

Port of Port Angeles

Port Angeles, Washington

Commissioner's Resolution No. 26-1336

RESOLUTION OF THE PORT OF PORT ANGELES RENEWING THE DELEGATION OF ADMINISTRATIVE AUTHORITY TO THE CHIEF EXECUTIVE OFFICER

WHEREAS, under RCW 53.12.270, the Port Commission of the Port of Port Angeles is authorized to delegate to the Chief Executive Officer 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 Chief Executive Officer, 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 require certain authority conferred to the Chief Executive Officer to be renewed on an annual basis;

WHEREAS, in Resolution No. 22-1262, Resolution No. 23-1282, and Res-24-1290 the Port Commission delegated to its Chief Executive Officer certain authority for the management and operations of the Port;

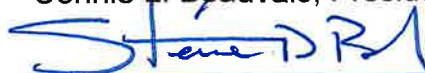
NOW THEREFORE BE IT RESOLVED that Resolutions 22-1262, 23-1282, and Res 24-1290 are hereby rescinded, and the Port of Port Angeles Delegation of Administrative Authority to the Chief Executive Officer, as set forth in **Exhibit A** attached hereto and by this reference incorporated herein, is adopted and renewed for the purpose of establishing the administrative authority of the Chief Executive Officer.

ADOPTED by the Port Commission of the Port of Port Angeles at a regular meeting thereof held this 14th day of April 2026.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS



Connie L. Beauvais, President



Steve D. Burke, Vice President



Colleen M. McAleer, Secretary

Delegation of Administrative Authority to the Chief Executive Officer

I. Foreword:

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 Chief Executive Officer, who is responsible for Port operations. The Chief Executive Officer may delegate to Port personnel such administrative authority or reporting requirements herein established as is necessary and advisable in the efficient exercise of the Chief Executive Officer's powers and duties.

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

C. To implement delegations of authority to Port personnel, the Chief Executive Officer 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 Chief Executive Officer. Any delegation to Staff shall be in writing and will require periodic review/reauthorization not less than annually by the Chief Executive Officer.

D. Any Commission directives or initiatives shall be made through the Chief Executive Officer 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, standard rental template, and investment 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 Chief Executive Officer shall inform the Commission regarding significant information, incidents, and business transactions by methods agreeable to the Commission. The Chief Executive Officer shall report monthly to the Commission on those actions within this delegation. The Chief Executive Officer is the Port's managing official, appointed by the Commission, and serves as its representative. Nothing herein

should be construed in any way as abrogating the duties and 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. The Chief Executive Officer 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 rental shall be evidenced by the Port's standard form of lease (except that any clearly inapplicable provision or provisions inconsistent with the policy herein 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 of the leased property by the tenant shall be expressly stated in the lease and shall be in accordance with the approved lease.

5. The lease may not be renewed or otherwise extended beyond the initial term of less than one year without Commission approval. Nor may a similar lease to the same entity for the same property be executed 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 subleasing and shall require, at a minimum, the prior written consent of the Port Commission to any sublease, sub-operating agreement, or sub-concession agreement, except as provided in subsection (1):

1. Subject to the provisions of the underlying lease or agreement, the Chief Executive Officer is authorized to grant written consent to a sublease, sub-operating agreement, or sub-concession agreement without prior Commission approval, provided that all of the following conditions are met:

a) Less than one year remains on the term of the underlying lease at the time the consent is granted;

b) The proposed sublease is for a use substantially similar to the use previously approved by the Commission for the same Port property;

- c) The lessee is not in default and is not in holdover status; and
- d) The material terms of the underlying lease are not modified or extended.

2. Any sublease consent granted under this authority shall be reported to the Commission at the next Commission Meeting.

C. Other Real Estate Documents: The Chief Executive Officer is authorized to execute the following property instruments, subject to the terms specified herein and shall be reported to the Commission as part of the CEO's monthly Delegation of Authority Report:

1. Easements for purposes of utility installments to serve 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.

2. Short-term agreements (of one year or less) 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. Aquatic land leases with the Washington State Department of Natural Resources of one year or less to accommodate leasehold property leases consistent with the Port Management Agreement.

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

5. The Chief Executive Officer is authorized to approve lease assignments under an existing ground lease for purposes of collateral, and lease assignments associated with the conveyance of a single airport condominium unit (change of ownership), where an established condominium association is the lessee under the ground lease.

6. Access Agreements.

D. Other Real Estate Documents: The Chief Executive Officer is authorized to execute the following property instruments, subject to the terms specified herein and are not required to be included in the CEO's monthly Delegation of Authority Report:

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

2. Response to estoppels and attornments.

E. Lease Renewals: The Chief Executive Officer is authorized to renew leases for terms of up to five years, provided such renewals are provided for in the already approved 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.

1. A tenant in "good standing" is in FULL compliance with all obligations in their current or past lease agreements includes among other things 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.

The Chief Executive Officer shall report the execution of any such lease option to the Commission and shall be reported to the Commission as part of the CEO's monthly Delegation of Authority Report.

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

G. Realtors Compensation Program: The Chief Executive Officer 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.

H. Lay Berth Agreements: The Chief Executive Officer is authorized to execute Lay Berth Agreements, for a term of one year or less, to allow a vessel to berth on a daily or monthly basis at the Port's Terminals. This action shall be reported to the Commission as part of the CEO's monthly Delegation of Authority Report.

I. Port Facilities Agreements: The Chief Executive Officer 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 This action shall be reported to the Commission as part of the CEO's monthly Delegation of Authority Report.

III. POLICY GOVERNING CONTRACTS FOR PERFORMANCE OF PUBLIC WORK:

A. Public Work Contract Awards: The Chief Executive Officer shall have the responsibility for following all required statutory procedures in connection with all public work contracts as outlined in Chapter 39 RCW and Chapter 53 RCW. The Chief Executive Officer 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 Chief Executive Officer may, without prior Commission approval, execute on behalf of the Port public work contracts for \$75,000² or less so long as the expenditure is within the approved budget. In addition, the Chief Executive Officer

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 businesses.

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 more than ten percent (10%), but in no case in excess of a cumulative amount of \$75,000 on the project. Any contract awarded that does not exceed \$75,000 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 Chief Executive Officer, pursuant to the procedures of RCW 39.04.020 (as it now exists and as may be later 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 Chief Executive Officer shall, at the first Commission meeting following the Chief Executive Officer'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. Emergency contracts shall be filed with the commission and made available for public inspection within seven working days following the commencement of work or execution of the contract, whichever occurs first. Documented justification for emergency contracts shall be provided to the commission when the contract is filed. "Emergency" means a set of unforeseen circumstances beyond the control of the port that either: (a) Present a real, immediate threat to the proper performance of essential functions; or (b) May result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken pursuant to RCW 39.04.280. From the inception of any such emergency, the Chief Executive Officer shall advise the Commission on the status of the emergency and the progress of any public work contracts executed to remedy it. 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 Chief Executive Officer 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 by \$75,000, or 10% of the last Commission-approved total.
2. The contract provides for the issuance of change orders.
3. Unless Commission retains its change order approval authority in the respective Commission approval of the original underlying contract.

D. Final Acceptance of Contracts: The Chief Executive Officer may give final acceptance of completed public works projects where the total cost does not exceed \$350,000.

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 Chief Executive Officer 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 \$75,000, or less: The Chief Executive Officer 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 \$75,000 or less so long as the expenditure is within the limits of overall budgetary constraints. In addition, the Chief Executive Officer may, without prior Commission approval, execute on behalf of the Port, contracts for materials, equipment, or supplies identified in a specific approved 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 Chief Executive Officer 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 Purchasing Procedure) necessary to respond to the existing emergency, provided that the Chief Executive Officer shall, at the first Commission meeting following the Chief Executive Officer'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 Chief Executive Officer shall continuously advise the Commission on the status of the emergency and the progress of any public work contracts executed to remedy it. Emergency acquisition contracts executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for work and materials used to the time of termination.

D. Performance of Work by Port Crews. The Chief Executive Officer 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 \$75,000. 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 XVI):

A. Procedure for Settling Claims: The Chief Executive Officer 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 the 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 XII.

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 Chief Executive Officer 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. Chief Executive Officer's Authority to Settle Claims:

1. The Chief Executive Officer may, with the written concurrence of legal counsel, negotiate and settle claims asserted against or by the Port for an amount not to exceed \$25,000, after applying the Port's applicable insurance deductible amount; provided that the claim seeks only monetary damages and does not require the Port to make a finding or admission of fault or liability. Settlements under this authority shall be treated as compromises of disputed claims and shall not constitute admissions of liability.

2. All claims settled under this authority shall be reported to the Commission as soon as practicable.

3. The settlement of any claim that personally names or asserts a claim against an individual Port Commissioner, seeks injunctive or declaratory relief, or would obligate the Port to formally acknowledge fault or wrongdoing, requires prior Commission approval.

VI. POLICY GOVERNING ARRANGEMENTS FOR PROFESSIONAL AND CONSULTANT SERVICES:

A. Chief Executive Officer's Authority: The Chief Executive Officer is authorized to contract for 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 39.80. The aggregate cost for the professional

and consulting services shall not exceed \$75,000 and shall not exceed the amount authorized in that specific approved budgetary line item by ten percent (10%).

B. Amendments: In the instances where professional service 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 Chief Executive Officer is authorized, without prior Commission approval, to execute individual amendments to the contract if all the following conditions are met:

1. The estimated cost of the aggregate changes and all other charges will not exceed the specific approved budgetary line item, \$75,000 or 10% of the original Commission-approved contract amount.

VII. POLICY GOVERNING CONTRACTS FOR PERSONAL SERVICES:

A. Chief Executive Officer's Authority: The Chief Executive Officer is authorized to contract for personal services. "Personal service" means professional or technical expertise provided by a consultant to accomplish a specific study, project, task, or other work statement which may not reasonably be required in connection with a public works project meeting the definition in *RCW 39.04.010(4). "Personal service" does not include purchased services as defined under RCW 53.19.010(8) or professional services procured using the competitive selection requirements in chapter 39.80 RCW. The procurement of and payment for and personal services shall be accomplished in accordance with RCW 53.19.090 and RCW 53.19.080. The personal services contract amount shall not exceed \$75,000 and shall not exceed the amount authorized in that specific approved budgetary line item by ten percent (10%).

B. Exceptions: Pursuant to RCW 53.19.020, all personal service contracts shall be entered into pursuant to competitive solicitation, except for:

- (1) Emergency contracts;
- (2) Sole source contracts, as defined in Section VII. C herein below;
- (3) Contract amendments;
- (4) Contracts between a consultant and a port of less than \$50,000 dollars. However, contracts of \$50,000 or greater but less than \$200,000 shall have documented evidence of competition. Ports shall not structure contracts to evade these requirements;
- (5) Other specific contracts or classes or groups of contracts exempted from the competitive solicitation process by the commission when it has been determined that a competitive solicitation process is not appropriate or cost-effective, including those listed in Section VII B (6) herein below.
- (6) The Port Commission exempts the following services from competitive bid process as allowed by RCW 53.19.20 since the Commission deems competitive solicitation process is not appropriate for services that deal with high-risk areas, special education, and unique experience: Human resource, legal, information technology, marketing, project management, writing, accounting, financial, lobbyist, or bookkeeping services.

C. Sole Source Contracts⁴ The Chief Executive Officer is authorized to execute sole source contracts for personal services in an amount not to exceed \$75,000. 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 documented justification shall include evidence that the port attempted to identify potential consultants. The Chief Executive Officer 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. Prior to a sole source contract being extended, the Port shall re-visit and confirm if the justification continues to apply and be valid.

In addition, 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. Sole source contracts which exceed the amount of \$75,000 dollars Commission approval and must be supported by documented justification. The Commission shall ensure that the costs, fees, or rates negotiated in filed sole source contracts that exceed \$75,000 dollars are reasonable.

D. Amendments: In the instances where personal service 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 Chief Executive Officer is authorized, without prior Commission approval, to execute individual amendments to the contract if all the following conditions are met:

1. The estimated cost of the aggregate changes and all other charges will not exceed the specific approved budgetary line item, \$75,000 and 10% of the original Commission-approved contract amount, and
2. If the value of the amendment or amendments to a personal service contract, whether singly or cumulatively, exceeds fifty percent of the value of the original contract, the contract amendment must be filed with the commission and made available for public inspection prior to the proposed starting date of services under the amendment, pursuant to RCW 53.19.060.

E. Changes In The Scope Of Work: In the event of substantial changes in the contract's scope of work, or substantial additions to the scope of work as specified in the formal solicitation document, the changes shall be submitted to the commission for a determination as to whether the change warrants the work to be awarded as a new contract.

4. 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.

F. Emergency Contracts: When any emergency shall require the immediate execution of a non-exempt professional or personal services contract, the Chief Executive Officer, pursuant to the procedures of 53.19.030 (as it now exists and as may be later amended), is authorized to make a finding of the existence of such emergency and execute any such contract necessary to respond to the existing emergency, provided that the Chief Executive Officer shall file such emergency contracts with the commission and made available for public inspection within seven working days following the commencement of work or execution of the contract, whichever occurs first. Documented justification for emergency contracts shall be provided to the Commission when the contract is filed.

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

A. Chief Executive Officer's Authority: To facilitate necessary normal Port operations, the Chief Executive Officer 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 and per Port Resolution 24-1304. Reimbursable personal travel expenses per trip shall not exceed \$5,000 per person without advance approval by the Commission.

B. 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.

C. Commissioner international travel, outside of British Columbia, Canada, requires approval by the Commission.

D. The Port's Auditor will be responsible for ensuring full compliance with applicable statutes, regulations, and Port policies and procedures governing expense reimbursement by employees, Port Commissioners, and representatives of the Port. Per RCW 53.08.176, the port district shall adopt a resolution establishing basic rules and regulations governing employee reimbursements, use of credit cards, allowable per diem that does not exceed the United States General Services Administration's per diem rates, and other procedures.

IX. EXPENDITURES FOR TRADE PROMOTION AND PROMOTIONAL HOSTING:

A. The Chief Executive Officer will report proposed expenditures covering industrial development, trade promotion, and promotional hosting as provided in RCW 53.36.120 to the Commission as part of the annual budget adoption. Expenditures proposed for promotional hosting shall be limited as provided in RCW 53.36.130.

B. Port staff and representatives responsible for industrial development, Promotional hosting, and trade promotion, and authorized to host under the Delegation of Authority Policy, are authorized to make expenditures for promotional hosting of all appropriate Port activities, subject to all of the provisions of the Promotional Hosting policy per Port Resolution 22-1263.

C. Commission hosting requires prior approval by the Commission.

X. POLICY GOVERNING STAFF AND EMPLOYEE ADMINISTRATION:

A. Chief Executive Officer's Authority: The Chief Executive Officer shall have the authority to manage all personnel matters for Port employees, which includes hiring, firing, training, grievance procedures, employee benefits, and administration of the employee salary schedule and incentive programs. The Chief Executive Officer shall carry out these responsibilities according to the state and local guidelines and policies and within overall budgetary constraints. The Chief Executive Officer will inform the Commission of actions being taken in the event that the action may result in public notice or litigation or any change to personnel employment statuses

XI. POLICY GOVERNING CHIEF EXECUTIVE OFFICER'S AUTHORITY FOR PROPERTY ACQUISITIONS AND SALES:

A. Chief Executive Officer's Authority: When the Port Commission authorizes the acquisition of real property by purchase or condemnation, the Chief Executive Officer shall take all necessary steps, including the securing of appraisals, to secure the title of such property for the Port. Acquisition price of individual properties (or ownerships) shall in no case exceed the Port's appraisal or the property's fair market value 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 authorization for the sale of real property is reserved to the Commission. When the Commission authorizes the sale of real property, the Chief Executive Officer shall take all necessary steps to complete the transaction, including, but not limited to, accepting deposits, opening escrow, and signing all necessary documents, and taking all steps to obtain Commission approval to surplus the property and to update the Port's Comprehensive Scheme of Harbor Improvements.

XII. 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 Chief Executive Officer 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 Chief Executive Officer is authorized to establish procedures for and to write off any uncollectible account \$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 Chief Executive Officer shall be satisfied that every reasonable effort has been made by the Port to accomplish the collection of the account.

2. The Chief Executive Officer 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 Chief Executive Officer may write off the account.

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

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

A. Authority of the Chief Executive Officer: Where a lease is not in default, the Chief Executive Officer or designee is authorized to take the following actions in connection with any lease of the Port:

1. Accept and approve any surety, surety bond, rental deposit, certificate of insurance, or insurance policy submitted in fulfillment of the requirements of a lease, including any substitute or replacement surety or coverage;
2. Approve modifications to, or substitutions of, any surety, bond, rental deposit, or insurance coverage required under a lease, including replacement coverage for any terminated or expired surety or policy; and
3. Release any surety, surety bond, rental deposit, or insurance obligation when an adequate substitute surety, deposit, or coverage has been provided or upon lease termination or expiration.

XIV. POLICY GOVERNING SALE OF PROPERTY:

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

1. The market value of the real or personal property is less than \$23,340.
2. Prior to any such sale or conveyance, the Chief Executive Officer 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 \$23,340 shall not be divided into components of a lesser value and sold unless done so by public competitive bid.
5. Real 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 Chief Executive Officer shall itemize and list the personal property to be disposed of and shall make a written certification to the Commission that the listed property was no longer needed for Port District purposes.

1. If the Chief Executive Officer is unable after reasonable effort to dispose of the surplus property by sale, either through a publicly advertised competitive bidding process or sale by negotiation, the Chief Executive Officer 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 \$5,000 or less, and the Chief Executive Officer reasonably determines that the expense of disposing of the property by sale would exceed any benefit the Port may receive, the Chief Executive Officer 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.

XV. POLICY GOVERNING INVESTMENT OF TEMPORARILY IDLE PORT FUNDS:

A. Authority of the Chief Executive Officer: 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 Chief Executive Officer 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 investments, and necessary interfund transfers. A summary report of all investments, sales, and interfund transfers shall be reported to the Commission as part of the CEO's monthly Delegation of Authority Report.

XVI. LITIGATION:

A. Management and Supervision of Litigations: The Chief Executive Officer 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 Chief Executive Officer, 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 Chief Executive Officer 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 themselves 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 \$75,000, the Chief Executive Officer will, in conjunction with the Port's Legal Counsel, consult with the Commission regarding strategy and the economic impact of litigation.

XVII. POLICY GOVERNING INTERLOCAL AGREEMENTS FOR USE OF PORT PROPERTY FOR TRAINING PURPOSES AND EVENT SITE USE AGREEMENTS FOR THREE-DAY EVENTS:

A. Chief Executive Officer's Authority: The Chief Executive Officer 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 Chief Executive Officer is authorized to execute event and site use agreements with organizations for up to 3-day non-political events conducted by the organizations on Port property.

XVIII. CONFIDENTIALITY AGREEMENTS.

A. The Chief Executive Officer 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.

XIX. COLLECTIVE BARGAINING AGREEMENTS

A. The Chief Executive Officer 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. This shall be reported to the Commission as part of the CEO's monthly Delegation of Authority Report.

XX. APPLICATION FOR AND ACCEPTANCE OF GRANTS

A. The Chief Executive Officer 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 \$75,000, or that result in increased operating expenses of \$75,000 annually.

B. The purpose, amount, duration, and associated obligations of any grant or loan application and award shall be reported to the Commission as part of the CEO's monthly Delegation of Authority Report 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 Chief Executive Officer to rescind the application.

XXI. INSURANCE POLICIES:

A. The Chief Executive Officer is authorized to negotiate and obtain appropriate policies of insurance to cover Port property, liability, employee coverage, and other areas appropriately included within a comprehensive insurance program. The Chief Executive Officer is authorized to approve from time-to-time changes or modifications within the policies of insurance including programs to provide self-insurance or deductible provisions so long as such programs are promptly and regularly reported to the Commission so that they are kept informed of basic changes in the overall insurance program of the Port.

B. The Commission shall approve the coverage and deductible of the insurance policy.

XXII. CHIEF EXECUTIVE OFFICER DELEGATION OF AUTHORITY

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

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

1. If the Chief Executive Officer is absent from the Port district jurisdiction exceeding 24 hours, and

2. The Chief Executive Officer has not already delegated the Chief Executive Officer'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.