



REGULAR COMMISSION MEETING
Tuesday, October 13, 2026, at 9:00 am
338 W. First St, Port Angeles, WA 98362
AGENDA

The Regular Commission Meeting will be available to the public in person and remotely. For instructions on how to connect to the meeting remotely, please visit <https://portofpa.com/about-us/agenda-center/>

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE

** Time-specific Executive Session at 11:00 a.m.*

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES)

III. APPROVAL OF AGENDA

IV. WORK SESSION

- A. Monthly Cash & Investment Report.....1-2
- B. Introduce 2027 Operating Budget.....3-5

V. APPROVAL OF CONSENT AGENDA

- A. Regular Commission Meeting Minutes – September 22, 2026.....6-8
- B. Special Commission Meeting Minutes – September 24, 2026.....9-11
- C. Vouchers in the amount of \$2,439,433.87 12

VI. COMPLETION OF RECORDS

- A. Monthly Delegation of Authority 13-16

VII. PLANNING AND CAPITAL PROJECTS

- A. Q3 Grant Update.....17-27
- B. 2026 Capital Projects Projected Year End.....28-30
- C. Public Hearing for Resolution 26-1351 for LTGO Bond & Second Consideration....31-47

VIII. LOG YARD

- A. Log Yard Site and Stormwater Improvements Monthly Project Update.....48-56

IX. MARINE TRADES AND MARINE TERMINALS

No items



X. PROPERTY

No items

XI. MARINAS

No items

XII. AIRPORTS

No items

XIII. OTHER BUSINESS

- A. Sponsorship Request – North Olympic Development Council’s Energy and Environmental Resilience Conference.....57-58
- B. Sponsorship Request – Port Angeles Yacht Club’s Deck out the Docks Event.....59-60
- C. Item for Discussion – Clallam County Economic Development Council 2027 Contract

XIV. ITEMS NOT ON THE AGENDA

XV. COMMISSIONER REPORTS

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

XVII. FUTURE AGENDA.....61

XVIII. NEXT MEETINGS

- A. October 26, 2026 – Special Joint Meeting with Board of County Commissioners, The Clallam County Public Utility District, and City of Port Angeles City Council (Held at Field Arts & Event Hall)
- B. October 27, 2026 – Regular Commission Meeting (**Comm. Kidwell Excused Absence*)
[Draft Final Capital Budget / Present Prelim 2027 Operating Budget & Tax Levy]
- C. November 10, 2026 – Regular Commission Meeting
[Open Public Hearing on 2027 Budget and Tax Levy]
- D. November 17, 2026 – Special Commission Meeting
[Close Public Hearing & Adopt 2027 Budget and Tax Levy]
- E. November 24, 2026 – Regular Commission Meeting



XIX. UPCOMING EVENTS

- A. October 13-15, 2026 – Pacific Northwest Waterways Assoc. (PNWA) Annual Meeting (Vancouver, WA)
- B. October 18-21, 2026 – National Association of Foreign Trade Zones (NAFTZ) Annual Conference & Exposition (San Diego, CA)
- C. October 22-23, 2026 – Washington Public Ports Association (WPPA) Small Ports (Chelan – Campbell's Resort Lake Chelan)
- D. November 19-21, 2026 – Pacific Marine Expo (Seattle, WA)
- E. December 2-4, 2026 – International Workboat Show (New Orleans, LA)
- F. December 9-11, 2026 – Washington Public Ports Association (WPPA) Annual Meeting (Vancouver, WA – Hilton Vancouver)

XX. EXECUTIVE SESSION – TIME SPECIFIC – 11:00 A.M.

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
Cash Flow Summary
Cash Flow Summary as of September 2026

	<u>YTD</u>
<u>Beginning Cash Balance</u>	20,464,446
Operating Revenues	8,479,517
Non-Operating Revenues	7,671,600
Total Revenues	16,151,117
Operating Expenses	10,245,593
Non-Operating Expenses	10,479,262
Total Expenses	20,724,855
<u>Ending Cash Balance</u>	15,890,707
<u>Change in Cash Balance</u>	(4,573,739)

Cash & Investments held as of 09/30/2026

			4/30/26	5/31/26	6/30/26	7/31/26	8/31/26	9/30/26			
			Interest	Face	Face	Face	Face	Face	Annual	Maturity	Acquisition
Name	Type	Rate	Value	Value	Value	Value	Value	Value	Interest	Date	Date
FFCB 4-year (Piper Sandler)	Bond	3.98%	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	119,400	11/13/2029	11/13/2025
FNMA 5-year (Piper Sandler)	Bond	4.50%	-	-	-	5,000,000	5,000,000	5,000,000	225,000	7/17/2031	7/17/2026
First Federal	Cash	3.76%	4,492,914	4,506,105	4,519,335	4,533,219	4,547,448	4,561,627	171,517		
LGIP Balance	Cash	3.74%	8,379,642	8,906,413	8,933,443	6,055,887	4,073,881	3,086,567	115,354		
Columbia Bank Account	Cash	0.30%	382,041	450,628	445,207	1,525,659	1,366,001	242,513	728		

Investments Called or Matured

Name	Type	Interest Rate								Maturity Date	Redemption Date
FHLB 5-year (Piper Sandler)	Bond	4.30%	5,000,000	5,000,000	5,000,000	-	-	-	-	7/15/2030	7/9/2025

Ending Investment/Cash Balance

21,254,597	21,863,146	21,897,985	20,114,766	17,987,330	15,890,707	631,999
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Outstanding Debt

		4/30/26	5/31/26	6/30/26	7/31/26	8/31/26	9/30/26				
		Rate	Amount	Amount	Amount	Amount	Amount				
CERB Washdown	2.00%		570,354	570,354	570,354	570,354	570,354	570,354	20 year, 2020 - 2040 (January pmt)		
CARB Airport Utilities	2.00%		589,186	589,186	589,186	589,186	589,186	589,186	20 year, 2021 - 2041 (January pmt)		
Office of the State Treasurer	2.96%		467,188	467,188	461,211	461,211	461,211	461,211	7 year, 2025 - 2031 (June & December pmt)		
			1,626,728	1,626,728	1,620,751	1,620,751	1,620,751	1,620,751			

Ending Balance

19,627,869	20,236,418	20,277,233	18,494,014	16,366,579	14,269,956
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* Cash balances shown do not include funds held as the Harbor Group treasurer.

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

2027 BUDGET - ASSUMPTIONS All Departments

General

1. CPI: August 2026
 - Bremerton-Silverdale-Port Hadlock, WA-All Urban Consumer (CPI-U) is 4.4%, with a 4.4% average over the first 6 months.
2. Inflation:
 - Operating: The general inflation outlook for 2026 is 4.6% in Seattle, per the Washington State Economic and Revenue Forecast Council in the quarterly June 2026 publication.
 - Capital: Rate of 3.16% from the Washington State Office of Financial Management.
3. The Commission will adopt one of these or another as the benchmark rate for annual rate increases.

Revenues – 2027 Budget

11- Marine Terminal 2027 budget is projected to be higher than the 2026 projected year-end. The reduction from the 2026 budget is primarily due to the RRF vessel contracts not materializing this fiscal year, Cable vessel layberth at 20%, and wood chip exports at 25% of the 2026 budget. Chip exports look to ramp back up to an estimated 90,000 mt in 2027. Long-term layberth of 150+ days, and tanker/barge/research dockage also increasing. Several initiatives are underway to continue to diversify our marine terminal mix and bring in alternate lines of business.

15- Marine Trades Area revenues will increase with new management in place. The financial/operational controls will continue to increase utilization rates at the lift, boat yard, and storage. Travel lift schedule is consistently booked out for 90+ days. New seasonal customers in the MTC area are also increasing, bringing attention to the available potential there. The rate sheet for all Marine Trades services is under review for a Jan. 1 implementation.

21 – Intermodal Yard revenues are predicted to be higher than in 2026. Land services and cans are projected to be higher. Water services are going to be slower than in 2026 but will be offset by an influx of barges for Alta and PA hardwoods.

31- Fairchild International Airport hangar and structure lease fees are projected to increase in accordance with the Consumer Price Index (CPI). Hangar E is expected to become available for lease during the first quarter and is anticipated to achieve full occupancy shortly thereafter. FIA's enclosed hangars currently maintain nearly 100% occupancy, and this strong demand trend is expected to continue through 2027. Landing fee revenues are projected to remain consistent with 2026 levels. Additionally, the arrival of Citizen Air may contribute to increased fuel surcharge revenues at FIA as they increase their marketing campaigns.

32- Sekiu revenues are projected to be slightly higher than 2026 revenues, primarily due to increased hangar rental rates. While available space is limited, we will continue marketing vacancies throughout the year to maximize occupancy and generate additional revenue.

33- Airport Rental Properties are budgeted to be lower than previous years due to renovations being performed on typically occupied rental spaces.

41- Port Angeles Boat Haven marine/moorage revenues should climb as our crews continue reviewing agreements and work to maintain fair, accurate invoicing for everyone using the facilities. Fuel sales are robust and look to continue along seasonal lines.

43- John Wayne Marina moorage revenues will remain consistent, with a waitlist that remains backlogged. We are looking to increase fuel sales this coming year as our link with PABH brings new opportunities to serve our customers. Coming soon....our new JWM swag shop!!!

61- Rental Properties are expected to decrease due to the replacement of structure leases with reduced-rate land leases.

Expenses – 2027 Budget

11- Marine Terminal expenses for 2027 across many categories are forecast at or below budget. Notable exceptions would be for business development, which will continue to take center stage.

15- Marine Trades Area expenses will be higher due to in-house personnel, training, and an upfitting of tools and required equipment. Pending potential project cargo opportunities, additional expenses may be incurred, but will also result in increased revenue.

21. Intermodal Yard expenses are projected to be slightly lower than 2026; Labor costs will be down due to one less FTE, balanced out with higher yard maintenance costs with the new surface. Fuel costs will also be down with new equipment; non-maintenance charge-out and security expenses are projected to be up.

31- Fairchild International Airport expenses are projected to increase compared to 2026. This increase is primarily attributable to higher maintenance charge-out and reimbursement costs associated with necessary maintenance projects on airport facilities, hangars, and aprons. Additional factors include rising material costs and planned asphalt repair work throughout the year.

32- Sekiu Airport expenses are projected to remain relatively consistent with 2026 levels, with total expenditures anticipated to come in slightly below the prior year's budget.

33- Airport Rental Property- budgeted expenses are expected to increase due to rising costs and improvements planned.

41- Port Angeles Boat Haven expenses are expected to increase as our new crews identify operational shortfalls and deferred maintenance. The regular maintenance routine for the docks and working gates will continue to migrate in-house with the marina staff. COGS for fuel remains a difficult target to hit; this could drastically affect expenses but will also increase revenue. We are also looking at some increased IT expenses related to security updates.

43- John Wayne Marina expenses should be consistent, except for COGS, which will be slightly elevated due to increased fuel sales. Maintenance will be required early in the year, including potential landscape repairs due to water supply issues in 2026.

61- Rental Properties expenses are expected to decrease due to fewer structure leases to maintain.

80- Administrative expenses will increase due to CPI increases and training costs.

81- Economic Development budgeted expenses are expected to increase due to a higher employee headcount.

82 - Information Technology (IT) expenses are expected to increase in 2027 as the Port's technology, cybersecurity, software licensing, and cloud service needs continue to grow. The adoption of artificial intelligence (AI) and other emerging technologies presents opportunities, as well as future costs. Funding includes training, regulatory compliance, cybersecurity readiness, and specialized professional services.

91. Mechanical Maintenance (MM) expenses are projected to decrease due to increased mechanical maintenance charge-out and the department restructuring to only two FTEs.

92- Facilities Maintenance (FM) Expenses are projected to be higher than in 2026 due to less charge-out and reimbursement, and inflationary costs for materials.

Port of Port Angeles
Summary by Department
2027 Budget

	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 PROJECTED	2027 BUDGET	2027 Budget Over/(Under) 2026 Proj
<u>OPERATING REVENUES</u>						
11 MARINE TERMINAL	2,846,433	2,634,703	2,297,297	1,759,711	2,014,791	255,080
15 MARINE TRADES AREA	821,015	772,418	833,070	769,045	1,326,069	557,024
21 INTERMODAL HANDLING & TRANSFER FACI	1,135,513	1,184,428	997,986	676,281	715,199	38,918
31 FAIRCHILD INTL AIRPORT	479,705	471,260	480,887	525,583	606,461	80,878
32 SEKIU	17,609	17,584	17,488	19,403	19,682	279
33 AIRPORT RENTAL PROPERTIES	1,606,642	1,643,242	1,695,274	1,497,038	1,383,243	(113,795)
41 PORT ANGELES BOAT HAVEN	1,899,803	2,005,237	2,055,787	2,870,057	3,880,780	1,010,723
43 JOHN WAYNE MARINA	1,958,326	2,083,868	2,089,599	2,149,028	2,246,292	97,264
61 RENTAL PROPERTIES	200,305	220,599	226,822	217,526	224,330	6,804
TOTAL OPERATING REVENUES	10,965,351	11,033,339	10,694,210	10,483,672	12,416,847	1,933,175
<u>OPERATING EXPENSES</u>						
11 MARINE TERMINAL	1,083,930	1,534,132	1,502,157	1,374,339	1,378,780	4,441
15 MARINE TRADES AREA	406,469	333,139	400,755	554,617	741,920	187,304
21 INTERMODAL HANDLING & TRANSFER FACI	1,285,171	1,321,518	1,285,024	1,162,822	1,042,786	(120,036)
31 FAIRCHILD INTL AIRPORT	513,566	628,723	641,155	622,861	695,469	72,608
32 SEKIU	27,222	36,879	27,673	37,126	35,902	(1,224)
33 AIRPORT RENTAL PROPERTIES	641,728	518,119	547,345	665,811	695,086	29,275
41 PORT ANGELES BOAT HAVEN	999,922	863,478	943,681	1,757,366	2,455,489	698,123
43 JOHN WAYNE MARINA	971,564	1,111,273	1,187,191	1,225,402	1,206,573	(18,829)
61 RENTAL PROPERTIES	134,084	161,781	137,458	182,118	175,534	(6,584)
80 ADMINISTRATIVE	1,373,609	2,349,244	2,106,124	2,476,319	2,625,231	148,912
81 ECONOMIC DEVELOPMENT	335,219	348,341	432,302	599,878	673,454	73,576
82 IT			81,044	167,820	218,640	50,820
91 MECH SHOP	173,928	169,695	228,465	207,674	36,791	(170,883)
92 FACILITIES MAINTENANCE	246,008	302,370	384,220	477,674	554,825	77,151
TOTAL DIRECT EXPENSES	8,192,421	9,678,692	9,904,594	11,511,827	12,536,480	1,024,653
ALLOCATED EXPENSES	(0)	(0)	-	-	-	-
NET SURPLUS (DEFICIT) - Before Depreciation	2,772,930	1,354,647	789,617	(1,028,154)	(119,633)	908,522
ALLOCATED DEPRECIATION	0	0	-	-	-	-
DEPRECIATION	2,692,500	3,140,216	3,296,247	4,085,795	4,441,982	356,187
NET SURPLUS (DEFICIT) - After Depreciation	80,430	(1,785,569)	(2,506,630)	(5,113,949)	(4,561,614)	552,335
<u>NON-OP (GENERAL)</u>						
NON-OP REV (General)	1,308,753	1,330,849	1,218,764	1,001,801	891,000	(110,801)
NON-OP EXP (General)	(529,498)	(2,275,334)	22,223	(114,948)	45,600	160,548
NON-OP (General) SURPLUS (DEFICIT)	1,838,251	3,606,184	1,196,541	1,116,749	845,400	(271,349)
<u>NON-OP (CAPITAL)</u>						
NON-OP REV (Capital)	8,822,521	7,671,334	6,293,516	25,140,659	15,917,802	(9,222,857)
NON-OP EXP (Capital)	(45,228)	(35,776)	(48,077)	(46,224)	(41,474)	4,750
NON-OP (Capital) SURPLUS (DEFICIT)	8,777,293	7,635,558	6,245,439	25,186,883	15,959,276	(9,227,607)
NET NON-OP SURPLUS (DEFICIT)	10,615,544	11,241,742	7,441,979	26,303,632	16,804,676	(9,498,956)
TOTAL NET SURPLUS (DEFICIT)	10,695,974	9,456,173	4,935,349	21,189,682	12,243,062	(8,946,621)



REGULAR COMMISSION MEETING
Tuesday, September 22, 2026, 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
Kelly Kidwell, Commissioner
Paul Jarkiewicz, Chief Executive Officer

Chris Hartman, Chief Operating Officer
Sarah Kuh, Management Accountant
Zach Holsted, Capital Program Manager
Jenna Riley, Procurement Manager / Clerk to the Board

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE (0:00-0:45)

Comm. Beauvais called the meeting to order at 9:01 am.

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (0:46-10:00)

Dan O'Keefe of Port Angeles, WA spoke on vessel enforcement actions at the Port of Port Angeles Boat Haven / Boat Yard.

Comm. McAleer requested that Port staff commit to responding to Mr. O'Keefe within 24 hours.

III. APPROVAL OF AGENDA (10:01-10:10)

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

Commission Meeting Recessed from Meeting Room for Agenda Item IX.A: 9:11 am

Commission Meeting Reconvened from Tour: 9:37 am

IV. EXECUTIVE SESSION (11:53-12:55)

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

- Comm. Beauvais recessed the meeting to convene an executive session with an anticipated length of 50 minutes. Following the executive session, the Commission is expected to take action as the Commissioners work through the agenda.
- Discussion:
 - Four (4) items concerning legal or financial risk. Discussing such matters in executive session is appropriate pursuant to RCW 42.30.110(1)(i)
- Recessed Regular Meeting at 9:38 am
- Start Time: 9:40 am
- Estimated End Time: 10:30 am
- Extended: 10 minutes
- End Time: 10:43 am

Public Session of Commission Meeting Reconvened: 10:43 am

V. WORK SESSION (12:56-37:10)

A. August Financial Report

- Presentation By: Sarah Kuh & Paul Jarkiewicz
- Discussion
- No Action

B. 2027 Operating Budget Projection Highlights

- Presentation By: Paul Jarkiewicz
- Discussion
- Action: Paul Jarkiewicz requested that this be tabled for the next meeting, as further review needs to be completed by the team.



- C. Operating Assumptions & Organizational Chart
- Presentation By: Paul Jarkiewicz & Jenna Riley
 - Discussion
 - Action: The Operating Assumptions will be tabled to the next meeting.

VI. APPROVAL OF CONSENT AGENDA (37:11-40:18)

- A. Regular Commission Meeting Minutes – September 8, 2026
- B. Vouchers in the amount of \$1,911,716.25
- Discussion
 - Motion to approve the consent agenda as presented: Comm. McAleer
 - 2nd: Comm. Beauvais
 - Vote: 3-0 (Unanimous)

VII. COMPLETION OF RECORDS

No items

VIII. PLANNING AND CAPITAL PROJECTS (40:19-52:45 – RECORDING 1) (0:00-48:26 – RECORDING 2)

- A. 2026 Capital Projects Projected Year End & Draft 2027 Capital Budget
- Presentation By: Zach Holsted
 - Discussion
 - No Action

Comm. McAleer physically left the meeting and rejoined via Zoom at 12:00 p.m.

- B. Item for Consideration – Bonding & Resolution for LTGO Bond
- Due to technical difficulties with Zoom, a Special Commission Meeting will be scheduled for Thursday, September 24, 2026, to take action on this agenda item.

IX. LOG YARD

No items

X. MARINE TRADES AND MARINE TERMINALS (10:10-11:52 – RECORDING 1)

- A. Tour of Terminal 1 Warehouse – Self-Performed Work – **TIME SPECIFIC 9:00 am**

XI. PROPERTY

No items

XII. MARINAS

No items

XIII. AIRPORTS

No items

XIV. OTHER BUSINESS

No items

XV. ITEMS NOT ON THE AGENDA

No items

XVI. COMMISSIONER REPORTS (48:27-48:44 – RECORDING 2)

No items

XVII. PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (48:45-49:32)

None



XVIII. FUTURE AGENDA (49:32-53:24)

XIX. NEXT MEETINGS

- A. September 24, 2026, at 1:30 pm – Special Commission Meeting
[WA State Auditor Exit Interview & Item for Consideration – Bonding & Resolution for LTGO Bond]
- B. October 13, 2026 – Regular Commission Meeting
[Capital Project Prioritization (if needed) / Introduce Operating Budget]
- C. October 26, 2026 – Special Joint Meeting with Board of County Commissioners & The Clallam County Public Utility District (Hosted at the BOCC)
- D. October 27, 2026 – Regular Commission Meeting (*Comm. Kidwell Excused Absence)
[Draft Final Capital Budget / Present Prelim 2027 Operating Budget & Tax Levy]
- E. November 10, 2026 – Regular Commission Meeting
[Open Public Hearing on 2027 Budget and Tax Levy]
- F. November 17, 2026 – Special Commission Meeting
[Close Public Hearing & Adopt 2027 Budget and Tax Levy]

XX. UPCOMING EVENTS

- A. September 28-30, 2026 – American Association of Port Authorities (AAPA) Annual Conf. (New Orleans, LA)
- B. October 12-13, 2026 – Marine Highway 5 and 84 (MH5 & MH84) Joint Annual Roundtable (Vancouver, WA)
- C. October 13-15, 2026 – Pacific Northwest Waterways Assoc. (PNWA) Annual Meeting (Vancouver, WA)
- D. October 18-21, 2026 – National Association of Foreign Trade Zones (NAFTZ) Annual Conference & Exposition (San Diego, CA)
- E. October 22-23, 2026 – Washington Public Ports Association (WPPA) Small Ports (Chelan – Campbell's Resort Lake Chelan)

XXI. ADJOURN (53:25-53:42)

Comm. Beauvais adjourned the meeting at 12:27 pm.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

Connie Beauvais, President

Kelly Kidwell, Secretary



SPECIAL COMMISSION MEETING
Thursday, September 24, 2026, at 1:30 pm
338 W. First St, Port Angeles, WA 98362
MINUTES

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Connie Beauvais, Commissioner
Colleen McAleer, Commissioner
Kelly Kidwell, Commissioner
Paul Jarkiewicz, Chief Executive Officer
Chris Hartman, Chief Operating Officer

Sarah Kuh, Management Accountant
Jenna Riley, Procurement Manager / Clerk to the Board
Melinda Seibert, WA State Auditor's Office **Via Zoom*
Hana Jindra, WA State Auditor's Office **Via Zoom*
Megan McFarlane, WA State Auditor's Office **Via Zoom*

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

Comm. Beauvais called the meeting to order at 1:30 pm.

II. EARLY PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (0:36-1:13)

None

III. APPROVAL OF AGENDA (1:14-1:35)

- Motion to approve the agenda as presented: Comm. McAleer
- 2nd: Comm. Beauvais
- Vote: 2-0 (Unanimous)
- Comm. Beauvais noted Comm. Kidwell was on his way to the meeting but was not seated at the dais at the time

Comm. Kidwell arrived at 1:36 pm

IV. WORK SESSION (1:36-22:51)

- A. Washington State Auditor Exit Conference (Financial Statements & Federal Single Audit Report & Assessment Audit Report for the Industrial Development Corporation of the Port of Port Angeles) ***TIME SPECIFIC AT 1:30 PM**
- Presentation By: Melinda Seibert, Hana Jindra, and Megan McFarlane with the WA State Auditor's Office
 - Discussion
 - No Action – It was noted that a clean audit was received for both the Port and the IDC

V. APPROVAL OF CONSENT AGENDA

No items

VI. COMPLETION OF RECORDS

No items

VII. PLANNING AND CAPITAL PROJECTS (22:52-47:25)

- A. Item for Consideration – Bonding & Resolution for LTGO Bond
- Presentation By: Paul Jarkiewicz
 - Discussion
 - Motion to introduce Resolution 26-1351 - a Resolution of the Port Commission of the Port of Port Angeles, Washington, providing for the issuance and sale of limited tax general obligation bonds of the Port for the purpose of providing funds to pay all or a portion of the cost of constructing additions and improvements to Port properties for Port tenants and other projects of the Port and to pay the costs of issuance and sale of the bonds; fixing or setting parameters for certain terms and covenants of the bonds; appointing the Port's designated representative to approve the final terms of the issuance and sale of the bonds; and providing for other related matters: Comm. Beauvais
 - 2nd: Comm. McAleer



- Discussion - Comm. Beauvais noted a Public Hearing would be opened at the next scheduled Comm. Meeting on October 13, 2026, for the public to make any comments
- Vote: 3-0 (Unanimous)

VIII. LOG YARD

No items

IX. MARINE TRADES AND MARINE TERMINALS

No items

X. PROPERTY

No items

XI. MARINAS

No items

XII. AIRPORTS

No items

XIII. OTHER BUSINESS

No items

XIV. ITEMS NOT ON THE AGENDA

No items per [RCW 42.30.080](#)

XV. COMMISSIONER REPORTS (47:26-47:33)

None

XVI. PUBLIC COMMENT SESSION (TOTAL SESSION UP TO 20 MINUTES) (47:34-47:48)

None

XVII. FUTURE AGENDA (47:49-47:53)

XVIII. NEXT MEETINGS

- October 13, 2026 – Regular Commission Meeting
[Capital Project Prioritization (if needed) / Introduce Operating Budget]
- October 26, 2026 – Special Joint Meeting with Board of County Commissioners & The Clallam County Public Utility District (Hosted at the BOCC)
- October 27, 2026 – Regular Commission Meeting (*Comm. Kidwell Excused Absence)
[Draft Final Capital Budget / Present Prelim 2027 Operating Budget & Tax Levy]
- November 10, 2026 – Regular Commission Meeting
[Open Public Hearing on 2027 Budget and Tax Levy]
- November 17, 2026 – Special Commission Meeting
[Close Public Hearing & Adopt 2027 Budget and Tax Levy]



XIX. UPCOMING EVENTS

- A. September 28-30, 2026 – American Association of Port Authorities (AAPA) Annual Conf. (New Orleans, LA)
- B. October 12-13, 2026 – Marine Highway 5 and 84 (MH5 & MH84) Joint Annual Roundtable (Vancouver, WA)
- C. October 13-15, 2026 – Pacific Northwest Waterways Assoc. (PNWA) Annual Meeting (Vancouver, WA)
- D. October 18-21, 2026 – National Association of Foreign Trade Zones (NAFTZ) Annual Conference & Exposition (San Diego, CA)
- E. October 22-23, 2026 – Washington Public Ports Association (WPPA) Small Ports (Chelan – Campbell’s Resort Lake Chelan)

XX. EXECUTIVE SESSION

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

No executive session was held.

XXI. ADJOURN (47:54-48:06)

Comm. Beauvais adjourned the meeting at 2:18 pm.

PORT OF PORT ANGELES
BOARD OF COMMISSIONERS

Connie Beauvais, President

Kelly Kidwell, 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 September 17, 2026 – October 6, 2026

CERTIFICATION

Accounts Payable

	Begin	End	
For General Expenses and Construction	Check #	Check #	
Accts Payable Checks (computer)	420873	420935	\$ 1,094,001.46
Voided/Zero Payable			
Accts Payable ACH	008556	008672	\$ 1,053,902.98
VOIDED/ZERO PAYABLE ACH			
Wire Transfer - Expenses			\$ 4,196.24
Wire Transfer - Excise Tax			\$ 22,365.95
Wire Transfer - Leasehold Tax			
Total General Expenses and Construction			\$ 2,174,466.63

Payroll

Employee Payroll Checks PPD (Direct Deposit)	008569	008641	\$ 140,482.12
Voided Payroll Check	008599, 008600, 008618, 008629		\$ -
Wire Transfer - (Payroll Taxes, Retirement, Deferred Comp, L&I, PFML)			\$ 124,485.12
Total Payroll			\$ 264,967.24
Total General Exp & Payroll			\$ 2,439,433.87

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, Colleen McAleer

Commissioner, Kelly Kidwell

MONTHLY REPORT TO THE BOARD OF PORT COMMISSIONERS

September 2026

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

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

LEASES, RENEWALS, AND OTHER REAL ESTATE DOCUMENTS
OF ONE YEAR OR LESS APPROVED BY CHIEF EXECUTIVE OFFICER
(In Accordance with the Delegation of Administrative Authority, Resolution 26-1336 dated 4.14.2026)

SEPTEMBER 2026

TENANT NAME	DOCUMENT & LOCATION	FORM OF SURETY AND AMOUNT	PREMISES SQ FEET	THIS TERM	MONTHLY RENT AMT.
WA Dept. Fish & Wildlife	Letter of Intent/ 313 W 1st St	Govt. Exempt	2,400 SF Office, 3,500 SF Land, 8 parking spaces	Start Date TBD 5 year Term; 1 or more 5 Year Renewals	\$2,518/month \$1.05/SF Fixed Rate for 5 year term
Futurewise	Temporary License/ water sampling at Valley Creek Estuary Park	Waived	3.80 AC	Sep 26- May 2027	No charge
Armstrong Consolidated LLC (ACI Boats)	Lease Renewal/ 2007 S. O St #C,D,E	\$36,792 deposit on file	16,800 SF Bldg	10.1.2026 - 9.30.2027	\$12,582.86/Mo \$.748/SF
Coastal Asphalt Paving LLC	Term Lease/ 338 W 1st St #101	\$1,090.20 (3 months rent)	230 SF Office	10.01.2026 to 9.30.2027	\$363.40 Rent \$190.00 Util/Wifi/CAM

**PROFESSIONAL & PERSONAL SERVICES
AWARDED BY THE CHIEF EXECUTIVE OFFICER
(In Accordance with Delegation of Authority)
September 2026**

CONSULTANT	PROJECT	EST. COST	OTHER CONTRACT PROVISIONS
Personal Services Agreements / Amendments:			
Hillis Clark Martin & Peterson P.S.	Legal Services for Environmental Cleanup Efforts Amendment 07	No Additional Costs Added	Amendments to hourly rate schedule & extension of agreement to 10/1/27
Professional Services Agreements / Amendments:			
Floyd Snider	K-Ply Mill Cleanup Work Order #7 Amendment 03	NTE \$13,800.00	To establish a background monitoring well location



September 9, 2026

MEMORANDUM

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

Pursuant to current Port Delegation of Administrative Authority and RCW 53.08.090, I declare the following items surplus to the needs of the Port and each has an estimated value of less than \$23,340:

1. **Surplus Item – Non-Operational Computers**, approximately 11 that are no longer used by Port Staff and have a value of less than \$200 each, totaling \$2,200.
2. **Surplus Item – Non-Operational Monitors**, approximately 8, that are no longer used by Port Staff and have a value of less than \$50 each, totaling \$400.
3. **Surplus Item – Non-Operational Printers**, approximately 6, that are no longer used by Port Staff and have no remaining value.
4. **Surplus Item – IT Servers and Switches** that are no longer needed by the Port IT team. Estimated value is approximately \$400 in total.

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



Paul Jarkiewicz, Chief Executive Officer

09/10/2026

Date

***Q3 2026: Quarterly
Grant Update
October 13, 2026***

Grant Funds at a Glance: Active Projects

Federal Funds Awarded	\$41,163,925
State Funds Awarded	\$2,993,394
Port Match Committed	\$6,319,601
Total	\$50,476,920 (12.5% Port)

This does not include grant applications that have been submitted and are still under consideration:

- 2025 PIDP: Terminal 3 Cargo Efficiency Upgrades
- 2025 EDA Disaster Supplemental: Multi-User Marine Trades Buildings

Active (Obligated) Federal Funds

Grant	Project	Total
EDA: Recompete (2024)	North Olympic Peninsula Barging Network • Spud barge was procured through Naval surplus.	\$6,000,000 federal \$0 Port
EPA: Clean Ports Program (2024)	Shore power upgrades • Shore power design is being finalized. Cargo handling equipment	\$9,457,361 federal \$525,408 Port
MARAD: Port Infrastructure Development Program (2022)	Intermodal Handling and Transfer Facility Upgrades • Construction is underway!	\$8,608,000 federal \$2,152,000 Port

Active (Obligated) Federal Funds - Continued

Grant	Project	Total
MARAD: Port Infrastructure Development Program (2024)	Cargo Equipment 2 new Tier 4 logstackers - Arriving Nov/Dec 2026 2 hybrid material handlers - Conveyor system	\$9,000,000 federal \$2,250,000 Port
EDA: Public Works & Economic Adjustment Assistance (2025) <i>Note: Clallam EDC is the prime recipient</i>	- T1/T3 Environmental Narrative and Preliminary Engineering Logistics Study - Logistics Study - Public Kiln Feasibility Study	\$1,360,000 federal to EDC \$150,000 Port
FAA: Airport Improvement Program (2026) #45	Hangar Development (Phase 2 - Design)	\$276,961 federal \$18,385 Port

Active (Obligated) Federal Funds - Continued

Grant	Project	Total
FAA: Airport Improvement Program (2025) #46	Taxiway 'A' Rehab • Construction is underway!	\$6,079,748 federal \$160,000 Port
DHS/FEMA: Port Security Grant Program (2025)	Security Operations Command Center Safety Vessel Mobile TWIC readers	\$318,105 federal \$106,035 Port
FAA: Airport Infrastructure Grant (2026) #47	New Hangar Construction • Construction of a 4-box hangar at FIA	\$972,354 federal \$2,431,289 Port
2026 PSGP: Cybersecurity Risk Assessment & Implementation Roadmap	Development of: • Cybersecurity Master Plan • Implementation Roadmap	\$63,750 federal \$21,250 Port

Active (Obligated) State Funds

Grant	Project	Total
Ecology: Water Quality (2022)	Intermodal Handling & Transfer Facility stormwater design	\$1,043,900 state (includes \$854,900 proviso) \$63,000 Port
WSDOT: Port Electrification Grant Program (2024)	Match for EPA Clean Ports Program	\$525,408 state \$525,408 Port
WSDOT Airport Aid (2025)	Taxiway 'A' Rehabilitation – Match for FAA funds	\$142,086 state

Pending Funds (Federal and State)

Grant	Project	Total
FY26 Community Project Funding (“Earmark”) – Congresswoman Randall	Tse-whit-zen Restoration Area - Remove industrial infrastructure - Install fence and signage	\$850,000 federal \$0 non-federal
FY26 Supplemental Capital Budget (Commerce)	Multi-User Marine Trades Building Construction of the 20,000sqft multi-user building at the Port Angeles Boat Yard.	\$2,000,000 state \$0 non-state match, but Port funds will be required to complete the project
WA Ecology: Water Quality (2025)	Intermodal Handling and Transfer Facility Stormwater Improvements	\$1,207,000 state \$213,000 Port

Funds Under Review (Federal and State)

Grant	Project	Total
EDA: 2025 Disaster Supplemental	Multi-User Marine Trades Buildings Construct PABY and MTC multi-user buildings, including blast/spray facilities	\$17,670,664 federal \$2,417,666 Port \$2,000,000 state
FY26 Port Infrastructure Development Program	Terminal 3 Upgrades - Remove timber dock, trestle from T3 and reconstruct a rectangular expansion with concrete/steel - Remove the Chevron trestle	\$11,250,000 federal \$3,000,000 Port
WSDOT Sustainable Aviation	Electric Aircraft Charging Infrastructure Design and installation of an electric aircraft charger at FIA	\$790,500 State \$139,500 Port

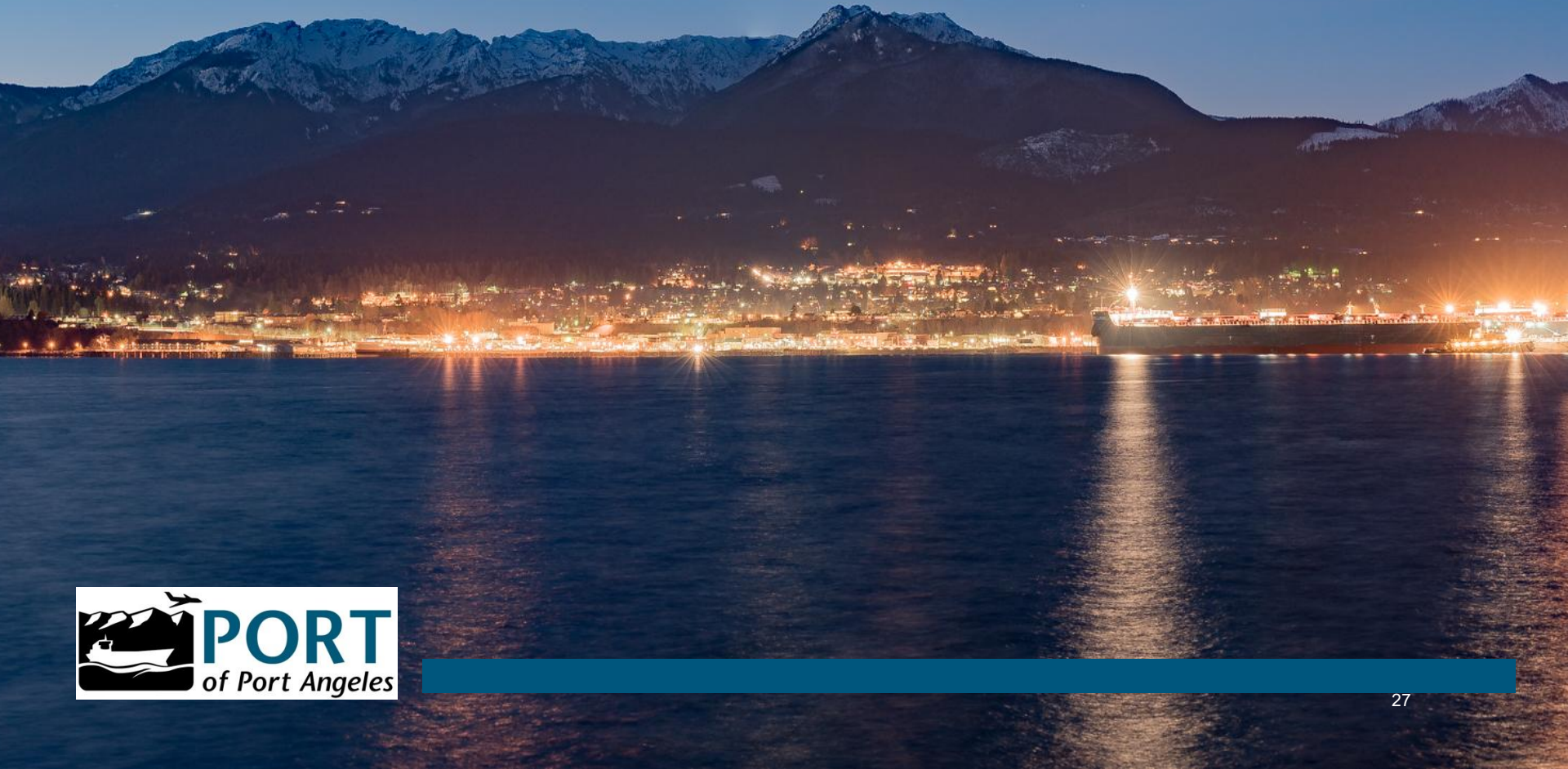
Grants Not Awarded

Grant	Project	Total
USDOT: Small Community Air Service Devel. Program	Minimum Revenue Guarantee Program for Air Service to PAE (Everett) and BFI (Boeing Field)	\$1,500,000 federal \$150,000 Port

Targeted Opportunities (Federal and State)

Grant	Project	Total	Due
CERB Committed Private Partner Program	1010/1050 Building Upgrades	\$5 million state (75% loan minimum, likely all low-interest loan) \$1.25 million Port	November 16, 2026
Community Aviation Revitalization Board (CARB) Loan Program	1010/1050 Building Upgrades	\$1.2 million state (all low-interest loan)	November 20, 2026

Questions?



**INFORMATIONAL REPORT
TO THE
BOARD OF PORT COMMISSIONERS**

October 13, 2026

Subject: 2026 CAPITAL PROJECTS – PROJECTED YEAR-END SPENDING

Presented by: Zach Holsted, Capital Program Manager

BACKGROUND:

The Commission adopted the Port's 2026 Budget on November 17, 2025, in Resolution 25-1333. The budget included \$8.7 million in spending from the Port's Capital Fund and \$27.44 million in state and federal grant funds for a total Capital Projects Budget of \$36.14 million. The following report, graphs, and spreadsheet will review the projected capital expenditures through the end of 2026 and compare them to the budget.

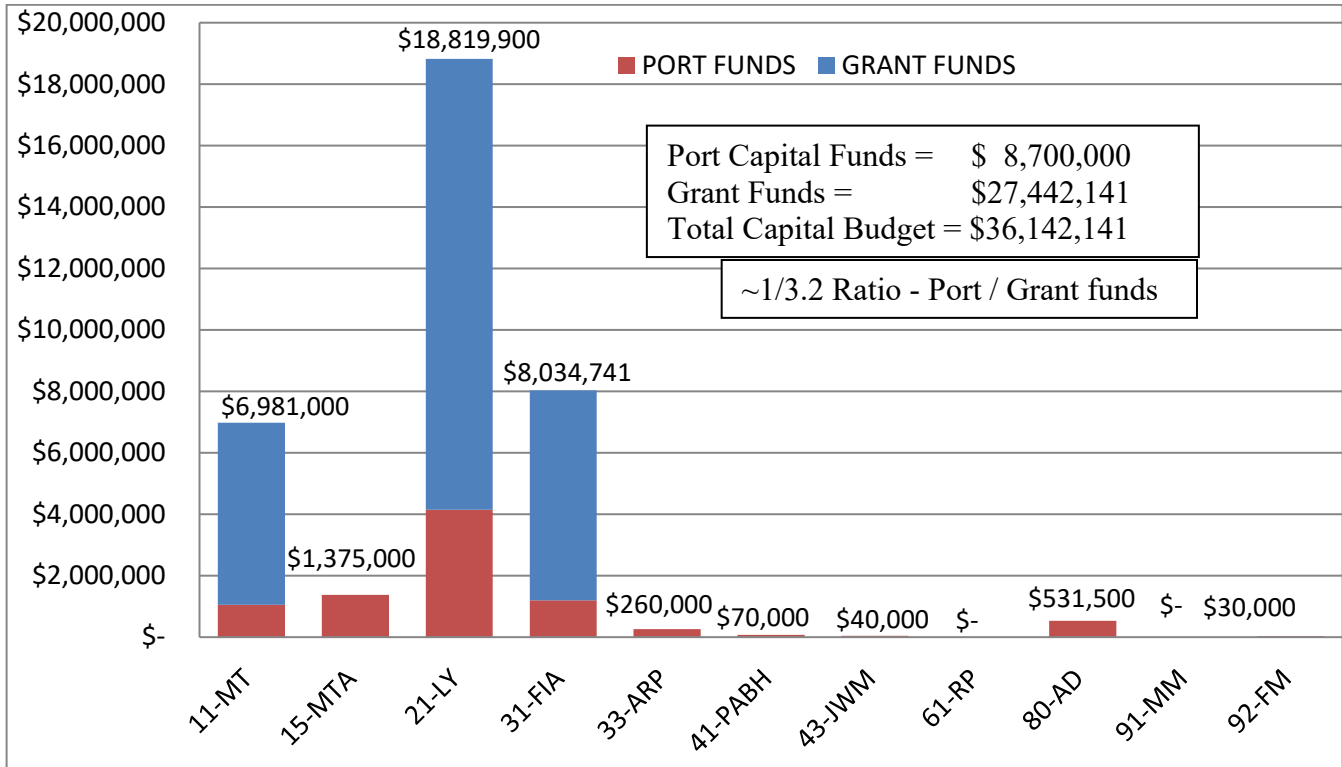
ANALYSIS:

Projected total capital spending through the end of 2026 is estimated at \$33.28 million, with \$24.19 million in grant reimbursement, resulting in a net expenditure of \$9.09 million of Port funds (See attached spreadsheet for a breakdown of each project). Grant reimbursements are projected to be \$3.25 million lower than budgeted because projects came in under budget (Log Stacker purchase, IHTF & Cofferdam Improvements, and the barge purchase).

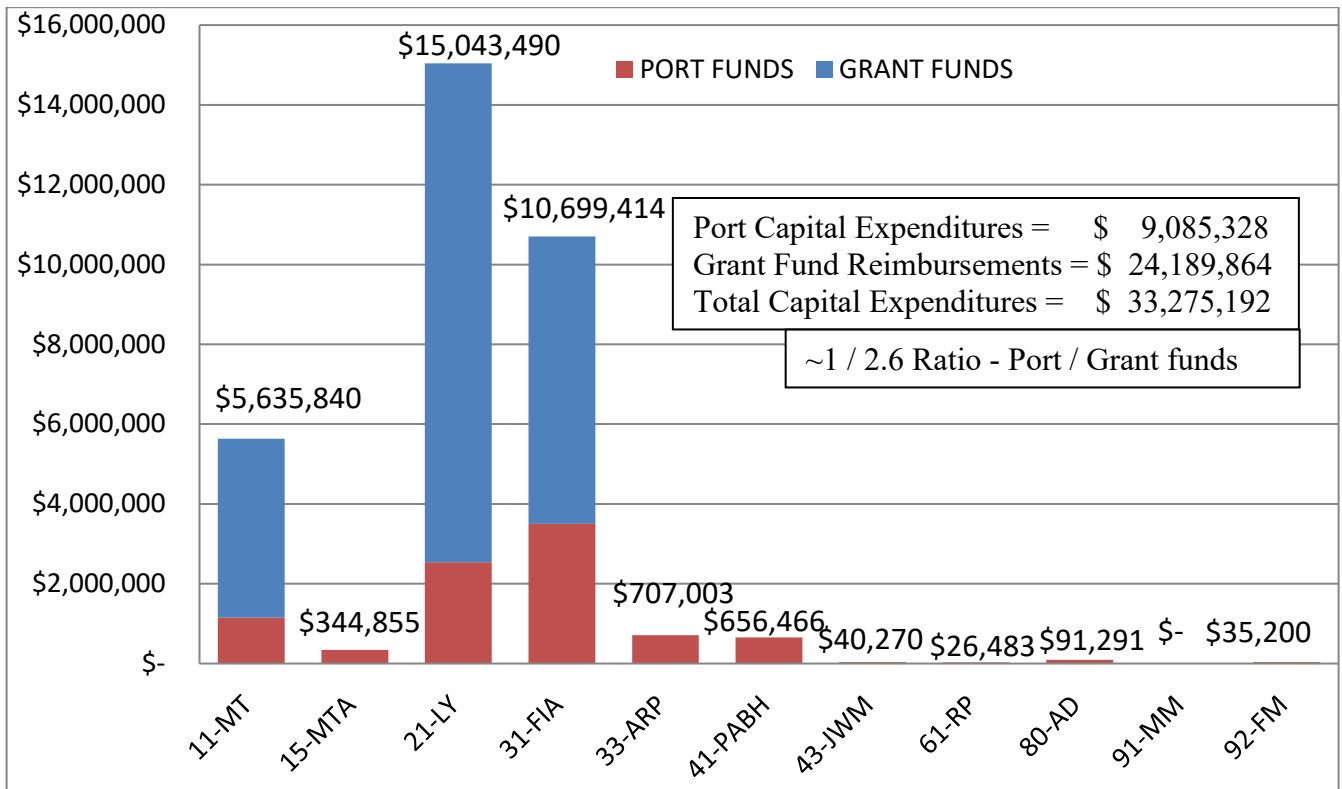
ATTACHMENTS:

- 2026 Capital Budget & Projected Year-End Bar Graphs
- 2026 Capital Project Table

2026 CAPITAL BUDGET



2026 CAPITAL PROJECTED YEAR-END



2026 CAPITAL PROJECT TABLE –Projected Year End compared to Budget

#	DEPTS	PROJECT DESCRIPTION	BUDGET		PROJECTED		DIFFERENCE	
			PORT BUDGET	GRANT BUDGET	PORT PROJECTED	GRANT PROJECTED	PORT PROJECTED vs. BUDGET	GRANT PROJECTED vs BUDGET
1.01	21-LY	IHTF & Cofferdam Impts (G)	\$ 3,150,000	\$ 10,669,900	\$ 2,208,100	\$ 9,709,349	\$ (941,900)	\$ (960,551)
2.01	31-FIA	Taxiway "A" Rehab. (G)	\$ 250,000	\$ 6,239,741	\$ 440,958	\$ 6,221,834	\$ 190,958	\$ (17,907)
2.02	11-MT	T1 Shore Power Upgrades (G) (P)	\$ 10,500	\$ 95,000	\$ 74,041	\$ 72,254	\$ 63,541	\$ (22,746)
2.03	31-FIA	FIA Hangar Building (G)	\$ 900,000	\$ 600,000	\$ 3,019,693	\$ 972,354	\$ 2,119,693	\$ 372,354
2.04	11-MT	Barge Purchase (G)	\$ -	\$ 2,000,000	\$ -	\$ 572,850	\$ -	\$ (1,427,150)
2.05	11-MT	Security Operations Center (G)	\$ 80,000	\$ 230,000	\$ -	\$ 27,450	\$ (80,000)	\$ (202,550)
2.06	21-LY	Log Stacker x 2 (G)	\$ 1,000,000	\$ 4,000,000	\$ 327,000	\$ 2,799,042	\$ (673,000)	\$ (1,200,958)
2.07	11-MT	Conveyor Equipment (G)	\$ 500,000	\$ 3,500,000	\$ 765,326	\$ 3,747,593	\$ 265,326	\$ 247,593
2.08	11-MT	Mobile TWIC Readers (G)	\$ 8,000	\$ 23,500	\$ 6,810	\$ 22,218	\$ (1,190)	\$ (1,283)
2.09	11-MT	Safety Vessel (G)	\$ 25,000	\$ 84,000	\$ 20,424	\$ 44,921	\$ (4,576)	\$ (39,079)
2.10	80-AD	Contingency	\$ 449,500	\$ -	\$ -	\$ -	\$ (449,500)	\$ -
3.01	11-MT	T1 Fire Sprinkler Zone 2 Replace	\$ 170,000	\$ -	\$ 54,992	\$ -	\$ (115,008)	\$ -
3.02	31-FIA	Terminal Fire Alarm System	\$ 25,000	\$ -	\$ 8,350	\$ -	\$ (16,650)	\$ -
3.03	11-MT	T1 Warehouse Repairs	\$ 150,000	\$ -	\$ 52,657	\$ -	\$ (97,343)	\$ -
3.04	33-ARP	MTIB Roof Coating	\$ 200,000	\$ -	\$ -	\$ -	\$ (200,000)	\$ -
4.01	15-MTA	Marine Trades Multi-User Bldg. (P)	\$ 290,000	\$ -	\$ 338,600	\$ -	\$ 48,600	\$ -
4.02	15-MTA	B.Y. Building Siding Repairs (SP)	\$ 55,000	\$ -	\$ 6,255	\$ -	\$ (48,745)	\$ -
4.03	92-FM	Crack Seal Equipment	\$ 30,000	\$ -	\$ 35,200	\$ -	\$ 5,200	\$ -
4.04	15-MTA	B.Y. Wash Pad Replace (SP)	\$ 30,000	\$ -	\$ -	\$ -	\$ (30,000)	\$ -
4.05	15-MTA	MTC Site Development	\$ 1,000,000	\$ -	\$ -	\$ -	\$ (1,000,000)	\$ -
4.06	11-MT	Boom Lift	\$ 55,000	\$ -	\$ 55,081	\$ -	\$ 81	\$ -
4.07	43-JWM	Hendricks Room Renovation (SP)	\$ 40,000	\$ -	\$ 40,270	\$ -	\$ 270	\$ -
4.08	80-AD	Security & Access Control	\$ 62,000	\$ -	\$ 71,291	\$ -	\$ 9,291	\$ -
4.09	11-MT	Security Patrol Vehicle	\$ 50,000	\$ -	\$ 46,055	\$ -	\$ (3,945)	\$ -
4.10	41-PABH	Center Parking Improvements (SP)	\$ 70,000	\$ -	\$ -	\$ -	\$ (70,000)	\$ -
4.11	33-ARP	18th St. Fence Extension (SP)	\$ 60,000	\$ -	\$ 59,953	\$ -	\$ (47)	\$ -
4.12	31-FIA	Conduit for fiber (SP)	\$ 20,000	\$ -	\$ 20,500	\$ -	\$ 500	\$ -
4.13	80-AD	Admin Restroom Remodel (SP)	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ -
		Budgeted - \$449,500	*CONTINGENCY / UNBUDGETED PROJECTS					
	11-MT	MT PLANNING & GRANT DEVELOPMEN	\$ -	\$ -	\$ 73,168	\$ -	\$ 73,168	\$ -
	31-FIA	FIA SEWER AND WATER EASEMENT	\$ -	\$ -	\$ 15,725	\$ -	\$ 15,725	\$ -
	33-ARP	PAC	\$ -	\$ -	\$ 647,050	\$ -	\$ 647,050	\$ -
	41-PABH	PABH MASTER PLAN	\$ -	\$ -	\$ 21,000	\$ -	\$ 21,000	\$ -
	41-PABH	PABH WEST FLOAT REPAIR 2026	\$ -	\$ -	\$ 39,894	\$ -	\$ 39,894	\$ -
	41-PABH	PABH FUEL TANK PURCHASE	\$ -	\$ -	\$ 595,572	\$ -	\$ 595,572	\$ -
	61-RP	WDFW Renovation	\$ -	\$ -	\$ 21,363	\$ -	\$ 21,363	\$ -
		TOTALS =	\$ 8,700,000	\$ 27,442,141	\$ 9,085,328	\$ 24,189,864	\$ 385,328	\$ (3,252,277)
		PORT + GRANT =	\$36,142,141		\$33,275,192		\$ (2,866,949)	
G	Project awarded grant funding		P Planning		SP Self Perform projects w/ Port Labor			

PORT OF PORT ANGELES, WASHINGTON

RESOLUTION NO. 26-1351

A RESOLUTION OF THE PORT COMMISSION OF THE PORT OF PORT ANGELES, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF LIMITED TAX GENERAL OBLIGATION BONDS OF THE PORT FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PORTION OF THE COST OF CONSTRUCTING ADDITIONS AND IMPROVEMENTS TO PORT PROPERTIES FOR PORT TENANTS AND OTHER PROJECTS OF THE PORT AND TO PAY THE COSTS OF ISSUANCE AND SALE OF THE BONDS; FIXING OR SETTING PARAMETERS FOR CERTAIN TERMS AND COVENANTS OF THE BONDS; APPOINTING THE PORT'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE ISSUANCE AND SALE OF THE BONDS; AND PROVIDING FOR OTHER RELATED MATTERS.

Passed October 13, 2026

This document prepared by:

*Foster Garvey P.C.
1111 Third Avenue, Suite 3000
Seattle, Washington 98101
(206) 447-4400*

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**The cover page, table of contents and section headings of this resolution are for convenience of reference only, and shall not be used to resolve any question of interpretation of this resolution.*

PORT OF PORT ANGELES, WASHINGTON

RESOLUTION NO. 26-1351

A RESOLUTION OF THE PORT COMMISSION OF THE PORT OF PORT ANGELES, WASHINGTON, PROVIDING FOR THE ISSUANCE AND SALE OF LIMITED TAX GENERAL OBLIGATION BONDS OF THE PORT FOR THE PURPOSE OF PROVIDING FUNDS TO PAY ALL OR A PORTION OF THE COST OF CONSTRUCTING ADDITIONS AND IMPROVEMENTS TO PORT PROPERTIES FOR PORT TENANTS AND OTHER PROJECTS OF THE PORT AND TO PAY THE COSTS OF ISSUANCE AND SALE OF THE BONDS; FIXING OR SETTING PARAMETERS FOR CERTAIN TERMS AND COVENANTS OF THE BONDS; APPOINTING THE PORT'S DESIGNATED REPRESENTATIVE TO APPROVE THE FINAL TERMS OF THE ISSUANCE AND SALE OF THE BONDS; AND PROVIDING FOR OTHER RELATED MATTERS.

BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF PORT ANGELES, WASHINGTON, as follows:

Section 1. Definitions. As used in this resolution, the following capitalized terms shall have the following meanings:

(a) “*Authorized Denomination*” means, unless otherwise specified in the Bond Purchase Agreement, \$5,000 or any integral multiple thereof within a maturity of a Series.

(b) “*Beneficial Owner*” means, with respect to a Bond, the owner of any beneficial interest in that Bond.

(c) “*Bond*” means each bond issued pursuant to and for the purposes provided in this resolution.

(d) “*Bond Counsel*” means the firm of Foster Garvey P.C., its successor, or any other attorney or firm of attorneys selected by the Port with a nationally recognized standing as bond counsel in the field of municipal finance.

(e) “*Bond Fund*” means the fund, account, subaccount or combined account or subaccount of the Port created for the payment of the principal of and interest on the Bonds.

(f) “*Bond Purchase Agreement*” means an offer to purchase a Series of the Bonds, setting forth certain terms and conditions of the issuance, sale and delivery of those Bonds, which offer is authorized to be accepted by the Designated Representative on behalf of the Port, if consistent with this resolution.

(g) “*Bond Register*” means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of each Bond.

(h) “*Bond Registrar*” means the Fiscal Agent, or any successor bond registrar selected by the Port for a Series of Bonds sold by negotiated sale, and means the Fiscal Agent or the Treasurer as determined by the Designated Representative for a Series of Bonds sold by private placement.

(i) “*Chief Executive Officer*” means the Chief Executive Officer of the Port, or any other officer who succeeds to substantially all of the responsibilities of that office.

(j) “*Code*” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(k) “*Commission*” means the governing body of the Port, as duly and regularly constituted from time to time.

(l) “*DTC*” means The Depository Trust Company, New York, New York, or its nominee.

(m) “*Designated Representative*” means the officer of the Port appointed in Section 4 of this resolution to serve as the Port’s designated representative in accordance with RCW 39.46.040(2).

(n) “*Final Terms*” means the terms and conditions for the issuance and sale of a Series of the Bonds, including the amount, date or dates, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption or prepayment rights, tax status, price, and other terms or covenants.

(o) “*Finance Officer*” means the Port’s Chief Finance and Administrative Officer or such other officer of the Port who succeeds to substantially all of the responsibilities of that office.

(p) “*Fiscal Agent*” means the fiscal agent of the State, as the same may be designated by the State from time to time.

(q) “*Government Obligations*” has the meaning given in RCW 39.53.010, as now in effect or as may hereafter be amended.

(r) “*Issue Date*” means, with respect to a Bond, the date of initial issuance and delivery of that Bond to the Purchaser in exchange for the purchase price of that Bond.

(s) “*Letter of Representations*” means the Blanket Issuer Letter of Representations between the Port and DTC, dated June 10, 1997, as it may be amended from time to time, and any successor or substitute letter relating to the operational procedures of the Securities Depository.

(t) “*MSRB*” means the Municipal Securities Rulemaking Board.

(u) “*Official Statement*” means an offering document, disclosure document, private placement memorandum or substantially similar disclosure document provided to purchasers and potential purchasers in connection with the initial offering of a Series of the Bonds in conformance with Rule 15c2-12 or other applicable regulations of the SEC.

(v) “*Owner*” means, without distinction, the Registered Owner and the Beneficial Owner.

(w) “*Port*” means the Port of Port Angeles, Washington, a municipal corporation duly organized and existing under the laws of the State.

(x) “*Project*” means additions and improvements to Port properties for Port tenants, and other capital purposes as deemed necessary and advisable by the Port. Incidental costs incurred in connection with carrying out and accomplishing the Project, consistent with RCW 39.46.070, may be included as costs of the Project. The Project includes acquisition, construction and installation of all necessary furniture, equipment, apparatus, accessories, fixtures and appurtenances, and capitalized interest for up to six months after completion of construction. The term “land” includes all real property and all appurtenant improvements, structures and interests therein.

(y) “*Project Fund*” means the fund or account designated or created by the Finance Officer for the purpose of carrying out the Project.

(z) “*Purchaser*” means Piper Sandler & Co., or such other corporation, firm, association, partnership, trust, bank, financial institution or other legal entity or group of entities selected by the Designated Representative to serve as purchaser in a private placement, underwriter or placement agent in a negotiated sale of any Series of the Bonds.

(aa) “*Rating Agency*” means any nationally recognized rating agency then maintaining a rating on the Bonds at the request of the Port.

(bb) “*Record Date*” means, unless otherwise specified in the Bond Purchase Agreement, the Bond Registrar’s close of business on the 15th day of the month preceding an interest payment date. With respect to redemption or prepayment of a Bond prior to its maturity, the Record Date shall mean the Bond Registrar’s close of business on the date on which the Bond Registrar provides the notice of redemption or prepayment in accordance with Section 9.

(cc) “*Registered Owner*” means, with respect to a Bond, the person in whose name that Bond is registered on the Bond Register. For so long as the Port utilizes the book-entry only system for the Bonds under the Letter of Representations, the Registered Owner shall mean the Securities Depository.

(dd) “*Rule 15c2-12*” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

(ee) “*SEC*” means the United States Securities and Exchange Commission.

(ff) “*Securities Depository*” means DTC, any successor thereto, any substitute securities depository selected by the Port that is qualified under applicable laws and regulations to provide the services proposed to be provided by it, or the nominee of any of the foregoing.

(gg) “*Series of the Bonds*” or “*Series*” means a series of the Bonds issued pursuant to this resolution.

(hh) “*State*” means the State of Washington.

(ii) “*Tax-Exempt Bond*” means any Bond which, as of the Issue Date, the Port intends that interest on such Bond to be excluded from gross income for federal income tax purposes.

(jj) “*Term Bond*” means each Bond designated as a Term Bond and subject to mandatory redemption in the years and amounts set forth in the Bond Purchase Agreement.

(kk) “*Treasurer*” means the Finance Officer of the Port, or any other officer who succeeds to substantially all of the responsibilities of that office.

(ll) “*Undertaking*” means the undertaking to provide continuing disclosure entered into pursuant to Section 15 of this resolution.

Section 2. Findings and Determinations. The Commission takes note of the following facts and makes the following findings and determinations:

(a) *Authority and Description of Project.* Pursuant to applicable law, including chapter 53.40 RCW, the Port is authorized to carry out the Project.

(b) *Plan of Financing.* It is in the best interests of the Port to carry out the Project. The estimated cost of carrying out the Project is \$30,000,000 (excluding any Bond-related costs). Pursuant to applicable law, including chapters 53.36, 39.44, and 39.46 RCW, the Port is authorized to issue general obligation bonds to pay the cost of carrying out the Project.

(c) *Debt Capacity.* The maximum amount of indebtedness authorized by this resolution is \$27,500,000. Based on the following facts, this amount is to be issued within the amount permitted to be issued by the Port for general municipal purposes without a vote:

- (1) The assessed valuation of the taxable property within the Port as ascertained by the last preceding assessment for Port purposes for collection in the calendar year 2026 is \$17,256,940,521.
- (2) As of June 30, 2026, the Port had limited tax general obligation indebtedness, consisting of bonds and loans outstanding in the principal amount of \$1,584,247, which is incurred within the limit of up to ¼ of 1% of the value of the taxable property within the Port permitted for general municipal purposes without a vote.
- (3) As of June 30, 2026, the Port had no unlimited tax general obligation indebtedness.

(d) *The Bonds.* For the purpose of providing the funds necessary to carry out the Project and to pay the costs of issuance and sale of the Bonds, the Port Commission finds that it is in the best interests of the Port and its taxpayers to issue and sell the Bonds to the Purchaser, pursuant to the terms set forth in the Bond Purchase Agreement as approved by the Port’s Designated Representative consistent with this resolution.

Section 3. Authorization of Bonds. The Project is included in the Port's capital plan. The Project shall be carried out in accordance with the plans and specifications therefor prepared by the Port's engineers and consulting engineers. The Commission may modify the details of the Project where, in its judgment, it appears advisable if such modifications do not substantially alter the purposes of the Project. The cost of the Project shall be paid from the proceeds of the Bonds and from other money available for the Project.

The Port is authorized to borrow money and issue limited tax general obligation bonds evidencing indebtedness in one or more Series to provide funds necessary to carry out the Project. Proceeds of the Bonds may also be used to pay the costs of the issuance and sale of the Bonds.

Section 4. Description of Bonds; Appointment of the Designated Representative. The Chief Executive Officer is appointed as the Designated Representative of the Port and is authorized and directed to conduct the sale of the Bonds in the manner and upon the terms deemed most advantageous to the Port, and to approve the Final Terms of each Series of the Bonds, with such additional terms and covenants as the Designated Representative deems advisable, consistent with the following parameters:

(a) *Principal Amount.* The Bonds may be issued in one or more Series and shall not exceed the aggregate principal amount of \$27,500,000.

(b) *Date or Dates.* Each Series of Bonds shall be dated as of its date of delivery to the Purchaser, which date may not be later than two years from the effective date of this resolution.

(c) *Denominations, Series Designation, etc.* The Bonds must be issued in Authorized Denominations, shall be numbered separately in the manner and shall bear any name and additional designation as deemed necessary or appropriate by the Designated Representative.

(d) *Interest Rate(s).* The Bonds shall bear interest at fixed rates per annum (computed on the basis of a 360-day year of twelve 30-day months) from their date or from the most recent interest payment date for which interest has been paid or duly provided for, whichever is later. One or more rates of interest may be fixed for the Bonds, provided that no rate of interest for any Bond may exceed 7.50%, and the true interest cost to the Port for a Series of Bonds may not exceed 7.40%.

(e) *Payment Dates.* Interest must be payable at fixed rates semiannually on such dates as are acceptable to the Designated Representative, commencing no later than one year following the Issue Date. Principal payments shall commence on a payment date acceptable to the Designated Representative and must be payable at maturity or in mandatory redemption installments on such dates as are acceptable to the Designated Representative.

(f) *Redemption Rights.* In such officer's discretion, the Designated Representative may approve provisions for the optional and mandatory redemption of Bonds, as follows:

(1) Optional Redemption. Any Bond or Series of Bonds may be designated as being (A) subject to redemption or prepayment at the option of the Port prior to its maturity date, including by make-whole redemption, on the dates and at the prices as determined by the Designated Representative or (B) not subject to redemption prior to its maturity date.

(2) Mandatory Redemption. Any Bond may be designated as a Term Bond, subject to mandatory redemption prior to its maturity on the dates and in the amounts as determined by the Designated Representative.

(g) *Final Maturity.* The Bonds shall mature no later than December 31, 2056.

(h) *Price.* The purchase price for any Series of Bonds may not be less than 98% or more than 112% of the stated principal amount of that Series.

(i) *Other Terms and Conditions.*

(1) The Bonds may be sold in accordance with Section 13 of this resolution.

(2) The Designated Representative may determine whether it is in the Port's best interest to provide for bond insurance, and may accept such additional terms, conditions and covenants as such officer may determine are in the best interests of the Port, consistent with this resolution.

Section 5. Bond Registrar; Registration and Transfer of Bonds.

(a) *Registration of Bonds.* Each Bond shall be issued only in registered form as to both principal and interest and the ownership of each Bond shall be recorded on the Bond Register.

(b) *Bond Registrar; Duties.* Unless otherwise specified in the Bond Purchase Agreement, the Fiscal Agent is appointed as initial Bond Registrar for any Series of the Bonds sold by negotiated sale. The Designated Representative will designate the Bond Registrar for any Series of the Bonds sold by private placement. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of the Bonds, which shall be open to inspection by the Port at all times. The Bond Registrar is authorized, on behalf of the Port, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this resolution, to serve as the Port's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this resolution. The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on each Bond. The Bond Registrar may become an Owner with the same rights it would have if it were not the Bond Registrar and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as members of, or in any other capacity with respect to, any committee formed to protect the rights of Owners.

(c) *Bond Register; Transfer and Exchange.* The Bond Register shall contain the name and mailing address of each Registered Owner and the principal amount and number of each Bond held by each Registered Owner. A Bond surrendered to the Bond Registrar may be exchanged for a Bond or Bonds in any Authorized Denomination of an equal aggregate principal amount and of the same Series, interest rate and maturity. A Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the Owner or transferee. The Bond Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the next upcoming interest payment or redemption or prepayment date.

(d) *Securities Depository; Book-Entry Only Form.* If a Bond is to be issued in book-entry form, DTC shall be appointed as initial Securities Depository and each such Bond initially shall be registered in the name of Cede & Co., as the nominee of DTC. Each Bond registered in the name of the Securities Depository shall be held fully immobilized in book-entry only form by the Securities Depository in accordance with the provisions of the Letter of Representations. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except: (i) to any successor Securities Depository; (ii) to any substitute Securities Depository appointed by the Port; or (iii) to any person if the Bond is no longer to be held in book-entry only form. Upon the resignation of the Securities Depository, or upon a termination of the services of the Securities Depository by the Port, the Port may appoint a substitute Securities Depository. If (i) the Securities Depository resigns and the Port does not appoint a substitute Securities Depository, or (ii) the Port terminates the services of the Securities Depository, the Bonds no longer shall be held in book-entry only form and the registered ownership of each Bond may be transferred to any person as provided in this resolution.

Neither the Port nor the Bond Registrar shall have any obligation to participants of any Securities Depository or the persons for whom they act as nominees regarding accuracy of any records maintained by the Securities Depository or its participants. Neither the Port nor the Bond Registrar shall be responsible for any notice that is permitted or required to be given to a Registered Owner except such notice as is required to be given by the Bond Registrar to the Securities Depository.

Section 6. Form and Execution of Bonds.

(a) *Form of Bonds; Signatures.* Each Bond shall be prepared in a form consistent with the provisions of this resolution and State law. Each Bond shall be signed by the President and Secretary of the Commission, either or both of whose signatures may be manual or in facsimile. If any officer whose manual or facsimile signature appears on a Bond ceases to be an officer of the Port authorized to sign bonds before the Bond bearing such officer's manual or facsimile signature is authenticated by the Bond Registrar, or issued or delivered by the Port, that Bond nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the Port as though that person had continued to be an officer of the Port authorized to sign bonds. Any Bond also may be signed on behalf of the Port by any person who, on the actual date of signing of the Bond, is an officer of the Port authorized to sign bonds, although such officer did not hold the required office on its Issue Date.

(b) *Authentication.* Only a Bond bearing a Certificate of Authentication in substantially the following form, manually signed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution: "Certificate of Authentication. This Bond is one of the fully registered Port of Port Angeles, Washington, Limited Tax General Obligation Bonds, 2026, described in the Bond Resolution." The authorized signing of a Certificate of Authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

Section 7. Payment of Bonds. Principal of and premium, if any, and interest on each Bond shall be payable in lawful money of the United States of America. Principal of and premium, if any, and interest on each Bond registered in the name of the Securities Depository is payable in

the manner set forth in the Letter of Representations. Unless otherwise specified in the Bond Purchase Agreement, principal of and premium, if any, and interest on each Bond not registered in the name of the Securities Depository are payable by electronic transfer on the payment date, or by check or draft of the Bond Registrar mailed on the interest payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date. However, the Port is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. Principal of each Bond not registered in the name of the Securities Depository is payable upon presentation and surrender of the Bond by the Registered Owner to the Bond Registrar. The Bonds are not subject to acceleration under any circumstances.

Section 8. Funds and Accounts; Deposit of Proceeds.

(a) *Bond Fund.* The Bond Fund is created as a special fund of the Port for the sole purpose of paying principal of and interest on the Bonds. Bond proceeds in excess of the amounts needed to pay the costs of the Project and the costs of issuance, if any, shall be deposited into the Bond Fund. All amounts allocated to the payment of the principal of and interest on the Bonds shall be deposited in the Bond Fund as necessary for the timely payment of amounts due with respect to the Bonds. The principal of and interest on the Bonds shall be paid out of the Bond Fund. Until needed for that purpose, the Port may invest money in the Bond Fund temporarily in any legal investment, and the investment earnings shall be retained in the Bond Fund and used for the purposes of that fund.

(b) *Project Fund.* The Project Fund is created or continued as a fund of the Port for the purpose of paying the costs of the Project. Proceeds received from the sale and delivery of the Bonds shall be deposited into the Project Fund and used to pay the costs of the Project and costs of issuance of the Bonds. Until needed to pay such costs, the Port may invest those proceeds temporarily in any legal investment, and the investment earnings shall be retained in the Project Fund and used for the purposes of that fund.

Section 9. Redemption/Prepayment Provisions and Purchase of Bonds.

(a) *Optional Redemption.* The Bonds shall be subject to redemption or prepayment at the option of the Port on terms acceptable to the Designated Representative, as set forth in the Bond Purchase Agreement, consistent with the parameters set forth in Section 4.

(b) *Mandatory Redemption.* Each Bond that is designated as a Term Bond in the Bond Purchase Agreement, consistent with the parameters set forth in Section 4 and except as set forth below, shall be called for redemption at a price equal to the stated principal amount to be redeemed, plus accrued interest, on the dates and in the amounts as set forth in the Bond Purchase Agreement.

(c) *Selection of Bonds for Redemption; Partial Redemption.* If fewer than all of the outstanding Bonds are to be redeemed or prepaid at the option of the Port, the Port shall select the Series and maturities to be redeemed or prepaid. If less than all of the outstanding Bonds of a maturity of a Series are to be redeemed or prepaid, the particular Bonds or portions thereof to be redeemed or prepaid shall be selected on a pro rata pass-through distribution of principal basis in accordance with the DTC procedures, provided that, so long as the Bonds are held in book-entry

form, the selection for redemption of such Bonds shall be made in accordance with the Letter of Representations and operational arrangements of DTC then in effect that currently provide for adjustment of the principal by a factor provided by the Bond Registrar pursuant to DTC operational arrangements. If the Bond Registrar does not provide the necessary information and identify redemption on a pro rata pass-through distribution of principal basis or if DTC's operational arrangements no longer provide for selection on a pro rata basis, the Bonds will be selected for redemption in accordance with DTC procedures by lot. All or a portion of the principal amount of any Bond that is to be redeemed or prepaid may be redeemed in any Authorized Denomination. If less than all of the outstanding principal amount of any Bond is redeemed or prepaid, upon surrender of that Bond to the Bond Registrar, there shall be issued to the Registered Owner, without charge, a new Bond (or Bonds, at the option of the Registered Owner) of the same Series, maturity and interest rate in any Authorized Denomination in the aggregate principal amount to remain outstanding.

(d) *Notice of Redemption.* Notice of redemption of each Bond registered in the name of the Securities Depository shall be given in accordance with the Letter of Representations. Notice of redemption or prepayment of each other Bond, unless waived by the Registered Owner or otherwise specified in the Bond Purchase Agreement, shall be given by the Bond Registrar not less than 20 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner at the address appearing on the Bond Register on the Record Date. The requirements of the preceding sentence shall be satisfied when notice has been mailed as so provided, whether or not it is actually received by an Owner. In addition, the redemption notice shall be mailed or sent electronically within the same period to the MSRB (if required under the Undertaking), to each Rating Agency, and to such other persons and with such additional information as the Finance Officer shall determine, but these additional mailings shall not be a condition precedent to the redemption of any Bond.

(e) *Rescission of Optional Redemption Notice.* In the case of an optional redemption or prepayment, the notice of redemption may state that the Port retains the right to rescind the redemption notice and the redemption or prepayment by giving a notice of rescission to the affected Registered Owners at any time on or prior to the scheduled optional redemption date. Any notice of optional redemption or prepayment that is so rescinded shall be of no effect, and each Bond for which a notice of optional redemption or prepayment has been rescinded shall remain outstanding.

(f) *Effect of Redemption.* Interest on each Bond called for redemption or prepayment shall cease to accrue on the date fixed for redemption or prepayment, unless either the notice of optional redemption or prepayment is rescinded as set forth above, or money sufficient to effect such redemption or prepayment is not on deposit in the Bond Fund or in a trust account established to refund or defease the Bond.

(g) *Purchase of Bonds.* The Port reserves the right to purchase any or all of the Bonds offered to the Port or in the open market at any time at any price acceptable to the Port plus accrued interest to the date of purchase.

Section 10. Failure to Pay Bonds. If the principal of any Bond is not paid when the Bond is properly presented at its maturity or date fixed for redemption or prepayment, the Port

shall, unless otherwise provided in the Bond Purchase Agreement, be obligated to pay (but only from the sources pledged in this resolution), interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption or prepayment until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

Section 11. Pledge of Taxes. The Bonds constitute a general indebtedness of the Port and are payable from tax revenues of the Port and such other money as is lawfully available and pledged by the Port for the payment of principal of and interest on the Bonds. For as long as any of the Bonds are outstanding, the Port irrevocably pledges that it shall, in the manner provided by law within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, to pay principal of and interest on the Bonds as the same become due. The full faith, credit and resources of the Port are pledged irrevocably for the prompt payment of the principal of and interest on the Bonds and such pledge shall be enforceable in mandamus against the Port.

Section 12. Tax Matters.

(a) *Preservation of Tax Exemption for Interest on Tax-Exempt Bonds.* The Port covenants that it will take all actions necessary to prevent interest on the Tax-Exempt Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Tax-Exempt Bonds or other funds of the Port treated as proceeds of the Tax-Exempt Bonds that will cause interest on the Tax-Exempt Bonds to be included in gross income for federal income tax purposes. The Port also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Tax-Exempt Bonds, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Tax-Exempt Bonds.

(b) *Post-Issuance Compliance.* If necessary, the Finance Officer is authorized and directed to review and update the Port's written procedures to facilitate compliance by the Port with the covenants in this resolution and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Tax-Exempt Bonds from being included in gross income for federal tax purposes.

(c) *Designation of Tax-Exempt Bonds as "Qualified Tax-Exempt Obligations."* A Series of the Tax-Exempt Bonds may be designated as "qualified tax-exempt obligations" for the purposes of Section 265(b)(3) of the Code, if the following conditions are met:

(1) the Series does not constitute "private activity bonds" within the meaning of Section 141 of the Code;

(2) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) that the Port and any entity subordinate to the Port (including any entity that the Port controls, that derives its authority to issue tax-exempt obligations from the Port, or that issues tax-exempt

obligations on behalf of the Port) will issue during the calendar year in which the Series is issued will not exceed \$10,000,000; and

(3) the amount of tax-exempt obligations, including the Series, designated by the Port as “qualified tax-exempt obligations” for the purposes of Section 265(b)(3) of the Code during the calendar year in which the Series is issued does not exceed \$10,000,000.

Section 13. Refunding or Defeasance of the Bonds. The Port may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the “defeased Bonds”); (b) redeeming or prepaying the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the Port sets aside in a special trust fund or escrow account irrevocably pledged to that redemption, prepayment or defeasance (the “trust account”), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, prepay, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the Owners of the defeased Bonds in the covenants of this resolution and in the funds and accounts obligated to the payment of the defeased Bonds shall cease and become void. Thereafter, the Owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds shall be deemed no longer outstanding. In that event, the Port may apply money remaining in any fund or account (other than the trust account) established for the payment, redemption or prepayment of the defeased Bonds to any lawful purpose.

Unless otherwise specified by the Port in a refunding or defeasance plan, notice of refunding or defeasance shall be given, and selection of Bonds for any partial refunding or defeasance shall be conducted, in the manner prescribed in this resolution for the redemption or prepayment of Bonds.

Section 14. Sale and Delivery of the Bonds.

(a) *Manner of Sale of Bonds; Delivery of Bonds.* The Designated Representative is authorized to sell each Series of the Bonds by negotiated sale or private placement based on the assessment of the Designated Representative of market conditions, in consultation with appropriate Port officials and staff, Bond Counsel and other advisors. In determining the method of sale of a Series and accepting the Final Terms, the Designated Representative shall take into account those factors that, in the judgment of the Designated Representative, may be expected to result in the lowest true interest cost to the Port. The Designated Representative is authorized and directed to execute and deliver agreements with such advisors as the Designated Representative deems to be in the best interest of the Port in selling each Series of the Bonds, including engaging financial advisors, Bond Counsel, the Purchaser, the Bond Registrar, rating agencies, printers and electronic distribution platforms. The Commission ratifies and confirms the execution and delivery of any such agreement prior to the effective date of this resolution in furtherance of the purposes described in this resolution and not inconsistent with the terms of this resolution.

(b) *Procedure for Negotiated Sale or Private Placement.* If the Designated Representative determines that a Series of the Bonds is to be sold by negotiated sale or private

placement, the Designated Representative shall select one or more Purchasers with which to negotiate such sale. The Bond Purchase Agreement for each Series of the Bonds shall set forth the Final Terms. The Designated Representative is authorized to execute the Bond Purchase Agreement on behalf of the Port, so long as the Final Terms provided therein are consistent with the parameters set forth in Section 4.

(c) *Preparation, Execution and Delivery of the Bonds.* The Bonds shall be prepared at the expense of the Port and shall be delivered to the Purchaser in accordance with the Bond Purchase Agreement, together with the approving legal opinion of Bond Counsel regarding the Bonds.

Section 15. Official Statement; Continuing Disclosure.

(a) *Preliminary Official Statement Deemed Final.* The Designated Representative or Finance Officer shall review and, if acceptable to such officer, approve the preliminary Official Statement prepared in connection with each sale of a Series of the Bonds to the public or through a Purchaser as a placement agent. For the sole purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12, if applicable, the Designated Representative or Finance Officer is authorized to deem that preliminary Official Statement final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12. The Port approves the distribution to potential purchasers of the Bonds of a preliminary Official Statement that has approved by the Designated Representative and been deemed final, if applicable, in accordance with this subsection.

(b) *Approval of Final Official Statement.* The Port approves the preparation of a final Official Statement for each Series of the Bonds to be sold to the public in the form of the preliminary Official Statement that has been approved and deemed final in accordance with subsection (a), with such modifications and amendments as the Designated Representative or Finance Officer deems necessary or desirable, and further authorizes the Designated Representative or Finance Officer to execute and deliver such final Official Statement to the Purchaser if required under Rule 15c2-12 or the Bond Purchase Agreement. The Port authorizes and approves the distribution by the Purchaser of the final Official Statement so executed and delivered to purchasers and potential purchasers of a Series of the Bonds.

(c) *Undertaking to Provide Continuing Disclosure.* If necessary to meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to the Purchaser acting as a participating underwriter for a Series, the Finance Officer is authorized to execute a written undertaking to provide continuing disclosure for the benefit of holders of the Series. The Finance Officer is authorized to review, update, and implement the Port's written procedures to facilitate compliance by the Port with the provisions of this section and the applicable requirements of the Undertaking and Rule 15c2-12.

Section 16. Supplemental and Amendatory Resolutions. The Port may supplement or amend this resolution for any one or more of the following purposes without the consent of any Owners of the Bonds:

(a) To add covenants and agreements that do not materially adversely affect the interests of Owners, or to surrender any right or power reserved to or conferred upon the Port.

(b) To cure any ambiguities, or to cure, correct or supplement any defective provision contained in this resolution in a manner that does not materially adversely affect the interest of the Beneficial Owners of the Bonds.

Section 17. General Authorization and Ratification. This resolution may be executed in tangible medium, manual, facsimile, or electronic form under any security procedure or platform, and notwithstanding any other resolution, rule, policy, or procedure of the Port, or in any other manner evidencing its adoption. The President and Secretary of the Commission, the Designated Representative, Finance Officer, Treasurer, their respective designees, and each other appropriate officer of the Port are each individually authorized to take such actions and to create, accept, execute, send, use, and rely upon such tangible medium, manual, facsimile, or electronic documents, records, and signatures under any security procedure or platform, and notwithstanding any other resolution, rule, policy, or procedure of the Port, as in their judgment may be necessary or desirable to carry out the terms of and transactions contemplated by this resolution and each Bond Purchase Agreement, including everything necessary for the prompt delivery of each Series to the Purchaser thereof and for the proper application, use, and investment of the proceeds of the Bonds. All actions taken prior to the effective date of this resolution in furtherance of the purposes described in this resolution and not inconsistent with the terms of this resolution are ratified and confirmed in all respects.

Section 18. Severability. The provisions of this resolution are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, finds any provision of this resolution to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this resolution in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

Section 19. Effective Date. This resolution shall take effect and be in force immediately upon its adoption.

ADOPTED by the Port Commission of the Port of Port Angeles, Washington, at a regular open public meeting thereof this 13th day of October, 2026, the following Commissioners being present and voting.

PORT OF PORT ANGELES, WASHINGTON

President and Commissioner

Vice President and Commissioner

Secretary and Commissioner

CERTIFICATION

I, the undersigned, Secretary of the Port Commission (the “Commission”) of the Port of Port Angeles, Washington (the “Port”), hereby certify as follows:

1. The attached copy of Resolution No. 26-1351 (the “Resolution”) is a full, true, and correct copy of a resolution duly adopted at a regular meeting of the Commission held at the regular meeting place thereof on October 13, 2026, as that resolution appears on the minute book of the Port; and the Resolution is now in full force and effect;

2. An opportunity for public comment at or before the meeting was duly provided, a quorum of the members of the Commission was present throughout the meeting, and a majority of those members present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of October, 2026.

PORT OF PORT ANGELES, WASHINGTON

Secretary, Port Commission

September 2026: Log Yard Update

October 13, 2026

Log Yard and Site Improvements: From the East Then



Log Yard and Site Improvements: From the East Now



Log Yard and Site Improvements: From the West Then



Log Yard and Site Improvements: From the West Now



Log Yard and Site Improvements: From the West Now



Log Yard and Site Improvements: Current Activities



Log Yard and Site Improvements: Current Activities



Questions?



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

October 13, 2026

Subject: North Olympic Development Council (NODC) - Energy and Environmental Resilience Conference Sponsorship Request

Presenter: Katharine Frazier, Grants & Government Affairs Manager

RCW & POLICY REQUIREMENTS

RCW 53.08.255 authorizes any port district in Washington, acting through its commission, to “expend moneys and conduct promotion of resources and facilities in the district or general area by advertising, publicizing, or otherwise distributing information to attract visitors and encourage tourist expansion.”

The Port’s Community Funding Policy and Guidelines establishes that the Port may sponsor events that are hosted by or held in support of a Port customer, the marine trades or timber industries, marinas, airports, tourism, or general economic development in Clallam County.

BACKGROUND:

The North Olympic Development Council (NODC) hosts an annual Energy and Environmental Resilience Conference which brings together leaders from government agencies, Tribes, research institutions, and other regional organizations to discuss topics including infrastructure, emissions reduction efforts, sea level rise, and more. This year’s event will be held at the Northwest Maritime Center in Port Townsend from November 16th to 18th.

In September, NODC’s leadership reached out to the Port to request sponsorship support that would help cover event costs.

ANALYSIS:

Each year, the Port Commission approves a Community Support budget that provides funding to multiple organizations and events. The 2026 budget includes a \$10,000 set-aside for “Miscellaneous Fee/Waivers/Sponsorships.” Half of this budget (\$5,000) is cash support, the other half is in-kind support.

Of this \$5,000 cash, the Port Commission has allocated \$4,800 for 2026:

- \$1,000: Society of American Foresters
- \$1,000: American Forest Resource Council
- \$1,000: Sequim Logging Show (beyond budgeted \$2,000 support)
- \$1,800: Olympic Logging Show

The Port pledged in-kind support to the Port Angeles Salmon Club's Halibut Derby event in the form of waived launch fees over Memorial Day weekend.

ENVIRONMENTAL IMPACT:

Environmental issues related to the North Olympic Peninsula are a significant focus of the Energy and Environmental Resilience Conference. However, NODC's request for event sponsorship has no direct environmental impact related to the Port, its property, or its operations.

FISCAL IMPACT:

NODC did not request a specific dollar amount of sponsorship for the November conference. As of today (10/13/2026), only \$200 cash remains in the 2026 "Miscellaneous Fee/Waivers/Sponsorships" budget. The Commission must provide directions for how staff should allocate the remaining 2026 funds.

RECOMMENDED ACTION:

The Port team recommends that the Commission discuss a potential sponsorship for the Energy and Environmental Resilience Conference. The team advises that the discussion should include consideration of how to balance this request with the other sponsorship requests that the Port has received for events in late 2026.

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

October 13, 2026

Subject: Port Angeles Yacht Club (PAYC) – Deck out the Docks Sponsorship Request

Presenter: Katharine Frazier, Grants & Government Affairs Manager

RCW & POLICY REQUIREMENTS

RCW 53.08.255 authorizes any port district in Washington, acting through its commission, to “expend moneys and conduct promotion of resources and facilities in the district or general area by advertising, publicizing, or otherwise distributing information to attract visitors and encourage tourist expansion.”

The Port’s Community Funding Policy and Guidelines establishes that the Port may sponsor events that are hosted by or held in support of a Port customer, the marine trades or timber industries, marinas, airports, tourism, or general economic development in Clallam County.

BACKGROUND:

The Port Angeles Yacht Club (PAYC) hosts an annual “Deck out the Docks” holiday event at the Port Angeles Boat Haven. The event is free and features family-friendly activities, holiday lighting and decorations, and more.

In September, the PAYC reached out to the Port to request sponsorship support. The Port’s sponsorship would specifically cover “free, hands-on activities for children, prizes that encourage boaters to decorate their vessels, and timely marketing and community outreach.”

ANALYSIS:

Each year, the Port Commission approves a Community Support budget that provides funding to multiple organizations and events. The 2026 budget includes a \$10,000 set-aside for “Miscellaneous Fee/Waivers/Sponsorships.” Half of this budget (\$5,000) is cash support, the other half is in-kind support.

Of this \$5,000 cash, the Port Commission has allocated \$4,800 for 2026:

- \$1,000: Society of American Foresters
- \$1,000: American Forest Resource Council
- \$1,000: Sequim Logging Show (beyond budgeted \$2,000 support)
- \$1,800: Olympic Logging Show

The Port pledged in-kind support to the Port Angeles Salmon Club's Halibut Derby event in the form of waived launch fees over Memorial Day weekend.

The 2026 Community Support budget includes \$4,619 in waived fees for the Port Angeles Yacht Club (50% waiver of ground lease and moorage on a 30' slip). This event sponsorship request would not come out of the funds already allocated to the PAYC.

In 2025, the Port provided \$1,500 to the PAYC for its "Deck out the Docks" event. The Port also provided \$1,500 to the Sequim Bay Yacht Club's (SBYC) holiday festivities. The Port has not received any requests from SBYC for support in 2026.

ENVIRONMENTAL IMPACT:

The PAYC's request for event sponsorship has no direct environmental impact related to the Port, its property, or its operations.

FISCAL IMPACT:

The PAYC did not request a specific dollar amount of sponsorship for the 2026 "Deck out the Docks" event. As of today (10/13/2026), only \$200 cash remains in the 2026 "Miscellaneous Fee/Waivers/Sponsorships" budget. The Commission must provide directions for how staff should allocate the remaining 2026 funds.

RECOMMENDED ACTION:

The Port team recommends that the Commission discuss a potential sponsorship for the 2026 "Deck out the Docks" event. The team advises that the discussion should include consideration of how to balance this request with the other sponsorship requests that the Port has received for events in late 2026.

Future Agenda Items – Commission Meeting

10/13/2026

October 26, 2026 (Special Joint Meeting w/ BOCC & The Clallam County PUD & City of PA City Council)

- Location: Field Arts & Events Hall from 11:00 am – 2:30 pm

October 27, 2026 (Regular Commission Meeting)

- September Financial Report
- 3rd Quarter Operations Report
- 2027 Draft Final Capital Budget
- Present Preliminary 2027 Operating Budget & Tax Levy

November 10, 2026 (Regular Commission Meeting)

- Monthly Delegation of Authority Report
- Monthly Cash and Investment Report
- Log Yard Site & Stormwater Project – October Update
- Open Public Hearing on 2027 Budget and Tax Levy

November 17, 2026 (Special Commission Meeting)

- Close Public Hearing & Adopt 2027 Budget and Tax Levy

Upcoming Events

October 13-15: Pacific Northwest Waterways Assoc. (PNWA) Annual Meeting (Vancouver, WA)

October 18-21: National Association of Foreign Trade Zones (NAFTZ) Annual Conference & Exposition (San Diego, CA – Loews Coronado Bay)

October 22-23: Washington Public Ports Association (WPPA) Small Ports (Chelan – Campbell's Resort Lake Chelan)

November 19-21: Pacific Marine Expo (Seattle, WA – Seattle Convention Center Arch Building)

December 2-4: International Workboat Show (New Orleans, LA)

December 9-11: Washington Public Ports Association (WPPA) Annual Meeting (Vancouver, WA – Hilton Vancouver)

Future

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