



WASHINGTON PUBLIC PORTS ASSOCIATION

THE MANIFEST

February 23, 2024



Aerial view of the Port of Port Angeles harbor

Photo courtesy: Port of Port Angeles



View of the Capitol in Olympia

February Updates at WPPA

As another snow fall greets Olympia, WPPA staff are hard at work tending to legislative business and already beginning Spring Meeting preparation, among other tasks. In spite of the cold, sunny weather in Olympia gave the staff and our tenants at the Ports Building a glimpse of spring, and on February 7, WPPA staff hosted our now second-annual Tenant Appreciation Day. This relatively new tradition included coffee and donuts with the Executive Director in the Lobby on Wednesday morning, and a food and drink reception in the WPPA suite that evening. The Ports Building is an incredible asset to the Association and our tenants are a key part of that value—paying us rent, which we use to keep dues down and fund our work! We like to take the

opportunity during Legislative Session to show them our appreciation, and this event was lively and fun, with Carly's port-themed playlist and Mandy's famous smoked salmon dip!

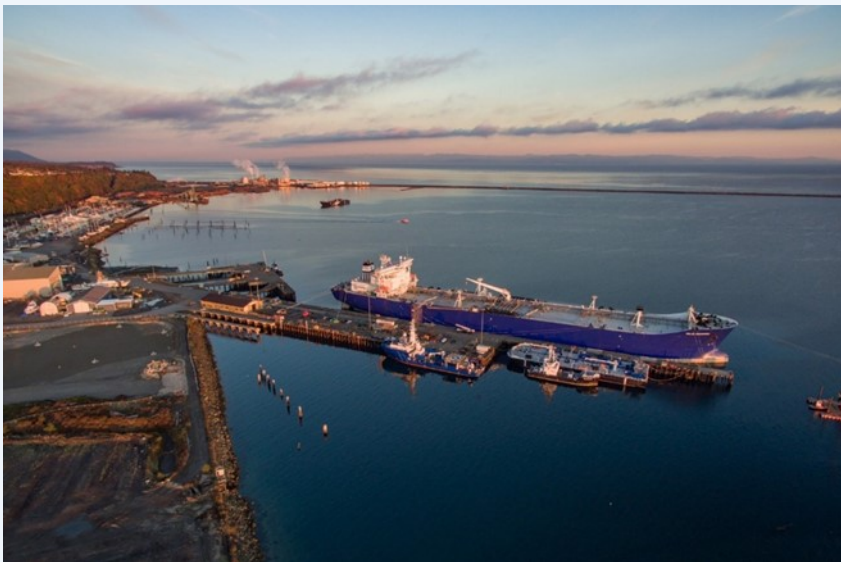
The week before the Tenant Reception, we had a *livelier party* here in Olympia, as a crush of port commissioners and staff thronged the halls of the Legislature for our Port Day advocacy event and our Ports and Maritime Reception. Hosted jointly with the Washington Maritime Federation again this year, the Ports and Maritime Reception climbed the hill from the yacht club to its new location: Heritage Distilling, just down the road from the Capitol. With donated pacific northwest seafood as the star of an impressive catering spread, and a port-themed cocktail menu, we welcomed more than THIRTY legislators for a reception that outstripped even the festivities of last year's Port Day party. The following morning, we hosted a breakfast that featured remarks from Senate Majority Leader Andy Billig (D-3rd LD, Spokane) and Senate Republican Leader John Braun (R-20th LD, Centralia), after which our members fanned out across the Hill with advocacy as their aim. We wrapped the event with a lunch that featured House Speaker Laurie Jinkins (D-27th LD, Tacoma), and sent members on their way with full stomachs and active minds. Thanks to all who were able to make the trip – and **don't forget, Save the Date, Port Day 2025 is already scheduled for Thursday, January 25, 2025!**

One more thing on Port Day, and with an eye to constant improvement: we made a few changes to the format this year and want your feedback. Whether it was the reception occurring on the *eve* of the advocacy day, or the more “concise” and “targeted” (also: shorter!) speaker program, we want your reactions! We do evaluations at each of our conferences and use the information you give us to improve those events, so this year we are doing the same with Port Day. Please take a moment to fill [out this survey and tell us what you thought](#).

Port Spotlight

Port of Port Angeles Transitions from Cleanup Win to Developing Marine Trade Center

With the application season for [WA Department of Ecology's Remedial Action Grants \(RAG\)](#) in full swing, we got to sit down with the team at the Port of Port Angeles to discuss some of their recent environmental cleanup



Tanker docked at the Port of Port Angeles for repair

Photo courtesy: Port of Port Angeles

efforts and exciting future projects. The Port of Port Angeles has worked in partnership with Ecology and the City of Port Angeles on seven recent projects, one of which is transforming an 18-acre former mill site into a modern industrial park dedicated to maritime trades and related economic development.

The mill site cleanup project, which relied on funding from the RAG program as well as Ecology's Model Toxics Control Act (MTCA) was successfully completed in 2018, and the site is now in transition. The Port has advertised bids for development with a due date of March 26, and expects to break ground mid-May, completing the Marine Trade

Center by the end of 2024. The estimated construction cost for development is about \$9.8M, 66% of which will be funded by a grant from the Economic Development Administration (EDA). The Port will cover the remaining 34%.

The mill site, located at 439 Marine Drive in Port Angeles, carries a long history of plywood milling and providing stable, high-wage jobs for the people of Clallam County. The former PenPly mill was opened in 1941 and served as a major job provider for the region until its closure in 2011. “13 years ago, when the mill shut down, the community was met with disappointment in the loss of more jobs,” said Paul Jarkiewicz, Executive Director of the Port of Port Angeles. “We were faced with making this project a positive and returning those lost jobs to the community.” The site, however, also contained years of chemical contamination, which needed to be cleaned up before the property could be retooled.

Initial cleanup began in 2013. Mill structures were torn down, while the Port stabilized the chemical contaminants at the site. One challenge of this work was removing the mill’s smokestack, which, impervious to initial attempts to remove it using a targeted explosion, eventually was partially excavated from below and broken down.

In 2015, the Port revealed a cleanup plan to remove and replace the contaminated soil, clean up polluted groundwater using bioremediation, and continue monitoring contaminant levels in the soil and groundwater until they were up to standards. The cleanup was completed in 2018, and the Port installed a 230-foot washdown facility in 2019, providing a key piece of infrastructure for the future Marine Trade Center. In 2022, the Port received their EDA grant to finish out the project and develop the site for productive use.

The Port, which owns the former mill site, is converting the site into a Marine Trade Center, opening it up to use by the maritime industry and providing skilled, prosperity-wage employment of maritime tradespeople throughout the region. Many of these jobs—in construction, repair and maintenance of military, commercial, and recreational vessels—form a vital piece of the region’s economy. Once developed, the Marine Trade Center is estimated to introduce 461 new jobs to the region, providing \$17.6 million in new annual income and adding \$1.3 million in tax revenue to local and state economies.



The mill site smokestack being pulled down after other attempts at demolition were unsuccessful

Photo courtesy: Port of Port Angeles



Rendering of the prospective Marine Trade Center, showing the washdown facility and marine industrial areas available for lease

Photo courtesy: Port of Port Angeles

“This site,” Jarkiewicz said, “is deliberately dedicated to the expansion of maritime trades.”

This project is an important part of the Port’s efforts to diversify the city’s waterfront property to best service the maritime economy in Clallam County. Since it was established in 1923, the Port’s mission has been to create living wage jobs and economic success for the County as a whole. The Port has worked in partnership with the City of Port Angeles and Clallam County Economic Development Center to bring this ambitious project to fruition and significantly improve job opportunities and local wages for residents. To further the project’s

potential economic impact, Jarkiewicz testified earlier this week in support of House Bill 1906, which would increase the length of visiting vessels authorized for permitting in the State and allow the Marine Trade Center to service larger vessels. This would translate to more maritime work and associated economic benefits remaining in the local community.

“It’s a piece of land that’s in transition,” Jarkiewicz said. “A successful cleanup, a new Brownfield site, and a property at the forefront of what House Bill 1906 would enable, with its focus on maritime trades.”

The site is ready for use for several different purposes. “We’re building out the infrastructure and allowing the site to serve as a blank canvas for future use,” Jarkiewicz said. The Port will also be able to act in a development capacity, catering the site to the specific needs of the lessee.

Part of that capacity, Jarkiewicz said, is due to the Port’s close relationship with the City of Port Angeles, which allows the Port to streamline processes that would otherwise take quite a while for a private entity to complete, such as permitting or completing SEPA reviews. “We’ve got the full wherewithal to serve as a one-stop-shop for a client,” he added.

“Our relationship with the City is really quite good,” Jarkiewicz said. “We’re able to jump in and help one another on various projects, which is really valuable.”

That collaborative work is a staple of the Port of Port Angeles’ process, and a large reason for the Port’s success in this and other projects they are working on with Ecology, local Tribes, and other state and federal agencies. “We’re excited about the future.” Jarkiewicz said. We encourage you to find out more on the Port of Port Angeles’ website: <https://portofpa.com/>.

Legislative Spotlight

As you may know from our [Weekly Legislative Reports](#), we are closing in on the end of session with just a handful of cutoff deadlines ahead of us. This year, being a short 60-day session, is going by quick with about 1400 new bills introduced and those that made the cut off deadlines already being voted on by the Senate and House chambers.

There have been some big themes this session from legislators relating to behavioral health, housing, education, and the environment. Another topic gaining some traction in Olympia is if—and how—the legislature will address the Six Initiatives that have been approved for next year’s ballot. The legislature can take public testimony and vote to approve any of the initiatives or choose to ignore all of them. Momentum to approve one or more of the initiatives seems to be growing as we round the home stretch of the session.

There is still a lot to do in the remaining couple weeks of session, including the Senate and House introducing their 2024 Supplemental Budgets. Supplemental budgets are minor adjustments to the big biennial budgets passed in odd numbered years. We eagerly await the introduction of each chamber’s supplemental operating, capital, and transportation budgets. Once they are introduced, debated, negotiated, and voted on, the finalized three budgets will head to the Governor’s desk to be signed into law.



The crane in the Port’s original Terminal 1 facility was the largest on the west coast when built

Photo courtesy: Port of Port Angeles

A few of our key issues this session that are still in play are relating to infrastructure, transportation, clean energy, and economic development. Check out the [one pagers](#) we used as an advocacy tool during Port Day and this session. Some of our top priorities are:

- [Senate Bill 6302](#) to create a new Supply Chain Competitiveness Infrastructure Grant Program to expand trade competitiveness and increase supply chain capacity for ground, rail, and maritime projects.
- [House Bill 1371](#) establishes a freight rail modernization tax credit for the state's shortline railroads.
- Fully funding transportation projects to finish important projects without further delay.
- Support a holistic clean energy transition by improving energy siting, assisting in emissions reduction planning, developing locally supported clean energy technologies, and investing in critical infrastructure.
- Supporting the Port Decarbonization Grant Program for critical emission reduction projects.
- Keeping the Model Toxics Control Act funding whole by removing the \$50 million sweep.

As you continue to have conversations with your own legislators, feel free to incorporate [WPPA's one pagers](#) as we look to retain momentum for our priorities and reinforce the importance of getting our priorities over the finish line this session.

Knowing the Waters

Ports in Washington are known for bringing significant improvements to their communities, such as expanding broadband service or restoring brownfields to productive use. To alleviate the common issue of delayed permitting for these projects, February's Knowing the Waters explains a variety of legal tools ports can use, such as forming interlocal agreements with local permitting authorities or conducting or collaborating with other agencies on State Environmental Policy Act (SEPA) reviews. Read more in this month's [Knowing the Waters](#).

Grant and Training Updates

MRSC Training: OPMA – Common Challenges and Practical Considerations – February 29, 10 a.m.

MRSC is hosting a webinar covering common challenges of adhering to the Open Public Meetings Act (OPMA), basis and management of executive sessions, and other practical considerations, such as notice requirements, canceling meetings, and public comment. This training is eligible to provide 1.0 credit hour toward a Certificate of Municipal Leadership (CML) for elected officials.

When: 10 to 11 a.m. Thursday, February 29

Where: Online/virtual

Who: Elected officials, local government staff

Cost: \$40 – scholarships available

Registration: <https://mrsc.swoogo.com/topmaccapc/begin>

Ecology Remedial Action Grants – Solicitation Opens Feb. 6

The solicitation for the 2025-2027 funding evaluation cycle for all three Ecology Remedial Action Grants opened on Feb. 6 and closes March 6 at 4 p.m.

- Due **March 6 by 4 p.m.**
- Grants require **10% to 50% in matching funds.**
- Eligible project types include interim actions, remedial investigations, feasibility studies and remedy selection, engineering design and remedy construction, and more.

Click [here](#) to learn more about this biennial program, including past projects, resources, and program contact information.

Ecology Clean Diesel Grant Funding – due February 27, 2024

Coming soon, Ecology will offer \$2.24M for projects in Washington to reduce emissions by scrapping and replacing diesel transit buses with new fuel cell buses, and diesel yard trucks with new electric yard trucks. Applications are due **February 27, 2024**. More information can be found [here](#) on Ecology’s website.

RAISE Notice of Funding Opportunity (NOFO) for 2024 Announced – due February 28, 2024

The U.S. Department of Transportation will be providing up to \$1.5 billion in grant funding in FY 2024 for local and regional transportation projects through the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program.

- Projects designated “RCN Program Extra” under FY 2023’s Reconnecting Communities and Neighborhoods (RCN) Program and submitted under the FY 2024 NOFO will have a greater opportunity for advancement in the evaluation process.
- Half of the funding will go to rural areas, and half to urban areas.
- \$15 million is set aside for projects located in Areas of Persistent Poverty or Historically Disadvantaged Communities, which are also eligible for up to 100% federal cost share.
- Applicants will be evaluated based on how projects can address climate change, ensure racial equity, and increase access to opportunities across their communities.
- Read more in DOT’s [press release](#) and view the 2024 NOFO [here](#).
- **Applications are due February 28, 2024**, and selections will be announced no later than June 27, 2024.

Washington Sec. of State Local Records Grant Program – due March 1, 2024

Agencies can apply for grants of varying amounts for the following purposes: Technology support (\$30,000), file room organization (\$20,000), and digital imaging (\$50,000).

- Applications open February 1 and will be **due March 1, 2024**.
- Preference for grant awards will be given to smaller agencies but will also be based upon applicant need.
- Read more [here](#) on the Secretary of State website.
- Email recordsmanagement@sos.wa.gov for assistance planning a grant application.

WSDOT Regional Mobility Grant Program – pre-application due March 5, 2024

The Washington State Department of Transportation (WSDOT) will offer [grants](#) in the 2025-2027 funding biennium to projects that improve connectivity between counties and regional population centers and reduce transportation delay. [Pre-applications](#) are required for eligibility to apply for a grant.

- The match requirement is 20%.
- [Pre-applications](#) are due March 5, 2024.
- The NOFO will be posted April 9, and grant applications will open May 9, 2024.

Ecology Affordable Housing Cleanup Grant – due March 6, 2024

Applications for Ecology’s [Affordable Housing Cleanup Grants](#) (AHCG) will open soon. Three types of remedial action grants will be offered in the 2025-2027 biennium:

- Oversight remedial action grants and loans – to help local governments investigate and clean up contaminated properties with Ecology or EPA supervision.
- Area-wide groundwater investigation grants – to help local governments investigate potential groundwater contamination that may be widespread.
- Safe drinking water action grants – to help local governments provide safe drinking water to people living in areas affected by environmental contamination.
- Applications will open January 17 and close **March 6, 2024**.

Ecology Drought Planning and Preparedness Grants – due March 14, 2024

Ecology is offering \$1.8 million in grant funding in summer 2024 for the development of local drought preparedness plans to increase local drought resiliency and water supply security.

- No matching funds are required.
- Applications close March 14, 2024.
- An online applicant workshop (a [recording](#) and [presentation](#) are posted) was held on January 9.
- Funding guidance has been [posted](#).
- For more information and to request a pre-application meeting with Ecology staff, visit the program [webpage](#).

Washington Public Works Board offers broadband funding – Applications due March 22, 2024

The Washington State Public Works Board (PWB) is currently offering \$15.8 million in grants and low-interest loans for broadband construction projects. Projects in distressed counties are eligible for 30% grant and 70% loan funding until funds are exhausted. Eligible applicants include local governments; Tribes; nonprofit organizations; cooperative associations; multiparty entities comprised of public entity members; limited liability corporations organized to expand broadband access; and incorporated businesses or partnerships.

The pre-application deadline was **January 4, 2024**, with a 30-day objection period to follow, and final applications are due **March 22, 2024**. Learn more and apply [here](#). Past February workshops will be recorded and posted [here](#) on the Department of Commerce website.

RCO Funding Requirement Changes – applications open February 1, due May 1, 2024

Funding requirements for Washington State Recreation and Conservation Office (RCO) grants are changing for the 2024 application cycle, including the [Aquatic Lands Enhancement Account](#), [Land and Water Conservation Fund](#) (LWCF), and [Washington Wildlife and Recreation Program](#).

Evaluation criteria will emphasize enhancing outdoor access and recreation in communities with fewer existing opportunities or financial resources. RCO has provided a [one-pager](#) and [memo](#) explaining these changes and will hold two webinars in February, listed below.

RCO - Land and Water Conservation Fund

\$14 million will be made available in funding to preserve and develop outdoor recreation resources including parks, trails, and wildlife habitat.

- Applications open February 14 and will be **due May 1, 2024**.
- A comprehensive plan is required to be eligible for this grant, due March 1, 2024.
- Grants will be offered up to \$2 million and require a 50% match.
- Watch the February [applicant webinar](#).

RCO – Aquatic Lands Enhancement Account

\$9.1 million will be made available in funding to acquire, improve, or protect aquatic lands for public purposes, including providing public waterfront access.

- Applications open February 14 and will be **due May 1, 2024**.
- Grants will be offered up to \$1 million and require a 50% match.
- Watch the February [applicant webinar](#).

RCO – Recreation Projects: Washington Wildlife and Recreation Program

\$45 million will be made available in funding to acquire and develop open space for parks, trails, water access, and other conservation and/or restoration projects.

- Applications open February 14 and will be **due May 1, 2024**.
- A comprehensive plan is required to be eligible for this grant, due March 1, 2024.
- Grants will be offered up to \$1 million depending on the project category.
- Communities in need may qualify for a [match reduction](#).
- Watch the February [applicant webinar](#).

Application Open for WPPA Educational Scholarship – due March 29, 2024

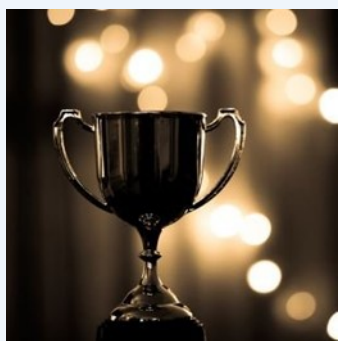
WPPA is pleased to announce that applications for the [WPPA Spring Scholarship](#) are now open. This \$1,500 educational scholarship is available to high-school or high-school equivalent students who are (1) pursuing post-secondary education in a port-related industry or field of study, and (2) related to a port commissioner or employee. Students pursuing education in academic areas related to port district purposes, including international trade, foreign languages, finance, business, engineering, environmental sciences, and other port related fields are encouraged to apply. The Association will accept scholarship applications between **now and March 29, 2024**.

Complete application packets must be sent electronically or received in the WPPA office **no later than 4:00 p.m. Friday, March 29, 2024**. Full instructions are located on the application, which can be found [here](#) on our website. The WPPA Executive Committee will select a winner and announce the scholarship recipient at the WPPA Spring Meeting, held May 15-17 in Stevenson. Please email [Mandy Lill](#) with any questions.



Library shelves

Photo courtesy: Element5 Digital, pexels.com



WPPA Spring Meeting Awards Nominations – due March 28, 2024

As we do each spring, we're looking forward to recognizing exceptional work by our port members at the yearly Spring Meeting Friday morning breakfast, on May 17 at Skamania Lodge. We invite you to nominate yourself or another port you feel deserves an award in the categories of environmental projects, community outreach, job creation, and creative partnership. Our website provides further information on nominating or applying for an award [here](#). Please email [Mandy Lill](#) with your nominations **no later than 4 p.m., Thursday, March 28, 2024**.

Highlighted Events

Save the Dates for 2024 Events

Further event details for 2024 are coming soon. Registration typically opens about 8 weeks in advance. In the meantime, mark your calendars for these upcoming meetings and events!

- State Legislative Session adjourns sine die March 7
- Spring Meeting, held May 15-17 at Skamania Lodge, Stevenson
- Finance and Administration Seminar, held June 26-28 at AC Hotel by Marriott, Vancouver, Washington
- Directors Seminar, held July 11-12 at McMenamins Kalama Harbor Lodge, Kalama
- Commissioners Seminar, held July 22-24 at Courtyard by Marriott – Richland Columbia Point
- Environmental Seminar, held September 19-20 at Marcus Whitman Hotel, Walla Walla
- Small Ports Seminar, held October 24-25 at Campbell's Resort, Lake Chelan
- Annual Meeting, held December 11-13 at Hyatt Regency Hotel, Bellevue

As Arthur Sees It

Notes from the Executive Director and his dog

Readers of this column are from time-to-time treated to the amateur economic musings of its author, probably as sophisticated as if I had Arthur write them himself. So, in spite of my struggles in this area, I come to you this month with modest reflections on some broad macro-economic issues.

This past week, the Washington Economic Revenue Forecast Council released an updated revenue report. This report is done on a quarterly basis and was submitted to the Governor on February 14. That report includes a look ahead at the projected revenues coming to the state over the four-year outlook and compares them with projections to give a picture of the “health” of the state’s accounts. The report also gives some macro-economic summaries on items such as employment, personal income, home prices, and more. Briefly, here are some of the main takeaways from the February 14th report:”

- The overall revenue forecast is *up* by \$337 million, meaning revenue collections since the November forecast are \$337 above million what was projected for the next four budget years. Specifically, collections are up \$122 million over projections for the 2023-2025 biennium and up \$215 million over projections for the 2025-2027 biennium.
- In spite of what appear to be strong revenue numbers, the Council cautions that: “despite higher than forecasted revenues, revenue collections growth is slow.”
- In the employment space, consistent with the national job growth and the additional of 353,000 jobs across the country in January, Washington’s job growth was stronger than projected, with an increase in “total seasonally adjusted nonfarm payroll employment” of 17,200, *9,900 more jobs than were projected to be added in the November forecast.*
- Meanwhile, the unemployment rate itself increased to 4.2% in December, compared with its historic low of 3.6% in September (lowest since data was first collected in 1958). The February states: “Going forward, we expect the unemployment rate to increase to 4.4% this year and then average 4.4% from 2025 to 2029.”
- Seattle-area home prices declined 0.8% in November after increasing in each of the previous seven months. Home prices in Seattle remain up 1.6% since last year.

These numbers are generally positive, and any changes are relatively modest: an increase of \$337 million over four years in an annual budget of more than \$7 billion doesn’t suggest that the budget writers in Olympia will majorly change their approach. And unemployment rates that low tend to suggest “structural” unemployment rather than major changes in the employment prospects of your neighbors.



Eric and Arthur at Greenbank Farm on Whidbey Island, one of Port of Coupeville’s properties

For additional context, I was pointed to some interesting information by my friend Kris Johnson at the Association of Washington Business. They do a quarterly [Washington Business Outlook](#), and it gave me some good context especially as I attempted to digest the numbers coming from the Revenue Forecast Council. To briefly quote from the report:

“The feared recession did not happen in 2023, and the economy keeps chugging along. The outlook, however, is not entirely sanguine. Strong consumer demand and labor market firmness helped last year. At the same time, inflationary pressures eased as the Federal Reserve tightened monetary policy... But inflation remains a full percentage above the Fed’s comfort zone. Geopolitical risks too are elevated. The path of conflict in the Middle East and Ukraine are difficult to predict; 15% of global trade is at risk in the Red Sea; and European growth is slowing.” (Arun Raha, *Washington Business Outlook*. AWB Institute, 2024.)

Looking beyond the numbers, I found myself reflecting on how the seemingly positive numbers from the revenue forecast square with something we hear about from our members often: the increasing cost of everything, from consumer goods to major project delivery; the challenge in hiring workers, which can slow port projects or challenge local economic development initiatives; and frustration with energy prices and with policies coming out of the Legislature.

The author and his pup don’t claim to have answers for the above, but it continues to be top of mind. In the midst of a harried legislative session, it can be hard to focus on positives and we can tend towards the crises we see debated in the Capitol Building. But there is some good in those numbers I shared, with some concerns to come alongside. Lots for us to continue discussing, and plenty more work for WPPA to continue with you as valued partners.

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