



SPECIAL COMMISSION MEETING
Tuesday, October 17, 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 <https://portofpa.com/about-us/agenda-center/>

- 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. Tariff/Rate Discussion
 - B. Introduce Operating Budget.....1-42
- V. APPROVAL OF CONSENT AGENDA**
 - A. Regular Commission Meeting Minutes, October 10, 2023.....43-45
 - B. Vouchers in the amount of \$98,004.13.....46
- VI. COMPLETION OF RECORDS**
No items
- VII. PLANNING AND CAPITAL PROJECTS**
 - A. Fairchild Int'l Airport Runway Rehabilitation – Contract Change Order Approval.....47-49
- VIII. LOG YARD**
No items
- IX. MARINE TRADES AND MARINE TERMINALS**
No items
- X. PROPERTY**
 - A. CRTC Lease – First Touch.....50-51
- XI. MARINAS**
No items
- XII. AIRPORTS**
No items



XIII. OTHER BUSINESS

No items

XIV. COMMISSIONER REPORTS

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

XVI. FUTURE AGENDA.....52

XVII. NEXT MEETINGS

- A. October 23, 2023 – Special Joint Meeting with BOCC @ County
- B. October 24, 2023 – Special Commission Meeting
- C. November 7, 2023 - Special Commission Meeting
- D. November 14, 2023 – Regular Commission Meeting
- E. December 12, 2023 – Special Commission Meeting @ FIA Airport Meeting Room

XVIII. UPCOMING EVENTS

- A. Carbon Friendly Forestry Conference – November 1/8/15, 2023 – Virtual
- B. Pacific Marine Expo – November 8-10, 2023 – Seattle, WA
- C. International Workboat Show- November 29-December 1 - New Orleans, LA
- D. WPPA Annual Meeting – December 6-8, 2023 – Vancouver, WA

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

XIX. EXECUTIVE SESSION

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

XX. 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.

SECTION IV

OPERATING BUDGET

Draft as of 10/12/2023

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2023 PROJECTED YEAR END - ASSUMPTIONS All Departments

The following assumptions apply to all Departments unless the Department includes a specific assumption in their Projected Year-End Operations narrative.

Revenues - 2023 Projected

1. Rates, fees, and applicable leases were increased by CPI, except as specifically identified. This is consistent with the 2023 budget assumptions.
2. Marine Terminal revenues are projected to be below budget by approximately \$100,000 in part due to a reduction in log ship cargo volume. Q4 cargo volume for logs is projected to approx. 6 million, bringing total volume for 2023 to approx.27 million (disbursed across 5 log ships). Wood chip export volume is projected to be back near traditional averages with approx.14 total barges for 2023, up from the 6 barges in 2022. Chip handling fees were amended significantly early in 2023 to better capture chip pile management and mob/demo costs.
3. Marine Terminal revenues for dockage is projected to be close to budget as a result of having an approximate 6-month topside side repair project on Terminal 1S. This helped offset two deployments of CABLE INNOVATOR. We understand CABLE INNOVATOR currently standing by to be possibly dispatched to on another lengthy assignment in Sept/Oct. Up to 3 TORM tanker re-flagging projects, potentially totaling approx.42 additional tanker days will contribute to 2023 revenues.
4. Marine Trades revenues will be higher than budget due to higher than planned activity levels in the boatyard, haul-out facility, haul-out pier, and washdown pad.
5. Airport revenues have remained consistent in 2023 due to hangar occupancy remaining at or near 100%. DASH Air Shuttle is expected to commence service in Sep 2023. AIP 042 was executed in 2023 and should be complete by November 2023.
6. Lease revenue, across all departments, is projected to be slightly higher than budget. This is due to rental rate increases and new tenants.
7. Airport Rental Property revenue is projected to be over budget. This is due to rental rate increases and new tenants. There is an increase in maintenance and outside services due to high occupancy.
8. Marina moorage revenues at PABH and JWM have remained consistent due to relatively high occupancy. Revenue increases are primarily due to normal rate increases.

2023 PROJECTED YEAR END - ASSUMPTIONS All Departments - continued

Expenses – 2023 Projected

1. Marine Terminal expenses are projected to be below budget by approximately \$250k due to lower volume of cargo being exported across Terminal 3 resulting in lower costs to operate the terminal. In addition, the Port is no longer acting as stevedores, reducing longshore labor costs outside of some residual carryover benefits for previous employment.
2. Marine Trades expenses are under budget across a variety of categories; notably lower than budgeted in Facilities Maintenance, Mechanical Maintenance charge-out Expenses, and general salary charged to the department.
3. Log Yard expenses, in total, are expected to be over budget by year-end. The primary unplanned cost drivers have been equipment maintenance and the cost of diesel fuel. Log Yard revenues are expected to be over budget due to an increase in barge traffic and tows.
4. Airport expenses are projected to be on budget.
5. Airport Rental Property expenses are projected to be under budget mainly due to decreased maintenance expenses.
6. Marina expenses are on track with budget projections.
7. Mechanical Maintenance (MM) expenses are projected to be slightly over budget. Mostly due to increased petroleum prices and machinery breakdowns. Facilities Maintenance (FM) is projected to be on track with the projected budget.
8. Administration expenses are projected to be 3% over budget by approximately \$75K mainly due to Salaries and Benefits which have increased with the addition of internal IT support and a grants and contracts manager position.
9. Business Development expenses are projected to be right at budget. There was an increase of funds earmarked to Travel Meetings, Public Information for 2023. The outside services budget is set to come in \$20,000 under budget.
10. Insurance renewals - all Port - occur twice a year with property insurance renewing in July of each year and liability insurance renewing in October of each year. The property insurance premium increased by \$28k in July 2022 due to rate increases in the property insurance market. The property insurance renewal in October is expected to increase at a rate of 15%.
11. Non-Operating: Significantly above budget due to higher interest earnings, limited environmental legal issue in the current year, and lower interest expense on outstanding debt.

2024 BUDGET - ASSUMPTIONS All Departments

General

1. CPI: August 2023 CPI West–Size Class B/C–All Urban Consumer (CPI-U) was 3.7% with an 4.9% average over the first 6 months of 2023. The Commission can adopt one of these or another as the benchmark rate for annual rate increases.
2. Inflation. General Inflation outlook is currently at 3.5 – 4.0%.

Revenues – 2024 Budget

1. In general, rates, fees and applicable leases will increase by the rate factor set by the Commission with additional adjustments made based on market factors.
2. Marine Terminal tariff rates will be reevaluated based on the August 2023 CPI in combination with a tariff increase of approx.6%, which takes into consideration the lower rate implementation of 5% for 2023. The tariff rate adjustments include Dockage, Vessel Repair Dockage, Equipment Rental, Wharfage, Service and Facilities Charges, Passenger Fees, Security and Environmental Fees.
3. Marine Terminal activity includes revenue and associated expenditures based on an initial estimate of 32 million board feet of log exports (6 vessels), approx. 30 days of top side repair dockage, and 14 chip barges (approx. 80,000 tons). Two potential cruise vessels are expected in late spring/summer of 2024.
4. Marine Trades revenue for use of the Travel-Lift Pier and Wash-Down will increase in accordance with the published rates for 2024. Travel-Lift Pier fees are calculated based on the overall length of the vessel.
5. Marine Trades. Most fees at the Marine Trades Area will be increased by not less than the rate factor set by the Commission. Most Boat Yard and MTC charges are based on the overall length of the vessel.
6. Log Yard - Land Services revenue is anticipated to be lower than EOY 2023. Further, barging operations are expected to decrease due to the market slowdown.
7. Log Yard - Water Services include revenue from rafting, round booming and dewatering of log volume via raft or barge. Log volumes and associated revenues are expected to be below 2023 levels due to lack of interest in “salty” wood from log yard customers due to difficulties dealing with salt impregnated hog fuel from the debarking/milling process, and due to a market slow down.
8. Log Yard - Equipment Rental includes revenue for loading equipment used at the marine terminal for cargo operations. Equipment Rental revenue is based on a volume of 50 million board feet loaded at terminal 3. Equipment rental revenue is expected to equal or be slightly lower than 2023.
9. Log Yard rates for log handling services are projected to be increased by 3.7% in the initial budget to keep pace with the CPI.
10. Marina moorage rates will increase as determined by the Commissioners. Expected increase to be 5%.
11. FIA and Airport Rental Property revenues will see an increase in existing rents based on contractual CPI driven increases along with increased occupancy.

2024 BUDGET – ASSUMPTIONS

All Departments (continued)

12. Property Tax Revenues. The Port will continue to use property tax revenues for new capital projects, debt service for prior capital projects, the Community Partner Program and the Commission approved special economic initiative to support the return of passenger air service to the William R. Fairchild International Airport (\$133k match for \$200k USDOT grant award).

Expenses – 2024 Budget

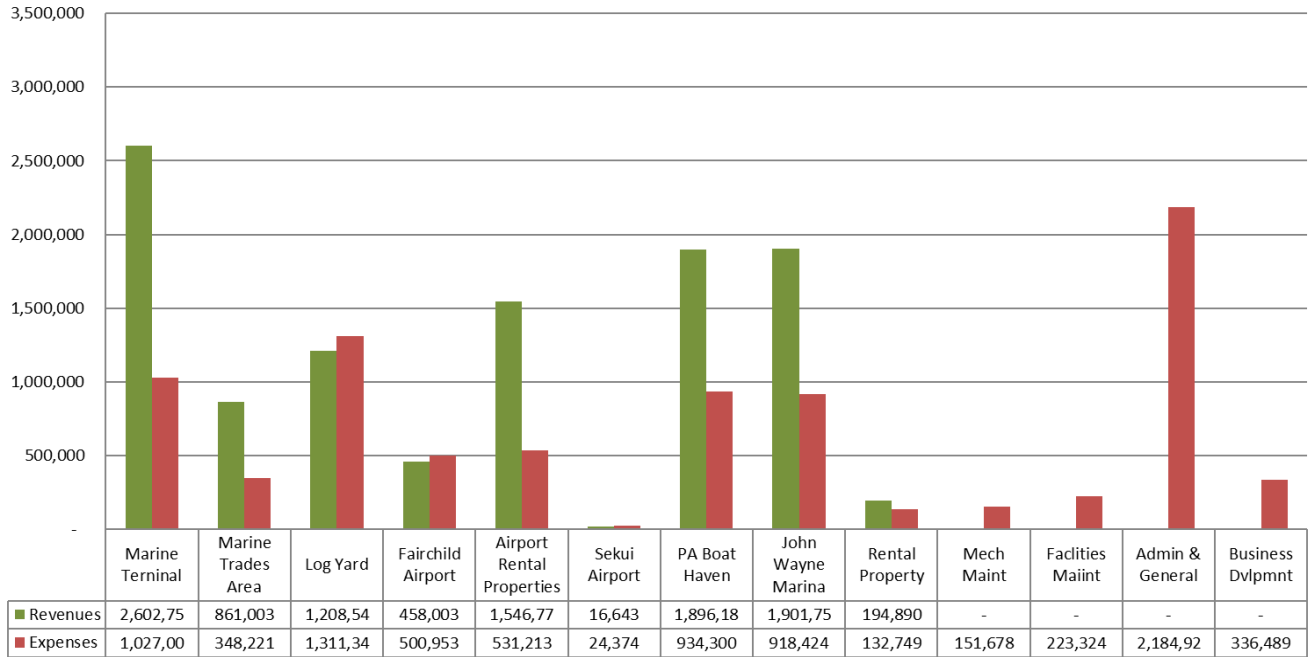
1. Salaries & Wages. The August 2022 CPI West-Size Class B/C-All Urban Consumer (CPI-U) is 3.7%. Traditionally, the August CPI-U has generally been used to determine salary and wage increases. The 2023 projected and 2024 operating budget present challenging financial times. During such challenging financial times in the past, the Port Commission would not finalize the salary and wage increases until near the end of the budget development process. The Commission may approve none, partial or a full CPI increase. The CPI in the draft budget will assume a 3.7% increase subject to Commission approval. The proposed merit pool for non-represented staff will remain at \$30k, unchanged from last year. Represented staff will receive pay step increases per the applicable collective bargaining agreement, which is approximately \$5,423 (step increases are at 2.5% spread over multiple years).
2. Health insurance premiums will remain at the current rates for monthly premiums during January 1, 2024, to June 30, 2024. Premiums for July 1, 2024, to December 31, 2024, are projected to remain stable with no increase. The PERS (Public Employee Retirement System) premiums are on a yearly cycle (September 1, 2023 – August 31, 2024). The current employer contribution rate is 10.39% which will remain until August of 2024.
3. Paid Family Leave. In 2019, the State of Washington implemented RCW 50A.04 which created a state Paid Family Medical Leave (PFML) plan. Unpaid FMLA has been an employee benefit dictated by federal regulations for a number of years. However, the new state plan is for Paid FMLA. Employees and employers began contributing to the Paid Family Leave plan beginning January 1, 2019. As of January 1, 2020, eligible employees will be able to utilize this benefit. The employer premium is approximately \$5,400 or 27% of the total premium, with the remainder of the premium paid by the employee.
4. Washington Labor and Industries Rates. The Port's Labor and Industries rates are expected to increase slightly in 2024.
5. Legal services on environmental legacy issues will continue for litigation/negotiations with third parties.
6. Outside services include all services contracted by the Port including legal services, environmental consulting and various services associated with normal Port operations. All services are currently under review by staff.

2024 BUDGET – ASSUMPTIONS
All Departments (continued)

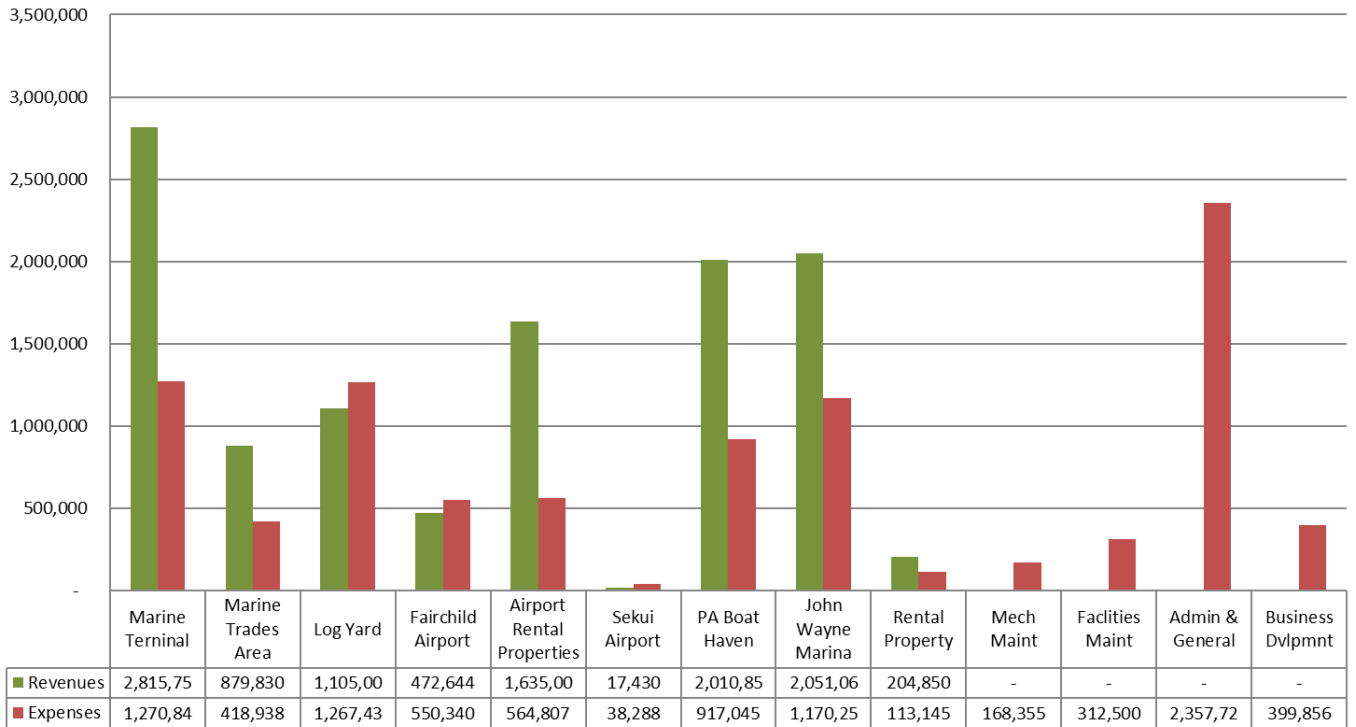
7. Insurance renewals - all Port - occur twice a year with property insurance renewing in July of each year and liability insurance renewing in October of each year. Over the past few years, the insurance rates have been increasing at a rate of approximately 20% per year. To mitigate the cost increases staff continues to work with our insurance broker to adjust deductibles and coverage while maintaining appropriate insurance of Port assets. This active management approach will continue into 2024. The July 2023 property insurance policy renewed at \$442K which was \$25K (5%) below the previous year. This decrease was the result of extensive negotiations and selection of a new carrier.
- a. Property insurance is distributed to the departments based on the value of the land, improvements, and buildings.
 - b. Liability insurance is distributed based on the pro rata share of operating expenses.
 - c. Other insurance is charged to the departments using an appropriate base (i.e., auto insurance is allocated by vehicle use; airport liability is charged to Airport; skiff (owned small vessel) insurance is charged to Log Yard).
8. Washington State Audit. Washington State Auditor's Office Annual Report Audit will be approximately \$42k. A Single Federal Audit is expected to be needed due to the receipt of more than \$750k Federal grant funds. This will result in an additional audit fee of approximately \$10K.
9. Operating Contingency. The 2024 budget does not currently contain an operating contingency.

***Continue to the next page*

2023 Projected Operating Activity



2023 Operating Budget



**Port of Port Angeles
Summary by Department
2024 Budget**

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
<u>OPERATING REVENUES</u>								
11 MARINE TERMINAL	2,974,359	3,572,883	2,989,919	2,600,000	2,602,757	2,815,750	2,757	212,993
15 MARINE TRADES AREA	602,040	769,838	778,212	793,000	861,003	879,830	68,003	18,827
21 LOG YARD	698,893	809,401	1,068,956	860,000	1,208,546	1,105,000	348,546	(103,546)
31 FAIRCHILD INTERNATIONAL AIRPORT	365,768	465,361	433,869	413,312	458,003	472,644	44,691	14,641
33 AIRPORT RENTAL PROPERTIES	1,292,971	1,389,530	1,397,664	1,380,688	1,546,776	1,635,000	166,088	88,224
32 SEKIU AIRPORT	14,726	14,194	15,782	16,630	16,643	17,430	13	787
41 PA BOAT HAVEN	1,564,474	1,656,064	1,747,878	1,953,579	1,896,183	2,010,854	(57,396)	114,671
43 JOHN WAYNE MARINA	1,490,605	1,622,428	1,827,097	2,000,317	1,901,751	2,051,065	(98,566)	149,314
61 RENTAL PROPERTY	97,153	78,153	145,935	136,291	194,890	204,850	58,599	9,960
91 MECHANICAL MAINTENANCE	0	0	0	0	0	0	0	0
92 FACILITIES MAINTENANCE	0	0	0	0	0	0	0	0
80 ADMINISTRATION & GENERAL	0	0	0	0	0	0	0	0
81 BUSINESS (Economic) DEVELOPMENT	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	9,100,988	10,377,853	10,405,312	10,153,817	10,686,552	11,192,423	532,735	505,871
<u>OPERATING EXPENSES</u>								
11 MARINE TERMINAL	2,127,840	2,128,202	960,049	995,498	1,027,004	1,270,846	31,506	243,842
15 MARINE TRADES AREA	442,298	362,345	366,465	415,151	348,221	418,938	(66,930)	70,717
21 LOG YARD	992,726	1,060,941	1,100,266	1,048,840	1,311,348	1,267,433	262,508	(43,915)
31 FAIRCHILD INTERNATIONAL AIRPORT	643,018	666,322	615,965	606,558	500,953	550,340	(105,605)	49,387
33 AIRPORT RENTAL PROPERTIES	408,820	508,928	417,500	465,471	531,213	564,807	65,742	33,594
32 SEKIU AIRPORT	30,704	30,113	39,307	30,156	24,374	38,288	(5,782)	13,914
41 PA BOAT HAVEN	769,623	762,445	929,786	785,350	934,300	917,045	148,951	(17,255)
43 JOHN WAYNE MARINA	850,719	972,365	1,007,213	1,061,634	918,424	1,170,258	(143,210)	251,834
61 RENTAL PROPERTY	118,395	102,572	110,585	92,582	132,749	113,145	40,167	(19,604)
91 MECHANICAL MAINTENANCE	146,069	132,945	164,703	143,193	151,678	168,355	8,485	16,677
92 FACILITIES MAINTENANCE	321,151	247,361	316,266	285,584	223,324	312,500	(62,260)	89,176
80 ADMINISTRATION & GENERAL	2,226,879	781,641	1,104,591	2,021,137	2,184,922	2,357,725	163,785	172,803
81 BUSINESS (Economic) DEVELOPMENT	306,051	344,855	400,705	339,866	336,489	399,856	(3,377)	63,367
TOTAL DIRECT EXPENSES	9,384,292	8,101,035	7,533,400	8,291,017	8,625,000	9,549,534	333,983	924,534
ALLOCATED EXPENSES - ADMIN & MAIN	0	0	0	0	0	(0)	0	(0)
NET SURPLUS (DEFICIT) - Before Depreciation	(283,304)	2,276,818	2,871,912	1,862,800	2,061,552	1,642,889	198,752	(418,663)
ALLOCATED DEPRECIATION	-	-	-	0	0	0	(0)	0
DEPRECIATION EXPENSE	2,681,169	2,729,045	2,735,993	2,791,572	2,689,003	2,739,003	(102,569)	50,000
NET SURPLUS (DEFICIT) - After Depreciation	(2,964,473)	(452,227)	135,919	(928,771)	(627,451)	(1,096,114)	301,320	(468,663)
<u>NON-OP (GENERAL)</u>								
NON-OP REV (General)	527,553	263,591	308,731	649,500	987,054	1,202,000	337,554	214,946
NON-OP EXP (General)	346,336	156,481	2,759,303	658,000	114,800	563,000	(543,200)	448,200
NON-OP (General) SURPLUS (DEFICIT)	181,217	107,110	(2,450,572)	(8,500)	872,254	639,000	880,754	(233,254)
<u>NON-OP (CAPITAL)</u>								
NON-OP REV (Capital)	1,990,277	2,271,529	2,583,163	9,129,950	8,959,916	9,581,388	(170,034)	621,472
NON-OP EXP (Capital)	262,128	57,773	55,329	126,175	59,557	43,426	(66,618)	(16,131)
NON-OP (Capital) SURPLUS (DEFICIT)	1,728,149	2,213,756	2,527,834	9,003,775	8,900,359	9,537,962	(103,416)	637,603
NET NON-OP SURPLUS (DEFICIT)	1,909,366	2,320,866	77,262	8,995,275	9,772,613	10,176,962	777,338	404,349
TOTAL NET SURPLUS (DEFICIT)	(1,055,107)	1,868,639	213,181	8,066,504	9,145,162	9,080,848	1,078,658	(64,314)

MARINE TERMINAL (MT 11)

The Port of Port Angeles operates and maintains 2 deep water operating terminals and related equipment that support marine cargo operations, topside vessel repair and lay berth. Additionally, the MT department leases to private companies an industrial building, warehouse / office space and two piers. The objectives of the marine terminal department are:

- To operate the marine terminals in a manner that will provide an excess of revenues over expenses.
- To provide services, industrial waterfront facilities and a dedicated workforce for the efficient handling and loading of marine cargo, topside vessel repair and lay berth.
- Reinvest in the marine terminals to ensure that the Port's maritime infrastructure continues to support maritime jobs while obtaining a competitive return on the public investment.

2023 PROJECTED

Revenue Assumptions

1. Dockage, Wharfage and Service and Facilities will be less than budget with projected end year cargo volumes of 27 million board feet of raw logs and approximately 72,000 metric tons of wood chips in approximately 14 chip barges, which is below the budgeted 32 million board feet and 32 chip barges/80000 tons respectively. Chip handling rates were amended in early 2023.
2. Vessel Repair Dockage revenue will be close to budget as a result an approximate a 6-month and shorter 3-month topside repair projects on T1 South in combination approximately 25 tanker days, 15 large ATB days and approximately 8 days of smaller compared to the budgeted 40 days.
3. Labor Services associated revenues will be less than budget due to decrease primarily in timber cargo.
4. Tariff rates were held constant with no increase on July 1, 2023.

Expense Assumptions

1. Utility and Cost of Goods Sold less than budget due to decrease electrical use for long term lay berth vessels (corresponding revenue recognized in Utility Pass Thru and Product Sales).
2. Overall Marine Terminal expenses are less than budget primarily due to decreases in reduced log ship traffic.
3. The Port is no longer acting as stevedores, reducing longshore labor costs outside of some residual carryover benefits for previous employment.

2024 BUDGET

Revenue Assumptions

1. Projected cargo activity and associated revenue in 2024 is based on 6 cargo vessel calls (32 million board feet) and 80,000 metric tons of chips.
2. 30 days for large tanker top-side repair with smaller vessel repair projects inclusive.
3. Two cruise ships are expected in late spring/summer 2024.
4. Marine Terminal tariff rates will be adjusted based on the applicable CPI rate, estimated to be approximately 6% for Dockage, Wharfage, Service and Facilities Charges, Equipment Rental, Stormwater Fee Passenger Fee, security, and fuel Handling Fee.

Expense Assumptions

1. Overall direct expense is increasing from previous years due in part to the projected staff increases, outside services, rent/utilities, and maintenance.
2. MT expenses include setup and removal of cargo loading equipment as well as cleaning and maintenance of equipment, docks, grounds, and buildings.

**Port of Port Angeles
MARINE TERMINAL (MT - DEPT 11)
2024 Budget**

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	1,121,886	1,193,422	1,170,426	950,000	949,000	880,000	(1,000)	(69,000)
WHARFAGE	409,173	628,955	515,786	485,000	435,000	550,000	(50,000)	115,000
SERVICE & FACILITIES	249,399	391,479	322,670	290,000	270,000	330,000	(20,000)	60,000
MT HANDLING	234,655	241,326	15,279	10,000	0	0	(10,000)	0
LABOR SERVICES	215,475	314,486	304,314	295,000	210,000	220,000	(85,000)	10,000
LOG YARD STAGING	0	0	0		0		0	0
LOG YARD LAND SERVICES	0	0	0		0		0	0
LOG YARD WATER SERVICES	0	0	0		0		0	0
MOORAGE	0	0	0		0		0	0
MARINA & YARD FEES	0	0	0		0		0	0
LANDING/PARKING FEES	0	0	0		0		0	0
HANGAR/TIE DOWN	0	0	0		0		0	0
OTHER USER FEES	237,194	234,679	101,346	25,000	261,547	280,000	236,547	18,453
EQUIPMENT RENTAL	30,236	26,161	6,579	20,000	7,500	7,250	(12,500)	(250)
LAND LEASE/RENT	57,035	43,284	41,004	50,000	38,210	40,000	(11,790)	1,790
STRUCTURE LEASE/RENT	229,961	218,751	231,355	230,000	255,000	265,000	25,000	10,000
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	199,638	298,075	283,984	250,000	175,000	242,000	(75,000)	67,000
MISC & INTERDEPT REVENUE	(10,293)	(17,736)	(2,824)	(5,000)	1,500	1,500	6,500	0
TOTAL OPERATING REVENUES	2,974,359	3,572,883	2,989,919	2,600,000	2,602,757	2,815,750	2,757	212,993
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	328,663	395,214	356,150	340,863	398,666	529,848	57,803	131,182
SUPPLIES	13,005	10,031	5,809	10,000	6,800	10,000	(3,200)	3,200
OUTSIDE SERVICES	1,191,840	1,075,728	46,770	33,000	32,150	53,400	(850)	21,250
PUBLIC INFORMATION	0	0	303	250	250	250	0	0
MARKETING	0	0	0	0	0	0	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	2,119	2,261	875	1,777	1,777	1,800	0	23
TRAVEL MEETINGS	160	90	38	3,000	750	3,000	(2,250)	2,250
TRAVEL/TRAINING	234	2,191	0	1,600	1,550	2,800	(50)	1,250
PROMOTIONAL HOSTING	101	275	44	500	200	1,000	(300)	800
RENT, UTILITIES, INSURANCE, TAXES	227,458	265,314	241,779	243,508	284,355	303,508	40,847	19,153
UTILITY (Pass Thru) & COST OF GOODS SOLD	137,150	186,675	179,882	200,000	131,250	181,500	(68,750)	50,250
OTHER EXPENSES (Misc & Interdept)	15,326	36,015	988	1,000	1,000	1,000	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	158,179	118,964	101,997	130,000	155,239	158,240	25,239	3,001
MAINTENANCE (Materials & Services)	53,605	35,444	25,414	30,000	13,017	24,500	(16,983)	11,483
TOTAL DIRECT EXPENSES	2,127,840	2,128,202	960,049	995,498	1,027,004	1,270,846	31,506	243,842
ALLOCATED EXPENSES - ADMIN & MAIN	1,024,543	491,414	310,358	441,528	475,083	599,010	33,555	123,927
NET SURPLUS (DEFICIT) - Before Depreciation	(178,024)	953,266	1,719,512	1,162,974	1,100,670	945,894	(62,304)	(154,776)
ALLOCATED DEPRECIATION	26,200	26,152	12,675	14,008	15,242	17,435	1,234	2,193
DEPRECIATION (includes donated assets)	631,475	640,991	642,331	653,985	638,767	650,644	(15,218)	11,877
NET SURPLUS (DEFICIT) - After Depreciation	(835,699)	286,123	1,064,506	494,981	446,662	277,815	(48,319)	(168,846)

MARINE TRADES AREA (MTA 15)

The Marine Trades Area (MTA) department primary focus is to promote economic opportunity and growth in the vessel repair and manufacturing sector of our local economy. Port waterfront facilities that are dedicated to marine trades include the Port Angeles Boat Yard and the 18-acre Marine Trades Center. Services offered include vessel haul-out capability up to 500 metric tons, upland boat storage, wash-down facilities and a skilled dedicated workforce. The objectives of Marine Trades Area are to:

- Provide quality haul-out service for maintenance and dry storage of commercial, government and recreational boats.
- Provide repair facilities and infrastructure for tenants of the Port Angeles Boat Haven.
- Obtain a competitive return on the public investment in these facilities which include two Travel Lift Piers, a 70 Ton TraveLift, two wash-down facilities and a full-service boat yard.
- Support maritime commerce and associated jobs through development of the 18-acre Marine Trades Center (MTC).

2023 PROJECTED

Revenue Assumptions

1. Equipment Rental, which includes Travel-Lift & Hydro-wash activities are higher than budget due to an increase in activity at the Port Angeles Boat Yard (PABY).
2. Lease Revenues will be higher than budget due to higher than planned activity levels and near continuous use of the boat yard work buildings.

Expense Assumptions

1. Expenses lower than budget primarily due to staffing changes which resulted in less staff time being allocation to the Marine Trades Area.

2024 BUDGET

Revenue Assumptions

1. MTA rates and fees will generally increase by the West Coast CPI factor for the month of August, which is 3.7%.
2. Equipment Rental includes revenue for use of the boatyard travel lift and boatyard hydro-wash.
3. Use Agreement and Other Rent includes fees for the use of the Travel Lift Pier and Wash Facility. Budget anticipates 250 operations (haul out and launches using the Port's Travel Lift Pier). Approximately 90% of haul-outs also utilize the wash facility.

Expense Assumptions

1. Budget includes Marketing Expenses associated with participation at the Pacific Marine Expo in Seattle. Efforts to market the Port's available waterfront industrial properties may also include attendance at the following: International Work Boat Show - New Orleans, LA. And the Fort Lauderdale International Boat Show, FL (travel expenses are budgeted in Business Development Department).
2. MTA expenses include agent fees, labor and materials required for equipment maintenance, wastewater / stormwater treatment facility operations, maintenance of grounds and buildings and waste disposal.

**Port of Port Angeles
MARINE TRADES AREA (MTA - DEPT 15)
2024 Budget**

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	204,318	219,051	253,113	243,000	269,730	277,822	26,730	8,092
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	5,366	4,570	5,814	8,000	4,712	4,853	(3,288)	141
EQUIPMENT RENTAL	126,074	139,122	133,376	145,000	162,400	165,648	17,400	3,248
LAND LEASE/RENT	109,354	206,994	182,718	190,000	188,511	192,281	(1,489)	3,770
STRUCTURE LEASE/RENT	92,882	103,697	112,024	115,000	121,900	124,338	6,900	2,438
USE AGMT AND OTHER RENT	64,984	96,124	90,987	91,500	113,750	114,888	22,250	1,138
UTILITY PASS THRU & PRODUCT SALES	1,102	590	340	500	0	0	(500)	0
MISC & INTERDEPT REVENUE	(2,039)	(310)	(161)	0	0	0	0	0
TOTAL OPERATING REVENUES	602,040	769,838	778,212	793,000	861,003	879,830	68,003	18,827
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	67,675	93,055	64,613	115,187	70,263	107,148	(44,924)	36,885
SUPPLIES	5,133	7,865	3,918	7,000	4,859	6,000	(2,141)	1,141
OUTSIDE SERVICES	148,990	101,748	143,282	100,000	82,314	100,000	(17,686)	17,686
PUBLIC INFORMATION	375	0	0	500	0	500	(500)	500
MARKETING	2,349	0	0	3,000	0	3,000	(3,000)	3,000
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	500	1,600	941	2,000	1,007	2,525	(993)	1,518
TRAVEL MEETINGS	0	0	42	1,000	67	1,000	(933)	933
TRAVEL/TRAINING	0	0	0	1,000	584	1,000	(416)	416
PROMOTIONAL HOSTING	0	223	0	1,000	0	1,000	(1,000)	1,000
RENT, UTILITIES, INSURANCE, TAXES	53,756	55,908	63,584	74,000	64,326	68,000	(9,674)	3,674
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	1,433	4,096	1,326	2,000	2,964	3,000	964	36
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	90,738	73,981	64,527	73,464	89,861	92,765	16,397	2,904
MAINTENANCE (Materials & Services)	71,350	23,871	24,232	35,000	31,976	33,000	(3,024)	1,024
TOTAL DIRECT EXPENSES	442,298	362,345	366,465	415,151	348,221	418,938	(66,930)	70,717
ALLOCATED EXPENSES - ADMIN & MAINT	204,798	99,953	144,965	237,380	184,687	230,366	(52,693)	45,679
NET SURPLUS (DEFICIT) - Before Depreciation	(45,056)	307,540	266,782	140,469	328,095	230,526	187,626	(97,569)
ALLOCATED DEPRECIATION	5,227	5,300	5,961	7,531	5,925	6,705	(1,606)	780
DEPRECIATION (includes donated assets)	152,672	159,967	163,343	166,322	163,343	166,380	(2,979)	3,037
NET SURPLUS (DEFICIT) - After Depreciation	(202,955)	142,273	97,478	(33,384)	158,827	57,441	192,211	(101,386)

LOG YARD (LY 21)

The Log Yard provides facilities for the efficient movement of logs from land to water. Land services include the sorting, decking and staging of loads for both vessels and container trucking. Water services also include the rafting of logs transported via water to a variety of locations within the Puget Sound region and dewatering of inbound volume from Canada via raft. Water services also include round boom and x-water loading (the loading onto vessels from the water). The objectives are:

- To provide log handling facilities and services that are responsive to forest industry needs.
- To operate in a manner to cover the cost of Log Yard operations.
- To obtain a fair return on the public investment in these facilities.
- To manage access to critical waterfront infrastructure to serve the economic interest of the Port district.

2023 PROJECTED

Revenue Assumptions

1. Log Yard Staging is expected to be slightly higher than the 2023 Budget.
2. Log Yard Land Services are over budget due to increased LY domestic handling volume.
3. Log Yard Water Service revenues are above budget due to domestic handling associated with rafting, round booming and dewatering.
4. Equipment rental is expected to be on track with 2023 Budget.

Expenditure Assumptions

1. Maintenance Materials & Labor are higher than budget due to increased usage of log handling equipment and facilities.
2. Cost of Goods Sold is on track with 2023 budget.
3. Utilities are lower due to decreased sanitation and debris removal.

2024 BUDGET

Revenue Assumptions

1. Log Yard rates for log handling services (and fees) will increase by the West Cost CPI factor for the month of August, which is 3.7% on January 1.
2. Log Yard Land Services revenue is budgeted to decrease from projected EOY 2023. 2024 budget is still significantly higher than previous years, but it is unknown if the Log Yard will see the same level of elevated activity as 2023.
3. Demand for domestic barging is expected to remain the same, or possibly decrease in the coming years.
4. Log Yard Water Services include revenue from rafting, round booming and dewatering of log volume originating from Canada (via raft) or Oregon (barge). Log volumes and associated revenues expected to stay the same or decrease from EOY 2023 due to domestic raft and barge activity.
5. Equipment Rental rate from loading equipment used at the marine terminal for on-dock cargo operations will be adjusted by 3.7% with revenue based on 32 MMBF of log cargo volume.

Expenditure Assumptions

1. Log Yard handling is performed with 4 FTE and supported by 1 FTE from FM when operations require. FM & MM personnel will continue to support LY workforce as needed.
2. Log Yard expenses include labor and materials required for equipment maintenance, stormwater treatment facility operations, grounds maintenance and woody debris collection and disposal.

**Port of Port Angeles
LOG YARD (LY - DEPT 21)
2024 Budget**

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	31,891	46,501	45,968	45,000	48,046	46,000	3,046	(2,046)
LOG YARD LAND SERVICES	350,956	440,602	690,189	485,000	800,000	750,000	315,000	(50,000)
LOG YARD WATER SERVICES	68,715	23,539	69,299	95,000	105,000	95,000	10,000	(10,000)
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	23,343	33,275	51,016	45,000	66,000	50,000	21,000	(16,000)
EQUIPMENT RENTAL	92,288	152,107	160,286	125,000	125,000	100,000	0	(25,000)
LAND LEASE/RENT	48,091	46,588	10	0	0	0	0	0
STRUCTURE LEASE/RENT	45,328	46,949	52,071	50,000	49,500	49,000	(500)	(500)
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	40,009	24,557	11,168	15,000	15,000	15,000	0	0
MISC & INTERDEPT REVENUE	(1,728)	(4,717)	(11,051)	0	0	0	0	0
TOTAL OPERATING REVENUES	698,893	809,401	1,068,956	860,000	1,208,546	1,105,000	348,546	(103,546)
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	435,434	466,590	507,756	438,840	602,923	598,632	164,083	(4,291)
SUPPLIES	82,901	115,195	168,288	150,000	232,685	211,500	82,685	(21,185)
OUTSIDE SERVICES	37,656	50,820	43,065	50,000	36,200	60,000	(13,800)	23,800
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	0	0	1,000	1,000	0	1,000	(1,000)	1,000
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	0	0	0	0	0	0	0	0
TRAVEL MEETINGS	13	17	1,239	1,000	0	1,300	(1,000)	1,300
TRAVEL/TRAINING	(900)	988	1,236	1,000	1,161	1,300	161	139
PROMOTIONAL HOSTING	0	35	32	2,000	35	2,035	(1,965)	2,000
RENT, UTILITIES, INSURANCE, TAXES	90,146	106,362	94,976	119,000	59,972	81,500	(59,028)	21,528
UTILITY (Pass Thru) & COST OF GOODS SOLD	42,814	19,788	12,240	20,000	19,960	20,960	(40)	1,000
OTHER EXPENSES (Misc & Interdept)	4,179	34,619	1,560	1,000	1,000	1,000	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	114,173	158,642	141,032	150,000	186,115	138,206	36,115	(47,909)
MAINTENANCE (Materials & Services)	186,311	107,885	127,842	115,000	171,297	150,000	56,297	(21,297)
TOTAL DIRECT EXPENSES	992,726	1,060,941	1,100,266	1,048,840	1,311,348	1,267,433	262,508	(43,915)
ALLOCATED EXPENSES - ADMIN & MAINT	494,340	264,504	426,732	571,040	684,916	685,411	113,876	495
NET SURPLUS (DEFICIT) - Before Depreciation	(788,173)	(516,044)	(458,042)	(759,880)	(787,718)	(847,844)	(27,838)	(60,126)
ALLOCATED DEPRECIATION	12,696	14,206	17,701	18,117	21,974	19,950	3,857	(2,024)
DEPRECIATION (includes donated assets)	359,475	348,215	318,452	324,261	244,002	248,539	(80,259)	4,537
NET SURPLUS (DEFICIT) - After Depreciation	(1,160,344)	(878,465)	(794,195)	(1,102,258)	(1,053,693)	(1,116,332)	48,565	(62,639)

FAIRCHILD INTERNATIONAL AIRPORT (FIA 31)

The airport provides aviation support facilities for general, commercial, corporate, medical evacuation and military aviation activities. The objectives of FIA are:

- To provide safe and efficient support to aviation activities.
- To provide support facilities for economic activity generated by aviation.
- To generate sufficient aviation receipts to cover expenditures of providing aviation facilities for the convenience of the Port District constituency.
- To provide aviation facilities and support for emergency response activities.
- To engage in and seek out aviation related planning and development opportunities.

2023 PROJECTED

Revenue Assumptions

1. Airport rates were increased by 10% over 2022 rates. All 2023 rates were Commission approved. This was consistent with past practices for rate increases: AUG CPI plus 1 to 1.5%.
2. Commercial passenger service was suspended in November 2014. New airline will potentially begin service in November 2023.

Expense Assumptions

1. Overall decrease in operating expenses due to reduction in outside services and professional dues.

2024 BUDGET

Revenue Assumptions

1. Rates and fees are normally increased by CPI plus 1%. All rates are established/ approved by the Commission.
2. It is anticipated that Dash Air Shuttle will begin service in November 2023. There is a projected minor revenue increase based upon expected fuel flowage charges.

Expense Assumptions

1. Overall decrease in operating expenses due to reduction in outside services and professional dues.

Port of Port Angeles
FAIRCHILD INTL AIRPORT (FIA - DEPT 31)
2024 Budget

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	7,295	9,454	12,545	9,100	11,826	12,500	2,726	674
HANGAR/TIE DOWN	112,957	125,690	136,635	148,212	145,520	152,800	(2,692)	7,280
OTHER USER FEES	8,599	10,773	10,910	13,000	8,000	13,000	(5,000)	5,000
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	49,404	50,105	63,540	52,000	87,500	91,000	35,500	3,500
STRUCTURE LEASE/RENT	141,092	142,590	147,737	145,000	153,000	153,144	8,000	144
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	20,875	29,776	29,557	26,000	30,157	30,200	4,157	43
MISC & INTERDEPT REVENUE	25,545	96,973	32,945	20,000	22,000	20,000	2,000	(2,000)
TOTAL OPERATING REVENUES	365,768	465,361	433,869	413,312	458,003	472,644	44,691	14,641
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	193,176	166,715	163,965	115,504	102,756	112,338	(12,748)	9,582
SUPPLIES	7,169	7,481	10,268	10,000	10,719	10,750	719	31
OUTSIDE SERVICES	61,321	23,544	13,915	9,860	8,518	15,500	(1,342)	6,982
PUBLIC INFORMATION	1,703	752	2,306	2,420	2,000	2,420	(420)	420
MARKETING	703	476	1,160	550	550	550	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	2,599	872	2,435	150	2,828	2,972	2,678	144
TRAVEL MEETINGS	1,380	795	1,435	4,165	2,310	4,165	(1,855)	1,855
TRAVEL/TRAINING	0	894	0	1,500	342	2,500	(1,158)	2,158
PROMOTIONAL HOSTING	0	36	0	0	100	100	100	0
RENT, UTILITIES, INSURANCE, TAXES	170,576	200,159	154,563	205,435	115,534	114,750	(89,901)	(784)
UTILITY (Pass Thru) & COST OF GOODS SOLD	20,803	24,022	24,840	23,108	25,235	26,364	2,128	1,128
OTHER EXPENSES (Misc & Interdept)	11,715	3,258	1,976	0	27	0	27	(27)
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	140,685	198,040	194,228	195,866	200,115	223,431	4,249	23,316
MAINTENANCE (Materials & Services)	31,189	39,278	44,874	38,000	29,918	34,500	(8,082)	4,582
TOTAL DIRECT EXPENSES	643,018	666,322	615,965	606,558	500,953	550,340	(105,605)	49,387
ALLOCATED EXPENSES - ADMIN & MAINT	294,974	125,377	184,451	298,240	235,421	265,514	(62,819)	30,093
NET SURPLUS (DEFICIT) - Before Depreciation	(572,224)	(326,338)	(366,547)	(491,486)	(278,371)	(343,210)	213,115	(64,839)
ALLOCATED DEPRECIATION	8,360	8,643	9,613	10,274	8,095	8,386	(2,179)	292
DEPRECIATION (includes donated assets)	601,754	626,069	628,209	640,169	606,469	617,746	(33,700)	11,277
NET SURPLUS (DEFICIT) - After Depreciation	(1,182,338)	(961,050)	(1,004,369)	(1,141,929)	(892,934)	(969,342)	248,995	(76,408)

AIRPORT RENTAL PROPERTIES (ARP 33)

The Airport Rental Property business line provides a wide range of industrial and commercial properties that support economic activities in both the public and private sector. Examples of these properties included land and buildings leased by local and state government entities, a not-for-profit carbon fiber recycling technology center and various other private businesses.

Additional Port rental properties (outside of the airport boundary) fall within other lines of businesses.

The objectives of the Airport Rental Property activities are to:

- Provide land & facilities for a range of industrial activities.
- Maximize utilization of Port assets.
- Provide facilities for the creation of living wage jobs.

2023 PROJECTED

Revenue Assumptions

1. Airport Rental Properties-Structure revenues are higher due to CPI increases, new clientele and expansion of existing clientele.
2. Airport Rental Properties-Land lease revenues are higher due to CPI increases, new clientele and expansion of existing clientele.

Expense Assumptions

1. Maintenance on facilities is projected to be higher due to higher occupancy and normal repairs and preparing space for lease such as the 1010/1050 space.
2. Marketing and Outside services were slightly over budget due to strategic change.

2024 BUDGET

Revenue Assumptions

1. The 2024 budget is forecasted to see a slight increase due to CPI and additional leases.

Expense Assumptions

1. Overall expenses should stay primarily unchanged due to forecasted maintenance.

Port of Port Angeles
AIRPORT RENTAL PROPERTIES (ARP - DEPT 33)
2024 Budget

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	0	0	276	0	276	(276)
EQUIPMENT RENTAL	16,032	15,882	15,867	15,000	15,000	15,000	0	0
LAND LEASE/RENT	251,462	275,794	288,491	293,771	300,000	315,000	6,229	15,000
STRUCTURE LEASE/RENT	979,162	1,040,645	1,068,408	1,050,417	1,200,000	1,275,000	149,583	75,000
USE AGMT AND OTHER RENT	4,630	14,293	9,000	9,500	0	0	(9,500)	0
UTILITY PASS THRU & PRODUCT SALES	42,735	51,640	14,779	12,000	30,000	30,000	18,000	0
MISC & INTERDEPT REVENUE	(1,050)	(8,724)	1,119	0	1,500	0	1,500	(1,500)
TOTAL OPERATING REVENUES	1,292,971	1,389,530	1,397,664	1,380,688	1,546,776	1,635,000	166,088	88,224
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	67,687	107,625	86,354	113,190	95,326	113,621	(17,865)	18,296
SUPPLIES	327	912	680	2,500	500	2,500	(2,000)	2,000
OUTSIDE SERVICES	28,415	57,192	27,397	37,000	56,425	68,000	19,425	11,575
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	5,565	4,500	5,515	4,500	6,500	6,500	2,000	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	373	0	1,523	0	0	0	0	0
TRAVEL MEETINGS	0	0	0	1,000	1,000	1,000	0	0
TRAVEL/TRAINING	0	0	0	500	500	500	0	0
PROMOTIONAL HOSTING	0	0	0	1,000	1,000	1,000	0	0
RENT, UTILITIES, INSURANCE, TAXES	162,026	160,882	190,940	174,500	207,624	209,000	33,124	1,376
UTILITY (Pass Thru) & COST OF GOODS SOLD	39,199	59,635	2,234	12,000	2,467	8,000	(9,533)	5,533
OTHER EXPENSES (Misc & Interdept)	1,658	1,212	729	1,000	800	1,000	(200)	200
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	84,252	90,346	83,722	96,281	105,920	118,686	9,639	12,766
MAINTENANCE (Materials & Services)	19,318	26,624	18,406	22,000	53,152	35,000	31,152	(18,152)
TOTAL DIRECT EXPENSES	408,820	508,928	417,500	465,471	531,213	564,807	65,742	33,594
ALLOCATED EXPENSES - ADMIN & MAINT	247,477	160,019	201,872	408,232	451,055	488,579	42,823	37,524
NET SURPLUS (DEFICIT) - Before Depreciation	636,674	720,583	778,292	506,985	564,508	581,614	57,523	17,106
ALLOCATED DEPRECIATION	4,968	6,054	6,759	7,985	8,997	8,912	1,012	(85)
DEPRECIATION (includes donated assets)	442,696	446,215	443,042	451,122	447,298	455,615	(3,824)	8,317
NET SURPLUS (DEFICIT) - After Depreciation	189,008	268,314	328,491	47,878	108,213	117,087	60,335	8,874

SEKIU AIRPORT (SEK 32)

Provides a general aviation link for the Neah Bay, Clallam Bay and Sekiu areas.

The objectives of the Sekiu Airport are:

- Provide light aviation support for the West end of the Port district.
- To maximize revenue opportunities to help defray operating costs.

2023 PROJECTED

Revenue Assumptions

1. Rates and fees will be collected as scheduled based on CPI.

Expense Assumptions

1. Continue inter-local agreement with Clallam County Fire District #5 to assist with supervision and maintenance of the airport facilities.

2024 BUDGET

Revenue Assumptions

1. Rates and fees increase by CPI.
2. Other revenues remain unchanged.

Expense Assumptions

1. Continue inter-local agreement with Clallam County Fire District #5 to assist with supervision and maintenance of the airport facilities.

**Port of Port Angeles
SEKIU (SEK - DEPT 32)
2024 Budget**

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	14,126	14,276	15,182	16,000	16,000	16,800	0	800
OTHER USER FEES	0	0	0	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	0	0	0	0	0	0	0	0
STRUCTURE LEASE/RENT	0	0	0	0	0	0	0	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	600	600	600	630	630	630	0	0
MISC & INTERDEPT REVENUE	0	(682)	0	0	13	0	13	(13)
TOTAL OPERATING REVENUES	14,726	14,194	15,782	16,630	16,643	17,430	13	787
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	14,370	7,039	6,757	5,832	7,403	6,566	1,571	(837)
SUPPLIES	0	188	0	150	0	150	(150)	150
OUTSIDE SERVICES	3,600	3,800	3,600	3,780	3,780	3,780	0	0
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	0	0	0	0	0	0	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	0	0	0	0	0	0	0	0
TRAVEL MEETINGS	140	0	155	245	0	245	(245)	245
TRAVEL/TRAINING	0	0	0	0	0	0	0	0
PROMOTIONAL HOSTING	0	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	6,794	6,742	7,815	6,649	8,852	8,873	2,203	21
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	31	0	0	0	0	0	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	5,740	9,207	18,559	8,500	4,340	13,674	(4,160)	9,334
MAINTENANCE (Materials & Services)	29	3,137	2,421	5,000	0	5,000	(5,000)	5,000
TOTAL DIRECT EXPENSES	30,704	30,113	39,307	30,156	24,374	38,288	(5,782)	13,914
ALLOCATED EXPENSES - ADMIN & MAINT	14,562	5,849	12,274	15,415	12,062	19,402	(3,353)	7,339
NET SURPLUS (DEFICIT) - Before Depreciation	(30,540)	(21,768)	(35,799)	(28,941)	(19,793)	(40,260)	9,148	(20,466)
ALLOCATED DEPRECIATION	413	404	640	531	415	613	(116)	198
DEPRECIATION (includes donated assets)	3,690	2,618	2,618	2,666	2,618	2,667	(48)	49
NET SURPLUS (DEFICIT) - After Depreciation	(34,643)	(24,790)	(39,057)	(32,138)	(22,826)	(43,539)	9,312	(20,713)

PORT ANGELES BOAT HAVEN (PABH 41)

Provide moorage facilities for the commercial fishermen and the recreational boater.

The objectives of the PABH are:

- To provide moorage facilities for both commercial and private vessels
- To enhance the amenities of the facility
- To operate in a manner that will cover the cost of PABH operations
- To obtain a competitive return on the public investment in these facilities

2023 PROJECTED

Revenue Assumptions

1. Marina moorage rates were increased by 10% over 2022 rates. All 2023 rates were Commission approved. This was consistent with past practices for rate increases: AUG CPI plus 1 to 1.5%.
2. Other rates and fees to increase by CPI or market.

Expense Assumptions

1. PetroCard (formerly Masco Petroleum) will continue as the Port's agent in 2024.
2. Expense increases were calculated based upon Aug 2023 CPI rate.

2024 BUDGET

Revenue Assumptions

1. Moorage rates will increase by CPI plus 1. All rates are established/approved by the Commission.

Expense Assumptions

1. Outside service expenses will continue to rise in parallel to CPI increases.
2. Maintenance labor will continue to increase as dictated by market expenses.
3. PetroCard (formerly Masco Petroleum) will continue as the Port's agent in 2024. Per the agent agreement, the base agent fee will increase by 8.3%.

Port of Port Angeles
PORT ANGELES BOAT HAVEN (PABH - DEPT 41)
2024 Budget

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	1,660	1,709	3,739	3,836	3,840		4	(3,840)
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	1,310,119	1,396,023	1,470,152	1,641,037	1,593,195	1,699,939	(47,842)	106,744
MARINA & YARD FEES	56,309	61,906	71,038	91,060	97,638	99,500	6,578	1,862
LANDING/PARKING FEES	0	0	0	0	40	0	40	(40)
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	12,422	10,711	9,803	9,280	10,400	10,900	1,120	500
EQUIPMENT RENTAL	3,800	275	850	1,084	770	850	(314)	80
LAND LEASE/RENT	12,125	11,919	12,579	13,459	12,600	13,200	(859)	600
STRUCTURE LEASE/RENT	18,647	40,694	46,243	40,764	33,300	34,965	(7,464)	1,665
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	146,169	132,824	129,618	146,796	135,800	142,500	(10,996)	6,700
MISC & INTERDEPT REVENUE	3,223	3	3,856	6,263	8,600	9,000	2,337	400
TOTAL OPERATING REVENUES	1,564,474	1,656,064	1,747,878	1,953,579	1,896,183	2,010,854	(57,396)	114,671
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	96,671	86,646	85,812	113,182	113,517	159,714	335	46,197
SUPPLIES	7,939	5,277	6,850	5,015	8,563	9,000	3,548	437
OUTSIDE SERVICES	327,124	313,051	337,134	354,903	437,500	376,500	82,597	(61,000)
PUBLIC INFORMATION	1,343	0	303	2,625	750	1,000	(1,875)	250
MARKETING	0	224	305	480	0	480	(480)	480
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	712	1,354	1,735	263	504	750	242	246
TRAVEL MEETINGS	0	0	524	500	22	500	(478)	478
TRAVEL/TRAINING	128	766	501	0	1,618	800	1,618	(818)
PROMOTIONAL HOSTING	0	0	0	0	74	100	74	26
RENT, UTILITIES, INSURANCE, TAXES	137,647	146,457	153,642	134,954	137,818	138,455	2,864	637
UTILITY (Pass Thru) & COST OF GOODS SOLD	115,383	109,721	105,184	103,340	105,340	108,000	2,000	2,660
OTHER EXPENSES (Misc & Interdept)	5,412	4,116	29,733	4,888	4,888	4,888	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	53,824	66,825	104,122	44,500	96,575	89,658	52,075	(6,917)
MAINTENANCE (Materials & Services)	23,440	28,008	103,941	20,700	27,132	27,200	6,432	69
TOTAL DIRECT EXPENSES	769,623	762,445	929,786	785,350	934,300	917,045	148,951	(17,255)
ALLOCATED EXPENSES - ADMIN & MAINT	341,043	164,285	404,020	378,538	439,657	444,878	61,119	5,220
NET SURPLUS (DEFICIT) - Before Depreciation	453,808	729,334	414,072	789,692	522,225	648,931	(267,466)	126,705
ALLOCATED DEPRECIATION	8,765	8,833	16,772	12,010	14,105	12,949	2,095	(1,156)
DEPRECIATION (includes donated assets)	334,059	346,736	377,726	387,280	422,461	430,316	35,181	7,855
NET SURPLUS (DEFICIT) - After Depreciation	110,984	373,765	19,574	390,402	85,659	205,666	(304,742)	120,007

JOHN WAYNE MARINA (JWM 43)

Provide moorage facilities for the East end of the Port district for the recreational boater, for charter fishing activities, and commercial fishing vessels.

The objectives of the JWM are:

- To provide public waterfront facilities for area residents.
- To continue to explore new revenue opportunities and to generate an excess of receipts over expenditures to help fund Port activities and projects at the marina.
- To obtain a competitive return on the public investment in these facilities.

2023 PROJECTED

Revenue Assumptions

1. Marina moorage rates were increased by 10% over 2022 rates. All 2023 rates were Commission approved. This was consistent with past practices for rate increases: AUG CPI plus 1 to 1.5%.
2. Other rates and fees to increase by CPI or market.

Expense Assumptions

1. Expense increases were calculated based upon Aug 2023 CPI rate.
2. Forecasted maintenance labor increased in anticipation of significant maintenance and repair work on the deteriorating soffit and gutter system.

2024 BUDGET

Revenue Assumptions

1. Moorage rates will increase by CPI plus 1. All rates are established/approved by the Commission.

Expense Assumptions

1. Outside services expected to increase in 2024 due to needed maintenance work on the fuel distribution system. This expense was originally scheduled for 2023.
 1. Outside service expenses will continue to rise in parallel to CPI increases.
 2. Maintenance labor will continue to increase as dictated by market expenses.

**Port of Port Angeles
JOHN WAYNE MARINA (JWM - DEPT 43)
2024 Budget**

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	152	850	278	220	220	220	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	1,091,916	1,178,595	1,265,061	1,409,917	1,380,337	1,472,820	(29,580)	92,483
MARINA & YARD FEES	67,006	69,912	74,476	102,230	100,274	105,000	(1,956)	4,726
LANDING/PARKING FEES	0	0	0	0	600	600	600	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	125	450	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	525	525	525	0
LAND LEASE/RENT	869	890	949	900	900	900	0	0
STRUCTURE LEASE/RENT	34,160	30,330	41,747	40,000	45,000	45,000	5,000	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	303,355	378,926	454,327	442,000	367,900	420,000	(74,100)	52,100
MISC & INTERDEPT REVENUE	(6,853)	(37,200)	(10,191)	5,050	5,995	6,000	945	5
TOTAL OPERATING REVENUES	1,490,605	1,622,428	1,827,097	2,000,317	1,901,751	2,051,065	(98,566)	149,314
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	401,641	413,672	370,366	429,901	385,794	497,822	(44,107)	112,028
SUPPLIES	12,236	11,640	13,460	11,920	17,844	18,800	5,924	956
OUTSIDE SERVICES	14,926	15,348	7,721	15,000	18,407	28,554	3,407	10,147
PUBLIC INFORMATION	787	1,000	697	0	400	1,000	400	600
MARKETING	0	224	305	475	0	475	(475)	475
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	537	510	924	263	0	0	(263)	0
TRAVEL MEETINGS	210	230	573	0	73	0	73	(73)
TRAVEL/TRAINING	128	766	501	0	1,698	1,800	1,698	102
PROMOTIONAL HOSTING	0	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	92,454	100,049	97,670	105,929	107,834	108,842	1,905	1,008
UTILITY (Pass Thru) & COST OF GOODS SOLD	244,817	297,971	347,081	361,740	269,970	362,217	(91,770)	92,247
OTHER EXPENSES (Misc & Interdept)	30,729	47,838	37,487	36,606	36,600	37,500	(6)	900
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	34,894	58,975	75,041	62,800	46,481	74,748	(16,319)	28,267
MAINTENANCE CHARGE-OUT & REIMBUR	33,214		75,041	62,800	46,481	74,748	(16,319)	28,267
MAINTENANCE (Materials & Services)	17,360	24,142	55,387	37,000	33,323	38,500	(3,677)	5,177
TOTAL DIRECT EXPENSES	850,719	972,365	1,007,213	1,061,634	918,424	1,170,258	(143,210)	251,834
ALLOCATED EXPENSES - ADMIN & MAINT	316,867	169,782	258,520	388,464	343,922	444,326	(44,542)	100,404
NET SURPLUS (DEFICIT) - Before Depreciation	323,019	480,281	561,364	550,220	639,405	436,481	89,186	(202,924)
ALLOCATED DEPRECIATION	8,143	9,129	10,732	12,324	11,034	12,933	(1,290)	1,899
DEPRECIATION (includes donated assets)	65,231	64,371	63,864	67,352	62,260	63,418	(5,092)	1,158
NET SURPLUS (DEFICIT) - After Depreciation	249,645	406,781	486,768	470,544	566,112	360,131	95,568	(205,981)

RENTAL PROPERTIES (RP 61)

The Rental Property business line consists of those properties that are not associated with other lines of business and provides a range of mostly industrial properties and a few commercial properties that support various economic activities in the private sector. Examples of these properties are: land and buildings along the Port Angeles waterfront and Marine Drive.

Additional Rental Properties fall within other, specific lines of businesses (LOB).

The objectives of the Rental Property activity are to:

- Provide land & facilities for a range of industrial & commercial activities.
- Maximize utilization of Port assets
- Provide facilities for the creation of living wage jobs.

2023 PROJECTED

1. 2023 structure lease revenue is projected to be higher than budgeted due to CPI increases, new tenants and tenant expansion.
2. 2023 land lease revenue is CPI increases, new tenants and tenant expansion.

Expense Assumptions

1. 2023 expenses are higher due to higher maintenance and repair requirements.

2024 BUDGET

Revenue Assumptions

1. A slight increase expected in current miscellaneous leases due to CPI. Department 61 – Rental Properties consists of the land & structure leases that are not easily categorized into the physical locations of other Port departments.

Expense Assumptions

1. Maintenance and staff salary allocations budgeted conservatively for 2024 but are considerably higher.

Port of Port Angeles
RENTAL PROPERTIES (RP - DEPT 61)
2024 Budget

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	720	1,560	0	2,500	2,500	2,500	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	68,666	71,618	73,254	71,000	100,000	105,000	29,000	5,000
STRUCTURE LEASE/RENT	20,291	13,438	59,332	53,000	80,000	84,500	27,000	4,500
USE AGMT AND OTHER RENT	7,291	7,291	7,291	7,291	7,291	7,500	0	209
UTILITY PASS THRU & PRODUCT SALES	720	1,340	4,990	5,000	5,000	5,250	0	250
MISC & INTERDEPT REVENUE	185	(16,254)	(492)	0	99	100	99	1
TOTAL OPERATING REVENUES	97,153	78,153	145,935	136,291	194,890	204,850	58,599	9,960
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	52,496	46,827	32,932	36,948	42,030	35,762	5,082	(6,268)
SUPPLIES	109	79	0	0	0	0	0	0
OUTSIDE SERVICES	273	2,280	17,258	1,800	6,300	6,500	4,500	200
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	4,600	0	0	0	0	0	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	140	140	90	0	0	0	0	0
TRAVEL MEETINGS	0	0	0	0	50	0	50	(50)
TRAVEL/TRAINING	0	0	0	0	0	0	0	0
PROMOTIONAL HOSTING	0	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	36,068	38,831	39,955	30,534	37,250	42,250	6,716	5,000
UTILITY (Pass Thru) & COST OF GOODS SOLD	720	720	720	800	1,500	2,300	700	800
OTHER EXPENSES (Misc & Interdept)	3,210	0	1,021	500	0	1,000	(500)	1,000
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT MAINTENANCE (Materials & Services)	14,779	11,996	11,543	14,500	30,837	14,333	16,337	(16,504)
	6,000	1,699	7,066	7,500	14,782	11,000	7,282	(3,782)
TOTAL DIRECT EXPENSES	118,395	102,572	110,585	92,582	132,749	113,145	40,167	(19,604)
ALLOCATED EXPENSES - ADMIN & MAINT	61,545	25,617	43,075	50,942	69,611	60,951	18,669	(8,660)
NET SURPLUS (DEFICIT) - Before Depreciation	(82,787)	(50,036)	(7,725)	(7,233)	(7,470)	30,754	(237)	38,224
ALLOCATED DEPRECIATION	1,582	1,378	1,788	1,616	2,233	1,774	617	(459)
DEPRECIATION (includes donated assets)	13,763	13,767	13,767	14,018	13,766	14,022	(252)	256
NET SURPLUS (DEFICIT) - After Depreciation	(98,132)	(65,181)	(23,280)	(22,867)	(23,470)	14,958	(603)	38,427

MECHANICAL MAINTENANCE (MM 91)

The Port Mechanical Maintenance department is responsible for the maintenance and upkeep of the Port's equipment and vehicles. This equipment includes rolling stock and boom boats for log handling and cargo operations, maintenance related equipment, airport firefighting and snow removal equipment, marina and boatyard equipment and the Port's fleet of vehicles.

The Port maintains the following equipment:

- 6 - Log stackers
- 4 - Hydraulic grapple log loaders
- 1 - 980 Caterpillar wheel loaders
- 2 - John Deere Gators
- 1 - John Deere Backhoe
- 3 - Boom boats
- 1 - Tymco Vacuum Sweeper and 1 Broce Broom
- 2 - 10-yard dump trucks and 1 5-yard dump truck
- 1 - John Deere Grader
- 1 - 2-ton flatbed truck
- 1 - Water truck
- 1- ARFF Fire trucks and firefighting equipment
- 7 - Forklifts
- 4 - Tractors
- 1 - New Holland Tractor Mower
- 1 - John Deere Tractor w/mower deck
- 1 - International Tractor w/brush hog mower
- 3 - riding mowers
- 3 - push mowers
- 1 - Scissor lift
- 1 - boom lift
- 19 Fleet vehicles (mostly pickup trucks) 19 Fleet vehicles (mostly pickup trucks)

2023 BUDGET

Expense Assumptions

1. Increased labor dollars and replacement parts for mechanical repairs; Especially in the Log Yard, where aging equipment failures are inevitable.
2. Mandatory mechanical Overtime pay for on-call and unforeseen breakdowns.
3. Petroleum prices continue upward causing our "supplies" to go over budget.
4. Labor hours continue to climb during cargo loading operations.
5. Expenses overall are expected to be higher than the 2023 budget as inflation cost have increased over the last 6 months.

2024 BUDGET

Expense Assumptions

1. Workload will to be accomplished with 2 FTE's.
2. Supplies purchased for MM are to replace aging equipment and improve safety & efficiency of daily tasks.
3. There are several projects slated for 2024 involving log yard equipment rebuilds. Specifically, stackers and one Letourneau. Total cost approximately \$39,000.

Port of Port Angeles
MECHANICAL MAINTENANCE (MM - DEPT 91)
2024 Budget

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	0	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	0	0	0	0	0	0	0	0
STRUCTURE LEASE/RENT	0	0	0	0	0	0	0	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	0	0	0	0	0	0	0	0
MISC & INTERDEPT REVENUE	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	0	0	0	0	0	0	0	0
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	22,394	12,325	16,641	20,217	25,000	22,428	4,783	(2,572)
SUPPLIES	40,129	60,471	65,438	51,000	65,000	70,000	14,000	5,000
OUTSIDE SERVICES	5,273	9,283	8,698	4,700	11,500	7,800	6,800	(3,700)
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	0	0	0	0	0	0	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	469	0	0	0	0	0	0	0
TRAVEL MEETINGS	0	0	0	0	0	0	0	0
TRAVEL/TRAINING	0	6,906	0	500	0	500	(500)	500
PROMOTIONAL HOSTING	0	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	28,379	7,998	25,626	22,700	30,955	22,700	8,255	(8,255)
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	0	27	0	0	0	0	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	39,256	29,131	34,179	38,876	14,066	36,927	(24,810)	22,861
MAINTENANCE (Materials & Services)	10,169	6,804	14,121	5,200	5,157	8,000	(43)	2,843
TOTAL DIRECT EXPENSES	146,069	132,945	164,703	143,193	151,678	168,355	8,485	16,677
ALLOCATED EXPENSES - ADMIN & MAINT	(146,069)	(132,945)	(164,703)	(143,193)	(151,678)	(168,355)	(8,485)	(16,677)
NET SURPLUS (DEFICIT) - Before Depreciation	0	0	0	0	0	0	0	0
ALLOCATED DEPRECIATION	(15,658)	(16,005)	(16,005)	(16,297)	(13,447)	(13,697)	2,850	(250)
DEPRECIATION (includes donated assets)	15,658	16,005	16,005	16,297	13,447	13,697	(2,850)	250
NET SURPLUS (DEFICIT) - After Depreciation	0	0	0	0	0	0	0	0

Note: All expenses for centralized services (overhead departments) are allocated to the lines of business using the Modified Total Direct Cost (MTDC) model as specified by the US Office of Management & Budget – see Section VIII Supplemental Information, pages VIII-13 & VIII-14. The resulting total in the Net Surplus (Deficit) After Depreciation line is \$0 for all centralized services.

FACILITIES MAINTENANCE (FM 92)

The Facilities Maintenance (FM) department provides for the maintenance and upkeep of numerous Port buildings and facilities including the Marine Terminals, William R. Fairchild International and Sekiu Airports, John Wayne Marina, Port Angeles Boat Haven, the Marine Trades Area, T1 & T3 Pier, PABH & JWM Boat Launch Ramps, the Port Log Yard and various rental properties. FM also provides maintenance and upkeep of the MTA Washdown Facility and all Port storm water filtration systems.

Primary services provided by the FM department include carpentry, electrical, plumbing, HVAC, fire safety, stormwater, material handling, equipment operations, grounds maintenance and a wide variety of capital improvement projects. The FM crew also provides a reservoir of labor that can be called upon by the Log Yard during busy periods including operation of boom boats, loading logs, watering, etc.

2023 PROJECTED

Expense Assumptions

1. Capital projects for the rest of the year include, but are not limited to, repair of the path for the travel lift in the PABY by replacing sunken asphalt with concrete runners.
- 2.
3. FM activities through the end of year will include routine and seasonal maintenance. Be the sole provider of labor for the log yard over burden removal. (there are still several hundred yards of material) Crack sealing FIA asphalt, and sealcoating compromised areas. Provide labor to the log yard an average of 3 days a week. Lay TPO roofing at FIA roof portions that are leaking. Assist with the chain replacement at the aquatic storage rental area.

2024 BUDGET

Expense Assumptions

1. Workload will to be accomplished with 8 FTE's.
2. FM assistance with LY Operations continues regularly. FM Labor services also utilized to assist with: LY dust control, Bark/rock hauling, and over burden removal. Chip set up and tear down and associated pier clean up, after chip/log loading operations.
3. Maintenance expenses vary across departments, generally following trend, but punctuated with larger maintenance projects. These projects include landscaping at various Port owned rental properties, airport/main terminal and hanger areas, grounds keeping all properties, Black top maintenance for airport and port owned parking lots. Expense increases as we encounter more homeless camp site clean-ups. Also increased material cost and Manpower time for our 4 storm water treatment facilities.
4. F.M. has proposed the erection of a pole building on Butler st. that will serve as dry storage for our equipment stored there.
5. FM will be tackling several larger projects that outside services could be justified. We will perform these construction projects with our in house crew.
 - FIA terminal roof replacement
 - Administration building façade improvements
 - 800 total feet of gutter replacement throughout the port properties

Port of Port Angeles
FACILITIES MAINTENANCE (FM - DEPT 92)
2024 Budget

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	0	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	0	0	0	0	0	0	0	0
STRUCTURE LEASE/RENT	0	0	0	0	0	0	0	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	0	0	0	0	0	0	0	0
MISC & INTERDEPT REVENUE	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	0	0	0	0	0	0	0	0
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	74,942	67,808	93,399	86,885	80,342	91,374	(6,543)	11,032
SUPPLIES	34,485	41,667	60,459	48,799	48,302	48,299	(497)	(3)
OUTSIDE SERVICES	5,284	6,266	5,743	5,886	2,218	6,886	(3,668)	4,668
PUBLIC INFORMATION	0	0	0	0	0	0	0	0
MARKETING	0	0	0	0	0	0	0	0
COMMUNITY RELATIONS	0	0	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	540	0	950	450	0	250	(450)	250
TRAVEL MEETINGS	6	91	0	0	20	0	20	(20)
TRAVEL/TRAINING	5,402	249	3,515	4,000	42	5,200	(3,958)	5,158
PROMOTIONAL HOSTING	82	0	0	0	0	0	0	0
RENT, UTILITIES, INSURANCE, TAXES	25,088	23,909	29,802	12,875	31,221	19,800	18,346	(11,421)
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	2,505	3,298	2,629	2,310	2,690	2,500	380	(190)
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	140,224	81,181	105,504	105,379	36,399	114,691	(68,980)	78,291
MAINTENANCE (Materials & Services)	32,593	22,892	14,265	19,000	22,090	23,500	3,090	1,410
TOTAL DIRECT EXPENSES	321,151	247,361	316,266	285,584	223,324	312,500	(62,260)	89,176
ALLOCATED EXPENSES - ADMIN & MAINT	(321,151)	(247,361)	(316,266)	(285,584)	(223,324)	(312,500)	62,260	(89,176)
NET SURPLUS (DEFICIT) - Before Depreciation	0	(0)	(0)	0	0	0	(0)	0
ALLOCATED DEPRECIATION	(22,599)	(23,856)	(26,420)	(27,150)	(24,272)	(24,723)	2,878	(451)
DEPRECIATION (includes donated assets)	22,599	23,856	26,420	27,150	24,272	24,723	(2,878)	451
NET SURPLUS (DEFICIT) - After Depreciation	0	(0)	(0)	0	0	0	(0)	0

Note: All expenses for centralized services (overhead departments) are allocated to the lines of business using the Modified Total Direct Cost (MTDC) model as specified by the US Office of Management & Budget – see Section VIII Supplemental Information, pages VIII-13 & VIII-14. The resulting total in the Net Surplus (Deficit) After Depreciation line is \$0 for all centralized services.

ADMINISTRATIVE AND GENERAL (A&G 80)

Administration includes the Commission, Executive Management, Finance and Accounting, Human Resources, Public Relations, Engineering, Environmental and Security, and Port Counsel services to all departments. Activities include accounting, budgeting, financial reporting, debt financing, investment management, insurance/risk management, audit functions, engineering, capital project management, environmental stewardship and legal services.

The objectives of the Administration of the Port are:

- To provide quality information and support to the Commission and all departments.
- To be responsive to inquiries and changing requirements of the Commission, the public, customers, and employees.
- To provide transparency in financial reporting to the Commission, the public, staff and compliance with regulations.

2023 PROJECTED

Expense Assumptions

1. Salaries and benefits combined are expected to be higher than the budget due to staffing changes.
2. Outside services are under budget due to lower use of specialized consulting support (regulatory, grant writing assistance, marketing, strategic plan).
3. Contingency funds budgeted for 2023 have not been utilized.

2024 BUDGET

Expense Assumptions

1. Staffing costs reflect cost of living increases.
2. Outside services include a base level for legal, technology, general consulting, janitorial, state audit, etc.
3. Public information includes community outreach and state/federal legislative advocacy.
4. Rent, Utilities, Insurance and Taxes are expected to be slightly higher in 2024.

**Port of Port Angeles
ADMINISTRATION (ADMIN - DEPT 80)
2024 Budget**

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING REVENUES								
DOCKAGE	0	0	0	0	0	0	0	0
WHARFAGE	0	0	0	0	0	0	0	0
SERVICE & FACILITIES	0	0	0	0	0	0	0	0
MT HANDLING	0	0	0	0	0	0	0	0
LABOR SERVICES	0	0	0	0	0	0	0	0
LOG YARD STAGING	0	0	0	0	0	0	0	0
LOG YARD LAND SERVICES	0	0	0	0	0	0	0	0
LOG YARD WATER SERVICES	0	0	0	0	0	0	0	0
MOORAGE	0	0	0	0	0	0	0	0
MARINA & YARD FEES	0	0	0	0	0	0	0	0
LANDING/PARKING FEES	0	0	0	0	0	0	0	0
HANGAR/TIE DOWN	0	0	0	0	0	0	0	0
OTHER USER FEES	0	0	0	0	0	0	0	0
EQUIPMENT RENTAL	0	0	0	0	0	0	0	0
LAND LEASE/RENT	0	0	0	0	0	0	0	0
STRUCTURE LEASE/RENT	0	0	0	0	0	0	0	0
USE AGMT AND OTHER RENT	0	0	0	0	0	0	0	0
UTILITY PASS THRU & PRODUCT SALES	0	0	0	0	0	0	0	0
MISC & INTERDEPT REVENUE	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	0	0	0	0	0	0	0	0
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	1,582,854	118,745	435,102	1,226,647	1,351,829	1,529,313	125,182	177,485
SUPPLIES	38,875	44,912	44,952	60,000	57,332	60,000	(2,668)	2,668
OUTSIDE SERVICES	184,143	299,142	255,113	368,500	350,000	368,500	(18,500)	18,500
PUBLIC INFORMATION	109,530	123,682	110,689	105,000	110,000	105,000	5,000	(5,000)
MARKETING	1,881	0	120	2,500	500	2,500	(2,000)	2,000
COMMUNITY RELATIONS	0	197	0	2,500	6,000	2,500	3,500	(3,500)
ADS, DUES & PUBLICATIONS	32,120	29,680	20,375	22,640	22,500	24,504	(140)	2,004
TRAVEL MEETINGS	7,187	10,515	9,381	10,000	12,500	10,000	2,500	(2,500)
TRAVEL/TRAINING	8,237	11,827	10,516	10,000	15,000	10,000	5,000	(5,000)
PROMOTIONAL HOSTING	30	141	161	0	600	0	600	(600)
RENT, UTILITIES, INSURANCE, TAXES	157,832	141,845	181,532	177,200	194,711	197,200	17,511	2,489
UTILITY (Pass Thru) & COST OF GOODS SOLD	285	590	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	40,598	(29,196)	4,856	5,000	9,500	5,000	4,500	(4,500)
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	39,004	19,937	18,344	20,000	32,588	30,808	12,588	(1,780)
MAINTENANCE (Materials & Services)	24,303	9,623	13,450	11,150	21,863	12,400	10,713	(9,463)
TOTAL DIRECT EXPENSES	2,226,879	781,641	1,104,591	2,021,137	2,184,922	2,357,725	163,785	172,803
ALLOCATED EXPENSES - ADMIN & MAINT	(2,226,879)	(781,641)	(1,104,591)	(2,021,137)	(2,184,922)	(2,357,725)	(163,785)	(172,803)
NET SURPLUS (DEFICIT) - Before Depreciation	0	(0)	0	0	0	0	0	0
ALLOCATED DEPRECIATION	(38,097)	(40,235)	(40,216)	(40,949)	(50,300)	(51,235)	(9,351)	(935)
DEPRECIATION (includes donated assets)	38,097	40,235	40,216	40,949	50,300	51,235	9,351	935
NET SURPLUS (DEFICIT) - After Depreciation	0	(0)	0	0	0	0	0	0

Note: All expenses for centralized services (overhead departments) are allocated to the lines of business using the Modified Total Direct Cost (MTDC) model as specified by the US Office of Management & Budget – see Section VIII Supplemental Information, pages VIII-13 & VIII-14. The resulting total in the Net Surplus (Deficit) After Depreciation line is \$0 for all centralized services.

ECONOMIC & BUSINESS DEVELOPMENT (BD 81)

Economic development focuses on the strategic priorities of the Port to further economic growth in Clallam County by identifying new opportunities, creating diversification for more resiliency, and supporting targeted industries with a focus on industries that provide living wage jobs.

The objectives of business development activity are:

- To increase industrial activity through targeted marketing of Port assets and capabilities.
- To partner with public, nonprofit and private entities to create synergies and leverage community assets.

Maintaining and improving relations between the Port and its customers and potential targeted customers is a core aspect of expanding existing business and creating new business. Each line of business has a set of activities related to taking care of their existing business and customers. This department is for activities that go beyond taking care of the Port's existing business lines. Promotional Hosting can only be used for the public purpose of furthering the local economy through expanding industrial development and trade promotion as stipulated by R.C.W. 53.36.130 and as supported by the Port's Strategic Plan.

2023 PROJECTED

Expense Assumptions

1. The Economic Development department is projected to be at or under budget for 2023.

2024 BUDGET

Expense Assumptions

1. Outside Services are forecasted to expand due to maintenance.
2. The marketing budget has been increased for MTC rollout.

Port of Port Angeles
ECONOMIC & BUSINESS DEVELOPMENT (BD - DEPT 81)
2024 Budget

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
OPERATING EXPENSES								
SALARIES, BENEFITS & INTERDEPT CHRGS	155,100	232,169	181,429	194,666	196,061	207,426	1,395	11,365
SUPPLIES	0	108	0	0	348	0	348	(348)
OUTSIDE SERVICES	89,923	53,222	151,159	82,500	60,230	83,980	(22,270)	23,750
PUBLIC INFORMATION	11,201	7,005	41,591	15,000	25,000	20,000	10,000	(5,000)
MARKETING	5,618	1,396	4,815	10,500	10,400	44,000	(100)	33,600
COMMUNITY RELATIONS	0	135	0	0	0	0	0	0
ADS, DUES & PUBLICATIONS	3,200	6,375	2,575	6,000	5,750	5,750	(250)	0
TRAVEL MEETINGS	3,928	2,963	1,871	8,500	16,000	16,000	7,500	0
TRAVEL/TRAINING	(1,100)	2,994	(165)	5,000	5,000	5,000	0	0
PROMOTIONAL HOSTING	954	1,359	890	5,000	5,000	5,000	0	0
RENT, UTILITIES, INSURANCE, TAXES	540	2,212	1,552	700	700	700	0	0
UTILITY (Pass Thru) & COST OF GOODS SOLD	0	0	0	0	0	0	0	0
OTHER EXPENSES (Misc & Interdept)	37,115	34,917	14,988	12,000	12,000	12,000	0	0
CONTINGENCY	0	0	0	0	0	0	0	0
MAINT LABOR, BENEFITS & INTER-DEPT	(428)	0	0	0	0	0	0	0
MAINTENANCE (Materials & Services)	0	0	0	0	0	0	0	0
TOTAL DIRECT EXPENSES	306,051	344,855	400,705	339,866	336,489	399,856	(3,377)	63,367
ALLOCATED EXPENSES - ADMIN & MAINT	(306,051)	(344,855)	(400,705)	(339,866)	(336,489)	(399,856)	3,377	(63,367)
NET SURPLUS (DEFICIT)	0	0	0	0	0	0	0	0
ALLOCATED DEPRECIATION	0	0	0	0	0	0	0	0
DEPRECIATION (includes donated assets)	0	0	0	0	0	0	0	0
NET SURPLUS (DEFICIT) - After Depreciation	0	0	0	0	0	0	0	0

Note: All expenses for centralized services (overhead departments) are allocated to the lines of business using the Modified Total Direct Cost (MTDC) model as specified by the US Office of Management & Budget – see Section VIII Supplemental Information, pages VIII-13 & VIII-14. The resulting total in the Net Surplus (Deficit) After Depreciation line is \$0 for all centralized services.

Promotional Hosting Maximum							
Per RCW 53.36.130, funds for promotional hosting expenditures shall be expended only from gross operating revenues and shall not exceed one percent (1%) thereof upon the first two million five hundred thousand dollars (\$2,500,000.00) of such gross operating revenues, one-half of one percent (.5%) upon the next two million five hundred thousand dollars (\$2,500,000.00) of such gross operating revenues, and one-fourth of one percent (.25%) on the excess over five million dollars (\$5,000,000.00) of such revenues:							
PROVIDED, HOWEVER, that in no case shall these limitations restrict the Port District to less than twenty-five hundred dollars (\$2,500.00) per year from any funds available to the Port.							
	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 Budget	2023 Projected	2024 Budget
Gross Operating Revenue Budget	8,927,022	9,100,988	10,377,853	10,405,312	6,760,818	10,764,790	11,226,559
. \$0 to \$2,500,000	1.00%	25,000	25,000	25,000	25,000	25,000	25,000
. Over \$2,500,000 to \$5,000,000	0.50%	12,500	12,500	12,500	12,500	12,500	12,500
. Excess over \$5,000,000	0.25%	9,818	10,252	13,445	13,513	4,402	14,412
Allowed Promotional Hosting per RCW	47,318	47,752	50,945	51,013	41,902	51,912	53,066
	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 Budget	2023 Projected	2024 Budget
Promotional Hosting by Line of Business							
Marine Terminal	434	101	275	44	500	200	1,000
Marine Trades Area	262	0	223	0	1,000	0	1,000
Log Yard	1,770	0	35	32	2,000	35	2,035
Fairchild International Airport & Airport Rental Prop.	221	0	36	0	1,000	1,100	1,100
Business Development	3,430	984	1,500	1,051	5,000	5,600	5,000
Total Promotional Hosting	6,116	1,085	2,069	1,127	9,500	6,935	10,135
Per RCW 53.36.120, expenditures for industrial development and trade promotion are also specific budget items, but are not limited in amount per RCW. Industrial development and trade promotion are included in the Business Development budget as well as the Marketing line item across all departments.							
	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 Budget	2023 Projected	2024 Budget
Industrial Development & Trade Promotion							
Marketing Line Item							
Fairchild International Airport & Airport Rental Prop.	7,458	6,268	4,976	6,675	5,050	7,050	7,050
Marine Trades Area & Log Yard	1,500	2,349	0	1,000	4,000	0	4,000
Port Angeles Boat Haven & John Wayne Marina	1,616	0	448	610	955	0	955
Rental Properties	500	4,600	0	0	0	0	0
Administration	703	1,881	0	120	2,500	500	2,500
Business Development	15,759	5,618	1,396	4,815	10,500	10,400	44,000
Total Industrial Dev & Trade Promotion	27,537	20,716	6,820	13,220	23,005	17,950	58,505
In addition to the above, the Port contracts for Economic Development Services (currently) & CRTC in Outside Services (ended 2017)							
Economic Development Corporation	30,000	40,000	50,000	50,000	50,000	50,000	50,000
CRTC	n/a	n/a	n/a	n/a	n/a	n/a	n/a

NON-OPERATING (NONOP 90)

These activities generate revenues and require expenditures that are outside normal Port operating activities. Revenues consist of interest earnings on investments, grant funds for operations and capital projects, and tax receipts distributed by the county (property tax, timber tax, leasehold tax). Timber tax applies to all timber harvested on private, state and federal lands. Leasehold tax is imposed for the private use of publicly owned real or personal property. The expenditures consist of environmental costs from historical operations (investigation, feasibility study, and cleanup), other unusual gains/losses or settlements and debt interest payments.

2023 PROJECTED

Revenue Assumptions

General:

1. Other taxes (timber harvest taxes) are slightly lower than budget due to unpredictable harvest activities. Interest earnings are higher than budgeted due rising interest rates.

Capital:

1. Property tax revenues are on track with budget.

Expense Assumptions

General:

1. Environmental expenses for historical cleanup sites are netted against Port insurance reimbursements. Legal and staff administrative expenses are not typically covered by insurance policies.

Capital:

1. Interest expense continues to decrease due to lower debt levels.

2024 BUDGET

Revenue Assumptions

General:

1. Interest earnings are projected to be similar to 2023 due to stabilizing market interest rates of short and long-term investments. The Local Government Investment Pool (LGIP) and Money Market account rates increased in 2023 and are forecasted to stay stable. Investments are managed with the goal of realizing maximum interest revenue while maintaining needed liquidity. Other taxes (timber harvest taxes) are budgeted conservatively; they are difficult to predict. Misc expenses include \$333k for airline support, partially offset by \$200k misc income from the related grant program.

Capital:

1. The Port property tax levy will be increased in 2023 by 1% as directed by the Commission. The property tax levy calculation assumes approximately \$XXX million of new construction (as reported by the Clallam County Assessor).

Expense Assumptions

General:

1. Net Environmental line item includes specialized consulting expenses \$200k, reduced by insurance payments (\$200k). Expenses that are not covered by insurance result in estimated, higher than 2022 actuals. The \$290k estimated net expense is a compilation of staff administrative work, continued litigation, consulting fees and environmental settlement. Values used are estimates using historical data including the cleanup of the 220 Tumwater site. Misc. expenses include \$25k funding for the Community Partner Program.

Capital:

1. See Section V – Capital Budget for details of the estimated \$7.8 million grant revenue.

Port of Port Angeles
NON-OPERATING (NONOP - DEPT 90)
2024 Budget

	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2023 PROJECTED	2024 BUDGET	2023 Proj Over/(Under) 2023 Budget	2024 Budget Over/(Under) 2023 Proj
NON-OP GENERAL REVENUES								
INTEREST EARNINGS	258,573	42,430	220,740	300,000	850,000	850,000	550,000	0
OTHER TAX RECEIPTS	142,293	142,799	142,013	140,000	110,031	140,000	(29,969)	29,969
MISC NON OP REVENUES	43,787	22,793	10,357	7,000	9,953	9,500	2,953	(453)
GRANTS - OPERATIONS	153,745	76,404	126,470	201,000	1,000	201,000	(200,000)	200,000
PASSENGER FACILITY CHARGES (PFC'S)	882	1,548	1,743	1,500	1,500	1,500	0	0
GAIN (LOSS) & SPECIAL ITEMS	(71,727)	(22,384)	(192,592)	0	14,570	0	14,570	(14,570)
TOTAL NON-OP GENERAL REV	527,553	263,590	308,731	649,500	987,054	1,202,000	337,554	214,946
NON-OP GENERAL EXPENSES								
NET ENVIRONMENTAL (see narrative)	250,260	109,860	2,714,417	290,000	87,000	200,000	(203,000)	113,000
MISC NON OP EXPENSE	96,076	46,621	44,886	368,000	27,800	363,000	(340,200)	335,200
TOTAL NON-OP GENERAL EXP	346,336	156,481	2,759,303	658,000	114,800	563,000	(543,200)	448,200
NET NON-OP GENERAL SURPLUS (DEFICIT)	181,217	107,109	(2,450,572)	(8,500)	872,254	639,000	880,754	(233,254)
NON-OP CAPITAL REVENUES								
PROPERTY TAX RECEIPTS	1,580,760	1,608,294	1,640,431	1,670,000	1,688,362	1,725,000	18,362	36,638
GRANTS - CAPITAL	409,517	663,235	942,732	7,459,950	7,271,554	7,856,388	(188,396)	584,834
TOTAL NON-OP CAPITAL REV	1,990,277	2,271,529	2,583,163	9,129,950	8,959,916	9,581,388	(170,034)	621,472
NON-OP CAPITAL EXPENSES								
BOND COSTS & INTEREST EXPENSE	262,128	57,773	55,329	126,175	59,557	43,426	(66,618)	(16,131)
TOTAL NON-OP CAPITAL EXP	262,128	57,773	55,329	126,175	59,557	43,426	(66,618)	(16,131)
NET NON-OP CAPITAL SURPLUS (DEFICIT)	1,728,149	2,213,756	2,527,834	9,003,775	8,900,359	9,537,962	(103,416)	637,603
NET NON-OP SURPLUS (DEFICIT)	1,909,366	2,320,865	77,262	8,995,275	9,772,613	10,176,962	777,338	404,349
TOTAL NET NON-OP SURPLUS (DEFICIT)	1,909,366	2,320,865	77,262	8,995,275	9,772,613	10,176,962	777,338	404,349

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2024 POPA Budgeted Outside Services

		2021	2022	2023	2024
Dept	Description	Budget	Budget	Budget	Budget
41-PABH	PABH Agent Fee	318,500	331,112	340,353	356,000
80-ADM	Est legal services	120,000	150,000	150,000	150,000
80-ADM	IT support services / software	54,200	54,200	72,500	72,500
15-MTA	Boatyard Agent Fees	53,000	57,228	63,000	63,000
80-ADM	SAO Audit Fees	44,000	56,500	50,000	50,000
33-ARP	Legal and misc	-	2,000	2,000	33,000
81-BD	Clallam County EDC	50,000	50,000	30,000	30,000
33-ARP	Janitorial for Homeland / GSA	35,000	26,000	26,000	26,000
80-ADM	Admin Janitorial	19,000	25,000	22,000	22,000
41-PABH	Waste oil, Pacific Breeze, and Misc	9,500	9,500	14,550	20,500
11-MT	Stormwater system maintenance	-	-	20,000	20,000
21-LY	Stormwater system maintenance	20,000	20,000	20,000	20,000
80-ADM	Synergy IT support for Dynamics	25,000	20,000	20,000	20,000
15-MTA	Legal expense	-	15,000	16,000	16,000
11-MT	Enviornmental	-	-	-	15,000
15-MTA	Cultural Site Investigation / Misc	-	12,000	15,000	15,000
21-LY	Boomground maintenance	-	-	15,000	15,000
21-LY	Enviornmental	-	-	-	15,000
80-ADM	General consulting - TBD	50,000	15,000	15,000	15,000
81-BD	MTC Business Development	50,000	20,000	20,000	15,000
43-JWM	Marina Management Software	-	-	-	14,500
43-JWM	Fuel System Maint / Pump septic tanks	15,000	15,000	15,000	14,054
81-BD	Web page development	-	30,000	5,000	11,480
11-MT	On call structural engineer	-	15,000	10,000	10,000
21-LY	Legal and Consulting	-	20,000	15,000	10,000
81-BD	Market analysis for maritime	-	10,000	10,000	10,000
33-ARP	Fire alarm monitoring	-	9,000	9,000	9,000
31-FIA	Aircraft tracking services	2,000	-	-	8,000
80-ADM	GASB 49 Environmental reporting	7,500	8,000	8,000	8,000
81-BD	Center for Incl. Entrep cash support	10,000	10,000	7,500	7,500
80-ADM	Acct software annual license	6,500	6,500	7,000	7,000
61-RP	Legal and Misc	-	1,800	1,800	6,500
80-ADM	Rackspace (email and MS Office)	5,500	5,500	6,200	6,200
11-MT	Janatorial Services	-	-	-	6,000
15-MTA	Washwater disposal fees	5,700	5,700	6,000	6,000
31-FIA	Terminal Janatorial Svcs	-	-	6,476	6,000
80-ADM	Centenial Celebration Fund	-	-	6,000	6,000
80-ADM	Floor mats, shredding, and misc	15,000	9,000	6,000	6,000
80-ADM	LOB followup / economic impact	5,000	5,000	5,000	5,000
81-BD	Misc TBD	10,000	5,000	5,000	5,000
81-BD	Sustainable Havest / Adv Wood Products	10,000	5,000	5,000	5,000
91-MM	Waste oil processing	500	4,200	2,000	4,000
91-MM	Olympic Laundry - Coveralls	9,600	4,500	2,700	3,800
32-SEK	Agent Fee	3,600	3,600	3,780	3,780
92-FM	Work order software service	2,200	2,200	2,386	2,386
11-MT	Olympic Laundry - floor mats	3,000	2,500	2,600	2,000
92-FM	Olympic Laundry - Coveralls	8,000	6,000	2,000	2,000
92-FM	CDL drug screening	100	100	500	1,500
31-FIA	Weather monitoring / runway inspections	3,000	3,000	3,300	1,300
92-FM	Hearing tests	500	500	1,000	1,000
80-ADM	Copier maintenance	800	800	800	800
11-MT	Hearing tests	250	250	400	400
31-FIA	Access control system maintenance	84	84	84	200
11-MT	Longshore Labor for Chip Barges	196,750	196,750	-	-
11-MT	Terminal 1 Pile Assessment	200,000	-	-	-
11-MT	Terminal 7 Pier Assessment (1/2 of cost)	35,000	-	-	-
15-MTA	Boatyard Travel lift pier assessment	30,000	-	-	-
31-FIA	Airport Appreciation Day	10,000	5,000	-	-
31-FIA	Air service business development	5,000	-	-	-
81-BD	SBDC cash support	23,000	-	-	-
	Total	1,471,784	1,253,524	1,066,929	1,179,400

**PROFESSIONAL MEMBERSHIPS
2024 Budget**

Line #	DEPT	PROFESSIONAL ORGANIZATION (alphabetical order)	2021	2022	2023	2024
			ACTUAL	ACTUAL	BUDGET	BUDGET
1	ADMIN	Washington Public Ports Association (WPPA)	15,419	14,810	14,786	16,500
2	ADMIN	Municipal Research & Services Center (MRSC thru WPPA)	0	950	950	1,050
3	ADMIN	American Forest Resource Council	600	600	600	600
4	ADMIN	Government Finance Officers Association (GFOA -1)	150	75	150	160
5	ADMIN	Society for Human Resources Management (SHRM)	219	229	219	244
6	ADMIN	Washington Finance Officers Association (WFOA -1)	400	75	75	75
7	ADMIN	Engineering License	116	116	110	125
8	FIA	Washington Airport Managers Association (WAMA)	140	140	150	150
9	FM	American Public Works Association (APWA) - 2	480	254	450	250
10	MT	Northwest Marine Trades Association (NWMTA)	1,216	1,277	1,277	1,300
11	MT	Marine Exchange of Puget Sound	500	300	500	500
12	MTA	Super Yachts Northwest (NMTA)	0	1,000	1,000	0
13	MTA	U.S. Superyacht Association	600	575	500	0
14	MTA	Puget Sound Ship Repair Association (PSSRA)	500	500	500	500
15	MTA	Northwest Marine Trade Association (NMTA)	475	515	525	525
		TOTAL PROFESSIONAL ORGANIZATIONS	20,815	21,416	21,792	21,979

**COMMUNITY SUPPORT
2024 Budget**

RECIPIENT	2024 CONTRIBUTION	REMARKS	In Kind	Cash
Clallam County EDC	\$ 30,000	Cash: Operating Costs		\$ 30,000
Center for Inclusive Entrepreneurship	\$ 14,065	Cash: Operating Costs In-Kind: Office Space & Utilities Annual Rent	\$ 6,565	\$ 7,500
First Step Family Support Center	\$ 270	In Kind: \$0.02 SF Reduction in Lease Price (11/2023-10/2024)		\$ 270
Port Angeles Yacht Club	\$ 4,312	50% Ground Lease rate (written directly in lease) 50% moorage on a 30' slip	\$ 2,780 \$ 1,532	
Sequim Bay Yacht Club	\$ 17,011	Waived fees for the Hendricks Room (NTE 9/year) 50% rate for club space and storage area(s) 50% rate for mooring float including waiving of two moorages	\$ 4,703 \$ 7,035 \$ 5,273	
Sea Scout - Marvin Shields	\$ 5,844	Waived moorage on a single 50' slip	\$ 5,844	
Olympic Peninsula Rowing Assoc.	\$ 1,958	50% moorage on 2 limited access 20' slips (seasonal use)	\$ 1,958	
CRTC	\$ 12,000	Waived Equipment Rental	\$ 12,000	
Jamestown Klallam Tribe	\$ 3,064	Waived: 30' slip for patrol activities ('83 Agreement)	\$ 3,064	
Community Partner Program	\$ 25,000	Grant winners will be chosen and notified in October		\$ 25,000
TOTAL:	\$ 113,523			

COMMUNITY EVENTS	2024 CONTRIBUTION
Centennial Celebration Fund	\$ -
Miscellaneous Fee/Waivers/Sponsorships	\$ 10,000
Total:	\$ 16,300

All Departments - Actual & Budgeted Employees

		2016	2017	2018	2019	2020	2021	2022	2023	2023	2024	2024 -2023
Department		Actual FTEs	Actual FTEs	Actual FTEs	Actual FTEs	Actual FTEs	Actual FTEs	Actual FTEs	Budget FTEs	Projected FTEs	Budget FTEs	Budget Change In FTEs
MT	Marine Terminal <i>(Includes PT & FT Security)</i>	5.30	6.15	5.90	5.78	5.43	6.26	7.45	5.20	7.06	7.25	2.05
MTA	Marine Trades Area <i>(Formerly Boat Yard & Travel Lift Pier)</i>	0.94	0.85	1.30	1.44	0.91	1.01	1.04	0.95	0.84	0.85	(0.10)
LY	Log Yard	6.59	7.87	7.94	4.96	4.63	4.81	5.94	3.65	4.83	4.70	1.05
FIA	William R. Fairchild Int'l Airport	2.38	2.99	2.15	2.96	1.68	2.06	2.20	1.20	1.58	1.15	(0.05)
ARP	Airport Rental Properties	1.41	0.63	1.40	1.03	1.21	1.66	1.84	1.30	1.49	1.20	(0.10)
SEK	Sekiu Airport	0.03	0.05	0.05	0.03	0.09	0.08	0.14	0.05	0.06	0.05	-
PABH	Port Angeles Boat Haven	0.74	0.81	0.82	1.30	1.09	1.28	1.64	1.20	1.43	1.55	0.35
JWM	John Wayne Marina <i>(Includes PT & FT Security)</i>	3.89	4.47	4.55	4.29	4.40	4.81	2.12	4.85	4.29	5.40	0.55
RP	Rental Properties	0.72	1.84	0.60	0.61	0.54	0.51	0.52	0.45	0.52	0.45	-
A&G	Administration & General <i>(Includes PT & FT Security)</i>	10.26	8.39	9.32	10.80	9.63	10.92	9.34	8.31	10.33	11.65	3.35
BD	Business (Economic) Development	0.73	0.24	0.45	0.45	1.05	1.43	1.42	1.15	1.10	1.15	-
MM	Mechanical Maintenance	2.13	2.27	2.24	2.21	2.45	2.34	1.47	2.25	2.16	2.30	0.05
FM	Facilities Maintenance	7.96	6.92	8.81	8.33	8.45	7.46	8.30	9.75	7.66	11.80	2.05
NOP	Non-Operating	0.13	0.12	0.35	0.33	0.38	0.36	0.36	0.29	0.03	0.15	(0.14)
Total		43.21	43.60	45.88	44.52	41.94	44.99	43.78	40.59	43.38	49.65	9.06

Significant changes from 2023 Budget to 2024 Budget:

MT	2 new positions created
MTA	N/A
LY	N/A
FIA	N/A
ARP	N/A
SEK	N/A
PABH	N/A
JWM	N/A
RP	N/A
A&G	Hired for new positions IT Director and Grants & Contracts Manager. Hired an additional security position
BD	N/A
MM	N/A
FM	Projected to hire 2 new employees
NOP	N/A

FTEs = Full time equivalent

FT = Full Time

PT = Part Time



SPECIAL COMMISSION MEETING
Tuesday, October 10, 2023, at 8:00 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 <https://portofpa.com/about-us/agenda-center/>

Connie Beauvais Commissioner

Chris Hartman, Dir. of Engineering

Steve Burke, Commissioner

Caleb McMahon, Dir. of Econ. Development

Colleen McAleer, Commissioner

Braedi Joutsen, Clerk to the Board

John Nutter, Dir. of Finance & Admin

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE (0:00-0:31)

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

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (0:32-0:59)

None.

III. APPROVAL OF AGENDA (1:00-1:47)

- Motion to approve the agenda with the modifications as stated: Comm. McAleer
- 2nd: Comm. Burke
- Vote: 3-0 (Unanimous)

IV. WORK SESSION (1:48-47:00)

A. 3rd Quarter Cash & Investment Report

- Presentation: John Nutter
- Discussion
- No Action

B. Draft Capital Budget – Final

- Presentation: Chris Hartman
- Discussion
- No Action

C. Finalize Operating Assumptions – OPEX Budget

- Presentation: John Nutter
- Discussion
- No Action

V. APPROVAL OF CONSENT AGENDA (47:01-47:49)

A. Special Commission Meeting Minutes, October 3, 2023

B. Vouchers in the amount of \$709,320.89

- Motion to approve the consent agenda: Comm. Beauvais
- 2nd: Comm. McAleer
- Vote: 3-0 (Unanimous)

VI. COMPLETION OF RECORDS (47:50-1:06:19)

A. 3rd Quarter Operations Report

- Presentation: Caleb McMahon, John Nutter
- Discussion
- No Action

B. Monthly Delegation of Authority Report

- 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

No items

XIV. COMMISSIONER REPORTS (1:06:20-1:09:51)

Comm. Beauvais shared that she spent the weekend with the Coast Guard Alert vessel, welcoming people aboard for the tours. She received a lot of positive feedback regarding the tours and that it was very well received.

XV. PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (1:09:52-1:15:44)

Won Choi, Port Angeles, WA – recently moved from the community from Nashville, Tennessee. He has a vast history of serving on various community boards and wanted to thank the Commission for their transparency, public engagement, and eagerness to listen to the marina tenants.

XVI. FUTURE AGENDA (1:15:45-1:15:50)

XVII. NEXT MEETINGS (1:15:51-1:18:49)

- A. October 17, 2023 – Special Commission Meeting
- B. October 23, 2023 – Special Joint Commission Meeting with BOCC @ County
- C. October 24, 2023 – Special Commission Meeting – starting at 8 am
- D. November 7, 2023 - Special Commission Meeting
- E. November 14, 2023 – Regular Commission Meeting
- F. November 21, 2023 – Special Commission Meeting - Cancelled
- G. November 28, 2023 – Special Commission Meeting - Cancelled
- H. December 12, 2023 – Special Commission Meeting – @ the Airport Meeting Room

XVIII. UPCOMING EVENTS (1:18:50-1:19:40)

- A. Maritime Washington National Heritage Launch – October 12, 2023 – Port Angeles
- B. Carbon Friendly Forestry Conference – November 1/8/15, 2023 – Virtual
- C. Pacific Marine Expo – November 8-10, 2023 – Seattle, WA



D. International Workboat Show- November 29-December 1 - New Orleans, LA

E. WPPA Annual Meeting – December 6-8, 2023 – Vancouver, WA

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

XIX. EXECUTIVE SESSION (1:19:41-1:20:42)

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 50 minutes. The Commission may 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 increase the price. Discussing such matters in executive session is appropriate pursuant to RCW 42.30.110(1)(b). 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).
- Start Time: 10:25 am
- Recess: 5 minutes
- End Time: 11:15 am

10:45 am – Commissioned recessed to go thank Coast Guard Admiral Fosse, Commander of the Coast Guard’s 13th District, for allowing the tours on the USCG Cutter Alert over the weekend.

Public Session of Commission Meeting Reconvened: 11:15 am

- No Action

XX. ADJOURN (1:20:43-1:21:11)

Comm. Beauvais adjourned the meeting at 11:15 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 October 5, 2023 – October 11, 2023

Accounts Payable

	Begin Check #	End Check #	
For General Expenses and Construction			
Accts Payable Checks (computer)	417626	417642	\$ 22,060.22
VOIDED/ZERO PAYABLE CHECKS	416527	41627	\$ (100.00)
Accts Payable ACH	001958	001977	\$ 47,551.97
Wire Transfer – Excise Tax			
Wire Transfer - Leasehold Tax			
Total General Expenses and Construction			\$ 69,512.19
Payroll			
Employee Payroll – Draws Checks			\$ -
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)			\$ 28,491.94
Total Payroll			\$ 28,491.94
Total General Exp & Payroll			\$ 98,004.13

Date: October 17, 2023

Port Representative

Port Representative

Commissioner, Steven D. Burke

Commissioner, Connie Beauvais

Commissioner, Colleen McAleer

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

October 17, 2023

Subject: RUNWAY 8-26 REHABILITATION – CHANGE ORDER APPROVAL

Presented by: Chris Hartman, Director of Engineering

RCW & POLICY REQUIREMENT:

RCW 53.12.270 - Delegation of powers to managing official of port district.

- Delegation of Administrative Authority, Resolution 22-1262, Section III.C.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, \$50,000 or 10% of the last Commission-approved total.”

Since this change order exceeds \$50,000, Commission authorization is required.

BACKGROUND:

The William R. Fairchild International Airport Runway 8-26 Rehabilitation project was awarded to Lakeside Industries on April 11, 2023 for a total amount of \$7,121,702.45. The scope of the project includes a mill and overlay of 5,000 linear feet of Runway 8-26 and replacement of existing edge lights with LED light fixtures.

The project has had five (5) change orders executed to date that include:

#	Scope	\$
1.	Damaged existing conduit replacement	\$ 11,801.60
2.	Additional conduit replacement	\$ 815.84
3.	Adjust existing handhole to grade	\$ 1,524.18
4.	Replace power supply to signs	\$ 5,142.03
5.	Additional taxiway pavement markings	\$ 3,077.96
Total Change Orders to date =		\$ 22,361.61

ANALYSIS:

Following grinding of the original asphalt and installation of the the pre-level mix; there was a distinct area that was breaking up and peeling (see attached photos). Representatives from Lakeside, Century West and the Port met on-site and determined that the cause of the pre-level course deterioration was poor subgrade soil conditions. To remedy the situation, Lakeside was directed to remove the affected area of asphalt, over excavate the poor soils, install fabric and crushed aggregate, and repave. Lakeside was originally directed to proceed utilize a mix of established unit prices and

the force account provision of the contract that allows the owner to direct work of the Contractor by tracking labor and equipment hours and material quantities.

To formalize this additional work and ensure better transparency of project costs, the project team decided that all work associated with this subgrade repair should be detailed and approved within a contract change order. The Port's design and construction management firm, Century West, has reviewed all quantities, tracked all equipment and labor hours, and has determined the aggregate cost of change order 06 is fair and equitable. This additional work has been discussed with the FAA and is eligible for grant reimbursement from both the FAA and WSDOT.

ENVIRONMENTAL IMPACT:

The environmental impacts of this project are limited and require no mitigation. Required project permits include an Electrical permit, Clearing and Grading permit and Construction Stormwater General Permit.

FISCAL IMPACT:

Change Order 06 will be 95% covered through the FAA and WSDOT grants and the Port will be responsible for 5%. A breakdown of the cost is shown below.

FAA (90%) =	\$81,592.73
WSDOT(5%) =	\$ 4,532.93
Port (5%) =	\$ 4,532.93
<hr/>	
Total =	\$90,658.59

The total cost to the Port for Change Order 06 is Four Thousand Five Hundred Thirty-Two Dollars and Ninety-Three Cents (\$4,532.93).

RECOMMENDED ACTION:

Staff recommends the Commission authorize the Executive Director to execute Change Order 06 with Lakeside Industries Inc. for the William R. Fairchild International Airport Runway 8-26 Rehabilitation Project for a total amount of Ninety Thousand Six Hundred and Fifty-Eight Dollars and Fifty-Nine Cents (\$90,658.59), which includes Washington State Sales Tax.

Change Order 06 will increase the total authorized contract amount to Seven Million, Two Hundred Thirty-Four Thousand Seven Hundred Twenty-Two Dollars and Sixty-Five Cents (\$7,234,722.65).

ATTACHMENTS: Project photos



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

Date: October 17, 2023

Subject: Composite Recycling Technology Center

Presented by: Caleb McMahon, Director of Economic Development

Location: 2140 W. 18th Street, 1050 Building

RCW & POLICY REQUIREMENTS

Per RCW 53.08.08 Lease of Property, a district may lease all lands, wharves, docks and real and personal property upon such terms as the port commission deems proper. No lease shall be for a period longer than fifty years with option up to an additional thirty years.

Per RCW 53.08.085, security for rent is required for every lease of more than one year. Rent may be secured by rental insurance, bond, or other security satisfactory to the port commission, in an amount equal to one-sixth the total rent, but in no case shall such security be less than one year's rent or more three years' rent. If the security is not maintained the lease shall be considered in default. The port commission may in its discretion waive the rent security requirement or lower the amount of such requirement on the lease of real and/or personal port property.

Per Section I of the Ports Delegation of Authority, all term lease agreements of real property shall be leased only under an appropriate written lease instrument executed by the Commission. Per Section 1.B.4 Commission approval is required for any lease that contains any material non-standard terms or conditions.

BACKGROUND:

Composite Recycling Technology Center (CRTC) has been a Port tenant since 2016. CRTC executed a temporary license for 4,000 square feet of warehouse in the 1050 Building in summer of 2022.

CRTC now desires to expand the square footage of warehouse space to 25,000 square feet, and execute a two-year term lease.

LEASE DETAILS:

Proposed Rate: \$0.43/SF x 25,000 SF = \$10,750.00/month plus leasehold excise tax. Utilities are a fixed fee of \$300.00/month.

Term: 2 years.

Options to Renew: One x 1-year option, at Port’s consent.

Commencement Date: November 1, 2023.

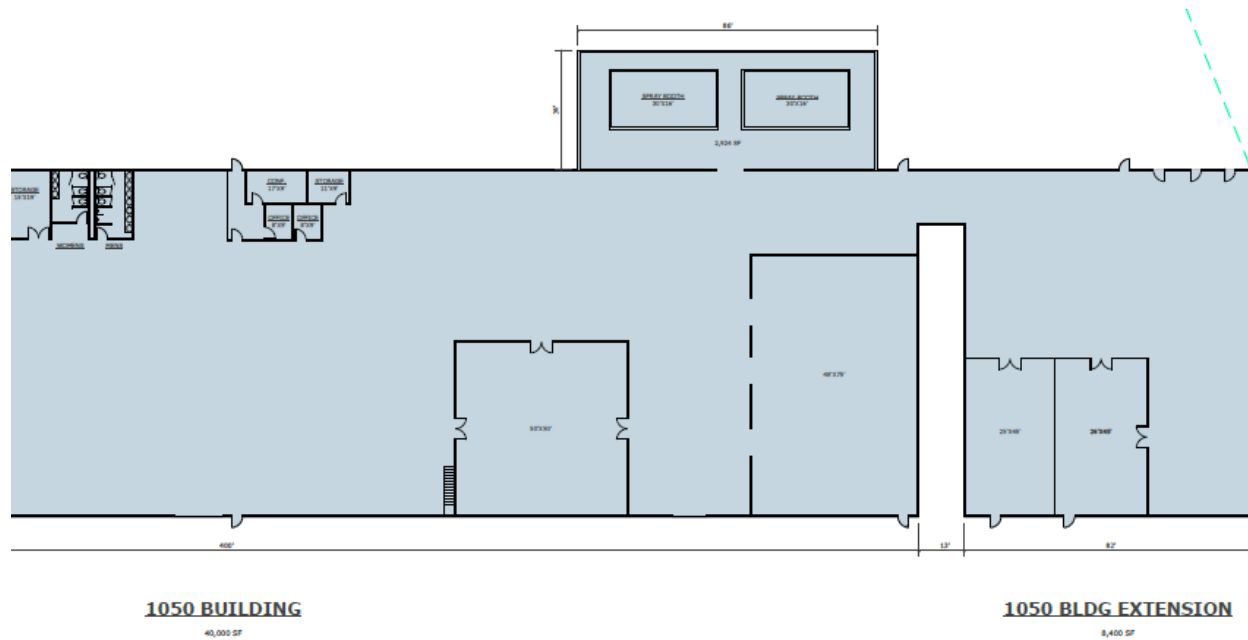
Current Bond/Security: Port policy requires three months of rent amount as a financial security deposit. Port Commission reduced the financial security requirement for CRTC at this location to two months of rent at Commission Meeting dated July 26, 2022.

Non-Standard (requires Commission approval) or Unique Terms:

Continue the reduced amount of financial security deposit to two months (\$10,750.00 x 2 = \$21,500.00).

RECOMMENDED ACTION:

Staff recommends the Commission approve the term lease as presented.



Future Agenda Items –Commission Meeting

10/17/23 Special Commission Meeting

October 24, 2023 (Special Commission Meeting – 8am start)

- 3rd Quarter Financial Report
- Public Hearing on Comp Scheme
- Community Programs Brief
- Community Partner Program Applications for 2024

November 7, 2023 (Special Commission Meeting – non regular date)

- Open Public Hearing on Budget and Levy

November 14, 2023 (Regular Commission Meeting)

- Monthly DofA Report
- Close Public Hearing on Budget and Levy
- Adopt Budget & Tax Levy
- Resolutions for Annual Budget and 2024 Tax Levy

November 21, 2023 - cancelled

November 28, 2023 – cancelled

December 12th, 2023 (Special Commission Meeting – location at airport)

- Auditor Exit Conference
- Monthly DofA Report
- PA Yacht Club year-end Report
- 2024 Legislative Priorities

Upcoming Events/Announcements

- Carbon Friendly Forestry Conference – November 1/8/15 – Virtual
- Pacific Marine Expo – November 8-10, 2023 – Seattle, WA
- International Workboat Show – November 29-December 1, 2023 – New Orleans, LA
- WPPA Annual Meeting – December 6-8, 2023 – Vancouver, WA

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