	1,566.53	1,566.53
0000065209	5/11/2022	LAN001	Landau Associates			Check Entry Number: 001
			0050687	4/25/2022	1,143.75	1,143.75
0000065210	5/11/2022	LES050	Les Schwab			Check Entry Number: 001
			37900498034	4/22/2022	1,435.02	1,435.02
			37900499014	4/29/2022	665.26	665.26
			Check 0000065210 Total:		2,100.28	2,100.28
0000065211	5/11/2022	LIN050	Meg Lineweaver			Check Entry Number: 001
			REFUND 4/25/22	4/25/2022	11.00	11.00
0000065212	5/11/2022	MAR096	Marian Roh			Check Entry Number: 001
			220429	5/11/2022	330.00	330.00
0000065213	5/11/2022	MER050	Merriman Municipal Consulting, LLC			Check Entry Number: 001
			2022-05	5/2/2022	900.00	900.00
0000065214	5/11/2022	MUR002	Murrey's Disposal Co. Inc.			Check Entry Number: 001
			5/1/22 STATEMENTS	5/1/2022	11,847.70	11,847.70
0000065215	5/11/2022	NOR096	Northwest Maritime Center			Check Entry Number: 001
			REFUND 4/22/22	4/22/2022	151.58	151.58
0000065216	5/11/2022	NWA020	NWA Environmental			Check Entry Number: 001
			1623	4/18/2022	500.00	500.00
0000065217	5/11/2022	O'RE030	O'Reilly Auto Parts			Check Entry Number: 001
			3939-121032	4/26/2022	17.10	17.10
0000065218	5/11/2022	OLY035	Olympic Peninsula Communications, LLC			Check Entry Number: 001
			25	4/28/2022	660.00	660.00
0000065219	5/11/2022	PAC004	Pacific Office Equipment Co			Check Entry Number: 001
			5/1/22 STATEMENT	5/1/2022	424.16	424.16
0000065220	5/11/2022	PEN005	Peninsula Fire Inc			Check Entry Number: 001
			64713	4/21/2022	305.21	305.21
0000065221	5/11/2022	PUD001	Pud District #1			Check Entry Number: 001
			4/18/22STATEMENTS	4/18/2022	369.57	369.57

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Bank Code: W - WARRANTS PAYABLE							
Check Number	Check Date	Vendor	Invoice Number	Invoice Date	Invoice Amount	Discount Applied	Payment Amount
			4/25/22 STATEMENTS	4/25/2022	589.80	0.00	589.80
			Check 0000065221 Total:		959.37	0.00	959.37
0000065222	5/11/2022	PUG035	Puget Sound Express				Check Entry Number: 001
			4/12/22 TRIP	4/24/2022	1,500.00	0.00	1,500.00
0000065223	5/11/2022	QUI001	Quill Corporation				Check Entry Number: 001
			23869530	3/17/2022	39.87	0.00	39.87
			24506341	4/14/2022	166.72	0.00	166.72
			24708291	4/25/2022	184.53	0.00	184.53
			4029,9032,776,947	4/22/2022	67.37	0.00	67.37
			Check 0000065223 Total:		458.49	0.00	458.49
0000065224	5/11/2022	QUI020	Quilcene Community Center				Check Entry Number: 001
			4/25/2022	4/25/2022	210.00	0.00	210.00
0000065225	5/11/2022	ROD030	Rodda Paint				Check Entry Number: 001
			44169210	4/19/2022	3,385.05	0.00	3,385.05
0000065226	5/11/2022	SHO010	Shold Excavating Inc				Check Entry Number: 001
			66552	3/15/2022	341.07	0.00	341.07
			67426	4/26/2022	675.33	0.00	675.33
			Check 0000065226 Total:		1,016.40	0.00	1,016.40
0000065227	5/11/2022	SLA070	Roger Slade				Check Entry Number: 001
			REFUND 4/28/22	4/28/2022	88.49	0.00	88.49
0000065228	5/11/2022	SNE020	S-Net Communications				Check Entry Number: 001
			132703	5/1/2022	573.04	0.00	573.04
0000065229	5/11/2022	TAC001	Tacoma Screw Products, Inc				Check Entry Number: 001
			140042563-00	5/3/2022	193.46	0.00	193.46
0000065230	5/11/2022	TAR020	Tara Dunford, CPA				Check Entry Number: 001
			2191	5/2/2022	160.00	0.00	160.00
0000065231	5/11/2022	TAY085	Ty Taylor				Check Entry Number: 001
			2022 CLOTHING	5/1/2022	435.00	0.00	435.00
			HENERY C46925	4/12/2022	83.55	0.00	83.55
			Check 0000065231 Total:		518.55	0.00	518.55
0000065232	5/11/2022	ULI040	ULINE				Check Entry Number: 001
			147687919	4/14/2022	9,275.65	0.00	9,275.65
0000065233	5/11/2022	VER001	Verizon Wireless, Bellevue				Check Entry Number: 001
			9904255993	4/15/2022	516.93	0.00	516.93
0000065234	5/11/2022	VIR060	Virtower				Check Entry Number: 001
			1360	5/1/2022	500.00	0.00	500.00
0000065235	5/11/2022	WAV040	Wave Broadband				Check Entry Number: 001
			043328901-0009459	4/23/2022	154.72	0.00	154.72
0000065236	5/11/2022	WES006	Westbay Auto Parts, Inc.				Check Entry Number: 001
			4/25/22 STATEMENT	4/25/2022	2,812.94	0.00	2,812.94
0000065237	5/11/2022	WES070	Shane Westergard				Check Entry Number: 001
			REFUND 4/28/22	4/28/2022	57.50	0.00	57.50
			Report Total:		179,390.42	0.00	179,390.42

**Port of Port Townsend
ACCOUNTS RECEIVABLE
WRITE-OFF/COLLECTION REGISTER
May 11, 2022**

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

Account Name	TYPE		BALANCE
Shawn Buffer	Work Yard	Shawn Buffer's boat, Malia Jade, went to auction on 2/24/2022 and did not sell. Boat is being demolished. Recommend writing off the account balance.	\$16,049.44
Michael Neece	Work Yard	Michael Neece's boat, Star Dust, went to auction on 2/24/2022 and did not sell. Boat is being demolished. Recommend writing off the account balance.	\$12,634.95
Bentley Harden	Work Yard	Bentley Harden's boat, Floating Lady, went to auction on 2/24/2022 and did not sell. Boat was demolished March 2022. Recommend writing off the account balance.	\$8,495.56
Campbell, Don & Juanita	BH Moorage	Disputed billing. Said his boat is in his back yard and could not have been in a BH moorage slip on the date stated on the billing statement, May 17, 2021. BH said he was there and spoke to Don Campbell, however, he still disputes the bill and the mail is now being returned. Recommend writing off the account balance.	\$67.60
Creagan, Jeff	BH Moorage	Stayed one night, October 11, 2021, and left without paying. Statements mailed were returned as "No Such number". Phone calls were not returned. Recommend writing off the account balance.	\$109.92
Decoteau, Jarod	BH Moorage	Purchased a 2021 Annual ramp and requested to be billed, however, there was no address on file to send statements. Didn't return phone calls. Recommend writing off the account balance.	\$120.00
Diehl, Everett	BH Moorage	Stayed one night, September 10, 2021, and left without paying. Statements were emailed and were sent back with error message relating to non-delivery. Mailed paper statements and were returned as "Unable to Forward". Phone calls were not returned. Recommend writing off the account balance.	\$54.40
Houck, Kenneth	JCIA	Monthly Tie-Down at JCIA. Statements mailed were returned as "Vacant Unable to Forward". There is no phone number on file. Recommend writing off the account balance.	\$85.45
Johnson, Steven	BH Moorage	Stayed one month and left with out paying. Statements mailed were returned as "Not Deliverable as addressed Unable to Forward". Phone is out of service. Recommend writing off the account balance.	\$876.60
Paicurich, Mark	Quilcene	Was a permanent moorage tenant and left without notice. Mail being returned as "Not Deliverable as Addressed Unable to Forward". When called the message on the phone stated that the voice mail had not been set up. Recommend writing off the account balance.	\$1,073.76
Singer, Jacob	BH Moorage	Stayed two months and left with out paying. Statements mailed were returned as "Not Deliverable as addressed Unable to Forward". Phone calls not returned. Recommend writing off the account balance.	\$1,680.54
Olsen, Gary	BH Moorage	Stayed two nights, February 12 & 17, 2021, and left with out paying. Statements mailed with no response. Phone calls not returned. Recommend writing off the account balance.	\$589.96
Franklin, Jon	BH Moorage	Stayed two nights, June 25 & 26, 2021, and left with out paying. Statements mailed with no response. Phone calls not returned. Recommend writing off the account balance.	\$327.00
TOTAL:			\$42,165.18

S. Abigail Berg
Director of Finance & Admin.

Eric Toews
Port Attorney

Eron Berg
Executive Director

Pamela A. Petranek
President

Carol L. Hasse
Vice President

Peter W. Hanke
Secretary

Date: _____

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	May 11, 2022
AGENDA ITEM	<input 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	V. Special Presentation: Recognition of Jean Jameson
STAFF LEAD	Abigail Berg, Director of Finance & Administration
REQUESTED	<input type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	

Recognition of Jean Jameson for 20 years at the Port. – Abigail Berg

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	May 11, 2022
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 Meeting Report
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none">• Staff Memo• Handouts from the May 3 meeting in Quilcene:<ul style="list-style-type: none">○ Preferred Alternative memo○ PoPT Financial Model

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 3/9/2022
TO: Commission
FROM: Eron Berg, Executive Director & Eric Toews, Deputy Director
SUBJECT: We're Still Listening Quilcene

ISSUE

The purpose of this memo is to keep the Commission informed as the Quilcene listening process continues.

BACKGROUND

Following the completion and report out of the We're Listening Quilcene process, the Commission approved next steps that include a series of meetings hosted by Port staff in Quilcene. We have met on November 16th, December 7th, February 2nd, March 1st & May 3rd. The next meeting is scheduled for Tuesday, June 7th at the Quilcene Community Center at 5:00 P.M.

DISCUSSION

About a dozen people attended the meeting on May 3rd at the Quilcene Community Center. From staff's perspective, it was an OK meeting. Staff presented the results of all of the listening to-date and proposed a two-phase approach to moving forward. There was consensus that the approach represented what the community has been saying. Next steps include another meeting in Quilcene with more detail on phase one, followed by a more formal presentation and request for the Commission to adopt the plan.

Ray Canterbury Jr. will be joining the Commission meeting to provide a verbal report from the attendees' perspective.

FISCAL IMPACT

N/A

ATTACHMENTS

- Materials presented at the community meeting.

RECOMMENDATIONS

N/A



WE'RE STILL LISTENING, QUILCENE: A Recommended Path Forward for the Herb Beck Marina Facility

INTRODUCTION & PROJECT BACKGROUND

If you could shape the future of the Herb Beck Marina (HBM) and adjacent uplands, what changes would you make?"

This was the key question we asked citizens nearly one year ago when this community outreach process was initiated. The community responded—an estimated 39% of the households from the 98376 zip code participated in the “We’re Listening, Quilcene” community survey. The process provided valuable information about how the Port’s property in Quilcene is viewed and used by the local community, and how people there imagine it might be improved in the future.

In November of 2021, Port staff kicked-off a series of in-person meetings with interested citizens at the Quilcene Community Center. The objective of the effort was to further develop the community’s comments into an actionable plan for improvements to the Herb Beck Marina facility. Five meetings were held between November of 2021 and May of 2022. The meetings were informal, conversational, collaborative, and afforded an opportunity for citizens to provide critical feedback on Port management of the facility, and to brainstorm how best to maintain and improve it for future generations.

Three (3) key principles guided our conversation:

1. **Broad Community Support:** The plan for the future of the facility must be aligned with the community’s vision for the future.
2. **Mission Alignment:** Improvements and future uses must be consistent with the Port’s statutory mission and purpose (see RCW 53.08).
3. **“Triple Bottom Line” Decision-making:** Any plan for the facility’s future should appropriately factor long-term economic, environmental, and social considerations.

THE HERB BECK MARINA – EXPLORING FUTURE SCENARIOS

At the December 2021 community meeting, Port staff presented three (3) alternatives intended to help citizens weigh the tradeoffs inherent in the choices we can make about the future of the facility:

- Alternative #1 – No Significant Change - Repair & Maintain
- Alternative #2 – Modest Change – Campground & Landscape Improvements
- Alternative #3 – More Significant Change – Upland Revenue Generating Uses + Marina Reconfiguration

Early on in our discussions, it was clear that there was very limited support for any fundamental change to the character of the facility (e.g., Alternative #3). Instead, the weight of community opinion favored rehabilitating and responsibly maintaining existing infrastructure as a first step in rebuilding community trust and support. If the Port proves itself successful in demonstrating its commitment and resolve to serving south county citizens, there may be an opportunity to discuss more significant changes (e.g., marina store, “glamping” units, etc.). However, that time is not now. Hence, the focus of the recommended path forward outlined in this document is “fixing aging infrastructure first.”

Finally, future conversations should be mindful of a recurrent theme expressed repeatedly throughout this process: a heartfelt desire to maintain Quilcene’s unique rural character and identity, and to avoid changes that would depend upon drawing visitors and users to the facility from the wider region.

A RECOMMENDED PATH FORWARD FOR THE HERB BECK MARINA

Citizen feedback proved invaluable in helping to identify and prioritize the capital projects desired by the community. This alternative outlined below seeks to give voice to what the community had to say and recommends a limited scope of projects focused on the basics. The recommended path forward is essentially Alternative #1 – “No Significant Change – Repair & Maintain”, with some elements incorporated from Alternative #2 – “Modest Change – Campground & Landscape Improvements”.

Key characteristics of the recommended alternative are as follows:

- Upland Uses & Capital Projects:
 - Coast Seafoods lease would continue as the principal upland use through 2039.
 - Other upland uses remain largely unchanged (i.e., Yacht Club, Marina Office/Restrooms).
 - Projects would place emphasis on repairing and maintaining existing infrastructure:
 - Landscaping and signage improvements would be undertaken to help buffer the aesthetic impact of Coast Seafoods’ industrial use from the rest of the facility (e.g., plantings to screen and beautify, picnic tables, benches, swim beach).
 - The restrooms would be rehabilitated and made ADA accessible.
 - The parking lot would be improved and maintained through regular re-graveling.
 - A small “dry site” seasonal RV campground would be re-established south of the Marina Office (i.e., up to 8 campsites).
 - A Portland Loo and Public Beach Shower would be situated near the head of the marina, affording sanitation to facility visitors and swimmers not wishing to purchase an annual ramp pass to gain access to the main restrooms.
- In-Water/Marina:
 - Marina configuration would remain unchanged (i.e., 51-slip marina, single lane ramp).
 - Projects would focus on basic repairs and maintenance:
 - The entrance channel would be dredged to its current design depth.
 - Over the course of the next five (5) years, the existing docks would be repaired, rehabilitated (if possible), or entirely replaced.
 - Boat ramp would be repaired and modestly improved by re-surfacing, modest widening, replacement of rub boards, and paving of the pathway atop the south retaining wall.
 - An “iron ranger” would be installed adjacent to the ramp to collect fees when the marina office is unstaffed.

Notably, the alternative outlined above does not imagine improvements to accommodate a full-time caretaker or re-establish the fuel dock. The introduction of the Portland Loo and beach shower, together with retaining a live-aboard “Facility Host” are intended to address the concerns voiced over Port staffing limitations, access to public sanitation, and overall facility security. However, on busy openings and summer weekends, it is expected that the Quilcene Facility Attendant or the Facility Host would often leave the restroom door open for public use. However, absent the purchase of a ramp pass, the restrooms would not be opened to the public to be used as a principal means of sanitation.

Overall, the recommended alternative seeks to preserve the existing rural character of the facility and does not introduce any new employment or revenue generating uses. Public shoreline access would be modestly enhanced via ramp rehabilitation, benches and picnic tables, and access to public sanitation (e.g., Portland Loo/beach shower). The cost of the improvements anticipated by this alternative is expected to be significant, driven principally by periodic entrance channel dredging and progressive rehabilitation and replacement of the docks and floats, and obtaining grant funding the limited projects envisioned could prove to be a challenge.

Port staff will further refine the scope and cost of the projects outlined above, together with anticipated sources of funding and anticipated project timing, in advance of our next community meeting, tentatively set for 5:00 pm on Tuesday, June 7, 2022.



Financial Modeling Workbook



Port of Port Townsend

Quilcene Marina

Projection Model: 2023 through 2032

	Input Closing Projection Here		Note: This section projects annual amount using escalator on "Annual Escalator Worksheet" tab												
	Actual 2019	Actual 2020	Actual 2021	Budgeted 2022	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032
OPERATING REVENUES															
Quilcene - Lease Revenue	\$61,917	\$63,896	\$66,791	\$69,400	\$69,400	\$70,788	\$72,204	\$73,648	\$75,121	\$76,623	\$78,156	\$79,719	\$81,313	\$82,939	\$84,598
Quilcene - Permanent Moorage	47,547	59,882	62,726	56,684	56,684	57,818	58,974	60,154	61,357	62,584	63,835	65,112	66,414	67,743	69,097
Quilcene - Liveaboard Fee	743	3,667	3,244	0	0	0	0	0	0	0	0	0	0	0	0
Quilcene - Liveaboard Background Ck Fee	0	120	0	0	0	0	0	0	0	0	0	0	0	0	0
Quilcene - Nightly Moorage	3,532	2,473	1,816	2,678	2,678	2,732	2,786	2,842	2,899	2,957	3,016	3,076	3,138	3,200	3,264
Quilcene - Showers	3,671	3,125	2,631	3,126	3,126	3,189	3,252	3,317	3,384	3,451	3,520	3,591	3,663	3,736	3,811
Quilcene - Reservations	770	182	285	495	495	505	515	525	536	547	557	569	580	592	603
Quilcene - Miscellaneous Revenue	20	32	32	77	77	79	80	82	83	85	87	88	90	92	94
Quilcene - Water	13,695	13,378	13,171	12,830	12,830	13,087	13,348	13,615	13,888	14,165	14,449	14,738	15,032	15,333	15,640
Quilcene - Electric	1,788	4,061	3,730	3,955	3,955	4,034	4,115	4,197	4,281	4,367	4,454	4,543	4,634	4,727	4,821
Quilcene - Recreational Ramp Fees	10,232	10,379	11,353	11,518	11,518	11,748	11,983	12,223	12,467	12,717	12,971	13,231	13,495	13,765	14,040
Quilcene - Commercial Use Fees	2,400	1,616	2,300	2,200	2,200	2,244	2,289	2,335	2,381	2,429	2,478	2,527	2,578	2,629	2,682
Quilcene - Empty Trailer Parking	0	0	1,196	972	972	991	1,011	1,031	1,052	1,073	1,095	1,117	1,139	1,162	1,185
Quilcene - Fuel Sales	19,744	4,291	0	0	0	0	0	0	0	0	0	0	0	0	0
Quilcene - Rental Property Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenues															
Bond/Debt proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenues						100,000	100,000	100,000	1,056,000	0	0	0	0	0	0
Total Operating & Other Revenues	\$166,058	\$167,103	\$169,275	\$163,935	\$163,935	\$267,214	\$270,558	\$273,969	\$1,233,449	\$180,997	\$184,617	\$188,310	\$192,076	\$195,918	\$199,836
Operating Revenues: Year over Year % Increase:						2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

					Input Closing Projection Here										
<u>OPERATING EXPENSES</u>	Actual 2019	Actual 2020	Actual 2021	Budgeted 2022	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032
Quilcene Salaries & Wages	\$35,386	\$33,991	\$30,655	\$43,136	\$43,136	\$43,999	\$44,879	\$45,776	\$46,692	\$47,626	\$48,578	\$49,550	\$50,541	\$51,552	\$52,583
Quilcene Payroll Taxes	4,678	4,029	3,472	4,659	4,659	4,752	4,847	4,944	5,043	5,144	5,247	5,352	5,459	5,568	5,679
Quilcene Employee Benefits	12,857	13,143	10,869	15,175	15,175	15,479	15,788	16,104	16,426	16,754	17,090	17,431	17,780	18,136	18,498
Quilcene Uniforms	240	0	0	300	300	306	312	318	325	331	338	345	351	359	366
Maint Salaries & Wages	15,444	20,309	17,375	21,220	21,220	21,644	22,077	22,519	22,969	23,429	23,897	24,375	24,863	25,360	25,867
Maint Payroll Taxes	1,907	2,427	2,076	2,292	2,292	2,338	2,385	2,432	2,481	2,531	2,581	2,633	2,685	2,739	2,794
Maint Employee Benefits	6,280	7,322	6,620	7,465	7,465	7,614	7,767	7,922	8,080	8,242	8,407	8,575	8,746	8,921	9,100
Enviro Salaries & Wages	251	283	594	0	0	0	0	0	0	0	0	0	0	0	0
Enviro Payroll Taxes	31	36	71	0	0	0	0	0	0	0	0	0	0	0	0
Enviro Employee Benefits	57	96	212	0	0	0	0	0	0	0	0	0	0	0	0
Contract Services	5,608	6,657	8,141	10,300	10,300	10,506	10,716	10,930	11,149	11,372	11,599	11,831	12,068	12,309	12,556
Insurance	5,686	6,980	8,310	9,141	9,141	9,324	9,510	9,701	9,895	10,092	10,294	10,500	10,710	10,924	11,143
Computer/Office Supplies	173	442	1,038	0	0	0	0	0	0	0	0	0	0	0	0
Operating supplies	1,146	619	635	455	455	464	473	483	493	502	512	523	533	544	555
Enviro - materials/supplies	140	5,313	0	100	100	102	104	106	108	110	113	115	117	120	122
Postage	150	150	125	150	150	153	156	159	162	166	169	172	176	179	183
Janitorial supplies	269	921	807	600	600	612	624	637	649	662	676	689	703	717	731
Fuel & Lubricants	0	13	42	0	0	0	0	0	0	0	0	0	0	0	0
Permits	273	249	249	360	360	367	375	382	390	397	405	414	422	430	439
Equipment Rental	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Claims & Damages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bank Charges	1,553	1,516	1,583	1,025	1,025	1,046	1,066	1,088	1,109	1,132	1,154	1,177	1,201	1,225	1,249
Excise Tax	1,041	1,054	845	492	492	502	512	522	533	543	554	565	576	588	600
Bad Debt	0	374	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Expense	165	361	249	180	180	184	187	191	195	199	203	207	211	215	219
Repair & Maintenance Supplies	8,988	15,979	15,755	9,599	9,599	9,791	9,987	10,187	10,390	10,598	10,810	11,026	11,247	11,472	11,701
Utilities - Water	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities - Electric	3,631	5,106	5,157	5,280	5,280	5,386	5,493	5,603	5,715	5,830	5,946	6,065	6,186	6,310	6,436
Utilities - Sewer	173	492	439	558	558	569	581	592	604	616	628	641	654	667	680
Utilities - Garbage	1,621	1,857	2,396	2,025	2,025	2,066	2,107	2,149	2,192	2,236	2,280	2,326	2,373	2,420	2,468
Utilities - Fuels	1,301	1,022	1,483	1,600	1,600	1,632	1,665	1,698	1,732	1,767	1,802	1,838	1,875	1,912	1,950
Utilities - Telephone	5,428	2,814	3,677	3,726	3,726	3,801	3,877	3,954	4,033	4,114	4,196	4,280	4,366	4,453	4,542

OPERATING EXPENSES (continued)	Actual 2019	Actual 2020	Actual 2021	Budgeted 2022	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032
Advertising (legal)*	131	0	420	200	200	204	208	212	216	221	225	230	234	239	244
Marketing	0	0	805	1,000	1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
Travel & Training	16	481	136	150	150	153	156	159	162	166	169	172	176	179	183
Cost of Fuel Sold	16,255	2,035	0	0	0	0	0	0	0	0	0	0	0	0	0
General & Administrative Allocation	34,894	38,104	35,544	39,024	39,024	39,804	40,601	41,413	42,241	43,086	43,947	44,826	45,723	46,637	47,570
Other Expenditures-From other tabs															
Capital Projects	0	0	0	0	0	100,000	100,000	100,000	1,056,000	0	0	0	0	0	0
Debt Service - Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service - Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating & Other Expenditures	\$165,772	\$174,175	\$159,780	\$180,212	\$182,234	\$283,816	\$287,493	\$291,242	\$1,251,067	\$198,969	\$202,948	\$207,007	\$211,147	\$215,370	\$219,677
Operating Expenses: Year over Year % Increase:						0.87%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Net Revenues less Expenditures	\$286	(\$7,072)	\$9,495	(\$16,277)	(\$18,299)	(\$16,603)	(\$16,935)	(\$17,273)	(\$17,619)	(\$17,971)	(\$18,331)	(\$18,697)	(\$19,071)	(\$19,453)	(\$19,842)
Rate Sensitive Revenues	\$166,058	\$167,103	\$169,275	\$163,935	\$163,935	\$167,214	\$170,558	\$173,969	\$177,449	\$180,997	\$184,617	\$188,310	\$192,076	\$195,918	\$199,836
Rate Impact	0.17%	-4.23%	5.61%	-9.93%	-11.16%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%

Note: A negative rate impact above quantifies, in terms or a percentage, the required rate increase, new source of revenue, or reduction in expenditures to balance the model.

Port of Port Townsend

Quilcene Marina

Projection Model: 2023 through 2032

	Input Closing Projection Here		Note: This section projects annual amount using escalator on "Annual Escalator Worksheet" tab												
	Actual 2019	Actual 2020	Actual 2021	Budgeted 2022	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032
OPERATING REVENUES															
Quilcene - Lease Revenue	\$61,917	\$63,896	\$66,791	\$69,400	\$69,400	\$70,788	\$72,204	\$73,648	\$75,121	\$76,623	\$78,156	\$79,719	\$81,313	\$82,939	\$84,598
Quilcene - Permanent Moorage	47,547	59,882	62,726	56,684	56,684	57,818	58,974	60,154	61,357	62,584	63,835	65,112	66,414	67,743	69,097
Quilcene - Liveaboard Fee	743	3,667	3,244	0	0	0	0	0	0	0	0	0	0	0	0
Quilcene - Liveaboard Background Ck Fee	0	120	0	0	0	0	0	0	0	0	0	0	0	0	0
Quilcene - Nightly Moorage	3,532	2,473	1,816	2,678	2,678	2,732	2,786	2,842	2,899	2,957	3,016	3,076	3,138	3,200	3,264
Quilcene - Showers	3,671	3,125	2,631	3,126	3,126	3,189	3,252	3,317	3,384	3,451	3,520	3,591	3,663	3,736	3,811
Quilcene - Reservations	770	182	285	495	495	505	515	525	536	547	557	569	580	592	603
Quilcene - Miscellaneous Revenue	20	32	32	77	77	79	80	82	83	85	87	88	90	92	94
Quilcene - Water	13,695	13,378	13,171	12,830	12,830	13,087	13,348	13,615	13,888	14,165	14,449	14,738	15,032	15,333	15,640
Quilcene - Electric	1,788	4,061	3,730	3,955	3,955	4,034	4,115	4,197	4,281	4,367	4,454	4,543	4,634	4,727	4,821
Quilcene - Recreational Ramp Fees	10,232	10,379	11,353	11,518	11,518	11,748	11,983	12,223	12,467	12,717	12,971	13,231	13,495	13,765	14,040
Quilcene - Commercial Use Fees	2,400	1,616	2,300	2,200	2,200	2,244	2,289	2,335	2,381	2,429	2,478	2,527	2,578	2,629	2,682
Quilcene - Empty Trailer Parking	0	0	1,196	972	972	991	1,011	1,031	1,052	1,073	1,095	1,117	1,139	1,162	1,185
Quilcene - Fuel Sales	19,744	4,291	0	0	0	0	0	0	0	0	0	0	0	0	0
Quilcene - Rental Property Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenues															
Bond/Debt proceeds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grant Revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Revenues						100,000	100,000	100,000	1,056,000	0	0	0	0	0	0
Total Operating & Other Revenues	\$166,058	\$167,103	\$169,275	\$163,935	\$163,935	\$267,214	\$270,558	\$273,969	\$1,233,449	\$180,997	\$184,617	\$188,310	\$192,076	\$195,918	\$199,836
Operating Revenues: Year over Year % Increase:						2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

					Input Closing Projection Here										
<u>OPERATING EXPENSES</u>	Actual 2019	Actual 2020	Actual 2021	Budgeted 2022	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032
Quilcene Salaries & Wages	\$35,386	\$33,991	\$30,655	\$43,136	\$43,136	\$43,999	\$44,879	\$45,776	\$46,692	\$47,626	\$48,578	\$49,550	\$50,541	\$51,552	\$52,583
Quilcene Payroll Taxes	4,678	4,029	3,472	4,659	4,659	4,752	4,847	4,944	5,043	5,144	5,247	5,352	5,459	5,568	5,679
Quilcene Employee Benefits	12,857	13,143	10,869	15,175	15,175	15,479	15,788	16,104	16,426	16,754	17,090	17,431	17,780	18,136	18,498
Quilcene Uniforms	240	0	0	300	300	306	312	318	325	331	338	345	351	359	366
Maint Salaries & Wages	15,444	20,309	17,375	21,220	21,220	21,644	22,077	22,519	22,969	23,429	23,897	24,375	24,863	25,360	25,867
Maint Payroll Taxes	1,907	2,427	2,076	2,292	2,292	2,338	2,385	2,432	2,481	2,531	2,581	2,633	2,685	2,739	2,794
Maint Employee Benefits	6,280	7,322	6,620	7,465	7,465	7,614	7,767	7,922	8,080	8,242	8,407	8,575	8,746	8,921	9,100
Enviro Salaries & Wages	251	283	594	0	0	0	0	0	0	0	0	0	0	0	0
Enviro Payroll Taxes	31	36	71	0	0	0	0	0	0	0	0	0	0	0	0
Enviro Employee Benefits	57	96	212	0	0	0	0	0	0	0	0	0	0	0	0
Contract Services	5,608	6,657	8,141	10,300	10,300	10,506	10,716	10,930	11,149	11,372	11,599	11,831	12,068	12,309	12,556
Insurance	5,686	6,980	8,310	9,141	9,141	9,324	9,510	9,701	9,895	10,092	10,294	10,500	10,710	10,924	11,143
Computer/Office Supplies	173	442	1,038	0	0	0	0	0	0	0	0	0	0	0	0
Operating supplies	1,146	619	635	455	455	464	473	483	493	502	512	523	533	544	555
Enviro - materials/supplies	140	5,313	0	100	100	102	104	106	108	110	113	115	117	120	122
Postage	150	150	125	150	150	153	156	159	162	166	169	172	176	179	183
Janitorial supplies	269	921	807	600	600	612	624	637	649	662	676	689	703	717	731
Fuel & Lubricants	0	13	42	0	0	0	0	0	0	0	0	0	0	0	0
Permits	273	249	249	360	360	367	375	382	390	397	405	414	422	430	439
Equipment Rental	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Claims & Damages	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bank Charges	1,553	1,516	1,583	1,025	1,025	1,046	1,066	1,088	1,109	1,132	1,154	1,177	1,201	1,225	1,249
Excise Tax	1,041	1,054	845	492	492	502	512	522	533	543	554	565	576	588	600
Bad Debt	0	374	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Expense	165	361	249	180	180	184	187	191	195	199	203	207	211	215	219
Repair & Maintenance Supplies	8,988	15,979	15,755	9,599	9,599	9,791	9,987	10,187	10,390	10,598	10,810	11,026	11,247	11,472	11,701
Utilities - Water	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities - Electric	3,631	5,106	5,157	5,280	5,280	5,386	5,493	5,603	5,715	5,830	5,946	6,065	6,186	6,310	6,436
Utilities - Sewer	173	492	439	558	558	569	581	592	604	616	628	641	654	667	680
Utilities - Garbage	1,621	1,857	2,396	2,025	2,025	2,066	2,107	2,149	2,192	2,236	2,280	2,326	2,373	2,420	2,468
Utilities - Fuels	1,301	1,022	1,483	1,600	1,600	1,632	1,665	1,698	1,732	1,767	1,802	1,838	1,875	1,912	1,950
Utilities - Telephone	5,428	2,814	3,677	3,726	3,726	3,801	3,877	3,954	4,033	4,114	4,196	4,280	4,366	4,453	4,542

OPERATING EXPENSES (continued)	Actual 2019	Actual 2020	Actual 2021	Budgeted 2022	Projected 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032
Advertising (legal)*	131	0	420	200	200	204	208	212	216	221	225	230	234	239	244
Marketing	0	0	805	1,000	1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219
Travel & Training	16	481	136	150	150	153	156	159	162	166	169	172	176	179	183
Cost of Fuel Sold	16,255	2,035	0	0	0	0	0	0	0	0	0	0	0	0	0
General & Administrative Allocation	34,894	38,104	35,544	39,024	39,024	39,804	40,601	41,413	42,241	43,086	43,947	44,826	45,723	46,637	47,570
Other Expenditures-From other tabs															
Capital Projects	0	0	0	0	0	100,000	100,000	100,000	1,056,000	0	0	0	0	0	0
Debt Service - Principal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service - Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating & Other Expenditures	\$165,772	\$174,175	\$159,780	\$180,212	\$182,234	\$283,816	\$287,493	\$291,242	\$1,251,067	\$198,969	\$202,948	\$207,007	\$211,147	\$215,370	\$219,677
Operating Expenses: Year over Year % Increase:						0.87%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Net Revenues less Expenditures	\$286	(\$7,072)	\$9,495	(\$16,277)	(\$18,299)	(\$16,603)	(\$16,935)	(\$17,273)	(\$17,619)	(\$17,971)	(\$18,331)	(\$18,697)	(\$19,071)	(\$19,453)	(\$19,842)
Rate Sensitive Revenues	\$166,058	\$167,103	\$169,275	\$163,935	\$163,935	\$167,214	\$170,558	\$173,969	\$177,449	\$180,997	\$184,617	\$188,310	\$192,076	\$195,918	\$199,836
Rate Impact	0.17%	-4.23%	5.61%	-9.93%	-11.16%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%	-9.93%

Note: A negative rate impact above quantifies, in terms or a percentage, the required rate increase, new source of revenue, or reduction in expenditures to balance the model.

Port of Port Townsend
Quilcene Marina
Capital Projects Worksheet

Note: Enter costs for each project in applicable year.

Project Name	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Restoration Program	\$100,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000
Marina Dock Repairs	0	0	0	256,000	0	0	0	0	0	0	256,000
Ramp Upgrade	0	0	0	400,000	0	0	0	0	0	0	400,000
Building Maintenance	0	0	0	150,000	0	0	0	0	0	0	150,000
Marina dredging	0	0	0	250,000	0	0	0	0	0	0	250,000
Project 6	0	0	0	0	0	0	0	0	0	0	0
Project 7	0	0	0	0	0	0	0	0	0	0	0
Project 8	0	0	0	0	0	0	0	0	0	0	0
Project 9	0	0	0	0	0	0	0	0	0	0	0
Project 10	0	0	0	0	0	0	0	0	0	0	0
Project 11	0	0	0	0	0	0	0	0	0	0	0
Project 12	0	0	0	0	0	0	0	0	0	0	0
Project 13	0	0	0	0	0	0	0	0	0	0	0
Project 14	0	0	0	0	0	0	0	0	0	0	0
Project 15	0	0	0	0	0	0	0	0	0	0	0
Project 16	0	0	0	0	0	0	0	0	0	0	0
Project 17	0	0	0	0	0	0	0	0	0	0	0
Project 18	0	0	0	0	0	0	0	0	0	0	0
Project 19	0	0	0	0	0	0	0	0	0	0	0
Project 20	0	0	0	0	0	0	0	0	0	0	0
Project 21	0	0	0	0	0	0	0	0	0	0	0
Project 22	0	0	0	0	0	0	0	0	0	0	0
Project 23	0	0	0	0	0	0	0	0	0	0	0
Project 24	0	0	0	0	0	0	0	0	0	0	0
Capital Projects	\$100,000	\$100,000	\$100,000	\$1,056,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,356,000

Carries over to "Projection Worksheet" Capital Project Expenditure Line.

Note: Enter funding sources to balance against costs above

Funding Sources	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Bond/Debt revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grant Revenues	0	0	0	0	0	0	0	0	0	0	0
Interfund Transfers In (IDD)	100,000	100,000	100,000	1,056,000	0	0	0	0	0	0	1,356,000
Other	0	0	0	0	0	0	0	0	0	0	0
Total Funding Sources	\$100,000	\$100,000	\$100,000	\$1,056,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,356,000

Carries over to "Projection Worksheet" Other Revenues section, individually.

Total Funding Sources less Project Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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Port of Port Townsend
Quilcene Marina
Debt Service Worksheet

Note: Enter Debt Service payments in schedule below

Description		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
GO Bond	Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Interest	0	0	0	0	0	0	0	0	0	0	0
	Total P&I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Revenue Bond	Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Interest	0	0	0	0	0	0	0	0	0	0	0
	Total P&I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
PWTF Loan	Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Interest	0	0	0	0	0	0	0	0	0	0	0
	Total P&I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Other Debt	Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Interest	0	0	0	0	0	0	0	0	0	0	0
	Total P&I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Debt Services Above

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Principal and Interest carries over to "Projection Worksheet" Debt Service

Port of Port Townsend
Quilcene Marina
Capital Reserve Contribution Worksheet

				Annual Contributions to Accumulate Funds for Future Project											
Current Cost of				Projected Cost of											
Project Name	Project	Escalator	Years (Mx 10)	Project	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Project 1	\$0	0.00%	1.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Project 2	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 3	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 4	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 5	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 6	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 7	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 8	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 9	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 10	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 11	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 12	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 13	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 14	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 15	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 16	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 17	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 18	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 19	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 20	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 21	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 22	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 23	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Project 24	0	0.00%	1.00	0	0	0	0	0	0	0	0	0	0	0	0
Total Reserve	\$0			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Leave unused lines
above at value of 1

Total line carries over to "Projection Worksheet" Capital Contribution line.

Check Figures Worksheet

This work sheet compares the balances from the individual tabs to their respective line items on the "Projection Worksheet". "OK" will appear if no variance exists. "WARNING" will appear if variance exists. Research and resolve an "WARNING" issues.

QUICK CHECK:

Capital Projects Worksheet Check:	OK
- Capital Projects	OK
- Bond/Debt Revenues	OK
- Grant Revenues	OK
- Interfund Revenues	OK
Debt Service Worksheet Check:	OK
Capital Reserve Worksheet Check:	OK

Capital Project Worksheet Check:

Per Capital Project Worksheet Tab:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Per Projection Worksheet Tab:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
Per Capital Project Worksheet Tab:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Bond/Debt revenues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Per Projection Worksheet Tab:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Bond/Debt proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Variance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
Per Capital Project Worksheet Tab:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Grant Revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Per Projection Worksheet Tab:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Grant Revenues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Variance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK

Per Capital Project Worksheet Tab:											
Interfund Transfers In (IDD)											
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
	\$100,000.00	\$100,000.00	\$100,000.00	\$1,056,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,356,000.00
	\$100,000.00	\$100,000.00	\$100,000.00	\$1,056,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,356,000.00
Per Projection Worksheet Tab:											
Other Revenues											
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
	\$100,000.00	\$100,000.00	\$100,000.00	\$1,056,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,356,000.00
	\$100,000.00	\$100,000.00	\$100,000.00	\$1,056,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,356,000.00
Variance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
Total Variance - All Sections:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK

Debt Service Worksheet Check:											
Per Debt Service Worksheet tab:											
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Per Projection Worksheet Tab:											
Debt Service - Principal	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Debt Service - Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Debt Service by year	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Variance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK

Capital Reserve Worksheet Check:											
Per Capital Reserve Worksheet tab											
Total Reserve Contribution	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Per Projection Worksheet Tab:											
Capital Reserve Contribution	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Debt Service by year	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Variance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	May 11, 2022
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. B. Future Meeting Format
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none"> • Staff Memo • Memo from Port Counsel regarding -COVID19, OPMA, and PRA Updates

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 5/11/2022
TO: Commission
FROM: Eron Berg, Executive Director
SUBJECT: Meeting format after June 1st

ISSUES

Following the expiration of the Governor's emergency orders at the end of the month, what format would the Commission like to use for its meetings?

BACKGROUND

As a result of the Covid-19 pandemic, Governor Inslee modified the Open Public Meetings Act to first eliminate in-person meetings of local government and then to require hybrid meetings (an online or remote option when meetings are held in person). Effective June 1st, 2022, those emergency orders are rescinded. Under Resolution 763-22, the Port Commission will return to in person meetings, without a hybrid option.

DISCUSSION

Unless the Commission desires to have the Port's general counsel attend in person, the Commission's meeting room and meetings will continue to have the equipment and connections for remote attendance. Therefore, maintaining a hybrid option that is also open to the public will not be difficult for regular meetings and workshops.

Port staff have heard from a number of members of the community that they appreciate the ability to participate remotely. If the Commission desires to maintain this capability, staff will propose an amendment to Resolution 763-22 that includes remote attendance and participation by the public.

FISCAL IMPACT

None identified herein.

ATTACHMENTS


Memo from Allison Beard dated May 2, 2022

RECOMMENDATIONS

Discuss and provide direction on the Commission's meeting format post-Covid emergency orders.

MEMORANDUM

TO: MUNICIPAL CLIENTS **DATE:** MAY 2, 2022

FROM: ALLISON M. BEARD 

SUBJECT: OPMA AND PRA COVID-19 EMERGENCY REQUIREMENTS RESCINDED
EFFECTIVE JUNE 1, 2022

This memorandum regarding recent updates to the Governor's emergency proclamations related to the Open Public Meetings Act ("OPMA") and the Public Records Act ("PRA") was prepared and provided as a courtesy to our municipal clients.

For the past two years, there have been several emergency proclamations issued by Governor Inslee under the Proclamation 20-28 series mandating certain requirements for municipal agencies subject to the Open Public Meetings Act ("OPMA") and the Public Records Act ("PRA"). The Governor's proclamations affecting open public meetings required public meetings to be held remotely, with the later option of including an in-person component to the meetings. The proclamations affected public record requests by not requiring agencies to allow in-person inspections of records and suspended the 5-day response requirement for all requests other than those received electronically.

On April 29, 2022, Governor Inslee issued Proclamation 20-28.16, which rescinds the Proclamation 20-28 series effective at 12:01 AM on June 1, 2022. You can find a full version of this newest proclamation [here](#).

PRA UPDATES:

Effective June 1, 2022, public agencies are again required to allow inspection of the records at their facilities/office as an option for public record requests. The five-day response requirement is required again, regardless of the format of the request.

OPMA UPDATES:

Effective June 1, 2022, meetings subject to the OPMA are no longer required to be held remotely. The default will be that meetings will be held at a physical location again. However, recall that earlier this year, new legislative updates to the OPMA under ESHB 1329 provided some new nuanced requirements for open public meetings.

ESHB 1329 UPDATES:

Here is a quick summary of the notable updates to the OPMA under ESHB 1329:

- The Legislature encourages public agencies to make use of remote access tools “as fully practicable” to encourage public engagement.
- Public agencies are encouraged to accept public comment during their decision-making process.
- Agencies are encouraged to provide for “real-time telephonic, electronic, internet, or other readily available means of remote access.”
- Agencies are encouraged to make audio or video recordings of regular meetings available online for a minimum of six months.
- All meetings of a governing body of a public agency must be held in a physical location where the public can attend (unless there is a declaration of emergency – see next bullet below).
- If there is a declaration of emergency and an agency can’t safely meet in person, it may hold a remote meeting or limit the physical attendance of the public. No action may be taken at a remote meeting when the public can’t be present.
- Members of the governing body may attend the meeting by phone or other electronic means that allows for real-time verbal communication (regardless of whether there is a declaration of emergency).
- The announced purpose for excluding the public for executive session must be entered in the meeting minutes.
- At any meeting when final action (a vote) will be taken, public comment must be allowed.
- If oral comment is allowed and an individual who has difficulty attending the meeting in-person requests an opportunity to provide oral comment remotely, the agency must provide this opportunity when feasible.
- The bar for being able to opt out of posting agenda’s online is now much higher.
- The rules for posting notice of special meetings have changed slightly.

Some changes to the OPMA under ESHB 1329 are effective March 24, 2022, while others do not become effective until June 9, 2022. For the full details of the new requirements under the OPMA, you can access a ESHB 1329 [here](#).

STATE OF EMERGENCY STILL IN EFFECT

Note that the State of Washington is still in a “state of emergency” (Proclamation 20-05 is still in effect). Because the state of emergency is ongoing, some public agencies may have their own emergency declarations and policies still in place. Now may be a good time for public agencies to re-examine their COVID-19 OPMA and other workplace policies to and to update them accordingly.

If your public agency needs assistance reviewing its COVID19 OPMA or other workplace policies, please contact Allison Beard of Chmelik, Sitkin & Davis P.S. at abeard@chmelik.com or 360-671-1796.

Allison

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	May 11, 2022
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. C. ICG Meeting Preparation: Capital Project List
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input checked="" type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none"> 5-year Capital Improvement Plan adopted 11/10/2021

To discuss a capital project list (critical infrastructure) for the Intergovernmental Collaborative Group meeting on May 19, 2022 at 5:00 PM.

5-YEAR CAPITAL IMPROVEMENT PLAN

5 Year Capital Improvement Program years 2022-2026 as of November 10, 2021

	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 Present Weather Sensor		30,000	-	-	-	-	30,000
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 \$50K		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 November 10, 2022

Page 2

	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		818,000	100,000	100,000	100,000	1,200,000	2,318,000
Total Estimated Project Expenses		11,771,985	11,680,096	4,626,515	1,390,518	11,261,000	40,730,114

Capital Funding Sources

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 Building Preservation (including roofs)		(60,000)	-	-	-	-	(60,000)
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 Sources, page 2

FUNDING SOURCES	note	2022 estimate	2023 estimate	2024 estimate	2025 estimate	2026 estimate	Total 5 year 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)
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)		(40,000)	(100,000)	(100,000)	(100,000)	(525,000)	(865,000)
PH Roadway Resurfacing		-	-	-	-	(165,000)	(165,000)
JCIA Renovate Hangars		-	-	-	(100,000)	(500,000)	(600,000)
TOTAL PROJECTED IDD LEVY FUNDS USE		(3,710,941)	(4,165,800)	(1,558,700)	(550,000)	(4,771,000)	(14,756,441)

Capital Funding Sources, page 3

FUNDING SOURCES	note	2022 estimate	2023 estimate	2024 estimate	2025 estimate	2026 estimate	Total 5 year estimate
NET OPERATING INCOME (NOI)							-
FAA NPE -New Connector Taxiway A2, Install Sign							-
<i>Phase 1 Design (match to FAA NPE fund)</i>		(4,500)	-	-	-	-	(4,500)
<i>Phase 2 Construction (FAA NPE fund)</i>			(8,334)	-	-	-	(8,334)
<i>Phase 2 Construction (FAA ST/DI fund)</i>			(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		(30,000)					(30,000)
70/75 Ton & 300 Ton Yard Resurfacing		-	(50,000)	-	-	-	(50,000)
70/75 Ton & 300 Ton Yard Expansion Southwest		(50,000)					(50,000)
70/75 Ton & 300 Ton Yard Expansion Northwest 25-feet		-	(250,000)				(250,000)
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		(818,000)	(100,000)	(100,000)	(100,000)	(1,200,000)	(2,318,000)
TOTAL PROJECTED NOI FUNDS USE		(1,083,050)	(657,779)	(150,000)	(266,667)	(1,890,000)	(4,047,496)
Total Funding Sources Secured		(11,374,800)	(11,051,356)	(2,740,000)	(1,133,333)	(6,661,000)	(32,960,489)
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		(11,771,985)	(11,680,096)	(4,626,515)	(1,390,518)	(11,261,000)	(40,730,114)

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

	note	2022 Budget	2023 Projection	2024 Projection	2025 Projection	2026 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	5,882,437	6,117,734	6,362,444	6,616,942	6,881,619
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	11,374,800	11,051,356	2,740,000	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		18,971,845	18,911,234	10,840,348	9,531,021	14,799,045
Net INFLOW / OUTFLOW -- Change in Cash Balance		(937,344)	(1,248,478)	1,946,148	2,768,702	(2,581,509)
Projected Beginning Year Cash		6,737,125	5,799,781	4,551,303	6,497,451	9,266,153
Total Ending Year Cash & Investments		5,799,781	4,551,303	6,497,451	9,266,153	6,684,644
Total Ending Cash Reserves		4,458,524	2,520,576	3,891,375	6,272,230	4,433,482
Total Unreserved Cash		1,341,257	2,030,727	2,606,076	2,993,923	2,251,162
RESERVE BALANCES						
IDD Levy Reserve	h	1,543,438	11,927	1,087,516	3,171,805	1,035,094
Port Wide Capital Reserve	i	941,646	491,646	741,646	991,646	1,241,646
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:

- a.) Revenues - Operating were increased conservatively each year by 3.0% after 2022, based on averaging 10 year historical results.
- b.) 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 Assessor). The IDD levy is held at the proposed 2022 level to support the significant capital projects in the next several years.
- c.) 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 grants, per the 5 Year Capital Improvement Plan.
- d.) 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.
- e.) 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 in 2021 as a bridge.
- f.) 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.
- g.) 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 10 year historical average, in addition to projected capital costs for that year.
- h.) 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.
- i.) 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 through 2026, however, an update or revision to the resolution would be required.
- j.) With the Boat Haven centric projects planned for 2022, this reserve is expected to be exhausted.
- k.) 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 progressive savings, we anticipate that this reserve will be fully funded by 2022, instead of 2024, with small annual increases to keep up with the target as operations expenses increase.
- l.) 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.

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	May 11, 2022
AGENDA ITEM	<input type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input checked="" type="checkbox"/> Informational
AGENDA TITLE	Informational Items
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input checked="" type="checkbox"/> Information <input type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ul style="list-style-type: none"> Port Lease Brief & Lease List Port of Port Townsend 2021 Annual Report (unaudited) Corrected March 2022 YTD (Quarter 1) report & memo Cantwell WRDA Request

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 5/6/2022
TO: Commission
FROM: Sue Nelson, Lease & Contracts Administrator
SUBJECT: May 11, 2022, Lease Briefing

ISSUE

The purpose of this memo is to keep the Commission informed about existing, planned and potential leases.

BACKGROUND

As of the beginning of this month the Port has **41** land leases, **38** building leases, **32** rental agreements and **4+** vacancies.

Vacant properties include Point Hudson: Northern half of duplex; Main Building water-view office. Boat Haven: two, possibility of three north-facing offices in the Nomura Building.

DISCUSSION

New Agreements:

- SEA Marine, Armory Building sail loft space, 5-year + one 5-year option
- Station Prairie, LLC (Seton), JCIA Hangar site #5, 50-year lease
- Sail Port Townsend, woman-owned business – month-to-month agreement, begins May 1, 2022, for office 2-D, Nomura Building. Captain Amber teaches ASA certified courses & offers charters. Mostly used for office space, training averages 2 hrs/day, twice/wk for average of 4 students/class.

Exercising Lease Options:

- Best Coast Canvas provided 90+ days' notice to exercise option 2 of 3 for another year, 8/1/22-7/31/23.

Assignments/Assumptions: none at this time

Terminated/Expired Agreements: none at this time

License & Use Agreement:

- Key City Public Theater, use of a 1600 sq ft parcel of land at Point Hudson, located between the Armory Building and the Puget Sound Express office, for an annual fundraising event. They are licensed to use the land June 24 & 25 for the June 25 1:30 – 3:00 p.m. fundraiser event (plays and Broadway showtunes).

May Rent Increases:

- **CPI Increase (4.6%):** K Hangar Condo Assoc.; N-Hangar North (Morrison); N-Hangar South (Morrison-Lark Aircraft Leasing); Commander's Beach House; PT Aero Museum (museum land, expansion, and M-Hangar
- **Market Rate Increase (5%):** Leo Goolden; Kimmel's Crab Shack; Doc's Marina Grill, PT Aero Museum T-hangar (published JCIA rate)
- **Step Increase:** Blue Moose Café

Miscellaneous:

- A proposed Lease Assignment of Dave's Mobile Welding to Armstrong Consolidated, LLC (ACI Boats) is planned for the May 25, 2022, commission meeting.
- SEA Marine has been working to obtain a permit from the City for the installation of two mini-split ductless heat-pump systems for heating and cooling in the sail loft portion of the Armory Building. The contractor is ready to go!

FISCAL IMPACT

N/A

ATTACHMENTS

1. 2022 Lease List

RECOMMENDATIONS

For information only.

PORT OF PORT TOWNSEND LEASE LISTING

Boat Haven - PROPERTY		MAY 2022		
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/STEP Incr.	REMARKS
Admiral Ship Supply	1,860.13	1/31/2025*	2/1/2023	*One 5-yr option available.
Andersen Machine Shop	269.06	9/30/2027	10/1/2022	Land lease.
Andersen Machine Shop	57.00	Mo/Mo	6/1/2022	228 sf additional land for storage adjacent shop. 30 day notice for rate increases.
Armstrong Consolidated LLC	9,041.51	Mo/Mo	30-day notice	Discussing lease possibilities. 30-day notice for rate increases.
Armstrong Consolidated LLC	445.83	Mo/Mo	30-day notice	Additional space upstairs.
Blue Moose Café	673.20	10/31/2026*	11/1/2022	*5-yr option available. 24-mo step to market. Step increase.
Crown Castle (cell tower)	13,833.96/yr	6/30/2025*	6/1/2022	*One 5-yr option remains. Pay one mo in arrears..
Crown Castle - AT&T Sub-Lease	939.12		9/1/2022	Annual lease renewal. 6.5% annual increase 9/2019-9/2022. Pay one mo in arrears.
Dave's Mobile Welding (Dave Fletcher)	3,002.19	8/31/2022*	9/1/2022	*Two 1-yr options remain.
Eagle Harbor Marine	274.59	Mo/Mo	9/1/2022	Land rental. 30-day notice for rent increases.
EDC Team Jefferson	790.01	Mo/Mo	7/1/2022	2nd floor Nomura Bldg (767 sf). 30--day notice for rent increases.
Ernst R. Baird (Haven Boatworks)	900.88	2/28/2029	3/1/2023	Land lease. Includes 6' x 50' Lumber rack.
Fine Yacht Interiors	1,316.19	5/31/2025*	6/1/2022	*One 3-yr option remains. Exercised 2nd option 6/1/22-5/31/25.
Flye, Todd dba On The Flye	375.47	1/31/2025	2/1/2023	Land lease-temporary structure. No options remain.
Gatheringplace	185.95	10/31/2022	N/A	Nomura Bldg, ground floor. License Agrmnt-"Raven Room", Nomura Bldg-Disabled trainging-dog biscuits. License eff. April 1, 2021.
Goolden, Leo (Sampson Boat Co)	1,039.36	Mo/Mo	6/1/2023	30-day notice for increases. (M/V Tally Ho project-up to 2 yrs.) MR applied.
Haven Boatworks	1,269.22	Mo/Mo	1/1/2023	Former J&S Bldg., Haines St. 30-day notice for rent increases.
Jefferson County (Commission Bldg)	1,765.18	9/30/2026	10/1/2022	5-yr. 180 day termination notice-either party.
Jefferson County MRW	0.00	12/31/2024	N/A	Interlocal Agreement. Port to pay Jefferson Co. \$49,107.00 by 12/31/24 for depreciated capital improvements to MRW by the County.
Jochems Property Mgmt.	326.47	10/31/2026	1/1/2024	Land lease. CPI every two years, next 1/1/2024.
Johnson Fabrication	1,712.76	8/31/2022	6/1/2022	Port has 120-day option to terminate lease, due to building condition.
Key City Fish Co. (10th Street-seafood mrkt)	1,842.74	8/31/2023	9/1/2022	Seafood market.
Key City Fish Co. (Haines PL-refrigeration)	775.10	11/30/2024*	12/1/2022	*Two 5-yr options available.
Kimmel's Crab Shack	2,267.91	4/30/2049	5/1/2023	Land lease. MR.
Kulin/Vizzini Svcs, Inc. (PT Rigging)	511.33	3/31/2030	4/1/2023	Land lease. 4.6% CPI applied.
NW Maritime Center (Marine Thrift)	614.34	1/31/2023*	2/1/2023	*Two-1-yr options remain.
NW School of Wooden BoatBuilding	509.78	6/30/2026*	7/1/2022	*One 5-yr option available. 25% of prevailing rate. Lease supersedes rent agrmnt.
Octopus Gardens Diving	896.00	6/30/2026	7/1/2022	24 mo. stepped rent to achieve market rate.
Olympic Boat Transport LLC	51.68	Mo/Mo	2/1/2023	Relocated crane next to Pete's Marine w/new mo-mo agreement, smaller footprint.
Pete Stein & Compass Woodwork	5,180.56	5/31/2026*	6/1/2022	*One 5-yr option available. Amended lease includes Bldg 2 & 3. 18-mo step rent. Paying Bldg 3 dep in full, continuing with stepped dep for Bldg 2.
Pete Stein & Compass Woodwork	94.00	Mo/Mo	6/1/2022	40'x8' land & 7'x8' land for equipment.
Pete's Marine Services	1,415.66	7/31/2023*	8/1/2022	*Two 1-yr options available.
Port Townsend Fuel Dock LLC	650.00	6/30/2024*	N/A	*One 5-yr term remains. 2% flowage fee pays rent. MR applies.
PT Furniture Clinic	616.99	1/31/2023*	2/1/2023	*Two 1-yr options remain.
PT Sailing Assoc. - License	412.80/yr	8/31/2022*	9/1/2022	*One 1-yr option remains. Use of land near Octopus Dive for sailing activities. CPI.
PT Sailing Assoc.	114.67	Mo/Mo	9/1/2022	Use of land near Octopus Dive for storage container.
Port Townsend Shipwrights, Inc.	6,030.15	7/31/2050	8/1/2022	Land lease. Market rate incr 8/1/30-every 10 yrs.
Pt Townsend Yacht Club	295.44	2/28/2026	3/1/2027	Land lease.
Revision Marine	2,020.22	12/31/2024	1/1/2023	Bldg/Land lease
Rubicon Yachts, LLC	1,515.00	11/30/2022	N/A	New 1-yr lease, effective December 1, 2021.
Sands, Guy & Kim (PT Brewing Co.)	3,273.12	5/31/2026*	6/1/2022	*Two 5-yr options remain. Bldg & Land.
Sands, Guy & Kim (PT Brewing Co)	150.00	Mo/Mo	10/1/2022	600 sf outdoor dining area.
Scow Bay Boats	498.41	9/30/2023*	10/1/2022	*One 3-yr option. Land lease-temporary structure.
Sail Port Townsend	191.16	Mo/Mo	5/1/2023	2nd floor office #2-D, Nomura Bldg.
Sea J's Café (Estate of Florence Jevne)	1,070.69	Mo/Mo	6/1/2022	Mo/Mo Building & Land agreement.
Skookum Corporation	915.01	3/31/2026*	4/1/2023	Annual step increases/*one 5-yr option/renting 3,036 sf lower floor, Nomura Bldg.
Sunrise Coffee	1,821.40	9/30/2031*	10/1/2022	*Two 5-yr options available. Deposit balance-6 installments.
Takaki, Jennifer (Marina Café)	531.20	12/31/2026	7/2/2022	5-year lease, stepped rent to achieve MR in 18 mos. Deposit in full.
Takaki, Jennifer (Marina Café)	99.00	Mo/Mo	10/1/2022	396 sf outdoor dining ara. CPI applies.
Thompson, Dave	687.49	Mo/Mo	11/1/2022	Land with temporary structures.
Tree Ring, LLC	130.68	Mo/Mo	3/1/2023	New month/month agreement-small office (2-G) upstairs, Nomura Bldg.
University of WA - Sea Grant	224.64	Mo/Mo	4/1/2023	Office 2-E, Nomura Bldg. Tenancy begins 3/15/22-pro-rated rent.
U. S. Coast Guard	5,488.05	9/30/2023	10/1/2022	Annual lease renewal & step increases.

PORT OF PORT TOWNSEND LEASE LISTING

Point Hudson - PROPERTY	MAY 2022			
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ STEP Incr.	REMARKS
Best Coast Canvas	1,890.00	7/31/2023*	8/1/2022	Armory Bldg. *Exercised 2nd of 3 1-yr options (8/1/22-7/31/23)
Brion Toss Yacht Rigging	812.28	8/31/2024	9/1/2022	Armory Bldg. 5-yr lease, no options.
Brooks, Cindy	37.80	Mo/Mo	N/A	54 sf floor in Armory Bldg thru June to work on wherry for 70/48 race
Commanders Beach House	2,277.52	4/30/2025	5/1/2023	Assignment to D & N Dionne. CPI applied.
Doc's Marina Grill / TNT Restaurants LLC	3,074.53	4/30/2027	5/1/2023	Exercised last 5-yr option 5/1/22-4/30-27. Wants a new 10-yr lease.MR
GatheringPlace	N/A	N/A	N/A	Southern half of duplex. Leasehold exempt - Non-profit
Hagen Designs	600.77	Mo/Mo	4/1/2023	Archive rm, Main Bldg. Short term. MR applied.
Hanson of Port Townsend Inc.	345.78	5/31/2023*	6/1/2022	Armory Bldg. *Two 1-yr options remain: 6/22 , 6/23, 6/24.
Hudson Point Café	1,514.85	6/30/2025*	7/1/2022	Main Bldg. *One 5-yr option available.
Hudson Point Café Office #10, Main Bldg.	264.00	Mo/Mo	7/1/2022	Main Bldg. Restaurant view office.
Hudson Point Café Office #8	237.60	Mo/Mo	6/1/2022	Main Bldg. Restaurant storage, non-view office.
Hudson Point Café	117.73			Main Bldg - common area fee-restroom cleaning/stocking
Marine Resources Consultants Inc.	491.82	9/30/2022*	10/1/2022	Armory Bldg. *One 2-year option available.
Marine Surveys & Assessments	1,548.94	3/31/2024	4/1/2023	Cupola House. Scheduled step increases.
Mark Kiely Design	264.00	Mo/Mo	11/1/2022	Main Bldg., small view office.
Mark Kiely Design	7.77			PH Main Bldg - common area fee-restroom cleaning/stocking
Northwest Maritime Center	1,337.50	6/30/2051	7/1/2022	Former Landfall site-plan to build 3000 sf classroom.
Northwest Maritime Center (Swan Hotel)	516.00/yr	auto renew	6/1/2024	License-encroachment. MR every 3-yrs. Port may term w/180-day notice
Puget Sound Express	1,106.50	12/31/2025	1/1/2023	No options remain.
Schooner Martha Foundation	756.29	12/31/2024*	1/1/2023	*One 5-yr option available.
SEA Green Partners d/b/a SEA Marine	2,301.15	4/30/2027*	5/1/2023	*One 5-yr option. Armory Bldg-Upstairs sail loft space.
Shanghai Restaurant	2,472.01	10/31/2026	11/1/2022	No options remain.
Shanghai Restaurant	174.90			PH Main Bldg - common area fee-restroom cleaning/stocking
Shannon Partners LLC	2,242.14	6/30/2027	7/1/2022	Ground lease for SEA Marine facility.
The Artful Sailor	503.50	11/30/2022*	12/1/2022	Armory Bldg. *Two 1-yr options remain.
The Artful Sailor	429.80	Mo/Mo	2/1/2023	Armory Bldg. Expanding shop to include small shop north. of current shop.
U.S. Customs	3,034.75	12/20/2027	GSA determines	Hospital Bldg. Accepted 5-yr option 12/2022 - 12/2027
Uptown Dental Clinic	260.00	Mo/Mo	11/1/2022	Northern half of duplex, second floor, 90 sf office.
Washington Dept. of Fish & Wildlife	8,430.97	3/21/2024*	N/A	Hospital Bldg. *One 5-yr option.
Waterline Boats, LLC	\$ 264.00	Mo/Mo	7/1/2022	Main Bldg, small view office.

PORT OF PORT TOWNSEND LEASE LISTING

JCIA - PROPERTY	MAY 2022			
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ Step Incr.	REMARKS
A Hangar Condo Association	1,108.08	11/20/2045	12/1/2022	Land lease. Hangars 'E' & 'F'.
Aurora Aircraft Maint & Restoration	523.49	10/31/2026*	11/1/2022	*One 5-yr option remains.
Aurora Aircraft Maint & Restoration		12/31/2023	N/A	Fuel Concession. If Erickson replaces tank, one more 5-yr option available. Port is paid 2%/fuel sales for lease.
Broderson, Dennis	58.28	2/28/2016	3/1/2023	T-hangar pad LEASE T-403(Q) '22 adopted rate appld (7¢/sf)
Dow Jeffery & Jorja	344.91	12/31/2028	8/1/2022	Land lease. Hangar 'D'.
Eber, Lorenz	60.00	Mo/Mo	12/1/2022	T-hangar pad, #T-404(P)
Erickson, Warren & Karen	173.65	7/26/2057	3/1/2023	Land lease. Hangar '4-B'.
G Hangar Condo Assoc.	535.79	6/9/2047	7/1/2022	Land lease.
Grandy, Richard	174.16	7/26/2057	3/1/2023	Land lease. Hangar '4-A'.
H-Hangar Corp., Inc.	498.04	6/22/2049	7/1/2022	Land lease.
Hangar C Group LLC	518.78	4/30/2053	12/1/2022	Settled 2/25/21: Amend #6: Ext. term.
Hangar J Lease (Holt)	244.56	10/1/2050	10/1/2022	Land lease.
Hood Canal Aviation LLC/Jim Piper	173.65	7/26/2057	3/1/2023	Land lease. Hangar '4-C'.
JEFFCO Hangar Assoc., Inc.	682.14	11/30/2041	12/1/2022	11,369 sf, hangar site 'I'.
K-Hangar Assoc. @ JCIA	530.59	4/25/2049	5/1/2023	Land lease. CPI applied.
L Hangar Condo Assoc @JCIA	585.34	10/31/2048	10/1/2022	Land lease.
Lemanski, Tom & Linda	70.00	Mo/Mo	3/1/2023	T-hangar pad, T-405. 2022 adopted rate applied (7¢/sf)
Marlow, William (December Annual)	150.00/yr	N/A	N/A	Easement effective until terminated
Morrison, Neil/Lark Leasing	174.17	4/30/2053	5/1/2023	Land lease. Hangar 'N-North'. CPI applied.
Morrison, Neil	174.17	4/30/2053	5/1/2023	Land lease. Hangar 'N-South'. CPI applied.
Northrup, Mildred/Hopkins	70.00	Mo/Mo	3/1/2023	T-hangar pad, T-406(M). 2022 adopted rate applied (7¢/sf)
NW Hangars LLC	1,778.99	7/26/2057	3/1/2023	Land lease. Hangars '7' & '8'.
Port Townsend Aero Museum	395.39	7/31/2052*	5/1/2023	*One 25-yr option. Museum bldg-land lease.
Port Townsend Aero Museum	338.90	7/31/2052*	5/1/2023	*One 25-yr opt. Museum bldg-land lease (expan.). CPI appl.
Port Townsend Aero Museum	582.92	7/31/2052*	5/1/2023	*One-25 yr option. Maintenance bldg-land lease. CPI appl.
Port Townsend Aero Museum	231.78	4/30/2053	5/1/2023	M' Hangar. Separate land lease. CPI applied.
Port Townsend Aero Museum	70.00	Mo/Mo	5/1/2023	T-hangar pad, T-400(S). MR applied.
Port Townsend Aircraft Services	280.20	6/30/2035*	7/1/2022	*Two 10-yr options.
Pratt Sr., David	70.00	Mo/Mo	3/1/2023	T-hangar pad, T-401(N). 2022 adopted rate applied (7¢/sf)
Scheall, Daniel	58.28	2/28/2026	3/1/2023	T-hangar pad LEASE T-402(O)'22 adopted rate appld (7¢/sf)
Spruce Goose	218.57	9/30/2029*	10/1/2022	*Two 5-yr options. CPI/MR apply.
Station Prairie	525.00	4/30/2072	5/1/2023	Hangar site pad #5.
Wexman, Scott & Diana Levin	252.48	3/31/2053	4/1/2023	Land lease. Hangar 'O'. 4.6% CPI applied.

PORT OF PORT TOWNSEND LEASE LISTING

QUILCENE - PROPERTY	MAY 2022			
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ Step Incr.	REMARKS
Canterbury, Ray	<i>fluctuates</i>	N/A		<i>Water rights.</i>
Coast Seafoods	\$ 5,494.92	12/31/2039	1/1/2023	Land lease.
Coast Seafoods	<i>fluctuates</i>			<i>Water.</i>
Quilcene Harbor Yacht Club	\$ 227.92	11/30/2019	12/1/2022	The fate of the building is a subject of the Quilcene planning process. Working twds new agreement.
Quilcene Harbor Yacht Club	<i>fluctuates</i>			<i>Water.</i>
Quilcene Village Store	\$ 110.92	Mo/Mo	9/1/2022	1 yr lease - kayak rack & ground it sits on



Annual Report

For Fiscal Year Ending December 31, 2021
(unaudited)

**PORT OF PORT TOWNSEND
2021 Annual Report**

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PORT OF PORT TOWNSEND FINANCIAL STATEMENT

For the year ended December 31, 2021

FUND RESOURCES & USES ARISING FROM CASH TRANSACTIONS

Beginning Cash & Investments		
3083100	Restricted	676,972
3084100	Committed	1,385,090
3085100	Assigned	2,288,877
Revenues		
310	Taxes	2,720,931
330	Intergovernmental Revenues	604,961
340	Charges for Goods & Services	5,603,326
361	Investment Earnings & Other Interest	3,432
362	Rents & Leases	1,444,338
369	Miscellaneous Revenues	116,815
Total Revenues		<u>\$ 10,493,803</u>
Expenditures		
5460010	Airports & Ports - Salaries	2,339,530
5460020	Airports & Ports - Benefits	1,047,450
5460030	Airports & Ports - Supplies	1,813,470
5460040	Airports & Ports - Services	362,026
Total Expenditures		<u>\$ 5,562,476</u>
Excess (Deficiency) Revenues over Expenditures		\$ 4,931,327
Other Increases in Fund Resources		
3821-3822	Refundable Retainage & Deposits	111,315
3829	Immaterial Fiduciary Collections	673,776
Total Other Increases in Fund Resources		<u>\$ 785,091</u>
Other Decreases in Fund Resources		
594 - 595	Capital Expenditures	1,847,887
591 - 593, 599	Debt Service	1,280,328
5821-5822	Refund of Retainage & Deposits	24,899
5823	Non-Fiduciary Remittance	675,339
Total Other Decreases in Fund Resources		<u>\$ 3,828,453</u>
Increase (Decrease) in Cash & Investments		<u>\$ 1,887,965</u>
Ending Cash & Investments		
5083100	Restricted	2,184,600
5084100	Committed	2,562,964
5085100	Assigned	1,491,339
Total Ending Cash & Investments		\$ 6,238,903

The accompanying notes are an integral part of this statement.

PORT OF PORT TOWNSEND

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

Note 1 - Summary of Significant Accounting Policies

The Port of Port Townsend was incorporated in 1924 and operates under the laws of the state of Washington applicable to a port district. The Port is a special purpose government and shares the same geographic boundaries as Jefferson County, Washington. The Port is independent from Jefferson County government and is administered by a Board of Commissioners with three (3) members each elected by Port district voters. The county levies and collects taxes on behalf of the Port.

The Port owns and operates the Port Townsend Marine Industrial Park, the Port Townsend Boat Haven, and the Port Townsend Boat Yard. These contiguous properties provide marina and dock facilities as well as marine related commercial business locations, and vessel haul out and services to vessels up to 300 tons. The Port also owns and operates the Jefferson County International Airport, a 300-acre general aviation facility located seven (7) miles from Port Townsend, Washington. Adjoining the airport is 25 acres which is planned for future industrial park development. The Port also owns and operates the 30-acre Point Hudson facility, located at the east end of downtown Port Townsend. This facility offers approximately 4,000 linear feet of boat moorage, 50 recreational vehicles sites, and additional marine related and commercial property rentals. In Quilcene, the Port owns and operates a small, warm water marina with a boat ramp, and alongside it is a leased property for an oyster cultivating operation. Finally, the Port owns six (6) additional recreational and water use properties throughout Jefferson County.

Management has considered all potential component units in defining the reporting entity. These financial statements present the Port and its component unit. The component unit discussed below is included in the district's reporting entity because of the existence of its operational or financial relationship with the district.

The Industrial Development Corporation (IDC), a public corporation, is authorized to facilitate the issuance of tax-exempt non-recourse revenue bonds to finance industrial development within the corporate boundaries of the Port. Revenue bonds issued by the Corporation are payable from revenues derived because of the industrial development facilities funded by the revenue bonds. The bonds are not a liability or contingent liability of the Port or a lien on any of its properties or revenues other than industrial facilities for which they are used. There have been no IDC bond issues since 1988.

The IDC is governed by the Port's three (3) member Commission. The IDC's account balances and transactions are included as a blended unit within the Port's financial statements. Separate financial statements of the individual component unit discussed above can be obtained from the Port administrative offices at 2701 Jefferson Street, Port Townsend, WA.

The Port reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.

- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are presented using classifications that are similar to the ending balance classification in GAAP.

A. Fund Accounting

The Port maintains its accounts on the basis of funds, specifically an enterprise fund. This type of fund accounts for operations that provide goods or services to the public and are supported primarily through user charges and uses a separate set of self-balancing accounts that comprises its cash and investments, revenues, and expenditures.

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received, and expenditures are recognized when paid.

In accordance with state law RCW 36.40.200, Jefferson County is allowed and has opted to use an open period to recognize expenditures paid during the first twenty (20) days after the close of the fiscal year for claims incurred during the previous period. Since Jefferson County acts as the Port's treasurer, the Port is allowed and has opted to follow the county's policy of using the same twenty (20) day open period for expenses.

C. Cash and Investments

See Note 2, Deposits and Investments.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$10,000 and an estimated useful life more than one (1) year. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to 320 days and is payable upon separation or retirement if the employee has worked at least six (6) continuous months as a regular employee with the Port. Sick leave policy allows employees to cash out up to 50% of their accrued sick leave hours, dependent on longevity with the Port, upon termination of employment, and capped at a maximum cash out of 250 hours.

The total compensated absences balance as of December 31, 2021, was \$253,262. See Schedule 09, Schedule of Liabilities.

F. Long-Term Debt

See Note 4, Long Term Debt.

G. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when subject to restrictions on use imposed by external parties or due to internal commitments established by the Port Commission via resolution. When expenditures that meet such restrictions are incurred, the Port intends to use the most restricted resources first.

Restrictions and commitments of Ending Cash and Investments consist of \$4,747,564 as of December 31, 2021. The details of the total ending restricted and committed balances are as follows:

Leasehold Excise Tax	\$ 146,922
Industrial Development District reserve	2,037,678
Port-Wide Capital reserve	751,646
Port Townsend Boat Haven reserve	447,878
Operating reserve	863,440
Emergency reserve	<u>500,000</u>
Total	<u>\$ 4,747,564</u>

Note 2 – Deposits and Investments

It is the Port's policy to invest all temporary cash surpluses.

All deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protection Commission. All investments are insured, registered, or held by the Port or its agent in the government's name.

The Port is a voluntary participant in the Washington State Local Government Investment Pool (LGIP), an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather, oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The pool does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at www.tre.wa.gov.

Investments and deposits by type as of December 31, 2021 are as follows:

Type of Deposit/Investment	Port's own Deposits and investments	Investments held by Port as an agent for other local governments, individuals, or private organizations.	Total
LGIP	\$ 5,778,300	\$ 0	\$ 5,778,300
General Fund (warrants) (held by Jefferson County)	279,374	0	279,374
Kitsap Bank (depository)	122,838	0	122,838
Kitsap Bank (checking)	52,000	0	52,000
U.S. Bank (I.D.C. CD)	3,660	0	3,660
U.S. Bank (Quilcene checking)	1,370	0	1,370
U.S. Bank (I.D.C checking)	1,361	0	1,361
Total	\$ 6,238,903	\$ 0	\$ 6,238,903

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the Port would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The Port's deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered, or held by the Port or its agent in the government's name.

Note 3 - Property Tax

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed at the end of each month.

Property tax revenues are recognized when cash is received by the Jefferson County Treasurer. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The Port's regular levy for the year 2021 was \$0.16 per \$1,000 on an assessed valuation of \$6,445,175,673 for a total regular levy of \$1,048,500 as of budget adoption.

Jefferson County voters passed an Industrial Development District (IDD) Levy for the Port in the November 2019 election. The year 2019 became the "base" year for the levy with first collection in the year 2020. The IDD levy for the year 2021 was \$0.26 per \$1,000 on an assessed valuation of \$6,445,175,673 for a total of \$1,634,289 as of budget adoption.

Note 4 – Long Term Debt

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the Port and summarizes the Port's debt transactions for year ended December 31, 2021.

The future debt service requirements for general obligation (G.O.) bonds are as follows:

G.O. Bonds	Principal	Interest
2022	\$810,000	\$215,338
2023	835,000	186,088
2024	865,000	155,788
2025	900,000	124,288
2026	385,000	99,838
2027-2029	1,245,000	154,350
Totals	\$5,040,000	\$935,690

2021 Unused Line of Credit

On January 13, 2021, the Port Commission passed Res. 741-21 for a 2021 LTGO Bond evidencing a \$7,000,000 line of credit. At fiscal year-end, the Port had not used any of these available funds.

Note 5 – OPEB Plans

The Port implemented OPEB reporting in 2019. The Port is a participating employer in the state's Public Employees Benefits Board (PEBB) program, a defined benefit plan administered by the Washington State Health Care Authority. The plan provides medical, dental, and life insurance benefits for public employees and retirees and their dependents on a pay-as-you-go basis. The plan provides OPEB benefits through both explicit and implicit subsidies. The explicit subsidy is a set dollar amount that lowers the monthly premium paid by members over the age of 65 enrolled in Medicare Parts A and B. PEBB determines the amount of the explicit subsidy annually. The implicit subsidy results from the inclusion of active and non-Medicare eligible retirees in the same pool when determining premiums. There is an implicit subsidy from active employees since the premiums paid by retirees are lower than they would have been if the retirees were insured separately. The Port had 13 active plan members and five (5) retired plan members as of measurement date June 30, 2021. As of December 31, 2021, the Port's total OPEB liability was \$1,073,137 as calculated using the alternative measurement method. The Port contributed \$31,183 to the plan for the year ended December 31, 2021.

Note 6 – Pension Plans

Substantially all Port full-time and qualifying part-time employees participate in the PERS Plan II and PERS Plan III, which is administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans.

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

Also, the DRS CAFR may be downloaded from the DRS website at www.drs.wa.gov.

At June 30, 2021 (the measurement date of the plans), the Port's proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

	Employer Contributions	Allocation %	Liability (Asset)
PERS 1	\$107,604	0.014446%	\$176,419
PERS 2/3	\$175,966	0.018576%	(\$1,850,468)

Note 7 – Risk Management

Port of Port Townsend is a member of the Enduris Washington (Pool). Chapter 48.62 RCW provides the exclusive source of local government entity authority to individually or jointly self-insure risks, jointly purchase insurance or reinsurance, and to contract for risk management, claims, and administrative services. The Pool was formed July 10, 1987, pursuant to the provisions of Chapter 48.62 RCW, Chapter 200-100 WAC, and Chapter 39.34 RCW when two counties and two cities in the State of Washington joined together by signing an interlocal governmental agreement to fund their self-insured losses and jointly purchase insurance and administrative services. For the Pool's fiscal year ending August 31, 2021, there were 539 Enduris members representing a broad array of special purpose districts throughout the state.

The Enduris' program provides for various forms of joint self-insurance and reinsurance coverage for its members: Liability coverage, which includes: General Liability, Automobile Liability, Public Officials' Errors and Omissions liability, Terrorism liability and Employment Practices liability; Property coverage, which includes: Building and Contents, Mobile Equipment, Boiler and Machinery, and Business Interruption/Extra Expense; Automobile Physical Damage coverage; Cyber coverage; Crime blanket coverage; Named Position coverage; and an Identity Fraud reimbursement program. Pollution coverage is provided on a "claims made" coverage form. All other coverage is provided on an "occurrence" coverage form.

Members are responsible for a coverage deductible or co-pay on each covered loss. Each policy year members receive a Memorandum of Coverage (MOC) outlining the specific coverage, limits, and deductibles/co-pays that are applicable to them. In certain cases, the Pool may allow members to elect to participate in the programs at limits, coverage, deductibles, and co-pays that are specific to their needs. Enduris is responsible for payment of all covered losses above the member retention, up to the Pool self-insured retention (SIR). Enduris acquires excess/reinsurance from unrelated insurance companies to cover losses above the Pool's SIR up to the coverage maximum limit of liability. The tables below reflect the Pool's SIR, reinsurance limits and member deductibles/co-pays by coverage type.

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/ Reinsurance Limits	Member Deductibles/ Co-Pays ⁽¹⁾
Liability:				
Comprehensive General Liability	Per Occurrence	\$1 million	\$20 million	\$1,000 - \$100,000
Automobile Liability	Per Occurrence	\$1 million	\$20 million	\$1,000 - \$100,000
Public Officials Errors and Omissions Liability	Each Wrongful Act Member Aggregate	\$1 million	\$20 million \$20 million	\$1,000 - \$100,000
Terrorism Liability ⁽²⁾	Per Occurrence Pool Aggregate	\$500,000 \$1 million	\$0 Fully funded by Pool	\$1,000 - \$100,000
Employment Practices Liability	Per Occurrence Member Aggregate	\$1 million	\$20 million \$20 million	20% Copay ⁽³⁾

(1) Members may request or be required to pay a higher deductible than the minimum for certain coverage and certain types of losses require a specific co-pay or deductible

(2) Terrorism liability is fully funded by the Pool i.e. no excess/reinsurance is procured.

(3) Members pay a 20% co-pay of costs up to a maximum of \$100,000. By meeting established guidelines, the co-pay may be waived.

Property ⁽²⁾:

Buildings and Contents	Per Occurrence	\$250,000	\$800 million	\$1,000 - \$250,000
Mobile Equipment	Per Occurrence	\$250,000	\$800 million	\$1,000 - \$250,000
Boiler and Machinery ⁽³⁾	Per Occurrence	Varies	\$100 million	Varies
Business Interruption (BI)/ Extra Expense (EE) ⁽⁴⁾	Per Occurrence	\$250,000	\$100 million (BI)/ \$50 million (EE)	\$1,000 - \$250,000
Sublimit ⁽⁵⁾:				
Flood	Per Occurrence	\$250,000	\$50 million (shared by Pool members)	\$1,000 - \$250,000
Earthquake	Per Occurrence	5%; \$500,000 maximum	\$10 million (shared by Pool members)	\$1,000 - \$250,000
Terrorism Primary	Per Occurrence Pool Aggregate	\$250,000	\$100 million/ Pool member \$200 million	\$1,000 - \$250,000
Terrorism Excess	Per Occurrence APIP Per Occurrence APIP Aggregate	\$500,000	\$600 million/Pool member \$1.2 billion/APIP \$1.4 billion/APIP	\$0

Coverage	Coverage Type	Pool Self-Insured Retention	Excess/ Reinsurance Limits	Member Deductibles/ Co-Pays ⁽¹⁾
Automobile Physical Damage⁽⁶⁾	Per Occurrence	\$25,000; \$100,000 for Emergency Vehicles	\$800 million	\$250 - \$1,000
Crime Blanket⁽⁷⁾	Per Occurrence	\$50,000	\$1 million	\$1,000
Named Position⁽⁸⁾	Per Occurrence	\$50,000	\$1 million	\$1,000
Cyber⁽⁹⁾	Each Claim APIP Aggregate	\$100,000	\$2 million \$25 million	20% Copay
Identity Fraud Expense Reimbursement⁽¹⁰⁾	Member Aggregate	\$0	\$25,000	\$0

- (1) Members may request or be required to pay a higher deductible than the minimum for certain coverage and certain types of losses require a specific co-pay or deductible.
- (2) Property coverage for each member is based on detailed property schedule. Scheduled items are covered to the extent of the cost of repair or replacement pursuant to the excess/reinsurance policy terms. Under the Alliant Property Insurance Program (APIP) Reinsurance carriers cover insured losses over \$250,000 to the limit of \$800 million except for certain types of sub-limited property losses such as flood, earthquake, and terrorism.
- (3) Boiler and Machinery self-insured retention for the Pool varies depending on motor horsepower.
- (4) Business Interruption/ Extra expense coverage is based on scheduled revenue generating locations/operations. A limited number of members schedule and the rest are limited to \$500,000 of coverage with a \$2.5 million Pool maximum for undeclared exposure. The waiting period (deductible) is typically 24 hours but there are exceptions specific to the type of exposure covered.
- (5) This sublimit list is simplified and is not all-inclusive. In addition, sub-limits are often shared or aggregated by all pool members and, in a few cases, are shared by all APIP members. Deductibles often vary by coverage sub-limit.
- (6) Auto Physical Damage coverage includes comprehensive, named perils and collision. Coverage for each member is based on a detail vehicle schedule.
- (7) Crime Blanket coverage (also referred to as "Employee Dishonesty Coverage with Faithful Performance" of \$2,500 is provided to each member. Member's may elect to "buy-up" the level of coverage from \$5,000 to \$1 million.
- (8) Named Position coverage is optional. Members may elect to schedule various employees, directors, and commissioners, with individual limits of between \$5,000 and \$1 million.
- (9) Cyber coverage is included under the Pool's Property program. Members are subject to a 20% co-pay per loss and the Pool's SIR is tiered between \$50,000 and \$100,000 depending on the insured/members property TIV with an 8 hour waiting period. By meeting established guidelines, the co-pay may be waived. The reinsurance maximum limit of liability is \$2 million, with various declared sub-limits.
- (10) Identity Fraud Expense Reimbursement coverage is purchased by Enduris. Member claims do not have a deductible. There is a \$25,000 limit per member.

Members make an annual contribution to fund the Pool. Since Enduris is a cooperative program, there is joint liability among the participating members. There were no claim settlements in excess of the insurance coverage in any of the last three policy years.

Upon joining the Pool, members are contractually obligated to remain in the Pool for a minimum of one year and must give notice 60 days before renewal in order to terminate participation. The Interlocal Governmental Agreement (formerly known as the Master Agreement) is automatically renewed each year unless provisions for withdrawal or termination are applied. Even after termination, a member is still responsible for contribution to Enduris for any unresolved, unreported and in process claims for the period they were a signatory to the Interlocal Governmental Agreement.

Enduris is fully funded by its member participants. Claims are filed by members with the Pool who determines coverage and administers the claims.

The Pool is governed by a Board of Directors which is comprised of seven board members. The Pool's members elect the Board, and the positions are filled on a rotating basis. The Board meets quarterly and is responsible for overseeing the business affairs of Enduris and providing policy direction to the Pool's Executive Director.

Note 8 – Covid-19 Pandemic

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of COVID-19. Precautionary measures to slow the spread of the virus continued throughout 2021. These measures included limitations on business operations, public events, gatherings, travel, and in-person interactions.

The Port responded to this event by closing offices to the public and only doing business via phone, email, and USPS mail, and providing staff with personal protective equipment, hand sanitizer, sanitizing wipes, etc. A revised budget model was developed in 2020 to address the potential financial impact on Port operations. Ultimately, operations were not impacted as significantly as initially estimated and the Port's operating activity continued to be strong in 2021. In 2022, the Port continues to be vigilant to the impact on operations from the pandemic as it is still evolving. The Port continues to be conservative in its revenue projections, while closely monitoring expenses.

Port of Port Townsend
Schedule of Liabilities
For the Year Ended December 31, 2021

ID. No.	Description	Maturity/Payment Due Date	Beginning Balance 01/01/2021	Additions	Reductions	Ending Balance 12/31/2021
GENERAL OBLIGATION DEBT/LIABILITIES						
251.11	2010 LTGO Bond	12/1/2029	\$ 3,310,000	\$ -	\$ 310,000	\$ 3,000,000
251.11	2015 LTGO Refunding Bond	7/1/2025	2,515,000	-	475,000	2,040,000
251.11	2020 LTGO Bond (Line of Credit)	3/1/2022	250,000	-	250,000	-
Total General Obligation (G.O.) Debt/Liabilities			\$ 6,075,000	\$ -	\$ 1,035,000	\$ 5,040,000
REVENUE & OTHER (NON G.O.) DEBT LIABILITIES						
259.12	Compensated Absences		240,478	39,640	26,856	253,262
264.4	Other Post Employment Benefits		1,568,111	-	494,974	1,073,137
264.3	Pension Liability		730,661	-	554,242	176,419
Total Revenue & Other (non G.O) Debt/Liabilities			\$ 2,539,250	\$ 39,640	\$ 1,076,072	\$ 1,502,818
Total Long Term Liabilities			\$ 8,614,250	\$ 39,640	\$ 2,111,072	\$ 6,542,818

**Port of Port Townsend
Schedule of State Awards
For the Year Ended December 31, 2021**

State Agency BARS Account	Program Title	Identification #	Amount
3340360	Washington Airport Aid Program	GCB 3230	\$ 105
3340230	Derelict Vessel Removal Program Investigation of a Local Pyrolysis System in	NA	18,580
3340310	Jefferson County	OTGP-2021-PorTop-00054	49,618
		Total	<u><u>\$ 68,303</u></u>

Port of Port Townsend
Schedule of Federal Awards
For the Year Ended December 31, 2021

CFDA #	COVID-19 Expenditures	Federal Agency Name	Federal Program Name	Pass-Through Agency Name	Other Award I.D.		R&D	Total	Passed	Footnote Ref.
					Number				Through to Subrecipients	
20.106	no	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-014-2017	no	\$	12,147	NA	4
20.106	no	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-015-2018	no		14,933	NA	4
20.106	no	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-015-2018	no		10,935	NA	4
20.106	no	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-016-2019	no		14,745	NA	4
20.106	no	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-016-2019	no		11,421	NA	
20.106	no	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-017-2020	no		48,383	NA	4
20.106	no	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-017-2020	no		59,821	NA	
20.106	yes	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-019-2021	no		13,000	NA	
20.106	no	U.S. Dept. of Transportation	Airport Improvement Program	NA	3-53-0134-020-2021	no		333,333	NA	
21.019	yes	U.S. Dept. of Treasury	Coronavirus Relief Fund	Jefferson County	NA	no		6,000	NA	
21.027	yes	U.S. Dept. of Treasury	American Rescue Plan Act	Jefferson County	NA	no		150,000	NA	
							total	\$ 674,718		

Port of Port Townsend
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the Port's financial statements. The Port uses the cash basis of accounting and measurement focus where revenues are recognized when cash is received, and expenditures are recognized when paid.

Note 2 – Federal De Minimis Indirect Cost Rate

The Port has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 – Program Costs

The amounts shown as federal expenditures represent only the federal grant portion of the program costs. Entire program costs, including the Port's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 4 – Reporting Year

These direct federal Airport Improvement Program grant expenditures were previously not reported in the year they were expended, specifically:

<u>Award ID</u>	<u>Expenditure Year</u>	<u>Amount</u>
3-53-0134-014-2017	2018	\$ 12,147
3-53-0134-015-2018	2019	\$ 14,933
3-53-0134-015-2018	2020	\$ 10,935
3-53-0134-016-2019	2020	\$ 14,745
3-53-0134-017-2020	2020	\$ 48,383

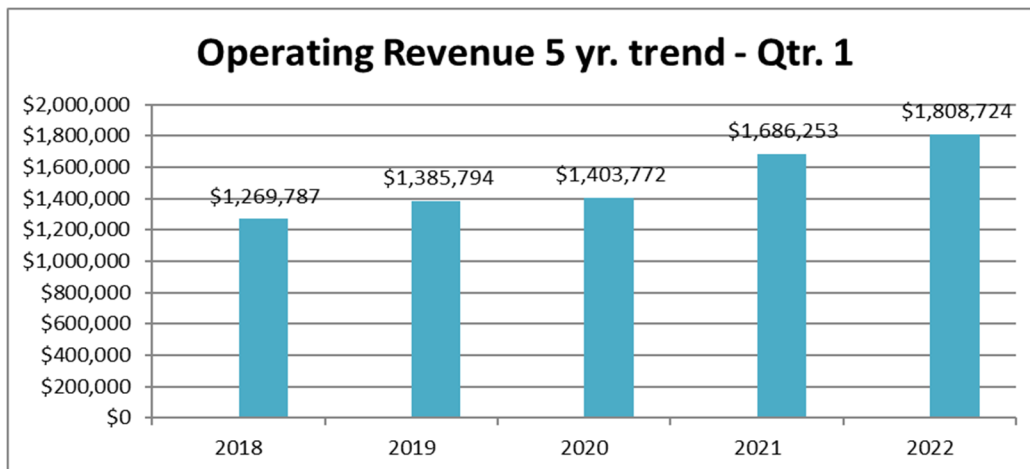
The under-reporting in the above years did not increase the Port's total federal expenditure reporting amount on the SEFA to trigger a single audit in any of those years.

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 4/21/2022 – **Corrected 4/29/2022**
TO: Commission
FROM: Abigail Berg, Director of Finance & Administration
SUBJECT: March YTD (Qtr. 1) 2022 Financial Report

Highlights of year-to-date operating revenue performance:

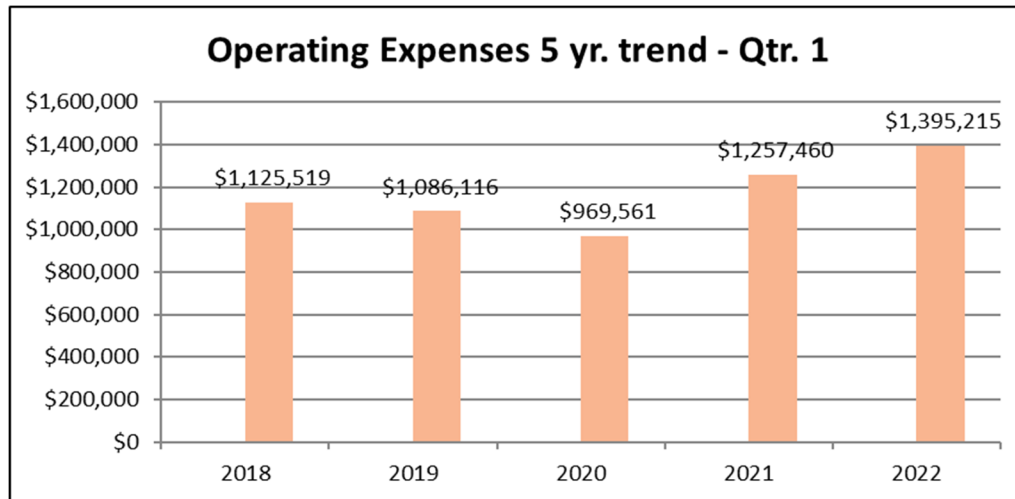


Increases/(Decreases) in Operating Revenues over the last 5 years are:

Year	Oper. Rev.	Incr./Decr.
2018-2019	\$116,007	9.1%
2019-2020	\$17,978	1.3%
2020-2021	\$282,481	20.1%
2021-2022	\$122,471	7.3%

These year-to-year increases in Operating Revenue average out to 9.5%. Yard Operations continue to lead the pack with a 12% increase, or \$68,150, over 2021, and Point Hudson coming in next at 7%, or \$21,611. Overall, Operating Revenues increased 7.3%, or \$122,471 over 2021, and are more than budgeted by 12%, or \$183,499. There are notes with more detail on these year-to-year YTD variances that follow the financial statement attached.

Highlights of year-to-year operating expenses activity:



Increases/(Decreases) in Operating Expenses over the last 5 years are:

Year	Oper. Expenses	Incr./Decr.
2018-2019	(\$39,403)	-3.5%
2019-2020	(\$116,555)	-10.7%
2020-2021	\$287,899	29.7%
2021-2022	\$137,755	11.0%

The year-to-year changes in Operating Expenses average out to a 6.6% increase over the 5-year period. The year-to-year numbers are impacted not only by rising prices and costs but also increases in the FTE count. During this 5-year span, the Port has gone from 30 FTE in 2018 to 36 FTE in 2021. Other year-to-year increases are due to increased spending in repair & maintenance, insurance, legal/auditing, environmental materials/supplies, bank charges, operating supplies, and office/computer supplies.

Debt Service for the Year

2010 LTGO Bond – (83% paid A/B Dock Reconstruction, 17% paid 75 Ton Lift Pier)

June 1 – interest only	\$ 80,744
December 1 – principal and interest	400,744

2015 LTGO Refunding Bond- (paid for Point Hudson Marina Reconstruction – 2005 LTGO Bonds refunded in 2015)

July 1 – principal and interest	520,600
December 31 – interest only	23,250
Total Debt Service for current year	<u>\$ 1,025,338</u>

Remaining Debt for years 2023-2029

2010 LTGO Bond – principal and interest	\$ 3,329,550	payoff December 2029
2015 LTGO Bond – principal and interest	<u>1,620,800</u>	payoff July 2025
Total	<u>\$ 4,950,350</u>	

2022 YTD Capital Project Expenses

Point Hudson Jetties	\$ 58,135
Dock Renovations & Piling Replacement	0
BH Breakwater Repair	633
PH Pavilion Bldg. Remodel	18,426
FEMA Grant – Yard Stormwater Materials Replacement	0
FEMA Grant – City Dock	0
FEMA Grant – JCIA Asbestos Roof	0
North Yard Expansion	176
Reconstruct Old Coast Guard Building	34,292
Total Capital Expenses YTD	<u>\$ 111,662</u>

Non-Capital use of funds

DNR – Vessel Destruction	\$30,233
--------------------------	----------

2022 Capital Purchase

Kendrick Equipment, Inc. (final payment on 75-Ton lift, and crane rental to build)	403,338
Northsound Auto Group, LLC (3 RAM pick-up trucks)	86,704
Land Acquisition – West Yard Expansion	5,949
Total Capital Purchases YTD	<u>\$ 495,991</u>

Ending Cash Balances as of March 31	2022	2021
Reserved Cash & Investments – Other*	\$2,727,022	\$1,847,700
Reserved Cash & Investments – IDD	2,413,121	866,322
Unreserved Cash & Investments	<u>1,410,605</u>	<u>2,029,123</u>
Total Cash & Investments	<u>\$6,550,748</u>	<u>\$4,743,145</u>
*Other Reserves detail:	Current balance	Target balance
Operating Reserve (a)	\$ 934,168	\$ 1,316,701
Boat Haven Renovation Reserve (b)	447,878	na
Emergency Reserve	500,000	500,000
Port-Wide Capital Reserve (c)	834,976	na
Unemployment Reserve	<u>10,000</u>	<u>10,000</u>
Total Other Reserves	<u>\$ 2,727,022</u>	

(a) The target for the Operating Reserve is 25%, or three (3) months, of operating expenses. See resolution 692-19 for more detail.

(b) The plan for this reserve is to use it on Boat Haven Moorage projects until it is extinguished. It was replaced by the Port-Wide Capital Reserve in resolution 693-19.

(c) Resolution 693-19 does not set a target for this reserve.

DISCUSSION: As requested by Commission.

FISCAL IMPACT: NA

RECOMMENDATIONS: For discussion only.

Port of Port Townsend
2022 Summary of Fund Resources & Uses with Comparison to Prior Year and Budget

	YTD Mar. 2021	YTD Mar. 2022	Variance to prior year	notes	YTD Budget 2022	Variance to Budget YTD
OPERATING REVENUES						
Boat Haven Moorage	434,283	451,142	16,859		460,319	(9,177)
Yard Operations	549,805	617,955	68,150		557,212	60,743
Boat Haven Properties	194,587	211,330	16,744		210,899	431
Pt. Hudson Marina, RV & Prop	313,801	335,413	21,611		315,953	19,460
Quilcene	37,667	31,735	(5,931)		33,405	(1,670)
Ramps	6,125	4,540	(1,585)		7,189	(2,649)
JCIA	37,416	43,679	6,263		40,248	3,431
(Incr.)/Decr. In Accounts Receivable	112,569	112,929	360		-	112,929
Total Operating Revenues	1,686,253	1,808,724	122,471	a	1,625,225	183,499
OPERATING EXPENDITURES						
Salaries & Wages	564,144	653,049	88,905		634,426	18,623
Payroll Taxes	57,567	68,253	10,686		66,151	2,102
Employee Benefits	206,530	206,356	(174)		213,791	(7,435)
Uniform Expense	2,542	6,818	4,277		2,768	4,050
Contract Services	66,879	60,885	(5,994)		70,973	(10,088)
Legal & Auditing	43,689	10,566	(33,124)		19,582	(9,017)
Insurance	-	1,545	1,545		-	1,545
Facilities & Operations	166,161	195,295	29,134		129,787	65,508
Utilities	150,274	163,552	13,278		157,947	5,605
Marketing	6,405	17,149	10,744		11,517	5,632
Economic Development	-	7,500	7,500		7,500	-
Travel & Training	659	3,987	3,328		3,009	978
Community Relations	3,847	259	(3,588)		-	259
Total Operating Expenditures	1,268,697	1,395,215	126,518	b	1,317,451	77,763
Net Operating Income (Expense)	417,555	413,509	(4,046)		307,774	105,736
Other Increases in Fund Resources						
Deposits & Retainage Collected	18,624	19,054	431		14,203	4,851
Taxes Collected	160,693	176,081	15,387		159,306	16,775
Interest	17,291	1,953	(15,338)		16,633	(14,680)
Property & other taxes	358,909	533,481	174,572		521,155	12,326
Misc Other Incr. in Fund Resources	2,772	7,718	4,946		4,905	2,813
Total Other Incr. in Fund Resources	558,288	738,286	179,998	c	716,202	22,084
Other Decr. In Fund Resources						
Deposits & Retainage Paid	5,646	2,318	(3,328)		8,023	(5,705)
Taxes Remitted	139,069	156,776	17,707		151,971	4,805
Debt Principal & Interest	251,565	-	(251,565)		-	-
Debt Mgmt, Issuance & Misc Exp	9,341	98	(9,243)		370	(272)
Election Expense	-	17,561	17,561		2,000	15,561
Total Other Decr. In Fund Resources	405,621	176,752	(228,869)	d	162,364	14,388
Net Incr./(Decr.) in Fund Resources	152,667	561,534	408,867		553,838	7,696
Net Income (Expense)	570,222	975,043	404,821	e	861,612	113,432

Port of Port Townsend

Notes to 2022 Summary of Fund Resources & Uses report

As of March 31, 2022

- (a) Overall, Operating Revenues increased by 7.3%, or \$122,471, when compared to 2021. When compared to budget, Operating Revenues are up by 11%, or \$183,499. In both instances, some of this increase is related to the paydown of accounts receivable balances.
- (b) Overall, Operating Expenses increased by 10%, or \$126,518, when compared to 2021. Measuring performance against budget, Operating Expenses YTD are just more than budget by 6%, or 77,763.
- (c) Total Other Increases in Fund Resources increased by 32%, or \$179,998, when compared to 2021. This is largely due to IDD levy collections. This percentage change is much less at 3%, or \$22,084, when compared to budget.
- (d) Other Decreases in Fund Resources are less when compared to 2021 by 56%, or \$228,869. This is directly related to the final pay-off of the 2020 Line of Credit (LOC) in January 2021 in the amount of \$251,565. When compared to budget, March YTD expenditures are more closely aligned with budget with a 9%, or \$14,388, variance.
- (e) Overall, the difference in Net Income (Expense) when comparing 2021 and 2022 that amounts to \$404,821, or 71%, is mostly due to the pay-off of the 2020 Line of Credit in January 2021 for \$251,565, the increase in operating revenues of \$122,471, and the increase in other fund resources of \$179,998. The variance of this line item to budget is \$113,432, or 13%, higher than budgeted.

FY 2022 Water Resources Development Act (WRDA) Request Form

Name/title of request: Port of Port Townsend/Boat Haven Breakwater Feasibility Study and Assumption of Maintenance

Policy goal(s) and rationale for this request, including a description of the anticipated effect(s) of the request. Please include any relevant background information, including the problem being solved or the issue being addressed. If you have legislative text drafted, please include that with your submission.

The Port of Port Townsend's primary goal is to secure WRDA authorization to transfer of ownership of the Port-owned portion of the Boat Haven Marina Breakwater ("breakwater") to the federal government and for the USACE to assume maintenance of the facility. Overall, the breakwater is approximately 2,500 feet in length. A portion of the overall structure (550'/22%) was constructed in the 1930s and is owned and maintained by the Port. However, most of the structure (1,950'/78%) was authorized by Congress in 1958, constructed in 1964, and is maintained by the USACE (see 2-page exhibit, attached). The Port-owned section of breakwater lies adjacent to, and protects, the US Coast Guard (USCG) facility and moorage for the USCG Cutter "Osprey", as well as a parallel portion of the USACE maintained navigation channel (see exhibit) serving the entire facility.

The Port's goals are as follows:

- 1) Complete a feasibility study (if necessary) precedent to transfer ownership of the original section of breakwater from the Port to the USACE.
- 2) Ensure coordinated asset management by a single responsible entity following ownership transfer (as noted, the USACE currently maintains 78% of the overall breakwater (i.e., 1,950 of 2,500 total lineal feet)).
- 3) Ensure a consistently maintained and resilient breakwater that protects the Coast Guard facility and USCG Cutter Osprey, the 425-slip commercial and recreational marina, and the immediately adjacent (upland) Industrial Work Yard which directly supports more than 20% of Jefferson County's total employment base.
- 4) Ensure continued viability and use of the federally maintained parallel navigation channel that serves the USCG, as well as commercial and recreational vessels using the Boat Haven Marina and Industrial Work Yard.
- 5) Upon transfer of ownership to the federal government, comprehensively rehabilitate or reconstruct the degraded original section of breakwater using modern methods of design and construction, ensuring a hardened structure that combats sea-level rise and severe weather-related events.

The original 1930's section of breakwater is located at the entrance to the Boat Haven Marina and is connected to the newer (1960s) section of breakwater which was constructed and is maintained by the Corps. The old section of breakwater contains an interior wooden pile cofferdam that was backfilled with dredge spoils and encapsulated by armor rock. By contrast, the new phase (c 1964) is entirely rock rubble mound in construction. Three repairs have been undertaken to the old section of breakwater between 1983 and 2016. A preliminary condition assessment prepared by the Port of Port Townsend in 2016 found evidence of rock and timber deterioration due to freeze-thaw cycles and wave action, as well as unravelling of armor rock on the face of the breakwater.

For requests to authorize study or project construction funding, attach any prior authorizations (i.e., study resolutions or Public Law provisions) associated with the project or study. Also, you must include any associated decision documents (i.e., Feasibility Studies, Chief's Reports, General Reevaluation Reports, and Post Authorization Change Reports). Hyperlinks are appropriate.

The Port of Port Townsend is seeking transfer of ownership of the breakwater facility and assumption of maintenance by the Corps. If necessary, the Port of Port Townsend is requesting a feasibility study be authorized to facilitate transferring ownership of the original (1930s) portion of Boat Haven Marina breakwater to the federal government. No study resolutions or Public Law provisions are directly related to this request.

Has this request, or a similar one, been made in prior water resource development legislation or any other legislation? If so, please provide a copy.

No prior requests have been made.

Have you been working with any other congressional offices or stakeholders in developing this language? If so, provide contact information for those entities.

Katie Allen, Legislative Director, Office of Representative Derek Kilmer
katie.allen@mail.house.gov

Dena Horton, Government Relations Director, Pacific Northwest Waterways Association
dena.horton@pnwa.net

(Insert others if needed)

Please send all your completed request forms to David Marten (david_marten@cantwell.senate.gov) and Megan Thompson (megan_thompson@cantwell.senate.gov).

*Please have ALL of your requests submitted to Senator Cantwell's office no later than **Wednesday, December 15th, 2021 at 12 PM Pacific time.***

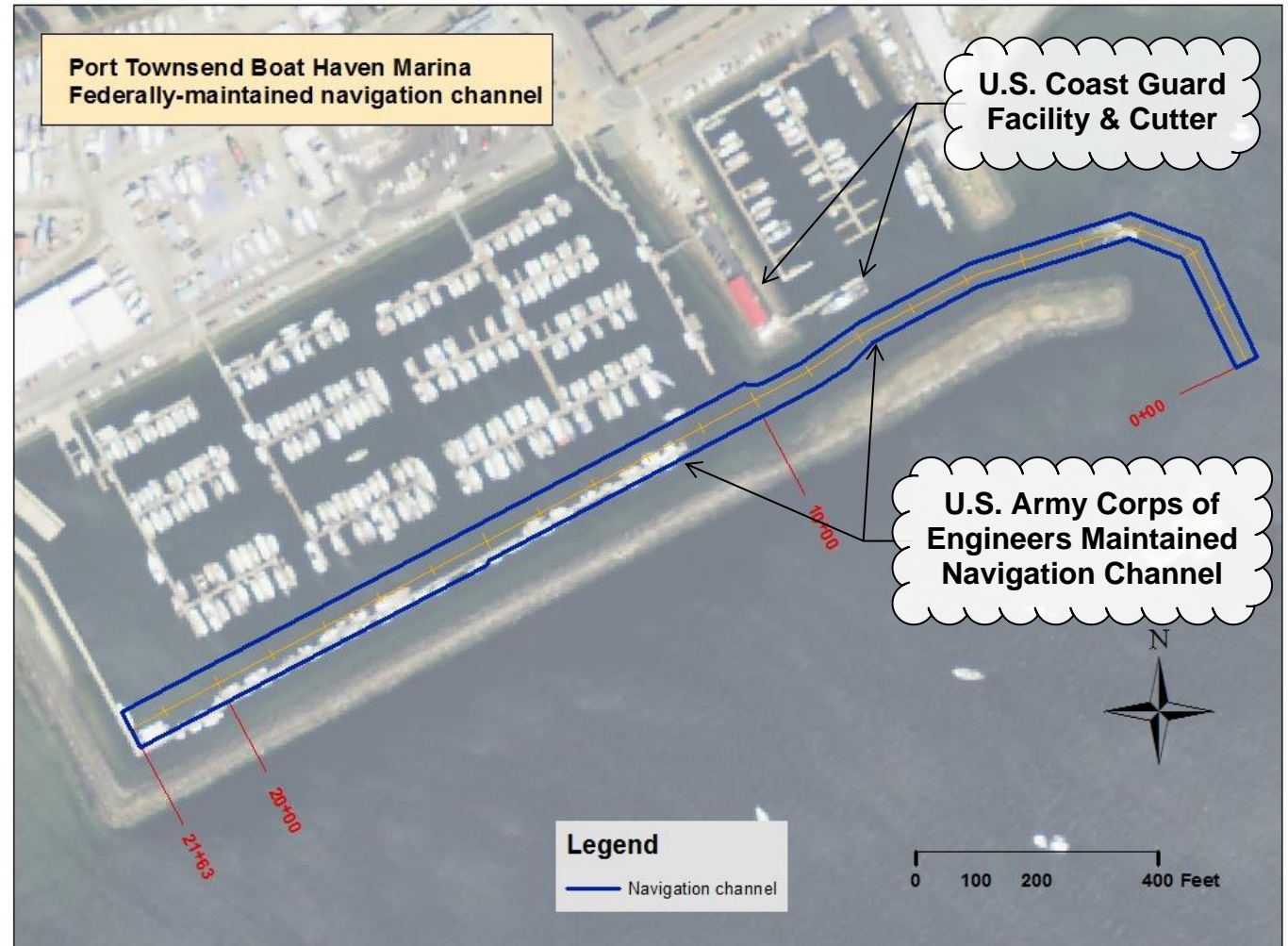
Port Townsend

Seattle District
Federal O&M project

- Rustin Director
- Program Manager
- Seattle District
- December 2021



US Army Corps
of Engineers®



Boat Haven Breakwaters (BWs)



- *Graphic Source:
Mott MacDonald
Breakwater
Condition
Assessment
November 2016*

