ITEM FOR CONSIDERATION
BY THE
BOARD OF PORT COMMISSIONERS

July 10, 2026

Subject: PORT OF PORT ANGELES BOAT HAVEN AND BOAT YARD TRANSITION AGREEMENT AND ASSOCIATED ASSET ACQUISITIONS BY THE PORT OF PORT ANGELES

Presenter: Paul Jarkiewicz

AGENDA ITEM

Authorization to Execute Port Angeles Boat Haven and Boat Yard Transition Agreement and Associated Asset Acquisitions by the Port of Port Angeles.

REQUESTED ACTION

Authorize the Chief Executive Officer to execute the Transition Agreement between the Port of Port Angeles and PetroCard, and approve payment for:

1. Acquisition of the underground fuel storage tank (UST) system;
2. Acquisition of fuel inventory on hand at the time of transition; and
3. Acquisition of marina-related inventory, supplies, and sundries in place and necessary for continued operations.

BACKGROUND

Subject to Commission review and this requested approval, the Port and PetroCard have negotiated a proposed, mutually agreed transition of management and operations of the Port Angeles Boat Haven, Boat Yard, and associated fuel operations. The Transition Agreement provides for the Port to assume direct management of the facilities effective July 15, 2026. The agreement establishes a framework for continuity of operations, transfer of operational information, inventory acquisition, and transition of fuel services.

As part of the negotiated transition, the Port would acquire certain assets currently used to support marina and fuel dock operations to ensure uninterrupted service to tenants, customers, and the maritime community.

FISCAL IMPACT

The negotiated purchase consideration includes the following:

Item	Amount
Underground Fuel Storage Tank System	$ 595,571.54
Fuel Inventory (estimated as of July 4, 2026; subject to true-up)	$ 51,261.25
Marina Inventory and Operational Supplies	$ 19,230.89
Total Estimated Acquisition Cost	**$ 666,063.68**

The parties' proposed agreement includes an agreed value for the fuel tank acquisition. Final fuel and inventory values remain subject to real-time reconciliation pursuant to the agreement.

OPERATIONAL IMPACT

Approval of the agreement will allow the Port to:

- Maintain uninterrupted marina and boatyard operations;
- Continue fuel sales and fuel dock operations;
- Acquire existing fuel inventory;
- Retain operational marina inventory and supplies;
- Assume ownership of the underground fuel storage tank system; and
- Support a seamless transition of management responsibilities effective July 15, 2026.

RECOMMENDED ACTION

Authorize the Chief Executive Officer to execute the negotiated Transition Agreement and approve the associated expenditures necessary to acquire the fuel storage tank system, fuel inventory, and marina inventory required to support Port operations at the Port Angeles Boat Haven and Boat Yard, and to make any necessary minor modifications to carry out the requested action.