



REGULAR COMMISSION MEETING
Tuesday, January 9, 2024, at 9:00 am
338 W. First St, Port Angeles, WA 98363
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. Conduct Board Elections
- B. Commission Bylaws.....1-7
- C. Port Representation 2024.....8-9
- D. John Wayne Marina Boat Launch Float Replacement.....10-11

V. APPROVAL OF CONSENT AGENDA

- A. Regular Commission Meeting Minutes, December 12, 2023.....12-14
- B. Vouchers in the amount of \$1,104,694.93.....15

VI. COMPLETION OF RECORDS

- A. Monthly Delegation of Authority Report.....16-20
- B. 4th Quarter Cash & Investment Report.....21

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

- A. Delegation of Authority, Resolution 24-1290.....22-36

XIV. ITEMS NOT ON THE AGENDA

XV. COMMISSIONER REPORTS

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

XVII. FUTURE AGENDA.....37

XVIII. NEXT MEETINGS

- A. January 23, 2024 – Regular Commission Meeting
B. February 13, 2024 – Regular Commission Meeting
C. February 27, 2024 – Regular Commission Meeting
D. March 12, 2024 – Regular Commission Meeting

XIX. UPCOMING EVENTS

- A. WPPA Annual Ports Day – February 2, 2024 – Olympia, WA
B. Seattle Boat Show – February 2-10, 2024 – Seattle, WA
C. NW Aviation Conference – February 24-25, 2024 – Puyallup, WA
D. AFRC Annual Conference – April 2-4, 2024 – Stevenson, WA
E. Olympic Logging Conference – April 24-26, 2024 – Victoria, BC

XX. INDUSTRIAL DEVELOPMENT CORPORATION (IDC) ANNUAL MEETING.....38-44

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

XXI. EXECUTIVE SESSION

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



XXII. 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.

Port of Port Angeles

Port Angeles, Washington

Commissioner's Resolution No.

22-1252

A RESOLUTION AMENDING PORT OF PORT ANGELES BOARD OF COMMISSION BYLAWS.

WHEREAS, the Port of Port Angeles Board of Port Commission Bylaws may be amended by resolution duly adopted by the Port Commission; and

WHEREAS, the Bylaws were last amended by Resolution No. 17-1157 adopted October 23, 2017; and

WHEREAS, there is now a need to further modify said Bylaws.

NOW THEREFORE BE IT RESOLVED that Resolution No. 17-1157 is hereby rescinded; and

BE IT FURTHER RESOLVED that the Bylaws set forth on the attached Exhibit A are hereby approved and adopted as the Port of Port Angeles Board of Port Commission Bylaws and are effective as of today's date.

ADOPTED by the Board of Commissioners of the Port of Port Angeles at a regular meeting thereof held this 22nd day of March, 2022.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS



Connie L. Beauvais, President



Colleen M. McAleer Vice-President



Steven D. Burke, Secretary

**PORT OF PORT ANGELES BOARD OF PORT
COMMISSIONBYLAWS**

**ARTICLE I
Preamble**

These Bylaws shall constitute the rules governing the transaction of business by the duly elected Port Commission.

**ARTICLE II
Organization of the
Commission**

- A. The Commission shall organize by the election from its own members a President, Vice-President and Secretary.
- B. The Commission shall elect new officers at the first meeting of each calendar year, whose term shall run for one (1) year, beginning when elected, or until the election of a successor. Vacancies in an office arising from any cause may be filled at any regular or special meeting of the Commission.
- C. In the event of a vacancy in the office of Port Commissioner by death, resignation or otherwise, such vacancy shall be filled pursuant to RCW 42.12.070, as presently codified or hereafter amended.
- D. The Commission may from time to time establish such committees as are necessary to conduct its more specialized work. The composition of committees shall be determined by the Commission. To remain in compliance with the Open Public Meeting Act (RCW 42.30), committees will never exceed one Commissioner. Such committees shall report directly to the entire Commission on their work.
- E. Individual Commissioners serve as members of the Commission, a body which acts only by majority vote.

**ARTICLE III
Duties of Commissioners**

The Commission's responsibilities include but are not limited to the following:

- 1. Establish policies for the overall direction and strategies of the Port;
- 2. Hire an Executive Director to implement the Port policies and objectives and to administer and operate the Port based on the delegation of administrative

- responsibility and authority pursuant to resolution of the Commission. The Commission shall set the salary level and review the performance of the Executive Director, following guidelines based on resolution of the Commission, Port goals and objectives, job description and other appropriate criteria developed jointly by the Commission and the Executive Director;
3. Determine the types of business activity in which the Port will engage;
 4. Approve the annual operating and capital budgets and establish annual budget priorities;
 5. Establish the degree to which the Port will use the governmental powers of taxation and eminent domain;
 6. Establish financial policies including capital formation and debt issuance;
 7. Establish Port positions on significant governmental legislation;
 8. Establish a range of compensation for Port employees. During budget deliberations each year, adopt adjustments to the salary range based on inflation or other market/economic criteria, if appropriate. Review benefits annually;
 9. Establish the organization structure with the Executive Director;
 10. Appoint a treasurer and auditor pursuant to the provisions of RCW 53.36.010, and select and retain on such terms and conditions as the Commission deems appropriate, legal counsel, and an independent auditor (which may be the State Auditor or a private accounting company) for the Port.

Each Commissioner Shall:

- A. Review the agenda for each Commission meeting and read and become familiar with agenda material prior to regular meetings, special meetings and work sessions;
- B. Be prepared to represent the Commission when assigned as the Commission representative to associations, groups and other organizations;
- C. Be responsible for making timely requests to the Commission to be excused for non-attendance at meetings of the Commission, so as to avoid causing an inadvertent vacancy in accordance with RCW 53.12.140;
- D. Submit requests for reimbursement for meeting attendance and expenses (including appropriate documentation) in a timely manner;
- E. Be willing to accompany the Executive Director and/or staff as a Commission representative on business trips as assigned by the Commission;
- F. Serve as a member of the Board of Directors of the Industrial Development Corporation of the Port of Port Angeles pursuant to Resolution #529 (as hereafter amended or superseded).

ARTICLE IV

Duties of Officers

A. The President Shall:

1. Preside at all public meetings of the Commission and at executive sessions of the Commission;

2. Sign all resolutions, contracts, and other instruments on behalf of the Commission as authorized by the Commission;
3. Approve the proposed agenda for each Commission meeting and authorize the issuance of notices for regular meetings, special meetings and work sessions;
4. Perform all such other duties as are incident to the office or are properly required by the Commission.

B. The Vice-President shall:

1. During the absence or disability of the President, exercise all the functions of the President;
2. Preside at all public meetings at which the President is not physically present;
3. Have such powers and discharge such duties as may be properly assigned from time to time by the Commission including but not limited to, performing the duties of the Secretary;
4. Perform all such other duties as are incident to the office or are properly required by the Commission.

C. The Secretary shall:

1. Supervise the recording of the minutes by Port staff;
2. Supervise Port staff in retaining a record of all motions and resolutions adopted by the Commission;
3. Supervise the safekeeping of the seal and the minute books;
4. Otherwise perform such further duties as are incident to the office and as are properly required by the Commission including but not limited to performing the duties of the Vice-President;
5. Review vouchers prior to the Commission meeting at which the voucher summary will be presented for approval and, be prepared to report voucher details to the entire Commission prior to approval.

D. Any Commissioner who shall be elected to act for an incumbent elected officer during the temporary absence or disability of such officer shall exercise all the functions of the incumbent officer, but only during the continuance of the absence or disability of such officer.

ARTICLE V

Meetings

A. Regular Meetings: No additional notice shall be required for regular meetings, the time and place of which are established by resolution. The time and place of regular meetings may be modified by the Board at any time by resolution. If at any time any regular meeting falls on a holiday, such regular meeting shall be held on the next business day.

B. Special Meetings and Work Sessions: Special public meetings or work sessions may be called for at any time either by the President or by a majority of the Commissioners by delivering personally or by mail, facsimile, or email written notice to each Commissioner, each local newspaper of general circulation and to each local radio or television station which has on file with the Commission a written request to be notified of such special meeting or work session. Such notice must be delivered personally or by mail, facsimile, or email at least twenty-four (24) hours before the time of such meeting, as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. Final disposition shall not be taken on any other matter at such meeting by the Commission. Such written notice may be dispensed with as to any member who, at or prior to the time the meeting convenes, files with the Secretary of the Commission a written waiver of notice. Such waiver may be given by email or facsimile transmittal. Such written notice may also be dispensed with as to any member who is present at the meeting at the time it convenes. The notices provided in this section may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage when time requirements of such a notice would make notice impractical and increase the likelihood of such injury or damage. If, by reason of fire, flood, earthquake, or other similar emergency, there is a need for expedited action by the Commission to meet the emergency, the Commission President may provide for a meeting site other than the regular meeting site and the notice requirements of these bylaws shall be suspended during such emergency.

C. Regular and special meetings and work sessions shall be open and public except as otherwise provided by law (see Section E - Executive Sessions). To further ensure accessibility to these public meetings, streaming access will be available along with recordings of past meetings on the Port's website. All meetings will be held in accordance with the requirements of RCW 42.30 and reasonable efforts shall be made to comply with the encouraged but not required suggestions in RCW 42.30.

D. Place of Meetings: All meetings shall be held at the Port of Port Angeles Administration Building, 338 W. 1st Street, Port Angeles, Washington. The place for holding such meetings may be changed by concurrence of a majority of the Commission. Notice of change of meeting location shall be publicized in the same manner as provided hereinabove with respect to notice of special meetings and work sessions, change of location of a regular meeting does not cause the meeting to become a special meeting.

E. Executive Sessions: The Commission may meet in executive session, which shall be closed to the public, during a regular or special meeting for all the purposes permitted by the Open Public Meetings Act (RCW 42.30) and other laws. Before convening an executive session, the presiding officer of the Commission shall publicly announce the purpose for excluding the public from the meeting place, and the time when the executive session will be concluded. The executive session may

be extended to a stated later time by announcement of the designee. Information learned in executive session shall be treated as confidential.

F. Adjournment or Continuation to a Special Meeting: Adjournment or continuation to a special meeting shall be pursuant to notice as required by law.

G. Quorum: Two (2) Commissioners shall constitute a quorum for the convening of a meeting.

H. Absences: Any absence by a Commissioner from a meeting because of attendance to other Port business shall be so recorded in the minutes of the meeting, provided for in ARTICLE IX, and any such absence shall be automatically excused by the Commission.

I. Meetings shall be conducted in accordance with these Bylaws (including Exhibit A hereto) and Roberts' Rules of Order. In circumstances of conflict between the provisions thereof, these Bylaws (including Exhibit A hereto) shall control.

J. Cancellation of Meeting: Any regular or special meeting or work session may be canceled by the President. The President will not cancel a meeting within 24 hours of the scheduled meeting unless the cancellation is the result of a natural disaster or other emergency which would justify such cancellation for public safety or where such disaster/emergency may affect the Board's ability to achieve a quorum. In addition, the President shall not have the authority to cancel a meeting which was scheduled by written request provided to the Executive Director by two Commissioners.

K. Each Commissioner shall receive per diem compensation in an amount prescribed by RCW 53.12.260, as presently codified or hereafter amended, for each day or portion thereof spent (a) in actual attendance at official meetings of the Commission, or (b) in performance of other official services or duties on behalf of the Port.

L. A Commissioner may participate in any Commission meeting remotely.

ARTICLE VI

Motions

A. Except as otherwise required by ARTICLE VII, the Commission shall transact its business by motion which may be made or seconded by any Commissioner in attendance, including the chair of the meeting.

B. Voting on all motions shall be "aye" or "no," and the minutes of the meeting shall record the vote of each Commissioner present.

C. Concurrence of two (2) Commissioners shall be necessary and shall be sufficient for the passage of any motion.

ARTICLE VII Resolutions

- A. All final actions of the Commission that, in the judgment of the Commission, are of a legislative character shall be embodied in the form of resolutions.
- B. A resolution may be adopted in the same meeting at which the resolution is introduced if, on a motion seconded and passed unanimously, the full Commission agrees to introduce the resolution, and thereafter on a motion seconded and passed by a majority of Commissioners, the Commission agrees to waive the second consideration of the resolution and adopt the resolution; PROVIDED, however, that a resolution that supersedes, amends, modifies, or suspends an existing resolution shall not be adopted at the same meeting at which it is introduced except by the affirmative vote of the entire Commission. Otherwise, a resolution may be introduced on a motion seconded and passed, in which case the resolution shall be put on the agenda of the next Commission meeting for adoption. If an emergency meeting of the Commission is called as described in Article V, Section B of these Bylaws, the unanimous approval requirements of this Article VII shall be suspended during such emergency.
- C. Voting on all resolutions shall be "aye" or "no," and the minutes of the meeting shall record the vote of each Commissioner present.
- D. Resolutions shall be numbered consecutively, and the original copy of each resolution shall be duly authenticated in open session by the signature of the Commissioners voting in its favor. Authentication of a Commissioner who is not present may be made by another Commissioner who voted in favor of the resolution. Each resolution shall be filed by the Secretary and shall be recorded in a book or books kept for such purposes, which shall be public records.

ARTICLE VIII Minutes

A Minutes of all proceedings of the Commission shall be approved by the Commission and shall be maintained in the Port's records, which shall be public records.

- B. No minutes are required for Executive Sessions.

ARTICLE IX Amendment of Bylaws

These Bylaws may be amended by the Commission by resolution duly adopted.

2024 Port Representation to Organizations

Organization Name	Representative	Meeting Time Details	Organization Information
American Forest Resource Council	Connie Beauvais	Annual meetings and quarterly board meetings	A regional trade association that advocates for sustainable yield harvests on public timberlands.
Chamber of Commerce: Clallam Bay/Seki	Connie Beauvais	1st Wednesday of each month in Clallam Bay from 12:00pm to 1:00pm	Membership organization that promotes economic development and tourism, and encourage cultural, charitable, and educational events.
Chamber of Commerce: Forks	Connie Beauvais (Alt – Steve Burke)	Weekly luncheon meetings on Wednesdays at 12:00pm at Blakeslee's Bar and Grill	Membership organization promoting tourism and advocating for the business community.
Chamber of Commerce: Neah Bay	Connie Beauvais	2nd Tuesday of each month at 12:15pm at 1081 Bayview Ave, Neah Bay	Promotes self-sufficiency through economic development and tourism for Makah Indian Reservation and community.
Chamber of Commerce: Port Angeles	Steve Burke (Alt – Connie Beauvais)	1st and 3rd Mondays of each month at Red Lion Hotel from 12:00pm to 1:00pm. Board of Directors meet once per month.	Membership organization focused on business development, tourism, economic vitality, and quality of life.
Chamber of Commerce: Sequim	Colleen McAleer (Alt – Steve Burke)	2nd and 4th Tuesday of each month at 12:00pm at Sunland Golf and Country Club. *Thursday board meetings at 7:30am at the Lodge.	Membership organization promoting businesses by proving a forum to address issues and support community through events, programs, and services
Clallam County Economic Development Corporation	Caleb McMahon (Alt – Paul Jarkiewicz)	Board of Directors meet every 3rd month on the 3rd Thursday	Provides services to businesses in the county and to employers seeking to relocate to Clallam County.
Clallam County Marine Resources Committee	Jesse Waknitz	3rd Monday of each month from 5:30pm to 7:30pm	Local citizens appointed to promote local solutions to degradation of natural resources in Clallam County.
North Olympic Legislative Alliance (NOLA) <u>Steering Committee</u>	Colleen McAleer (Alt – Paul Jarkiewicz)	Meeting schedule varies. Work is also done by e-mail.	Membership organization to advance quality of life through providing input with a shared purpose and unified voice to our elected representatives and officials.
North Olympic Peninsula Resource Conservation and Development Council	Paul Jarkiewicz (Alt – Caleb McMahon)	Meet the 4th Thursday of every month from 1:00-3:00pm at the John Wayne Marina	The purpose is to develop & support economic and community development, support organizations to enhance quality of life, and provide networking and collaboration opportunities.
Pacific Northwest Waterways Association	Colleen McAleer	Regional meetings in the Puget Sound region. Upcoming meeting notifications are sent via email.	A collaboration of ports, businesses, and public agencies who support navigation, energy, trade, and economic development throughout the PNW.
Peninsula Regional Transportation Planning Organization	Chris Hartman	The TAC & EB meet alternating month in Clallam, Jefferson, Kitsap and Mason counties.	A voluntary association working together to develop transportation plans designed to meet the region's future economic & population growth.

2024 Port Representation to Organizations

Organization Name	Representative	Meeting Time Details	Organization Information
Port Angeles Business Association	Steve Burke (Alt – Connie Beauvais)	Every Tuesday from 7:30-8:30am at Joshua's Restaurant	Membership organization representing business and community leaders in Clallam County. Focus on business opportunities and maintaining a strong economy.
Port Angeles Downtown Association	Steve Burke (Alt - John Nutter)	Second Monday of the Month at 6:15 in the Harbortowne Mall Suite 107	Represents over 200 downtown businesses to promote healthy & prosperous downtown.
Port Angeles Forward (City of Port Angeles Committee)	Steve Burke (Alt – Paul Jarkiewicz)	Quarterly at 7:30am at Port Angeles City Hall	Charged with implementing the local planning effort to revitalize downtown Port Angeles.
Clallam Housing Solutions Committee	Steve Burke (Alt – Caleb McMahon)	Meeting notifications are sent via email and are held in person (BOCC Board Room) and virtually by zoom. The agenda is sent out the week prior.	Responsible for developing programs to promote housing solutions by recommendations to the Clallam County Commissioners and the Opportunity Fund Board for expenditures of SHB 1406 funds, American Rescue Plan Act funding, Opportunity Funds and other funds that can be used for affordable housing.
West End Business and Professional Association	Connie Beauvais	Every Wednesday at 7:30am at the DNR Conference Center	Group of business professionals that discuss business topics, current concerns, and upcoming events.
WPPA Aviation Committee	Colleen McAleer	Meet in conjunction with WPPA Annual meeting in late fall.	Washington Ports committee discussing airport development & management issues.
WPPA Economic Development Committee	Colleen McAleer	Meet in conjunction with WPPA Annual meeting in late fall.	Washington Ports committee providing leadership on economic development issues.
WPPA Environmental Committee	Connie Beauvais	Meet in conjunction with WPPA Annual meeting in late fall.	Washington Ports committee promoting environmentally sound economic growth.
WPPA Legislative Committee	Colleen McAleer	Meet in conjunction with WPPA Annual meeting in late fall.	Washington Ports committee directing legislative advocacy, devising strategy for legislative action.
WPPA Marinas Committee	Steve Burke	Meet in conjunction with WPPA Annual meeting in late fall.	Washington Ports committee providing a forum for discussing issues facing public marinas.
WPPA Trustee	Colleen McAleer	Meet in conjunction with WPPA Annual meeting in late fall.	Governs the affairs of the Washington Ports Association.
WPPA Trustee (Alternate)	Connie Beauvais	Meet in conjunction with WPPA Annual meeting in late fall.	Governs the affairs of the Washington Ports Association.

**WORK SESSION
PROJECT UPDATE
TO THE
BOARD OF PORT COMMISSIONERS**

January 9, 2024

SUBJECT: John Wayne Marina Boat Launch Float Replacement

STAFF LEAD: Jesse Waknitz, Director of Engineering

PURPOSE:

The 2024 Capital Budget the Port proposes to replace the boat launch floats at John Wayne Marina in the 4th QTR of 2024. This report details the proposed project approach with an overview of schedule, procurement, installation, and funding sources.

BACKGROUND:

The John Wayne Marina (Marina) boat launch is a popular public access point to Sequim Bay and Strait of Juan de Fuca. The launch is a two-lane concrete ramp that is accessible at all tides with a boarding float running down the center for convenient loading of persons and gear and staging of boats. The float was installed in 1985 and has been reconstructed and repaired multiple times. The existing timber and foam flotation filled tire float is nearing the end of useful life and needs to be replaced. This project is the replacement of the float with a metal frame, enclosed polyethylene flotation and grated decking float system.

PROJECT APPROACH

Schedule:

- | | |
|-----------------------------|--------------------------------|
| 1. Procurement of Float | January 2024 to August 2024 |
| 2. Port Crew Installs Float | November 2024 to December 2024 |

Procurement & Installation

The replacement float will be purchased via a request for proposals (RFP). Interested float manufacturers and vendors will provide a proposal that includes float system description and approach details, vendor's experience and proposed cost. Vendor will be selected based on proposal that is most advantageous to the Port based on scoring detailed in RFP. Vendor will deliver the completed float system to the Marina and the Port Facility Maintenance Team will remove exiting float and install new float in the fall/winter 2024.

Budget & Funding Sources

The project budget is \$343,000 with 75% (\$257,250) being funded with a WA State Recreation and Conservation Office Boating Facilities Program grant and the Port providing 25% (\$85,750).

Project Estimate

Item	Description	Subtotal
1	Demo Existing & Install New Floats (Port Labor)	\$18,000
2	Purchase New Floats	\$220,000
3	Mitigation (Purchase Habitat Credits from Puget Sound Partnership)	\$24,000
4	Construction Contingency & Sales Tax	\$81,000
Total		\$343,000

NEXT STEPS:

Port staff will solicit proposals from prospective vendors in January and then seek Port Commissioner authorization to purchase float system per the best proposal in March 2024.



SPECIAL COMMISSION MEETING
Tuesday, December 12, 2023, at 9:00 am
1402 Fairchild Airport Rd, Port Angeles, WA 98363
MINUTES

Time Specific Item – 10:00 am – Auditor Exit Conference

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
Steve Burke, Commissioner
Colleen McAleer, Commissioner
Paul Jarkiewicz, Executive Director
John Nutter, Dir. of Finance & Admin
Steven Rose, Director of IT

Chris Hartman, Dir. of Engineering
Caleb McMahon, Dir. of Econ. Development
Jennifer Baker, Finance & Accounting Mgr.
Braedi Joutsen, Clerk to the Board
Jon Picker, Airport Manager
Jesse Waknitz, Environmental Manager

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

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

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (1:48-2:17)

None.

III. APPROVAL OF AGENDA (2:18-2:28)

- Motion to approve the consent agenda as modified: Comm. Burke
- 2nd: Comm. McAleer
- Vote: 3-0

IV. WORK SESSION (0:36-1:47), (2:29-48:05), (1:00:02-1:24:16)

A. Oath of Office – Commissioner Beauvais

- Administered by Honorable Simon Barnhart, Judge, Clallam County Superior Court

B. Runway Dedication

- Presentations from Jon Picker, Melanie Johansen-Century West, Comm. Beauvais, Port Angeles Mayor Kate Dexter, Clallam County Comm. Mike French, Ryan Zulauf-Deputy Director FAA, and Ann Richart-Aviation Director WSDOT
- Discussion
- No Action
- The meeting temporarily moved outside to the terminal apron for the ribbon cutting ceremony.

C. Auditor Exit Conference – *Time Specific 10:00 am*

- Presentation: Amy Strzalka, Kelsey Kulbeth, Annalisa Lawrence
- Discussion
- No Action

D. Community Partner Program Holdover Request – Habitat for Humanity

- Presentation: Braedi Joutsen
- Discussion
- Motion to approve the holdover request for Habitat for Humanity: Comm. McAleer
- 2nd: Comm. Burke
- Vote: 3-0 (Unanimous)

V. APPROVAL OF CONSENT AGENDA (48:06-48:27)

A. Regular Commission Meeting Minutes, November 14, 2023

B. Vouchers in the amount of \$1,583,554.08

- Discussion
- Motion to approve the consent agenda as presented: Comm. Beauvais



- 2nd: Comm. McAleer
- Vote: 3-0 (Unanimous)

VI. COMPLETION OF RECORDS (48:28-50:03)

- A. Monthly Delegation of Authority Report
 - Presentation: Paul Jarkiewicz
 - Discussion
 - No Action

VII. PLANNING AND CAPITAL PROJECTS (50:04-54:39)

- A. IFC – Floyd | Snider Contract Amendment – Marine Trades Area
 - Presentation: Jesse Waknitz
 - Discussion
 - Motion to authorize the Executive Director to execute an amendment to existing Professional Service Agreement Task 13 with Floyd Snider for the MTA site in the amount of Thirty Thousand Dollars and no Cents (\$30,000): Comm. McAleer
 - 2nd: Comm. Burke
 - Vote: 3-0 (Unanimous)

VIII. LOG YARD

No items

IX. MARINE TRADES AND MARINE TERMINALS

No items

X. PROPERTY (1:24:17-1:30:39)

- A. IFC – Cushman & Wakefield
 - Presentation: Caleb McMahon
 - Discussion
 - Motion to approve the proposed contract and authorize the Executive Director to execute all documents necessary for this contract and to make minor modifications as necessary in collaboration with Port's Legal Counsel: Comm. McAleer
 - 2nd: Comm. Burke
 - Vote: 3-0 (Unanimous)

XI. MARINAS

No items

XII. AIRPORTS

No items

XIII. OTHER BUSINESS (54:40-1:00:01)

- A. IFC - Legal Services Contract
 - Presentation: Paul Jarkiewicz
 - Discussion
 - Motion to approve the personal services contract with Goodstein Law Group PLLC for General Legal Services as provided in the attached agreement: Comm. Burke
 - 2nd: Comm. Comm. McAleer
 - Vote: 3-0 (Unanimous)

XIV. COMMISSIONER REPORTS (1:30:40-1:39:36)

Commissioner Beauvais shared information about the Christmas light competition at both marinas.



Commissioner Burke shared that the Commission attended the WPPA Annual Meeting along with Executive Director Jarkiewicz. Comm. Burke shared information he learned from the marina portion of the annual meeting, and Comm. Beauvais shared information from both the environmental and legal seminars that she attended during the meeting.

XV. PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (1:39:37-1:42:35)

Colleen McAleer, Clallam County EDC, Sequim, WA – shared an update with the Commission regarding the progress of the Recompete Grant Application.

XVI. FUTURE AGENDA

XVII. NEXT MEETINGS (1:42:36-1:42:43)

- A. January 9, 2024 – Regular Commission Meeting
- B. January 23, 2024 – Regular Commission Meeting
- C. February 13, 2024 – Regular Commission Meeting
- D. February 27, 2024 – Regular Commission Meeting

XVIII. UPCOMING EVENTS (1:42:44-1:43:12)

- A. December 13, 2023 – Legislative Meeting – Port Angeles, WA

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

XIX. EXECUTIVE SESSION (1:43:13-1:44:10), (

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 and move the meeting back to the Port Commission Meeting Room located at 338 W. 1st Street, Port Angeles, WA 98362. The anticipated length of the executive session is 60 minutes. The Commission may take action in public sessions following the executive session.
- Discussion: 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: 11:00 am
- Recess: 15 minutes
- Extended: 45 minutes
- End Time: 12:45 pm

Public Session of Commission Meeting Reconvened: 12:45 pm

Commissioner Beauvais noted no action as a result of the executive session.

XX. ADJOURN

Comm. Beauvais adjourned the meeting at 12:45 pm

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 December 7, 2023 – January 3, 2024

Accounts Payable

	Begin Check #	End Check #		
For General Expenses and Construction				
Accts Payable Checks (computer)	417787	417867	\$	258,409.50
VOIDED/ZERO PAYABLE CHECKS	417835	417835	\$	(16,323.93)
Accts Payable ACH	002134	002237	\$	630,824.03
VOIDED/ZERO PAYABLE ACH	002165	002187	\$	(124,406.24)
Wire Transfer – Excise Tax			\$	6,668.31
Wire Transfer - Leasehold Tax			\$	-
Total General Expenses and Construction			\$	755,171.67
Payroll				
Employee Payroll – Draws (Direct Deposit)			\$	35,575.00
Voided Payroll Check			\$	-
Voided Checks ==Stub Overrun==				
Employee Payroll Checks PPD (Direct Dep)	807536	807631	\$	185,580.05
Wire Transfer – (Payroll Taxes, Retirement, Deferred Comp, L&I, OASI, PMFL)			\$	128,368.21
Total Payroll			\$	349,523.26
Total General Exp & Payroll			\$	1,104,694.93

Date: January 9, 2024

Port Representative

Port Representative

Commissioner, Steven D. Burke

Commissioner, Connie Beauvais

Commissioner, Colleen McAleer

MONTHLY REPORT TO THE BOARD OF PORT COMMISSIONERS

December 2023

SUBJECT: REPORTS REQUIRED UNDER THE PROVISIONS OF THE DELEGATION OF AUTHORITY

REPORT	NO ACTION	ATTACHED
Lease Renewals/Options and 1 Year or Less Agreements at Market Rates; Leases, Assignments, Subleases, Berthage/Dockage, & Miscellaneous (Use, Equipment, Hangar, Marina Slips)		X
Lease Bond, Rental Insurance Deviations	X	
Work Contracts (\$50,000 or less) Executed	X	
Work Contracts Completed	X	
Change Orders Authorized	X	
Work by Port Crews or Day Labor (\$50,000 or less)	X	
Claims Settled	X	
Professional & Consulting Services Awarded and Architectural, Engineering & Technical Services Awarded	X	
Fees Waived	X	
Uncollectible Accounts Written Off	X	
Experts Engaged for Litigation	X	
Grant Applications/Award	X	
Travel Outside WA, OR, ID and BC, Canada		X
Surplus Personal Property (under \$10,000)		X

**LEASES, RENEWALS, AMENDMENTS, MISC. AGREEMENTS and OPTIONS EXECUTED
of One Year or Less Approved by Executive Director
(In Accordance with the Delegation of Authority, Res. 20-1216*)**

December 2023

TENANT NAME	DOCUMENT	LOCATION	FORM OF SURETY	SQ FEET	TERM	MONTHLY RENT
WA SBDC	First Amendment to Lease (Office relocation and 1 year term)	338 W 1st St, Suite 202	Govt.	386 SF (was 177 SF)	1 year 1.01.24 - 12.31.24	\$648.48 (\$1.68/SF) + \$190.00 Util (Same rent as previous 177 SF office. In Kind support for 209 SF difference of \$351.12/mo)
Olympic R/C Modelers	Third Lease Renewal	Critchfield Road	Waived Dec. 11, 2018	1.30 AC	1 year 2.01.24 - 1.31.25	\$65.67/month; \$788.00 annual

* New Leases, Amendments, Agreements of One Year or Less Approved by Executive Director in accordance with the Delegation of Authority (Res. 20-1216 dated 02-13-2020) Section 1C, and for Marine Terminal Services Agreements (Res. 20-1216 dated 02-13-2020) Section 1F, provided that such agreements shall be for a term of one year or less.

TRAVEL APPROVED BY THE EXECUTIVE DIRECTOR *
(In Accordance with Delegation of Authority)
December 2023

STAFF	LOCATION OF MTG.	DATE(S)	PURPOSE
Paul Jarkiewicz	New Orleans, LA	11/26-11/29	International Workboat Show (IWS)
Caleb McMahon, Chris Hartman, Steve Burke	New Orleans, LA	11/26-12/2	International Workboat Show (IWS)

*

VIII. TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT:

In order to facilitate necessary normal Port operations, the Executive Director may authorize travel by Port employees and/or other Port representatives for Port business, in accordance with the Port's travel policy adopted pursuant to RCW 53.08.176 and RCW 42.24.090. Reimbursable personal travel expenses per trip shall not exceed \$5,000.00 per person.

The Commission shall be advised at the first regularly scheduled meeting of the following month of all such authorizations for travel outside of Washington, Oregon, Idaho and British Columbia, Canada.

SURPLUS PROPERTY UNDER \$10,000
(In Accordance with Master Policy)
December 2023

PROPERTY ITEM	SALE ESTIMATE
1. Used Tires that include: a. (2) 265/70R16 with Chevy 6 lug wheels Approx. \$500.00 b. (1) 255/70R16 with 5 lug Ford wheel Approx. \$40.00 c. (2) 12.00-20 (1) forklift tires with wheel Approx. \$600.00 d. (1) 8.25-20 forklift tire with wheel Approx. \$200.00 e. (1) 10.00-20 forklift tire with wheel Approx. \$300.00	\$1,640.00
2. 1992 Dodge Dakota Truck (Vehicle # 30) that is no longer used by Port Staff.	\$1,500.00
3. Wagner Brake Parts that are no longer needed by Port Mechanics. That includes one complete frame and torque bar.	\$500.00
4. Brake Linings with Clips (Approximately 50) that are no longer needed by Port Mechanics	Estimated value is \$100 each at approximately \$5,000.00 total.



December 15, 2023

MEMORANDUM

TO: Board of Commissioners
FROM: Paul Jarkiewicz , Executive Director
SUBJECT: Surplus Declaration

Pursuant to current Port Delegation of Administrative Authority and RCW 53.08.090, I declare the following items surplus to the needs of the Port and each has an estimated value of less than \$22,000:

1. **Surplus Item – Used Tires** that include:
 - a. (2) 265/70R16 with Chevy 6 lug wheels Approx. \$500.00
 - b. (1) 255/70R16 with 5 lug Ford wheel Approx. \$40.00
 - c. (2) 12.00-20 (1) forklift tires with wheel Approx. \$600.00
 - d. (1) 8.25-20 forklift tire with wheel Approx. \$200.00
 - e. (1) 10.00-20 forklift tire with wheel Approx. \$300.00Estimated total value of wheels is approximately \$1,640.00
2. **Surplus Item – 1992 Dodge Dakota Truck (Vehicle # 30)** that is no longer used by Port Staff. Estimated value is approximately \$1,500.00
3. **Surplus Item – Wagner Brake Parts** that are no longer needed by Port Mechanics. That includes one complete frame and torque bar. Estimated value is approximately \$500.00
4. **Surplus Item – Brake Linings with Clips** (Approximately 50) that are no longer needed by Port Mechanics. Estimated value is \$100 each at approximately \$5,000.00 total.

The surplus items listed above will be disposed of through the WA State Department of Enterprise Services surplus system, Govdeals.com or if not sellable through public auction the material will be scrapped or recycled.

Paul Jarkiewicz, Executive Director

Date

Investments & Cash held as of 12/31/2023

			12/31/22	3/31/23	6/30/23	9/30/23	12/31/23					
Name	Type	Interest	Face	Face	Face	Face	Face	Annual	Maturity	Invst	Acquisition	
		Rate	Value	Value	Value	Value	Value	Interest	Date	Rating	Call	Date
FHLMC 5-year	Bond	6.25%	-	-	-	-	2,000,000	125,000	10/26/2028	Aaa	qtrly	10/26/2023
FHLB 5-year step up**	Bond	2.50%	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	50,000	3/29/2027	Aaa	qtrly	3/29/2022
FHLB 3-year doubler***	Bond	2.750%	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	55,000	3/28/2025	Aaa	qtrly	3/28/2022
FNMA 1-year	Bond	5.40%	-	-	-	2,000,000	2,000,000	108,000	7/19/2024	Aaa	6-mo	7/19/2023
FNMA 1-year	Bond	5.20%	-	2,000,000	2,000,000	2,000,000	2,000,000	104,000	3/28/2024	Aaa	qtrly	3/30/2023
FHLB 1-year	Bond	5.10%	2,000,000	2,000,000	2,000,000	2,000,000	-	-	12/20/2023	Aaa	qtrly	12/20/2022
FHLB 9-month	Bond	4.00%	2,000,000	2,000,000	2,000,000	-	-	-	6/30/2023	Aaa	qtrly	9/30/2022
FHLB 6-month	Bond	3.00%	2,000,000	-	-	-	-	-	1/27/2023	Aaa	qtrly	7/29/2022
1st Security Bnk 2-Yr CD	CD	0.45%	4,036,130	-	-	-	-	-	12/31/2022	n/a	no	12/31/2022
First Federal Invst	Cash	5.42%	2,114,391	6,219,047	6,366,009	6,450,758	4,576,212	248,031				
LGIP Balance	Cash	5.42%	1,532,115	2,617,694	3,656,204	3,457,341	4,743,218	257,082				
Umpqua Bank Account	Cash	0.30%	607,620	111,235	352,954	359,595	163,081	489				
			18,290,256	18,947,976	20,375,167	20,267,694	19,482,511	947,602				

Investments Called or Matured in 2023

Name	Type	Interest Rate						Annual Interest	Maturity Date	Invst Rating	Call	Redemption Date
FHLB 6-month	Bond	3.00%	2,000,000	-	-	-	-	60,000	1/27/2023	Aaa	qtrly	1/27/2023
FHLB 9-month	Bond	4.00%	2,000,000	2,000,000	2,000,000	-	-	80,000	6/30/2023	Aaa	qtrly	6/30/2023
FHLB 1-year	Bond	5.10%	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	102,000	12/20/2023	Aaa	qtrly	12/20/2023

Outstanding Debt

		12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	
	Rate	Amount	Amount	Amount	Amount	Amount	
2015 PABH 2006 refi	2.29%	1,050,169	1,050,169	1,050,169	1,050,169	707,714	10 year note, final annual payment 12/01/2025
CERB Washdown	2.00%	706,310	673,324	673,324	673,324	673,324	20 year, 1st annual payment made Jan 2021
CERB Cofferdam	2.00%	70,530	70,530	70,530	-	-	Project delayed, loan repaid in Aug 2023
CARB Airport Utilities	2.00%	718,968	687,480	687,480	687,480	687,480	20 year, 1st annual payment made Jan 2022
		2,545,977	2,481,503	2,481,503	2,410,973	2,068,518	

* Cash balances shown do not include funds held as the Harbor Group treasurer or funds reserved for K-Ply monitoring activities.

* Cash and investments do include \$517,500 received from Shell for upcoming environmental cleanup at 220 Tumwater (former longshore parking lot)

** 5-year step up rates by year are 2%, 2.5%, 3%, 4%, 5%

*** 3-year doubler rates by year are 1.375%, 2.75%, 5.5%

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

January 9, 2024

SUBJECT: Resolution 24-1290 Delegation of Authority

STAFF LEAD: Paul Jarkiewicz Executive Director

RCW & POLICY REQUIREMENTS:

The Revised Code of Washington (RCW) authorizes the commission of a port authority to delegate certain powers to its managing official:

The commission may delegate to the managing official of a port district such administrative powers and duties of the commission as it may deem proper for the efficient and proper management of port district operations. Any such delegation shall be authorized by appropriate resolution of the commission, which resolution must also establish guidelines and procedures for the managing official to follow.

RCW 53.12.270(1). Pursuant to this statute, the Commission adopted a “Delegation of Authority,” conferring certain authorities to the Executive Director. Implicit in this statutory grant is the authority to revise/amend the delegation as needed.

Moreover, certain powers conferred to the Executive Director, and contained in the current delegation of authority, require renewal on a “year to year” basis. See e.g. RCW 53.08.090(1) and Delegation of Authority, art XII, concerning the sale of property less than \$22,000 (amended annually by a price increase index from the Office of Financial Management).

BACKGROUND:

The Port’s current Delegation of Authority requires the Port Commission to review, revise (if needed), and approve the delegation annually, specifically regarding Sale of Real or Personal Property (RCW 53.08.90).

ANALYSIS:

The attached Resolution 24-1290 and Exhibit A renews the authority to surplus, sell and convey property with a value up to \$22,000.

ENVIRONMENTAL IMPACT: None

FISCAL IMPACT: None

RECOMMENDED ACTION:

- (1) Discuss and determine if additional revisions are needed.
- (2) Introduce Resolution No. 24-1290, renewing the Delegation of Authority for the Sale of Surplus Property.
- (3) If introduction is unanimous, then (upon motion, second, and vote) adopt the Resolution No. 24-1290. If introduction is not unanimous, bring back to next meeting.

**RESOLUTION OF THE PORT OF PORT ANGELES RENEWING THE
DELEGATION OF ADMINISTRATIVE AUTHORITY TO THE
EXECUTIVE DIRECTOR.**

WHEREAS, under RCW 53.12.270, the Port Commission of the Port of Port Angeles is authorized to delegate to the Executive Director of the Port of Port Angeles such administrative powers and duties as the Commission may deem proper for the efficient and proper management of Port operations;

WHEREAS, the Delegation of Authority Resolution serves as the directive by which the Commission delegates certain authority, otherwise retained by the Commission to the Port of Port Angeles Executive Director, and

WHEREAS, said Delegation must be revised periodically as circumstances require to ensure the Port is able to address its day-to-day operational needs; and

WHEREAS, state law and said Delegation requires certain authority conferred to the Executive Director to be renewed on an annual basis;

WHEREAS, in Resolution No. 22-1262 and Resolution No. 23-1282, the Port Commission delegated to its Executive Director certain authority for the management and operations of the Port;

NOW THEREFORE BE IT RESOLVED that Resolutions 22-1262 and 23-1282 are hereby rescinded, and the Port of Port Angeles Delegation of Administrative Authority to the Executive Director, as set forth in **Exhibit A** attached hereto and by this reference incorporated herein, is adopted and renewed for the purpose of establishing the administrative authority of the Executive Director.

ADOPTED by the Port Commission of the Port of Port Angeles at a regular meeting thereof held this 9th day of January 2024.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

Connie L. Beauvais, President

Colleen M. McAleer, Vice President

Steve D. Burke, Secretary

Delegation of Administrative Authority to the Executive Director

I. Forward:

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

B. This policy shall not be interpreted to limit the duties or responsibilities of the Executive Director as those duties are determined from time-to-time by the Commission. In case of a short-term absence, the Executive Director may designate one or more senior Port staff to act in the place of the Executive Director with regard to the powers and duties herein. However, ultimate responsibility for all administration and Port operations of the Port rests with the Executive Director.

C. To implement delegations of authority to Port personnel, the Executive Director may promulgate policy and procedural manuals, monetary and budgetary directives, and other such documents as personnel position descriptions, affirmative action plans, safety manuals, etc. which shall provide a clear span of authority and responsibility to the designees of the Executive Director. Any delegation to Staff shall be in writing and will require periodic review/reauthorization by the Executive Director.

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

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

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

of the Commission.

II. POLICY GOVERNING REAL PROPERTY AND THE PORT TERMINALS:

A. Lease Arrangements: All real property when available for leasing shall, except as otherwise provided herein below, be leased only under an appropriate written lease instrument, executed by the Commission, and accompanied by a lease bond or other form of security in accordance with law. Further guidance to Port Staff concerning Lease rates, terms and considerations is contained in the Port's Lease Policy. Additionally, the Executive Director may execute short term leases (terms of one year or less) subject to all the following conditions:

1. The appropriate lease surety must be in place consistent with statutory requirements and the Port's standard form of lease, except for State and Federal leases that require the use of the tenant's lease form as long as the content of the lease form does not materially change the Port's intent in its standard lease form.

2. The arrangements for short term occupancy shall be evidenced by the Port's standard form of lease (except that any clearly inapplicable provision or provisions inconsistent with the policy herein set out shall be deleted from the standard form).

3. The amount of the rental shall be in accordance with the rental revenue standards adopted by the Commission for similar Port property of the same or similar class and type and devoted to similar uses.

4. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the standards of use adopted by the Commission for the same or similar Port property or properties.

5. The lease may not be renewed or otherwise extended beyond three years without Commission approval.

B. Sublease Procedures: Leases, concession agreements, operating agreements, and related contracts between the Port and its tenants, concessionaires, and other parties shall include restrictions on the subleasing and require at a minimum the prior written consent of the Port to such subleases. Subject to the provisions of the lease or agreement, the Executive Director is authorized to grant consents to subleases which for the purposes hereof shall include sub operating agreements and sub concession agreements; given that there is less than one year remaining on the lease, has a similar use as adopted by the Commission for the same or similar Port property, the Lessee is not in default or "holdover" status and the material terms of the lease agreement are unchanged.

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

1. Easements for purposes of utility installments to Port properties. Easements that may impact the Port's Strategic Plan, provide utility service

to non-Port properties, or result in the Port incurring costs due to increasing capacity, the Commission shall be informed prior to approving such easement.

2. Short-term agreements (less than one year) for the use of Port-owned equipment, airport hangars, marina slips and storage areas, in keeping with the Port Lease and Property Use Policy.

3. Business Licenses and Licenses to Operate.

4. Aquatic land leases with the Washington State Department of Natural Resources to accommodate leasehold property leases consistent with the Port Management Agreement.

5. Binding site plans and short plats consistent with Port master plans in order to activate leasehold interests.

6. Changes in name of responsible party to the lease if all other conditions, including primary ownership, remain the same.

7. Lease assignments for purposes of collateral and lease assignments for purposes of a single airport condominium unit conveyance (change of ownership) where there is an established condominium association as the Lessee.

8. Response to estoppels and attornments.

D. Lease Renewals: The Executive Director is authorized to renew leases for terms of up to five years provided such renewals are provided for in the basic lease; all other substantive terms of the lease remain unchanged; rental rate adjustments provided for in the lease are made; and the lessee is in good standing¹. The Executive Director shall report the execution of any such lease option to the Commission as soon as practicable.

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

F. Realtors Compensation Program: The Executive Director is authorized to make payments for real estate services consistent with the Commission's adopted Lease and Property Use Policy and within the lease authority of Section II.A.

G. Lay Berth Agreements: The Executive Director is authorized to execute Lay Berth Agreements for a term not to exceed one year to allow a vessel to berth on a daily

1. A tenant in "good standing" is in FULL compliance with all obligations in their current or past lease agreements includes inter alia timely payment of rent, adherence to specific terms of lease (property usage, etc.), adherence to property boundaries, promotion of the Port, adherence to local/state/federal rules and regulations, adherence to Port regulations (notification of tenant improvements, permission, notice, etc.), and exercises good faith in its dealings with the Port.

or monthly basis at the Port's Terminals. The Executive Director shall keep the Commission informed with respect to these agreements.

H. Cargo Throughput, Logyard and usage of Port Facilities Agreements: The Executive Director is authorized to negotiate terms, conditions, and charges for services related to moving cargo across the Port's Terminals and Log yard which deviate from the published Tariff when (i) in the course of business it is necessary to deviate from the Tariff to capture new revenue or retain existing business relationships, and (ii) such agreements will not require the expenditure of any unbudgeted capital improvements or operating funds, and (iii) the term of the agreements shall not exceed one year. The Executive Director shall keep the Commission informed with respect to these agreements.

III. POLICY GOVERNING CONTRACTS FOR PERFORMANCE OF PUBLIC WORK:

A. Public Work Contract Awards: The Executive Director shall have the responsibility for following all required statutory procedures in connection with all public work contracts as outlined in RCW 39. The Executive Director is authorized to carry out all procedures required by applicable statutes preliminary to the acts required to be performed by the Commission at an open meeting. The Executive Director may, without prior Commission approval, execute on behalf of the Port public work contracts for \$50,000² or less so long as the expenditure is within the approved budget. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port, public work contracts for public work identified in a specific budgetary line item and where the contract price and all other charges do not exceed the amount authorized in that specific budgetary line item by ten percent (10%), but in no case in excess of a cumulative amount of \$50,000 on the project. Any contract awarded that does not exceed \$50,000 shall be reported to the Commission at the first regularly scheduled meeting of the following month.

B. Emergency Public Work Contracts: When any emergency shall require the immediate execution of a public work contract, the Executive Director, pursuant to the procedures of RCW 39.04.020 (and as amended), is authorized to make a finding of the existence of such emergency and execute any public work contract necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding (not to exceed two weeks) of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the

2. For projects, where the cost of the work or improvement, including costs of materials, supplies and equipment, will not exceed the sum of \$40,000, Ports can use RCW 53.08.120.2(c) where no bids are required. The Port shall make its best effort to reach out to qualified contractors, including certified minority and woman- owned contractors.

progress of any such public work contracts executed to remedy the emergency. Emergency public work contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

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

1. The estimated cost of the aggregate changes in plans and/or specifications and all other charges will not exceed the specific budgetary line item, \$50,000.00 or 10% of the last Commission-approved total.
2. The contract provides for issuance of change orders.

D. Final Acceptance of Contracts: The Executive Director may give final acceptance of completed public works projects where total cost do not exceed \$300,000.

IV POLICY GOVERNING CONTRACTS FOR ACQUISITION OF MATERIALS, EQUIPMENT, SUPPLIES AND EMERGENCY SERVICES

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

B. Budgeted Acquisitions or Acquisitions of \$50,000, or less: The Executive Director may, without prior Commission approval, execute on behalf of the Port, contracts for materials, equipment, and supplies (where the acquisition does not meet the criteria of Section IV.A above) for \$50,000 or less so long as the expenditure is within the limits of overall budgetary constraints. In addition, the Executive Director may, without prior Commission approval, execute on behalf of the Port, contracts for materials, equipment, or supplies identified in a specific budgetary line item and where the contract price does not exceed the amount authorized in that specific budgetary line item by ten percent (10%).

C. Emergency Contracts for Acquisition of Materials, Equipment, Supplies, and Services: When an emergency shall require the immediate acquisition of materials, equipment, supplies, and services, the Executive Director is authorized to make a

finding of the existence of such emergency and execute any contract for acquisition of materials, equipment, supplies, and services (subject to the Port of Port Angeles Personal Service Agreement and Contracting Policy) necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to this authority. From the inception of any such emergency, the Executive Director shall continuously advise the Commission of the status of the emergency situation and the progress of any such public work contracts executed to remedy the emergency. Emergency acquisition contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, contract shall terminate, and the Contractor shall be compensated for work and materials used to the time of termination.

E. Performance of Work by Port Crews. The Executive Director is authorized to approve individual capital projects that are to be carried out by Port crews, or day labor when deemed appropriate, when the total estimated cost for labor and materials does not exceed \$50,000. Prior Commission approval is required for any such projects when the total estimated cost for labor and materials exceeds \$50,000. For projects that exceed \$40,000 the Port shall determine if contracting out construction would be less expensive than Port labor per RCW 53.08.135.

V. POLICY GOVERNING ADJUSTMENT AND SETTLEMENT OF CLAIMS AND PENALTIES (EXCLUDING THOSE COVERED BY PARAGRAPH XIV):

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

1. For purpose of this Section, "claim" shall mean the assertion of any position, penalty, right, or responsibility by or against the Port, its Commissioners, or employees, but not including uncollectible accounts as covered in Section X.

2. No claims against the Port shall be considered unless and until proper written notice has been provided to the Port.

3. All claims for or against the Port may be processed in all respects (except for their final approval and payment) by the Executive Director or Legal Counsel.

4. Except as provided under Section V.B, no claims shall be finally approved for settlement except by the Commission and no claim shall be paid except as authorized by the Commission.

B. Executive Director's Authority to Settle Claims: The Executive Director may, with the written concurrence of legal counsel, negotiate and settle claim(s) asserted against the Port or claims asserted by the Port for an amount not to exceed \$25,000 or the Port's applicable insurance deductible amount may be adjusted, for a

single incident; provided that the claim(s) seek only money damages and do not personally name or assert a claim against a Commissioner. All claims over the amount of \$7,500 shall be reported to the Commission as soon as practicable.

VI. POLICY GOVERNING ARRANGEMENTS FOR PROFESSIONAL AND CONSULTANT SERVICES:

A. Executive Director's Authority: The Executive Director is authorized to contract professional services with qualified architectural, engineering and technical testing and inspection firms licensed in the State of Washington, to provide such services as required for maintenance, preliminary engineering work, and small projects, and for similar purposes reasonably required in connection with public works. The procurement of and payment for professional services shall be accomplished in accordance with RCW 53.19.090 and RCW 53.19.080 along with the procedures to obtain professional services specified RCW 39.80. The aggregate cost for the professional and consulting services shall be less than \$50,000 and not exceed the amount authorized in that specific budgetary line item by ten percent (10%).

B. Sole Source Contracts³ The Executive Director is authorized to execute sole source contracts for services less than \$50,000 in value. For purposes of this section, and as provided in RCW 53.19.010, "sole source" means a consultant providing professional or technical expertise of such a unique nature that the consultant is clearly and justifiably the only practicable source to provide the service. The justification shall be based on the uniqueness of the service, sole availability at the location required, or warranty or defect correction service obligations of the consultant. The Executive Director shall inform the Commission at the first regularly scheduled meeting of the following month of all actions undertaken under this section without prior Commission approval.

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

A. Executive Director's Authority: To facilitate necessary normal Port operations, the Executive Director may authorize travel by Port employees and/or other Port representatives for Port business, in accordance with the Port's Travel Policy adopted pursuant to RCW 53.08.176 and RCW 42.24.090. Reimbursable personal travel expenses per trip shall not exceed \$5,000 per person without advance approval by the Commission.

VIII. POLICY GOVERNING STAFF AND EMPLOYEE ADMINISTRATION:

A. Executive Director's Authority: The Executive Director shall have the authority to manage all personnel matters for Port employees and staff which includes hiring, firing, training, grievance procedures, employee benefits, and administration of

3. Pursuant to RCW 53.19.040, sole source contracts shall be filed with the Commission and made available for public inspection prior to the proposed starting date of the contract. Documented justification for sole source contracts shall be provided to the Commission when the contract is filed to ensure that the costs, fees, or rates negotiated are reasonable.

the employee salary schedule and incentive programs. The Executive Director shall carry out these responsibilities according to state and local guidelines and policies and within overall budgetary constraints. The Executive Director will inform the Commission of actions being taken in the event the action may result in public notice or litigation.

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

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

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

X. POLICY GOVERNING DISPOSITION OF UNCOLLECTIBLE ACCOUNTS:

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

B. Procedures: The Executive Director is authorized to establish procedures for and to write off any uncollectible account in the amount of \$1,000 or less subject to the following general guidelines and in accordance with RCW 19.16.500:

1. Prior to writing off any account receivable or uncollectible, the Executive Director shall be satisfied that every reasonable effort has been made by the Port to accomplish the collection of the account.

2. The Executive Director may, as appropriate, authorize legal action in the proper court of law, or assign the account to a collection agency, while keeping the Commission informed. If, after attempting all normal account collections procedures, an account remains uncollectible after 180 days, the Executive Director may write off the account.

3. Any account in excess of \$1,000 which is deemed to be uncollectible shall be referred to the Commission for final write-off.

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

A. Authority of the Executive Director: The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission in connection with lease surety, lease surety bonds, assignments of accounts, rental deposits, or insurance coverage required pursuant to any leases of the Port, including any of the following actions:

1. Where the lease is not in default, to release any surety, surety bond, or rental deposit where an adequate substitute surety or rental deposit has been provided. To approve any surety, surety bond, rental deposit, certificate of insurance, or insurance policies submitted in fulfillment of the requirements of any lease, including substitute or replacement coverage for any terminated bond, surety, or rental insurance.

2. To approve any substitute or modifications of surety or insurance coverage, and to release any surety or insurance company when substitute or replacement insurance coverage has been provided in connection with any outstanding lease of the Port.

XII. POLICY GOVERNING SALE OF PROPERTY:

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

1. The market value of the personal property is less than \$~~1022~~,000.

2. Prior to any such sale or conveyance, the Executive Director shall itemize and list the property to be sold and make written certification to the Commission that the listed property is no longer needed for Port purposes.

3. Offers for purchase are solicited from at least three (3) parties, whenever possible.

4. Any large block of such property having a value in excess of \$~~1022~~,000 shall not be divided into components of a lesser value and sold unless done so by public competitive bid.

5. Property which is part of the comprehensive plan of improvement or modification thereof shall not be disposed of until the comprehensive plan has been modified pursuant to RCW 53.20.010 and until such property is found to be surplus to Port needs.

B. The sale of surplus personal property to Port officials or employees shall be restricted to public auctions, or consignment for bid, where the process is managed by a third-party vendor, and all interested parties have equal opportunity in the bidding process.

C. The Executive Director shall itemize and list the personal property to be disposed and shall make written certification to the Commission that the listed property was no longer needed for Port District purposes.

1. If the Executive Director is unable after reasonable effort to dispose of the property by sale, either through a publicly advertised competitive bidding process or sale by negotiation, the Executive Director may dispose of surplus personal property by

donation to a Clallam County tax-exempt organization, municipal corporation, tribal government or by delivery to the local transfer station or recycling center.

2. If a single item of personal property has an estimated value of \$200 or less, and the Executive Director reasonably determines that the expense of disposing of the property by sale exceeds any benefit the Port may receive from the sale, the Executive Director may dispose of the property by donation to a Clallam County tax-exempt organization, municipal corporation, tribal government or by delivery to the local transfer station or recycling center.

XIII. POLICY GOVERNING INVESTMENT OF TEMPORARILY IDLE PORT FUNDS:

A. Authority of the Executive Director: For purposes of this Section, "Temporarily Idle Port Funds" shall mean those funds which are not required for immediate expenditure. In accordance with the Port of Port Angeles Investment Policy, the Executive Director is authorized to direct the investment of temporarily idle Port funds. These directives shall permit, but shall not be limited to, investments in authorized government securities, sale of such investment and necessary interfund transfers. A summary report of all investments, sales, and interfund transfers shall be provided to the Commission quarterly.

XIV. LITIGATION:

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

B. Special Legal Services: The Executive Director, on consultation with the Port's Legal Counsel, is authorized to retain other such special counsel at fees as may be negotiated to assist in the handling of any claims, litigation, or other matters necessary to attend to the legal affairs of the Port, within overall budgetary constraints.

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

D. Consultation with Commission: In instances of litigation in which the value has, or is likely to exceed \$25,000, the Executive Director will, in conjunction with the Port's Legal Counsel, consult with the Commission regarding strategy and the economic impact of litigation.

XV. POLICY GOVERNING INTERLOCAL AGREEMENTS FOR USE OF PORT PROPERTY FOR TRAINING PURPOSES AND EVENT SITE USE AGREEMENTS FOR ONE DAY EVENTS:

A. Executive Director's Authority: The Executive Director is authorized to execute agreements with other public agencies for purposes of conducting training exercises related to police, fire, and public health and safety issues. Additionally, the Executive Director is authorized to execute event and site use agreements with organizations for up to 3-day nonpolitical events conducted by the organizations on Port property.

XVI CONFIDENTIALITY AGREEMENTS.

A. The Executive Director shall have the authority, upon concurrence of the Port's Legal Counsel, to execute confidentiality and nondisclosure agreements; provided however, said agreements shall comply with the requirements of Washington's Public Records Act, Chapter 42.56 RCW.

XVII COLLECTIVE BARGAINING AGREEMENTS

A. The Executive Director shall have the authority to enter into non-material amendments to Collective Bargaining and related Agreements with represented Port employees. These amendments shall not cost the Port more than \$25,000 per year. Collective Bargaining Agreements must conform to the restraints outlined in RCW 53.18.060. The Executive Director shall inform the Commission at the first regularly scheduled meeting of the following month of all actions undertaken under this section without prior Commission approval.

XVIII APPLICATION FOR AND ACCEPTANCE OF GRANTS

A. The Executive Director, is authorized to pursue and accept on behalf of the granting agency, without prior referral to the Commission, all grant and loan opportunities, when the Grantor does not require official Commission action, under the following conditions:

1. The program(s) or project(s) to be funded by the grant or loan opportunity are listed in the Port Commission's adopted annual operating budget, capital investment plan, or strategic plan; or
2. When the program(s) or project(s) to be funded by a grant or loan opportunity are not listed in the documents noted in Paragraph A.1 above, the grant or loan may still be pursued and accepted provided the grant or loan does not require the Port to contribute new agency money (even if reimbursed) exceeding \$50,000, or that result in increased operating expenses of \$50,000 annually.

B. The Executive Director, shall notify the Commission of the purpose, amount, duration, and associated obligations of any grant or loan application and award at the first regularly scheduled meeting of the month after the application is made. If, upon review, the Commission determines the grant application is not in the best interest of the agency, then it may direct the Executive Director to rescind the application.

XIX EXECUTIVE DIRECTOR DELEGATION OF AUTHORITY

A. The Executive Director has the authority to assign a delegate to act with the Executive Director's full delegation of authority, in the Executive Director's absence from the Port district jurisdiction exceeding 24 hours.

B. The Commission retains the authority to appoint an authorized delegate for the Executive Director under the following conditions:

1. If the Executive Director is absent from the Port district jurisdiction exceeding 24 hours, and
2. The Executive Director has not already delegated the Executive Director's full authority to a delegate for that absence, and
3. If said delegation is necessary for the orderly and efficient continuation and exercise of Port business, as determined by the Commission in its sole discretion.

Future Agenda Items –Commission Meeting

1/9/2024

January 23, 2024 (Regular Commission Meeting)

- 4th Qtr Ops Report
- PAYC Presentation
- IFC – Arrow Marine Service 1050
- IFC Harbor Cleanup W04 Change Order 2

February 13, 2024 (Regular Commission Meeting)

- Monthly DofA
- IFC – GSA New Term Lease
- IFC CRTC 1050 New Term Lease

February 27, 2024 (Regular Commission Meeting)

March 12, 2024 (Regular Commission Meeting)

- Monthly DofA

Upcoming Events/Announcements

- Feb 2-10: Seattle Boat Show (Seattle)
- Feb 2: WPPA Port and Maritime Day (Olympia)
- Feb 24-25: Northwest Aviation Conference (Puyallup)

Future

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



INDUSTRIAL DEVELOPMENT CORPORATION

Port of Port Angeles

P.O. Box 1350, Port Angeles, WA 98362 • (360) 457-8527

AGENDA

BOARD OF DIRECTORS MEETING

January 9, 2024

(Immediately following the Port of Port Angeles Commission Meeting)

Welcome to the Industrial Development Corporation (IDC) Board Meeting. The purpose of this meeting is to hear reports from staff and to discuss policy issues relevant to IDC operations and administration.

I. Call to Order

II. Approval of January 10, 2023 Minutes

III. Annual Meeting

A. Background

1. Overview
2. History of Activity

B. Elect the IDC Officers

**C. Acknowledge receipt of the 2023 Annual Financial Report
(Statement of Operations for Fiscal Year Ending 12/31/23)**

IV. New Business

V. Public Comment

VI. Items not on the Agenda

VII. Next Meeting

IDC special meetings will be held on an “as needed” basis. When scheduled, they will immediately follow the Port of Port Angeles Commission meeting. The regular annual meeting is held on the same day as the first regular meeting of the year of the Port Commission of the Port of Port Angeles.

VIII. Adjourn



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AGENDA

BOARD OF DIRECTORS MEETING

January 10, 2023

(Immediately following the Port of Port Angeles Commission Meeting)

Welcome to the Industrial Development Corporation (IDC) Board Meeting. The purpose of this meeting is to hear reports from staff and to discuss policy issues relevant to IDC operations and administration.

I. Call to Order

Comm. Beauvais called the meeting to order at 10:50 am.

II. Approval of January 11, 2022 Minutes

- Discussion
- Motion to approve the January 11, 2022 minutes: Comm. Burke
- 2nd: Comm. McAleer
- Vote: 3-0 (Unanimous)

III. Annual Meeting

A. Background

1. Overview
2. History of Activity

- Discussion
- No Action

B. Elect the IDC Officers

- Discussion
- Motion that the 2023 Port Commission officers serve as the 2023 IDC Officers: Comm. Burke
- 2nd: Comm. Beauvais
- Vote: 3-0 (Unanimous)

C. Acknowledge receipt of the 2023 Annual Financial Report (Statement of Operations for Fiscal Year Ending 12/31/22)

- Discussion
- Comm. Beauvais acknowledged receipt of the 2022 Annual Financial Report

IV. New Business

None

V. Public Comment

None

VI. Items not on the Agenda

None

VII. Next Meeting

IDC special meetings will be held on an “as needed” basis. When scheduled, they will immediately follow the Port of Port Angeles Commission meeting. The regular annual meeting is held on the same day as the first regular meeting of the year of the Port Commission of the Port of Port Angeles.

VIII. Adjourn

Comm. Beauvais adjourned the meeting at 11:00 am.



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III. ANNUAL MEETING

A. BACKGROUND

In 1982 the Industrial Development Corporation (IDC) of the Port of Port Angeles was formed. The IDC is a separate municipal corporation which has the authority, under RCW 39.84 and IRS 103(b), to issue nonrecourse revenue bonds on behalf of private companies. Such bonds are restricted to financing industrial development anywhere (Port or non-Port property) within the port district. These bonds are referred to as Industrial Revenue Bonds (IRB's). They allow a private company to obtain tax-exempt financing, which carries a lower interest rate.

Revenue bonds issued through the IDC are payable solely by the private company developing industrial facilities. The bonds are neither a liability nor a contingent liability of the IDC or the Port of Port Angeles. See the IDC "Overview" document and the "History of Activity" document for more information.

The most recent IDC bond activity was an inducement resolution executed on behalf of Black Ball Transport Inc. in February 2011. The inducement resolution indicates the intention of the IDC to issue IRB bonds if the private company wishes to take advantage of lower interest rates. Black Ball Transport has proceeded with their project without requesting an IRB.

Attachments: Overview and History of Activity

B. ELECT IDC OFFICERS

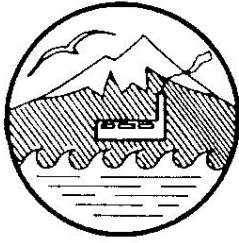
Resolution No. 529 of the Port of Port Angeles designates the incumbent Port of Port Angeles Commissioners as the Board of Directors of the IDC. Article 4 of the IDC's bylaws requires an annual meeting during January to elect officers.

C. 2022 Annual Financial Reports

Action is necessary to accept the Annual Financial Report of the IDC. Attached is the financial statement for calendar year 2023 in which \$2.66 was earned in interest. Next year the fiscal report will cover the calendar year of 2024.

RECOMMENDATIONS

1. Elect the IDC officers: President, Vice President, Secretary/Treasurer
2. Acknowledge receipt of the 2023 Annual Financial Reports.



INDUSTRIAL DEVELOPMENT CORPORATION Port of Port Angeles

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Overview

In 1982 the Industrial Development Corporation (IDC) of the Port of Port Angeles was formed. The IDC is a separate municipal corporation which has the authority, under RCW 39.84 and IRS 103(b), to issue **nonrecourse** revenue bonds on behalf of private companies. Such bonds are restricted to financing industrial development anywhere (Port or non-Port property) within the port district. These bonds are referred to as Industrial Revenue Bonds (IRB's). They allow a private company to obtain tax-exempt financing, which carries a lower interest rate.

Revenue bonds issued through the IDC are payable solely by the private company developing industrial facilities. The bonds are neither a liability nor a contingent liability of the IDC or the Port of Port Angeles.

Bonds issued by the IDC must be approved by the Washington state tax exempt bond cap program which regulates total tax exempt bond issuances within the state.

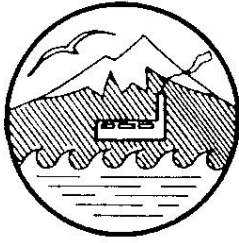
The IDC board is composed of the three current Port commissioners; the board operates under a separate set of bylaws. The IDC has no employees; all IDC work is performed by Port staff under a reimbursement agreement between the Port and the IDC.

The only sources of IDC revenue are bond issuance fees received when IDC bonds are actually issued. These fees, normally a few thousand dollars, are then transferred to Port accounts to reimburse the Port for time spent by Port staff on IDC issues.

IDC accounts are audited annually by the State Auditors' Office.

The IDC nonrecourse bond process involves the following steps:

1. Completion of an IRB application from by the private company
2. Adoption of an "Inducement Resolution" by the IDC - this resolution indicates the **intention** of the IDC to issue bonds for a qualified project, no bonds are issued at this time and no funds are generated
3. After review by IDC's bond counsel, project is submitted to Washington State bond cap program for approval - counsel works for IDC, fees are paid by private company
4. If approved by state, and private financing is negotiated, IDC will adopt IRB **issuance** resolution
5. On the bond closing date funds are transferred from financial institution to private company
6. The private company repays loan directly to financial institution



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History of Industrial Revenue Bond Activity Inducement & Issuance Resolutions adopted through December 31, 2023

There are two types of resolutions adopted by the IDC:

- Inducement resolutions which indicate the intention of the IDC to issue Industrial Revenue Bonds (IRB) at a later time if a private company proceeds through the IRB process
- Issuance resolutions which trigger the actual issuance of an IRB bond

IDC Inducement Resolutions

There have been nine inducement resolutions adopted by the IDC. The parties have three years from the date of the inducement resolution to agree to mutually acceptable terms to issue an IRB.

Date	Company	Amount
5/11/82	Seattle North Coast Railroad	\$ 5,000,000
8/17/82	Cedar-al Products, Inc.	\$ 50,000
3/26/85	Hiller Helicopters/Rogerson	\$ 4,000,000
12/19/85	Atlas Trucking	\$ 750,000
1/23/89	Daishowa	\$ 18,500,000
9/24/90	Daishowa	\$ 40,000,000
5/28/96	Admiral Marine Works, Inc.	\$ 7,000,000
1/13/97	K-Ply, Inc.	\$ 2,000,000
2/14/11	Black Ball Transport	\$ 8,000,000

IDC Issuance Resolutions

There have been five IRB issuances approved by the IDC:

Date	Company	Amount	Outstanding Principal	Maturity Date
10/10/85	Hiller Helicopters/Rogerson	\$ 3,800,000	\$ 0	
5/13/91	Daishowa	\$ 13,200,000	\$ 0	
8/10/92	Daishowa	\$ 10,000,000	\$ 0	
11/23/92	Daishowa	\$ 16,550,000	\$ 0	
11/25/96	Admiral Marine Works, Inc.	\$ 2,500,000	\$ 0	

STATEMENT OF OPERATIONS
FISCAL YEAR ENDING 12/31/2023

BEGINNING BALANCE	\$1,349.01	
INCOME:		
Interest	2.66	
TOTAL INCOME	2.66	
EXPENSES:		
TOTAL EXPENSES	0.00	
ENDING BALANCE 12/31/2023		<u><u>\$1,351.67</u></u>

BALANCE SHEET
FISCAL YEAR ENDING 12/31/2023

	<u>DEBIT</u>	<u>CREDIT</u>
ASSETS:		
CASH ON HAND	\$1,351.67	
LIABILITIES & CAPITAL		
NET WORTH FROM OPERATIONS		\$1,351.67
	<u><u>\$1,351.67</u></u>	<u><u>\$1,351.67</u></u>