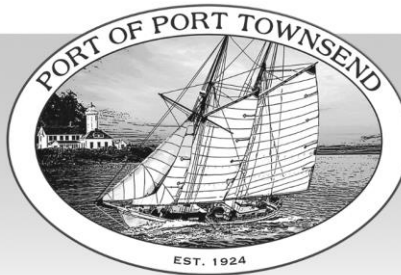


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**Commission Meeting
1st Monthly Meeting Agenda
Wednesday, January 8, 2025, 1:00 p.m.**

**Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, & 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. Special Presentation: Recognition of Five-Year Anniversaries for Rick Heim & Nathan Sherwood
- V. Consent Agenda
 - A. Approval of Workshop & Business Meeting Minutes from December 18, 2024, Special Business Meetings November 21 and December 20, 2024 2-7
 - B. Approval & Ratification of Warrants 8-22
 - C. Todd Flye d/b/a On the Flye, Boat Haven Land Lease 23-50
 - D. Northwest Maritime Center, Marine Thrift Store, Boat Haven Building (#9) Lease 51-77
 - E. Authorizing Admiral Ship Lease Amendment #2 78-87
- VI. Second Reading ~ none
- VII. First Reading ~ none
- VIII. Regular Business
 - A. 2025 Organizational Topics 87-110
 - 1. Election of Commission Officers..... 88
 - 2. Committee Assignments 91
 - 3. Resolution 833-25 Commission Meeting Procedures..... 92
 - 4. Resolution 835-25 Delegation of Management Authority..... 99
 - 5. Commission Annual Retreat Revisit Dates of March 20/21, 2025
- IX. Staff Comments
- X. Commissioner Comments
- XI. Next Meeting is a Regular Business Meeting on Wednesday, January 22, 2025 at 5:30 p.m.
- XII. Executive Session (none at the time of this agenda)
- XIII. Adjournment
- Informational Items 110-122
 - Port Contracts Update..... 111
 - Port Lease Brief 112
 - Commission Meeting Schedule 119

PORT COMMISSION SPECIAL WORKSHOP MEETING – Wednesday, December 18, 2024

The Port of Port Townsend Commission met in special workshop session at the Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, and also online via Zoom.

Present: Commissioners Petranek, Hasse, and Hanke
Executive Director Eron Berg
Deputy Director Eric Toews
Director of Finance and Administration Connie Anderson
Director of Capital Projects and Port Engineer Matt Klontz
Harbormaster Kristian Ferrero
Manager of Capital Projects Dave Nakagawara
Project Administrator Natalie Toews
Port Recorder Joanna Sanders

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE (Rec. 00:00:58)
Commissioner Hanke called the meeting to order at 9:30 a.m.

II. QUARTER 4 CAPITAL IMPROVEMENT PROJECT UPDATE (Rec. 00:01:45)

Director of Capital Projects and Port Engineer Matt Klontz led a review of existing projects summarized on the Quarter 4 Capital Project Update report. Discussion as well as questions from the Commission centered on the Boat Haven breakwater repair, Stormwater (including interlocal agreement with the City), West Boat Yard expansion funding, and future Benedict Spit removal. Point Hudson repairs were also highlighted. A schedule was shown for the JCIA master plan update as well as design concepts for a rural light industrial park. Highlighted at Quilcene were the boat launch remodel design. Gardiner ramp construction is likely to start on August 1, 2025. Regarding the Short Farm, there was discussion of staffing resources and farm steering committee use and a suggestion to discuss the adopted Farm plan at the Commission retreat. Staff also reviewed FEMA funding for repairs of City Dock, Boat Haven bulkhead, and the Centennial trail washout at Point Hudson as well as the Comprehensive Mitigation and Maintenance Permit (CMMP).

III. PUBLIC COMMENT (Rec. 01:20:00)

There was none.

IV. ADJOURNMENT (Rec. 01:32:04): the meeting adjourned at 11:04 a.m.

ATTEST:

Pamela A. Petranek, Secretary

Peter W. Hanke, President

Carol L. Hasse, Vice President

PORT COMMISSION SPECIAL BUSINESS MEETING – Wednesday, December 18, 2024

The Port of Port Townsend Commission met for a special business session at the Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, and also online via Zoom.

Present: Commissioners Hanke, Petranek and Hasse
Executive Director Eron Berg
Deputy Director Eric Toews
Director of Finance and Administration Connie Anderson
Harbormaster Kristian Ferrero
Director of Capital Projects and Port Engineer Matt Klontz
Lease and Contracts Administrator Sue Nelson
Port Recorder Joanna Sanders

Via Zoom: Attorney Seth Woolson

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE (Rec. 00:00:05)

Commissioner Hanke called the meeting to order at 1:00 p.m.

II. APPROVAL OF AGENDA (Rec. 00:00:32)

There was one requested change to remove from the Consent Agenda and Add under Regular Business Item C Authorization of the Approval of the 2025 Updated Legislative Agenda/Priorities.

III. PUBLIC COMMENTS – GENERAL (Rec. 00:01:09)

There were none.

IV. SPECIAL PRESENTATION: Pacific Marine Expo Drawing for 75-Ton and 300-Ton Lifts (Rec. 00:01:28)

The following were the winners of the drawings: I.K. Icaro with *Stealin Time* for a 75-ton round trip lift and Doug Wells with *Muskrat* for a 300-ton round-trip lift.

V. CONSENT AGENDA (Rec. 00:03:40)

A. Approval of Regular Business Meeting Minutes of November 26, 2024 and Special Meeting Minutes of November 21, December 10-13, and December 20, 2024.

B. Approval & Ratification of Warrants

Warrant #069475 through #069487 in the amount of \$23,160.09

Warrant #069488 through #069490 and #069492 through #069494 and electronic payments in the total amount of \$263,156.24

Warrant #069491 in the amount of \$156.32

in the amount of

Warrant #069495 through #069525 in the total amount of \$757,582.58

Warrant #069526 through #069576 in the amount of \$123,988.67

Electronic Debit in the amount of \$252,364.41

C. Authorization of Approval of 2025 Updated Legislative Agenda/Priorities

D. Resolution authorizing EDA Grant for West Boat Yard Expansion

Unanimous approval of the Consent Agenda with the removal of Item C to Regular Business of Authorization of Approval of 2025 Updated Legislative Agenda/Priorities.

VI. REGULAR BUSINESS (Rec. 00:04:08)

A. October 2024 Year-to-Date Financial Report (Rec: 00:04:10)

Director of Finance and Administration Connie Anderson gave the staff report on the financials as detailed in the cover memorandum. Staff fielded questions about cash balances, capital project expenses, marketing, community relations, and contract services.

B. Harbormaster Report (Rec: 00:36:25)

Harbormaster Kristian Ferrero briefed the Commission on the haulout activity in the 75 and 300-ton lifts as written. There was discussion of year-to-date comparison of activity.

C. M/V Elmore – Options for Commission Consideration (Rec: 00:54:00)

Deputy Director Eric Toews reviewed the detailed memorandum with background for discussion by the Commission on options to restore the vessel, proceed with salvage, demolition, and/or dispose of the vessel.

Commissioner Petranek noted that she is in discussion with the Port of Everett on adding the vessel to the National Historic register and then after a marine survey and prospectus marketing the vessel to return it to a seaworthy condition. There was some support for a soft marketing to Astoria's maritime museum and/or the Port of Everett and then collaborating on the expenses. Additional suggestions were to brainstorm ideas with Jake Beatty and expand advertising through the Seattle Business Journal and Western Mariner. Eric Toews agreed to follow up with the Derelict Vessel Program on salvage options.

Unanimous approval of a motion to direct staff to begin the process of selling the *Elmore*.

D. Authorization of Approval of 2025 Updated Legislative Agenda/Priorities (Rec: 01:27:07)

Executive Director Eron Berg gave a briefing of the additions to the legislative priorities for the SR19/20 Corridor Plan and electrification program to achieve an understanding and confirm the Commission's position.

There was discussion about concerns and comments in favor and against the fully electric 75-ton variable width lift and a discussion of the specific improvements for safety and mobility identified in the WSDOT SR19/20 Corridor Plan

A motion carried to adopt the addition of the 75-ton variable travelift to the 2025 State Legislative Agenda as proposed by staff with Commissioner Petranek opposed.

Unanimous approval of a motion to advocate for the addition of a roundabout at Mill Road and SR20 as part of the 2025 State Legislative Agenda.

E. 2025 Retreat Dates (Rec: 02:13:52)

There was discussion of the March 20/21 retreat date with support for pursuing both days at the Aero Museum or one or both days at the Port Townsend Yacht Club.

VII. STAFF COMMENTS (Rec. 02:17:16)

Deputy Director Eric Toews: he and Sue will be bringing more leases to the January meetings.

Lease and Contracts Administrator Sue Nelson reported the Short Farm leases have been executed, and GSA and Customs are vacating their leased space as of December 31. Fish and Wildlife was interested in expanding into that vacant space but does not have the budget. The tenant needs to meet the water -dependent use through the Shoreline Master Program. Seven or so expiring leases and amendments are coming forward in January.

VIII. COMMISSIONER COMMENTS (Rec. 02:20:03)

Commissioner Petranek commented on the value of attending the WPPA annual meeting in Bellevue for the general networking such as other districts hosting Rick Dunn and Frank on energy policies and electrification as well as WPPA quality session topics.

Commissioner Hasse concurred on the value of attending the WPPA annual meeting in Bellevue. She spoke about being inspired by the presenters/information shared such as on regional air mobility and concern over new tariffs and front office safety protocols. She has heard positive comments from the Shipwrights Coop about traffic slowing measures in front of Sunrise and Blue Moose.

IX. NEXT PUBLIC WORKSHOP & REGULAR BUSINESS MEETING (Rec. 02:25:33)

Friday, December 20, 2024 Employee Recognition Luncheon at Pavilion Building beginning at noon.

Wednesday, January 8, 2025 at Pavilion Building and via Zoom with 9:30 a.m. Workshop and Regular Business Meeting at 1:00 p.m.

X. EXECUTIVE SESSION – None

XI. ADJOURNMENT (Rec. 02:26:30)

At 3:27 p.m., the meeting adjourned there being no further business before the Commission.

ATTEST:

Pamela A. Petranek, Secretary

Peter W. Hanke, President

Carol L. Hasse, Vice President

PORT COMMISSION SPECIAL BUSINESS MEETING – Thursday, November 21, 2024

The Port of Port Townsend Commission met for a special joint business meeting as part of the Intergovernmental Collaborative Group Meeting at the Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, and also online via Zoom (recording lost).

Present: Commissioners Petranek and Hasse with Commissioner Hanke Excused/Absent
Executive Director Eron Berg

Others Jurisdictions Present: City of Port Townsend, Jefferson County Board of Commissioners, Jefferson County Public

I. CALL TO ORDER

The Port Commission met beginning at 5:00 p.m.
Various other chairs of the above bodies called their special meetings to order.

II. WELCOME

By Rotating Chair, Port of Port Townsend Carol Hasse

III. PUBLIC COMMENT PERIOD (5 min)

IV. DISCUSSION TOPICS

2025 ICG Joint Resolution (30 mins)

Agency Roundtable reports.

Unanimous Motion to approve as amended Resolution 834-24 Joint Resolution of Jefferson County, the City of Port Townsend, the Port of Port Townsend and Jefferson County Public Utility District #1, Establishing a Multi-Governmental Process for Collaborating on Issues of Mutual Importance

V. ADJOURNMENT

At 7:30 p.m., the meeting adjourned there being no further business before the Commission.

ATTEST:

Pamela A. Petranek, Secretary

Peter W. Hanke, President

Carol L. Hasse, Vice President

PORT COMMISSION SPECIAL BUSINESS MEETING – Friday, December 20, 2024

The Port of Port Townsend Commission met for a special meeting at the Point Hudson Pavilion Building, 355 Hudson Street, Port Townsend, no Zoom recording was broadcast or captured.

Present: Commissioners Hanke, Petranek and Hasse
Executive Director Eron Berg and the Majority of Port Employees

I. CALL TO ORDER

The Port Commission met beginning at 12:00 p.m.

II. DISCUSSION TOPICS

The purpose of the meeting was to come together over lunch and recognize Port employees with holiday treats/gifts.

III. ADJOURNMENT

At 2:00 p.m., the meeting adjourned there being no further business before the Commission.

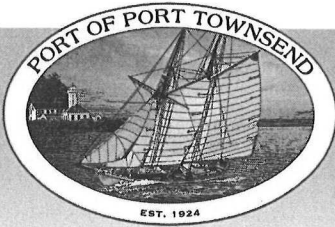
ATTEST:

Pamela A. Petranek, Secretary

Peter W. Hanke, President

Carol L. Hasse, Vice President

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WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the material has been furnished, the labor performed and the services provided, as described herein, and that these claims are a just and unpaid obligation of the Port of Port Townsend, and that these claims, in Warrant No. 069509 in the amount of \$390.46 is declared void on this on this 8th day of January, 2025.

For: **Accounts Payable**

Commissioner Pete W. Hanke

Commissioner Carol Hasse

Commissioner Pam Petranek

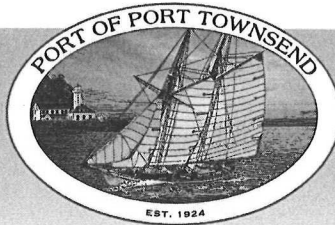
Connie Anderson, Director of
Finance And Administration

Port of Port Townsend (PTA)

Bank: W WARRANTS PAYABLE

Check Number/ Invoice Number	Check Date Invoice Date	Vendor Number Invoice Amount	Discount	Distribution Amount	Check Amount
0000069509	REV 12/5/2024	NOR099 Northwest Towing & Recovery LLC			390.46-
Check Comment: Corrected Invoice Received CK000006950901					
	12/5/2024	390.46-	0.00		
G/L Account:	721-3100-05	CONTRACT SERVICES: WORK YARD		390.46-	390.46-
	Bank W Total:	390.46-	0.00	390.46-	390.46-
	Report Total:	390.46-	0.00	390.46-	390.46-

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ELECTRONIC DEBIT – Kitsap Bank

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claim is a just, due and unpaid obligation of the Port of Port Townsend, that we are authorized to authenticate and certify said claim, and that the Electronic Debit from the Port Checking Account held at Kitsap Bank is approved for payment in the amount of **\$7,340.21 is ratified.**

Signed and Authenticated on this **8th** day of **January**, **2025.**

For: Combined Excise Tax Return – for ***October, 2024***

Commissioner Pete W. Hanke

Commissioner Carol Hasse

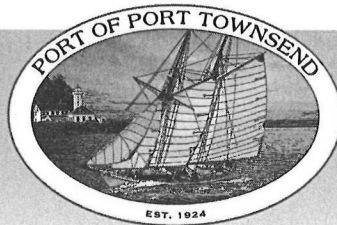
Commissioner Pam Petranek

Connie Anderson, Director of
Finance and Administration

Bank: K KITSAP BANK

Check Number/ Invoice Number	Check Date Invoice Date	Vendor Number Invoice Amount	Discount	Distribution Amount	Check Amount
W000001024	12/13/2024	WA0200 Washington State Department of Revenue			7,340.21
Check Comment: 11/2024 Excise CKW00000102401					
	12/13/2024	7,340.21	0.00		
G/L Account: 589-3000-00		SALES/EXCISE TAX REMITTED		5,461.03	
G/L Account: 589-3002-00		HOTEL/MOTEL TAX REMITTED		359.91	
G/L Account: 721-9100-02		LEASEHOLD & EXCISE TAX: MOOR		106.21	
G/L Account: 721-9100-05		LEASEHOLD & EXCISE TAX: WORK YARD		466.76	
G/L Account: 761-9100-19		LEASEHOLD & EXCISE TAX: P. H. MARINA & RV		751.54	
G/L Account: 761-9100-20		LEASEHOLD & EXCISE TAX: QUIL		32.00	
G/L Account: 761-9100-21		LEASEHOLD & EXCISE TAX: RAMPS		6.04	
G/L Account: 711-9100-22		LEASEHOLD & EXCISE TAX: JCIA		3.50	
G/L Account: 781-4125-28		OPERATING SUPPLIES: EXEC		7.33	
G/L Account: 721-4125-02		OPERATING SUPPLIES: MOOR		2.33	
G/L Account: 761-4125-19		OPERATING SUPPLIES: P. H. MARINA & RV		2.33	
G/L Account: 781-7425-28		MARKETING: EXECUTIVE		105.18	
G/L Account: 721-7310-05		CLAIMS & DAMAGES: WORK YARD		43.05	
Check W000001024 Total:		<u>7,340.21</u>	<u>0.00</u>	<u>7,340.21</u>	<u>7,340.21</u>
Bank K Total:		<u>7,340.21</u>	<u>0.00</u>	<u>7,340.21</u>	<u>7,340.21</u>
Report Total:		<u>7,340.21</u>	<u>0.00</u>	<u>7,340.21</u>	<u>7,340.21</u>

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ELECTRONIC DEBIT – Kitsap Bank

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claim is a just, due and unpaid obligation of the Port of Port Townsend, that we are authorized to authenticate and certify said claim, and that the Electronic Debit from the Port Checking Account held at US Bank is approved for payment in the amount of **\$63.75** and from the Port Checking Account held at Kitsap Bank is approved for payment in the amount of **17,071.30 is ratified.**

Signed and Authenticated on this 8th day of January, 2025.

For: Bank Fees in the amount of **\$61.95** and Credit Card Fees and Contracted Service Fees in the amount of **\$17,071.30**

Commissioner Pete W. Hanke

Commissioner Carol Hasse

Commissioner Pam Petranek

Connie Anderson, Director of
Finance And Administration

Port of Port Townsend (PTA)

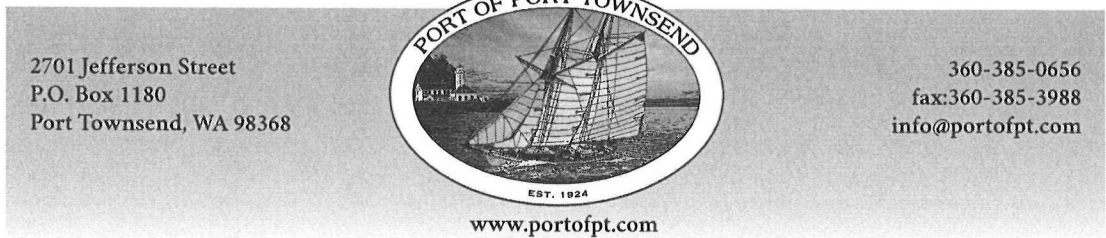
Bank: K KITSAP BANK

Check Number/ Invoice Number	Check Date Invoice Date	Vendor Number	Invoice Amount	Discount	Distribution Amount	Check Amount
W000001029	10/31/2024	MOL010	Molo Inc.			14,122.50
Check Comment: November CC Fees & Contract Fees						
CKW00000102901						
	10/31/2024		14,122.50	0.00		
G/L Account:	761-7700-19		BANK CHARGES:P. H. MARINA & RV		3.75	
G/L Account:	761-7700-21		BANK CHARGES: RAMP		124.68	
G/L Account:	761-3100-21		RAMP - CONTRACT SERVICES		2.98	
G/L Account:	721-7700-02		BANK CHARGES: MOOR		4,400.52	
G/L Account:	721-3100-02		CONTRACT SERVICES: MOOR		969.81	
G/L Account:	761-7700-17		BANK CHARGES: PROP RENT		855.87	
G/L Account:	761-3100-17		CONTRACT SERVICES: PROP RENT		188.62	
G/L Account:	711-7700-22		BANK CHARGES: JCIA		317.56	
G/L Account:	711-3100-22		CONTRACT SERVICES: JCIA		43.50	
G/L Account:	721-7700-05		BANK CHARGES: WORK YARD		6,050.79	
G/L Account:	721-3100-05		CONTRACT SERVICES: WORK YARD		947.30	
G/L Account:	761-7700-20		BANK CHARGES: QUIL		161.09	
G/L Account:	761-3100-20		CONTRACT SERVICES: QUIL		56.03	
Check W000001029 Total:			14,122.50	0.00	14,122.50	14,122.50
W000001030	10/31/2024	CAM050	CampLife			2,948.80
Check Comment: November CC Fees						
CKW00000103001						
	10/31/2024		2,948.80	0.00		
G/L Account:	761-7700-19		BANK CHARGES:P. H. MARINA & RV		2,948.80	
Bank K Total:			17,071.30	0.00	17,071.30	17,071.30

Port of Port Townsend (PTA)

Bank: Q US Bank - Quilcene

Check Number/ Invoice Number	Check Date Invoice Date	Vendor Number Invoice Amount	Discount	Distribution Amount	Check Amount
W000001031	10/31/2024	USB050 US Bank - Quilcene			63.75
Check Comment: November Analysis Fee CKW00000103101					
	10/31/2024	63.75	0.00		
G/L Account: 761-7700-20		BANK CHARGES: QUIL		63.75	63.75
	Bank Q Total:	63.75	0.00	63.75	63.75
	Report Total:	17,135.05	0.00	17,135.05	17,135.05



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 069577 through No. 069579 generated on December 17, 2024 in the amount of \$5,601.46 and Electronic Payment in the amount of \$129,119.97, for a total amount of \$134,721.43 is **ratified.**

Signed and Authenticated on this 8th day of January, 2025.

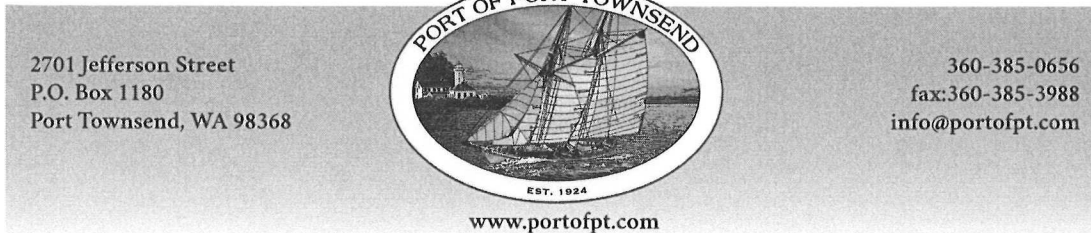
For: Payroll and Benefits

Commissioner Pete W Hanke

Commissioner Carol Hasse

Commissioner Pam Petranek

Connie Anderson, Director of
Finance And
Administration



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 this claim, in Warrant No **069580 - 069596** generated on December 18th, 2024 in the amount of **\$125,123.75 is ratified.**

Signed and Authenticated on this **8th** day of **January**, 2025.

For: Accounts Payable

Commissioner Pete W. Hanke

Commissioner Carol Hasse

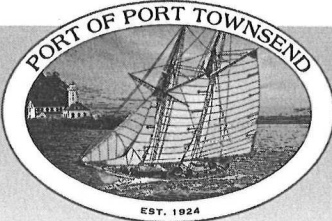
Commissioner Pam Petranek

Connie Anderson, Director of
Finance and Administration

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
0000069580	12/18/2024	ADL050	Ironclad Environmental				Check Entry Number: 001
			207985-0020	12/13/2024	2,140.10	0.00	2,140.10
0000069581	12/18/2024	AHB040	AHBL, Inc.				Check Entry Number: 001
			149345	11/30/2024	50,290.87	0.00	50,290.87
0000069582	12/18/2024	BAN005	Bank of America				Check Entry Number: 001
			12/5/24 STATEMENT	12/5/2024	12,967.31	0.00	12,967.31
0000069583	12/18/2024	CED005	CED				Check Entry Number: 001
			5948-1062876	12/11/2024	175.04	0.00	175.04
			5948-1063267	12/11/2024	153.16	0.00	153.16
			Check 0000069583 Total:		328.20	0.00	328.20
0000069584	12/18/2024	CEN035	CenturyLink				Check Entry Number: 001
			12/6/24 STMNTS	12/6/2024	379.09	0.00	379.09
0000069585	12/18/2024	CHM030	CSD Attorneys at Law				Check Entry Number: 001
			11/2024 STMNT	12/18/2024	5,628.00	0.00	5,628.00
0000069586	12/18/2024	CIN020	Cintas				Check Entry Number: 001
			5244243816	12/12/2024	57.26	0.00	57.26
0000069587	12/18/2024	DAI001	Daily Journal of Commerce				Check Entry Number: 001
			3405337	12/11/2024	933.30	0.00	933.30
0000069588	12/18/2024	HAS020	Carol Hasse				Check Entry Number: 001
			12/24 EXPENSE	12/18/2024	776.68	0.00	776.68
0000069589	12/18/2024	KPF050	KPFF				Check Entry Number: 001
			545873	12/12/2024	20,185.50	0.00	20,185.50
0000069590	12/18/2024	NOR099	Northwest Towing & Recovery LLC				Check Entry Number: 001
			24-1204-1569.2	12/10/2024	324.03	0.00	324.03
0000069591	12/18/2024	PEN060	Peninsula Pest Control, Inc				Check Entry Number: 001
			72177	11/8/2024	547.00	0.00	547.00
0000069592	12/18/2024	PUD005	PUD #1 of Jefferson County				Check Entry Number: 001
			12/11/24 STATMENT	12/11/2024	28,712.01	0.00	28,712.01
			12/11/24 STMNT	12/11/2024	49.61	0.00	49.61
			Check 0000069592 Total:		28,761.62	0.00	28,761.62
0000069593	12/18/2024	QUI001	Quill Corporation				Check Entry Number: 001
			41726360	11/26/2024	187.80	0.00	187.80
			41729392	11/26/2024	40.58	0.00	40.58
			41750581	11/26/2024	351.74	0.00	351.74
			41823311	12/3/2024	529.59	0.00	529.59
			41826543	12/3/2024	49.27	0.00	49.27
			41850575	12/5/2024	368.78	0.00	368.78
			Check 0000069593 Total:		1,527.76	0.00	1,527.76
0000069594	12/18/2024	SHA030	Charlie Shaw				Check Entry Number: 001
			UNIFORM EXP 12/24	12/18/2024	127.97	0.00	127.97
0000069595	12/18/2024	SHE060	Nathan Sherwood				Check Entry Number: 001
			12/24 EXP	12/18/2024	20.36	0.00	20.36
0000069596	12/18/2024	WOL010	Bertram Wolpin				Check Entry Number: 001
			12/24 UNIFORM EXP	12/18/2024	128.70	0.00	128.70
			Report Total:		125,123.75	0.00	125,123.75

2701 Jefferson Street
P.O. Box 1180
Port Townsend, WA 98368



360-385-0656
fax:360-385-3988
info@portofpt.com

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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 069597 through No. 069601 generated on December 31, 2024 in the amount of \$37,557.60 and Electronic Payment in the amount of \$229,589.95, for a total amount of \$267,147.55 is **ratified.**

Signed and Authenticated on this 8th day of January, 2025.

For: Payroll and Benefits

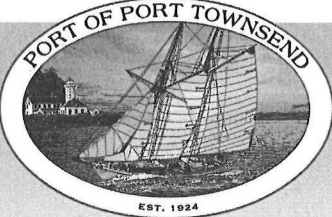
Commissioner Pete W Hanke

Commissioner Carol Hasse

Commissioner Pam Petranek

Connie Anderson, Director of
Finance And
Administration

2701 Jefferson Street
P.O. Box 1180
Port Townsend, WA 98368



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WARRANT APPROVAL

We, the undersigned, as Commissioners and Auditing Officer of the Port of Port Townsend, in Jefferson County, Washington, do hereby certify under penalty of perjury that the materials have been furnished, the 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 this claim, in Warrant No **069602 - 069644** generated on January 2nd, 2025 in the amount of **\$41,445.84 is ratified.**

Signed and Authenticated on this **8th** day of **January**, 2025.

For: Accounts Payable

Commissioner Pete W. Hanke

Commissioner Carol Hasse

Commissioner Pam Petranek

Connie Anderson, Director of
Finance and Administration

Check Register
Journal Posting Date: 1/2/2025
Register Number: CD-001129

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
0000069602	1/2/2025	ALL085	Alliance Technical Group, LLC				Check Entry Number: 001
			SEA067177	12/20/2024	93.00	0.00	93.00
0000069603	1/2/2025	AND025	Connie Anderson				Check Entry Number: 001
			3RD QTR EXPENSE	12/30/2024	18.09	0.00	18.09
			4TH QTR EXPENSE	12/30/2024	24.12	0.00	24.12
			Check 0000069603 Total:		42.21	0.00	42.21
0000069604	1/2/2025	ARR010	Arrow Lumber Port Townsend				Check Entry Number: 001
			12/28/24 STATEMENT	12/28/2024	2,127.97	0.00	2,127.97
0000069605	1/2/2025	BER010	William Berninger				Check Entry Number: 001
			12/2024 EXPENSE	1/2/2025	44.49	0.00	44.49
0000069606	1/2/2025	BER045	Eron Berg				Check Entry Number: 001
			12/2024 EXPENSE	12/30/2024	915.91	0.00	915.91
0000069607	1/2/2025	CAH060	Steven Kelly Cahill				Check Entry Number: 001
			REFUND 12/19/24	12/19/2024	36.00	0.00	36.00
0000069608	1/2/2025	CAP030	Cape Cleare Fishery				Check Entry Number: 001
			136530A	12/18/2024	619.50	0.00	619.50
0000069609	1/2/2025	CAR001	Carl's Building Supply				Check Entry Number: 001
			1/1/25 STATEMENT	1/1/2025	2,168.77	0.00	2,168.77
0000069610	1/2/2025	CED005	CED				Check Entry Number: 001
			5948-1063249	12/18/2024	76.58	0.00	76.58
0000069611	1/2/2025	COD001	Code Publishing Co				Check Entry Number: 001
			GCI0016312	12/23/2024	68.85	0.00	68.85
0000069612	1/2/2025	CPC020	CP Communications				Check Entry Number: 001
			0128	12/27/2024	300.00	0.00	300.00
0000069613	1/2/2025	DLL010	D L Logos				Check Entry Number: 001
			4795	12/31/2024	54.24	0.00	54.24
0000069614	1/2/2025	FER030	Kristian Ferrero				Check Entry Number: 001
			2024 UNIFORM EXPENSE	12/23/2024	273.76	0.00	273.76
0000069615	1/2/2025	GOO002	Good Man Sanitation				Check Entry Number: 001
			12/30/24 STATEMENTS	12/30/2024	2,781.32	0.00	2,781.32
0000069616	1/2/2025	GRE030	John Green				Check Entry Number: 001
			2024 UNIFORM EXPENSE	12/23/2024	417.08	0.00	417.08
0000069617	1/2/2025	GUA080	Guardian Security Systems, Inc.				Check Entry Number: 001
			1569884	1/1/2025	185.36	0.00	185.36
			1569885	1/1/2025	114.56	0.00	114.56
			1569886	1/1/2025	278.98	0.00	278.98
			1569887	1/1/2025	1,077.60	0.00	1,077.60
			1569888	1/1/2025	204.80	0.00	204.80
			Check 0000069617 Total:		1,861.30	0.00	1,861.30
0000069618	1/2/2025	HEN006	Quilcene Henery's Hardware				Check Entry Number: 001
			12/25/24 STMNT	12/25/2024	165.40	0.00	165.40
0000069619	1/2/2025	NEL001	Sue Nelson				Check Entry Number: 001
			4TH QTR EXPENSE	12/23/2024	86.43	0.00	86.43
0000069620	1/2/2025	NOR099	Northwest Towing & Recovery LLC				Check Entry Number: 001
			24-1121-1518	11/21/2024	174.85	0.00	174.85
0000069621	1/2/2025	OES001	OESD 114				Check Entry Number: 001
			2002500639	12/27/2024	5,223.33	0.00	5,223.33
0000069622	1/2/2025	OLY001	Olympic Equipment Rentals Inc				Check Entry Number: 001
			2412-034377	12/18/2024	882.61	0.00	882.61
0000069623	1/2/2025	OLY002	HD Supply Formerly Home Depot Pro				Check Entry Number: 001

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
0000069624	1/2/2025	PAC006	840361349 Pacific Coast Congress	12/11/2024	2,181.28	0.00	2,181.28
			1388	1/1/2025	365.00	0.00	365.00
0000069625	1/2/2025	PAP020	Pape Material Handling				Check Entry Number: 001
			9198885	8/28/2024	150.04	0.00	150.04
			9252229	12/13/2024	359.67	0.00	359.67
			Check 0000069625 Total:		209.63	0.00	209.63
0000069626	1/2/2025	PEN060	Peninsula Pest Control, Inc				Check Entry Number: 001
			72336	12/18/2024	328.20	0.00	328.20
			72681	12/30/2024	82.05	0.00	82.05
			Check 0000069626 Total:		410.25	0.00	410.25
0000069627	1/2/2025	PET065	Pam Petranek				Check Entry Number: 001
			12/2024 EXPENSE	1/2/2025	166.99	0.00	166.99
0000069628	1/2/2025	PIN010	Pinnacle Investigations Corp				Check Entry Number: 001
			96836	12/22/2024	2.00	0.00	2.00
			96940	12/29/2024	83.30	0.00	83.30
			Check 0000069628 Total:		85.30	0.00	85.30
0000069629	1/2/2025	POR050	Port Townsend Shipwrights				Check Entry Number: 001
			27869	12/25/2024	410.25	0.00	410.25
0000069630	1/2/2025	PUD005	PUD #1 of Jefferson County				Check Entry Number: 001
			12/18/24 STATEMENT	12/18/2024	49.61	0.00	49.61
			12/2024 STATEMENTS	12/24/2024	1,006.06	0.00	1,006.06
			12/24/2024 STMNT	12/24/2024	550.00	0.00	550.00
			Check 0000069630 Total:		1,605.67	0.00	1,605.67
0000069631	1/2/2025	RIG060	Right! Systems Inc				Check Entry Number: 001
			SI-189758	12/18/2024	546.44	0.00	546.44
0000069632	1/2/2025	SAF001	Safeway, Inc.				Check Entry Number: 001
			12/21/24 STATEMENT	12/21/2024	3,288.37	0.00	3,288.37
0000069633	1/2/2025	SET015	Seton Construction				Check Entry Number: 001
			PAY ESTIMATE 4 FINAL	12/3/2024	9,437.15	0.00	9,437.15
0000069634	1/2/2025	SHA030	Charlie Shaw				Check Entry Number: 001
			12/26/24 UNIFORM EXP	12/26/2024	52.50	0.00	52.50
			2024 UNIFORM EXPENSE	12/30/2024	123.89	0.00	123.89
			Check 0000069634 Total:		176.39	0.00	176.39
0000069635	1/2/2025	SHO010	Shold Excavating Inc				Check Entry Number: 001
			84905	12/30/2024	670.08	0.00	670.08
0000069636	1/2/2025	SNO030	Laura Snodgrass				Check Entry Number: 001
			2025 UNIFORM EXPENSE	1/2/2025	210.28	0.00	210.28
0000069637	1/2/2025	SPA070	Chris Sparks				Check Entry Number: 001
			2024 UNIFORM EXPENSE	12/27/2024	43.52	0.00	43.52
0000069638	1/2/2025	STE090	Tyson Stellrecht				Check Entry Number: 001
			REFUND 12/19/24	12/19/2024	107.25	0.00	107.25
0000069639	1/2/2025	SUN003	Sunshine Propane				Check Entry Number: 001
			I044272	12/30/2024	76.37	0.00	76.37
0000069640	1/2/2025	VAN080	Douglas Van Leuven				Check Entry Number: 001
			REFUND 12/19/24	12/19/2024	636.21	0.00	636.21
0000069641	1/2/2025	VER001	Verizon Wireless, Bellevue				Check Entry Number: 001
			6101238497	12/15/2024	731.61	0.00	731.61
0000069642	1/2/2025	WAV040	Wave Broadband				Check Entry Number: 001

Check Register
 Journal Posting Date: 1/2/2025
 Register Number: CD-001129

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
			043328901-0011246	12/26/2024	120.82	0.00	120.82
0000069643	1/2/2025	WEB030	Kimberlie Webber				Check Entry Number: 001
			2024 UNIFORM EXP	12/17/2024	404.13	0.00	404.13
0000069644	1/2/2025	WES006	Westbay Auto Parts, Inc.				Check Entry Number: 001
			12/24/24 STATEMENT	12/24/2024	1,149.25	0.00	1,149.25
Report Total:					<u>41,445.84</u>	<u>0.00</u>	<u>41,445.84</u>

PORT OF PORT TOWNSEND AGENDA COVER SHEET

MEETING DATE	January 8, 2025
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	V. C. Todd Flye d/b/a On the Flye, Boat Haven Land Lease
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	1. Staff Memo 2. Todd Flye d/b/a On the Flye, Boat Haven Land Lease, including Exhibits 'A' & 'B'

If adopted as part of the consent agenda, no further action is needed. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the Boat Haven Land Lease for Todd Flye d/b/a On the Flye.

Alternative action: Remove from consent for discussion. Move to authorize the Executive Director to execute the Boat Haven Land Lease for Todd Flye d/b/a On the Flye.

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/30/2024
TO: Port Commission
FROM: Eric Toews, Deputy Director & Sue Nelson, Lease & Contracts Administrator
SUBJECT: Todd Flye Boat Haven Land Lease

BACKGROUND & DISCUSSION: In January of 2015 Mr. Todd Flye (d/b/a On the Flye Gelcoat & Fiberglass Repair & Construction) and the Port entered a five (5) year land lease agreement with a five (5) year option for approximately 2,200 square feet of Boat Yard space proximate to Scow Bay Boats (Mark Stout). The premises are occupied by a portable shelter Mr. Flye purchased from Aaron Day in 2015. This shelter is one of only three (3) structures accessible to the Port's 70-Ton Marine Travelift.

In 2015, Port staff expressed concerns about leasing Boat Yard space on a long-term basis at the land lease rate, given that no permanent buildings or structural improvements to the Port's land were imagined. In consequence, the parties agreed that the miscellaneous storage rate, rather than the typical land lease rate (i.e., \$0.25 per square foot in 2015) would be applied. However, in 2020 the Commission adopted an "Intermediate Rate for Yard LEASE Tenants of \$0.16/psf. The current rent reflects the "Intermediate Rate" adjusted by inflation. The current lease will expire at the end of January 2025.

Mr. Flye's business has been very successful over the past decade, and he now wishes to enter into a new three (3) year lease agreement with the Port, with two additional one (1) year options to extend the lease. Port staff have prepared a new term Land Lease Agreement that is substantially consistent with the Commission's adopted Lease Policy, but which contains a few unique provisions, that can be summarized as follows:

- The proposed term is three (3) years with two (2) one (1) year options to extend the term, rather than the typical five (5) year plus five (5) year lease term outlined in the adopted Lease Policy;
- The lease provides Mr. Flye with the ability to terminate the lease on 30 days' notice if the Port no longer has a mobile lift that can provide direct access to his rub shelter; and
- A provision has been included that permits the Port to relocate Mr. Flye's leased premises if expansion and reconfiguration of the Boat Yard become necessary over the next five (5) years; as a corollary to the Port's ability to move the leased premises, Mr. Flye also has the option early terminate the lease in moving to a new location at Boat Haven.

On the Flye Gelcoat & Fiberglass Repair & Construction fills an important niche in the complex of marine trades at Boat Haven, and Port staff are pleased to be able to continue this productive business relationship.

RECOMMENDATION: Authorize the Executive Director to execute the attached Boat Haven Land Lease with Mr. Todd Flye, d/b/a On the Flye, substantially in the form presented.¹

MOTION: None required. Approval of this item on the Consent Agenda operates to authorize the Executive Director to execute the attached Boat Haven Land Lease substantially in the form presented.

ATTACHMENTS: Boat Haven Land Lease between the Port and Todd Flye, including Exhibit “A”, Description of Premises, and Exhibit “B”, Hazardous Substances Warranty & Agreement, consisting of twenty-four (24) pages.

¹ Mr. Flye is due an annual CPI adjustment before February 1, 2025; updated inflation numbers for 2024 will not be released by the US Bureau of Labor Statistics until mid-January. Accordingly, the rent and deposit figures presented here will be adjusted/corrected to reflect this information prior to execution this lease.

PORT OF PORT TOWNSEND

BOAT HAVEN LAND LEASE

THIS LEASE AGREEMENT made this ____ day of January 2025, by and between the PORT OF PORT TOWNSEND, a municipal corporation organized and existing under the laws of the State of Washington, Lessor, hereinafter referred to as "the Port," and TODD FLYE, d/b/a ON THE FLYE, a Washington Sole Proprietorship, hereinafter referred to as "Lessee,"

WITNESSETH:

That the parties hereto do mutually agree as follows:

- 1. LEASED PREMISES:** The Port hereby leases to Lessee, and Lessee hereby leases from the Port, certain real property (hereinafter "the Premises") located in Jefferson County, Washington, which is briefly described as follows:

An approximately 35.17' x 62.17' (2,206 square foot) area situated in the Port's Boat Haven Industrial Park facility in Port Townsend, Jefferson County, more particularly described and depicted upon Exhibit "A" which is attached hereto and incorporated herein by this reference.

The Premises described above comprise approximately 2,206 square feet. The Port hereby warrants that it has good and marketable fee title to the Premises and has full right and authority to execute this Land Lease and to demise the Premises.

- 2. TERM:** This Lease shall be for a term of three (3) years, beginning on February 1, 2025, and ending at midnight on January 31, 2028. The Lessee shall also have the option to extend the lease term by two (2) additional one (1) year terms. Notification to extend the Lease will be done in writing at least ninety (90) days prior to the end of the initial lease term or any extension hereof. Lessee shall not be entitled to renew this Lease unless the Lease is in good standing at the time of renewal and the Lessee is not in default under the terms of this Lease or any other lease or agreement with the Port. The terms and conditions of any renewal shall be the same as set forth in this Lease, except that the terms of this Lease shall be updated to be consistent with the terms and conditions then existing in the Port's standard form industrial land lease.

3. RENT:

- a. Lessee agrees to pay as rental for the leased Premises the sum of **Four Hundred Twenty Dollars and Eleven Cents (\$420.11)** per month plus all applicable taxes.¹
- b. The rent for each month shall be paid to the Port in advance on or before the first day of each month of the lease term and shall be payable at such place as the Port may hereinafter designate.
- c. Beginning in year three (3) and every three (3) years thereafter, the rental rate may be adjusted to the fair market rental rate then prevailing for comparable commercial and/or industrial property in the Western Washington area, bearing in mind all allowable uses of the property and all services and amenities available to the property by virtue of its location.
- d. Except in years when a fair market rate adjustment is made as set forth in subparagraph (c) of this Paragraph 3, the rental rate beginning in year two (2) and annually throughout the term of the lease will be adjusted by an amount equal to the accumulative amount found on the Consumer Price Index for all urban consumers (CPI-U) for Seattle-Tacoma-Bellevue, which is compiled by the Department of Labor, Bureau of Statistics.
- e. In no event shall any rent adjustment result in a reduction in rent from the rate paid in the prior year.

4. LATE CHARGE: In the event that any installment of rent remains unpaid more than twenty (20) days after it is due, then Lessee shall also be obliged to pay a “late charge” as per the Port of Port Townsend Rate Schedule then in effect. This provision for a “late charge” and the Port’s acceptance of payment of such charges shall not be construed as a waiver of the Port’s right to declare this Lease in default if a rent payment is not paid when due.

5. DEPOSIT: Upon the execution of this Lease, Lessee shall deposit with the Port three month's rent plus all applicable taxes in the amount of **One Thousand Four Hundred and Twenty-Two Dollars and Sixteen Cents (\$1,422.16)**.² Lessee has an existing deposit of **One Thousand One Hundred Ninety-Four Dollars and Eight-Four Cents (\$1,194.84)** currently on file with the Port under an agreement now superseded by this Lease. Accordingly, Lessee shall deposit an additional **Two Hundred Twenty-Seven Dollars and Thirty-Two Cents (\$227.32)** in order to satisfy the requirements of this Paragraph 5 (“the additional deposit”). This Lease shall not be effective until the additional deposit is made with the Port. If Lessee defaults in any particular the Port may use, apply or retain all or any part of the security (1) to the extent of any sum due to the Port, or (2) to make any required payment on Lessee’s behalf, or (3) to compensate the Port for any expense or damage caused by Lessee’s default. On the Port’s demand, Lessee shall promptly pay to the Port a sum equivalent to the amount by which the security was so depleted. On February 1,

¹ Rent calculated as follows: a) $2,206 \times \$0.190613 \text{ psf} = \$420.11 + \text{LHT}$.

² Calculated as follows: $\$440.11 \times 3 = \$1,260.33$; $\$1260.33 \times 12.84\% \text{ LHT} = \161.83 ; $\$1,260.33 + \$161.83 = \$1,422.16$.

2028, the amount of such security deposit shall be increased in the same proportion as the annual rental is increased above the basic rent charged during the first (1st) year of the lease term.

- 6. USE OF PREMISES:** Lessee shall use the Premises for boatbuilding and repair and shall not use them for any other purpose without the prior written consent of the Port. Lessee shall use the entire Premises for the conduct of said business in a first-class manner continuously during the entire term of this Lease, with the exception of temporary closures for such periods as may reasonably be necessary for repairs or redecorating or for reasons beyond Lessee's reasonable control. Lessee agrees that it will not disturb the Port or any other tenant of the Port's by making or permitting any disturbance or any unusual noise, vibration or other condition on or in the Premises inconsistent with normal boat repair work.
- 7. CONDUCT COVENANTS AND WARRANTIES:** In addition to all other covenants and warranties set forth herein, Lessee specifically represents to the Port as follows:

 - a. Quiet Conduct. The conduct of Lessee and such others for whom Lessee is responsible shall not in any manner disturb the quiet enjoyment of other tenants, invitees or visitors in or near where the Premises are located, including common areas.
 - b. Damage. The conduct of Lessee and such others for whom Lessee is responsible shall not result in, or cause destruction or damage to, the Premises or any part thereof, including, but not limited to any and all common areas, or the property of other tenants, their invitees, and visitors.
- 8. UTILITIES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all charges for all utility services furnished to the Premises, including, but not limited to electricity, gas, water, sewerage, and garbage disposal. Lessee shall be solely responsible for the provision of electrical service to the Premises and shall not use yard power stands adjacent to the leased Premises.
- 9. ACCEPTANCE OF PREMISES:** Lessee has examined the leased Premises and accepts them in their present condition. Except as otherwise stated herein, the Port has made no representations regarding the suitability of the land for any improvements contemplated by Lessee. Except for the warranties of title and quiet enjoyment implied in any lease and the warranties otherwise stated herein, the Port makes no warranties whatsoever regarding the Premises and hereby specifically disclaims any and all such warranties.
- 10. ALTERATIONS AND IMPROVEMENTS:** Lessee shall make no alterations or improvements to or upon the Premises or install any fixtures without first obtaining written approval from the Executive Director of the Port. Such written approval shall also include agreement for disposition of the improvements upon termination of this Lease.

- 11. MAINTENANCE AND REPAIR:** Maintenance and repair of the Premises shall be the sole responsibility of Lessee. Accordingly, at the expiration or sooner termination of this Agreement, Lessee shall return the Premises to the Port in the same condition in which received, reasonable wear and tear and damage by fire or unavoidable casualty excepted. Lessee shall, at its' own expense, and at all times:
- a. Keep the Premises, and the adjoining areas, neat, clean and safe condition;
 - b. Maintain and keep the leased Premises in a good state of repair; and
 - c. Not commit waste of any kind.
- 12. INSPECTION - "FOR RENT" SIGNS:** The Port reserves the right to inspect the leased Premises at any and all reasonable times throughout the term of this Lease, PROVIDED, that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Port hereunder shall impose no obligation on the Port to make inspections to ascertain the condition of the Premises and shall impose no liability upon the Port for failure to make such inspections. The Port shall have the right to place and maintain "For Rent" signs in conspicuous places on the Premises for one hundred and eighty (180) days prior to the expiration or sooner termination of this Lease.
- 13. POSSESSION:** If the Port shall be unable for any reason to deliver possession of the Premises, or any portion thereof, at the time of the commencement of the term of this Lease, the Port shall not be liable for any damage caused thereby to Lessee, nor shall this Lease thereby become void or voidable, nor shall the term specified herein be in any way extended, but in such event Lessee shall not be liable for any rent until such time as the Port can deliver possession, PROVIDED, that if Lessee shall, in the interim, take possession of any portion of the Premises, it shall pay as rental the full rental specified herein reduced pro rata for the portion of the Premises not available for possession by Lessee, AND PROVIDED FURTHER, that if the Port shall be unable to deliver possession of the Premises at the commencement of the term of this Lease, Lessee shall have the option to terminate this Lease by at least thirty (30) days written notice, unless the Port shall deliver possession of the Premises prior to the effective date of termination specified in such notice. If Lessee shall, with the Port's consent, take possession of all or any part of the Premises prior to the commencement of the term of this Lease, all of the terms and conditions of this Lease shall immediately become applicable.
- 14. DAMAGE OR DESTRUCTION:**
- a. Should the Premises be damaged by casualty, and if the damage is repairable within four (4) weeks from the date of the occurrence (with the repair work and the preparations therefor to be done during regular working hours on regular work days), the Premises shall be repaired with due diligence by the Port, and in the meantime the monthly minimum rental shall be abated in the same proportion that the untenable portion of

the Premises bears to the whole thereof, for the period from the occurrence of the damage to the completion of the repairs.

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

- 15. INDEMNIFICATION AND HOLD HARMLESS:** The Port, its employees and agents shall not be liable for any injury (including death) to any persons or for damage to any property, regardless of how such injury or damage be caused, sustained, or alleged to have been sustained by the Lessee or by others as a result of any condition (including existing or future defects in the Premises) or occurrence whatsoever related in any way to the Premises and the areas adjacent thereto or related in any way to Lessee's use or occupancy of the Premises and of the areas adjacent thereto except to the extent attributable to the negligence or other wrongdoing of the Port or its employees, contractors or agents. Lessee agrees to defend, indemnify, and to hold and save the Port harmless from all liability and expense (including, but not limited to attorney's fees and other costs of litigation) in connection with any such items of actual or alleged injury or damage.
- 16. NOTICES OF CLAIMS OR CAUSES OF ACTION:** In the event any action or proceeding is brought against the Port or Lessee for which a party seeks indemnification pursuant to the indemnification provision set forth in Paragraph 15, above, the party seeking indemnification shall give the other party written notice within thirty (30) days of being served or otherwise being put on notice of such a claim or cause of action. The party receiving a demand for indemnification shall accept or reject the tender of the defense of a claim or cause of action by written notice to the other party within sixty (60) days of its receipt of the demand for indemnification. If a party accepts the defense of the tendered claim or cause of action it shall also notify the other party of the identity of the

law firm and lawyer which has been retained to represent the Port and/or the Lessee in responding to the claim or cause of action.

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

18. INSURANCE: Lessee agrees to maintain during the lease term insurance as set forth below, at Lessee's sole expense. All such insurance shall name the Port of Port Townsend as an additional insured and shall be with insurance companies acceptable to the Port.

- a. Comprehensive General Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$2,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, personal injury liability, property damage liability, broad form property damage liability, and contractual liability.
- b. Comprehensive Business Automobile Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$1,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, property damage liability, hired car liability, and non-owned auto liability.
- c. Workers Compensation Insurance as required by Washington law as well as all Federal Acts applicable to the tenant's operations at the site such as but not limited to U.S. Longshoremen and Harbor Workers' Act, Jones Act, and Federal Employers Liability section of the Washington Workers Compensation Policy and all Federal Acts Insurance, with minimum limits of liability as required by such laws.

The Lessee agrees to supply the Port with appropriate evidence to establish that its insurance obligations have been met, and that the insurance policy or policies are not subject to cancellation without at least thirty (30) days advance written notice to the Port. The Lessee shall provide a complete copy of all insurance policies to the Port at the Port's request. The conditions set forth in Subparagraphs (a), (b), and (c) of this Paragraph 18 shall be met prior to occupancy.

- 19. WAIVER OF SUBROGATION:** The Port and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective insurance contracts, including any extended coverage endorsements thereto, PROVIDED that this Paragraph 19 is effective only to the extent that the insurance company(ies) actually pay(s) for such injury, loss or damage, and, PROVIDED FURTHER, that this Paragraph 19 shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of the Port or Lessee.
- 20. INCREASE IN COST OF INSURANCE:** Lessee shall not use the demised Premises in such a manner as to increase the existing rates of insurance applicable to the improvements of which the Premises are a part. If it nevertheless does so, then, at the option of the Port, the full amount of any resulting increase in premiums paid by the Port with respect to the leased Premises, and to the extent allocable to the term of this Lease, may be added to the amount of rental hereinabove specified and shall be paid by Lessee to the Port upon the monthly rental day next thereafter occurring.
- 21. HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT:** Lessee has examined the Hazardous Substance Warranty and Agreement, consisting of five (5) pages, which is attached hereto as Exhibit "B" and which, by this reference, is incorporated herein as fully set forth herein and acknowledges full understanding of its obligations under said Hazardous Substances Warranty and Agreement.
- 22. TAXES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all license and excise fees and occupation taxes covering the business conducted on the Premises, and all taxes on property of Lessee on the leased Premises and any taxes on the leased Premises or leasehold interest created by this Lease Agreement and any taxes and assessments based on the Premises or any improvements located thereon.
- 23. COMPLIANCE WITH PORT REGULATIONS AND WITH ALL LAWS:** Lessee agrees to comply with all applicable rules and regulations of the Port pertaining to the improvements or other realty of which the Premises are a part now in existence or hereafter promulgated for the general safety and convenience of the Port, its various tenants, invitees, licensees and the general public. Lessee also agrees to comply with all applicable federal, state, and local laws, rules, regulations, ordinances, permits and permit requirements, orders, and decrees of all governmental bodies having authority over the Premises, or any improvements located thereon, or any activity conducted thereon, as currently in effect or as may be hereafter amended or issued. Lessee shall defend, indemnify, and hold the Port harmless against all claims, costs (including but not limited to attorney fees), fees, fines, penalties, liabilities, losses, and damages that the Port may incur by reason of any charge, claim, litigation, or enforcement action related to any actual or claimed violation

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

24. ASSIGNMENT OR SUBLEASE: Lessee shall not assign or transfer this Lease or any interest therein nor sublet the whole or any part of the Premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, otherwise, without the written consent of the Port first had and obtained. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this Lease more than one-half (1/2) of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half (1/2) of the outstanding shares of that class of stock at the time of the execution of this Lease or to members of their immediate families, such change in the ownership of the stock of the Lessee shall be deemed an assignment of this Lease within the meaning of this Paragraph 24. If the Port shall give its consent to any assignment or sublease, this Paragraph 24 shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the Port's consent.

25. EASEMENTS:

- a. The parties recognize that the Port's facilities are continuously being modified to improve the utilities and services used and provided by the Port. The Port, or its agents, shall have the right to enter the demised Premises of the Lessee, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair and operate the sewer, water, and drainage lines, and the electrical service, and all other services required by the Port for its use. The Port is hereby granted a continuous easement or easements that the Port believes is necessary within the Premises leased by the Lessee, without any additional cost to the Port for the purposes expressed hereinabove, PROVIDED, HOWEVER, that the Port by virtue of such use, does not significantly impact or deprive the Lessee from its beneficial use or occupancy of the leased Premises.
- b. In the event that the Port does significantly impact the Lessee from such beneficial use or occupancy, then there will be an equitable adjustment in rent. In the event that the Port does permanently deprive the Lessee from such beneficial use or occupancy, then the cost required to modify its Premises to allow the Lessee to operate its business will be negotiated and paid by the Port to the Lessee. In the event that such entry by the Port is temporary in nature, then the Port shall reimburse the Lessee for the cost required to modify its Premises for the temporary period that the Lessee is inconvenienced by such Port entry.

- 26. DEFAULTS:** Time is of the essence of this Lease Agreement, and in the event of the failure of Lessee to pay the rentals or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth to be kept and performed, the Port may elect to terminate this Lease and reenter and take possession of the Premises with or without process of law, PROVIDED, however, that Lessee shall be given fifteen (15) days' notice in writing stating the nature of the default in order to permit such default to be remedied by Lessee within said fifteen (15) day period. If upon such reentry there remains any personal property of Lessee or of any other person upon the leased Premises, the Port may, but without the obligation so to do, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Lessee shall reimburse the Port for any expense incurred by the Port in connection with such removal and storage. After such stored property has been stored for a period of thirty (30) days or more, the Port shall have the right to sell such property PROVIDED, however that Lessee shall be given fifteen (15) days' written notice of the Port's intent to sell such property. The proceeds of such sale of stored property shall be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts that may then be due from Lessee to the Port, and the balance, if any, shall be paid to Lessee. Notwithstanding any such reentry, the liability of Lessee for the full rental provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to the Port any deficiency arising from a re-letting of the leased Premises at a lesser rental than that hereinbefore agreed upon. Lessee shall pay such deficiency each month as the amount thereof is ascertained by the Port. Any failure by the owners, officers, or principals of Lessee to pay rentals, storage fees, moorage or any other charges owed to the Port under separate contract shall constitute default under provisions of this Lease Agreement.
- 27. CHANGE IN LOCATION OF PREMISES BY PORT – OPTION TO TERMINATE BY LESSEE:** In the event the Port, in its sole discretion, requires relocation of the Premises to another site within the Boat Haven Industrial Park for any purpose in connection with the business of the Port, it may relocate the Premises described in Paragraph #1, above, by written notice delivered or mailed by the Port to the Lessee **One Hundred and Eighty (180)** or more days before the Premises described in Paragraph #1, infra, are required for Port use. In the event this paragraph is exercised by the Port, Lessee agrees that the Port shall not be required to compensate Lessee for loss of use or cost of relocation. Additionally, if this paragraph is exercised by the Port, Lessee may terminate this Lease by giving the Port at least thirty (30) days' written notice. Any change to the location of the Premises described herein shall be memorialized as soon as practicable by way of a written Land Lease Amendment signed by the parties. All other terms and conditions of this Lease shall remain unchanged.

28. TERMINATION BY PORT:

- a. Nothing in this Lease shall be deemed to be a waiver of the Port's power of eminent domain. If the Port, in its sole discretion, shall require the use of the Premises for any purpose in connection with the operation of the business of the Port, then this Lease may be terminated by the Port by written notice delivered or mailed by the Port to the Lessee at least 120 days before the termination date specified in the notice. In the event of such a termination the Port shall be obligated to compensate the Lessee for the termination of Lessee's leasehold interest in the same manner as in the case of an exercise of the Port's eminent domain power.
- b. In the event the term of this Lease or any extended term expires, and an indefinite month-to-month tenancy results, then the resulting tenancy may be terminated by the Port by written notice delivered or mailed by the Port to the Lessee twenty (20) or more days before termination date specified in the notice. In the event of a holdover, month-to-month tenancy, no compensation shall be owed to Lessee for loss of use, cost of relocation, and/or cost of improvement.

29. TERMINATION BY LESSEE: If at any time during the term of this Lease the Port is unable to provide direct mobile travel lift access into the rub shelter placed upon the Premises, Lessee may terminate this Lease by giving the Port thirty (30) days' written notice.

30. TERMINATION FOR GOVERNMENT USE: In the event that the United States Government or any agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the Premises or any part thereof, the Port may, at its option, terminate this Lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this Lease on said date, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.

31. TERMINATION BECAUSE OF COURT DECREE: In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this Lease, then either party hereto may terminate this Lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this Lease on the effective date of such termination, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.

- 32. INSOLVENCY:** If Lessee shall file a petition in bankruptcy, or if Lessee shall be adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee shall be appointed in any proceeding brought by or against Lessee, or if Lessee shall make an assignment for the benefit of creditors, or if any proceedings shall be commenced to foreclose any mortgage or any other lien on Lessee's interest in the Premises or on any personal property kept or maintained on the Premises by Lessee, the Port may at its option, terminate this Lease.
- 33. WAIVER:** No word, act or omission of the Port shall be deemed to be a waiver of any default or noncompliance by Lessee under the terms of this Lease or of any right of the Port hereunder or of any notice given by the Port hereunder unless the Port so advises Lessee in writing. The acceptance of rental by the Port for any period or periods after a default by Lessee hereunder shall not be deemed a waiver of such default unless the Port shall so intend and shall so advise Lessee in writing. No waiver by the Port of any default hereunder by Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee. After any default shall have been cured by Lessee, it shall not thereafter be used by the Port as a ground for the commencement of any action under the provisions of Paragraph 26 hereof.
- 34. PRIOR AGREEMENTS:** This Lease contains all the agreements of the parties with respect to any matter covered or mentioned in this Lease, and no prior agreement, letter of intent or understanding pertaining to any such matter will be effective for any purpose. No provisions of this Lease may be amended or added to, except by an agreement in writing signed by the parties or their respective successors in interest.
- 35. ATTORNEYS' FEES AND COSTS:** In the event either party requires the services of an attorney in connection with enforcing or interpreting the terms of this Lease, or in the event suit is brought for the recovery of any sums due under this Lease or for the breach of any covenant or condition of this Lease, or for the restitution of the Premises to the Port or eviction of the Lessee during the lease term or after the expiration thereof, the substantially prevailing party is entitled to reasonable attorneys' fees and all costs incurred in connection therewith, including, without limitation, the fees of accountants, appraisers and other professionals, whether at trial, on appeal or without resort to suit.
- 36. VACATION OF PREMISES – HOLDING OVER:** In the event that no new lease has been negotiated and executed by the parties (or their successors) prior to the termination of this Lease, and upon written notice from the Port given at any time prior to the expiration of the term, Lessee shall promptly vacate the Premises on or before the last day of the term, leaving the Premises in the condition described in Paragraph 37, below. If Lessee holds over after the expiration or earlier termination of this Lease without the express written consent of the Port, Lessee will be a tenant at sufferance only and otherwise subject to the

terms, covenants and conditions herein specified, insofar as applicable, except that the monthly rent will be one hundred twenty-five percent (125%) of the rent applicable during the last rental period under this Lease. Tenant shall also pay its share of then current additional rent, prorated on a daily basis. Acceptance by the Port of rent after the expiration or earlier termination of this Lease will not result in a renewal of this Lease. The forgoing provisions of this section are in addition to and do not affect the Port's right of re-entry or any other rights of the Port hereunder or otherwise provided by law. Lessee hereby indemnifies and agrees to hold the Port harmless from all loss, injury or liability arising from Lessee's failure to surrender the Premises upon the expiration or earlier termination of this Lease.

- 37. SURRENDER OF PREMISES:** The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, will not work a merger, and will, at the option of the Port, operate as an assignment to it of any or all subleases or subtenancies. Upon the expiration or earlier termination of this Lease, Lessee shall peaceably surrender the Premises and all of the alterations and additions thereto, leave the Premises clean, in as good order, repair and condition as was provided to Lessee on the commencement date, reasonable wear and tear excepted, and Lessee shall comply with the provisions of Paragraph 10, above. The delivery of keys to any employee of the Port or to the Port's agent or any employee thereof shall not be sufficient to constitute a termination of this Lease or a surrender of the Premises.
- 38. ADVANCES BY PORT FOR LESSEE:** If Lessee shall fail to do anything required to be done by it under the terms of this Lease, except to pay rent, the Port may, at its sole option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Port, Lessee shall promptly pay the Port the amount of that cost.
- 39. LIENS AND ENCUMBRANCES:** Lessee shall keep the leased Premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the said Premises by Lessee. At the Port's request, Lessee shall furnish the Port with written proof of payment of any item that would or might constitute the basis for such a lien on the leased Premises if not paid.
- 40. NOTICES:** All notices hereunder may be personally delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

To Lessor:

THE PORT OF PORT TOWNSEND
 Attn: Lease & Contracts Administrator
 P.O. Box 1180
 Port Townsend, Washington 98368

To Lessee:

TODD FLYE d/b/a ON THE FLYE Gelcoat & Fiberglass Repair & Construction
 Attn: Todd Flye
 4601 Jackman Street
 Port Townsend, WA 98368
 Phone: (360) 390-8711

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when received or refused by the addressee.

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

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

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

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

46. LABOR UNREST: Lessee agrees to join with the Port and use its best efforts in avoiding labor unrest, or in the event of a wildcat strike or other labor difficulty, to use its good offices in negotiating and bringing to a swift and satisfactory conclusion any kind of labor dispute that may affect the interests of the Port.

47. SUCCESSORS AND ASSIGNS: Except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease are binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors and assigns. If the Port sells or otherwise conveys its title to the Premises, then after the effective date of such sale or conveyance, the Port will have no further liability under this Lease to Lessee except as to matters of liability which have accrued and are unsatisfied as of the date of sale or conveyance, and Lessee must seek performance solely from the Port's purchaser or successor in title. The Port's successor will have all rights of the Port, as Landlord, hereunder.

Lease Agreement dated this _____ day of January 2025 is hereby approved by the Port of Port Townsend and effective upon the receipt of a deposit and insurance documentation from the Lessee.

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

LESSEE – Todd Flye, d/b/a ON THE FLYE

Todd Flye, Owner

LESSOR – Port of Port Townsend

APPROVED AS TO FORM

Eron Berg, Executive Director

Eric Toews, Port Attorney

**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

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

Dated: _____

Signature of
Notary Public: _____

My Appointment Expires: _____

**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that ERON BERG signed this instrument and that he is authorized to execute the instrument as Executive Director of the Port of Port Townsend and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

Signature of
Notary Public: _____

My Appointment Expires: _____

EXHIBIT A

**LEGAL DESCRIPTION
TODD FLYE d/b/a ON THE FLYE
BOAT HAVEN LAND LEASE**

The premises identified in paragraph #1 of this Land Lease Agreement are located on Assessor's Parcel Number 991400401 at the Port's Boat Haven facility, 2601 Washington Street, on portions of Lots 2, 3 and 4 of Block 4 of the Railroad Addition in Section 10, Township 30 North, Range 1 West of the Willamette Meridian, Port Townsend, Jefferson County, Washington.

Exhibit A
On the Flye
Boat Haven Land Lease 2025



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

Jefferson County, WA



Scale: 1:1,128

Date: 12/30/2024



This map is not a substitute for accurate field surveys or for locating actual property lines and any adjacent features.

EXHIBIT "B"
HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT

RIDER TO LEASE AGREEMENT DATED: January __, 2025, BETWEEN THE PORT OF PORT TOWNSEND and TODD FLYE, d/b/a ON THE FLYE, a Washington Sole Proprietorship.

IT IS HEREBY AGREED THAT THE LEASE AGREEMENT IDENTIFIED ABOVE SHALL BE SUPPLEMENTED AND MODIFIED AS FOLLOWS:

1. **HAZARDOUS SUBSTANCES ON PREMISES.** Without the express written permission of Lessor, Lessee shall not store, use or have present on or adjacent to the premises any hazardous or toxic substances, including those substances defined as "hazardous" or "extremely hazardous" under federal or Washington State environmental statutes or regulation (including but not limited to 42 USC 9601 et seq., 40 CFR Part 302, RCW Chapter 70.105D.020 and WAC 173-340-200, and any successor statutes and regulation), except as follows: _____

2. **STORAGE AND USE OF HAZARDOUS SUBSTANCES.** Lessee agrees at all times to restrict its storage and use of substances identified in Paragraph 1 to the inside of the permanent building(s) at the premises, and specifically to those locations within such buildings(s) having concrete flooring or such other impermeable flooring as Lessor may in its sole discretion approve in writing upon request by Lessee.
3. **HANDLING AND DISPOSAL.** The Lessee agrees to use said substances identified in paragraph 2 only on areas which have impermeable surfaces and or other means for preventing accidental contact by such substances with the soils upon the leasehold or its surrounding area.
4. **RELEASES OF HAZARDOUS SUBSTANCES PROHIBITED.** Lessee shall not release, dispose of, or permit a release of, any of the substances described or identified in paragraph 1 onto the premises or into the environment surrounding the premises.
5. **REGULATORY COMPLIANCE.** Lessee warrants and agrees that, during the term of this lease and any extensions thereof, it will take all steps necessary to comply with all applicable federal, state and local requirements for the containment, storage, use and disposal of any and all hazardous or toxic substances at the premises, including but not limited to obtaining and maintaining all necessary federal, state and local permits or licenses, and obtaining any required federal or state hazardous waste generator or transporter identification numbers. Lessee shall provide to Lessor a copy of each such existing permit, license, and identification number before occupancy, and shall provide a

copy of any such permit, license, and identification number which Lessee may obtain in the future within seven days of receipt by Lessee.

6. **DISPOSAL OF HAZARDOUS WASTES.** In the event Lessee has occasion or need to dispose of hazardous or toxic substances or wastes, and unless otherwise agreed in writing, Lessee shall retain an independent hazardous waste disposal firm to dispose of any and all such substances at an off-site facility which has been properly approved, licensed and authorized to accept such substances. Lessee shall ensure that the disposal firm is properly licensed and in good standing with the applicable regulatory authorities for such work, and that it has all required transporter identification numbers.
7. **LESSEE'S WARRANTY OF NO CONTAMINATION.** Except as may be disclosed in Attachment No. 1 hereto, Lessee warrants and represents (1) that it has not released any toxic or hazardous substances onto the premises or into the environment in connection with its activities at the premises, (2) that it has inspected the premises and is not aware of any indication that a release of any hazardous substances has ever occurred at the premises, including prior to Lessee's occupancy, (3) that it has never been formally accused or cited, at the premises or elsewhere, for any violation of environmental laws, regulations or any hazardous waste-related governmental permit, and (4) that no claims or litigation have ever been pending against it by any person or governmental agency involving any use, storage, release or disposal of hazardous or toxic waste. If any such releases, formal accusations, citations, claims or litigation against Lessee arise during the term of this lease or any extension thereof, then Lessee shall notify Lessor in writing within seven (7) days of such event, and shall provide Lessor with a copy of each document reflecting such event.
8. **INDEMNIFICATION AND HOLD HARMLESS.** Lessee shall indemnify and hold Lessor harmless with respect to any and all direct or indirect expenses, losses of damages, including all consequential damages, Attorney's fees, and litigation-related expenses and costs, incurred by Lessor which result from (1) Lessee's breach of provision of this Rider, (2) claims, actions, suites, proceedings, judgments, fines or remedial orders (including orders to clean up contamination at the premises) which arise because of Lessee's breach of this Rider, (3) Lessee's violation of environment laws or regulations, or (4) Lessee's release of a toxic or hazardous substance onto the premises or into the surrounding environment. This provision shall apply regardless of whether Lessee has been negligent or at fault for such breach, violation, or release. This obligation by the Lessee shall survive the expiration or termination of the lease agreement and the sale of the property. If Lessor so requests, Lessee shall accept the tender of defense of, and shall retain counsel of Lessor's selection and at Lessee's expense to defend, any third-party claim asserted against Lessor in connection with alleged conduct by Lessee which, if true, would be in breach of the provision of this Rider.

9. **NOTIFICATION TO LESSOR OF CHANGES IN OPERATION.** Lessee agrees to notify Lessor in writing at least seven (7) days in advance of any previously undisclosed action which the Lessee plans to take which poses a material risk of a release of hazardous substance into the environment, including but not limited to material changes in Lessee's methods of hazardous waste disposal, material increases in the volume of Lessee's hazardous waste disposal, or material changes in the nature of any hazardous wastes which Lessee anticipates it will generate.
10. **COPIES OF ENVIRONMENTAL CORRESPONDENCE.** Lessee agrees to provide Lessor with copies of all past and future correspondence to or from the Washington Department of Ecology, the U.S. Environmental Protection Agency, and any other government agency which has had or may have contact with Lessee regarding environmental concerns pertaining to the premises.
11. **NOTIFICATION OF SPILLS OR RELEASES.** Lessee shall comply with all notification requirements under the applicable federal, state and local environmental statutes and regulations, including but not limited to the timely notification of the appropriate government authorities of any spills or releases of toxic or hazardous substances into the environment or onto the premises. Lessee shall notify Lessor within 24 hours of discovery of any such spills or releases and shall provide copies of all correspondence and documents related to such spills or releases to Lessor with seven days after receipt or creation, as the case may be.
12. **LESSOR'S REMEDY FOR BREACH OR VIOLATION.** In the event Lessee permits a release of a hazardous substance to occur at or near the premises, or breaches any provision of this Rider, Lessor shall be entitled (1) to terminate the lease agreement immediately, (2) to require Lessee to cease all operation which pose a risk of releasing a hazardous substance into the environment, and (3) to require Lessee to begin an immediate cleanup of any and all contamination at the premises to the extent necessary to achieve full compliance with the applicable environmental laws and regulations. Lessor shall be entitled to obtain immediate injunctive relief from a court of competent jurisdiction to enforce this provision. These remedies shall be in addition to, and not in substitution for, any other remedies available to Lessor under applicable law.
13. **ANNUAL DECLARATION OF COMPLIANCE.** Within ten (10) days of receipt of a written request by Lessor, Lessee shall provide to lessor a declaration of Lessee's compliance or non-compliance with the applicable environmental laws and regulations and with the provisions of this Rider, in the form set forth in Attachment No. 2. Lessor anticipates that it will request such a declaration annually, approximately on the anniversary date of this Rider.

14. INSPECTION OF PREMISES. Lessee agrees to permit and cooperate with any on-site inspections and testing requested by Lessor, including inspections and testing conducted by consultants or engineers hired by Lessor to evaluate Lessee's compliance with the applicable environmental requirements and the provisions of this Rider. Lessor shall provide Lessee within 24 hours advance notice of Lessor's intent to conduct such inspection or testing.

15. DESIGNATED REPRESENTATIVE RESPONSIBLE FOR COMPLIANCE. Todd Flye, whose cell phone number is _____ shall be the Lessee's designated representative who shall be primarily responsible (1) for Lessee's compliance with the provision of this Rider, (2) for handling contact with Lessor pertaining to environmental compliance, and (3) for signing on behalf of Lessee the annual declaration of compliance pursuant to Paragraph 12 above. Lessee shall promptly notify Lessor of any changes in the identity or telephone numbers of the designated representative.

16. ADDITIONAL PROVISIONS.

LESSOR:

LESSEE:

Eron Berg, Executive Director
Port of Port Townsend

Todd Flye, Owner
Todd Flye d/b/a On the Flye

Date: _____

Date: _____

(Attachment No. 1 to Hazardous Substances Rider)

DISCLOSURE BY LESSEE

The Lessee makes the following disclosure pursuant to Paragraph 6 of the Hazardous Substances Warranty and Agreement (Attach Additional page(s) if necessary):

1. Release(s) of Hazardous Substances by Lessee:
(If none, initial here: _____)

2. Indication(s) of Contamination at Premises:
(If none, initial here: _____)

3. Lessee Violation(s) of Environmental Regulations:
(If none, initial here: _____)

4. Environmental Claims or Litigation Against Lessee:
(If none, initial here: _____)

Lessee: **Todd Flye d/b/a On the Flye**

By: _____
Todd Flye, Owner

Date: _____

(Attachment No. 2 to Hazardous Substances Rider)

DECLARATION OF COMPLIANCE

Todd Flye, as the designated representative of Lessee primarily responsible for environmental compliance pursuant to Paragraph 12 of the Hazardous Substances Warranty and Agreement dated: January __, 2025, hereby declare and represent as follows on behalf of Lessee:

1. I have read, and am familiar with, Lessee's obligations and representations as set forth in the Hazardous Substances Warranty and Agreement applicable to Lessee.
2. I am not aware of, and do not believe there have been any violations by Lessee of any of the provisions in the Hazardous Substances Warranty and Agreement, or of any requirements imposed on Lessee by federal, state or local environment laws and regulations.
3. I have no reason to believe, and do not believe, that any of the representations in Paragraph 6 of the Hazardous Substances Warranty and Agreement are inaccurate as of the date indicated below.
4. Lessee has not stored, used or had present on or adjacent to the premises any hazardous or toxic substances except those that have been disclosed in writing to Lessor.
5. Lessee has not released, disposed of, or permitted the release of any hazardous or toxic substances onto the premises or into the environment surrounding the premises, except as has been disclosed in writing to Lessor.

Lessee: Todd Flye d/b/a On the Flye

By: _____
Todd Flye, Owner
Todd Flye d/b/a On the Flye

Date: _____

PORT OF PORT TOWNSEND AGENDA COVER SHEET

MEETING DATE	January 8, 2025
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	V. D. Northwest Maritime Center, Marine Thrift Store, Boat Haven Building (#9) Lease
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Memo 2. Northwest Maritime Center, Boat Haven Building Lease, including Exhibits 'A' & 'B'

If adopted as part of the consent agenda, no further action is needed. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the Boat Haven Building Lease for the Northwest Maritime Center.

Alternative action: Remove from consent for discussion. Move to authorize the Executive Director to execute the Boat Haven Building Lease for Northwest Maritime Center.

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/31/2024
TO: Port Commission
FROM: Eric Toews, Deputy Director & Sue Nelson, Lease & Contracts Administrator
SUBJECT: Boat Haven Building Lease – Northwest Maritime Center (Marine Thrift Store)

ISSUE: Should the Commission authorize the Executive Director to execute a Building Lease (substantially in the form presented) with the Northwest Maritime Center for shop space in Building #9 at Boat Haven?

BACKGROUND & DISCUSSION: The Northwest Maritime Center (NWMC) began leasing space in Building #9, located at 315-B Haines Place at Boat Haven in September of 2015. In January of 2020, the Commission approved a two (2) year building lease with the NWMC with two (2) one (1) year options to extend the term. Since the NWMC's occupancy and use of this space began, it has been used as a marine thrift store, retailing used marine-related hardware, tools and gear. Our current lease with the NWMC expires at midnight on January 31, 2025.

The Marine Thrift Store has become a fixture at Boat Haven, a store where builders, sailors and "DIYers" can source hardware, tools and a myriad of boating gear. The thrift store helps to keep good materials out of our landfill and in use, while at the same time keeping the costs of boating accessible to many. Sales at the Thrift Store help to support the NWMC's educational programs and mission.

The premises encompass 750 square feet +/- of shop space in Building #9. The rent at inception will be assessed at approximately \$0.94 per square foot.¹ The proposed lease term is five (5) years, with one (1) option to extend for an additional five (5) years. The proposed lease agreement is based upon the Port's standard form commercial/industrial lease and is consistent with the Leasing Policy adopted by the Commission in 2019.

RECOMMENDATION: Authorize the Executive Director to execute Boat Haven Building Lease with the NWMC substantially in the form presented.

MOTION: None required. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the Lease with the NWMC. The form will be in all material respects identical to the draft presented to the Commission under this agenda item, except for the adjustment to the lease rate and deposit amounts as described in footnote #1.

ATTACHMENTS: NWMC Boat Haven Building Lease, including Exhibits "A" and "B", consisting of 24 pages.

¹ The NWMC is due an annual CPI adjustment before February 1, 2025. However, updated inflation numbers for 2024 will not be released by the US Bureau of Labor Statistics until mid-January. Accordingly, the rent and deposit figures presented here will be adjusted/corrected to reflect the updated CPI numbers prior to execution of this Lease.

PORT OF PORT TOWNSEND

BOAT HAVEN BUILDING LEASE

THIS BOAT HAVEN BUILDING LEASE AGREEMENT made this ___ day of January 2025, by and between the PORT OF PORT TOWNSEND, a municipal corporation organized and existing under the laws of the State of Washington, Lessor, hereinafter referred to as "the Port," and the NORTHWEST MARITIME CENTER (UBI 601-537-165), a Washington Non-Profit Corporation, hereinafter referred to as "Lessee,"

WITNESSETH:

That the parties hereto do mutually agree as follows:

- 1. LEASED PREMISES:** The Port hereby leases to Lessee, and Lessee hereby leases from the Port, certain real property (hereinafter "the Premises") located in Jefferson County, Washington, briefly described as follows:

An approximately 750 square foot shop located in Building #9 at 315-B Haines Place, Port Townsend, WA, 98368 in the Boat Haven Industrial Park, more particularly described and depicted upon Exhibit "A" which is attached hereto and incorporated herein by this reference.

The Port hereby warrants that it has good and marketable fee title to the Premises and has full right and authority to execute this Building Lease and to demise the Premises.

- 2. TERM:** This Lease shall be for a term of five (5) years, beginning on February 1, 2025, and ending at midnight on January 31, 2030. The Lessee shall also have the option to extend the lease term by one (1) additional five (5) year term. Notification to extend the Lease will be done in writing at least ninety (90) days prior to the end of the initial lease term or any extension hereof. Lessee shall not be entitled to renew this Lease unless the Lease is in good standing at the time of renewal and the Lessee is not in default under the terms of this Lease or any other lease or agreement with the Port. The terms and conditions of any renewal shall be the same as set forth in this Lease, except that the terms of this Lease shall be updated to be consistent with the terms and conditions then existing in the Port's standard form marine industrial building lease.

3. RENT:

- a. Lessee agrees to pay as rental for the leased Premises the sum of **Seven Hundred Five Dollars and Zero Cents (\$705.00)** per month plus all applicable taxes.¹
- b. Beginning on January 1, 2027, and every three (3) years thereafter, the rental rate may be adjusted to the fair market rental rate for the Premises based on the fair market rental rate then prevailing for comparable commercial and/or industrial property in the Western Washington area, bearing in mind all allowable uses of the property and all services and amenities available to the property by virtue of its location.
- c. Except in years when a fair market rate adjustment is made as set forth in subparagraph (b) of this Paragraph 3, above, the rental rate beginning in year two (2) and annually throughout the term of this Lease will be adjusted by an amount equal to the percentage change over the prior year found on the Consumer Price Index for all urban consumers (CPI-U) for Seattle-Tacoma-Bellevue, which is compiled by the Department of Labor, Bureau of Statistics.
- d. In no event shall any rent adjustment under subparagraphs (b) or (c) of this Paragraph 3 result in a reduction in rent from the rate paid in the prior year.
- e. The rent for each month shall be paid to the Port in advance on or before the first day of each month of the lease term and shall be payable at the main office of the Port or at such place as the Port may hereafter designate.

4. **LATE CHARGE:** In the event that any installment of rent remains unpaid more than twenty (20) days after it is due, then Lessee shall also be obliged to pay a “late charge” as per the Port of Port Townsend Rate Schedule then in effect. This provision for a “late charge” and the Port’s acceptance of payment of such charges shall not be construed as a waiver of the Port’s right to declare this Lease in default if a rent payment is not paid when due.

5. **DEPOSIT:** Upon the execution of this Lease, Lessee shall deposit with the Port three month's rent plus all applicable taxes in the amount of **Two Thousand Three Hundred Eighty-Six Dollars and Fifty-Seven Cents (\$2,386.57)**.² Lessee has an existing deposit of **One Thousand Nine Hundred Fifty-Four Dollars and Ninety-Five Cents (\$1,954.95)** currently on file with the Port under an agreement now superseded by this Lease. Accordingly, Lessee shall deposit an additional **Four Hundred Thirty-One Dollars and Sixty-Two Cents (\$431.62)** to satisfy the requirements of this paragraph (“the additional deposit”). This Lease shall not be effective until the additional deposit is made with the Port. If Lessee defaults in any particular the Port may use, apply, or retain, all or any part of the security (1) to the extent of any sum due to the Port, or (2) to make any required payment on Lessee’s behalf, or (3) to compensate the Port for any expense or damage

¹ Rent at lease inception is calculated as follows: a) 750 sf +/- of building space assessed at \$0.94 psf = \$705.00; \$705.00 x 12.84% Leasehold Excise Tax = \$90.52; \$705.00 + \$90.52 = \$795.52.

² Calculated as follows: \$705.00 x 3 = \$2,115.00; \$2,115.00 x 12.84% Leasehold Excise Tax= \$271.57; \$2,115.00 + \$271.57 = \$2,386.57.

caused by Lessee's default. On the Port's demand, Lessee shall promptly pay to the Port a sum equivalent to the amount by which the security was so depleted. On January 1, 2027, and every three (3) years thereafter, the amount of such security deposit shall be increased in the same proportion as the annual rental is increased above the basic rent charged during the first (1st) year of the lease term.

6. **USE OF PREMISES:** Lessee shall use the Premises for the purpose of a marine thrift store, retailing used marine-related hardware, tools and gear, and shall not use them for any other purposes without the prior written consent of the Port. Lessee shall use the entire Premises for the conduct of said business in a first-class manner continuously during the entire term of this Lease, except for temporary closures for such periods as may reasonably be necessary for repairs or for reasons beyond Lessee's reasonable control.

7. **CONDUCT COVENANTS AND WARRANTIES:** In addition to all other covenants and warranties set forth herein, Lessee specifically represents to the Port as follows:
 - a. Quiet Conduct. The conduct of Lessee and such others for whom Lessee is responsible shall not in any manner disturb the quiet enjoyment of other tenants, invitees or visitors in or near where the Premises are located, including common areas.
 - b. Damage. The conduct of Lessee and such others for whom Lessee is responsible shall not result in, or cause destruction or damage to, the Premises or any part thereof, including, but not limited to all common areas, or the property of other tenants, their invitees, and visitors.

8. **UTILITIES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all charges for all utility services furnished to the Premises, including, but not limited to electricity, gas, water, sewerage, and garbage disposal. In the event that the Premises are part of any larger Premises to which any utility services are furnished on a consolidated or joint basis, Lessee agrees to pay to the Port its (Lessee's) pro rata share of the cost of any such utility services, and Lessee's pro rata share of any such services may be computed by the Port on any reasonable basis, and separate metering or other exact segregation of costs shall not be required.

9. **ACCEPTANCE OF PREMISES:** Lessee has examined the leased premises and accepts them in their present condition, "as is" and without further maintenance liability on the part of the Port. The Port makes no representations or warranties with respect to the condition, suitability, zoning restrictions, or usability, except the Port's right to grant a lease of the Premises. Lessee acknowledges that Lessee has fully inspected the Premises and is not relying on any statement or representation made by the Port or the Port's agents with respect to the condition of the Premises, and Lessee assumes the responsibility and risks of

the same, including any defects or conditions that cannot be observed by casual inspection.

- 10. MAINTENANCE AND REPAIR:** Maintenance and repair of the premises shall be the sole responsibility of Lessee. Accordingly, at the expiration or sooner termination of this Agreement, Lessee shall return the premises to the Port in the same condition in which received (or, if altered by Lessee with the Port's consent, then the premises shall be returned in such altered condition), reasonable wear and tear and damage by fire or unavoidable casualty excepted. Lessee's obligation to make repairs shall not extend to any structural parts of the building, including the foundations, bearing and exterior walls, subflooring and roofs, the unexposed electrical, plumbing and sewerage systems (including those portions of the systems lying outside the premises), exterior siding, exterior doors, window frames, gutters, downspouts, and the heating, and the ventilation system serving the premises, unless such repairs are necessitated by Lessee's negligence or failure to maintain the interior. Lessee shall, at its' own expense, and at all times:
- a. Keep the premises, and the adjoining roadways and sidewalks, neat, clean and in a safe and sanitary condition;
 - b. Maintain and keep the leased premises in a good state of repair; and
 - c. Not commit waste of any kind.
- 11. ALTERATIONS AND IMPROVEMENTS:** Lessee shall make no alterations or improvements to or upon the Premises without first obtaining written approval from the Executive Director of the Port. When seeking the Port's approval, Lessee shall submit full plans and specifications for any proposed alterations and shall furnish proof of compliance with all applicable codes and regulations and shall apply for and obtain all necessary permits for such work. If the proposed improvements are estimated to cost more than \$25,000, the Port may require the posting of a completion bond as security for the completion of the improvements. Upon conclusion of the alterations, Lessee shall furnish "as-built" drawings of all improvements and alterations. The Port's approval of alterations shall also include agreement for disposition of the improvements upon termination of this Lease.
- 12. DISPOSITION OF IMPROVEMENTS AT END OF LEASE:** At the expiration or earlier termination of this Lease, the Port shall have the option, in its sole and absolute discretion, to direct either: a) that the alterations and other improvements on the premises be surrendered to the Port; or b) that the Lessee remove the alterations and other improvements from the premises. If the Port directs surrender of the alterations and other improvements, all mechanical, electrical and HVAC systems on the premises shall also remain and be surrendered to the Port, but Lessee shall have the right to remove all personal property and trade fixtures, which may have been placed upon the premises by Lessee during the period of this Lease, provided that the same are not necessary to the operation of the altered or improved premises and provided further that they are removed prior to the termination of

this Lease. Title to any trade fixtures not removed from the premises within the foregoing period shall, at the Port's option, pass to the Port without additional consideration. If the Port does not direct Lessee to remove the alterations and improvements, they shall become the property of the Port upon termination of this Lease. The premises will be surrendered by Lessee in a good state of repair, normal wear excepted. In the event the Port directs removal of the alterations and improvements from the premises, then title to all said improvements shall remain in and with the Lessee and Lessee shall complete the removal of the same within sixty (60) days after the expiration or sooner termination of this Lease. If the Lessee fails to remove said improvements within the specified time, they may be removed by the Port and the Lessee agrees to pay the Port for the cost thereof upon demand.

13. DAMAGE OR DESTRUCTION:

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

- 14. INSPECTION - "FOR RENT" SIGNS:** The Port reserves the right to inspect the leased Premises at any and all reasonable times throughout the term of this Lease, PROVIDED,

that it shall not interfere unduly with Lessee's operations. The right of inspection reserved to the Port hereunder shall impose no obligation on the Port to make inspections to ascertain the condition of the Premises and shall impose no liability upon the Port for failure to make such inspections. The Port shall have the right to place and maintain "For Rent" signs in conspicuous places on the Premises for one hundred and eighty (180) days prior to the expiration or sooner termination of this Lease.

- 15. INDEMNIFICATION AND HOLD HARMLESS:** Lessee agrees that it will defend (with legal counsel acceptable to the Port), indemnify and hold harmless the Port, its officers, employees, and agents from any and all demands, claims, judgments or liability for loss or damage arising as a result of accidents, injuries or other occurrences on the Premises or on Port's property that are:
- a. Occasioned by either the negligent or willful conduct of the Lessee and/or its agents; and/or
 - b. Made by any person or entity holding under the Tenant; and/or
 - c. Made by any person or entity on the Premises or on the Port's property as a result of Lessee's activity, regardless of who the injured party may be.
- This indemnification and hold harmless shall not apply to the extent the damages were caused by the gross negligence or willful misconduct of the Port.
- 16. NOTICES OF CLAIMS OR CAUSES OF ACTION:** In the event any action or proceeding is brought against the Port or Lessee for which a party seeks indemnification pursuant to the indemnification provision set forth in Paragraph 15, above, the party seeking indemnification shall give the other party written notice within thirty (30) days of being served or otherwise being put on notice of such a claim or cause of action. The party receiving a demand for indemnification shall accept or reject the tender of the defense of a claim or cause of action by written notice to the other party within sixty (60) days of its receipt of the demand for indemnification. If a party accepts the defense of the tendered claim or cause of action it shall also notify the other party of the identity of the law firm and lawyer which has been retained to represent the Port and/or the Lessee in responding to the claim or cause of action.
- 17. LIMITED WAIVER OF IMMUNITY UNDER WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW AND OTHER SIMILAR INDUSTRIAL INSURANCE SCHEMES:** For purposes of the indemnification provision set forth in Paragraph 15, above, and only to the extent of claims against Lessee by the Port under such indemnification provision, Lessee specifically waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW, The United States Longshore and Harbor Workers' Compensation Act, 33 USC §901-950, or any other similar workers' compensation schemes. The indemnification obligation under this lease shall not be limited in any way by any limitation on the amount or type of damages, compensation

or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts. The foregoing provision was specifically negotiated and agreed upon by the parties hereto.

- 18. INSURANCE:** Lessee agrees to maintain during the lease term liability insurance as set forth below, at Lessee's sole expense.
- a. Comprehensive General Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$1,000,000.00 combined single limit per occurrence. Such insurance shall include but not be limited to bodily injury liability, personal injury liability, property damage liability, broad form property damage liability, contractual liability, and products/completed operations liability. The policy of insurance required under this paragraph shall:
 - i. Be written as a primary policy; and
 - ii. Expressly provide that the defense and indemnification of the Port as an "additional insured" will not be affected by any act or omission by Lessee which might otherwise result in a forfeiture of said insurance; and
 - iii. Contain a separation of insureds provision such that the policy applies separately to each insured that is the subject of a claim or suit; and
 - iv. Not contain a crossclaim, cross-suit, or other exclusion that eliminates coverage by one insured against another; and
 - v. Provide for coverage for damage to the Port's property caused by the Lessee.
 - b. Comprehensive Business Automobile Liability Insurance against claims for injury or death to persons or damage to property with minimum limits of liability of \$1,000,000 combined single limit for each occurrence. Such insurance shall include but not be limited to bodily injury liability, property damage liability, hired car liability, and non-owned auto liability.
 - c. Workers Compensation Insurance as will protect Lessee's employees from claims under Washington Workers Compensation Act as well as all Federal Acts applicable to the Lessee's operations at the site such as but not limited to U.S. Longshoremen and Harbor Workers' Act, Jones Act, and Federal Employers Liability section of the Washington Workers Compensation Policy and all Federal Acts Insurance shall not be less than \$1,000,000.00 for each occurrence.
 - d. The Lessee agrees to supply the Port with appropriate evidence to establish that its insurance obligations have been met, and that the insurance policy or policies are not subject to cancellation without at least thirty (30) days advance written notice to the Port. The conditions set forth in subparagraphs a, b and c of this Paragraph 18 shall be met prior to inception of this Lease Agreement.
- 19. WAIVER OF SUBROGATION:** The Port and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured

against under their respective insurance contracts, including any extended coverage endorsements thereto, PROVIDED that this paragraph is effective only to the extent that the insurance company(ies) actually pay(s) for such injury, loss or damage, and, PROVIDED FURTHER, that this paragraph shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of the Port or Lessee.

- 20. INCREASE IN COST OF INSURANCE:** Lessee shall not use the demised Premises in such a manner as to increase the existing rates of insurance applicable to the improvements of which the Premises are a part. If it nevertheless does so, then, at the option of the Port, the full amount of any resulting increase in premiums paid by the Port with respect to the leased Premises, and to the extent allocable to the term of this Lease, may be added to the amount of rental hereinabove specified and shall be paid by Lessee to the Port upon the monthly rental day next thereafter occurring.
- 21. HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT:** Lessee has examined the Hazardous Substance Warranty and Agreement, consisting of five (5) pages, which is attached hereto as Exhibit "B" and which, by this reference, is incorporated herein as fully set forth herein and acknowledges full understanding of its obligations under said Hazardous Substances Warranty and Agreement.
- 22. TAXES:** Lessee shall be liable for, and shall pay throughout the term of this Lease, all license and excise fees and occupation taxes covering the business conducted on the Premises, and all taxes on property of Lessee on the leased Premises and any taxes on the leased Premises or leasehold interest created by this Lease Agreement and any taxes and assessments based on the Premises or any improvements located thereon.
- 23. COMPLIANCE WITH PORT REGULATIONS AND WITH ALL LAWS:** Lessee agrees to comply with all applicable rules and regulations of the Port pertaining to the improvements or other realty of which the Premises are a part now in existence or hereafter promulgated for the general safety and convenience of the Port, its various tenants, invitees, licensees, and the general public. Lessee also agrees to comply with all applicable federal, state, and local laws, rules, regulations, ordinances, permits and permit requirements, orders, and decrees of all governmental bodies having authority over the Premises, or any improvements located thereon, or any activity conducted thereon, as currently in effect or as may be hereafter amended or issued. Lessee shall defend, indemnify, and hold the Port harmless against all claims, costs (including but not limited to attorney fees), fees, fines, penalties, liabilities, losses, and damages that the Port may incur by reason of any charge, claim, litigation, or enforcement action related to any actual or claimed violation of any of the foregoing. Lessee further agrees that all improvements, approved by the Port will be properly permitted by the City of Port Townsend. Any fees for any inspection

of the Premises during or for the lease term by any federal, state, or municipal officer and the fees for any so-called "Certificate of Occupancy" shall be paid by Lessee.

24. ASSIGNMENT OR SUBLEASE: Lessee shall not assign or transfer this Lease or any interest therein nor sublet the whole or any part of the Premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, otherwise, without the written consent of the Port first had and obtained. If Lessee is a corporation, Lessee further agrees that if at any time during the term of this Lease more than one-half (1/2) of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half (1/2) of the outstanding shares of that class of stock at the time of the execution of this Lease or to members of their immediate families, such change in the ownership of the stock of the Lessee shall be deemed an assignment of this Lease within the meaning of this paragraph. If the Port shall give its consent to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without the Port's consent.

25. EASEMENTS:

- a. The parties recognize that the Port's facilities are continuously being modified to improve the utilities and services used and provided by the Port. The Port, or its agents, shall have the right to enter the demised Premises of the Lessee, and to cross over, construct, move, reconstruct, rearrange, alter, maintain, repair, and operate the sewer, water, and drainage lines, and the electrical service, and all other services required by the Port for its use. The Port is hereby granted a continuous easement or easements that the Port believes is necessary within the Premises leased by the Lessee, without any additional cost to the Port for the purposes expressed hereinabove, PROVIDED, HOWEVER, that the Port by virtue of such use, does not significantly impact or deprive the Lessee from its beneficial use or occupancy of the leased Premises.
- b. In the event the Port significantly impacts Lessee's beneficial use or occupancy of the leased Premises, then there will be an equitable adjustment in rent. In the event the Port permanently deprives Lessee from such beneficial use or occupancy, then the cost required to modify its Premises to allow the Lessee to operate its business will be negotiated and paid by the Port to the Lessee. In the event such entry by the Port is temporary in nature, the Port shall reimburse the Lessee for the cost required to modify its Premises for the temporary period that Lessee is inconvenienced by such Port entry.

26. DEFAULTS: Time is of the essence of this Lease Agreement, and in the event of the failure of Lessee to pay the rentals or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein set forth to be kept and

performed, the Port may elect to terminate this Lease and reenter and take possession of the Premises with or without process of law, PROVIDED, however, that Lessee shall be given fifteen (15) days' notice in writing stating the nature of the default in order to permit such default to be remedied by Lessee within said fifteen (15) day period. If upon such reentry there remains any personal property of Lessee or of any other person upon the leased Premises, the Port may, but without the obligation so to do, remove said personal property and hold it for the owners thereof or may place the same in a public garage or warehouse, all at the expense and risk of the owners thereof, and Lessee shall reimburse the Port for any expense incurred by the Port in connection with such removal and storage. After such stored property has been stored for a period of thirty (30) days or more, the Port shall have the right to sell such property PROVIDED, however that Lessee shall be given fifteen (15) days' written notice of the Port's intent to sell such property. The proceeds of such sale of stored property shall be applied first to the cost of such sale, second to the payment of the charges for storage, and third to the payment of any other amounts that may then be due from Lessee to the Port, and the balance, if any, shall be paid to Lessee. Notwithstanding any such reentry, the liability of Lessee for the full rental provided for herein shall not be extinguished for the balance of the term of this Lease, and Lessee shall make good to the Port any deficiency arising from a re-letting of the leased Premises at a lesser rental than that hereinbefore agreed upon. Lessee shall pay such deficiency each month as the amount thereof is ascertained by the Port. Any failure by the owners, officers, or principals of Lessee to pay rentals, storage fees, moorage or any other charges owed to the Port under separate contract shall constitute default under provisions of this Lease Agreement.

27. TERMINATION BY PORT:

- a. Nothing in this Lease shall be deemed to be a waiver of the Port's power of eminent domain. In the event that the Port, at its sole discretion, shall require the use of the Premises for any purpose for public or private use in connection with the operation of the business of the Port, then this Lease may be terminated by the Port by written notice delivered or mailed by the Port to the Lessee one hundred and eighty (180) or more days before the termination date specified in the notice. In the event of such a termination the Port shall be obligated to compensate the Lessee for the termination of Lessee's leasehold interest in the same manner as in the case of an exercise of the Port's eminent domain power.
- b. In the event the term of this Lease or any extended term expires, and an indefinite month-to-month tenancy results, then the resulting tenancy may be terminated by the Port by written notice delivered or mailed by the Port to the Lessee twenty (20) or more days before termination date specified in the notice. In the event of a holdover, month-to-month tenancy, no compensation

shall be owed to Lessee for loss of use, cost of relocation, and/or cost of improvement.

- 28. TERMINATION FOR GOVERNMENT USE:** In the event that the United States Government or any agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the Premises or any part thereof, the Port may, at its option, terminate this Lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this Lease on said date, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.
- 29. TERMINATION BECAUSE OF COURT DECREE:** In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this Lease, then either party hereto may terminate this Lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this Lease on the effective date of such termination, any rental prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.
- 30. INSOLVENCY:** If Lessee shall file a petition in bankruptcy, or if Lessee shall be adjudged bankrupt or insolvent by any court, or if a receiver of the property of Lessee shall be appointed in any proceeding brought by or against Lessee, or if Lessee shall make an assignment for the benefit of creditors, or if any proceedings shall be commenced to foreclose any mortgage or any other lien on Lessee's interest in the Premises or on any personal property kept or maintained on the Premises by Lessee, the Port may at its option, terminate this Lease.
- 31. WAIVER:** No word, act or omission of the Port shall be deemed to be a waiver of any default or noncompliance by Lessee under the terms of this Lease or of any right of the Port hereunder or of any notice given by the Port hereunder unless the Port so advises Lessee in writing. The acceptance of rental by the Port for any period or periods after a default by Lessee hereunder shall not be deemed a waiver of such default unless the Port shall so intend and shall so advise Lessee in writing. No waiver by the Port of any default hereunder by Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee. After any default shall have been cured by Lessee, it shall not thereafter be used by the Port as a ground for the commencement of any action under the provisions of Paragraph 26 hereof.

- 32. PRIOR AGREEMENTS:** This Lease contains all the agreements of the parties with respect to any matter covered or mentioned in this Lease, and no prior agreement, letter of intent or understanding pertaining to any such matter will be effective for any purpose. No provisions of this Lease may be amended or added to, except by an agreement in writing signed by the parties or their respective successors in interest.
- 33. ATTORNEYS' FEES AND COSTS:** In the event either party requires the services of an attorney in connection with enforcing or interpreting the terms of this Lease, or in the event suit is brought for the recovery of any sums due under this Lease or for the breach of any covenant or condition of this Lease, or for the restitution of the Premises to the Port or eviction of the Lessee during the lease term or after the expiration thereof, the substantially prevailing party is entitled to reasonable attorneys' fees and all costs incurred in connection therewith, including, without limitation, the fees of accountants, appraisers and other professionals, whether at trial, on appeal or without resort to suit.
- 34. PROMOTION OF PORT COMMERCE:** Lessee agrees that throughout the term of this Lease it will, insofar as practicable, promote and aid the movement of passengers and freight through facilities within the territorial limits of the Port. Lessee further agrees that all incoming shipments of commodities that it may be able to control or direct shall be made through facilities within the territorial limits of the Port if there will be no resulting cost or time disadvantage to Lessee.
- 35. VACATION OF PREMISES – HOLDING OVER:** In the event that no new lease has been negotiated and executed by the parties (or their successors) prior to the termination of this Lease, and upon written notice from the Port given at any time prior to the expiration of the term, Lessee shall promptly vacate the Premises on or before the last day of the term, leaving the Premises in the condition described in Paragraph 36, below. If Lessee holds over after the expiration or earlier termination of this Lease without the express written consent of the Port, Lessee will be a tenant at sufferance only and otherwise subject to the terms, covenants and conditions herein specified, insofar as applicable, except that the monthly rent will be one hundred twenty-five percent (125%) of the rent applicable during the last rental period under this Lease. Tenant shall also pay its share of then current additional rent, prorated daily. Acceptance by the Port of rent after the expiration or earlier termination of this Lease will not result in a renewal of this Lease. The forgoing provisions of this section are in addition to and do not affect the Port's right of re-entry or any other rights of the Port hereunder or otherwise provided by law. Lessee hereby indemnifies and agrees to hold the Port harmless from all loss, injury or liability arising from Lessee's failure to surrender the Premises upon the expiration or earlier termination of this Lease.

- 36. SURRENDER OF PREMISES:** The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, will not work a merger, and will, at the option of the Port, operate as an assignment to it of any or all subleases or subtenancies. Upon the expiration or earlier termination of this Lease, Lessee shall peaceably surrender the Premises and all alterations and additions thereto, leave the Premises clean, in as good order, repair and condition as was provided to Lessee on the commencement date, reasonable wear and tear excepted, and Lessee shall comply with the provisions of Paragraph 12, above. The delivery of keys to any employee of the Port or to the Port's agent or any employee thereof shall not be sufficient to constitute a termination of this Lease or a surrender of the Premises.
- 37. ADVANCES BY PORT FOR LESSEE:** If Lessee shall fail to do anything required to be done by it under the terms of this Lease, except to pay rent, the Port may, at its sole option, do such act or thing on behalf of Lessee, and upon notification to Lessee of the cost thereof to the Port, Lessee shall promptly pay the Port the amount of that cost.
- 38. LIENS AND ENCUMBRANCES:** Lessee shall keep the leased Premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the said Premises by Lessee. At the Port's request, Lessee shall furnish the Port with written proof of payment of any item that would or might constitute the basis for such a lien on the leased Premises if not paid.
- 39. NOTICES:** All notices hereunder may be personally delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

To Lessor:

THE PORT OF PORT TOWNSEND
Attn: Lease & Contracts Administrator
P.O. Box 1180
Port Townsend, Washington 98368

To Lessee:

NORTHWEST MARITIME CENTER
Attn: Jake Beatie, CEO
431 Water Street
Port Townsend, WA 98368
Phone: (360) 385-3628

or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when received or refused by the addressee.

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

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

- 44. NON-DISCRIMINATION EMPLOYMENT:** The Lessee covenants and agrees that in all matters pertaining to the performance of this Lease, Lessee shall at all times conduct its business in a manner which assures fair, equal and non-discriminatory treatment of all persons without respect to race, creed or national origin and, in particular:
- a. Lessee will maintain open hiring and employment practices and will welcome applications for employment in all positions from qualified individuals who are members of racial or other minorities, and
 - b. Lessee will comply strictly with all requirements of applicable federal, state or local laws or regulations issued pursuant thereto relating to the establishment of non-discriminatory requirements in hiring and employment practices and assuring the service of all patrons or customers without discrimination as to any person's race, creed, color, sex, sexual orientation, or national origin.

45. SUCCESSORS AND ASSIGNS: Except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease are binding upon and inure to the benefit of the parties and their respective heirs, personal representatives, successors and assigns. If the Port sells or otherwise conveys its title to the Premises, then after the effective date of such sale or conveyance, the Port will have no further liability under this Lease to Lessee except as to matters of liability which have accrued and are unsatisfied as of the date of sale or conveyance, and Lessee must seek performance solely from the Port’s purchaser or successor in title. The Port’s successor will have all rights of the Port, as Landlord, hereunder.

Lease Agreement dated this ___ day of January 2025 is hereby approved by the Port of Port Townsend and effective upon the receipt of a deposit and insurance documentation from the Lessee.

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

LESSEE: Northwest Maritime Center

By: _____
Jake Beattie, Chief Executive Officer

LESSOR: Port of Port Townsend

APPROVED AS TO FORM:

Eron Berg, Executive Director

Eric Toews, Port Attorney

**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

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

Dated: _____

Signature of
Notary Public: _____

My Appointment Expires: _____

**STATE OF WASHINGTON
COUNTY OF JEFFERSON**

I certify that I know or have satisfactory evidence that ERON BERG signed this instrument and that he is authorized to execute the instrument as Executive Director of the Port of Port Townsend and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

Signature of
Notary Public: _____

My Appointment Expires: _____

EXHIBIT A

**LEGAL DESCRIPTION
NORTHWEST MARITIME CENTER
BOAT HAVEN BUILDING LEASE**

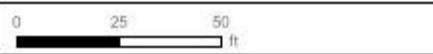
The premises identified in paragraph #1 of this Building Lease Agreement are located on Assessor's Parcel Number 991400101 at the Port's Boat Haven facility, at 315-B Haines Place, on portions of Lots 1, 2, and 3 of Block 1 of the Railroad Addition, Section 10, Township 30 North, Range 1 West of the Willamette Meridian, Port Townsend, Jefferson County, Washington.

Exhibit A
Northwest Maritime Center
Marine Thrift Store
2025 Boat Haven Building Lease



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

Jefferson County, WA



Scale: 1:564 Date: 12/30/2024



This map is not a substitute for accurate field surveys or for locating actual property lines and any adjacent features.

EXHIBIT "B"
HAZARDOUS SUBSTANCES WARRANTY AND AGREEMENT

RIDER TO LEASE AGREEMENT DATED: _____, 2025, BETWEEN THE PORT OF PORT TOWNSEND and NORTHWEST MARITIME CENTER, a Washington non-profit corporation.

IT IS HEREBY AGREED THAT THE LEASE AGREEMENT IDENTIFIED ABOVE SHALL BE SUPPLEMENTED AND MODIFIED AS FOLLOWS:

1. **HAZARDOUS SUBSTANCES ON PREMISES.** Without the express written permission of Lessor, Lessee shall not store, use or have present on or adjacent to the premises any hazardous or toxic substances, including those substances defined as "hazardous" or "extremely hazardous" under federal or Washington State environmental statutes or regulation (including but not limited to 42 USC 9601 et seq., 40 CFR Part 302, RCW Chapter 70.105D.020 and WAC 173-340-200, and any successor statutes and regulation), except as follows: _____

2. **STORAGE AND USE OF HAZARDOUS SUBSTANCES.** Lessee agrees at all times to restrict its storage and use of substances identified in Paragraph 1 to the inside of the permanent building(s) at the premises, and specifically to those locations within such buildings(s) having concrete flooring or such other impermeable flooring as Lessor may in its sole discretion approve in writing upon request by Lessee.
3. **HANDLING AND DISPOSAL.** The Lessee agrees to use said substances identified in paragraph 2 only on areas which have impermeable surfaces and or other means for preventing accidental contact by such substances with the soils upon the leasehold or its surrounding area.
4. **RELEASES OF HAZARDOUS SUBSTANCES PROHIBITED.** Lessee shall not release, dispose of, or permit a release of, any of the substances described or identified in paragraph 1 onto the premises or into the environment surrounding the premises.
5. **REGULATORY COMPLIANCE.** Lessee warrants and agrees that, during the term of this lease and any extensions thereof, it will take all steps necessary to comply with all applicable federal, state and local requirements for the containment, storage, use and disposal of any and all hazardous or toxic substances at the premises, including but not limited to obtaining and maintaining all necessary federal, state and local permits or licenses, and obtaining any required federal or state hazardous waste generator or transporter identification numbers. Lessee shall provide to Lessor a copy of each such existing permit, license, and identification number before occupancy, and shall provide a

copy of any such permit, license, and identification number which Lessee may obtain in the future within seven days of receipt by Lessee.

6. **DISPOSAL OF HAZARDOUS WASTES.** In the event Lessee has occasion or need to dispose of hazardous or toxic substances or wastes, and unless otherwise agreed in writing, Lessee shall retain an independent hazardous waste disposal firm to dispose of any and all such substances at an off-site facility which has been properly approved, licensed and authorized to accept such substances. Lessee shall ensure that the disposal firm is properly licensed and in good standing with the applicable regulatory authorities for such work, and that it has all required transporter identification numbers.
7. **LESSEE'S WARRANTY OF NO CONTAMINATION.** Except as may be disclosed in Attachment No. 1 hereto, Lessee warrants and represents (1) that it has not released any toxic or hazardous substances onto the premises or into the environment in connection with its activities at the premises, (2) that it has inspected the premises and is not aware of any indication that a release of any hazardous substances has ever occurred at the premises, including prior to Lessee's occupancy, (3) that it has never been formally accused or cited, at the premises or elsewhere, for any violation of environmental laws, regulations or any hazardous waste-related governmental permit, and (4) that no claims or litigation have ever been pending against it by any person or governmental agency involving any use, storage, release or disposal of hazardous or toxic waste. If any such releases, formal accusations, citations, claims or litigation against Lessee arise during the term of this lease or any extension thereof, then Lessee shall notify Lessor in writing within seven (7) days of such event, and shall provide Lessor with a copy of each document reflecting such event.
8. **INDEMNIFICATION AND HOLD HARMLESS.** Lessee shall indemnify and hold Lessor harmless with respect to any and all direct or indirect expenses, losses of damages, including all consequential damages, Attorney's fees, and litigation-related expenses and costs, incurred by Lessor which result from (1) Lessee's breach of provision of this Rider, (2) claims, actions, suites, proceedings, judgments, fines or remedial orders (including orders to clean up contamination at the premises) which arise because of Lessee's breach of this Rider, (3) Lessee's violation of environment laws or regulations, or (4) Lessee's release of a toxic or hazardous substance onto the premises or into the surrounding environment. This provision shall apply regardless of whether Lessee has been negligent or at fault for such breach, violation, or release. This obligation by the Lessee shall survive the expiration or termination of the lease agreement and the sale of the property. If Lessor so requests, Lessee shall accept the tender of defense of, and shall retain counsel of Lessor's selection and at Lessee's expense to defend, any third-party claim asserted against Lessor in connection with alleged conduct by Lessee which, if true, would be in breach of the provision of this Rider.

9. **NOTIFICATION TO LESSOR OF CHANGES IN OPERATION.** Lessee agrees to notify Lessor in writing at least seven (7) days in advance of any previously undisclosed action which the Lessee plans to take which poses a material risk of a release of hazardous substance into the environment, including but not limited to material changes in Lessee's methods of hazardous waste disposal, material increases in the volume of Lessee's hazardous waste disposal, or material changes in the nature of any hazardous wastes which Lessee anticipates it will generate.
10. **COPIES OF ENVIRONMENTAL CORRESPONDENCE.** Lessee agrees to provide Lessor with copies of all past and future correspondence to or from the Washington Department of Ecology, the U.S. Environmental Protection Agency, and any other government agency which has had or may have contact with Lessee regarding environmental concerns pertaining to the premises.
11. **NOTIFICATION OF SPILLS OR RELEASES.** Lessee shall comply with all notification requirements under the applicable federal, state and local environmental statutes and regulations, including but not limited to the timely notification of the appropriate government authorities of any spills or releases of toxic or hazardous substances into the environment or onto the premises. Lessee shall notify Lessor within 24 hours of discovery of any such spills or releases and shall provide copies of all correspondence and documents related to such spills or releases to Lessor with seven days after receipt or creation, as the case may be.
12. **LESSOR'S REMEDY FOR BREACH OR VIOLATION.** In the event Lessee permits a release of a hazardous substance to occur at or near the premises, or breaches any provision of this Rider, Lessor shall be entitled (1) to terminate the lease agreement immediately, (2) to require Lessee to cease all operation which pose a risk of releasing a hazardous substance into the environment, and (3) to require Lessee to begin an immediate cleanup of any and all contamination at the premises to the extent necessary to achieve full compliance with the applicable environmental laws and regulations. Lessor shall be entitled to obtain immediate injunctive relief from a court of competent jurisdiction to enforce this provision. These remedies shall be in addition to, and not in substitution for, any other remedies available to Lessor under applicable law.
13. **ANNUAL DECLARATION OF COMPLIANCE.** Within ten (10) days of receipt of a written request by Lessor, Lessee shall provide to lessor a declaration of Lessee's compliance or non-compliance with the applicable environmental laws and regulations and with the provisions of this Rider, in the form set forth in Attachment No. 2. Lessor anticipates that it will request such a declaration annually, approximately on the anniversary date of this Rider.

14. INSPECTION OF PREMISES. Lessee agrees to permit and cooperate with any on-site inspections and testing requested by Lessor, including inspections and testing conducted by consultants or engineers hired by Lessor to evaluate Lessee's compliance with the applicable environmental requirements and the provisions of this Rider. Lessor shall provide Lessee within 24 hours advance notice of Lessor's intent to conduct such inspection or testing.

15. DESIGNATED REPRESENTATIVE RESPONSIBLE FOR COMPLIANCE. David White, whose cell phone number is _____ shall be the Lessee's designated representative who shall be primarily responsible (1) for Lessee's compliance with the provision of this Rider, (2) for handling contact with Lessor pertaining to environmental compliance, and (3) for signing on behalf of Lessee the annual declaration of compliance pursuant to Paragraph 12 above. Lessee shall promptly notify Lessor of any changes in the identity or telephone numbers of the designated representative.

16. ADDITIONAL PROVISIONS.

LESSOR:

LESSEE:

Eron Berg, Executive Director
Port of Port Townsend

Jake Beattie, CEO
Northwest Maritime Center

Date: _____

Date: _____

(Attachment No. 1 to Hazardous Substances Rider)

DISCLOSURE BY LESSEE

The Lessee makes the following disclosure pursuant to Paragraph 6 of the Hazardous Substances Warranty and Agreement (Attach Additional page(s) if necessary):

1. Release(s) of Hazardous Substances by Lessee:
(If none, initial here: _____)

2. Indication(s) of Contamination at Premises:
(If none, initial here: _____)

3. Lessee Violation(s) of Environmental Regulations:
(If none, initial here: _____)

4. Environmental Claims or Litigation Against Lessee:
(If none, initial here: _____)

Lessee: **Northwest Maritime Center**

By: _____
Jake Beattie, CEO

Date: _____

(Attachment No. 2 to Hazardous Substances Rider)

DECLARATION OF COMPLIANCE

_____, as the designated representative of Lessee primarily responsible for environmental compliance pursuant to Paragraph 12 of the Hazardous Substances Warranty and Agreement dated: _____, 2025, hereby declare and represent as follows on behalf of Lessee:

- 1. I have read, and am familiar with, Lessee's obligations and representations as set forth in the Hazardous Substances Warranty and Agreement applicable to Lessee.
- 2. I am not aware of, and do not believe there have been any violations by Lessee of any of the provisions in the Hazardous Substances Warranty and Agreement, or of any requirements imposed on Lessee by federal, state or local environment laws and regulations.
- 3. I have no reason to believe, and do not believe, that any of the representations in Paragraph 6 of the Hazardous Substances Warranty and Agreement are inaccurate as of the date indicated below.
- 4. Lessee has not stored, used or had present on or adjacent to the premises any hazardous or toxic substances except those that have been disclosed in writing to Lessor.
- 5. Lessee has not released, disposed of, or permitted the release of any hazardous or toxic substances onto the premises or into the environment surrounding the premises, except as has been disclosed in writing to Lessor.

Lessee: Northwest Maritime Center

By: _____
Jake Beattie, CEO

Date: _____

PORT OF PORT TOWNSEND AGENDA COVER SHEET

MEETING DATE	January 8, 2025
AGENDA ITEM	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading <input type="checkbox"/> Regular Business <input type="checkbox"/> Informational
AGENDA TITLE	V. E. Admiral Ship Supply, Inc. Lease Amendment #2
STAFF LEAD	Eric Toews, Deputy Director
REQUESTED	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Memo 2. Admiral Ship Supply Boat Haven Building Lease Amendment #2, including Exhibit A

If adopted as part of the consent agenda, no further action is needed. Approval of this item on the Consent Agenda authorizes the Executive Director to execute the Boat Haven Building Lease Amendment #2 for Admiral Ship Supply, Inc.

Alternative action: Remove from consent for discussion. Move to authorize the Executive Director to execute the Boat Haven Building Lease Amendment #2 for Admiral Ship Supply, Inc.

PORT OF PORT TOWNSEND

INFORMATIONAL MEMO

DATE: 12/30/2024
TO: Port Commission
FROM: Eric Toews, Deputy Director & Sue Nelson, Lease & Contracts Administrator
SUBJECT: Admiral Ship Supply, LLC, Building Lease Amendment #2

BACKGROUND & DISCUSSION: In 2015 Admiral Ship Supply (Bob Frank) and the Port entered into a Lease Agreement for Building #12 at Boat Haven (the “Original Lease”). In 2021, Mr. Frank approached the Port concerning an error in the description of the premises within the Original Lease. Specifically, the agreement purported to include eight (8) storage units rented on a month-to-month basis by the Port within the premises. Accordingly, on January 28, 2021, the Original Lease was amended to correct the description of premises, reducing the leasehold from approximately 3,000 to 2,505 square feet (“Lease Amendment #1”). No other changes to the lease were made at that time.

In the years since Lease Amendment #1 was executed, Mr. Frank has expressed the desire to expand his leasehold to include the space occupied by the Port storage units. He intends to undertake tenant improvements to access these storage units from within the principal premises currently occupied by Admiral Ship Supply, and to use the approximately 495 square feet of additional space for store inventory. The Port is in the process of terminating the month-to-month agreements with renters of these storage units, and relocating storage rentals to a Conex Box situated north of the Skookum Building presently rented by ACI Boats. The storage units appurtenant to Admiral Ship Supply will be vacated by the end of January 2025.

Staff have prepared Lease Amendment #2 that would accomplish the following:

- Expand Admiral Ship Supply’s leased premises to include the soon to be vacant storage units on the west side of the building (i.e., increasing premises by 495 sf +/- from 2,505 sf +/- to 3,000 sf +/-);
- Correct and replace the description of the leased premises incorporated within Exhibit “A” to the Original Lease; and
- Adjust the rent and deposit amounts to reflect the expanded premises, consistent with adopted lease policy.

Admiral Ship Supply is a business that provides vital support to the marine trades at Boat Haven. The business requires additional space to accommodate store inventory and better serve their customers’ needs. Proposed Lease Amendment #2 advances these objectives.

RECOMMENDATION: Authorize the Executive Director to execute Boat Haven Building Lease Amendment #2 with Admiral Ship Supply, LLC (Robert A. Frank) substantially in the form presented.¹

MOTION: None required. Approval of this item on the Consent Agenda operates to authorize the Executive Director to execute the attached Lease Amendment #2 substantially in the form presented.

ATTACHMENTS: Lease Amendment #2 between the Port and Admiral Ship Supply, including a new Exhibit "A", consisting of six (6) pages.

¹ Admiral Ship Supply is due an annual CPI adjustment before February 1, 2025; updated inflation numbers for 2024 will not be released by the US Bureau of Labor Statistics until mid-January. Accordingly, the rent and deposit figures presented here will be adjusted/corrected to reflect this information prior to execution of Lease Amendment #2.

**PORT OF PORT TOWNSEND
LEASE AMENDMENT #2**

THIS LEASE AMENDMENT #2 made this ____ day of January 2025, by and between the PORT OF PORT TOWNSEND, a municipal corporation organized and existing under the laws of the State of Washington, Lessor, hereinafter referred to as "the Port," and **ADMIRAL SHIP SUPPLY, INC.** (UBI #603-459-481), a Washington State Corporation, hereinafter referred to as "Lessee."

WITNESSETH:

1. On February 1, 2015, the parties entered into a Lease Agreement concerning certain building premises situated at the Port of Port Townsend’s Boat Haven facility, in Port Townsend, WA 98368, hereinafter referred to as the “Original Lease.”
2. On January 28th, 2021, the parties entered Amendment #1 to the Original Lease. Lease Amendment #1 reduced the premises by 495 square feet. No other terms or conditions of the Original Lease were modified.
3. The parties are now agreed that the Original Lease, as previously amended, should again be amended to accomplish the following:
 - a. Expand and modify the premises described in the Original Lease to include the eight storage units situated on the west wall of the building; and
 - b. Adjust the rent and security deposit to reflect the expanded premises.

NOW, THEREFORE: Effective on February 1, 2025, the Original Lease as previously amended shall again be amended as set forth below (note: deleted text shown in ~~strikeouts~~; new/amended language show with double underlining):

A. Paragraph 1 of the Original Lease, as previously amended, “Leased Premises,” shall be amended to read as follows:

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

~~2,505 sq. ft. of a retail~~ Building #12, an approximately 3,000 square foot building located at 305 10th Street, Port Townsend, WA 98368 in the ~~Port’s Boat Haven Industrial Park facility,~~

hereinafter referred to as "the premises”, which is depicted in Exhibit “A”, and attached hereto and incorporated herein by this reference.

- B. Paragraph 3 of the Original Lease, "Rent," shall be rescinded in its entirety and replaced as set forth below:

~~3. **RENT:** Lessee agrees to pay as rental for the leased premises the sum of Fifteen Hundred Dollars (\$1,500.00) plus all applicable taxes. The rent for each month shall be paid to the Port in advance on or before the first day of each and every month of the lease term, and shall be payable at such place as the Port may hereinafter designate. The rental rate shall be adjusted every three years to the to the prevailing fair market rental rate then prevailing for comparable commercial and/or industrial property in the Western Washington area, bearing in mind all allowable uses of the property and all services and amenities available to the property by virtue of its location. In the event that the parties are unable to reach agreement on the fair market rate adjustment, the rate shall be determined by arbitration before a single arbitrator who shall be jointly selected by the parties or by the Jefferson County Court. The rental rate beginning in year two and annually throughout the term of the lease will be adjusted by an amount equal to the accumulative amount found on the Consumer Price Index (CPI) for Seattle and Tacoma, which is compiled by the Department of Labor, Bureau of Statistics. In no event shall any rent adjustment result in a reduction in rent from the rate paid in the prior year.~~

3. RENT:

- a. Lessee agrees to pay as rental for the leased Premises the sum of **Two Thousand Five-Hundred Sixty-Eight Dollars and Zero Cents (\$2,568.00)** per month plus all applicable taxes.¹
- b. On February 1, 2027, the rental rate may be adjusted to the fair market rental rate for the Premises based on the fair market rental rate then prevailing for comparable commercial and/or industrial property in the Western Washington area, bearing in mind all allowable uses of the property and all services and amenities available to the property by virtue of its location.
- c. Except in 2027, when a fair market rate adjustment may be made as set forth in subparagraph (b) of this Paragraph 3, above, the rental rate beginning on February 1, 2026 and annually throughout the remaining term of this Lease will be adjusted by an amount equal to the percentage change over the prior year found on the Consumer Price Index for all urban consumers (CPI-U) for Seattle-Tacoma-Bellevue, which is compiled by the Department of Labor, Bureau of Statistics.
- d. In no event shall any rent adjustment under subparagraphs (b) or (c) of this Paragraph 3 result in a reduction in rent from the rate paid in the prior year.
- e. The rent for each month shall be paid to the Port in advance on or before the first day of each month of the lease term and shall be payable at the main office of the Port or at such place as the Port may hereafter designate.

¹ Rent as of the time of Lease Amendment #2 is calculated as follows: a) 3,000 sf +/- of building space assessed at \$0.856 psf, total rent at inception = \$2,568.00 + LHT.

C. Paragraph 5 of the Original Lease, "Deposit," shall be rescinded in its entirety and replaced as set forth below:

~~5. **DEPOSIT:** Upon the execution of this Lease, Lessee shall deposit with the Port two month's rent in the amount of \$3,000.00 plus all applicable taxes. This Lease shall not be effective until full deposit of the required amount is made with the Port. The deposit shall be held by the Port as security for Lessee's faithful performance of all of its obligations under this Lease. Any interest earned on amounts deposited shall be retained by the Port. The deposit shall be returned to Lessee upon termination of this Lease, less any charges owing to the Port or expenses incurred by the Port in repairing damage caused by Lessee or restoring the leased premises to the condition required upon termination of this Lease.~~

5. **DEPOSIT:** Upon the execution of Lease Amendment #2, Lessee shall deposit with the Port security in the amount of **Five Thousand Seven Hundred and Ninety-Five Dollars and Forty-Six Cents (\$5,795.46)**.² Lessee has an existing deposit of **Three Thousand Three-Hundred Eighty-Five Dollars and Twenty Cents (\$3,385.20)** currently on file with the Port under the Original Lease modified by this Lease Amendment #2. Accordingly, Lessee shall deposit an additional **Two Thousand Four-Hundred Ten Dollars and Twenty-Six Cents (\$2,410.26)** to satisfy the requirements of this paragraph. The deposit shall be held by the Port as security for Lessee's faithful performance of all its obligations under this Lease. Any interest earned on amounts deposited shall be retained by the Port. The deposit shall be returned to Lessee upon termination of this Lease, less any charges owing to the Port, or expenses incurred by the Port in repairing damage caused by Lessee or restoring the leased Premises to the condition required upon termination of this Lease. On February 1, 2028, and every three (3) years thereafter, the amount of such security deposit shall be increased in the same proportion as the annual rental is increased above the basic rent charged during the first (1st) year of the Lease term.

D. Exhibit "A" to the Original Lease shall be rescinded in its entirety and replaced with a new Exhibit "A" which is attached hereto and incorporated herein by this reference. The new Exhibit "A" legally describes and graphically depicts the premises referred to hereinabove.

All other terms and conditions of the Original Lease dated February 1, 2015, and previously amended on January 28, 2021, shall remain unchanged and in effect.

LEASE AMENDMENT dated this _____ day of January 2025, as approved by the Port of Port Townsend Commission on the _____ day of January 2025 and effective upon the receipt of the amended security deposit set forth above.

² The deposit as of the time of this Lease Amendment #2 is calculated as follows: \$2,568.00 per month x 2 = \$5,136.00; \$5,136.00 x 12.84% = \$659.46; \$5,136.00 + \$659.46 = \$5,795.46.

LESSEE – ADMIRAL SHIP SUPPLY, INC.:

By:

Robert A. Frank, President

PORT OF PORT TOWNSEND:

APPROVED AS TO FORM:

Eron Berg, Executive Director

Eric Toews, Port Attorney

EXHIBIT A

**LEGAL DESCRIPTION
ADMIRAL SHIP SUPPLY, INC.
BUILDING LEASE**

The premises identified in Paragraph #1 of this Lease Agreement are located in Building #12 at 305 10th Street at the Port's Boat Haven Industrial Park on a portion of Tax 35 (Tax Parcel 001104002) which is bounded by vacated Haines Place to the west, vacated Jefferson Street to the south, and vacated Boat Street to the east and north, and which lies east of Block 11 of the Eisenbeis Addition to the City of Port Townsend in Section 10, Township 30 North, Range 1 West of the Willamette Meridian.

Exhibit A
Admiral Ship Supply
305 10th Street, Port Townsend



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

Jefferson County, WA



Scale: 1:1,128

Date: 12/30/2024

This map is not a substitute for accurate field surveys or for locating actual property lines and any adjacent features.



PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 8, 2025
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. 2025 Organizational Topics
STAFF LEAD	Eron Berg, Executive Director
REQUESTED	<input type="checkbox"/> Information <input checked="" type="checkbox"/> Motion/Action <input type="checkbox"/> Discussion
ATTACHMENTS	<ol style="list-style-type: none"> 1. Staff Information Memo 2. Draft 2025 Committee Assignments 3. Resolution 833-25 Commission Meeting Procedures and Appendix A for Resolution 833-25 4. Resolution 835-25 Updated Delegation of Authority 5. 2025 List of Committee Meetings with Highlighted Conflicts

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 1/8/2025
TO: Commission
FROM: Eron Berg, Executive Director
SUBJECT: 2025 Organizational Topics

ISSUES

In preparation for 2025:

1. Who will serve as president, vice president and secretary for the Commission?
2. Who will serve on which committees?
3. Should the Commission adopt updated meeting procedures?
4. Should the Commission adopt the attached delegation of authority resolution?
5. When should the annual retreat be scheduled and what topics would the Commission like to have on the agenda?

BACKGROUND

All five of these topics are discussed annually. They are on your agenda today for possible action consistent with the Commission's practice of annual review, update and adoption of these organizational topics.

DISCUSSION

Commission officers: For your information is a table with detail since 2010:

YEAR	PRESIDENT	VICE PRESIDENT	SECRETARY	Exec. Director
2024	Pete Hanke	Carol Hasse	Pam Petranek	Eron Berg
2023	Pam Petranek	Carol Hasse	Pete Hanke	Eron Berg
2022	Pam Petranek	Carol Hasse	Pete Hanke	Eron Berg
2021	Pete Hanke	Pam Petranek	Bill Putney	Eron Berg
2020	Pete Hanke	Bill Putney	Pam Petranek	Jim Pivarnik / Eron Berg
2019	Bill Putney	Pete Hanke	Steve Tucker	Jim Pivarnik
2018	Steve Tucker	Pete Hanke	Bill Putney	Sam Gibboney / Jim Pivarnik
2017	Pete Hanke	Brad Clinefelter	Steve Tucker	Sam Gibboney
2016	Pete Hanke	Steve Tucker	Brad Clinefelter	Larry Crockett / Sam Gibboney
2015	Steve Tucker	Brad Clinefelter	Pete Hanke	Larry Crockett

2014	Steve Tucker	Brad Clinefelter	Pete Hanke	Larry Crockett
2013	Leif Erickson	Steve Tucker	Dave Thompson	Larry Crockett
2012	Leif Erickson	Steve Tucker	Dave Thompson	Larry Crockett
2011	Dave Thompson	Leif Erickson	John Collins	Larry Crockett
2010	John Collins	Dave Thompson	Leif Erickson	Larry Crockett

Committee assignments: Attached are the 2025 committee assignment (unchanged).

Commission meeting procedures: An updated draft of the meeting procedures is attached. Other than updated dates, the only proposed change is language under “Commissioner’s Compensation” as recommended by Seth. The commission discussed expanding the number of compensated meetings in 2024 and declined to expand the number. This draft leaves the number of compensated meetings unchanged.

There are three meetings with conflicts overlapping WPPA conferences: May 14th (Spring meeting), June 25th (finance conference) and October 22nd (small ports). Does the commission wish to change any of the commission meeting dates to accommodate the WPPA meetings?

Delegation of authority: An updated draft of delegation is attached and includes minor changes as follows:

From Seth: Increase in authority under III.A. from \$300,000 to \$350,000 to align with updates to state law and under IX.A. the correction of a typo, changing “estimates” to “limits.”

From staff:

Under V, on January 22, a separate voucher approval resolution is coming forward that might impact this section “Policy governing the settlement of claims.”

Under VI.B. additional language clarifying that the executive director’s authority to issue task orders under commission approved consultant agreements is limited to no more than \$100,000 per task order.

Annual retreat: The annual retreat needs to be scheduled. The Port Townsend Aero Museum is happy to provide their library for this meeting.. The list of topics that we have been tracking includes the following:

Strategic Plan update

Capital projects update & plan

Short’s Farm planning

JCIA Master Planning

Commercial basin layout

Longer term capital planning (20 year versus 5 year)

Other topics that may be of interest, either at the annual retreat, at workshop meetings or business meetings include:

Collaborative transportation planning with Jefferson County, WSDOT and the fire district for access to and around JCIA

Other possible topics for collaboration between the port, city, county and PUD.

FISCAL IMPACT

None identified herein.

ATTACHMENTS

1. Draft 2025 Committee Assignments
2. Commission meeting procedures
3. Draft updated delegation of authority
4. 2025 List of Committee Meetings with Highlighted Conflicts

RECOMMENDATIONS

1. Motion(s) to elect a President, Vice President and Secretary for the Commission to serve through 2025 or until succeeded.
2. Motion to approve the attached list of committee assignments for 2025.
3. Motion to adopt Resolution 833-25 readopting commission meeting procedures.
4. Defer to January 22 a Motion to adopt Resolution 834-25 delegating administrative powers and duties to the executive director
5. Please provide direction on the annual retreat.

DRAFT
PORT OF PORT TOWNSEND
2025 COMMITTEE ASSIGNMENTS

COMMITTEE NAME	REPS	FREQUENCY
CEO Breakfast Group	Eron Berg	Monthly
Chamber of Commerce — Jefferson County (Luncheons)	Carol Hasse	Second Fridays
Chamber of Commerce – North Hood Canal <i>Meets alternately in Quilcene and Brinnon</i>	Pete Hanke	3 rd Mondays 5:30 PM
Climate Action Committee	Carol Hasse	Quarterly
East Jefferson Underground Coordinating Council	Chris Sparks	As called
EDC Team Jefferson – Board of Directors	Pam Petranek	1 st Thursday 9 am
EDC Team Jefferson – Public Sector Cabinet	Eron Berg	Quarterly
Food Resilience Committee - Jefferson County	Pam Petranek	As called
IMT (Incident Management Team) - Jefferson County (360) 385-9368 jcdem@co.jefferson.wa.us	Kimberlie Webber	1 st Wednesdays 10-Noon
Joint Growth Management Steering Committee, Jefferson Co.	Eric Toews	As called
Marine Resources Committee (MRC) - Jefferson County https://www.jeffersonmrc.org/meetings-events/	Carol Hasse	1 st Tuesdays 6-8:00
North Olympic Development Council (NODC)	Carol Hasse	4 th Friday 2:00-4:00 PM
North Olympic Legislative Alliance (NOLA)	Eron Berg	As called
Pacific Coast Congress of Port Managers & Harbormasters Board	Kristian Ferraro	As called
Pilots Association - Jefferson County	Pete Hanke & Eron Berg	As called
Port Townsend Marine Trades Association	Executive Director, commissioner, <i>as invited</i>	Mondays
Port Townsend Moorage Tenants Union	Eron Berg	As invited
Public Infrastructure Fund Committee (PIF) - Jefferson County	Pete Hanke Eron Berg, Alt.	As called
Solid Waste Advisory Council- Jefferson County	Pete Hanke	As called
WAMA – WA Airport Management Association	Pete Hanke	As called
Washington Finance Officers Association	Connie Anderson	As called
Washington Public Ports Association - Board of Trustees	Carol Hasse	Spring & Annual Conferences
WPPA - Finance & Administration Committee	Connie Anderson	As called
WPPA - Legislative Committee (+ <i>All 3 Commissioners</i>)	Eron Berg	As called
WPPA - Other Committees (Aviation, Economic Development, Environmental, Marina, and Public Relations)	<i>All 3 Commissioners</i>	As called

RESOLUTION NO. 833-25

A Resolution of the Commission of the Port of Port Townsend

READOPTING COMMISSION MEETING PROCEDURES

WHEREAS, The Port of Port Townsend did establish and approve, in public session, “Commission Meeting Procedures” by Resolution No. 42-87 dated November 18, 1987, and;

WHEREAS, The Port of Port Townsend did rescind Resolution No.42-87, and adopted new Commission Meeting Procedures which were more efficient and beneficial for both the Commission and participating public, by Resolution No. 326-00 on July 26, 2000, and which was subsequently amended by Resolution No. 344-01 on March 14, 2001; by Resolution No. 363-02 on February 27, 2002; by Resolution No. 367-02 on March 27, 2002; by Resolution No. 390-03 on January 22, 2003; Resolution No. 392-03 on April 9, 2003; by Resolution No. 471-06 on July 26, 2006; by Resolution No. 487-07 on April 25, 2007; by Resolution No. 532-10 on January 27, 2010; by Resolution No. 553-11 on January 12, 2011; by Resolution No. 558-11 on March 23, 2011; by Resolution No. 561-11 on June 8, 2011; by Resolution No. 594-13 on May 8, 2013; Resolution No. 604-14 on January 22, 2014; by Resolution 624-15 on January 14, 2015; Resolution No. 639-16 on January 27, 2016; by Resolution No. 654-17 on January 11, 2017; Resolution No. 674-18 on January 24, 2018; by Resolution No. 675-18 on February 28, 2018; by Resolution No. 695-19 on January 24, 2019; by Resolution No. 714-20 on January 22, 2020; by Resolution 742-21 on January 13, 2021; and by Resolution 752-21 on September 8, 2021; and by Resolution 763-22 on January 12, 2022; and by Resolution 770-22 on June 8, 2022; and by Resolution 785-23 on January 11, 2023; and by Resolution 809-24 on January 10, 2024;

WHEREAS, the Port Commission wishes to modify the meeting procedures as noted in Appendix A, established on January 10, 2024, via Resolution No. 809-24;

WHEREAS, the Port Commission is authorized to set the compensation to be paid to commissioners pursuant to RCW 53.12.260(3);

WHEREAS, the Port Commission desires to increase the total amount of per diem compensation a commissioner can earn in any given year above the maximum amount set forth in RCW 53.12.260(1);

WHEREAS, the Port Commission’s action to increase the total per diem compensation a commissioner can earn in any given year does not apply to the current Commissioners’ existing terms, and only takes affect for commissioners elected to office after the date this Resolution is adopted.

NOW, THEREFORE BE IT HEREBY RESOLVED by the Port Commission of the Port of Port Townsend, that Resolution No. 809-24 shall be rescinded, and the Commission Meeting Procedures, as shown in the attached “Appendix A,” shall be adopted in their place including the increased total amount of per diem compensation a commission can earn in any given year set forth in the section titled “Commissioner’s Compensation,” which section shall only apply to a commissioner elected to office after the date this Resolution is adopted.

ADOPTED this 8th day of January 2025, by the Commission of the Port of Port Townsend and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the Seal of the Commission duly affixed.

ATTEST:

Pamela A. Petranek, Secretary

Peter W. Hanke, President

Carol L. Hasse, Vice President

APPROVED AS TO FORM:

Port Attorney

APPENDIX A to Resolution 833-25
Port of Port Townsend Commission Meeting Procedures

The Commission Meeting Procedures have been adopted by Resolution 714-20, amending Resolutions 326-00, 344-01, 363-02, 367-02, 390-03, 392-03, 471-06, 487-07, 532-10, 553-11, 558-11, 561-11, 594-13, 604-14, 624-15, 639-16, 654-17, 674-18, 675-18, 694-19, 714-20, 742-21, 752-21, 763-22, 770-22, 785-23 and 809-24. Any changes or deletions will require an amendment to the Resolution.

COMMISSION MEETINGS

TIME AND LOCATION OF MEETINGS

~~1. Effective January 8¹⁰, 202⁵⁴, with the exceptions outlined in paragraph 2 immediately below, regular business meetings of the Port of Port Townsend will occur as indicated on the calendar under Paragraph 2 (below) twice a month—on the second Wednesday of each month at 1:00 p.m. and on the fourth Wednesday of each month at 5:30 p.m. in the Port’s Pavilion Building, 355 Hudson Street, Port Townsend, Washington, unless otherwise indicated. Public Workshops will occur on the second Wednesday of each month at 9:30 a.m. Meeting and workshop schedules and locations are subject to change with a minimum 24-hour notice to the local newspaper and the Port’s website.~~

~~42.~~

~~2—Any meeting that falls on a holiday will be held the following regular business day. To accommodate Thanksgiving, the second meeting in November shall be held on Tuesday, November 26, 2024 at 1:00 P.M. There is no regular meeting scheduled for the second meeting (fourth Wednesday) in July, August or December.~~

<u>Date</u>	<u>Port of Port Townsend Commission Meetings and Workshops</u>	<u>Location</u>
<u>January 8</u>	<u>9:30 a.m. Workshop & 1:00 p.m. Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>January 22</u>	<u>5:30 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>January 30</u>	<u>WPPA Port and Maritime Day</u>	<u>Capital Bldg./Columbia Rm., Olympia</u>
<u>February 12</u>	<u>9:30 a.m. Workshop & 1:00 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>February 20</u>	<u>5:00 p.m. ICG¹ Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>February 26</u>	<u>5:30 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>March 12</u>	<u>9:30 a.m. Workshop & 1:00 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>March 26</u>	<u>5:30 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>April 9</u>	<u>9:30 a.m. Workshop & 1:00 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>April 23</u>	<u>5:30 p.m. Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>May 14 (Wed)</u>	<u>9:30 a.m. Workshop & 1:00 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>May 14-16</u>	<u>WPPA Spring Meeting</u>	<u>Davenport, Spokane, WA</u>
<u>May 15</u>	<u>5:00 p.m. ICG¹ Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>May 28</u>	<u>5:30 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>June 11</u>	<u>9:30 a.m. Workshop & 1:00 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>June 25-27</u>	<u>WPPA Finance and Administration Seminar</u>	<u>Marcus Whitman, Walla Walla, WA</u>
<u>June 25</u>	<u>5:30 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>
<u>July 9</u>	<u>9:30 a.m. Workshop & 1:00 p.m. Commission Meeting</u>	<u>Pavilion Bldg., Point Hudson</u>

July 21-23	WPPA Commissioners' Seminar	Semiahmoo, Blaine, WA
August 13	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
September 10	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
September 18	5:00 p.m. ICG¹ Meeting	Pavilion Bldg., Point Hudson
Sept. 25-26	WPPA Environmental Seminar	Alderbrook Resort, Union
September 24	5:30 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
October 8	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
October 22	5:30 p.m. Commission Special Meeting	Pavilion Bldg., Point Hudson
October 23-24	WPPA Small Ports Seminar	Campbell's Resort, Chelan
November 12	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
Nov. 19-21	WPPA Annual Meeting	Marriott, Tacoma
November 25	1:00 p.m. Commission Meeting (Tuesday before Thanksgiving)	Pavilion Bldg., Point Hudson
December 4	5:00 p.m. ICG¹ Meeting	Pavilion Bldg., Point Hudson
December 10	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson

[Washington Public Ports Association "WPPA"](#)
[Intergovernmental Collaborative Group "ICG"](#)

MEETING FORMAT

- 1. Regular Meetings:** Are held in-person with a virtual option for commissioners, staff and public participation provided that the WPPA meetings noted in Paragraph 2 (above) will not include any virtual option.
- 2. Special Meetings:** Are held in-person and may not include a virtual option depending on location, internet availability and practicality of hosting a virtual option.

RULES OF TRANSACTION OF BUSINESS

- Order of Business shall be as follows:
 - Call to Order
 - Approval of Agenda
 - Public Comments Related to/not related to the agenda (limited to total of thirty (30) minutes; three (3) minutes per person)
 - Consent Agenda
 - Special Guests & Presentations
 - Second Reading (Action Items)
 - First Reading (Discussion Only)
 - Regular Business
 - Staff Comments
 - Commissioner Comments
 - Next Meeting
 - Executive Session (if any)
 - Adjournment
 - Informational Items
- All matters which, in the judgment of the Commission, are of a legislative character shall be embodied in the form of Resolutions. Resolutions shall be numbered consecutively, and the original copy shall be signed by the President and Vice President and attested by the Secretary.

Resolutions shall be filed by the Executive Assistant and shall be recorded in a book or books kept for such purpose, which shall be public records.

3. Organization of Workshops:
 - a. Shall have an agenda;
 - b. Will have minutes recording topics discussed either in written and/or audio format;
 - c. Will be used for discussion, with no formal action (i.e., an actual vote of the Commission on a motion, proposal, resolution, or order); and
 - d. Rules governing written and spoken input from members of the public for business meetings will not apply to workshops, but public comment will be included on the agenda and may be invited by the Commission for particular topics.

4. Organization of Regular Business Meetings:
 - a. A Call to Order will begin with the Pledge of Allegiance.
 - b. The meeting agenda shall be approved at the beginning of the meeting.
 - c. Minutes will record topics discussed and actions taken in written and audio/video format, depending on how the meeting is recorded.
 - d. Where practical, any information to be presented before the Commission for consideration will be made available to the public in advance of the meeting. This information will be part of the agenda and meeting packet posted on the Port's website pursuant to RCW 42.30.077.
 - e. Presentations will be allowed by any member of the public indicating a desire to address the Commission, of no more than three (3) minutes, (maximum of thirty minutes per meeting) for Public Comment period on any appropriate topic. Each speaker must state their name and the subject of their comment before beginning. Written comments are encouraged.
 - f. When, in the opinion of a Commissioner, significant information has been presented to the Commission which was not made available to the public in advance, or upon the request of a Commissioner to hear from the public on a particular agenda item or topic, public comment may be allowed in a fashion the presiding officer will make clear.
 - g. No public comment will be entertained once a motion for action has been called and the Commission's deliberation has begun.
 - h. Public comments submitted to the Port in writing, either through submission to publiccomments@portofpt.com or indicating that they are public comments, will be included in the meeting packet or late materials depending on when they are received.
 - i. Public comments and presentations shall adhere to common norms of civility and may be cut off by the presiding officer, if in his or her judgment these norms of civility are violated. Disruptions of Port Commission meetings are prohibited. Disruptions include, but are not limited to the following:
 - i. Failure of a speaker to comply with the allotted time established for the individual speaker's comment;
 - ii. Addressing the audience, rather than the commission, by a member of the public who has been recognized by the presiding officer for public comment;

- iii. Outbursts (e.g., clapping, shouting, cheering) from members of the public who have not been recognized by the presiding officer for public comment;
 - iv. Holding or placing a banner or sign in the meeting room in a way that endangers others or obstructs the free flow of meeting attendees or the view of others attending the meeting; or
 - v. Behavior that intentionally disrupts or otherwise impedes the orderly conduct of Commission business.
5. Conduct of Regular Business Meetings:
- a. The Port Commission, as a governing body, is charged with making decisions that advance the mission of the Port and which are based on sound information and analysis, respect for views of the public, and each Commissioner's best disinterested judgment.
 - b. With only 3 elected Commissioners, the Commission can operate with a high degree of informality and need not be bound to all the provisions spelled out in standard codes of parliamentary procedure. However, some formal procedures need to be followed to respect the rights of all 3 Commissioners to participate equally and fully in all Commission business.
 - c. Some fundamental principles for conducting Commission meetings include (taken from *The Standard Code of Parliamentary Procedure*, by Alice Sturgis):
 - i. All Commissioners have equal rights, privileges, and obligations.
 - ii. The majority vote decides.
 - iii. The rights of the minority must be protected.
 - iv. Full and free discussion of every proposition presented for decision is an established right of the members.
 - v. Each member shall have the opportunity to speak before any member speaks twice.
 - vi. Every member has the right to know the meaning of the question before the Commission and what its effect will be.
 - vii. All meetings must be characterized by fairness and by good faith.
 - d. Routine and ordinary business may be approved and/or rejected by the Commission by placing it on either the Consent Agenda, or as an item of "Regular Business". Examples of items typically placed on the consent agenda are approval of warrants, meeting minutes, lease amendments, contracts and items that have already come before the Commission.

Examples of items considered as "Regular Business" include monthly financial reports, lease agreements, significant contracts, and grant agreements. Matters of routine and ordinary business may be voted on at the same meeting at which they are introduced.

- e. To facilitate sufficient time for reflective consideration of proposals by Commissioners and members of the public and staff, all proposals for policies* which impact Port customers or members of the public shall be voted on no sooner than the immediate next regular business meeting following introduction of the proposal. The introduction of a proposal at a Commission meeting is the "first reading" and any subsequent meeting where the proposal is considered is the "second reading." This requirement may be waived by a unanimous vote of the Commission.

*Examples of policy actions include adoption of the budget, adoption of strategic and/or

comprehensive plans.

- f. Motions do not require a second.
 - g. The presiding officer of the Commission meeting shall have the right to participate fully in the discussion and shall cast a vote on all motions.
 - h. The standard priorities and requirements for main, subsidiary, and privileged motions shall be used.
6. The draft agenda may be available by Friday of the week previous.
 7. The Executive Director or his designee would be responsible for keeping track of each issue.
 8. Port staff and/or general counsel may serve as parliamentarian in the event the presiding officer, commissioner or commission desire procedural assistance.

All public comments and questions should be directed to the Commissioners. If the Commissioners so desire, they may refer the question to the Executive Director, Port Attorney, and/or other Port Staff in attendance.

MINUTES

1. Additions and or corrections to the Minutes will be recorded and become a part of the revised and approved consent agenda. Minutes are to be available to the Commissioners prior to the meetings.
2. Minutes are recorded according to RCW 42.30.035.

VOUCHER APPROVAL

Voucher approval is incorporated under “Consent Agenda.” See also Resolution 737-20 for details on the issuance and approval of checks and warrants.

COMMISSIONER'S COMPENSATION

Each Commissioner shall be reimbursed or compensated for actual attendance at official meetings of the district and for other official services or duties on behalf of the district ~~up to~~ the maximum per diem rate allowed in accordance with RCW 53.12.260(1). Additionally, each Commissioner shall be compensated on a monthly basis as set forth in RCW 53.12.260(2).

RESOLUTION NO. 835-25

A Resolution of the Commission of the Port of Port Townsend

**DELEGATING ADMINISTRATIVE POWERS AND DUTIES TO THE EXECUTIVE DIRECTOR AND DESIGNEES, REPEALING ALL PRIOR RESOLUTIONS DEALING WITH THE SAME SUBJECT MATTER.
(SUPERSEDING RESOLUTION NO. 810-24)**

WHEREAS RCW 53.12.270 authorizes the Commission to delegate administrative powers and duties to the Executive Director, and

WHEREAS the Commission of the Port of Port Townsend has in the past adopted policy directives delegating administrative powers and duties to the Executive Director and designees for the purpose of expeditious administration of the Port, and

WHEREAS the Commission has from time to time found it necessary to amend and revise such directives due to changes in law and/or operations of the Port, and

WHEREAS the Commission now wishes to provide an updated master policy directive on the delegated administrative powers and duties of the Executive Director and designees and to repeal all prior resolutions dealing with the same subject matter;

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

Section 1. The master policy directive of the Commission of the Port of Port Townsend as set forth herein, is adopted for the purpose of establishing the delegated administrative powers and duties of the Executive Director and designees. This policy directive will remain in effect until January 31, 2026, unless it is extended prior to that date.

Section 2. All portions of resolutions heretofore approved by the Commission pertaining to the subject matters contained in this resolution are hereby repealed.

Section 3. The Revised Code of Washington 53.08.090 authorizes the Commission to delegate by resolution to the Executive Director the authority to sell and convey Port personal property.

Section 4. The Port Commission hereby delegates to the Executive Director the authority to undertake the management operations of the Port.

Section 5. The following policy directive on the delegated administrative powers and duties of the Executive Director is hereby adopted.

I. PREAMBLE

A. The following policy is adopted by the Commission of the Port of Port Townsend for the purpose of establishing the administrative powers and duties of the Executive Director who is responsible for Port operations. The Executive Director may delegate to Port personnel such administrative authority or reporting requirements herein established as is necessary and advisable in the efficient exercise of the Executive Director's powers and duties.

B. This policy sets forth specific delegations of power and duties from the Commission to the Executive Director. This policy shall not be interpreted to limit the duties or responsibilities of the Executive Director as those duties are determined from time-to-time by the Commission. In case of absence, the Executive Director may designate one or more senior Port staff to act in the place of the Executive Director with regard to the powers and duties herein. Subject to the limits within this delegation, the responsibility for all administration and Port operations of the Port rests with the Executive Director.

C. To implement delegations of authority to Port personnel, the Executive Director shall promulgate policy and procedural manuals, rules and procedures, monetary and budgetary directives and other such documents as personnel position descriptions, affirmative action plans, safety manuals, etc. which shall provide a clear span of authority and responsibility to the designees of the Executive Director.

D. Any Commission directives or initiatives shall be adopted only by the Commission acting as a body of the whole and shall be implemented through the Executive Director. Those directives include, but are not limited to, the separately adopted rate schedules, financial guidelines, promotional hosting policy, and standard lease policy.

E. The phrase "administration and Port operations", as used herein, means the regular day-to-day business of the Port, including but not limited to, operating, maintaining, and administering all of its properties, leasehold properties, facilities services and programs; including the implementation of construction work, alterations, repairs, maintenance, and improvements of the Port's real estate and physical facilities; and, the necessary planning incidental thereto; the conduct of financial accounting and legal matters as they relate to the Port's operation; the administration of all other operations which include personnel administration (i.e., hiring, firing, salary and benefits, training, grievance procedures, task and project assignments, employee training and incentive programs, etc.); the execution and administration of contracts; publishing legal notices; moorage agreements, and, all other pertinent functions.

F. The Executive Director shall inform the Commission regarding significant information, incidents, and business transactions by methods agreeable to the Commission. The Executive Director shall report to the Commission those actions as within this delegation. The Executive Director is the managing official of the Port, appointed by the Commission, and holds office as their representative. Nothing herein should be construed in any way as abrogating the duties and responsibilities of the Commission.

II. POLICY GOVERNING REAL PROPERTY

A. Lease Arrangements: All real property when available for lease shall, except as otherwise provided herein below, be leased only under an appropriately written lease instrument, approved by the Commission, and accompanied by a lease bond or other form of security in accordance with the law and the Port's Lease Policy. However, the Executive

Director may execute short-term leases (terms of one year or less) subject to all of the following conditions:

1. The appropriate lease surety must be in place consistent with statutory requirements and the Port's standard form of lease, with the exception of State and Federal leases that require the use of the tenant's lease form as long as the content of the lease form does not materially change the Port's intent in its standard lease form.
2. The arrangements for short-term occupancy shall be evidenced by the Port's standard form of lease (except that any clearly inapplicable provision or provisions inconsistent with the policy herein set out shall be deleted from the standard form).
3. The amount of the rental shall be in accordance with the rental revenue standards adopted by the Commission for similar Port property of the same or similar class and type and devoted to similar uses.
4. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the standards of use adopted by the Commission for the same or similar Port property or properties.
5. The lease may not be renewed or otherwise extended beyond three years without Commission approval.

B. Sublease Procedures: Leases, licenses, operating agreements, and related contracts between the Port and its tenants, licensees, and other parties shall include restrictions on the subleasing and require at a minimum the prior written consent of the Port to such subleases. Subject to the provisions of the lease or agreement, the Executive Director is authorized to grant consents to subleases, which for the purposes hereof shall include sub-operating agreements and sub-licensee agreements.

C. Other Lease Documents: The Executive Director is authorized to execute the following property instruments, subject to the terms specified herein:

1. Temporary and permanent easements for purposes of utility installation and maintenance, access, rights of entry and signage only.
2. Business Licenses and Licenses to Operate.
3. Aquatic land leases with the Washington State Department of Natural Resources to accommodate leasehold property leases consistent with the Port Management Agreement.
4. Binding site plans and short plats consistent with Port master plans in order to activate leasehold interests.
5. Changes in name of responsible party to the lease if all other conditions, including primary ownership, remain the same.
6. Lease assignments for purposes of collateral, including Waiver of Landlord Lien Agreements.
7. Lease assignments for purposes of a single condominium unit conveyance (change of ownership) where there is an established condominium association as the Lessee.
8. Response to estoppels and attornments.
9. Estoppel and attornment agreements.

10. Use Permits.
11. Rental and Storage Agreements.
12. Minor amendments intended to correct errors or oversights that are consistent with the intent of the Commission approved lease.

D. Lease Enforcement and Lease Terminations: The Executive Director is authorized to enforce all terms and conditions of Port leases. The Executive Director is authorized to issue all appropriate notices of default and/or notices of termination with regard to Port leases. The Executive Director is authorized to terminate any lease under the terms and conditions therein. Upon termination, the Executive Director is authorized to take all steps necessary to retake possession of the leasehold and recover for the Port all sums due the Port pursuant to the lease and the law. The Executive Director shall keep the Commission informed with respect to lessees that are issued default notices or termination notices.

III. POLICY GOVERNING CONTRACTS FOR PERFORMANCE OF PUBLIC WORK

A. Public Work Contract Awards: The Executive Director shall have the responsibility for following all required statutory procedures in connection with all public work contracts. The Executive Director is authorized to carry out all procedures required by applicable statutes preliminary to the acts required to be performed by the Commission at an open meeting. The Executive Director may, without prior Commission approval, execute on behalf of the Port public work contracts for \$350,000 or less, so long as the expenditure is within the limits of overall budgetary authority. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port, public work contracts for public work identified in a specific budgetary line item and where the contract price and all other charges do not exceed the amount authorized in that specific budgetary line item.

B. Emergency Public Work Contracts: When any emergency shall require the immediate execution of a public work contract, the Executive Director, pursuant to the procedures of RCW 39.04.020 (and as amended), is authorized to make a finding of the existence of such emergency and execute any public work contract necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any such public work contracts executed to remedy the emergency. Emergency public work contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

C. Change Orders: In the instances where public work contracts have been awarded and under which the work is in progress and individual changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Executive Director is authorized, without prior Commission approval, to execute individual change orders to the contract if the following conditions are met:

1. The estimated cost of the aggregate changes in plans and/or specifications and

all other charges will not exceed the specific budgetary line item, or, in cases requiring Commission approval for public works contracts, the authorized amount.

2. The contract provides for issuance of change orders.

IV. POLICY GOVERNING CONTRACTS FOR ACQUISITION OF MATERIALS, EQUIPMENT, SUPPLIES and SERVICES

A. Items Acquired for Normal Maintenance and Operation in the Open Market: The Executive Director shall have the responsibility for following all required statutory procedures, where applicable, in connection with all contracts for the acquisition of utilities, materials, equipment, supplies, and services provided; however, where utilities, materials, equipment, supplies, and services are acquired on the open market or pursuant to published tariffs and used or are necessary in normal maintenance and operations of the Port, no prior approval shall be required but shall, where appropriate, be approved or ratified as a part of the normal warrant process, and further, provided that in all cases where a statutory requirement exists for award of contracts following competitive bidding.

B. Budgeted Acquisitions or Acquisitions of \$100,000, or less: The Executive Director may, without prior Commission approval, execute on behalf of the Port, contracts for materials, equipment, and supplies (where the acquisition does not meet the criteria of Section A above) for \$100,000 or less so long as the expenditure is within the limits of overall budgetary constraints. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port contracts for materials, equipment, supplies, and services identified in a specific budgetary line item and where the contract price does not exceed the amount authorized in that specific budgetary line item by ten percent (10%).

1. Budgeted Acquisitions of \$25,000 or less: The Executive Director may delegate Director-level Staff the authority to execute on behalf of the Port, contracts for acquisitions identified in a specific budgetary line item where the contract price and all other charges do not exceed \$25,000.

C. Emergency Contracts for Acquisition of Materials, Equipment, Supplies, and Services: When an emergency requires the immediate acquisition of materials, equipment, supplies, and services, the Executive Director is authorized to make a finding of the existence of such emergency and execute any contract for acquisition of materials, equipment, supplies, and services (subject to the Port of Port Townsend's Purchasing Procedures) necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any contracts executed to remedy the emergency. Emergency acquisition contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

V. POLICY GOVERNING ADJUSTMENT AND SETTLEMENT OF CLAIMS AND PENALTIES EXCEPTING THOSE COVERED BY PARAGRAPH XIV BELOW:

A. Procedure for Settling Claims: The Executive Director shall be responsible for the implementation of necessary procedures for the settlement of all claims, either against or on behalf of the Port. Procedures in the handling of such claims shall, at a minimum, include the following:

1. For purpose of this Paragraph V, “claim” shall mean the assertion of any position, penalty, right or responsibility by or against the Port, its Commissioners or employees, but not including uncollectible accounts only to the extent as covered in Paragraph X herein.
2. No claims against the Port shall be considered unless and until proper written notice has been provided to the Port.
3. All claims for or against the Port may be processed in all respects (except for their final approval and payment) by the Executive Director or Legal Counsel.
4. Except as provided under Section B below, no claims shall be finally approved for settlement except by the Commission and no claim shall be paid except as authorized by the Commission.

B. Executive Director’s Authority to Settle Claims: The Executive Director may settle claims against the Port or claims asserted by the Port arising from operations for an amount not exceeding \$5,000. All claims when settled shall be reported to the Commission.

VI. POLICY GOVERNING ARRANGEMENTS FOR PROFESSIONAL AND CONSULTANT SERVICES

A. Procedure: The Executive Director shall be responsible for the Port’s compliance with RCW 53.19 and the initiation of appropriate procedures to obtain professional services specified RCW 39.80 (e.g., architectural, engineering, landscape architects and land surveyors) where deemed necessary in carrying out Port operations.

B. Executive Director’s Authority: When necessary, in the conduct of Port operations, the Executive Director may, without prior Commission approval, execute on behalf of the Port contracts for professional and consultant services for \$100,000 or less so long as the expenditure is within the limits of overall budgetary constraints and in compliance with state law. Individual task orders under Commission approved contracts may be issued by the Executive Director in an amount not to exceed \$100,000. -Additionally, the Executive Director may, without prior Commission approval, execute amendments to Commission authorized professional and consultant services agreements in the amount up to 10% of the contract’s value.

VII. POLICY GOVERNING TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT

A. Executive Director’s Authority: The Executive Director is authorized to approve travel by employees and/or other authorized representatives of the Port in order to effectuate necessary Port operations, provided that the travel expenses are within the annual budget approved by the Commission.

VIII. POLICY GOVERNING STAFF AND EMPLOYEE ADMINISTRATION

A. Executive Director's Authority: The Executive Director shall have the authority to manage all personnel matters for Port employees and staff which includes hiring, firing, training, grievance procedures, managing collective bargaining agreements, including letters of agreement, employee salaries and benefits. The Executive Director shall carry out these responsibilities according to guidelines and policies to be established by the Executive Director and within overall budgetary constraints. The Commission shall approve any collective bargaining agreements and amendments thereto.

IX. POLICY GOVERNING EXECUTIVE DIRECTOR'S AUTHORITY FOR PROPERTY ACQUISITIONS AND SALES

A. Authority of the Executive Director for Acquisitions Authorized by the Commission: When the Port Commission authorizes the acquisition of real property by purchase or condemnation, the Executive Director shall take all necessary steps, including the securing of appraisals, to secure title of such property for the Port. Acquisition price of individual properties (or ownerships) shall in no case exceed the Port's appraisal by 10% (ten percent), nor shall the total price paid for all properties exceed the ~~estimates~~ limits of the Port Commission's authorization without further specific Commission authorization.

B. Execution of Documents of Sale: The sale of real property is reserved to specific Commission authorization. When the Commission authorizes the sale of real property, the Executive Director shall take all necessary steps to complete the transaction, including but not limited to, accepting deposits, opening escrow and signing all necessary documents.

X. POLICY GOVERNING DISPOSITION OF UNCOLLECTIBLE ACCOUNTS

A. Definition of "Write-off": The term "write-off" means the adjustment of the accounting records of the Port to reflect the fact that the account is uncollectible in the normal course of operations. The Executive Director may authorize Legal Counsel to initiate or continue with legal action to collect an account without regard to whether the account has been written off the accounting records of the Port.

B. Procedures: The Executive Director is authorized to establish procedures for and to write off any uncollectible account in the amount of .05% of annual operating revenues of the last complete fiscal year or less subject to the following general guidelines:

1. Prior to writing off any account receivable or uncollectible, the Executive Director shall be satisfied that every reasonable effort has been made by the Port to accomplish the collection of the account.
2. Any account in excess of .05% of annual operating revenues of the last complete fiscal year which is deemed to be uncollectible shall be referred to the Port Commission for final write-off.

XI. POLICY GOVERNING LEASE SURETY, SURETY BONDS, RENTAL DEPOSITS, AND INSURANCE POLICIES

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission in connection with lease

surety, lease surety bonds, assignments of accounts, rental deposits, or insurance coverage required pursuant to any leases of the Port, including any of the following actions:

1. Where the lease is not in default, to release any surety, surety bond, or rental deposit where an adequate substitute surety or rental deposit has been provided.
2. To approve any surety, surety bond, rental deposit, certificate of insurance, or insurance policies submitted in fulfillment of the requirements of any lease, including substitute or replacement coverage for any terminated bond, surety, or rental insurance.
3. To approve any substitute or modification of surety or insurance coverage, and to release any surety or insurance company when substitute or replacement insurance coverage has been provided in connection with any outstanding lease of the Port.

XII. POLICY GOVERNING SALE OF PERSONAL PROPERTY

A. Sale of Property Pursuant to RCW 53.08.090: The Executive Director or his designee is authorized, pursuant to RCW 53.08.090, to sell and convey surplus personal property of the Port subject to the following conditions:

1. that the market value of such personal property does not exceed the maximum amount set forth in RCW 53.08.090(2)(a); and
2. that prior to any such sale or conveyance, the Executive Director shall itemize and list the property to be sold and make written certification to the Commission that the listed property is no longer needed for Port purposes; and
3. that offers for purchase are solicited from at least three (3) parties whenever possible; and
4. that any large block of such property having a value in excess of the maximum amount set forth in RCW 53.08.090(2)(a) shall not be divided into components of a lesser value and sold unless done so by public competitive bid; and
5. that no property which is part of the comprehensive plan of improvement or modification thereof shall be disposed of until the comprehensive plan has been modified pursuant to RCW 53.20.010 and until such property is found to be surplus to Port needs; and
6. that in no case shall surplus personal property be sold to any Port official or employee or members of their families without the specific approval of the Commission.

XIII. LITIGATION

A. Management and Supervision of Litigation: The Executive Director and the Port's Legal Counsel (appointed by the Commission) shall be responsible for the procedures necessary for management and supervision of all litigation in which the Port has an interest, direct or indirect. For purposes of this section, "litigation" shall mean the assertion or potential assertion of any position, right or responsibility by or against the Port, including actions which have been filed in any court or any quasi-judicial or administrative forum.

B. Special Legal Services: The Executive Director, on consultation with the Port's Legal Counsel, is authorized to retain other such special counsel at fees as may be negotiated to

assist in the handling of any claims, litigation, or other matters necessary to attend to the legal affairs of the Port, within overall budgetary constraints.

C. Engagement of Experts: The Executive Director may engage or cause to be engaged through Legal Counsel, such experts as may be necessary for the orderly support of claims or litigation in which the Port has a direct or indirect interest. Such engagement shall be upon authorization given by Legal Counsel after having been satisfied that such expenditure is necessary to the adequate preparation and representation of the Port's position in such litigation or claim and shall, wherever practicable, include evaluation of the litigation or claim and an estimate of the probable cost of such experts.

D. Consultation with Commission: The Executive Director will, in conjunction with the Port's Legal Counsel, consult with the Commission regarding strategy and the economic impact of litigation.

XIV. POLICY GOVERNING INTERLOCAL AGREEMENTS FOR USE OF PORT PROPERTY FOR TRAINING PURPOSES, EVENT SITE USE AGREEMENTS FOR EVENTS AND RATES WITHIN ESTABLISHED RANGES

A. Executive Director's Authority: The Executive Director is authorized to execute agreements with other public agencies for purposes of conducting training exercises or other collaborative opportunities related to police, fire, public health and safety, and environmental stewardship issues.

B. Executive Director's Authority: The Executive Director is authorized to execute event and site use agreements with organizations for events conducted by the organizations on Port property.

C. Executive Director's Authority: The Executive Director is authorized to establish rates for particular dates or seasons (i.e., low season or midweek discounted rates and peak season rates) when the Commission has established rate ranges on approved rate cards.

XV. POLICY GOVERNING APPLICATION AND ACCEPTANCE OF GRANTS

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission to prepare and submit applications for grants and State or Federal Legislative appropriations. The Executive Director shall notify the Commission of the amount and purpose of all grant applications and upon request shall provide copies of such applications.

B. Acceptance of Grants: The Executive Director shall consult with the Commission prior to accepting or appropriating any grant awarded to the Port and shall obtain Commission approval to accept and appropriate any grant funding or expenditure which was not specifically identified in the approved annual budget.

XVI. POLICY GOVERNING PERMIT APPLICATIONS AND NOTICES OF INTENT

A. Executive Director's Authority: The Executive Director is authorized to take all necessary actions to prepare and submit applications and notices of intent for coverage under state, local and federal regulatory permits including but not limited to, National Pollution Discharge Elimination System (NPDES) permits, Joint Aquatic Resources Permit Application (JARPA), and Hydraulic Project Approval (HPA) permits.

XVII. POLICY GOVERNING PROMULGATION OF ADMINISTRATIVE RULES AND REGULATIONS

A. Authority of the Executive Director: The Executive Director is authorized to adopt administrative rules, regulations and procedures necessary (hereinafter “rules and regulations”) for the efficient operation of the Port so long as such rules and regulations are reported to the Commission and are consistent with Commission policy. All amendments to the rules and regulations established therein may hereafter be made by the Executive Director, so long as such amendments do not exceed the authority of the Executive Director, as granted elsewhere herein, and are reported to the Commission in a timely manner.

XVIII. POLICY GOVERNING AUTHORITY TO ENTER INTO NON- DISCLOSURE AGREEMENTS

A. Authority of the Executive Director: The Executive Director is authorized to enter into non-disclosure agreements on behalf of the Port of Port Townsend, provided that the non-disclosure agreement is first reviewed by legal counsel to ensure compliance with applicable law, including laws relating to public records and open public meetings.

ADOPTED by the Board of Commissioners of the Port of Port Townsend this 8th day of January 2025 and duly authenticated in open session by signatures of the Commissioners voting in favor thereof and the seal of the Commission duly affixed.

ATTEST:

Pamela A. Petranek, Secretary

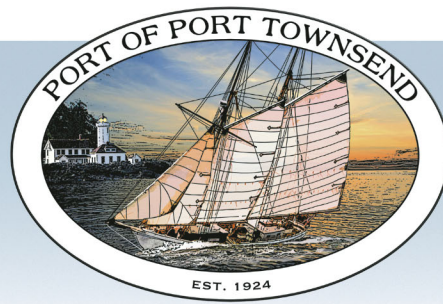
Peter W. Hanke, President

Carol L. Hasse, Vice President

APPROVED AS TO FORM:

Port Attorney

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The Port of Port Townsend Commission will meet on the 2nd Wednesday at 1:00 p.m. and 4th Wednesday at 5:30 p.m.
Workshops are set to be at 9:30 a.m. on the 2nd Wednesday of each month.

Please find below a list of meetings for 2025.

Date	Port of Port Townsend Commission Meetings and Workshops	Location
January 8	9:30 a.m. Workshop & 1:00 p.m. Meeting	Pavilion Bldg., Point Hudson
January 22	5:30 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
January 30	WPPA Port and Maritime Day	Capital Bldg/Columbia Rm., Olympia
February 12	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
February 20	5:00 p.m. ICG ¹ Meeting	Pavilion Bldg., Point Hudson
February 26	5:30 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
March 12	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
March 26	5:30 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
April 9	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
April 23	5:30 p.m. Meeting	Pavilion Bldg., Point Hudson
May 14 (Wed) or Tues 5/13?	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
May 14-16	WPPA Spring Meeting	Davenport, Spokane, WA
May 15	5:00 p.m. ICG ¹ Meeting	Pavilion Bldg., Point Hudson
May 28	5:30 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
June 11	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
June 25-27	WPPA Finance and Administration Seminar	Marcus Whitman, Walla Walla, WA
June 25 (or Tues. 6/24?)	5:30 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
July 9	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
July 21-23	WPPA Commissioners' Seminar	Semiahmoo, Blaine, WA
August 13	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
September 10	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
September 18	5:00 p.m. ICG ¹ Meeting	Pavilion Bldg., Point Hudson
Sept. 25-26	WPPA Environmental Seminar	Alderbrook Resort, Union
September 24	5:30 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
October 8	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
October 22 (or 10/21 Tue?)	5:30 p.m. Commission Special Meeting	Pavilion Bldg., Point Hudson
October 23-24	WPPA Small Ports Seminar	Campbell's Resort, Chelan
November 12	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson
Nov. 19-21	WPPA Annual Meeting	Marriott, Tacoma
November 25	1:00 p.m. Commission Meeting (<i>Tuesday before Thanksgiving</i>)	Pavilion Bldg., Point Hudson
December 4	5:00 p.m. ICG ¹ Meeting	Pavilion Bldg., Point Hudson
December 10 or	9:30 a.m. Workshop & 1:00 p.m. Commission Meeting	Pavilion Bldg., Point Hudson

¹ICG= Intergovernmental Collaborative Group
WPPA = Washington Public Ports Association

Meeting Locations:

Port's Pavilion Building, 355 Hudson Street, Port Townsend
Quilcene Community Center, 294952 US-101, Quilcene

PORT OF PORT TOWNSEND

AGENDA COVER SHEET

MEETING DATE	January 8, 2025
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"> • Contract Update • Lease update • Commission Meeting Schedule

PORT OF PORT TOWNSEND INFORMATIONAL MEMO

DATE: January 2, 2024

TO: Commissioners

FROM: Sue Nelson, Lease & Contracts Administrator

CC: Eron Berg, Executive Director

SUBJECT: **January 8, 2025, Commission Meeting** – Commission Update: New/Amended Contracts of \$100,000 or less, Approved by Executive Director Eron Berg, per Delegation of Authority Resolution No. 810-24

Name	Dates	Description	Amount Not to Exceed:
CP Communications	1/1/2025-12/31/2025	On-call Consulting & Drone Photography	\$20,000.00
Olympic Peninsula Communications	1/1/2025-12/31/2025	Communications services and support	\$30,000.00

PORT OF PORT TOWNSEND

AGENDA MEMO

DATE: 1/3/2025
TO: Commission
FROM: Sue Nelson, Lease & Contracts Administrator
SUBJECT: January 8, 2025 Lease Update

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 43 land leases, 38 building leases, 57 rental agreements.

DISCUSSION

New Agreements:

- Revision Marine, 5-year + one 5-year option (January 2025 agreement, previously approved by Commission)
- Northwest Custom Hangars, 50-year lease (January 2025 agreement, previously approved by Commission)

Lease/Rental Amendments:

Exercising Options:

Assignments/Assumptions:

Notice of Lease Termination/Vacation

- GSA lease terminated December 31, 2024.

License & Use Agreements:

JANUARY Rent Increases:

- **CPI Increase (5.8%):** Coast Seafood; Haven Boatworks (western half of building); Marina Café; Puget Sound Express; Schooner Martha Foundation;
- **Market Rate Increase:** 14 Port-owned hangar tenants received the 2025 adopted rent
- **Step Increase:**
- **Recurring Annual License Fee:**

Leases with 2025 Expiring Terms and No Remaining Options

- PT Furniture, exp 1/31/25 (in the works)

- Commanders Beach House, exp 4/30/2025 (continued lease discussions)
- Sail PT, exp 4/30/2025
- Hanson of PT, exp 5/31/2025
- Pete’s Marine Metal, exp 7/31/2025
- US Coast Guard, exp 8/31/25
- Puget Sound Express (PH shop), exp 12/31/25

MISCELLANEOUS:

- Docs Marina Grill has changed their name to Salish Grill, reflecting their “ongoing commitment to meet Port Townsend’s distinct palate and their continued desire to grow...”

ATTACHMENTS

1. 2025 Lease List

RECOMMENDATIONS

For information only.

Boat Haven - PROPERTY	JANUARY 2025			
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/MR STEP Incr.	REMARKS
Admiral Ship Supply	2,145.14	1/31/2030*	2/1/2025	*Exercised last remaining option.
Andersen Machine Shop	324.56	9/30/2027	10/1/2025	Land lease.
Andersen Machine Shop	68.76	Mo/Mo	6/1/2025	228 sf additional land for storage adjacent shop. 30 day notice for increases.
Armstrong Consolidated LLC (Washington)	17,983.37	Mo/Mo	1/1/2025	30-day notice for rate increases.
Armstrong Consolidated LLC (10th St)	4,278.65	Mo/Mo	N/A	Lease expired 9/30/24. Hold Over rent + 25%/mo. Negotiating new lease.
Armstrong Consolidated LLC (10th St land)	841.95	Mo/Mo	9/1/2025	Land rental-ground in front of building.
Blue Moose Café	888.49	10/31/2026*	11/1/2025	*5-yr option available. 24-mo step to market.
Crown Castle (cell tower)	16,149.96/yr	6/30/2025*	6/1/2025	*One 5-yr option remains. Pay one mo in arrears..
Crown Castle - AT&T Sub-Lease	1,117.52		9/1/2025	Annual lease renewal. 6.5% annual increase 9/2019-9/2022. Pay one mo in arrears.
Eagle Harbor Marine	274.59	Mo/Mo	9/1/2025	Land rental. 30-day notice for rent increases.
EDC Team Jefferson	964.12	Mo/Mo	7/1/2025	2nd floor Nomura Bldg (767 sf). 30--day notice for rent increases.
Fine Yacht Interiors	1,480.53	5/31/2025*	6/1/2025	*One 3-yr option remains. Exercised 2nd opt 6/1/22-5/31/25. 4% max CPI.
Flye, Todd dba On The Flye	420.11	1/31/2025		Land lease-temporary structure. No options remain.
Haven Boatworks (western/front half)	1,639.66	Mo/Mo	1/1/2026	Former J&S Bldg., Haines St. 30-day notice for rent increases. CPI
Haven Boatworks (eastern/back half)	1,799.97	Mo/Mo	8/1/2025	Back half J&S (former Johnson Fab).
Jefferson County (Commission Bldg)	2,129.29	9/30/2026	10/1/2025	5-yr. 180 day termination notice-either party.
Jeremy Johnson Photography	197.82	Mo/Mo	9/1/2025	2nd floor office #2F, Nomura Building.
Jochems Property Mgmt.	355.85	10/31/2026	1/1/2026	Land lease. CPI every two years, next 1/1/2026.
Katz, Alan	1,144.05	Mo/Mo	6/1/2025	Land lease, business w/temp shelters.
Key City Fish Co. (10th Street-seafood mrkt)	2,783.98	8/31/2028*	9/1/2025	Seafood market. One 5-yr option. Builndg & land lease. CPI-Yr2/MR-Yr 5.
Key City Fish Co. (Haines PL-refrigeration)	983.21	11/30/2029*	12/1/2025	*First of two 5-yr options exercised, extends lease to 11/30/2029.
Kimmel's Crab Shack	2,615.40	4/30/2049	5/1/2025	Land lease.
Marine Surveys & Assessments Cooperative	1,694.60	1/31/2028*	2/1/2025	* One 5-yr option. Annual CPI/MR beg year 3 and every 3 years after.
NW Maritime Center (Marine Thrift)	703.90	1/31/2025		Exercised last 1-year option. Would like new lease at end of term.
NW School of Wooden BoatBuilding	641.38	6/30/2026*	7/1/2025	*One 5-yr option available. 25% of prevailing rate. Amend 1 adds non-exclusive kitchen use.
Olympic Crane LLC	57.89	Mo/Mo	2/1/2025	Relocated crane next to Pete's Marine.
Perpetual Boatworks, LLC	1,667.81	Mo/Mo	3/1/2025	Former MRW site. Port may terminate w/ 30 mos with 20 days' notice (boatyard exp)
Pete Stein & Compass Woodwork	113.39	Mo/Mo	6/1/2025	40'x8' land & 7'x8' land for equipment.
Pete's Marine Metals	1,805.26	7/31/2025	N/A	*Exercised last one-year option.
Port Townsend Fuel Dock LLC	915.65	6/30/2029	N/A	2% flowage fee pays rent. Last 5-yr option exercised 12/14/23
PT Furniture Clinic	706.95	1/31/2025		*Exercised last one-year option. Would like new lease at end of term.
PT Sailing Association	740.82	11/30/2027*	12/1/2025	*5-year, 2 week +5-year option building lease, Annual CPI; MR beg. year 3 and every 3 years.
Port Townsend Shipwrights, Inc.	8,780.46	7/31/2050	8/1/2025	MR incr 8/1/30-every 10 yrs/ann CPI, beg. year 7. Amend 1 & 2.
PT Rigging (Kulin & Vizzini)	589.68	3/31/2030	4/1/2025	Land lease.
PT Rigging	777.00	Mo/Mo	10/1/2025	2,720 sq ft of land, abutting leasehold for rigging work and related storage.
Pt Townsend Yacht Club	295.44	2/28/2026	3/1/2027	Land lease.
Revision Marine	2,581.20	12/31/2029*	1/1/2026	Bldg/Land lease. *One 5-yr option.
Sail Port Townsend	223.02	4/30/2025	N/A	Nomura Office. One year lease.
Sands, Guy & Kim (PT Brewing Co.)	3,963.36	5/31/2026*	6/1/2025	*Two 5-yr options remain. Bldg & Land.
Sands, Guy & Kim (PT Brewing Co)	186.82	Mo/Mo	10/1/2025	600 sf outdoor dining area.
Scow Bay Boats	601.22	9/30/2026	10/1/2025	Land lease-temporary structure. Exercised only 3-year option, 10/1/23-9/30-26.
Sea J's Café (Estate of Florence Jevne)	1,291.54	Mo/Mo	6/1/2025	Mo/Mo Building & Land agreement.
Sitewise Design PLLC	184.78	Mo/Mo	6/1/2025	Mo/Mo building agreement for small office 2-H in Nomura Bldg.
Skookum Corporation	961.34	3/31/2026*	4/1/2025	Annual step increases/*one 5-yr option/renting 3,036 sf lower floor, Nomura Bldg.
Stephens Marine	59.42	Mo/Mo	2/1/2025	Temp storage of equipment. Will move to Jochems building soon.
Sunrise Coffee	2,197.11	9/30/2031*	10/1/2025	*Two 5-yr options available. Deposit balance-6 installments.
Takaki, Jennifer (Marina Café)	760.21	12/31/2026	1/1/2026	5-year lease. CPI
Takaki, Jennifer (Marina Café)	123.30	Mo/Mo	10/1/2025	396 sf outdoor dining area.
The Shop Cooperative	6,326.66	5/31/2026*	6/1/2025	*One 5-yr option. Buildings 2 & 3
The Shop Cooperative	89.60	Mo/Mo	9/1/2025	Land to store 8'x40' storage container, NW corner building 3
The Shop Cooperative	1,198.60	Mo/Mo	11/1/2025	Bldg 1. Will roll this into their main lease in the spring of 2025.
Tree Ring, LLC	150.70	Mo/Mo	3/1/2025	New month/month agreement-small office (2-G) upstairs, Nomura Bldg.
University of WA - Sea Grant	384.52	Mo/Mo	4/1/2025	Office 2-E, Nomura Bldg. Added 100 sf storage space.
U. S. Coast Guard	5,653.93	8/31/2025		Annual leaseA29:E56 renewal & step increases. SLA 003 extends lease 10 mos thru 7/30/24. Standstill extends to 8/31/25. Will reenter into new a lease agreement.
Welti, Rebecca	\$105.00/1xfee	7/31/24*		*5-yr option available. 24-mo step to market. A32:E59+E10

Point Hudson - PROPERTY		JANUARY 2025			
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/STEP Incr.	REMARKS	
Best Coast Canvas	\$ 750.00	9/30/2029*	10/1/2025	1000 sf Armory Bldg. New lease. 5-yr + *one 5-yr option.	
Brion Toss Yacht Rigging	\$ 1,883.20	9/30/2029*	10/1/2025	2443 sf Armory Bldg. New lease. 5-yr + *one 5-yr option.	
Brooks, Cindy	\$ 45.36	Mo/Mo	7/1/2025	54 sf floor in Armory Bldg, wherry storage.	
Cashin, Andrew	\$ 286.30	Mo/Mo	2/1/2025	Moved to office #11-private & smaller. Non-view, Main Bldg.	
Chapin, Steve	\$ 201.60	Mo/Mo	5/1/2025	Storage for 2 20x40 Conex boxes, back-40.	
Chums A Shop by the Sea	\$ 750.00	11/30/2025	N/A	Frmr PH moorage office-Store: local pastries/foods, art & sundries. 1-yr	
Commanders Beach House	\$ 2,510.97	4/30/2025	5/1/2025	Assignment to D & N Dionne.	
Fortune Teller Art	\$ 406.26	Mo/Mo	8/1/2025	Office #2, Main Bldg., Point Hudson. 30 day notice increases.	
Hanson of Port Townsend Inc.	\$ 422.08	5/31/2025*	N/A	Exercised last option. VACATING LEASE 5/31/25. Plans to vacate 1/31/25	
Hudson Point Café (Assigned-Flanigan)	\$ 1,827.32	6/30/2025*	7/1/2025	*One 5-yr option available. Assignment to Flanigan.	
Hudson Point Café Office #8 (Flanigan)	\$ 286.44	Mo/Mo	4/1/2025	Main Bldg. Restaurant storage, non-view office. Rented to Flanigan.	
Hudson Point Café	\$ 124.14			Main Bldg - common area fee-restroom cleaning/stocking	
Impact Naval Architects, LLC	\$ 300.96	Mo/Mo	9/1/2025	Office #1, Main Bldg.	
Marine Resources Consultants Inc.	\$ 546.00	9/30/2025*	N/A	Armory Bldg. New 1-yr lease + *one 1-yr option.	
Marine Science Center	105.00/1 x fee	auto-renew	N/A	Use of Union Wharf for "Guenther" whale display. One-time license fee.	
Mark Kielty Design	\$ 300.96	Mo/Mo	8/1/2025	Main Bldg., small view office.	
Mark Kielty Design	\$ 8.22			PH Main Bldg - common area fee-restroom cleaning/stocking	
Northwest Maritime Center	\$ 1,528.28	6/30/2051	7/1/2025	Amend 1: begin construct by 6/30/2031, compl w/l 12 mos.	
Northwest Maritime Center (Swan Hotel)	545.93/yr	auto renew	6/1/2027	License-encroachment. Port may term w/180-day notice.	
Northwest Maritime Center (Back 40)	\$ 89.60	Mo/Mo	6/1/2025	Rented space in back 40 for storage container for WBF misc.	
Northwest Maritime Center (Armory Bdg)	\$ 420.00	Mo/Mo	10/1/2025	600 sf floor space/storage-Armory Bldg.	
OM LLC	\$ 300.96	Mo/Mo	6/1/2025	Office 10, PH Main Building.	
Puget Sound Express	\$ 1,334.74	12/31/2025	N/A	No options remain.	
Schooner Martha Foundation	\$ 966.53	12/31/2029*	1/1/2026	*Exercised last option. CPI	
SEA Green Partners d/b/a SEA Marine	\$ 2,653.73	4/30/2027*	5/1/2025	*One 5-yr option. Armory Bldg-Upstairs sail loft space.	
Shanghai Restaurant	\$ 2,981.91	10/31/2026	11/1/2025	No options remain.	
Shanghai Restaurant	\$ 174.90			PH Main Bldg - common area fee-restroom cleaning/stocking	
Shannon Partners LLC (SEA Marine)	\$ 3,800.27	9/30/3038	10/1/2025	New lease. Rent increase to set amount 7/1/27; MR/5-years,CPI/annual	
The Artful Sailor	\$ 994.50	11/30/2025*	12/1/2025	Combined 2 shop agreements into 1 yr w/two 1-yr options.	
Doc's/ TNT Restaurants LLC- Salish Grill	\$ 3,545.61	4/30/2027	5/1/2025	Exercised last option. Wants new 10-yr lease. New DBA-was Doc's.	
U.S. Customs	\$ 3,236.16	12/20/2027	12/20/2024	Hospital Bldg- 5-yr option 12/2022-12/2027-Vacated 12/31/2024.	
Washington Dept. of Fish & Wildlife	#####	3/21/2029*	N/A	New lease 4/1/24-3/31/29 + one 5-yr option.	
Washington Dept. of Fish & Wildlife	\$ 1,744.71	Mo/Mo	11/1/2025	Cupola Annex-storage. CPI	
Washington Dept of Fish & Wildlife	\$ 18.65	Mo/Mo	6/1/2025	Small storage area in Sail Loft for spare boat motor.	

JCIA - PROPERTY	JANUARY 2025			
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ Step Incr.	REMARKS
A Hangar Condo Association	1,399.44	11/20/2045	12/1/2025	Land lease. Hangars 'E' & 'F'. Amend 2 correct land size.
Aurora Aircraft Maint & Restoratic	631.47	10/31/2026*	11/1/2025	*One 5-yr option remains. Maintenance Hangar
Aurora Aircraft Maint & Restoration		Mo/Mo	N/A	Fuel Concession. Amendment #1: Mo/Mo agreement.
Aurora Aircraft Maint & Restoratic	285.45	Mo/Mo	1/1/2026	Port-owned hangar #201. Adopted rate.
Bioren, Eric	285.45	Mo/Mo	1/1/2026	Port-owned hangar #203. Adopted rate.
Broderson, Dennis	70.00	2/28/2016	3/1/2025	T-hangar pad LEASE. Sold to Norm Coote.
Browning, Scott & Lori	110.00/yr	ann. auto renew	8/1/2025	Periodic tree & shrub removal.
Chuljian, David	285.45	Mo/Mo	1/1/2026	Port-owned hangar #205. Adopted rate.
Coote, Norman	70.00	Mo/Mo	11/1/2025	Purchased from Dennis Broderson estate.
Cupp, Stanley	285.45	Mo/Mo	1/1/2026	Port-owned hangar #202. Adopted rate.
Dow Jeffery & Jorja	394.76	12/31/2028	8/1/2025	Land lease. Hangar 'D'.
Dyson, Keith	285.45	Mo/Mo	1/1/2026	Port-owned hangar #204. Adopted rate.
Eber, Lorenz	80.00	Mo/Mo	1/1/2025	T-hangar pad, #T-404(P)
Erickson, Warren & Karen	224.56	7/26/2057	3/1/2025	Land lease. Hangar '4-B'.
G Hangar Condo Assoc.	720.30	6/9/2047	7/1/2025	Land lease.
Grandy, Richard	224.56	7/26/2057	3/1/2025	Land lease. Hangar '4-A'.
H-Hangar Corp., Inc.	690.48	6/22/2049	7/1/2025	Land lease.
Hangar C Group LLC	768.38	4/30/2053	12/1/2025	Settled 2/25/21: Amend #6: Ext. term.
Huhndorf, Joshua	285.45	Mo/Mo	1/1/2026	Port-owned hangar #101. Adopted rate.
Islam, Marc	70.00	Mo/Mo	5/1/2025	Purchased T-hangar from Roethle. #406-M.
JEFFCO Hangar Assoc., Inc.	822.85	11/30/2041	12/1/2025	11,369 sf, hangar site 'I'.
Jeff. Co. Airport Condo Owners Ass	2,301.25	7/26/2057	3/1/2025	Assignment of NW Hangar's Lease for sites #7 & 8.
K-Hangar Assoc. @ JCIA	681.59	4/25/2049	5/1/2025	Land lease.
Kumley, William & April	285.45	Mo/Mo	1/1/2026	Port-owned hangar #206. Adopted rate.
L Hangar Condo Assoc @JCIA	683.27	10/31/2048	10/1/2025	Land lease.
Lemanski, Tom & Linda	80.00	Mo/Mo	3/1/2025	T-hangar pad, T-405. 2023 adopted rate applied (8c/sf)
Machida, Steven	285.45	Mo/Mo	1/1/2026	Port-owned hangar #207. Adopted rate.
Morrison, Neil/Lark Leasing	205.80	4/30/2053	5/1/2025	Land lease. Hangar 'N-North'.
Morrison, Neil	205.80	4/30/2053	5/1/2025	Land lease. Hangar 'N-South'.
Northwest Custom Hangars, LLC	1,299.51	12/31/2075	1/1/2026	New lease, approved 11/26/24.
Piper, James	224.56	7/26/2057	3/1/2025	Land lease. Hangar '4-C'. Assignment fr Hood Canal Aviat.
Port Townsend Aero Museum	441.00	7/31/2052*	5/1/2025	*One 25-yr option. Museum bldg- land lease.
Port Townsend Aero Museum	189.00	7/31/2052*	5/1/2025	*One 25-yr opt. Museum bldg- expan. Amend 3-50% rate
Port Townsend Aero Museum	650.16	7/31/2052*	5/1/2025	*One-25 yr option. Maintenance bldg- land lease.
Port Townsend Aero Museum	298.55	4/30/2053	5/1/2025	M' Hangar. Separate land lease.
Port Townsend Aero Museum	80.00	Mo/Mo	5/1/2025	T-hangar pad, T-400(S).
Port Townsend Aircraft Services	446.74	6/30/2035*	7/1/2025	*Two 10-yr options.
Pratt Sr., David	80.00	Mo/Mo	3/1/2025	T-hangar pad, T-401(N). 2023 adopted rate applied (8c/sf)
Puget Sound Express-J Hangar Leas	423.20	10/1/2050	10/1/2025	Assignment-Land lease to Puget Sound Express.
Sawasy, Adam	285.45	Mo/Mo	1/1/2026	Port-owned hangar #102. Adopted rate.
Spruce Goose (Goosin Around)	273.35	9/30/2029*	10/1/2025	*Two 5-yr options. CPI/MR apply. Assigned 7/1/24.
Station Prairie	645.80	4/30/2072	5/1/2025	Hangar site pad #5. Amend #1 incrsd premises.
Suryan, Richard	285.45	Mo/Mo	1/1/2026	Port-owned hangar #108. Adopted rate.
Suryan, Tim	285.45	Mo/Mo	1/1/2026	Port-owned hangar #107. Adopted rate.
Townshend, Brendon	70.00	2/28/2026	4/1/2025	Assigned T-hangar pad 402-O from Daniel Scheall.
Unger, James	285.45	Mo/Mo	1/1/2026	Port-owned hangar #208. Adopted rate.
Wexman, Scott & Diana Levin	296.45	3/31/2053	4/1/2025	Land lease. Hangar 'O'.

QUILCENE - PROPERTY	JANUARY 2025			
LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ Step Incr.	REMARKS
Canterbury, Ray	<i>fluctuates</i>	N/A		<i>Water rights.</i>
Coast Seafoods	\$6,628.35	12/31/2039	1/1/2026	Land lease. CPI
Coast Seafoods	<i>fluctuates</i>			<i>Water.</i>
Quilcene Harbor Yacht Club	\$ 593.91	10/31/2027*	11/1/2025	*One 5-yr option. Rent + 106/hrs in-kind labor. Non-exclusive use of deck.
Quilcene Harbor Yacht Club	<i>fluctuates</i>			<i>Water.</i>

CHIMACUM - PROPERTY

JANUARY 2025

LEASE NAME	Lease Amount	Lease Expiration	NEXT CPI/ Step Incr.	REMARKS
Finn River d/b/a Olympic Biochar	\$ 175.00	10/31/2025 [†]	11/1/2025	*Two 1-year options.
Finn River d/b/a The Grainery	\$ 258.42	10/31/2025 [†]	11/1/2025	*Two 1-year options
Flying Knucklehead Ranch	\$ 230.00	11/30/2025 [†]	12/1/2025	*Two 1-year options
One Straw Ranch, Inc.	\$ 568.76	10/31/2025*	11/1/2025	*Two 1-yr options. Farmland & Outbuildings Lease.
One Straw Ranch, Inc.	\$ 78.00	10/31/2025	11/1/2025*	*Two 1-yr options. Farmland & Outbuildings Lease.
WA Dept of Fish & Wildlife	\$1,000.00/yr	3/31/2025		Wildlife Viewing
WA Dept of Fish & Wildlife	\$8,000.00/yr	2/28/2025		Hunting
William & Karrie Short - Residential Land Lease	\$ 800.00	8/31/2025		

**Port of Port Townsend
Upcoming Commission Meetings Calendar 2025 (Tentative Agenda Items)**

Date/Time		Item/Topic	Location	Absent
Mon., Jan. 20		<i>Holiday – Port Offices Closed</i>		
Wed., Jan. 22 5:30 pm	Meeting	IDD Report 4 th Quarter 2 nd reading of Resolution 834-25 Delegating Administrative Powers and Duties to the Executive Director Resolution 835-25 Authorizing Issuance of Checks and Warrants Special Meeting of Industrial Development Corporation: to amend the Bylaws to conform to current practice, Elect Officers, Minutes, review financial statement 2024 Authorizing Port Townsend Furniture Lease Authorizing University of Washington Lease for Sea Grant Resolution Authorizing EDA Grant for West Boat Yard Expansion	Pav	
Thurs. Jan. 30		WPPA Port and Maritime Day	Capital Bldg/ Columbia Rm., Olympia	
Wed., Feb. 12 9:30 am	Workshop		Pav	
Wed., Feb. 12 1 pm	Meeting	December 2024 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Mon., Feb. 17		<i>Holiday – Port Offices Closed</i>		
Thurs., Feb. 20 5:00 pm	Meeting	Intergovernmental Collaborative Group	Pav	
Wed., Feb 26 5:30 pm	Meeting		Pav	
Wed., Mar 12 9:30 am	Workshop		Pav	
Wed., Mar 12 1 pm	Meeting	January 2025 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Wed/Thurs March 20/21 10am-3pm	Retreat	Tentative/Still Under Discussion	Pav	

**Port of Port Townsend
Upcoming Commission Meetings Calendar 2025 (Tentative Agenda Items)**

Wed., Apr 9 9:30 am	Workshop		Pav	
Wed., Apr 9 1 pm	Meeting	February 2025 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Wed., April 23 5:30 pm	Meeting		Pav	
Wed, May 14 9:30 am (or Tues 5/13?)	Workshop	Pavilion Bldg., Point Hudson	Pav	
Wed, May 14 1pm	Meeting	March 2025 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Wed/Fri., May 14-16		WPPA Spring Meeting	Davenport, Spokane, WA	
Thurs., May 15 - 5:00 pm	Meeting	Intergovernmental Collaborative Group	Pav	
Mon., May 26		<i>Holiday -Port Offices Closed</i>		
Wed., May 28 5:30 pm	Meeting		Pav	
Fri., July 4		<i>Holiday -Port Offices Closed</i>		
Wed., Jun 11 9:30 am	Workshop		Pav	
Wed., Jun 11 1 pm	Meeting	April 2025 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Thurs., Jun 19		<i>Holiday – Port Offices Closed</i>		
Wed., Jun 25 5:30 pm	Meeting		Pav	
June 25-27		WPPA Finance and Administration Meeting	Marcus Whitman, Walla Walla	
Wed., July 9 9:30 am	Workshop		Pav	

**Port of Port Townsend
Upcoming Commission Meetings Calendar 2025 (Tentative Agenda Items)**

Wed., Jul 9 1 pm	Meeting	May 2025 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Mon-Wed. July 21-23		WPPA Commissioners' Seminar	Semiahmoo, Blaine, WA	
Wed., Aug. 13 9:30 am	Workshop		Pav	
Wed., Aug. 13 1 pm	Meeting	June 2025 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Mon., Sept. 1		<i>Holiday -Port Offices Closed</i>		
Wed., Sep 10 9:30 am	Workshop		Pav	
Wed., Sep. 10 1 pm	Meeting	July 2025 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Thur., Sep. 18		Intergovernmental Collaborative Group	Pav	
Wed., Sep. 24 5:30 pm				
Thurs. Sep. 25 - 4-9pm		Port Boat Yard BBQ (potential quorum)		
Sept. 25/26		WPPA Environmental Seminar	Alderbrook Resort, Union	
Wed., Oct. 8 13 9:30 am	Workshop		Pav	
Wed., Oct. 8 1 pm	Meeting	August 2025 Year to Date Financials Harbormaster Report Contract/Lease Update	Pav	
Wed., Oct. 22 5:30 pm				
Wed. Oct. 23/24		WPPA Small Ports Seminar	Campbell's Resort, Chelan	
Tues., Nov. 11		<i>Holiday -Port Offices Closed</i>		

**Port of Port Townsend
Upcoming Commission Meetings Calendar 2025 (Tentative Agenda Items)**

Wed., Nov. 12 9:30 am	Workshop		Pav	
Wed., Nov. 12 - 1 pm	Meeting	Contract/Lease Update	Pav	
Wed-Fri Nov. 19/21		WPPA Annual Meeting	Marriott, Tacoma	
Tues., Nov. 25 - 1 pm	Meeting		Pav	
Th/Fri. Nov. 27/28		<i>Holiday -Port Offices Closed</i>		
Thurs., Dec. 4 5pm		Intergovernmental Collaborative Group (Confirm Date)	Pav	
Wed., Dec. 10 9:30 am	Workshop		Pav	
Wed., Dec. 10 1 pm	Meeting	Contract/Lease Update	Pav	
Wed/Thurs. Dec. 24-25		<i>Holiday -Port Offices Closed</i>		