



Serving All of Thurston County

Commission Work Session
Monday, Sept. 16, 2024
3:30 PM

Percival Plaza - Olympics Room
626 Columbia Street NW
Olympia, WA 98501

The meeting agenda is available on the Port's website as of Sept. 11, 2024.

<https://www.portolympia.com/commission>

The public may join the meeting from their computer, tablet or smartphone at:

<https://us02web.zoom.us/j/85765121075?pwd=GxSblq6OKPnRFbTbyqn4qG8A9laPZV.1>

or Telephone: 1 253 215 8782

Meeting ID: 857 6512 1075

Passcode: 745243

No public comment or commission action will be taken at this Work Session.

AGENDA

- A. Call to Order
- B. Approval of Agenda
- C. Climate Change and Regional Clean Energy Needs: Camille St. Onge, Director of Strategic Initiatives and Commission Affairs; Shawn Gilbertson, Director of Environmental Programs and Planning; Kristine Rompa, Local Government Affairs, Puget Sound Energy; and Beth Gilbertson, Major Accounts Executive, Business Energy Management, Puget Sound Energy
- D. Budget Review – Capital Investment Plan: James Sommer, Capital Assets Program Manager
- E. Agenda Setting Topics
- F. Adjourn

Port of Olympia Mission

Creating economic opportunities and building community for all of Thurston County through responsible resource use.

COVER MEMO

Briefing Date/Time: Sept. 16, 2024

Staff Contact/Title: Camille St. Onge, Director of Strategic Initiatives & Commission Affairs, 564.669.3100
CamilleS@portolympia.com); Shawn Gilbertson, Director of Environmental Programs & Planning, 360.528.8061
ShawnG@portolympia.com; Kristine Rompa and Beth Gilbertson, Puget Sound Energy

Subject: Climate Change and Regional Clean Energy Needs

Purpose: Information Only Decision Needed

Overview:

The Port of Olympia team will review the energy sector's impact on climate change and review policies aimed at reducing greenhouse gases. We will also highlight the Port's climate action efforts. Additionally, Puget Sound Energy representatives will discuss regional clean energy needs and opportunities.

Documents Attached:

- PowerPoint presentation
- Puget Sound Energy presentation: Energy Efficiency and Rates
- Puget Sound Energy presentation: Clean Energy Transformation

Reference Material:

- [Washington Department of Ecology GHG Inventory](#)
- [Washington Climate Action](#)
- [Thurston County Greenhouse Gas Inventory](#)
- [Clean Buildings Performance Standards](#)
- [Clean Building Performance FAQs](#)
- [Washington Utilities & Transportation Commission Clean Energy Transformation Act](#)
- [Washington Legislature Clean Energy Transformation Act](#)



PORT of OLYMPIA
Serving All of Thurston County


Climate Change & Regional Clean Energy Needs

Sept. 16, 2024

Camille St. Onge Director of Strategic Initiatives & Commission Affairs	Shawn Gilbertson Director of Environmental Planning & Programs	Kristine Rompa Beth Gilbertson Puget Sound Energy
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Today's Work Session

Informational

- Washington goals and progress
- Thurston County overview
- Port climate actions
- Market demands
- Port opportunities



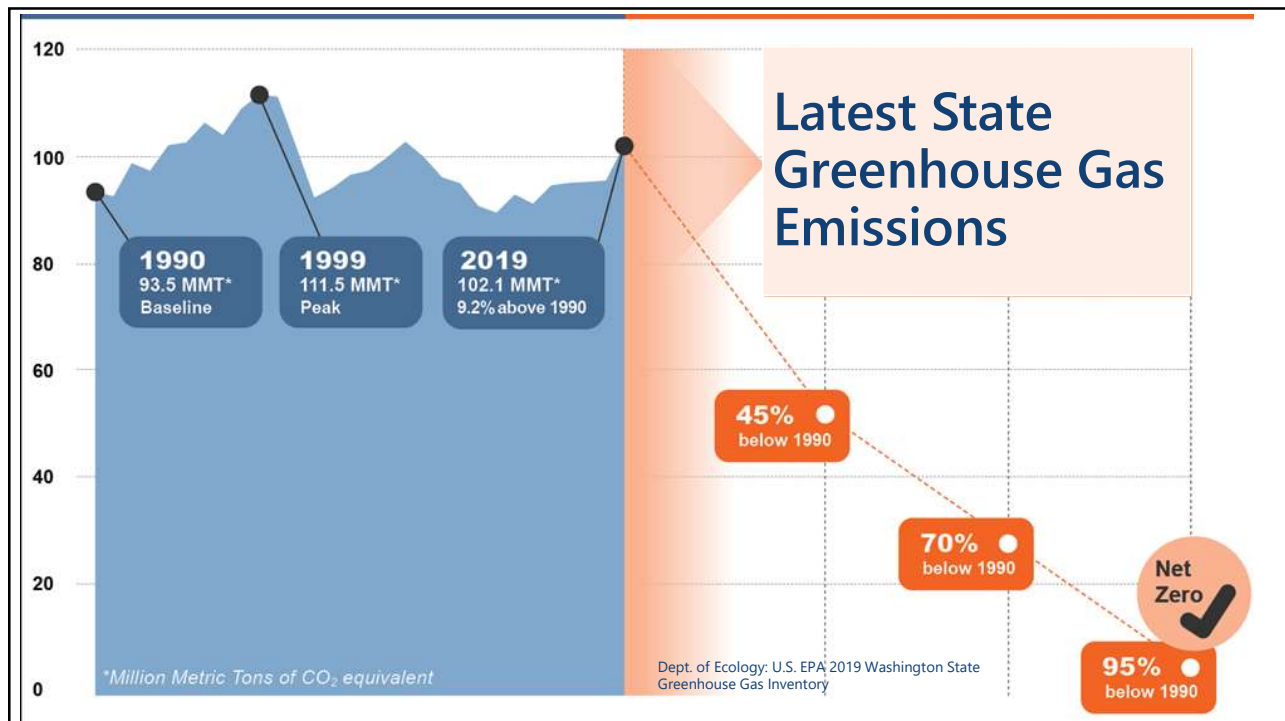
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Washington's Statutory Greenhouse Gas Limits

Year	2020 GHG Emission Limits
2020	Reduce to 1990 levels
2030	45% below 1990
2040	70% below 1990
2050	95% below 1990 and achieve net-zero emissions

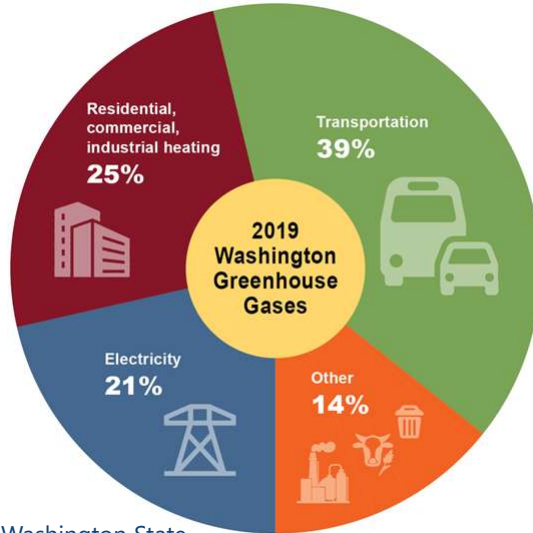


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State Emissions by Source



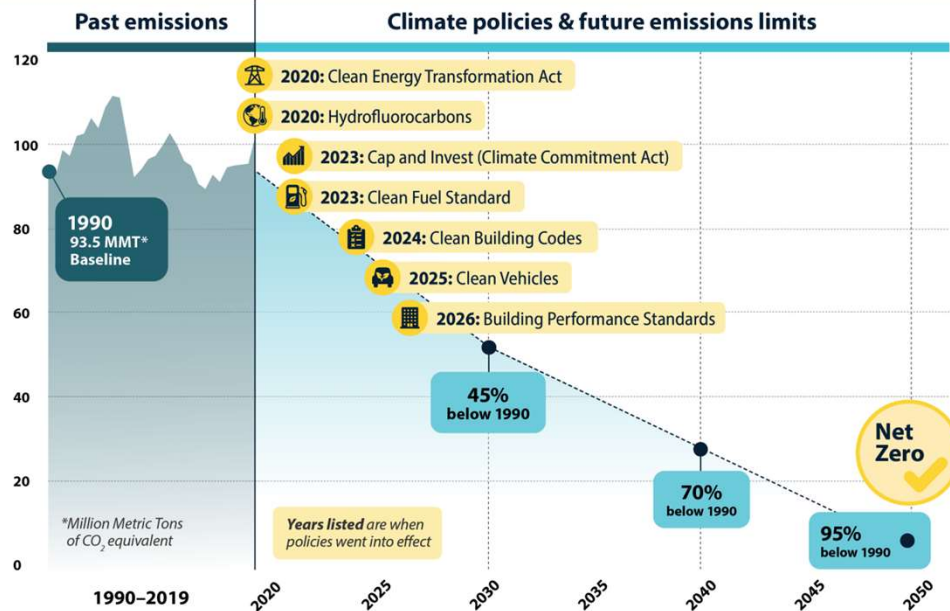
Dept. of Ecology: U.S. EPA 2019 Washington State Greenhouse Gas Inventory



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How Washington is cutting pollution 95% by 2050

The Big Seven



6



7

85%
Reduction of
2015 GHG
levels by 2050

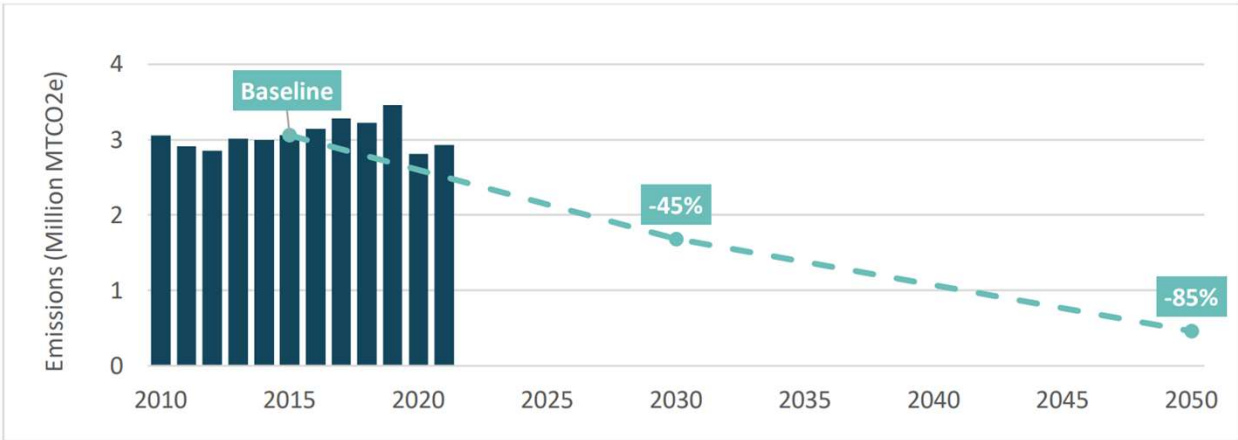
Thurston County Goals

An aerial view of a residential neighborhood with houses, trees, and a road. The neighborhood is surrounded by a dense forest.

8

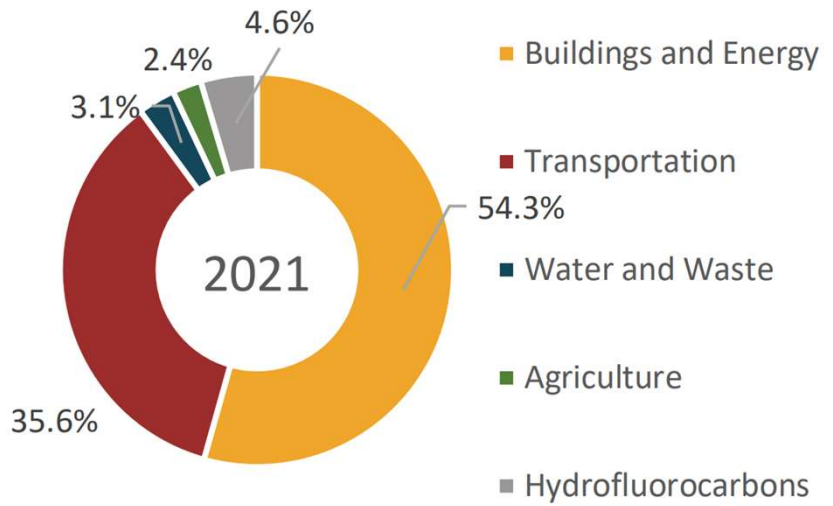
Thurston County 2021 Emissions

2.9 MMT of CO₂e



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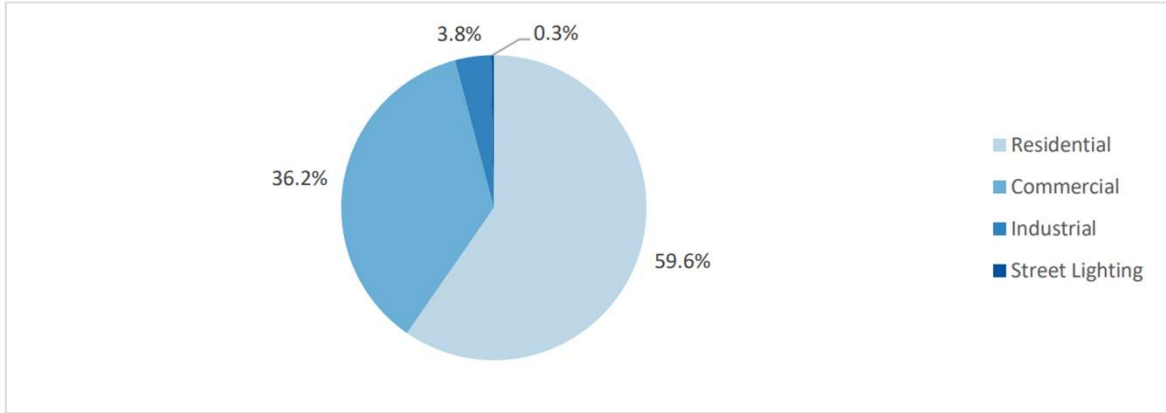
Thurston County Greenhouse Gas Inventory



Thurston County 2021 Greenhouse Gas Inventory

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Thurston Buildings and Energy Emissions



2021 Greenhouse Gas Inventory for Thurston County



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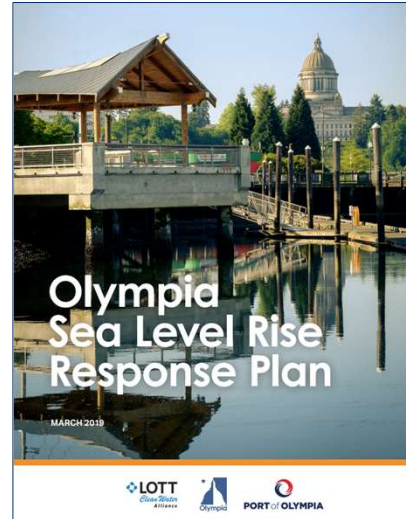
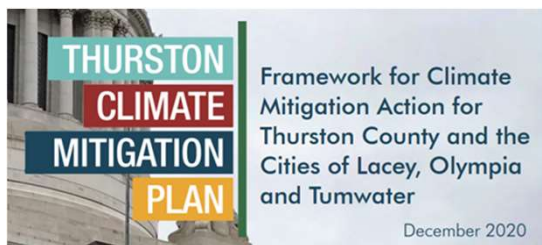
Shawn Gilbertson
Director of Environmental
Planning & Programs



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Port Climate Resiliency Efforts

- Thurston climate mitigation plan
- Greenhouse gas inventory
- Olympia sea level rise collaborative
- Olympia sea level rise response plan



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Port Climate Resiliency Actions

- EV charging stations
- EV charging at Olympia Regional Airport
- Port fleet electric vehicles
- Airport solar testing



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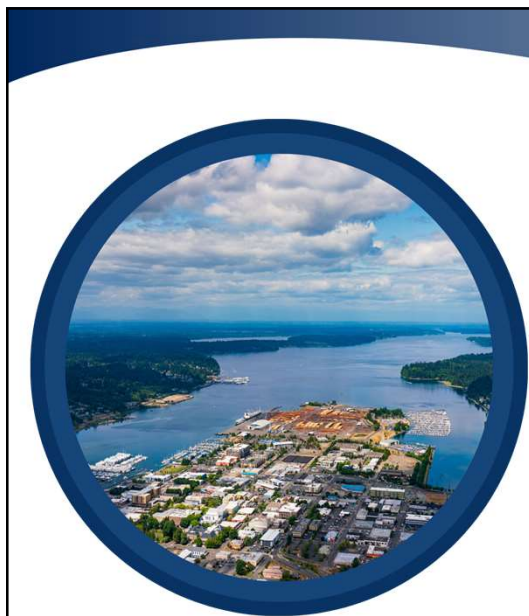


Port Climate Resiliency Planning

- Fleet electrification analysis
- Solar potential assessment
- Battery and shore-power potential
- PSE – Clean energy audits



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Puget Sound Energy

Kristine Rompa

Beth Gilbertson

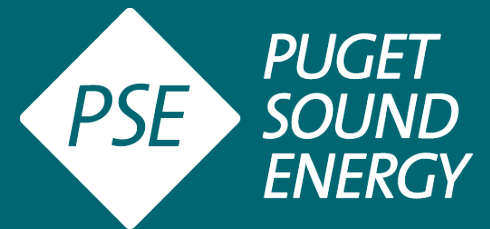


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PSE Energy Efficiency & Rebates

Beth Gilbertson, Major Accounts Executive
Business Energy Management

Beth.Gilbertson@pse.com; 253-867-7965



August 2024

AGENDA

- ◆ Community solar program
- ◆ EV Charging incentive programs
- ◆ PSE's Building Energy Audit Incentive

PSE Community Solar

Community Solar Overview

- ◆ **Community Solar** is a way for PSE electric customers to share the benefits of 100% local solar power.
- ◆ Customers **subscribe to shares** of a local solar array and receive credits on their electric bills for energy produced.
- ◆ 30% of shares are reserved for **income eligible** customers to subscribe at no cost.
- ◆ **Partnerships with site hosts** make it possible for PSE to build solar installations in the communities we serve.
- ◆ 3 sites are currently operational in **Olympia, Sammamish, and Bonney Lake**, with 3 additional large arrays in Kittitas County.

Benefits for site hosts

- ◆ Support community sustainability goals for carbon reduction.
- ◆ Generate solar energy at your site at no cost. PSE owns and maintains system.
- ◆ Partner with PSE on promotional opportunities.
- ◆ Compensation for PSE's use of the site in the form of a lease and easement.
- ◆ Total array generation counts towards host site EUI calculation (reduction!)

Site Host Application



- ◆ Application on PSE.com to submit sites for Community Solar, distributed solar, or battery storage projects.
- ◆ Applications will be reviewed on a continuous basis.
- ◆ Public entities interested in Community Solar are welcome to apply.
- ◆ We will also be reviewing other types of properties, including commercial or privately owned.

Site Evaluation Criteria

- ◆ Rooftop or ground space
- ◆ Ideal space/size is 20,000 square feet or above (min. of 10,000 square feet)
- ◆ Southern exposure that is unshaded
- ◆ Rooftop must have a minimum of 25 years of useable life remaining
- ◆ Site must be within 300 feet of PSE's distribution system (utility transformer, pole, vault, etc.)
- ◆ Accessible to PSE equipment and system 24/7
- ◆ More detail will be included on site application website

PSE Up & Go Electric



A photograph of a yellow school bus with its door open. A woman in a dark quilted jacket and a young girl in a pink jacket are standing by the door. The image has a teal overlay.

Up & Go Electric for Fleet

- ◆ **Who:** businesses, municipalities, tribes, community-based service providers and organizations with Fleet operations
- ◆ **How:** Advisory services and incentives to help offset costs of transitioning to an electric fleet
- ◆ **What:** Flexible ownership structure for Level 2 and DCFC smart chargers, with \$250K per site cap including infrastructure-side costs
 - PSE-owned turnkey service
 - Customer-owned/installed with incentives
- ◆ **Why:**
 - Help meet sustainability goals while these significant incentives last.
 - Begin the transition to meet regulations while staying ahead to avoid disruption to operations

Fleet EV Charging Stations

Incentive structure for EVSE and vehicles

INCENTIVE CATEGORY	EVSE OWNERSHIP OPTION	
	PSE-OWNED TURNKEY SERVICE	CUSTOMER-OWNED OPTION
Level2 EVSE + Make-ready*	Up to \$12,000/port	Up to \$4,000/port
DCFC EVSE + Make-ready*	Up to \$125,000/port	Up to \$60,000/port
Battery-electric forklift	\$2,000/EV	\$2,000/EV

*Total maximum incentive of \$250,000 per charging location; customer pays make-ready infrastructure upgrade fees above maximum allowance



Up & Go Electric for Workplace

◆ **Who:** Employer or shared workplace facilities managers/owners

◆ **Why:** To empower more commuters to go electric

◆ **What:** Businesses and commercial properties with shared employee parking can receive incentives for employee EV charging equipment and installation

- PSE-owned turnkey service
- Customer-owned with incentives

◆ **Why:**

- Help meet **sustainability goals** with help from employees; **empower commuters** to go electric
- Maintain a **competitive workplace** with amenities/perks while these significant incentives last

Up & Go Electric for Public – Charging Stations



Where: Community spaces with dedicated, publicly available parking: parks, libraries, shopping centers, and more!

How: Flexible incentives for installing charging stations

- PSE-owned turnkey service
- Customer-owned/installed with incentives

Who: Organizations with authority over dedicated, publicly available parking spaces

- Municipalities, Ports, or other public entities
- Local and independent businesses
- Community centers

Why:

- Reduce EV charging barriers
- Increase patronage and loyalty for local businesses
- Advance sustainability goals

Public EV Charging Stations

See the table below for details on available incentiv ownership options.

PSE-OWNED		
CHARGER TYPE	% OF COSTS COVERED	MAXIMUM PER-P
Level 2	100%	No max
DC Fast Charger	100%	No max
CUSTOMER-OWNED*		
CHARGER TYPE	% OF COSTS COVERED	MAXIMUM PER-P
Level 2	Up to 50%	Up to \$2,000/port
DC Fast Charger	Up to 50%	Up to \$40,000/port
EMPOWER MOBILITY CUSTOMER-OWNED*		
CHARGER TYPE	% OF COSTS COVERED	MAXIMUM PER-P
Level 2	Up to 100%	Up to \$4,000/port
DC Fast Charger	Up to 100%	Up to \$80,000/port

*The customer-owned options have an incentive limit of \$250,000 per project. Additional allowances for *service line and* \$20,000 per DC fast charger port and \$2,000 per Level 2 port.

Questions?

Kate Hartgering

**Community Projects
Manager**

kate.hartgering@pse.com

- Community Solar site host portal
Renewables@pse.com
- EV programs –
EVprograms@pse.com

PSE - ASHRAE Building Energy Audit opportunity

(ASHRAE - The American Society of Heating,
Refrigerating, and Air-Conditioning Engineers)

Program Summary

- For larger buildings & campuses with complex systems only
- Intended to support deeper energy retrofits
- Can assist with meeting CBPS EUIt

Qualified Customers/Conditions/Requirements

- Sites must exceed 50,000SF (rule of thumb)
- Sites must receive PSE electric service

PSE ASHRAE Audit Report includes:

- ◆ Mechanical drawings, as-builts, past energy studies, data logging, metering and pictures
- ◆ EUI_t (energy use intensity target), compliance requirements, building characteristics, bill history analysis
- ◆ Lighting system details
- ◆ Recommended energy efficiency measures (EEM)
- ◆ Proposed commissioning plan for EEMs
- ◆ Summary of changes completed while on-site, tune-up checklist
- ◆ Cost estimates for EEM recommendations
- ◆ PSE Incentive opportunities

New Construction, Energy Management & Transportation Electrification

- **Commercial New Construction** - [PSE | Commercial New Construction Incentives](#)
- **Multi-Family New Construction** - [PSE | Multifamily New Construction Grants](#)
- **Clean Buildings Accelerator** - [PSE | Clean Buildings](#)
- **Commercial Strategic Energy Management** - [PSE | Commercial Strategic Energy Management](#)
- **Industrial System Optimization** - [PSE | Industrial System Optimization Program](#)
- **Industrial Strategic Energy Management** - [PSE | Industrial Strategic Energy Management](#)
- **Utility Energy Services Contracting** - [PSE | Utility Energy Service Contract \(UESC\)](#)
- **Business Energy Demand** - [PSE | Business Demand Response](#)
- **Transportation Electrification** - [PSE | Transportation Electrification](#)
 - Electric vehicle charging programs - [Fleet](#), [Multi-Family](#), [Work Place](#)
- **Battery Storage** - [PSE | Battery Storage](#)
- **Renewables** - [PSE | Renewable Energy Options for Your Business](#)
- [PSE | Host an energy project](#) – Solar or Battery storage

Managed by others – Ask for a deep dive

Thanks for Considering PSE Programs

Contact us early
and often in your
process and work
with us and your
contractor

Energy Efficiency & Incentives:

Beth.Gilbertson@pse.com

Programs:

www.pse.com/cleanbuildings

www.pse.com/mybusiness (all programs)

www.pse.com/cx

www.pse.com/businesslighting

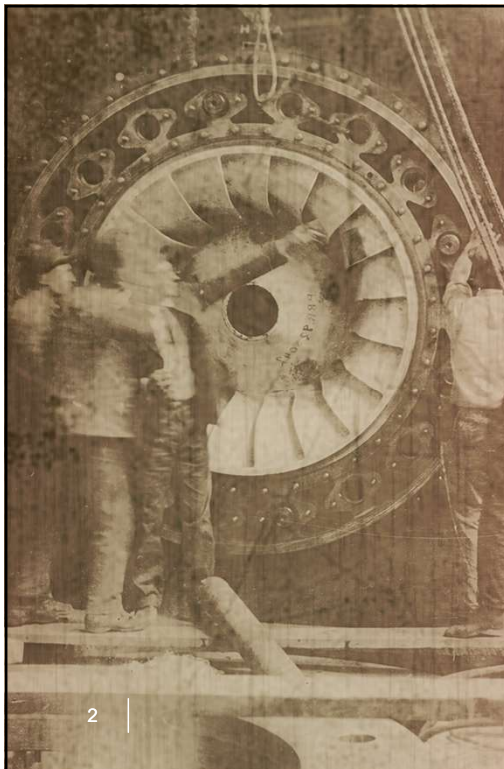
PSE's Clean Energy Transformation

Kristine Rompa
Local Govt. Affairs
Kristine.Rompa@pse.com

September 2024



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Fueling the growth of local communities for over 150 years

- We're Washington's largest and oldest utility, **servicing 1.5 million customers** in 10 counties.
- We're undergoing the most **significant transformation** in our history as we strive to meet some of the most ambitious **clean energy laws** in the nation.
- Our core purpose is the **safe and reliable** delivery of energy to our customers, under all conditions.



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2

Washington has enacted some of the most ambitious climate policies in the country

Clean Energy Transformation Act (SB 5116)

Passed in 2019 and commits WA state to a carbon-neutral electric supply by 2030 and 100% clean electricity by 2045

Clean Buildings Act (HB 1257)

Passed in 2019 and adopts a new energy performance standard for existing commercial buildings over 50,000 sq. ft.

Climate Commitment Act (SB 5126 – “Cap and Invest”)

Passed in 2021 and establishes a program aimed at capping and reducing GHGs from the largest emitting sources and industries, to work towards the state’s greenhouse gas limits set in state law

Clean Fuel Standard (HB 1091)

Passed in 2021 to curb pollution from the transportation sector, which accounts for almost 45% of state GHG emissions

WA State Building Codes

New building energy codes went into effect in 2024 effectively making it very expensive to install gas in new construction

Decarbonization bill (HB 1589)

Passed in 2024, it streamlines planning processes, supporting the future energy choices of our customers in alignment with the state’s clean energy goals

3



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Our aspirational commitment to beyond net zero



PSE operations and electric supply

Our goals include

- Net zero carbon emissions for electric and gas (known methane leaks) operations
- Net zero carbon electric supply by 2030
- 100% carbon free electric supply by 2045

4



Natural gas sales customer end use

Our aspirational objectives include

- Reduce customer end use carbon emissions 30% by 2030
- Net zero carbon emissions for customer end use by 2045



Beyond PSE reported emissions

We will help other sectors reduce carbon through

- Electric vehicles
- LNG for marine and long haul trucking
- RNG/hydrogen or other low carbon fuels for transportation
- Supporting upstream methane emission reduction



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We're making progress towards these goals

- By the end of 2025, our electric supply will be coal free.
- In 2023, about **48%** of our electricity came from **non-emitting resources**.
- Since 2019, we've procured more than **3,500 MW** of **renewable energy resources**.
- We're **aggressively pursuing** renewable energy resources, from large generation projects to energy produced locally in our neighborhoods and communities.



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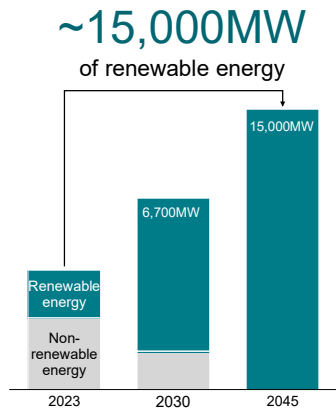
The path to a clean energy future is complex and not without challenges

- The **scale and pace** at which we need to acquire new, clean energy resources is **unprecedented**.
- The **demand** for electricity is expected to **increase significantly** due to policy changes.
- **Clean energy technologies** that can replace reliable and dispatchable generation currently provided by coal and natural gas are **not commercially available** yet.
- Commercially available **renewable resources**, such as wind and solar, are **intermittent** in nature and lead to more volatile and **unpredictable power markets** and **reliability challenges**.
- The **electric grid** needs to be **expanded and modernized** to support the transition to clean energy.
- We have to balance this accelerated transformation with the need for **affordability and equity**.



6

We need to acquire clean energy at an unprecedented pace and scale



Nameplate capacity required in Resource Plan (in MW)

For scale – that is equivalent to

- 700K residential solar panel systems
- + 50K residential battery storage systems
- + 8 peaking plants
- + 1,250 wind turbines
- + 45 solar plants
- + 15 hybrid generation & storage plants
- + 10 battery storage plants
- + 1,250 MW savings from conservation, demand response

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Source: 2023 Electric Progress Report, Form 10-Q, period ending September 30, 2022; equivalent measures are illustrative and not indicative of what may be included in the resource roadmap.



7

At the same time, demand for electricity is rising rapidly

- According to current forecasts, **energy consumption** is likely to **increase by a third (~34%)** in 20 years.
- **Electric vehicle charging** forecasted to be **25%** of our total **system load** in 20 years.
- State and local **building codes** are being revised in favor of **more electrification**.
- Upward trend in new, **large customer load requests**.



8

Planning for future energy needs in alignment with customer choices and state policies

- Newly passed state legislation (HB 1589) will require PSE to integrate planning for the electric and gas systems, consolidating six-plus existing plans, streamlining processes for our regulator and creating more transparency for customers.
- Customer choices are changing: Natural gas usage was down 7% for residential customers and 3% for commercial customers in 2023.
- Natural gas is an essential part of our state's energy supply today. It is the primary source of heating for PSE's 900,000 natural gas customers.
- When demand spikes, natural gas keeps the lights and heat on, even more so when 750 MW of coal-fired generation is removed from our electricity supply at the end of 2025 per state law.



On a cold winter's day, the gas system provides **more than 2X the energy** provided by our electric system to our customers

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We have several initiatives underway to reduce emissions on the gas system

- We're leveraging **energy conservation** to reduce the demand for natural gas.
- We're expanding our use of Renewable Natural Gas (RNG) and exploring integration of **lower-carbon fuels** like **hydrogen** and **renewable diesel** (R99).
- We're developing a **targeted electrification** strategy that **prioritizes vulnerable communities and gas constrained areas**.
- We're reducing **methane emissions** on the gas system and operating in a "find and fix" mode for any new leaks.

(Left) Our Targeted Electrification pilot is providing electrification education and incentives to nearly 10,000 natural gas customers



10



PSE's Frederickson generating station is an example of a dispatchable energy resource



PSE's Wild Horse wind facility is an example of an intermittent/variable energy resource

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There's a need for on-demand, clean energy resources to replace carbon emitting resources

- After 2025, our resource portfolio will no longer include nearly 750 MW of traditional coal-fired **baseload generation**.
- We need to replace this energy that acts as an **on-demand, easily dispatched** resource, serving customers when the sun isn't shining or the wind isn't blowing.
- **Emerging technologies** that could fill this gap will likely not be **commercially available** for some time.
- In the near term, the large amounts of **variable resources**, including wind and solar, being added to the system poses a **reliability risk** and **hybrid thermal peaking resources** may be needed to **bridge the gap**.



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We're pursuing an "all of the above" strategy to address this critical reliability gap

- We're supporting **early project development** activities for an advanced **small modular nuclear** reactor facility.
- We're partnering with Form Energy on a 10MW, 100-hour iron-air **long duration battery storage pilot**.
- We're a part of the **Pacific Northwest Hydrogen Hub** selected last year to receive up to **\$ 1 billion** in federal funding.



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Long duration battery storage pilot

- Partnering with Form Energy on the development of a **multi-day energy storage system** in our service area.
- The 100-hour duration would allow PSE to discharge the battery during **longer winter and summer peak events** when intermittent resources may not be generating.
- Form's **iron-air technology** has several benefits including smoother supply chain processes as iron is available in abundance.
- **Pilot proposal** submitted to our regulator as part of our **2024 General Rate Case**.

(Left) Form Energy's iron-air technology is optimized to store electricity for 100 hours at system costs competitive with legacy power plants



13



Battery storage systems play a critical role in accelerating our transition to clean energy

- Battery storage systems allow us to get the **most value from existing renewables** and **offset the need to build additional generation resources** that are used only at times of high demand.
- We estimate we will need approximately **1,500 MW of storage by 2030** (DER, hybrid, utility scale combined).
- We're exploring a mix of **PSE and developer-owned agreements** for battery storage projects.



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We've procured 3,580 MW of renewable energy since the passage of CETA in 2019

That includes:

- Haymaker wind farm (MT): 315 MW
- Beaver Creek wind farm (MT): 248 MW
- Vantage Wind Energy Center (WA): 90 MW
- Golden Hills wind project (OR): 200 MW
- Clearwater wind farm (MT): 350 MW
- SPI biomass (WA): 27 MW
- Chelan PUD hydro (WA): 77 MW
- Confederated Tribes of the Colville Reservation / Wells Hydroelectric Project (WA): 33 MW
- Selis Ksanka Qlipse Hydroelectric Project (MT): 40 MW



Wind turbine blade at PSE's Beaver Creek wind farm, currently under construction in Stillwater County, Montana



The path forward is complex – we have a lot to do, we must account for a variety of needs and our planet cannot wait.

We're committed to building a safe, clean and reliable energy future.

Join us at pse.com/together



COVER MEMO

Briefing Date/Time: Sept. 16, 2024

Staff Contact/Title: James Sommer, Capital Assets Program Manager,
360.528.8005, JamesS@PortOlympia.com

Subject: Budget Review – Capital Investment Plan

Purpose: Information Only Decision Needed

Overview:

- This presentation is a briefing to discuss the capital assets program and draft 2025 capital budget.
- No action required.

Background:

Over the last few years, the Port has worked to develop a long-range planning document for the capital investment program to anticipate and plan for future Port needs up to 10 years in the future. The capital investment plan was largely developed using the different port wide assessments that have been completed along with input from the business unit senior managers. The capital investment plan is updated regularly as the needs of the port change.

The draft 2025 capital budget is a mix of carryover projects from 2024 and new first-time projects and equipment for 2025. The carry over projects are projects that were included in the 2024 capital budget and are deemed as still relevant but not completed in the 2024 calendar year. These projects are denoted with a double asterisk (**) in the draft 2025 capital budget. The focus of new projects is income generation. Looking at the 5–10-year forecast of our assets reveals that project costs will continue to increase as asset repairs become due. To be proactive, we need to increase revenues at the Port to tackle these looming larger investments of existing assets.

There is a total of 22-line items in the draft 2025 capital budget and they are broken into the following business units as follows.

- Airport – 8 Items
- Marina and Boatworks – 4 items

- Marine Terminal projects – 6 items
- Real Estate – 1 Item
- Non-Ops / Admin projects – 4 items

The draft 2025 capital investment plan will be further evaluated and refined for the October 21st commission meeting where the 2025 Budget and Capital Investment Plan Draft Operating Budget first review will take place.

Documents Attached:

- PowerPoint Presentation
- 2025 Draft Capital Budget

Summary and Financial Impact:

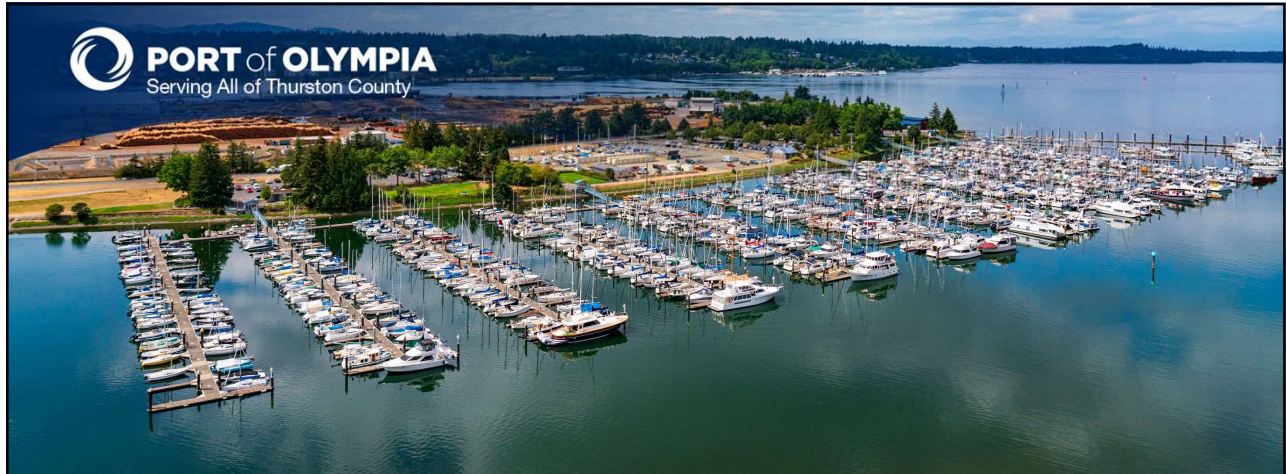
The draft 2025 capital budget has total project costs of \$12,801,454.

- \$6,290,204 in Port funds
- \$6,261,250 in external funding

There is approximately \$1,300,000 of expected rollover funds from the 2024 capital budget which were not expended.

Next Steps:

The next step in the budget process for the Commission will be the September 23rd meeting which will cover the 2025 Non-Operating, Tax Levy Uses and Community Events.



PORT of OLYMPIA
Serving All of Thurston County

Budget Review – Capital Investment Plan

James Sommer
Capital Assets Program Manager
Sept. 16, 2024



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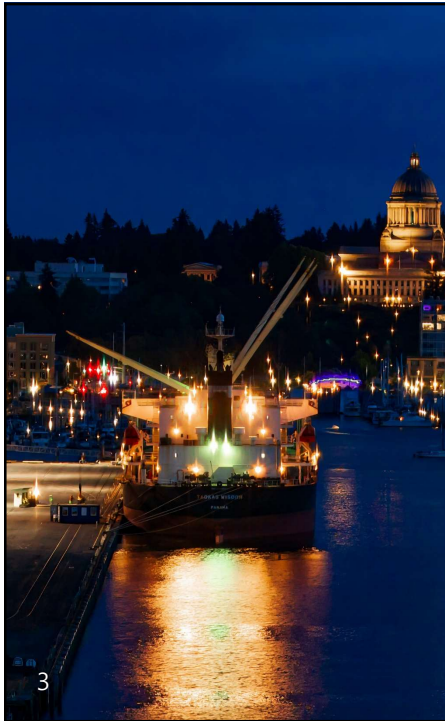
Today's Presentation

Briefing Only – No Action Required

- Capital Investment Plan
- 2025 Draft Capital Budget
- 2025 Budget Schedule



2



Capital Investment Plan

Overview

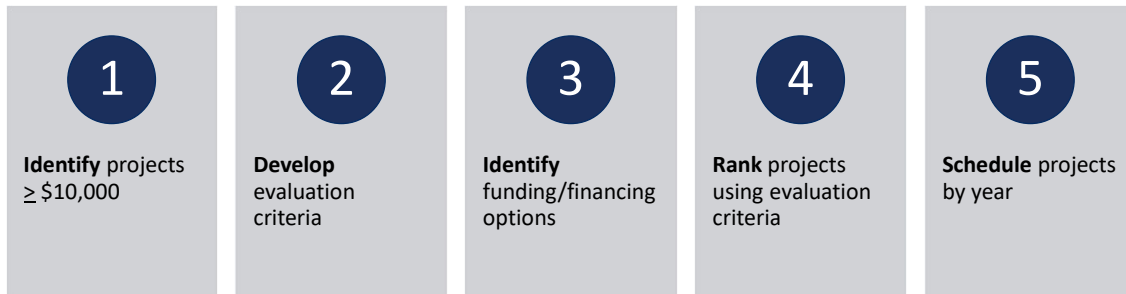
- **Create Multi-Year CIP**
 - ✓ 2022 = Build the program
 - ✓ 2023 = Five-year projection
 - ✓ 2024 = Ten-year program outlook
- **Benefits**
 - ✓ Financial stewardship
 - ✓ Transparency
 - ✓ Balanced port-wide
 - ✓ Leverage external funding sources



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Capital Investment Plan

Process



4

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Capital Investment Plan

Focus and Challenges

Focus

- Long term planning
- Income generation
- External funding

Challenges

- Backlog
- Capacity
- Funding

5



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Capital Investment Plan

2025 Highlighted Projects

Airport

- Runway 17-35 Pavement and Electrical Rehabilitation
- Apron and Taxiway Repair and Striping
- Gate Electronics and Motor Replacement

Marina / Boatworks

- Boatworks Yard Expansion

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Capital Investment Plan

2025 Highlighted Projects

Marine Terminal

- Storage Facility
- Mafi Trailer
- Warehouse Lighting System Upgrade

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Capital Budget

2025 Draft Capital Investment Plan

Draft Capital Investments:	\$12,801,454
External Funding:	\$6,261,250
Port Funds:	\$6,290,205

8



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2025 Budget Timeline

SEPTEMBER 23, 2024

2025 Non-Operating, Tax Levy Uses and Community Events

OCTOBER 14, 2024

2025 Non-Operating Budget and Tax Levy

OCTOBER 21, 2024

2025 Budget and Capital Investment Plan
Draft Operation Budget, First Review

OCTOBER 28, 2024

2025 Budget and Capital Investment Plan
Draft Operating Budget, Second Review

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2025 Budget Timeline (con't)

NOVEMBER 12, 2024

2025 Budget and Capital Investment Plan
Introduce Budget Resolutions – 2025 Budget and 2025 Tax Levy
Budget Presentation and Public Hearing

NOVEMBER 18, 2024

Final adjustments (if needed)

NOVEMBER 25, 2024

2025 Budget and 2025 Tax Levy Resolutions Adoption

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Questions and Comments

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2025 Capital Budget - DRAFT

Business Unit	Project Name	Capital Budget	PORT Funds	Grant Funds	Notes, Comments, Assumptions	
Airport	1	A: Runway 17-35 (South) Pavement and Electrical Rehabilitation **	\$4,500,000	\$225,000	\$4,275,000	Work includes mill and asphalt inlay of the south 750' of Runway 35. Project also includes upgrading existing runway lighting system to new energy efficient LED runway Lighting System. Design work is anticipated to progress the rest of this year, and we expect to open bids by early March 2025. Construction anticipated for Summer/Fall 2025.
	2	A: Runway 8/26 Rehabilitation	\$1,500,000	\$1,500,000	\$0	The runway has severe cracking along cold joints running full length of the runway. Repairs needed to prolong the useful life of the asphalt.
	3	A: Apron & Taxiway Repair and Striping	\$327,800	\$32,800	\$295,000	The airport's east apron/ramp and taxiway's E (Echo) and B (Bravo) serve most of the airport's aviation businesses, tenants, and transient aircraft. This project consists of crack sealing followed by a seal coat and new striping per FAA design standards
	4	A: Gate Electronics & Motor Replacement	\$160,000	\$160,000	\$0	The electronic components of the airport's four vehicle gates were damaged by lightning several years ago. The electronic components are beyond their useful life; spare parts and software support are difficult to find and maintain.
	5	A: Equipment - Stand-Behind Mower	\$15,000	\$15,000	\$0	
	6	A: Equipment - Zero Turn mower	\$23,000	\$23,000	\$0	
	7	A: Equipment - Scissor Lift	\$23,000	\$23,000	\$0	
	8	A: Equipment - Snow Plow**	\$60,000	\$60,000	\$0	This is a carryover project. Unable to find a suitable plow so far in 2024.
		Subtotal Airport	\$6,608,800	\$2,038,800	\$4,570,000	
Marina & Boatworks	8	BW: Boatyard Pond Media Replacement **	\$100,000	\$100,000	\$0	Carryover from 2024. Project was on hold until Stormwater Unit design with ecology approval.
	9	BW: Stormwater Unit / Filtration **	\$400,000	\$400,000	\$0	Carryover from 2024. Project was on hold until Stormwater Unit design with ecology approval.
	10	BW: Yard Expansion	\$300,000	\$300,000	\$0	Boatworks expansion to expand business line. This is located at the existing Boatworks area.
	11	BW: Equipment - Forklift	\$25,000	\$25,000	\$0	The Boatworks forklift is reaching its end of its useful life cycle.
		Subtotal Marina & Boatworks	\$825,000	\$825,000	\$0	
Marine Terminal	12	MT: Berth 1 Repairs - MARAD*	\$60,000	\$60,000	\$0	PIDP MARAD project. This is part of the pre-award costs to finalize scope and get the grant agreement completed.
	13	MT: Maintenance Facility - MARAD*	\$60,000	\$60,000	\$0	PIDP MARAD project. This is part of the pre-award costs to finalize scope and get the grant agreement completed.
	14	MT: Asphalt Paving - MARAD*	\$60,000	\$60,000	\$0	PIDP MARAD project. This is part of the pre-award costs to finalize scope and get the grant agreement completed.
	15	MT: Storage Facility	\$1,750,000	\$1,750,000	\$0	Construction of a second warehouse at the marine terminal.
	16	MT: Warehouse Lighting System Upgrade	\$25,000	\$25,000	\$0	This project upgrades the lighting system for operational safety and energy efficiency through PSE.
	17	MT: Equipment - Mafi Trailer	\$250,000	\$250,000	\$0	
		Subtotal Marine Terminal	\$2,205,000	\$2,205,000	\$0	
Real Estate	18	Market: Rants/Anthony's Parking Lot	\$750,000	\$500,000	\$0	Port is responsible for subgrade while tenant is responsible for finish grade.
		Subtotal Properties	\$750,000	\$500,000	\$0	
Non-Ops	19	Marine Drive NE Asphalt (Heavy)**	\$1,300,000	\$0	\$1,300,000	This is a carry over from 2024. Design is underway but pending bidding process and availability, this may be completed in 2025.
	20	Waterfront Development - Site D*	\$897,654	\$652,654	\$245,000	Design of site D catalyst project.
	21	IT - Annual Capital Projects	\$20,000	\$20,000	\$0	Annual IT capital upgrades. To be finalized with consultant.
	22	IT- Fiber to Port Cyber Security**	\$195,000	\$48,750	\$146,250	This is a carry over project
		Subtotal Non Ops & Admin	\$2,412,654	\$721,404	\$1,691,250	
		Capital Total	Port Total	Grants Total		
	Total	\$12,801,454	\$6,290,204	\$6,261,250		
	* Multi-Year Project					
	** indicate a Capital carryover from a previous year					