



REGULAR COMMISSION MEETING
Tuesday, February 25, 2025, at 9:00 am
338 W. First St, Port Angeles, WA 98362

AGENDA

Time Specific Executive Session – 10:00 am

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. January Financial Report.....1-3
- B. Cash and Investment Report.....4
- C. West Port Angeles Boathaven RFQ Update
- D. Delegation of Authority Discussion

V. APPROVAL OF CONSENT AGENDA

- A. Regular Commission Meeting Minutes – February 11, 2025.....5-7
- B. Vouchers in the amount of \$431,893.29.....8

VI. COMPLETION OF RECORDS

No items

VII. PLANNING AND CAPITAL PROJECTS

No items

VIII. LOG YARD

No items

IX. MARINE TRADES AND MARINE TERMINALS

No items



X. PROPERTY

- A. Item for Consideration - Life Flight Network, LLC Term Lease.....9-11

XI. MARINAS

No items

XII. AIRPORTS

No items

XIII. OTHER BUSINESS

- A. Item for Consideration – John Wayne Marina (JWM) Port Management Agreement Amendment, Resolution 25-1318.....12-17
- B. Item for Consideration – Sale of Abandoned Vessels, Resolution 25-1319.....18-20
- C. Item for Consideration – Waiver of Competitive Processes for Pollution Control, Resolution 25-1320.....21-25
- D. American Association of Port Authorities Leadership Summit – Travel Authorizatio...26-27

XIV. ITEMS NOT ON THE AGENDA

XV. COMMISSIONER REPORTS

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

XVII. FUTURE AGENDA.....28

XVIII. NEXT MEETINGS

- A. March 11, 2025 – Regular Commission Meeting
- B. March 25, 2025 – Regular Commission Meeting
- C. April 8, 2025 – Regular Commission Meeting
- D. April 22, 2025 – Regular Commission Meeting
- E. April 28, 2025 – Special Joint Commission Meeting – at Port

XIX. UPCOMING EVENTS

- A. April 22-24, 2025 – AFRC Annual Meeting, Stevenson, WA



B. April 23-25, 2025 – Olympic Logging Conference, Victoria, B.C.

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

XX. EXECUTIVE SESSION – TIME SPECIFIC 10:00 AM

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

XXI. ADJOURN

RULES FOR ATTENDING COMMISSION MEETING

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

RULES FOR SPEAKING AT A COMMISSION MEETING

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

Port of Port Angeles
P&L Summary by Department
January 31, 2025

	January Actual	January Budget	CM Act vs Budget		Previous YTD Actual	CY Act vs PY Act	
			Variance	Variance %		Variance	Variance %
<u>OPERATING REVENUES</u>							
11 MARINE TERMINAL	242,363	207,424	34,939	▲ 16.84%	245,616	(3,253)	▼ 1.32%
15 MARINE TRADES AREA	47,917	58,292	(10,375)	▼ 17.80%	48,317	(400)	▼ 0.83%
21 LOG YARD	74,428	71,038	3,390	▲ 4.77%	126,275	(51,847)	▼ 41.06%
31 FAIRCHILD INTL AIRPORT	35,886	37,999	(2,113)	▼ 5.56%	36,492	(606)	▼ 1.66%
32 SEKIU	1,518	1,527	(9)	▼ 0.58%	1,459	59	▲ 4.03%
33 AIRPORT RENTAL PROPERTIES	143,601	161,049	(17,448)	▼ 10.83%	135,152	8,450	▲ 6.25%
41 PORT ANGELES BOAT HAVEN	155,903	151,918	3,985	▲ 2.62%	153,746	2,157	▲ 1.40%
43 JOHN WAYNE MARINA	151,729	155,247	(3,518)	▼ 2.27%	149,712	2,017	▲ 1.35%
61 RENTAL PROPERTIES	18,832	18,707	125	▲ 0.67%	17,555	1,277	▲ 7.27%
TOTAL OPERATING REVENUES	872,176	863,201	8,975	▲ 1.04%	914,324	(42,148)	▼ 4.61%
<u>OPERATING EXPENSES</u>							
11 MARINE TERMINAL	131,662	144,207	(12,546)	▼ 8.70%	134,895	(3,234)	▼ 2.40%
15 MARINE TRADES AREA	25,777	35,122	(9,345)	▼ 26.61%	27,643	(1,866)	▼ 6.75%
21 LOG YARD	113,238	103,806	9,432	▲ 9.09%	117,275	(4,037)	▼ 3.44%
31 FAIRCHILD INTL AIRPORT	44,714	42,239	2,475	▲ 5.86%	46,901	(2,187)	▼ 4.66%
32 SEKIU	3,570	1,583	1,987	▲ 125.49%	1,954	1,616	▲ 82.73%
33 AIRPORT RENTAL PROPERTIES	42,464	46,370	(3,906)	▼ 8.42%	42,439	25	▲ 0.06%
41 PORT ANGELES BOAT HAVEN	84,252	88,293	(4,040)	▼ 4.58%	73,625	10,627	▲ 14.43%
43 JOHN WAYNE MARINA	92,840	87,633	5,206	▲ 5.94%	80,142	12,698	▲ 15.84%
61 RENTAL PROPERTIES	13,949	12,026	1,923	▲ 15.99%	4,890	9,059	▲ 185.27%
80 ADMINSTRATIVE	253,505	218,977	34,528	▲ 15.77%	265,582	(12,077)	▼ 4.55%
81 BUSINESS DEVELOPMENT	24,268	36,733	(12,465)	▼ 33.93%	38,478	(14,210)	▼ 36.93%
82 IT	8,696	-	8,696	-	-	8,696	-
90 NON-OPERATING	-	-	-	-	-	-	-
91 MECH SHOP	15,286	26,789	(11,503)	▼ 42.94%	15,222	64	▲ 0.42%
92 FACILITIES MAINTENANCE	38,992	35,952	3,039	▲ 8.45%	22,996	15,995	▲ 69.56%
TOTAL DIRECT EXPENSES	893,212	879,730	13,482	▲ 1.53%	872,042	21,170	▲ 2.43%
ALLOCATED EXPENSES - ADMIN & MAINT	-	-	-	-	-	-	-
NET SURPLUS (DEFICIT) - Before Depreciation	(21,036)	(16,529)	(4,507)	▲ 27.27%	42,282	(63,318)	▼ 149.75%
ALLOCATED DEPRECIATION	-	-	-	-	-	-	-
DEPRECIATION EXPENSE	263,066	264,992	(1,926)	▼ 0.73%	261,493	1,573	▲ 0.60%
NET SURPLUS (DEFICIT) - After Depreciation	(284,102)	(281,522)	(2,580)	▲ 0.92%	(219,211)	(64,891)	▲ 29.60%

	January Actual	January Budget	CM Act vs Budget Variance Variance %		Previous YTD Actual	CY Act vs PY Act Variance Variance %		
<u>NON-OP (GENERAL)</u>								
NON-OP REV (General)	104,741	97,800	6,941	▲ 7.10%	82,073	22,668	▲ 27.62%	
NON-OP EXP (General)	4,012	2,066	1,946	▲ 94.21%	6,345	(2,333)	▼ 36.76%	
NON-OP (General) SURPLUS (DEFICIT)	100,729	95,734	4,995	▲ 5.22%	75,728	25,001	▲ 33.01%	
<u>NON-OP (CAPITAL)</u>								
NON-OP REV (Capital)	157,295	150,959	6,337	▲ 4.20%	147,853	9,442	▲ 6.39%	
NON-OP EXP (Capital)	2,426	936	1,490	▲ 159.22%	3,204	(778)	▼ 24.28%	
NON-OP (Capital) SURPLUS (DEFICIT)	154,869	150,023	4,847	▲ 3.23%	144,649	10,220	▲ 7.07%	
NET NON-OP SURPLUS (DEFICIT)	255,598	245,757	9,842	▲ 4.00%	220,378	35,220	▲ 15.98%	
TOTAL NET SURPLUS (DEFICIT)	(28,504)	(35,765)	7,261	▼ 20.30%	1,167	(29,671)	▼ 2543.43%	

Port of Port Angeles
Cash Flow Summary
Cash Flow Summary as of January 2025

	<u>YTD</u>
<u>Beginning Cash Balance</u>	20,295,537
Operating Revenues	968,996
Non-Operating Revenues	762,664
Total Revenues	1,731,660
Operating Expenses	2,360,583
Non-Operating Expenses	128,130
Total Expenses	2,488,713
<u>Ending Cash Balance</u>	19,538,485
<u>Change in Cash Balance</u>	(757,053)

Investments & Cash held as of 1/31/2025

			12/31/23	9/30/24	10/31/24	11/30/24	12/31/24	1/31/25			
<u>Name</u>	<u>Type</u>	<u>Interest Rate</u>	<u>Face Value</u>	<u>Face Value</u>	<u>Face Value</u>	<u>Face Value</u>	<u>Face Value</u>	<u>Face Value</u>	<u>Annual Interest</u>	<u>Maturity Date</u>	<u>Acquisition Date</u>
FHLB 5-year step up** (LPL)	Bond	3.00%	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	60,000	3/29/2027	3/29/2022
FHLB 5-year (Piper Sandler)	Bond	5.00%	-	-	5,000,000	5,000,000	5,000,000	5,000,000	250,000	10/22/2029	10/22/2024
First Federal Invst	Cash	4.54%	4,576,212	6,876,271	3,901,198	3,946,161	3,962,310	3,977,291	180,569		
LGIP Balance	Cash	4.46%	4,743,218	9,949,047	8,489,128	9,025,957	9,061,234	8,293,243	369,580		
Umpqua Bank Account	Cash	0.30%	167,823	378,686	553,430	672,362	271,993	267,951	804		

Investments Called or Matured

<u>Name</u>	<u>Type</u>	<u>Interest Rate</u>							<u>Maturity Date</u>	<u>Redemption Date</u>	<u>Interest Received</u>
FHLB 5-year (Piper Sandler)	Bond	5.55%	-	2,000,000	-	-	-	-	4/18/2029	10/18/2024	55,500
FNMA 1-year	Bond	5.40%	2,000,000	-	-	-	-	-	7/19/2024	1/19/2024	58,500
FHLMC 5-year	Bond	6.25%	2,000,000	-	-	-	-	-	10/26/2028	1/26/2024	31,250
FHLB 3-year doubler***	Bond	5.50%	2,000,030	-	-	-	-	-	3/28/2025	3/28/2024	82,500
FNMA 1-year	Bond	5.20%	2,000,000	-	-	-	-	-	3/30/2024	3/30/2024	134,672

Ending Investment/Cash Balance

19,487,283	21,204,004	19,943,757	20,644,479	20,295,537	19,538,485	860,953
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Outstanding Debt

		12/31/23	9/30/24	10/31/24	11/30/24	12/31/24	1/31/25	
<u>Rate</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	
2015 PABH 2006 refi	2.29%	707,714	707,714	707,714	707,714	357,505	357,505	10 year note, final annual payment 12/01/2025
CERB Washdown	2.00%	673,324	639,678	639,678	639,678	605,359	605,359	20 year, 1st annual payment made Jan 2021
CARB Airport Utilities	2.00%	687,480	655,362	655,362	655,362	655,362	655,362	20 year, 1st annual payment made Jan 2022
		2,068,518	2,002,754	2,002,754	2,002,754	1,618,226	1,618,226	

Ending Balance

17,418,765	19,201,250	17,941,003	18,641,725	18,677,311	17,920,259
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* 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%



REGULAR COMMISSION MEETING
Tuesday, February 11, 2025, at 9:00 am
338 W. First St, 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
Colleen McAleer, Commissioner
Steve Burke, Commissioner
Paul Jarkiewicz, Executive Director

Caleb McMahon, Dir. of Economic Development
Braedi Joutsen, Clerk to the Board
Chris Hartman, Director of Engineering
Jennifer Baker, Director of Admin & Finance

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE (0:00-0:34)

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

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (0:35-

None

III. APPROVAL OF AGENDA (1:02-1:15)

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

IV. WORK SESSION (1:16-1:28:37), (1:34:21-2:38:39)

A. Clallam County EDC Presentation

- Presentation: Mitch Koonz, Roy Mann, Lorie Fazio, Rebekah Miller, Justine Wagner
- Discussion
- No Action

B. Port Angeles Yacht Club Presentation

- Presentation: Karen O'Donnell
- Discussion
- No Action

C. Sequim Bay Yacht Club Presentation

- Presentation: Bryan Berreth
- Discussion
- No Action

D. Annual Bad Debt Report

- Presentation: Jennifer Baker
- Discussion
- Motion to approve the removal of the listed bad debt accounts from our records:
Comm. McAleer
- 2nd: Comm. Beauvais
- Vote: 3-0 (Unanimous)

E. Delegation of Authority Review

- Presentation: Paul Jarkiewicz
- Discussion
- Motion to increase the Executive Director Delegation of Authority from \$50,000 to \$75,000: Comm.
- 2nd:
- Vote: 3-0 (Unanimous)



V. APPROVAL OF CONSENT AGENDA (1:28:38-1:34:20)

- A. Regular Commission Meeting Minutes – January 28, 2025
- B. Vouchers in the amount of \$1,738,806.48
 - Discussion
 - Motion to approve the consent agenda: Comm. Beauvais
 - 2nd: Comm. McAleer
 - Vote: 3-0 (Unanimous)

VI. COMPLETION OF RECORDS (2:38:40-2:50:45)

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

VII. PLANNING AND CAPITAL PROJECTS

No items

VIII. LOG YARD

No items

IX. MARINE TRADES AND MARINE TERMINALS

No items

X. PROPERTY

No items

XI. MARINAS

No items

XII. AIRPORTS

No items

XIII. OTHER BUSINESS (2:50:46-2:53:59)

- A. Item for Consideration - Commission Bylaws, Resolution 25-1317
 - Presentation: Braedi Joutsen
 - Discussion
 - Motion to introduce Resolution 25-1317, a resolution amending the Port of Port Angeles Board of Commission Bylaws: Comm. McAleer
 - 2nd: Comm. Beauvais
 - Vote: 3-0 (Unanimous)
 - Motion to waive second consideration: Comm. Burke
 - 2nd: Comm. Beauvais
 - Vote: 3-0 (Unanimous)
 - Motion to adopt Resolution 25-1317, a resolution amending the Port of Port Angeles Board of Commission Bylaws: Comm. Beauvais
 - 2nd: Comm. McAleer
 - Vote: 3-0 (Unanimous)

XIV. ITEMS NOT ON THE AGENDA

XV. COMMISSIONER REPORTS

XVI. PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (2:54:00-2:54:35)

XVII. FUTURE AGENDA



XVIII. NEXT MEETINGS (2:54:36-2:55:44)

- A. February 25, 2025 – Regular Commission Meeting
- B. March 11, 2025 – Regular Commission Meeting
- C. March 25, 2025 – Regular Commission Meeting
- D. April 8, 2025 – Regular Commission Meeting

XIX. UPCOMING EVENTS (2:55:45-2:55:00)

- A. February 23-24, 2025 – Northwest Aviation Conference, Puyallup, WA
- B. April 22-24, 2025 – AFRC Annual Meeting, Stevenson, WA
- C. April 23-25, 2025 – Olympic Logging Conference, Victoria, B.C.

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

XX. EXECUTIVE SESSION (2:55:01-2:55:55)

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

- Comm. Burke recessed the meeting to convene an executive session with an anticipated length of 60 minutes. Following the executive session, the Commission is not expected to take action.
- Discussion:
Three (3) items concerning legal or financial risk. Discussing such matters in executive session is appropriate pursuant to RCW 42.30.110(1)(i).
- Recess: 5 minutes
- Start Time: 12:00 pm
- Extended: 5 minutes
- End Time: 1:05 pm

Public Session of Commission Meeting Reconvened: 1:05 pm

Commissioner Burke noted that no action will be taken as a result of the executive session.

XXI. ADJOURN (2:55:56-2:56:00)

Comm. Burke adjourned the meeting at 1:05 pm

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

Steven Burke, President

Connie Beauvais, 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.

This process is in compliance with the applicable RCWs and the State Auditor’s Budget Accounting and Reporting System (BARS) requirements. Further, the Port maintains effective internal controls to ensure that all disbursements are valid obligations authorized in accordance with the Delegation of Authority Policy.

SUMMARY TRANSMITTAL February 6, 2025 – February 19, 2025

CERTIFICATION

Accounts Payable

	Begin Check #	End Check #	
For General Expenses and Construction			
Accts Payable Checks (computer)	418990	419036	\$ 176,250.95
Voided/Zero Payable			
Accts Payable ACH	004296	004316	\$ 46,478.70
Accts Payable ACH	004384	004400	\$ 26,635.08
VOIDED/ZERO PAYABLE ACH			
Wire Transfer - Expenses			\$ -
Wire Transfer - Excise Tax			\$ -
Wire Transfer - Leasehold Tax			\$ -
Total General Expenses and Construction			\$ 249,364.73
Payroll			
Employee Payroll – Draws (Direct Deposit)			\$ -
Voided Payroll Check			\$ -
Employee Payroll Checks PPD (Direct Dep)	004317	004383	\$ 118,427.97
Wire Transfer – (Payroll Taxes, Retirement, Deferred Comp, L&I, PMFL)			\$ 64,100.59
Total Payroll			\$ 182,528.56
Total General Exp & Payroll			\$ 431,893.29

I, the Port Auditor or Deputy Auditor, do hereby clarify that the claims listed above are true and valid obligations and that appropriate and effective internal controls are in place to ensure that the outstanding obligations have been processed in accordance with the Port of Port Angeles procurement/payment policies and delegation of authority.

Auditor / Deputy Auditor

Commissioner, Connie Beauvais

Commissioner, Steven D. Burke

Commissioner, Colleen McAleer

* Detail is available upon request to Jennifer Baker, Director of Finance & Administration: jenniferb@portofpa.com

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

Date: February 25, 2025

SUBJECT: New Lease – Life Flight Network, LLC

Presented by: Caleb McMahon, Director of Economic Development

RCW & POLICY REQUIREMENTS

Per RCW 53.08.080 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 Port's Delegation of Administrative Authority to the Executive Director, all term lease agreements or use agreements of real or personal property shall be leased only under an appropriate written lease instrument executed by the Commission. Per Section 1.B.1 Commission Approval is required for any lease with a term in excess of one year and per section 1.B.4 Commission approval is required for any lease that contains any material non-standard terms or conditions.

Background:

Life Flight Network, LLC is a current Port tenant who has been leasing this location since 2019. The current lease term is ending and the Port and tenant wish to execute a new lease with the following information.

Port Area: William Fairchild Airport and North Airport Industrial Park

Address: 1405, 1406, and 1407 Fairchild Airport Road and 2530 W. 19th Street.

Use: These properties include aircraft hangars, offices, and crew quarters for the Life Flight Network medical transportation business.

Benefit to the Public: Medical support service.

Commencement Date: March 1, 2025.

Term: Three years.

Options to Renew: One (1) three-year option to renew with the Port's consent.

Leased Space:

Premises	SF
1405 Fairchild Airport Road	
1405 Hangar	2,750
1405 Office	792
1406 Fairchild Airport Road	
1406 Hangar	2,160
1406 Office	1,256
1407 Fairchild Airport Road	
1407 Hangar	2,160
1407 Office	280
2530 West 19th Street	
2530 Office	2,500
2530 Land	19,100
Total SF	30,998

Proposed Rate and Monthly Payment:

Location	SF	Price/SF	\$/Month
1405 Fairchild Airport Rd			
1405 Hangar	2,750	\$0.47	1292.50
1405 Office	792	\$0.63	498.96
1406 Fairchild Airport Rd			
1406 Hangar	2,160	\$0.34	734.40
1406 Office	1,256	\$0.51	640.56
1407 Fairchild Airport Rd			
1407 Hangar	2,160	\$0.32	691.20
1407 Office	280	\$0.61	170.80
2530 West 19th Street			
2530 Office	2,500	\$0.74	1850.00
2530 Land	19,100	\$0.027	515.70
Total SF	30,998		
Monthly Base Rent			\$ 6,394.12
Leasehold Excise Tax, currently at 12.84%			\$ 821.01
\$50/month for water, wastewater at 1405, 1406, 1407 Fairchild Airport Road			\$ 50.00
Total Monthly Charges			\$ 7,265.13

Escalation: Annual consumer price index adjustment to base rent included in this term lease, and annually during the lease term.

Utilities: Tenant's responsibility.

Tenant Improvements: Existing signage in Lessee's name.

Financial Security: Three months of rent is required as financial security. The proposed financial security for the tenant is $\$6,394.12 \times 3 = \$19,182.36$ in deposit or bond. The Lessee currently has a bond on file exceeding this amount.

Unique Terms and Conditions: The Port will allow early termination of this lease as it pertains to 1406 and 1407 Fairchild Airport Road, in the event Lessee enters into a ground lease with the Port to construct a new hangar at Fairchild International Airport. If the Lessee elects to execute early termination of these two addresses, the terms and conditions of this lease agreement shall remain in full force and effect with respect to the remaining two properties: *i.e.* the 1405 Fairchild Airport Road property, and the 2530 West 19th Street property.

Environmental Impact: None

Fiscal Impact of The Lease:

Fiscal Impact of the Lease - Life Flight Network LLC				
	Monthly Base Rent	Annual Revenue	3 Year Revenue	Optional 3 Year Renewal
Years 1-3	\$6,394.12	\$76,729.44	\$230,188.32	\$230,188.32
plus annual CPI adjustments				

RECOMMENDED ACTION:

On a motion and second, Staff recommends the Commission authorize the Executive Director to sign a new lease with Life Flight Network, LLC, per the terms and conditions presented.



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

February 25, 2025

Subject: Port Management Agreement Amendment – Resolution 25-1318

Presenter: Jesse Waknitz, Environmental Manager

RCW & POLICY REQUIREMENTS

RCW 53.08.020 authorizes the Port to construct, purchase, acquire, lease, maintain, and operate harbor improvements subject to all applicable state and federal laws. Per RCW 79.105.420 and WAC 332-30-114, the Washington State Department of DNR (DNR) may authorize the Port to manage state-owned aquatic lands adjacent to port-owned land.

BACKGROUND:

The Port of Port Angeles seeks to amend its existing Port Management Agreement (PMA) No. 22-080013 with the Washington State Department of Natural Resources (DNR) to authorize the installation of mooring buoys adjacent to John Wayne Marina (the Marina) and formally incorporate existing Port-owned improvements on state-owned aquatic lands that are not currently included in the PMA or a separate harbor area lease.

The Port owns and manages the uplands and tidelands at John Wayne Marina and is responsible for overseeing marina operations. Expanding mooring opportunities near the Marina is essential to supporting regional maritime activities, improving boater access, and enhancing safety and environmental stewardship. The installation of mooring buoys will:

- Provide sustainable moorage options,
- Reduce anchor damage to sensitive seabed habitats,
- Promote orderly vessel mooring, and
- Support regional tourism and economic development.

The proposed amendment would expand the PMA to include DNR-managed aquatic lands adjacent to John Wayne Marina, granting the Port the authority to obtain permits and manage the mooring buoys in alignment with our economic and environmental objectives. Additionally, the amendment will rectify the omission of existing Port-owned improvements on state-owned aquatic lands, ensuring they are properly documented within the PMA. To initiate the amendment process, DNR requires a resolution from the Port Commission authorizing the Executive Director to submit a formal request.

ANALYSIS:

The existing PMA identifies Parcel I, which encompasses a section of the Marina breakwater and includes approximately 0.15 acres of state-owned land. The proposed Parcel 5 in the amended PMA would replace Parcel I and expand to 29 acres, incorporating a larger area of state-owned aquatic lands adjacent to the Marina. Parcel 5 would encompass portions of the upland picnic area and breakwater, extending waterward of the extreme low tide line that existed before the Marina’s development. See Attachment A for details on the proposed PMA Parcel 5 and planned mooring buoy locations.

Expanding the PMA to include Parcel 5 would grant the Port the authority to install and manage mooring buoys without requiring a separate aquatic lease or additional authorization from DNR. Additionally, this amendment would formally document existing Port-owned marina improvements located on state-owned aquatic lands, ensuring they are properly accounted for within the PMA.

ENVIRONMENTAL IMPACT:

There are no direct environmental impacts resulting from amending the PMA to include Parcel 5. However, for the installation of the proposed mooring buoys, the Port will need to obtain the following permits, each with conditions to mitigate environmental impacts:

- **U.S. Army Corps of Engineers** – Nationwide Permit
- **U.S. Coast Guard** – Private Aid to Navigation Permit/Approval
- **Washington State Department of Fish and Wildlife** – Hydraulic Project Approval
- **City of Sequim** – Shoreline Substantial Development Permit

FISCAL IMPACT:

DNR does not charge a fee to review and approve the PMA amendment. However, the Port will incur costs for developing the amendment, obtaining permits, and installing the buoys, estimated as follows:

Year 2025

- Professional Surveyor Services \$12,400
- Aquatic Vegetation Survey \$ 9,000
- 2025 Total \$21,400

Year 2026

- Install Six Mooring Buoys \$72,000
- Engineer Inspection/Testing \$ 8,000
- 2026 Total \$80,000

The 2025 costs will be allocated to the 2025 capital budget contingency, while the installation of mooring buoys will be proposed as a 2026 capital budget project.

RECOMMENDED ACTION:

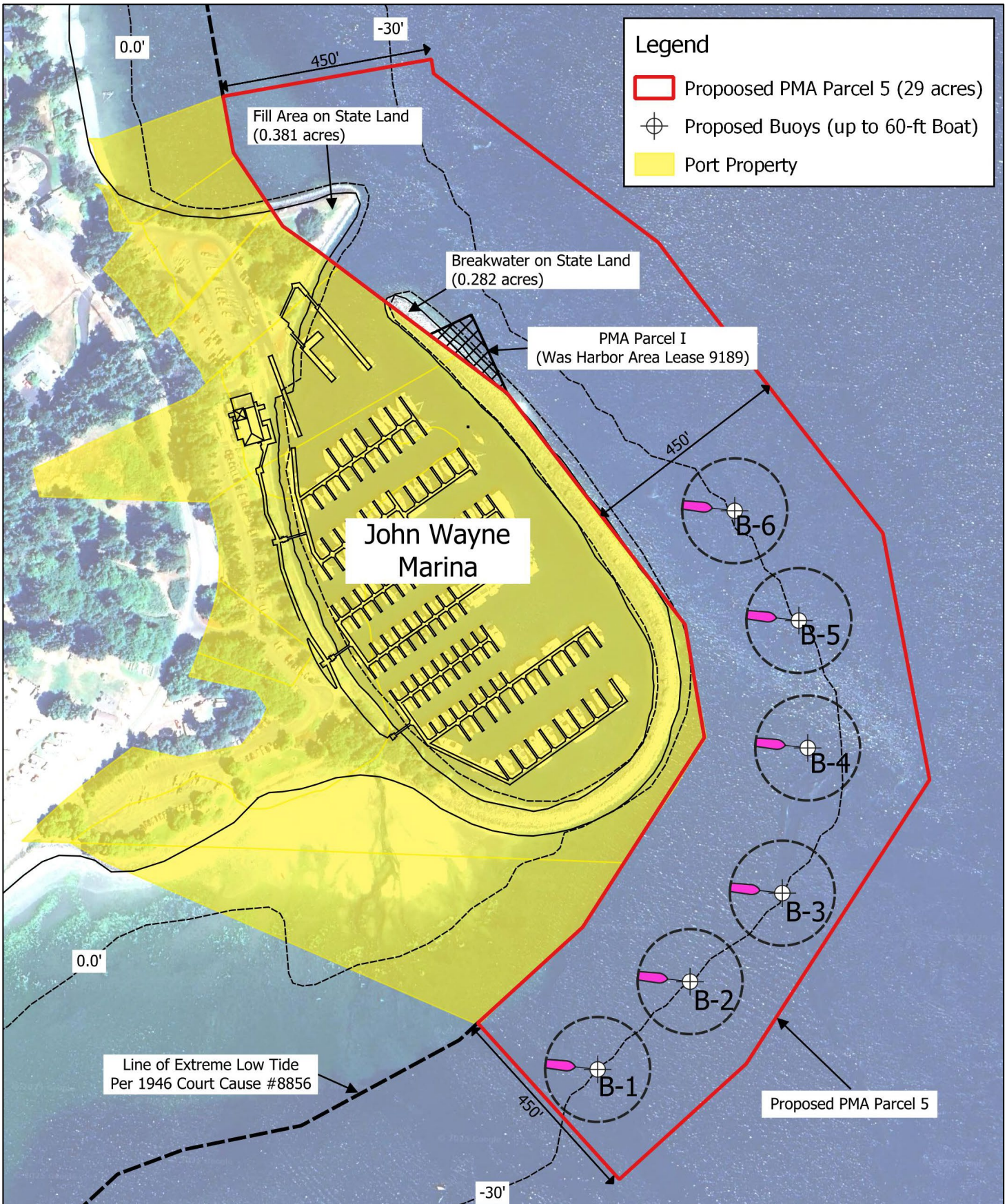
Introduce Resolution No. 25-1318 authorizing the Executive Director to submit a formal request to DNR for a PMA amendment to include aquatic land adjacent to John Wayne Marina.

If the introduction of the resolution is unanimous, motion to adopt Resolution 25-1318, authorizing the Executive Director to submit a formal request to DNR for a PMA amendment to include aquatic land adjacent to John Wayne Marina.

ATTACHMENTS

Attachment A: Proposed PMA Parcel 5 and Moorage Buoys

Attachment A: Proposed PMA Parcel 5 and Moorage Buoys (Sheet 1 of 1)



25-1318

**A RESOLUTION OF THE PORT OF PORT ANGELES COMMISSION
REQUESTING AN AMENDMENT TO ITS PORT MANAGEMENT AGREEMENT
FOR THE INSTALLATION OF MOORING BUOYS ADJACENT TO JOHN
WAYNE MARINA**

WHEREAS, under RCW 53, the Port of Port Angeles (Port) is responsible for developing and maintaining infrastructure that fosters economic development, providing transportation facilities that support commerce and communities within Callam County; and

WHEREAS, under RCW 53.08.020 the Port is specifically authorized to construct, purchase, acquire, lease, maintain, and operate harbor improvements subject to all applicable state and federal laws; and

WHEREAS, the Port owns the uplands and tidelands at John Wayne Marina and is responsible for the management and oversight of the Marina; and

WHEREAS, the Port entered into a Port Management Agreement (PMA) No. 22-080013 with the Washington State Department of Natural Resources (DNR) on September 23, 1985 per RCW 79.105.420 and WAC 332-30-114, which governs the Port management of state-owned aquatic lands adjacent to Port upland property and includes land adjacent to John Wayne Marina; and

WHEREAS, the existing PMA parcel at John Wayne Marina does not fully encompass all areas where Marina improvements reside on state-owned aquatic lands; and

WHEREAS, the inclusion of this aquatic land in the PMA would document Port improvements on state-owned aquatic lands; and

WHEREAS, the Port recognizes the need to enhance and expand mooring opportunities for recreational and commercial vessels in the vicinity of John Wayne Marina to support the maritime economy, improve access for boaters, and enhance safety and environmental stewardship; and

WHEREAS, the installation of mooring buoys will provide additional and sustainable moorage options that help reduce anchor damage to sensitive seabed habitats, promote orderly vessel mooring, and support regional tourism and economic development; and

WHEREAS, the installation of the mooring buoys would be on DNR owned and managed aquatic land adjacent to John Wayne Marina, and this aquatic land meets the criteria to be included in the exiting PMA through an amendment of the PMA, and

WHEREAS, the inclusion of this aquatic land in the PMA would allow the Port to manage the proposed mooring buoys and this aquatic land for the public's benefit:

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

The Port Executive Director or his designee shall be authorized to submit a formal request to the Washington State Department of Natural Resources, Aquatic Resources Division for a PMA amendment to include aquatic land adjacent to John Wayne Marina and to execute and file such documents as may be necessary for the PMA amendment with the Washington State Department of Natural Resources, Aquatic Lands Division.

ADOPTED by a majority of the members of the Port of Port Angeles Commission at a Meeting held on the ___ day of _____, a majority of the members being present and voting on this resolution and signed by its President and attested by its Secretary under the official seal of said Commission in authentication of its passage this ___ day of Blank 2025.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

Steve D. Burke, President

Colleen M. McAleer, Vice President

Connie Beauvais, Secretary

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

February 25, 2025

SUBJECT: PORT RESOLUTION TO SELL ABANDONED VESSELS

Presented by: Martin Marchant, Marine Trades Manager

RCW & POLICY REQUIREMENTS:

The Port follows the Revised Code of Washington (RCW) statutes in selling vessels that have failed to pay outstanding marina charges. According to the RCW, such vessels are deemed to be abandoned and may be sold to recover outstanding charges.

RCW 53.08 requires a separate Port resolution before sales of such vessels occur.

Article VIII A. of the Commission Bylaws requires that resolutions be introduced at one meeting before being considered for adoption at the next meeting. This provision may be superseded by a unanimous consent of the Commission.

BACKGROUND:

In order to facilitate passage of boat sale resolutions, which are identical except for the names of the vessels, their owners, and the auction date, staff introduced a draft of boat sale resolutions on August 10, 1998. The Commission approved the form of these resolutions (first reading) and directed staff to fill in appropriate vessel, owner and auction date information in the final resolutions (second and final reading).

ANALYSIS:

The owners of the vessels listed in Resolution No. 25-1319 have failed to respond to several notices regarding their delinquency. The vessels will be sold at an auction. If the sale proceeds fail to reimburse the Port completely, the account will be turned over to a collection agency.

ENVIRONMENTAL IMPACT:

None.

FISCAL IMPACT:

The charges accrued by the vessel have already been recognized as revenues in Port accounts. Conducting an auction enables the Port to begin collecting on this receivable.

<u>Customer</u>	<u>Boat</u>	<u>Description</u>	<u>Moorage/ Storage</u>	<u>Other Charges</u>	<u>LHT</u>	<u>Current Balance</u>
Michael Murphy	WN 7176 SF	1965 Grenfell C/Cruiser	\$4,860.00	\$991.38	\$624.02	\$6,475.40
Andrew Thompson	WN 5369 U	Boat/Boathouse WN 42 N Slip L-250	\$7,228.23	\$666.07	\$921.24	\$8,815.54
Ron Rieger	WN 0107 JD	Owens Boat/Boathouse	\$5,674.20	\$1,717.95	\$728.56	\$8,120.71

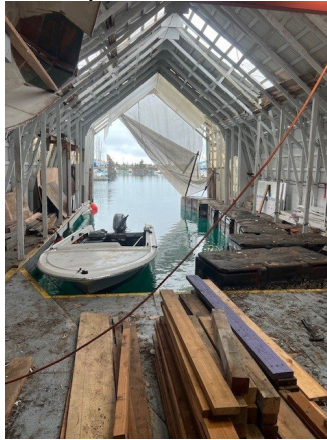
RECOMMENDED ACTION:

Adopt Resolution No. 25-1319 and authorize the auction to proceed.

Murphy Boat:



Thompson Boathouse:



Thompson Boat:



Rieger Boathouse:



Rieger Boat:



A RESOLUTION DIRECTING SALE OF ABANDONED VESSELS.

WHEREAS, the Commission of the Port of Port Angeles has seized the vessel described below for failure to pay Port charges; and

WHEREAS, the owners of such vessels have failed to make satisfactory payment of such charges; and

WHEREAS, the Port has complied with provisions of Revised Code of Washington (RCW) 53.08 and the Port's Rules and Regulations adopted pursuant to such statute in notifying such owners of their delinquencies;

NOW THEREFORE, BE IT RESOLVED that the Commission directs the following vessels be sold at public auction pursuant to procedures provided in RCW 53.08 and the Port's Rules and Regulations pursuant to such statute.

**“WN 7176 SF”
“WN 42 N”
“WN 5369 U”
“WN 0107 JD”
“BH O-25”**

The time and date of this auction will be scheduled in accordance with applicable statutes; public notice of these auctions will be made in conformity with RCW regulations.

ADOPTED this 25th day of February 2025.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

Steven D. Burke, President

Colleen M. McAleer, Vice President

Connie L. Beauvais, Secretary

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

February 25, 2025

SUBJECT: Resolution 25-1320, Waiver of Competitive Processes for Pollution Control Facilities & Finding of Facts in Support

STAFF LEAD: Paul Jarkiewicz Executive Director

RCW & POLICY REQUIREMENTS:

RCW 70A.210.110 authorizes the governing body of a city, town, county, or port district, in its sole discretion, to waive the requirement of competitive processes for pollution control facilities.

RCW 39.04.280(1)(b) also authorizes the governing body of a public agency to waive the competitive bidding requirements for certain public works special facilities, upon finding a factual basis for doing so.

BACKGROUND:

When adopting the exemption contained in Chapter 70A.210 RCW, the Washington state legislature found that amongst other things:

- (1) That environmental damage seriously endangers the public health and welfare.
- (2) That such environmental damage results from air, water, and other resources pollution, and from solid waste disposal, noise, and other environmental problems.
- (3) That to abate or control such environmental damage, antipollution devices, equipment, and facilities must be acquired, constructed, and installed.
- (4) That encouraging and accelerating the installation of facilities for abating or controlling and preventing environmental damage is in the public interest and serves a public purpose in protecting and promoting the health and welfare of the citizens of the cities, towns, counties, and port districts and, of this state.

Within the proposed Resolution, the Commission adopts these same Findings in support of waiving competitive processes for pollution control facilities

ANALYSIS:

The attached Resolution 25-1320:

1. Adopts provisions which waive competitive bidding requirements for certain public works special facilities and for pollution control facilities & certain purchases and Contracts as allowed by RCW 39.04.280(1)(b) and RCW 70A.210.110 and

2. Adopts Finding of Fact in support of the action.

ENVIRONMENTAL IMPACT: Waiving the competitive processes for pollution control facilities may benefit the environment by accelerating the construction and reconstruction of facilities for abating or controlling and preventing environmental damage.

FISCAL IMPACT: None

RECOMMENDED ACTION:

(1) Introduce Resolution No. 25-1320, waiving competitive bidding requirements for certain public works special facilities and for pollution control facilities

(2) Either:

- a. Waive second reading and, upon motion, second, and vote, pass Resolution No. 25-1320, or
- b. Discuss and bring back to the next Commission meeting for second consideration.

**A RESOLUTION OF THE PORT OF PORT ANGELES WASHINGTON
WAIVING COMPETITIVE BIDDING REQUIREMENTS FOR CERTAIN PUBLIC WORKS
SPECIAL FACILITIES AND FOR POLLUTION CONTROL FACILITIES & CERTAIN PURCHASES
AND CONTRACTS AS ALLOWED BY RCW 39.04.280(1)(b) and RCW 70A.210.110 &
ADOPTING FINDINGS OF FACT IN SUPPORT**

WHEREAS, pursuant to provisions of RCW 53.12.270, the Port Commission is authorized to delegate to the managing official of a port district such administrative powers and duties as it may deem proper for the efficient and proper management of port district operations, and

WHEREAS, the Executive Director derives authority from the Port Commission acting as the governing body and is responsible for carrying out Port Commission policies.

WHEREAS, the Port's Delegation of Authority Resolution includes the Port's policies governing contracts for performance of public works, for purchasing and for personal services contracts.

WHEREAS, RCW 70A.210.110 (recodified in 2020; previously RCW 70.95A.090) authorizes a competitive bidding exemption for pollution control facilities constructed or improved by cities, towns, counties, or port districts, specifically stating, that Pollution control facilities "shall be constructed, reconstructed, and improved ... in the manner determined by the governing body in its sole discretion and any requirement of competitive bidding, lease performance bonds or other restriction on the procedure for the award of contracts for such purpose ... is not applicable."

WHEREAS, RCW 70A.210.020 defines pollution broadly to include "any form of environmental pollution, including but not limited to water pollution, air pollution, land pollution, solid waste disposal, thermal pollution, radiation contamination, or noise pollution," and defines "facility" as "any land, building, structure, machinery, system, fixture, appurtenance, equipment or any combination thereof, or any interest therein ... to be used ... in furtherance of the purpose of abating, controlling, or preventing pollution."

WHEREAS, RCW 39.04.280(1)(b) also authorizes the governing body of a public agency to [waiver](#) [waive](#) the competitive bidding requirements for certain public works special facilities, upon finding a factual basis for doing so

WHEREAS, the Washington state legislature found when adopting Chapter 70A.210 RCW, which contains the exemption found that, amongst other things:

- (1) That environmental damage seriously endangers the public health and welfare;
- (2) That such environmental damage results from air, water, and other resources pollution and from solid waste disposal, noise and other environmental problems;
- (3) That to abate or control such environmental damage antipollution devices, equipment, and facilities must be acquired, constructed and installed;
- (4) That encouraging and accelerating the installation of facilities for abating or controlling and preventing environmental damage is in the public interest and serves a public purpose in

protecting and promoting the health and welfare of the citizens of the cities, towns, counties, and port districts and of this state; and

(5) That Chapter 70A.210 RCW shall be liberally construed to accomplish these intentions expressed in the “Legislative Purpose” section, RCW 70A.210.010.

WHEREAS, the Port Commission of the Port of Port Angeles adopts these same factual findings in support of this Resolution waiving the competitive bidding requirements for construction contracts, purchasing and personal services contracts for certain public works special facilities and for pollution control facilities.

NOW THEREFORE BE IT RESOLVED that:

1. Waiver of Competitive Bidding Requirements for Certain Public Works Special Facilities and for Pollution Control Facilities Contracts.

Pursuant to RCW 39.04.280(1)(b) and RCW 70A.210.110 and this Port Resolution 25-___ which contains the findings of fact in support, the Commission waives competitive bidding requirements for public works contracts for certain public works special facilities and for pollution control facilities as defined in RCW 70A.210.020. The Executive Director is authorized to carry out all procedures for the letting of said contracts for public works special facilities and for pollution control facilities exempted herein preliminary to the acts and approvals required to be performed by the Commission at an open meeting.

2. Waiver of Competitive Bidding Requirements for Certain Purchases.

Pursuant to RCW 39.04.280(1)(b) and RCW 70A.210.110 and this Port Resolution 25-___, which contains the findings of fact in support, the Commission waives competitive bidding requirements for purchases related to certain public works special facilities and for pollution control facilities as defined in RCW 70A.210.020. The Executive Director is authorized to carry out all procedures for purchases listed below and exempted herein preliminary to the acts and approvals required to be performed by the Commission at an open meeting.

1. Purchases that are clearly and legitimately limited to a single source of supply;
2. Purchases involving special facilities or market conditions;
3. Purchases in the event of an emergency.
4. Purchases of insurance or bonds;
5. Purchases for pollution control facilities as defined in RCW 70A.210.020, and
6. Public works in the event of an emergency.

3. Waiver of Competitive Bidding Requirements for Certain “Personal Services.”

Pursuant to RCW 53.19.020 and RCW 70A.210.110 and this Port Resolution 25-___, which contains the findings of fact in support, all personal service contracts will be entered into pursuant to competitive solicitation, except for:

- A. Emergency contracts,
- B. Sole source contracts; provided however, that sole source service contracts, regardless of the amount, shall be filed with the Commission and made available to the public prior to starting the work.
- C. Personal Services Contracts related to pollution control facilities as defined in RCW 70A.210.020
- D. Any other specific contracts or classes as exempted by 53.19 RCW.
- E. Other specific contracts or classes or groups of contracts exempted from the competitive solicitation process by the Commission when the Commission has determined that a competitive solicitation process is not appropriate or cost-effective.

The Executive Director is authorized to carry out all procedures for purchases listed below and exempted herein preliminary to the acts and approvals required to be performed by the Commission at an open meeting.

Adopted by the Port Commission of the Port of Port Angeles at a regular meeting thereof held this ___ day of ____, 2025.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

Steve D. Burke, President

Colleen M. McAleer, Vice President

Connie L. Beauvais, Secretary

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

February 25, 2025

**SUBJECT: American Association of Port Authorities Leadership Summit –
Travel Authorization**

Presented by: Paul Jarkiewicz, Executive Director

RCW & POLICY REQUIREMENTS

The following RCWs govern the payment of travel and promotional hosting expenses:

- RCW 42.24.090...120 Municipal corporation reimbursement of claims, use of credit cards for travel expenses and advancement for travel expenses
- RCW 53.08.175...176 Port District reimbursement for and regulation of expenses
- RCW 53.36.120...150 Port District expenditures for industrial development, trade promotion or promotional hosting

Per the Port’s Delegation of Authority (Resolution 25-1316, section VII.A), the Executive Director may authorize employee travel in accordance with the Port’s travel policy (Resolution 24-1304). The Executive Director must inform the Commission as part of the monthly reporting on all travel outside Washington, Oregon, Idaho, and British Columbia, Canada.

Per the Port’s Delegation of Authority and Travel Policy, the Commission must approve employee travel expenses that exceed \$5,000 per individual in advance.

BACKGROUND:

Caleb McMahon, Director of Business Development, and Chris Hartman, Director of Engineering, are enrolled in the Port Professional Management (PPM) program through the American Association of Port Authorities (AAPA). AAPA is a trade association representing more than 130 public port authorities in the U.S., Canada, the Caribbean, and Latin America. AAPA’s mission is to “educate stakeholders, provide service, and advocate policies that strengthen the ability of member seaports to serve their global customers and create economic and social value for their communities.” The PPM® program is a comprehensive port and supply chain education curriculum intended to further develop Port management professionals with five to ten years of prior Port work experience.

ANALYSIS:

The Leadership Summit occurs every other year and is a required conference to complete the PPM program. This year’s conference is in Milwaukee, Wisconsin, May 19 – 22. The estimated cost for registration and travel expenses is \$6,000 each. Those estimated costs include the following items:

- AAPA Leadership Summit Registration Fee \$2,655
- Round Trip Flight to Milwaukee, WI \$ 600
- SeaTac Hotel & Parking \$ 380

- Hotel \$240 x 5 + \$215 (tax) \$1,415
 - Misc travel (meals, uber, etc....) \$ 950
- Total = \$6,000 each

ENVIRONMENTAL IMPACT:

None

FISCAL IMPACT:

The estimated cost for travel expenses, including registration, lodging, meals, flights, and miscellaneous transportation expenses for two attendees, is \$12,000. Chris and Caleb's attendance at the AAPA Leadership Summit is included in the Port's 2025 Budget.

RECOMMENDED ACTION:

Authorize travel and expenses of \$6,000 each for Chris Hartman and Caleb McMahon to attend the AAPA Leadership Summit in Milwaukee, Wisconsin, May 19 – 22.

Future Agenda Items –Commission Meeting

2/25/2025

March 11, 2025 (Regular Commission Meeting)

- Monthly Delegation of Authority Report
- Annual Capital Projects Report
- Community Boating Program Presentation
- Quarterly Grants Update
- West PABH Master Plan RFQ

March 25, 2025 (Regular Commission Meeting)

- February Financial Report
- Monthly Cash & Investment Report

April 8, 2025 (Regular Commission Meeting)

- Monthly Delegation of Authority Report

April 22, 2025 (Regular Commission Meeting)

- Monthly Cash & Investment Report
- March Financial Report
- 1st Quarter Operations Report
- Abandoned Vessel Auction

April 28, 2025 (Special Joint Commission Meeting) – at Port

Upcoming Events/Announcements

April 22-24, 2025 – AFRC Annual Meeting, Stevenson, WA

April 23-25, 2025 – Olympic Logging Conference, Victoria, B.C.

Future

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