



REGULAR COMMISSION MEETING
Tuesday, July 25, 2023, at 9:00 am
338 West First Street, Port Angeles, WA 98362
AGENDA

The Regular Commission Meeting will be available to the public in person and remotely. For instructions on how to connect to the meeting remotely, please visit www.portofpa.com/agendacenter

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES)

III. APPROVAL OF AGENDA

IV. WORK SESSION

- A. FIA Runway Rehab Construction Update
- B. Marina Update
- C. Strategic Plan Initiative Priority Discussion

V. APPROVAL OF CONSENT AGENDA

- A. Regular Commission Meeting Minutes, July 11, 2023.....1-4
- B. Vouchers in the amount of \$682,191.21.....5

VI. COMPLETION OF RECORDS

- A. 2nd Quarter Financial Report.....6-23

VII. PLANNING AND CAPITAL PROJECTS

No items

VIII. LOG YARD

No items

IX. MARINE TRADES AND MARINE TERMINALS

No items

X. PROPERTY

No items

XI. MARINAS

No items



XII. AIRPORTS

- A. Dash Air – Minimum Revenue Guarantee (MRG).....24-29

XIII. OTHER BUSINESS

- A. Resolution 23-1284, In Recognition of Robert Beaudette.....30
- B. Executive Director Contract

XIV. ITEMS NOT ON THE AGENDA

XV. COMMISSIONER REPORTS

XVI. PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES)

XVII. FUTURE AGENDA.....31

XVIII. NEXT MEETINGS

- A. August 8, 2023 - Regular Commission Meeting
- B. August 22, 2023 – Regular Commission Meeting
- C. September 19, 2023 – Special Commission Meeting
- D. September 26, 2023 – Regular Commission Meeting

XIX. UPCOMING EVENTS

BROWN BAG LUNCH AND OPEN DISCUSSION WITH THE COMMISSION *(TIME PERMITTING)*

XX. EXECUTIVE SESSION

The Board may recess into Executive Session for those purposes authorized under Chapter 42.30 RCW, The Open Public Meetings Act.

XXI. ADJOURN



RULES FOR ATTENDING COMMISSION MEETING

- Signs, placards, and noise making devices including musical instruments are prohibited.
- Disruptive behavior by audience members is inappropriate and may result in removal.
- Loud comments, clapping, and booing may be considered disruptive and result in removal at the discretion of the Chair.

RULES FOR SPEAKING AT A COMMISSION MEETING

- Members of the public wishing to address the Board on general items may do so during the designated times on the agenda or when recognized by the Chair.
- Time allotted to each speaker is determined by the Chair and, in general, is limited to 3 minutes.
- Total time planned for each public comment period is 20 minutes, subject to change by the Chair.
- All comments should be made from the speaker's rostrum and any individual making comments shall first state their name and address for the official record.
- Speakers should not comment more than once per meeting unless their comments pertain to a new topic they have not previously spoken about.
- In the event of a contentious topic with multiple speakers, the Chair will attempt to provide equal time for both sides.



REGULAR COMMISSION MEETING
Tuesday, July 11, 2023, at 9:00 am
338 West First Street, Port Angeles, WA 98362
MINUTES

The Regular Commission Meeting will be available to the public in person and remotely. For instructions on how to connect to the meeting remotely, please visit www.portofpa.com/agendacenter

Steve Burke, Commissioner

Chris Hartman, Dir. of Engineering

Connie Beauvais, Commissioner

Caleb McMahon, Dir. of Econ. Development

Colleen McAleer, Commissioner

Braedi Joutsen, Clerk to the Board

Paul Jarkiewicz, Interim Exec. Dir.

John Nutter, Dir. of Finance & Admin

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE (0:00-0:35)

Comm. Beauvais called the meeting to order at 9:00 am.

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (0:36-1:04)

None.

III. APPROVAL OF AGENDA (1:05-1:52)

- Motion to approve the agenda with the addition of a discussion about the Status of Executive Director in Other Business: Comm. McAleer
- 2nd: Comm. Burke
- Vote: 3-0 (Unanimous)

IV. WORK SESSION (1:53-48:39)

A. Harm Reduction Health Center – Clallam County Health Dept.

- Presentation: Kevin LoPiccolo, Jenny Oppelt, Dr. Allison Berry
- Discussion
- No Action

B. Dash Air – Clint Ostler – Update

- Presentation: Clint Ostler
- Discussion
- No Action

C. Budget Calendar

- Presentation: Paul Jarkiewicz
- Discussion
- No Action



V. APPROVAL OF CONSENT AGENDA (48:40-50:56)

- A. Regular Commission Meeting Minutes, June 27, 2023
- B. Vouchers in the amount of \$576,179.86
 - Discussion
 - Motion to approve consent agenda: Comm.
 - 2nd: Comm.
 - Vote: 3-0 (Unanimous)

VI. COMPLETION OF RECORDS (50:57- 1:30:37)

- A. Monthly Delegation of Authority Report
 - Presentation: Paul Jarkiewicz
 - Discussion
 - No Action
- B. 2nd Quarter Cash & Investment Report
 - Presentation: John Nutter
 - Discussion
 - No Action
- C. 2nd Quarter Operations Report
 - Presentation: Caleb McMahon, Paul Jarkiewicz
 - Discussion
 - No Action

VII. PLANNING AND CAPITAL PROJECTS

No items

VIII. LOG YARD

No items

IX. MARINE TRADES AND MARINE TERMINALS

No items

X. PROPERTY

No items

XI. MARINAS

No items



XII. AIRPORTS

No items

XIII. OTHER BUSINESS (1:30:38-1:36:05)

A. Status of the Interim Executive Director

- Discussion
- Motion to authorize Commissioner Beauvais to work with our Attorney Carolyn Lake and with Paul Jarkiewicz to convert him from Interim to Acting Executive Director: Comm Burke
- 2nd: Comm. McAleer
- Vote: 3-0 (Unanimous)

XIV. ITEMS NOT ON THE AGENDA

XV. COMMISSIONER REPORTS (1:36:06-1:42:56)

Commissioner Beauvais and Commissioner Burke recapped the 4th of July events, including the USS Momsen/Navy visit, and how wonderful everything turned out. They thanked the Port team for their job well done.

XVI. PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (1:42:57-1:49:15)

Colleen McAleer, Clallam County EDC, Sequim, WA – wanted to remind the Commission about the stakeholder and rights-holder they were invited to attend by the NODC and the BOCC on July 17, 2023, at 1:00 pm.

XVII. FUTURE AGENDA

XVIII. NEXT MEETINGS (1:49:16-1:50:59)

- July 25, 2023 – Regular Commission Meeting
- August 8, 2023 - Regular Commission Meeting
- August 22, 2023 – Regular Commission Meeting
- September 12, 2023 – Regular Commission Meeting

XIX. UPCOMING EVENTS

- BOCC Meeting – July 17, 2023, at 1:00 pm – Port Angeles, WA

BROWN BAG LUNCH AND OPEN DISCUSSION WITH THE COMMISSION *(TIME PERMITTING)*

XX. EXECUTIVE SESSION (1:51:00-1:52:20)

The Board may recess into Executive Session for those purposes authorized under Chapter 42.30 RCW, The Open Public Meetings Act.



- Comm. Beauvais advised that the Commission would convene an executive session; the anticipated length of the executive session is 45 minutes. The Commission is expected to take action in public sessions following the executive session.
- Discussion: One (1) item concerning real estate sale, purchase, or lease if a likelihood that disclosure would decrease the price. Discussing such matters in executive session is appropriate pursuant to RCW 42.30.110(1)(c). Two (2) items concerning the legal risk of a proposed action that the agency has identified when public discussion of the legal risks is likely to result in an adverse legal or financial consequence to the Port. Discussing such matters in executive session is appropriate pursuant to RCW 42.30.110(1)(i).
- Recess: 4 minutes
- Start Time: 10:55 am
- Extended: 10 minutes
- End Time: 11:50 am
- No Action

Public Session of Commission Meeting Reconvened: 11:50 am

XXI. ADJOURN (1:52:21-1:52:23)

Comm. Beauvais adjourned the meeting at 11:52 am.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

Connie Beauvais, President

Steven Burke, Secretary

**PORT OF PORT ANGELES
GENERAL FUND – LETTER OF TRANSMITTAL
VOUCHER APPROVAL**

We, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due, and unpaid obligation against the Port of Port Angeles, and that we are authorized to authenticate and certify to said claim.

SUMMARY TRANSMITTAL July 6, 2023 – July 19, 2023

Accounts Payable

	Begin Check #	End Check #	
For General Expenses and Construction			
Accts Payable Checks (computer)	417357	417386	\$ 85,958.32
VOIDED/ZERO PAYABLE CHECKS			
Accts Payable ACH	001712	001742	\$ 525,326.61
Wire Transfer – Excise Tax			\$ 7,120.58
Wire Transfer - Leasehold Tax			\$ -
Total General Expenses and Construction			\$ 618,405.51
Payroll			
Employee Payroll – Draws Checks	807117	807137	\$ 28,925.00
Voided Payroll Check			\$ -
Voided Checks ==Stub Overrun==			
Employee Payroll Checks PPD (Direct Dep)			\$ -
Voided direct deposit chks			\$ -
Wire Transfer – (Payroll Taxes, Retirement, Deferred Comp, L&I, OASI, PMFL)			\$ 34,860.70
Total Payroll			\$ 63,785.70
Total General Exp & Payroll			\$ 682,191.21

Date: July 25, 2023

Port Representative

Port Representative

Commissioner, Steven D. Burke

Commissioner, Connie Beauvais

Commissioner, Colleen McAleer

2nd Quarter 2023 Financial Summary

- > Primary economic driver continues to be timber and wood product exports
- > 2 log ships - 2 full loads 10.5 mmbf - annual budget 32mmbf / 6 ships (2 more in July)
- > 9 chips barges loading 42.9K metric tons - annual budget is 32 barges and 80K metric tons
- > Total log ship revenue = \$416,432, total chip barge revenue = \$172,476
- > Q2 2023 operating surplus \$111K above budgeted coverage of depreciation
- > Log yard was exceptionally busy, significant equipment repairs to accommodate future volumes

Department Specific Comments:

Marine Terminal

Operating surplus \$92K (11%) below budget due to limited log exports in first half of 2023
Other user fees \$132K over budget due to new billing method for wood chip management, was previously included in the wharfage revenue.

Marine Trades Area

Boatyard, travel lift pier, and washdown pad all busier than budgeted, revenue \$46K over budget
Limited maintenance and other costs resulted in operating surplus \$112k above budget

Log Yard

Revenue \$183K (43%) over budget due to high volumes and activity levels
Supplies \$48K over budget - \$18K for fuel and \$30K for one time expense for chains and bouys
Machine maintenance \$46K over budget for repairs needed for current and future volumes

Airports

Revenues on budget with \$50K lower than budgeted insurance expense due to budet error
Airport Rentals Properties - Marketing and demand has resulted in a surplus \$78K over budget

Marinas

Total revenues slightly below budget but consistant with seasonal expectations
PABH outside service expense includes \$77K that was grant reimbursed, also more maint labor
JWM fuel sales have been slow (partly seasonal) leading to offsetting variances (rev & exp)

Maintenance

Mechanical maint \$20K over budget - some infrequent expenses and tools for new equipment
Facility maintenance \$23K under budget for the department. All but \$23K of \$488K charged out

Administration

Admin / Econ Dev combined expenses within \$22K (2%) of budget
Interest earnings \$408K - \$259K over budget (YTD June 2022 was \$46K)
Interest expense (all depts) = \$23K, well below budget. Did not execute \$1M coffer dam loan
Environmental expenses \$88k (61%) under budget, may reverse in second half of the year
Overall operating financial result for YTD Q2 2023 - Op surplus of \$1M, \$75K over budget

Port of Port Angeles

YTD Qtr2 Financial Report - 2019 to 2023

	YTD Jun <u>2019</u>	YTD Jun <u>2020</u>	YTD Jun <u>2021</u>	YTD Jun <u>2022</u>	YTD Jun <u>2023</u>
OPERATING REVENUES					
DOCKAGE	411,254	613,126	441,097	576,116	432,684
WHARFAGE	233,602	194,588	245,943	223,417	182,264
SERVICE & FACILITIES	144,646	118,874	152,370	137,883	113,022
MT HANDLING	83,660	90,654	127,800	15,279	0
LABOR SERVICES / SECURITY FEE	88,674	132,408	136,098	163,461	95,365
LOG YARD STAGING	27,939	24,954	18,374	19,548	23,600
LOG YARD LAND SERVICES	294,775	130,529	201,874	341,678	412,776
LOG YARD WATER SERVICES	41,000	58,629	9,653	18,915	54,933
MOORAGE	1,137,660	1,156,472	1,265,006	1,350,997	1,472,974
MARINA & YARD FEES	170,047	164,984	198,096	192,672	258,976
LANDING/PARKING FEES	3,685	3,322	4,371	4,882	10,319
HANGAR/TIE DOWN	72,889	62,681	70,001	75,986	81,138
OTHER USER FEES	60,772	111,976	154,778	49,763	194,403
EQUIPMENT RENTAL	130,976	130,310	150,807	162,282	142,120
LAND LEASE/RENT	328,326	307,752	380,974	316,876	359,463
STRUCTURE LEASE/RENT	683,911	747,695	821,892	821,516	990,588
USE AGMT AND OTHER RENT	32,236	48,084	54,492	57,153	66,240
UTILITY PASS THRU & PRODUCT SALES	324,797	312,975	404,811	445,247	358,794
MISC & INTERDEPT REVENUE	2,970	5,277	3,796	5,965	10,216
TOTAL OPERATING REVENUES	4,273,819	4,415,288	4,842,233	4,979,636	5,259,875
OPERATING EXPENSES					
SALARIES, WAGES & BENEFITS	1,705,124	1,724,777	1,608,042	1,599,672	1,714,516
SUPPLIES	157,557	103,563	151,059	203,272	248,763
OUTSIDE SERVICES	646,588	574,010	582,835	511,095	534,790
PUBLIC INFORMATION	85,417	66,493	49,733	67,050	74,114
MARKETING	17,316	8,915	8,734	8,692	6,962
COMMUNITY RELATIONS	15,413	0	135	0	1,495
ADS, DUES & PUBLICATIONS	36,335	32,512	29,804	26,904	25,781
TRAVEL MEETINGS	21,798	8,288	4,324	6,691	6,260
TRAVEL/TRAINING	23,801	10,597	3,776	7,014	14,083
PROMO HOSTING, TRADE & INDUSTRIAL DEV	4,115	636	916	669	819
RENT, UTILITIES, INSURANCE, TAXES	559,863	591,254	567,639	669,129	652,787
UTILITY (Pass Thru) & COST OF GOODS SOLD	241,250	252,568	309,095	298,729	260,790
OTHER EXPENSES (Misc & Interdept)	39,209	34,617	42,642	32,701	31,424
MAINTENANCE LABOR & BENEFITS	391,948	379,689	471,192	433,855	488,579
MAINTENANCE (Materials & Services)	136,101	218,910	168,054	222,901	197,850
TOTAL OPERATING EXPENSES	4,081,835	4,006,829	3,997,980	4,088,374	4,259,013
OPERATING SURPLUS (DEFICIT) (before Depr)	191,984	408,460	844,253	891,262	1,000,862
DEPRECIATION (includes donated assets)	1,332,486	1,332,487	1,116,461	1,355,713	1,342,444
OPERATING SURPLUS (DEFICIT) (after Depr)	(1,140,502)	(924,027)	(272,208)	(464,451)	(341,582)
% of depreciation covered by operating surplus	14%	31%	76%	66%	75%

Port of Port Angeles - 2023

OPERATING REVENUES	Jan	Feb	Mar	Apr	May	Jun	Total
DOCKAGE	34,205	99,013	43,442	93,303	81,358	81,363	432,684
WHARFAGE	5,489	73,887	11,511	74,449	5,429	11,499	182,264
SERVICE & FACILITIES	3,126	45,389	7,161	45,773	3,712	7,861	113,022
MT HANDLING	0	0	0	0	0	0	0
LABOR SERVICES / SECURITY FEE	12,830	23,860	7,475	16,250	26,596	8,354	95,365
LOG YARD STAGING	5,128	885	7,528	1,354	3,763	4,942	23,600
LOG YARD LAND SERVICES	47,035	41,671	93,191	65,729	74,949	90,201	412,776
LOG YARD WATER SERVICES	10,743	632	22,382	0	2,534	18,642	54,933
MOORAGE	221,668	225,769	232,142	251,729	262,536	279,130	1,472,974
MARINA & YARD FEES	36,552	24,621	46,393	55,956	36,626	58,828	258,976
LANDING/PARKING FEES	1,834	1,649	1,695	1,712	1,528	1,901	10,319
HANGAR/TIE DOWN	13,403	13,330	13,501	13,682	13,950	13,272	81,138
OTHER USER FEES	28,685	16,227	52,409	28,199	28,296	40,587	194,403
EQUIPMENT RENTAL	9,145	27,875	18,456	36,825	27,138	22,681	142,120
LAND LEASE/RENT	58,177	64,392	58,829	58,829	59,577	59,659	359,463
STRUCTURE LEASE/RENT	155,786	162,089	172,440	167,881	167,968	164,424	990,588
USE AGMT AND OTHER RENT	9,816	7,693	13,800	12,993	9,068	12,870	66,240
UTILITY PASS THRU & PRODUCT SALES	62,572	46,058	45,772	42,293	86,692	75,407	358,794
MISC & INTERDEPT REVENUE	1,068	1,275	2,148	2,297	2,512	916	10,216
TOTAL OPERATING REVENUES	717,262	876,315	850,275	969,254	894,232	952,537	5,259,875
OPERATING EXPENSES							
SALARIES, WAGES & BENEFITS	298,111	279,177	281,628	281,274	285,816	288,510	1,714,516
SUPPLIES	34,021	33,426	33,860	65,109	41,001	41,346	248,763
OUTSIDE SERVICES	85,742	85,530	151,790	67,778	66,900	77,050	534,790
PUBLIC INFORMATION	11,003	10,456	10,923	10,432	15,306	15,994	74,114
MARKETING	510	510	3,960	827	510	645	6,962
COMMUNITY RELATIONS	0	0	0	0	0	1,495	1,495
ADS, DUES & PUBLICATIONS	22,914	1,371	549	185	762	0	25,781
TRAVEL MEETINGS	1,918	1,654	771	812	553	552	6,260
TRAVEL/TRAINING	951	2,638	767	1,364	3,858	4,505	14,083
PROMO HOSTING, TRADE & INDUSTRIAL DEV	121	0	161	247	77	213	819
RENT, UTILITIES, INSURANCE, TAXES	106,385	105,453	106,283	135,483	101,496	97,687	652,787
UTILITY (Pass Thru) & COST OF GOODS SOLD	45,991	35,438	38,865	31,118	55,861	53,517	260,790
OTHER EXPENSES (Misc & Interdept)	4,435	6,476	3,344	4,645	5,647	6,877	31,424
MAINTENANCE LABOR & BENEFITS	79,728	74,835	104,026	81,091	71,701	77,198	488,579
MAINTENANCE (Materials & Services)	27,846	18,312	35,564	31,050	35,955	49,123	197,850
TOTAL OPERATING EXPENSES	719,676	655,276	772,491	711,415	685,443	714,712	4,259,013
OPERATING SURPLUS (DEFICIT) (before Depr)	(2,414)	221,039	77,784	257,839	208,789	237,825	1,000,862
DEPRECIATION (includes donated assets)	223,360	223,640	223,642	223,402	223,417	224,983	1,342,444
OPERATING SURPLUS (DEFICIT) (after Depr)	(225,774)	(2,601)	(145,858)	34,437	(14,628)	12,842	(341,582)
% of depreciation covered by operating surplus	-1%	99%	35%	115%	93%	106%	75%

**Port of Port Angeles
Summary of All Units
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023**

	<i>June</i>		<i>2023 Variance Report</i>	
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
DOCKAGE	432,684	475,008	(42,324)	(9%)
WHARFAGE	182,264	244,530	(62,266)	(25%)
SERVICE & FACILITIES	113,023	144,996	(31,973)	(22%)
MT HANDLING	0	5,004	(5,004)	(100%)
LABOR SERVICES / SECURITY FEE	95,365	147,492	(52,127)	(35%)
LOG YARD STAGING	23,600	22,500	1,100	5%
LOG YARD LAND SERVICES	412,775	242,502	170,273	70%
LOG YARD WATER SERVICES	54,933	47,502	7,431	16%
MOORAGE	1,472,974	1,525,470	(52,496)	(3%)
MARINA & YARD FEES	258,975	218,154	40,821	19%
LANDING/PARKING FEES	10,318	4,548	5,770	127%
HANGAR/TIE DOWN	81,139	82,104	(965)	(1%)
OTHER USER FEES	194,403	50,136	144,267	288%
EQUIPMENT RENTAL	142,119	153,048	(10,929)	(7%)
LAND LEASE/RENT	359,462	335,568	23,894	7%
STRUCTURE LEASE/RENT	990,587	862,092	128,495	15%
USE AGMT AND OTHER RENT	66,241	54,150	12,091	22%
UTILITY PASS THRU & PRODUCT SALES	358,795	448,970	(90,175)	(20%)
MISC & INTERDEPT REVENUE	10,216	13,158	(2,942)	(22%)
TOTAL OPERATING REVENUES	5,259,875	5,076,932	182,943	4%
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	1,714,516	1,618,938	95,578	6%
SUPPLIES	248,763	178,190	70,573	40%
OUTSIDE SERVICES	534,790	533,478	1,312	0%
PUBLIC INFORMATION	74,114	62,904	11,210	18%
MARKETING	6,962	11,502	(4,540)	(39%)
COMMUNITY RELATIONS	1,495	1,248	247	20%
ADS, DUES & PUBLICATIONS	25,782	16,782	9,000	54%
TRAVEL MEETINGS	6,259	14,694	(8,435)	(57%)
TRAVEL/TRAINING	14,083	12,552	1,531	12%
PROMOTIONAL HOSTING, TRADE & INDUSTRIAL DEV	819	4,752	(3,933)	(83%)
RENT, UTILITIES, INSURANCE, TAXES	652,787	653,980	(1,193)	0%
UTILITY (Pass Thru) & COST OF GOODS SOLD	260,789	360,510	(99,721)	(28%)
OTHER EXPENSES (Misc & Interdept)	31,425	33,156	(1,731)	(5%)
MAINTENANCE LABOR & BENEFITS	488,580	476,358	12,222	3%
MAINTENANCE (Materials & Services)	197,849	172,782	25,067	15%
TOTAL OPERATING EXPENSES	4,259,013	4,151,826	107,187	3%
OPERATING SURPLUS (DEFICIT) (before Depr)	1,000,862	925,106	75,756	8%
DEPRECIATION (includes donated assets)	1,342,445	1,395,780	(53,335)	(4%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	(341,583)	(470,674)	129,091	(27%)

**Port of Port Angeles
MARINE TERMINAL
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023**

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
DOCKAGE	432,684	475,008	(42,324)	(9%)
WHARFAGE	180,784	242,502	(61,718)	(25%)
SERVICE & FACILITIES	113,023	144,996	(31,973)	(22%)
MT HANDLING	0	5,004	(5,004)	(100%)
LABOR SERVICES / SECURITY FEE	95,365	147,492	(52,127)	(35%)
OTHER USER FEES	145,265	12,498	132,767	1062%
EQUIPMENT RENTAL	3,999	9,996	(5,997)	(60%)
LAND LEASE/RENT	19,062	25,002	(5,940)	(24%)
STRUCTURE LEASE/RENT	126,109	115,002	11,107	10%
UTILITY PASS THRU & PRODUCT SALES	99,036	125,004	(25,968)	(21%)
MISC & INTERDEPT REVENUE	968	(2,502)	3,470	(139%)
TOTAL OPERATING REVENUES	1,216,296	1,300,002	(83,706)	(6%)
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	196,300	170,424	25,876	15%
SUPPLIES	3,266	4,998	(1,732)	(35%)
OUTSIDE SERVICES	7,816	16,500	(8,684)	(53%)
PUBLIC INFORMATION	0	126	(126)	(100%)
ADS, DUES & PUBLICATIONS	1,277	888	389	44%
TRAVEL MEETINGS	432	1,500	(1,068)	(71%)
TRAVEL/TRAINING	1,065	798	267	33%
PROMOTIONAL HOSTING, TRADE & INDUSTRIAL DEV	90	252	(162)	(64%)
RENT, UTILITIES, INSURANCE, TAXES	143,416	121,762	21,654	18%
UTILITY (Pass Thru) & COST OF GOODS SOLD	65,233	100,002	(34,769)	(35%)
OTHER EXPENSES (Misc & Interdept)	625	498	127	26%
MAINTENANCE LABOR & BENEFITS	80,892	64,998	15,894	24%
MAINTENANCE (Materials & Services)	5,843	15,000	(9,157)	(61%)
TOTAL OPERATING EXPENSES	506,255	497,746	8,509	2%
OPERATING SURPLUS (DEFICIT) (before Depr)	710,041	802,256	(92,215)	(11%)
DEPRECIATION (includes donated assets)	320,788	326,994	(6,206)	(2%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	389,253	475,262	(86,009)	(18%)
ALLOCATED EXPENSES	243,528	227,766	15,762	7%
NET OPERATING SURPLUS (DEFICIT)	145,725	247,496	(101,771)	(41%)

Port of Port Angeles
MARINE TRADES AREA
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
MARINA & YARD FEES	142,049	121,500	20,549	17%
OTHER USER FEES	3,412	4,002	(590)	(15%)
EQUIPMENT RENTAL	79,636	72,498	7,138	10%
LAND LEASE/RENT	94,200	94,998	(798)	(1%)
STRUCTURE LEASE/RENT	60,753	57,498	3,255	6%
USE AGMT AND OTHER RENT	62,595	45,750	16,845	37%
UTILITY PASS THRU & PRODUCT SALES	0	252	(252)	(100%)
TOTAL OPERATING REVENUES	442,646	396,498	46,148	12%
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	36,675	57,594	(20,919)	(36%)
SUPPLIES	2,895	3,498	(603)	(17%)
OUTSIDE SERVICES	31,685	49,998	(18,313)	(37%)
PUBLIC INFORMATION	0	252	(252)	(100%)
MARKETING	0	1,500	(1,500)	(100%)
ADS, DUES & PUBLICATIONS	757	1,002	(245)	(24%)
TRAVEL MEETINGS	67	498	(431)	(86%)
TRAVEL/TRAINING	484	498	(14)	(3%)
PROMOTIONAL HOSTING, TRADE & INDUSTRIAL DEV	0	498	(498)	(100%)
RENT, UTILITIES, INSURANCE, TAXES	32,069	36,996	(4,927)	(13%)
OTHER EXPENSES (Misc & Interdept)	572	1,002	(430)	(43%)
MAINTENANCE LABOR & BENEFITS	39,714	42,996	(3,282)	(8%)
MAINTENANCE (Materials & Services)	2,687	17,502	(14,815)	(85%)
TOTAL OPERATING EXPENSES	147,604	213,834	(66,230)	(31%)
OPERATING SURPLUS (DEFICIT) (before Depr)	295,041	182,664	112,377	62%
DEPRECIATION (includes donated assets)	81,671	83,160	(1,489)	(2%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	213,370	99,504	113,866	114%
ALLOCATED EXPENSES	80,289	122,460	(42,171)	(34%)
NET OPERATING SURPLUS (DEFICIT)	133,081	(22,956)	156,037	(680%)

Port of Port Angeles
LOG YARD
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
LOG YARD STAGING	23,600	22,500	1,100	5%
LOG YARD LAND SERVICES	412,775	242,502	170,273	70%
LOG YARD WATER SERVICES	54,933	47,502	7,431	16%
OTHER USER FEES	33,801	22,500	11,301	50%
EQUIPMENT RENTAL	50,119	62,502	(12,383)	(20%)
STRUCTURE LEASE/RENT	26,964	25,002	1,962	8%
UTILITY PASS THRU & PRODUCT SALES	10,604	7,500	3,104	41%
MISC & INTERDEPT REVENUE	0	0	0	0%
TOTAL OPERATING REVENUES	612,796	430,008	182,788	43%
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	293,305	219,414	73,891	34%
SUPPLIES	122,989	75,000	47,989	64%
OUTSIDE SERVICES	7,161	25,002	(17,841)	(71%)
MARKETING	0	498	(498)	(100%)
TRAVEL MEETINGS	0	498	(498)	(100%)
TRAVEL/TRAINING	1,161	498	663	133%
PROMOTIONAL HOSTING, TRADE & INDUSTRIAL DEV	0	1,002	(1,002)	(100%)
RENT, UTILITIES, INSURANCE, TAXES	33,089	59,490	(26,401)	(44%)
UTILITY (Pass Thru) & COST OF GOODS SOLD	16,933	10,002	6,931	69%
OTHER EXPENSES (Misc & Interdept)	16	498	(483)	(97%)
MAINTENANCE LABOR & BENEFITS	87,311	75,000	12,311	16%
MAINTENANCE (Materials & Services)	91,343	57,504	33,839	59%
TOTAL OPERATING EXPENSES	653,308	524,406	128,902	25%
OPERATING SURPLUS (DEFICIT) (before Depr)	(40,512)	(94,398)	53,886	(57%)
DEPRECIATION (includes donated assets)	121,607	162,132	(40,525)	(25%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	(162,119)	(256,530)	94,411	(37%)
ALLOCATED EXPENSES	341,228	294,588	46,640	16%
NET OPERATING SURPLUS (DEFICIT)	(503,347)	(551,118)	47,771	(9%)

Port of Port Angeles
 FAIRCHILD AIRPORT
 Account Summary: Budget to Actual Variance
 For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
LANDING/PARKING FEES	10,000	4,548	5,452	120%
HANGAR/TIE DOWN	72,714	74,106	(1,392)	(2%)
OTHER USER FEES	4,746	6,498	(1,752)	(27%)
LAND LEASE/RENT	34,128	25,998	8,130	31%
STRUCTURE LEASE/RENT	76,492	72,498	3,994	6%
UTILITY PASS THRU & PRODUCT SALES	13,675	13,002	673	5%
MISC & INTERDEPT REVENUE	367	10,002	(9,635)	(96%)
TOTAL OPERATING REVENUES	212,122	206,652	5,470	3%
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	52,968	57,750	(4,782)	(8%)
SUPPLIES	5,924	4,998	926	19%
OUTSIDE SERVICES	6,379	4,932	1,447	29%
PUBLIC INFORMATION	0	1,212	(1,212)	(100%)
MARKETING	0	276	(276)	(100%)
ADS, DUES & PUBLICATIONS	1,767	78	1,689	2165%
TRAVEL MEETINGS	410	2,082	(1,672)	(80%)
TRAVEL/TRAINING	342	750	(408)	(54%)
RENT, UTILITIES, INSURANCE, TAXES	54,066	102,726	(48,660)	(47%)
UTILITY (Pass Thru) & COST OF GOODS SOLD	12,533	11,550	983	9%
OTHER EXPENSES (Misc & Interdept)	27	0	27	0%
MAINTENANCE LABOR & BENEFITS	85,031	97,932	(12,901)	(13%)
MAINTENANCE (Materials & Services)	13,656	19,002	(5,346)	(28%)
TOTAL OPERATING EXPENSES	233,104	303,288	(70,184)	(23%)
OPERATING SURPLUS (DEFICIT) (before Depr)	(20,982)	(96,636)	75,654	(78%)
DEPRECIATION (includes donated assets)	302,575	320,082	(17,507)	(5%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	(323,558)	(416,718)	93,160	(22%)
ALLOCATED EXPENSES	112,291	154,254	(41,963)	(27%)
NET OPERATING SURPLUS (DEFICIT)	(435,849)	(570,972)	135,123	(24%)

Port of Port Angeles
SEKIU AIRPORT
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
HANGAR/TIE DOWN	8,425	7,998	427	5%
UTILITY PASS THRU & PRODUCT SALES	300	314	(14)	(4%)
MISC & INTERDEPT REVENUE	10	0	10	0%
TOTAL OPERATING REVENUES	8,735	8,312	423	5%
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	4,320	2,916	1,404	48%
SUPPLIES	0	78	(78)	(100%)
OUTSIDE SERVICES	1,800	1,890	(90)	(5%)
TRAVEL MEETINGS	0	120	(120)	(100%)
RENT, UTILITIES, INSURANCE, TAXES	4,514	3,324	1,190	36%
MAINTENANCE LABOR & BENEFITS	1,373	4,248	(2,875)	(68%)
MAINTENANCE (Materials & Services)	0	2,502	(2,502)	(100%)
TOTAL OPERATING EXPENSES	12,008	15,078	(3,070)	(20%)
OPERATING SURPLUS (DEFICIT) (before Depr)	(3,273)	(6,766)	3,493	(52%)
DEPRECIATION (includes donated assets)	1,309	1,332	(23)	(2%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	(4,582)	(8,098)	3,516	(43%)
ALLOCATED EXPENSES	6,113	7,980	(1,867)	(23%)
NET OPERATING SURPLUS (DEFICIT)	(10,695)	(16,078)	5,383	(33%)

Port of Port Angeles
 FIA NON AERONAUTICAL
 Account Summary: Budget to Actual Variance
 For the Six Months Ending Friday, June 30, 2023

	<i>June</i>		<i>2023 Variance Report</i>	
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
OTHER USER FEES	276	0	276	0%
EQUIPMENT RENTAL	7,941	7,506	435	6%
LAND LEASE/RENT	154,178	146,886	7,292	5%
STRUCTURE LEASE/RENT	615,082	525,210	89,872	17%
USE AGMT AND OTHER RENT	0	4,752	(4,752)	(100%)
UTILITY PASS THRU & PRODUCT SALES	18,325	6,000	12,325	205%
MISC & INTERDEPT REVENUE	1,172	0	1,172	0%
TOTAL OPERATING REVENUES	796,974	690,354	106,620	15%
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	45,406	56,604	(11,198)	(20%)
SUPPLIES	233	1,248	(1,015)	(81%)
OUTSIDE SERVICES	35,613	18,504	17,109	92%
MARKETING	3,195	2,250	945	42%
TRAVEL MEETINGS	0	498	(498)	(100%)
TRAVEL/TRAINING	0	252	(252)	(100%)
PROMOTIONAL HOSTING, TRADE & INDUSTRIAL DEV	0	498	(498)	(100%)
RENT, UTILITIES, INSURANCE, TAXES	105,806	87,246	18,560	21%
UTILITY (Pass Thru) & COST OF GOODS SOLD	1,220	6,000	(4,780)	(80%)
OTHER EXPENSES (Misc & Interdept)	0	498	(498)	(100%)
MAINTENANCE LABOR & BENEFITS	48,917	48,138	779	2%
MAINTENANCE (Materials & Services)	20,761	10,998	9,763	89%
TOTAL OPERATING EXPENSES	261,151	232,734	28,417	12%
OPERATING SURPLUS (DEFICIT) (before Depr)	535,823	457,620	78,203	17%
DEPRECIATION (includes donated assets)	221,614	225,564	(3,950)	(2%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	314,210	232,056	82,154	35%
ALLOCATED EXPENSES	204,408	208,116	(3,708)	(2%)
NET OPERATING SURPLUS (DEFICIT)	109,801	23,940	85,861	359%

Port of Port Angeles
PA BOAT HAVEN (PABH)
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023

	<i>June</i>		<i>2023 Variance Report</i>	
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
WHARFAGE	1,480	1,920	(440)	(23%)
MOORAGE	789,404	820,512	(31,108)	(4%)
MARINA & YARD FEES	58,164	45,534	12,630	28%
LANDING/PARKING FEES	29	0	29	0%
OTHER USER FEES	4,698	4,638	60	1%
EQUIPMENT RENTAL	425	546	(121)	(22%)
LAND LEASE/RENT	6,305	6,732	(427)	(6%)
STRUCTURE LEASE/RENT	21,209	20,382	827	4%
UTILITY PASS THRU & PRODUCT SALES	68,336	73,398	(5,062)	(7%)
MISC & INTERDEPT REVENUE	4,367	3,132	1,235	39%
TOTAL OPERATING REVENUES	954,418	976,794	(22,376)	(2%)
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	58,199	56,592	1,607	3%
SUPPLIES	4,340	2,508	1,832	73%
OUTSIDE SERVICES	251,331	177,456	73,875	42%
PUBLIC INFORMATION	280	1,314	(1,034)	(79%)
MARKETING	0	240	(240)	(100%)
ADS, DUES & PUBLICATIONS	504	132	372	282%
TRAVEL MEETINGS	22	252	(230)	(91%)
TRAVEL/TRAINING	798	0	798	0%
PROMOTIONAL HOSTING, TRADE & INDUSTRIAL DEV	74	0	74	0%
RENT, UTILITIES, INSURANCE, TAXES	77,914	67,476	10,438	15%
UTILITY (Pass Thru) & COST OF GOODS SOLD	57,429	51,672	5,757	11%
OTHER EXPENSES (Misc & Interdept)	419	2,442	(2,023)	(83%)
MAINTENANCE LABOR & BENEFITS	59,184	22,248	36,936	166%
MAINTENANCE (Materials & Services)	17,103	10,350	6,753	65%
TOTAL OPERATING EXPENSES	527,596	392,682	134,914	34%
OPERATING SURPLUS (DEFICIT) (before Depr)	426,822	584,112	(157,290)	(27%)
DEPRECIATION (includes donated assets)	212,960	193,638	19,322	10%
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	213,862	390,474	(176,612)	(45%)
ALLOCATED EXPENSES	254,448	195,276	59,172	30%
NET OPERATING SURPLUS (DEFICIT)	(40,586)	195,198	(235,784)	(121%)
NON-OP GENERAL REVENUES				
MISC NON OP REVENUES	(7,561)	0	(7,561)	0%
GRANTS - OPERATIONS	77,024	0	77,024	0%
TOTAL NON-OP GENERAL REV	69,463	0	69,463	0%

Port of Port Angeles
JOHN WAYNE MARINA (JWM)
 Account Summary: Budget to Actual Variance
 For the Six Months Ending Friday, June 30, 2023

	<i>June</i>		<i>2023 Variance Report</i>	
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
WHARFAGE	0	108	(108)	(100%)
MOORAGE	683,569	704,958	(21,389)	(3%)
MARINA & YARD FEES	58,762	51,120	7,642	15%
LANDING/PARKING FEES	288	0	288	0%
OTHER USER FEES	525	0	525	0%
LAND LEASE/RENT	487	450	37	8%
STRUCTURE LEASE/RENT	24,409	19,998	4,411	22%
UTILITY PASS THRU & PRODUCT SALES	145,431	220,998	(75,567)	(34%)
MISC & INTERDEPT REVENUE	3,284	2,526	758	30%
TOTAL OPERATING REVENUES	916,757	1,000,158	(83,401)	(8%)
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	184,223	214,950	(30,727)	(14%)
SUPPLIES	14,097	5,958	8,139	137%
OUTSIDE SERVICES	16,523	7,500	9,023	120%
PUBLIC INFORMATION	280	0	280	0%
MARKETING	0	240	(240)	(100%)
ADS, DUES & PUBLICATIONS	0	132	(132)	(100%)
TRAVEL MEETINGS	73	0	73	0%
TRAVEL/TRAINING	798	0	798	0%
RENT, UTILITIES, INSURANCE, TAXES	44,231	52,968	(8,737)	(16%)
UTILITY (Pass Thru) & COST OF GOODS SOLD	106,711	180,882	(74,171)	(41%)
OTHER EXPENSES (Misc & Interdept)	18,630	18,306	324	2%
MAINTENANCE LABOR & BENEFITS	23,707	31,404	(7,697)	(25%)
MAINTENANCE (Materials & Services)	17,262	18,498	(1,236)	(7%)
TOTAL OPERATING EXPENSES	426,534	530,838	(104,304)	(20%)
OPERATING SURPLUS (DEFICIT) (before Depr)	490,223	469,320	20,903	4%
DEPRECIATION (includes donated assets)	31,529	33,678	(2,149)	(6%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	458,694	435,642	23,052	5%
ALLOCATED EXPENSES	172,715	200,387	(27,672)	(14%)
NET OPERATING SURPLUS (DEFICIT)	285,979	235,255	50,724	22%

Port of Port Angeles
RENTAL PROPERTY
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING REVENUES				
OTHER USER FEES	1,680	0	1,680	0%
LAND LEASE/RENT	51,101	35,502	15,599	44%
STRUCTURE LEASE/RENT	39,569	26,502	13,067	49%
USE AGMT AND OTHER RENT	3,645	3,648	(3)	0%
UTILITY PASS THRU & PRODUCT SALES	3,087	2,502	585	23%
MISC & INTERDEPT REVENUE	50	0	50	0%
TOTAL OPERATING REVENUES	99,132	68,154	30,978	45%
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	21,428	18,480	2,948	16%
OUTSIDE SERVICES	3,056	900	2,156	240%
TRAVEL MEETINGS	50	0	50	0%
RENT, UTILITIES, INSURANCE, TAXES	23,350	15,264	8,086	53%
UTILITY (Pass Thru) & COST OF GOODS SOLD	731	402	329	82%
OTHER EXPENSES (Misc & Interdept)	0	252	(252)	(100%)
MAINTENANCE LABOR & BENEFITS	18,710	7,248	11,462	158%
MAINTENANCE (Materials & Services)	9,410	3,750	5,660	151%
TOTAL OPERATING EXPENSES	76,735	46,296	30,439	66%
OPERATING SURPLUS (DEFICIT) (before Depr)	22,397	21,858	539	2%
DEPRECIATION (includes donated assets)	6,884	7,008	(124)	(2%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	15,513	14,850	663	4%
ALLOCATED EXPENSES	41,204	26,280	14,924	57%
NET OPERATING SURPLUS (DEFICIT)	(25,691)	(11,430)	(14,261)	125%

Port of Port Angeles
MECHANICAL MAINTENANCE
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	14,256	10,110	4,146	41%
SUPPLIES	40,312	25,500	14,812	58%
OUTSIDE SERVICES	7,455	2,352	5,103	217%
TRAVEL/TRAINING	0	252	(252)	(100%)
RENT, UTILITIES, INSURANCE, TAXES	18,512	11,352	7,160	63%
MAINTENANCE LABOR & BENEFITS	8,744	19,446	(10,702)	(55%)
MAINTENANCE (Materials & Services)	3,120	2,598	522	20%
TOTAL OPERATING EXPENSES	92,399	71,610	20,789	29%
OPERATING SURPLUS (DEFICIT) (before Depr)	(92,399)	(71,610)	(20,789)	29%
DEPRECIATION (includes donated assets)	8,657	8,148	509	6%
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	(101,057)	(79,758)	(21,299)	27%
ALLOCATED EXPENSES	(101,057)	(79,746)	(21,311)	27%
NET OPERATING SURPLUS (DEFICIT)	0	(12)	12	(98%)

Port of Port Angeles
FACILITIES MAINTENANCE
 Account Summary: Budget to Actual Variance
 For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	40,907	43,452	(2,545)	(6%)
SUPPLIES	25,255	24,404	851	3%
OUTSIDE SERVICES	988	2,946	(1,958)	(66%)
ADS, DUES & PUBLICATIONS	0	228	(228)	(100%)
TRAVEL MEETINGS	20	0	20	0%
TRAVEL/TRAINING	42	2,004	(1,962)	(98%)
RENT, UTILITIES, INSURANCE, TAXES	16,119	6,432	9,687	151%
OTHER EXPENSES (Misc & Interdept)	1,259	1,158	101	9%
MAINTENANCE LABOR & BENEFITS	22,935	52,698	(29,763)	(56%)
MAINTENANCE (Materials & Services)	11,934	9,498	2,436	26%
TOTAL OPERATING EXPENSES	119,458	142,820	(23,362)	(16%)
OPERATING SURPLUS (DEFICIT) (before Depr)	(119,458)	(142,820)	23,362	(16%)
DEPRECIATION (includes donated assets)	12,135	13,572	(1,437)	(11%)
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	(131,593)	(156,392)	24,799	(16%)
ALLOCATED EXPENSES	(131,593)	(156,372)	24,779	(16%)
NET OPERATING SURPLUS (DEFICIT)	0	(20)	20	(99%)

Port of Port Angeles
ADMINISTRATIVE & GENERAL
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	670,367	613,320	57,047	9%
SUPPLIES	29,102	30,000	(898)	(3%)
OUTSIDE SERVICES	145,302	184,248	(38,946)	(21%)
PUBLIC INFORMATION	53,811	52,500	1,311	2%
MARKETING	317	1,248	(931)	(75%)
COMMUNITY RELATIONS	1,495	1,248	247	20%
ADS, DUES & PUBLICATIONS	20,726	11,322	9,404	83%
TRAVEL MEETINGS	4,520	4,998	(478)	(10%)
TRAVEL/TRAINING	9,394	4,998	4,396	88%
PROMOTIONAL HOSTING, TRADE & INDUSTRIAL DEV	133	0	133	0%
RENT, UTILITIES, INSURANCE, TAXES	99,432	88,596	10,836	12%
OTHER EXPENSES (Misc & Interdept)	3,862	2,502	1,360	54%
MAINTENANCE LABOR & BENEFITS	12,062	10,002	2,060	21%
MAINTENANCE (Materials & Services)	4,730	5,580	(850)	(15%)
TOTAL OPERATING EXPENSES	1,055,254	1,010,562	44,692	4%
OPERATING SURPLUS (DEFICIT) (before Depr)	(1,055,254)	(1,010,562)	(44,692)	4%
DEPRECIATION (includes donated assets)	20,715	20,472	243	1%
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	(1,075,969)	(1,031,034)	(44,935)	4%
ALLOCATED EXPENSES	(1,075,969)	(1,031,040)	(44,929)	4%
NET OPERATING SURPLUS (DEFICIT)	0	6	(6)	(102%)

Port of Port Angeles
ECON DEV
Account Summary: Budget to Actual Variance
For the Six Months Ending Friday, June 30, 2023

	<i>June 2023 Variance Report</i>			
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
OPERATING EXPENSES				
SALARIES, WAGES & BENEFITS	96,162	97,332	(1,170)	(1%)
SUPPLIES	348	0	348	0%
OUTSIDE SERVICES	19,680	41,250	(21,570)	(52%)
PUBLIC INFORMATION	19,743	7,500	12,243	163%
MARKETING	3,450	5,250	(1,800)	(34%)
ADS, DUES & PUBLICATIONS	750	3,000	(2,250)	(75%)
TRAVEL MEETINGS	667	4,248	(3,581)	(84%)
TRAVEL/TRAINING	0	2,502	(2,502)	(100%)
PROMOTIONAL HOSTING, TRADE & INDUSTRIAL DEV	521	2,502	(1,981)	(79%)
RENT, UTILITIES, INSURANCE, TAXES	270	348	(78)	(22%)
OTHER EXPENSES (Misc & Interdept)	6,016	6,000	16	0%
TOTAL OPERATING EXPENSES	147,606	169,932	(22,326)	(13%)
OPERATING SURPLUS (DEFICIT) (before Depr)	(147,606)	(169,932)	22,326	(13%)
DEPRECIATION (includes donated assets)	0	0	0	0%
OPERATING SURPLUS (DEFICIT) (after Depr & before Allocation)	(147,606)	(169,932)	22,326	(13%)
ALLOCATED EXPENSES	(147,606)	(169,932)	22,326	(13%)
NET OPERATING SURPLUS (DEFICIT)	0	0	0	0%

Port of Port Angeles
NON OPERATING REV & EXP
 Account Summary: Budget to Actual Variance
 For the Six Months Ending Friday, June 30, 2023

	<i>June</i>		<i>2023 Variance Report</i>	
	YTD ACTUAL	YTD BUDGET	OVER (UNDER) BUDGET \$	OVER (UNDER) BUDGET %
DEPRECIATION (includes donated assets)	0	0	0	0%
ALLOCATED EXPENSES	0	0	0	0%
NET OPERATING SURPLUS (DEFICIT)	0	0	0	0%
NON-OP GENERAL REVENUES				
INTEREST EARNINGS	408,967	150,000	258,967	173%
OTHER TAX RECEIPTS	74,232	70,002	4,230	6%
MISC NON OP REVENUES	4,539	3,498	1,041	30%
GRANTS - OPERATIONS	0	0	0	0%
PASSENGER FACILITY CHARGES (PFC'S)	0	750	(750)	(100%)
GAIN (LOSS) & SPECIAL ITEMS	14,570	0	14,570	0%
TOTAL NON-OP GENERAL REV	502,307	224,250	278,057	124%
NON-OP GENERAL EXPENSES				
ENVIRONMENTAL	56,782	144,996	(88,214)	(61%)
MISC NON OP EXPENSE	2,086	17,500	(15,414)	(88%)
TOTAL NON-OP GENERAL EXP	58,869	162,496	(103,627)	(64%)
NET NON-OP GENERAL SURPLUS (DEFICIT)	443,439	61,754	381,685	618%
NON-OP CAPITAL REVENUES				
PROPERTY TAX RECEIPTS	844,181	835,002	9,179	1%
TOTAL NON-OP CAPITAL REV	844,181	835,002	9,179	1%
NON-OP CAPITAL EXPENSES				
BOND COSTS & INTEREST EXPENSE	9,538	63,085	(53,547)	(85%)
TOTAL NON-OP CAPITAL EXP	9,538	63,085	(53,547)	(85%)
NET NON-OP CAPITAL SURPLUS (DEFICIT)	834,643	771,917	62,726	8%
NET NON-OP SURPLUS (DEFICIT)	1,278,082	833,671	444,411	53%

**ITEM FOR CONSIDERATION
BY THE
BOARD OF PORT COMMISSIONERS**

July 25, 2023

SUBJECT: Minimum Revenue Guarantee Program

STAFF LEAD: Caleb McMahon, Director of Economic Development

RCW & POLICY REQUIREMENTS:

RCW 14.08.020

The Legislature has declared that the establishment of airport operations is a critical public function and constitutes a public necessity.

RCW 14.08.120(6)

A municipal corporation that operates an airport is authorized to “determine the charges or rental for the use of any properties under its control and the charges for any services or accommodations, and the terms and conditions under which such properties may be used[.]”

RCW 14.08.120(8)

A municipal corporation that operates an airport is further authorized to “make airport property available for less than fair market rental value under very limited conditions provided that prior to the lease or contract authorizing such use the airport operator’s board, commission, or council has (a) adopted a policy that establishes that such lease or other contract enhances the public acceptance of the airport and serves the airport’s business interest and (b) adopted procedures for approval of such lease or other contract.”

RCW 14.08.160(1)

A municipal corporation that operates an airport is “authorized to accept, receive, and receipt for federal moneys and other moneys, either public or private, for the acquisition, construction, enlargement, improvement, maintenance, equipment, or operation of airports and other air navigation facilities and sites therefor, and to comply with the provisions of the laws of the United States and any rules and regulations made thereunder for the expenditure of federal moneys upon airports and other air navigation facilities.”

Note: Pursuant to this statutory authorization, the Port applied for, and awarded, federal grant moneys from the US Department of Transportations “Small Community Air Service Development Program” (SCASDP), Grant #DOT-OST-2016-0037-0022 on September 14, 2016 in the amount of \$200,000.00. The Port has been granted multiple extensions to the award.

The scope of the SCASDP Grant includes: Paragraph C.2, Grant Project: Minimum revenue guarantee (MRG) and marketing program to recruit, initiate, and support new

daily service between Fairchild Airport, Port Angeles, WA, and Seattle-Tacoma International Airport, (SEA).

Port of Port Angeles – Strategic Plan:

Establish and maintain sustainable air service at Fairchild International Airport, Secure TSA service if available.

BACKGROUND

The Port of Port Angeles adopted an Air Service Incentive Program on January 28, 2020. Dash Air’s startup schedule will operate a fewer number of flights per week. The MRG has been recalculated to take this into account.

ENVIRONMENTAL IMPACT:

None

FISCAL IMPACT:

On January 28, 2020 the Port Commission adopted Resolution #20-1211, the Air Service Incentive Program, for the purpose of attracting commercial air service between Port Angeles and SeaTac. A minimum revenue guarantee provision is included in the incentive program. Fiscal impacts include:

1. Each new flight at CLM has a calculated economic benefit of \$1,042.33 to the region based on WSDOT’s Airport Economic Impact Calculator. The value of 4X per day service has an annual regional economic benefit of \$3,043,594. The assumptions include the use of an 8-seat aircraft and a 75% load factor.
2. The Port currently receives FAA funding for airport improvements in the amount of \$150,000 annually. This amount is an established amount for an airport that has less than 10,000 annual passenger enplanements. Surpassing the 10,000 annual passenger counts will increase our FAA funding to \$1,000,000.
3. The incentive program may incur the following direct and/or indirect costs:
 - Waived landing fees based upon up to 6 flights per day, 365 days per year = \$18,104 per year (\$12.04 x 4 x 365 days)
 - Waived Terminal Space rent = \$1,710 per year (216 SF x \$0.66/SF x 12)
 - \$200,000 in Small Community Air Service Development Program (SCASDP) funds is available for the MRG. The SCASDP funds are a match and require the Port to incur their share per the following schedule:

Federal Share:	\$200,000.00	(60%)
Port Share:	\$133,000.00	(40%)
Total SCASDP Project Costs:	\$333,000.00	(100%)

RECOMMENDED ACTION:

Authorize the Executive Director to sign the revised Minimum Revenue Guarantee with a qualified airline wishing to provide commercial air service at Fairchild International Airport.

**PORT OF PORT ANGELES - SEATTLE
AIR SERVICE AGREEMENT
AMENDMENT**

THIS AIR SERVICE AGREEMENT (this “Agreement”) made and entered into as of June 16, 2022 (the “Effective Date”) by and between Dash Air Shuttle Inc., a Delaware Corporation (“Dash”); and the Port of Port Angeles, a Port Authority in Clallam County, in Washington State (“CLM”).

W I T N E S S E T H

WHEREAS, The Port of Port Angeles is a Port Authority in the State of Washington, and

WHEREAS, Dash is an entity willing to provide scheduled air service between Port Angeles, WA (CLM) and Seattle, Washington (SEA), on the terms and conditions set forth herein;

WHEREAS, Dash and the Port desire to replace Exhibit A (hereby attached), which outlines the new details of this Agreement.

NOW, THEREFORE, for and in consideration of the above recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. **Scheduled Service.** Dash shall provide scheduled air service (operated by a Part 135 certified air carrier) on the routes and schedules and during the “Service Periods” specified in **Exhibit A**, as may be amended from time to time, using Cessna 402C (9 seat) or similar equipment (each flight with CLM as its origin or destination on a single day is hereinafter referred to as a “Scheduled Flight” and all such flights are hereinafter referred to collectively as “Scheduled Flights”).

Flight schedules to/from CLM will be set in Dash’s sole discretion, based upon aircraft, staff, crew, and gate availability and weather and season changes and other operational factors. Dash will publish its CLM flight schedules in advance in accordance with its standard practices.

2. **Revenue Guarantee.** CLM hereby guarantees to compensate Dash up to the Guarantee Cap (as defined on Exhibit A) if Dash does not realize at least a certain level of revenue (the “Minimum Revenue Threshold”) for operating the Scheduled Flights during the “Service Periods”. For purposes of this Agreement, “Revenue” is defined as the actual passenger revenue Dash receives for a Scheduled Flight, including revenue from ancillary revenues derived from baggage fees, change fees, and other sources.

3. **Payment of Revenue Guarantee.** At the conclusion of each calendar month within the “Service Period”, if Dash’s aggregate Revenues (*i.e.*, Revenue per Scheduled Flight multiplied by the number of Scheduled Flights operated by Dash during the calendar month within the “Service Period”) are less than the Minimum Revenue Threshold shown on Exhibit A multiplied by the number of Scheduled Flights during the respective calendar month within the “Service Period”, then CLM shall remit the amount of the shortfall (the “Guarantee Amount”) up to the Guarantee Cap (specified on Exhibit A) to Dash within fifteen (15) days of receipt of Dash’s invoice. Said invoice shall be provided by Dash no later than ten (10) business days after the end of the calendar month within the “Service Period.” In the event that this Agreement is terminated before the conclusion of the “Service Period” under Section 3, Dash will

calculate the Guarantee Amount due, if any, on a pro rated basis taking into account the number of Scheduled Flights operated by Dash from the Effective Date up to and including the termination date.

Dash's calculation of the Guarantee Amount due under this section shall be binding and conclusive, provided that CLM shall have the right, upon reasonable notice, to examine the business records of Dash relating to such calculation, and to dispute the amount within thirty (30) days if this examination reveals errors or irregularities in Dash's accounting practices. Such right to examine Dash's records and dispute the amount payable shall be waived if not exercised within thirty (30) days or if payment is actually submitted in the amount claimed by Dash.

4. Operational Responsibility. Except for the obligation to pay Dash the Guarantee Amount, CLM and all affiliated entities hereby disclaim any and all liability to passengers or other third parties associated with the Scheduled Flights. Dash bears sole responsibility for the operation of the Scheduled Flights, including the decision whether or not to operate a Scheduled Flight, and any liability resulting therefrom.

5. Expiration. This Agreement shall expire on the "Expiration Date," which shall mean:

- (i) if Dash achieves the Minimum Revenue Threshold during any of the Service Periods (or, in the case of early termination under Section 3, the prorated Service Period), at the conclusion of the Service Period (or prorated Service Period);
- (ii) if Dash does not achieve the Minimum Revenue Threshold during the Service Period (or, in the case of early termination under Section 3, the prorated Service Period), the date on which CLM has paid and Dash has received the Guarantee Amount.

6. Non-Disclosure. The parties agree to preserve as confidential the terms of this Agreement except for such disclosures that are required in connection with the party's performance of this Agreement or by law.

7. Assignment. This Agreement and the rights and obligations created hereunder shall not be assigned by any party without the prior written consent of the other parties.

8. Best Efforts in Promotional Activities. The parties agree that they will use their best efforts, at their own expense, to promote the Scheduled Flights in such a way as to maximize the public awareness of the availability of the Scheduled Flights.

9. Governing Law. This Agreement shall at all times be subject to federal, state, and local laws and to all applicable rules and regulations of any governmental agencies or other entity with oversight authority. No party shall be liable to any other party if it is prevented from fulfilling its obligation under this Agreement by reason of any such law, rule or regulation. This Agreement shall, in all respects, and unless otherwise provided for herein, be governed by and construed in accordance with the laws of the State of Delaware. The parties agree that any dispute resolution will be resolved solely in the federal court of the District of Delaware of Delaware or other venue as the parties may both agree.

10. Insurance. At all times during the term of this Agreement, Dash shall carry and maintain, at its sole cost and expense, airline liability insurance with aggregate limits of at least \$2,000,000 USD for personal injury (including without limitation bodily injury and death) and property damage, including a waiver of subrogation in favor of Dash. CLM will be provided thirty (30) days advance written notice in the event of cancellation, termination or adverse material modification of the required insurance coverages contained herein, and shall name Dash, its officers, directors, employees and agents hereunder as additional insureds;

11. Indemnification. Dash and CLM will each indemnify, defend and hold harmless the other party and their respective officers, directors, employees, agents and representatives from and against any and all third party claims or causes of actions arising out of, under or in connection with (i) bodily or other personal injury to, or death of, any person, or (ii) damage to or destruction of any tangible property, in each case resulting from, or arising out of, under or in connection with the negligence or willful misconduct of the indemnitor.

12. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. This Agreement may be modified or amended only by writing signed by the party(ies) against which enforcement of the modification or amendment is sought.

IN WITNESS WHEREOF, the parties hereto have caused their undersigned, duly authorized representatives to execute this Agreement as of the Effective Date.

DASH AIR SHUTTLE, INC

By: _____
Clinton P Ostler
President

Date: _____

PORT OF PORT ANGELES

By: _____
Paul Jarkiewicz
Executive Director

Date: _____

EXHIBIT A
(2023-2025 Operating Years)

Scheduled Service between:
SEA – Port Angeles, WA (CLM)

Service Period:
May 1, 2023- April 30, 2025

Frequency (Round-trips/day):
Up to 6x Daily Peak Weekday Schedule (subject to change):

CLM-SEA:

DA1: 0650-0730
DA3: 0915-0945
DA5: 1315-1345
DA7: 1710-1740

SEA-CLM:

DA2: 0820-0850
DA4: 1220-1250
DA6: 1615-1645
DA8: 1840-1910

Minimum Revenue Threshold for flights during the Service Period:
Maximum amount per flight listed under “MRG” (based on flights per day):

Dash Frequency Sensitivity						
Round-trips	B/E Flight	MRG	Forecast	MRG v Fcst	Monthly MRG Exposure	
					Max	Payout
0-1.9	\$951	\$980	\$743	(\$238)	\$64,680	(\$16,286)
2-2.9	\$951	\$980	\$743	(\$238)	\$117,600	(\$28,500)
3-3.9	\$815	\$850	\$743	(\$108)	\$153,000	(\$19,350)
4-4.9	\$774	\$800	\$743	(\$58)	\$192,000	(\$13,800)
5-5.9	\$723	\$750	\$743	(\$8)	\$225,000	(\$2,250)
6-6.9	\$689	\$700	\$743	\$43	\$252,000	\$15,300
Forecast assumes 75% load factor (~7 pax) at an average fare of \$110						

Maximum Guarantee Amount payable by CLM if Dash does not reach Minimum Revenue Threshold (“Guarantee Cap”):

\$333,000

23-1284

A RESOLUTION IN RECOGNITION OF THE SERVICE OF
MR. ROBERT A. BEAUDETTE

WHEREAS, Mr. Robert A. Beaudette, “Bob”, has served the Port of Port Angeles since July 2000 and retires from Facilities Maintenance on July 31, 2023; and

WHEREAS, Mr. Beaudette has devoted twenty-three years of his life to the Port making him a staple and fixture at the Port of Port Angeles; and

WHEREAS, Bob began his career with the Port in 2000 working as a mechanic and was promoted to Mechanic Lead in 2004. Bob later transferred to Facility Maintenance where he spent the remainder of his Port career; and

WHEREAS, Bob came to the Port as a highly skilled mechanic and equipment operator. He developed his abilities over the years to complete plumbing, carpentry, welding, and electrical projects and became well known and regarded for his breadth of knowledge and ability as a “jack-of-all-trades”; and

WHEREAS, Bob has served the Port for decades with purpose, dedication, and tremendous skill, earning the utmost respect from his peers, supervisors, and coworkers, both past and present for constantly striving for the highest level of quality in every job he performed; and

WHEREAS, the Port staff sincerely admire and respect Bob for his institutional knowledge, dependability, and strong character; and

WHEREAS, The Port of Port Angeles genuinely values the service and loyalty of Mr. Bob Beaudette to the Port of Port Angeles.

NOW, THEREFORE, BE IT RESOLVED that the members of the Board of Commissioners of the Port of Port Angeles, the Executive Director, and Staff take this opportunity to thank Mr. Beaudette for twenty-three years of hard work on behalf of the citizens of the Port District and express our sincerest wishes for his continued good health, happiness, and pursuit of his retirement goals, and time to enjoy his family and hobbies.

ADOPTED proudly this 25th day of July 2023.

PORT OF PORT ANGELES
PORT COMMISSION

Connie L. Beauvais, President

Colleen M. McAleer, Vice President

Steven D. Burke, Secretary

Future Agenda Items –Commission Meeting

7/25/23 Regular Commission Meeting

August 8, 2023 (Regular Commission Meeting)

- Monthly DofA

August 22, 2023 (Regular Commission Meeting)

- CPP Discussion
- Capital Projects Report
- Capital Budget Draft

September 19, 2023 (Special Commission Meeting)

- Monthly Delegation of Authority
- Capital Budget
- Strategic Plan
- Intro Res – Comp Harbor Improvements

September 26, 2023 (Regular Commission Meeting)

- Capital Budget w/s
- Review of Strategic Priorities
- 2022 Operations Budget End of Year Projection
- Operations Budget Assumptions

Upcoming Events/Announcements

Future

- Boatyard Rules & Regulations
- Port Emergency Response Plans and Activities
- Employee Handbook Update and Resolutions

Future Joint Meetings

- 2023 Joint Meeting with Clallam County – October 23, 2023 (at County) 11:00 to 2:00