



**JOINT MEETING AGENDA
BOARD OF COMMISSIONERS AND PORT OF PORT ANGELES**

**October 28, 2024 – 11 a.m.
Commissioners' Meeting Room
223 East 4th Street, Room 160, Port Angeles**

Board of Clallam County Commissioner meetings will also be available virtually at:

If you would like to participate in the meeting via Zoom audio only, call 253-215-8782 and use meeting ID: 875 561 7844 and passcode: 12345

If you would like to participate in the meeting via Zoom video conference, visit <https://zoom.us/j/8755617844> and use meeting ID: 875 561 7844 and passcode: 12345

This meeting can be viewed on a live stream on Granicus at this link: <https://www.clallamcountywa.gov/669/Live-Archived-Meetings-Online>

Public comment can be directed to the Clerk of the Board at 360-417-2256 or Loni.Gores@clallamcountywa.gov

I. CALL TO ORDER / PLEDGE OF ALLEGIANCE/ROLL CALL

II. PUBLIC COMMENT SESSION (Total session up to 15 minutes)

III. TOPICS

- A. North Olympic Development Council Update – Featured Report
- B. Clallam County Economic Development Council Update – Q&A Only
 - \$5.33M Forest Product Innovation Program
 - Forks Industrial Park Reconfiguration
 - McKinley Engagement – Any planning for permanent shutdown
- C. Small Business Development Center Update – Q&A Only
 - New Clients
- D. Center of Inclusive Entrepreneurship Update – Q&A Only
 - Neah Bay
 - McKinley
- E. Potential Collaborative Projects
 - Airport as JPSF alternate site
 - Boating
 - Infrastructure

IV. PUBLIC COMMENT SESSION (Total session up to 15 minutes)

V. NEXT JOINT MEETINGS

- April 28, 2025 at 11 a.m. – Joint Meeting at the Port of Port Angeles
- October 27, 2025 at 11 a.m. – Joint Meeting at Board of Commissioners

VI. ADJOURN

REPORT

**North Olympic Peninsula
Resource Conservation &
Development Council
Karen Affeld**

Report to the Clallam County BOCC and the Port of Port Angeles April – September 2024

**North Olympic Peninsula
Resource Conservation &
Development Council**

October 28, 2024



Comprehensive Economic Development Strategy

- One of NODC's major responsibilities as an Economic Development District is creation of a five-year Comprehensive Economic Development Strategy (CEDS) for the region.
- The current strategy, created during COVID, expires in October 2025.
- NODC is beginning to develop the plan for creation of the new CEDS, including putting together the Strategy Committee required by EDA.
- The CEDS is required to address a wide range of issues, including climate change, disaster resilience and equity.
- Alignment with the CEDS is a requirement for projects seeking EDA grant funding and is helpful for funding from USDA and other federal agencies.

Climate Change Planning

- In February, NODC submitted a collaborative regional application to NOAA's [Climate Resilience Regional Challenge](#) requesting \$1.32 million for planning and pre-development projects supporting climate resilience. The proposal was not selected for funding. However, a proposal from Washington Dept. of Ecology WAS funded and it includes a Hwy 112 project.
- The NODC proposal provides a template for submission of one or more projects to other funders.
- NODC is planning the North Olympic Peninsula Energy & Climate Resilience Summit to be held October 29-30 at 7 Cedars. It will include a 3-hour session to gather input from stakeholders on the climate element of Clallam County's comprehensive plan update.

Energy Resilience

- [Marine Renewable Energy project](#) with PNNL, 2 year project to work out technical issues for connecting MRE to the grid, assess community priorities and concerns and develop and document decision-making process and criteria.
 - Completed community meetings in Sequim and Port Townsend; stakeholder meetings with the environmental and natural resources community, fisheries, marine traffic, Tribes; and a workshop for community leaders in June.
 - PNNL is working on microgrid modeling for the Guy Cole Center in Sequim and the Port Townsend wastewater treatment plant.
 - NODC is drafting report on best practices for community engagement and decision-making for MRE projects
- Feasibility project for [micro-hydro project in Forks](#) is underway.

Energy Resilience

2024 North Olympic Peninsula Energy & Climate Resilience Summit for October 29-30 at 7 Cedars.

- Sponsors and planning partners include PNNL, Clallam County, Washington Department of Ecology, Clallam and Jefferson PUDs, Jamestown S’Klallam Tribe, Jefferson County, Puget Sound Partnership, technical assistance providers and state and federal funders.
- Presentations included information on:
 - Energy resilience projects in the region
 - The Solar Plus Storage grant program and local grantees
 - Services available from project development consultants
 - Technical assistance programs available for energy resilience planning
 - State and federal funding programs

Agriculture and Food Systems Sector

USDA Rural Business Development Grant for **intensive, one-on-one technical assistance** and workshops for farm and food businesses:

- 2023-24 USDA RBDG grant ended 06/30/24
- Provided **intensive technical assistance** for 18 businesses and short-term TA to 10 additional businesses
- 5 ag and food businesses received **grant writing assistance**
- 6 **in-depth workshops** with total attendance of 95

NEW \$161,550 USDA Rural Business Development Grant began October 1 – includes sub-contracts with WSU Extension in both counties.

- Provide intensive technical assistance to 15 businesses
- Provide short-term TA to 10 businesses
- Offer 6 in-depth workshops
- Planning and strategy development for value-adding infrastructure

Broadband Planning

- Coordination of the [Clallam County BAT](#), attending monthly Zoom meetings on broadband organized by Senator Cantwell's aides and a monthly "Internet for All" meeting hosted by the SBO.
- Working with Astound, Lumen, other ISPs to ensure that there are bidders for all [BEAD "project areas"](#) in the county.
- Working with partners on [digital equity and access](#) planning and funding.

EDA Recompete

Project Lead for Tribal and Underserved Communities project

- \$8.2 million over 5 years
- \$7.25 million goes into direct sub-awards
 - \$2 million to Makah Tribe
 - \$2 million to Lower Elwha Klallam Tribe
 - \$1.25 million to Quileute Tribe
 - \$1 million to Hoh Tribe
 - \$500,000 to Jamestown S'Klallam Tribe
 - \$500,000 to City of Forks
- Provide economic development planning assistance to south Jefferson County

Strait Ecosystem Recovery Network

NODC is the fiscal and administrative coordinator of Strait ERN, the local organization for the [Puget Sound Partnership](#). In the last 6 months, Strait ERN has:

- Held [quarterly meetings](#) for member organizations and jurisdictions
- [Advocated for the region](#) to the Puget Sound Partnership
- Presented on local priorities and issues at a meeting of the [Ecosystem Coordination Board](#) with advises the Puget Sound Partnership's Leadership Council
- Provided a grant of [\\$9,850 to Clallam County](#) for education about off-site septic systems
- Developed an Action Plan for off-site septic systems that will result in a grant of [\\$183,000 to be split between Clallam and Jefferson Counties](#) for OSS management.

REPORT

**Clallam Economic
Development Council
Colleen McAleer**

Report for the Clallam County & Port of Port Angeles Commissioners October 07, 2024



Q1-Q3 2024

EDC

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ECONOMIC
DEVELOPMENT
COUNCIL

Program	Notes
Evergreen Manufacturing Growth Grant	Awarded \$200K – Wood Fiber and Residual Supply Study and Architectural & Engineering Designs for CRTC Modular home.
APEX Accelerator Federal Contract	Awarded \$335K federal \$ for 2024; \$45K from State and \$15K EDC match. Served 59 businesses Jan -Sept 2024; more than \$10.6M in contracts awarded in 9 months.
Clallam Bay Early Learning Center	Kids 12 mo. to 6 yrs with designated groups for toddlers (12-30 months) and Pre-K (30 months to 6 years). The center will have 31 slots available initially, with the capacity to expand to 45 slots as staffing allows. Project Delayed – open 12/24.
Com Securing Federal Funding initiative (SFFI)	Supply chain economic impact & strategy development Grant writing support; Analysis report of ESD & DSHS data
EDA Strategy Development Grant (SDG)	Economic Impact analysis; Business Development Strategist; NRIC Development Strategist;
ADO Grant Writer Funding	Awarded \$109K City of Forks; Clallam PUD, CRTC & Makah Thermal Timber Modification; Freight Transportation Network Improvement
Audits	4 th Federal Single Audit just completed (2020-2023) – No Findings or Management Letters
Fiscal Sponsor of Washington Mass Timber Alliance	State awarded \$111K and City of Seattle awarded \$150K to WMTA. Clallam EDC is acting as fiscal sponsor – 4 Mass Timber Companies, WSU, Cities of Seattle & Spokane & Clallam EDC.
McKinley Mill	Working weekly with Managing Director of McKinley in New Mexico to identify ways to insulate McKinley from market fluctuations. Goal is to be open for another 20-50 years.
NOLA	NOLA Steering Cmte Developed Potential Priorities for 2025 Session – will reduce to 3 priorities

Initiative Work Areas

Metric Reports Q1-Q3 2024

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Business Contacts Initiated; Site Selector Interactions & Recruitment Activities	# of Activities	Notes
Q1 - 2024	4	2 Development Firms, National High-End Recreation Firm, Global Wood Manufacturer
Q2 - 2024	7	Seafood Processor, 2 Construction firms, 3 Developers, Restaurant chain
Q3 - 2024	1	Mass Timber Manufacturer
Total for 2024	12/12	Annual Contract Requirement 12

Recruitment & Marketing- Countywide

Existing Business Support Appointments	# of Activities	Notes
Q1 - 2024	26	6 forest products, 5 retail, 5 personal service, 3 construction, 2 transportation, 2 pet care, 2 real estate, 1 non-profit *
Q2 - 2024	13	distilleries, wineries, construction firms, agriculture, machine repair*
Q3 - 2024	29	1 wholesaler, 7 retail, 4 personal service, 2 transportation, 2 HVAC, 1 forestry, 1 security, 5 construction, 2 landscaping, 3 restaurant, 1 plumbing*
Total for 2024	68/72	Annual Contract Requirement 72

*Analysis from our follow up sessions show for businesses that followed our Business Counseling program that within 6-8 months their net operating income increased by 8% in Q3, 13% in Q2 and 16% in Q1 on average.

Business Retention & Expansion - Countywide



Business Startups	# of Startups Supported	Notes
Q1 – 2024	5	Consulting Services, Restaurant, Marketing Firm, Pet Sitting, Lawn Care
Q2 - 2024	11	2 Nonprofits, 2 professional service firms, air transportation, community kitchen, 4 personal service firms, restaurant
Q3 - 2024	11	4 professional service, 2 Childcare, 1 community kitchen, 2 retail, 1 Coffee, 1 Farm
Total for 2024	27/36	Annual Contract Requirement - 36

13 of the 27 businesses had received their necessary licenses and had begun generating revenue at the 6 month follow up.

Startup Assistance - Countywide

Training-Workshops-Events

SBRR – Small Business Resources & Requirements

Clallam EDC Annual Gala

Clallam EDC Open House

Meet the Agencies

Bonding Made Simple

LEAN 101

Women In Business (creating incredible futures)

Project Equity - Options to Sell your Business to your Employees

EDC Members Night

Meet the Federal Agencies

Weekly Coffee with Colleen Chat

Contract Requirement for 2024 is 12

Completed thus far: 10.

Assistance to over 250 Local Businesses Training-Workshops

Over 3300 Attendees for Clallam EDC events & weekly CWC

EDC Weekly Newsletter 8K subscribers

Partners Include:

SOS, LNI, DOR, ESD, DES, OMWBE, NOP APEX, SBDC, EDC Team Jefferson, Impact WA, ORIA, SBA, City of Port Angeles, City of Sequim, City of Forks, Clallam County, MRSC, Army Corps of Engineers, Project Equity, Kitsap Bank, First Federal Bank, GSA, US Coast Guard, NAVSEA, NAVSU





DOR Data Sharing	# of Records	Notes
Clallam EDC has received the County-wide Business List from the Department of Revenue (DOR).	9700+	We are currently classifying all 9,700+ county-wide businesses by clusters. This initiative will improve our knowledge base, enabling us to track numbers of businesses in each cluster, using 6-digit NAICS codes. Includes UBIs, Legal Name, DBA, Addresses & NAICS.

Data limitations: No employee or revenue data (yet), list has duplicates based on multiple addresses or DBAs. Includes government entities.

Department of Revenue (DOR)
Public Records - Countywide

Tribal Pre-manufactured Low-cost Housing	1	Composite Recycling Technology Center process optimization and automation design study
	2	Tribal housing market study
	3	Tribal Housing Demonstration Units
Wood Product Manufacturing	4	Feasibility study of North Olympic Peninsula species in Oriented Strand Board (OSB) Manufacture
	5	Plywood mill feasibility and siting study
	6	Forks Industrial Park Reconfiguration and Tenant Recruitment
	7	Feasibility Study for a Publicly Owned (Port of PA) Kiln
	8	Publicly owned kiln Preliminary Engineering Report and Environmental Narrative
Forestry Workforce	9	Industrial Symbiosis Screening
	10	Investing in Forestry Skills: A Technology-Focused Workforce Training Program
Logistics	11	Olympic Peninsula Logistics Improvement Study
	12	Terminal 1/Terminal 3 Preliminary Engineering Report and Environmental Narrative

Clallam Forest Product Innovation Program - \$5.33M
80/20 Funding through EDA – non-competitive due to Biomass
Closure Community, PNW Mass Timber Tech Hub Member &
RECOMPETE Ph 1 Designee

Digital Marketing Outreach

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- The Clallam EDC **Facebook** page reach increased by 486% compared to previous year.
- The reenergized NOP APEX Accelerator **Facebook** page reached 4.9K users.
- **Clallam.org** received 6,790 Website visits and 13,375 page views.
- The EDC **YouTube** channel received 2.7K views and 53K impressions.
- EDC **LinkedIn** Page gathered 3.8K Impressions
- Clallam EDC is now contracted to run communications for the **NW Tech Bridge**.

Clallam EDC Facebook



Clallam EDC YouTube Channel



2024 Team



Colleen McAleer
Executive Director

Lorie Fazio
Director of Operations

Mitch Koonz
Communication Manager

Roy Mann
Business Development
Strategist

Rebekah Miller
APEX Program
Director

Justine Wagner
APEX Business
Counselor



Questions ?

EDC

CLALLAM
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REPORT

Center for Inclusive Entrepreneurship

Rick Dickinson/Micah Jonet



Clallam County Q4 2024 Report

October 28, 2024

Rick Dickinson
rick.dickinson@cie-nw.org

Micah Jonet
micah.jonet@cie-nw.org

Clallam County SBDC CIE Report

January 1 – September 30, 2024

New Business Starts	19
Jobs Created	36
Capital Infusion Transactions	35
Capital Infusion Dollars	\$394,393
Annual Revenue Growth	\$879,439
Total Clients Counseled/Trained	103

Clallam County SBDC CIE Report

January 1 – September 30, 2024

New Businesses

	Jefferson	Clallam	Total
New Businesses Started	7	12	19
WOMEN	4	9	13
Women of Color	1	5	6
People of Color	2	6	8
ASIAN	0	0	0
BLACK OR AFRICAN-AMERICAN	0	0	0
NATIVE AMERICAN OR ALASKA NATIVE	0	2	2
NATIVE HAWAIIAN OR PACIFIC ISLANDER	0	0	0
Middle Eastern/North African (MENA)	0	0	0
HISPANIC	2	4	6
LGBTQ+	0	1	1
VETERAN	0	1	1
Disabled	1	4	5
RURAL	3	1	4
Underserved	6	10	16
LMI Household (based on HUD Poverty Guidelines)	0	0	0

Clallam County SBDC CIE Report

January 1 – September 30, 2024

Jobs Created

	Jefferson	Clallam	Total
Jobs Created	23	16	39
WOMEN	17	12	29
Women of Color	0	7	7
People of Color	1	7	8
ASIAN	0	0	0
BLACK OR AFRICAN-AMERICAN	0	0	0
NATIVE AMERICAN OR ALASKA NATIVE	0	0	0
NATIVE HAWAIIAN OR PACIFIC ISLANDER	0	0	0
Middle Eastern/North African (MENA)	0	0	0
HISPANIC	1	7	8
LGBTQ+	0	1	1
VETERAN	0	1	1
Disabled	1	3	4
RURAL	18	7	25
Underserved	10	14	24
LMI Households (based on HUD Poverty Guidelines)	0	1	1

Clallam County SBDC CIE Report

January 1 – September 30, 2024

Total Unique Clients Served

	Jefferson	Clallam	Total
Total Number of Unique Clients Served (counseled and/or trained)	38	65	103
Women	25	43	68
Women of Color	6	14	20
People of Color	8	19	27
ASIAN	1	1	2
BLACK OR AFRICAN-AMERICAN	1	0	1
NATIVE AMERICAN OR ALASKA NATIVE	1	5	6
NATIVE HAWAIIAN OR PACIFIC ISLANDER	0	0	0
Middle Eastern/North African (MENA) Clients	0	0	0
HISPANIC	5	13	18
LGBTQ+ Clients	1	3	4
VETERAN	4	4	8
Disabled Clients	4	11	15
RURAL Clients	17	19	36
Under Clients	33	53	86
LMI Household Clients (based on HUD Poverty Guidelines)	8	6	14

Clallam County SBDC CIE Report

January 1 – September 30, 2024

Community Development Block Grant Funding

Thank you, Clallam County Commissioners!

\$250K

New LMI requirements and client screening



Washington Small Business Development Center



**CENTER FOR
INCLUSIVE
ENTREPRENEURSHIP**
EMPOWERING COMMUNITIES THROUGH BUSINESS

Clallam County SBDC CIE Report

January 1 – September 30, 2024

2024 Special Initiatives

Spanish/Maam language outreach

Circular Economy Challenge

Neah Bay Training

McKinley Mill Closure

Washington SBDC CIE Locations

Find the Nearest Advisor: <https://wsbdc.org/contact-an-advisor/washington@wsbdc.org> or 833-4WA-SBDC



REPORT

**Small Business
Development Center
SharonAnn Hamilton**



September 30, 2024

SBDC Third Quarter

NO-Cost Advising Services

Resource for skill-building, management training and market intelligence.

- Market research
- Business record keeping
- Getting and keeping clients
- Finding and keeping qualified employees



NO-Cost Advising Services

More resources

- Planning or growing business
- Analyzing financial statements
- Acquiring capital and managing cash flow
- Buying or selling businesses

Teaching Clients

- **IRS Required BOI**
(Beneficial Ownership Information)
- **Website optimization**
- **AI tools**

Proudest of

Driving School in Neah Bay
Finish Cabinet-Maker
Farmer Family Business

July 1 – September 30, 2024

CASE TOTALS (Clients)	
Number of Clients Counseled	35
Number of New Clients	17
Company Status	
Pre-venture/Nascent	14
Startups	5
In Business	16
CASE TOTALS (Total Hours)	
All Prep + Contact Client Hours	170
New Client Hours	33
CASE TOTALS (Impacts)	
Capital Infusion	\$356,237
Number Businesses Created	5
Jobs Created	9
Jobs Saved/Retained	0
Jobs Supported (In Business)	63

Demographics

Accommodation and Food Services	7
Agriculture, Forestry, Fishing and Hunting	2
Arts and Entertainment	3
Construction	2
Educational Services	0
Finance and Insurance	0
Healthcare and Social Assistance	1
Management of Companies and Enterprises	0
Manufacturing	1
Professional/Technical Services	4
Real Estate, Rental and Leasing	0
Research and Development	0
Retail	2
Service	8
Technology Services	0
Transportation and Warehousing	3
Wholesale	1
No Response	1

More Demographics

DEMOGRAPHICS (Business Ownership Gender)

Male	10
Female	16
Male/Female	4
No Response	5

DEMOGRAPHICS (Ethnic Background - Race)

American Indian or Alaskan Native	3
Asian	0
Black or African American	1
Native Hawaiian or Pacific Islander	0
Multiracial	1
White	28
No Response	2

DEMOGRAPHICS (Ethnicity)

Hispanic	3
Non-Hispanic	29
No Response	3

DEMOGRAPHICS (Business Ownership Vet. Status)

Veteran	2
Service-Disabled Veteran	0
Non-veteran	26
No Response	7

Counseling activity

COUNSELING ACTIVITY (Areas of Counseling, # of Sessions)

Business Accounting/Budget	2
Business Plan	5
Buy/Sell Business	3
Cash Flow Management	1
COVID-19 Related	0
Financing/Capital	3
Human Resources/Employee Mg't	0
International Trade	0
Managing a Business	13
Marketing/Sales	4
Start-up Assistance	17
No Response	0
Other	35

All impacts are attributed and validated by clients and verified by SBDC management.

The Washington SBDC network, hosted by Washington State University, is an accredited member of America's SBDC.

Funded in part through a cooperative agreement with the U.S. Small Business Administration, institutions of higher education, economic development organizations and other public and private funding partners.

My Why?



I feel most alive
when my clients walk around with
big smiles on their faces because
they are serving their communities
and building wealth for their
families.

SharonAnn Hamilton, MBA, MSFS, (CFP®retired) CMC®
Certified Business Advisor
Washington Small Business Development Center
Port Angeles, WA 98362
Port Townsend, WA 98368
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www.wsbdc.org



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Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. Email or phone the Washington SBDC.

Potential Collaborative Projects

Draft MOU

DRAFT
Port of Port Angeles – Clallam County Non-Binding Letter of Intent

The intent of this non-binding Letter of Intent (“**LOI**”) is to provide a written expression of the mutual interest of the Port of Port Angeles (“**Port**”) and Clallam County (“**County**”) (collectively “**Parties**”) to explore the construction of an emergency operations facility (Joint Public Safety Facility) that would provide space for a co-located Joint Public Safety Facility (“**Facility**”) proposed to be located at the Fairchild International Airport (“**Airport**”), which is owned and managed by the Port (“**Project**”).

This non-binding LOI outlines some of the steps that should be taken before the Parties draft any future agreements.

1. Prospective Project.

1.1 Clallam County is proposing a long-term lease for property associated with the construction of an emergency operations facility that would co-locate emergency management and emergency communications at the Airport.

1.2 The County is desirous of a 50-year or longer lease at an appropriately discounted rate, which could be justified by the Facilities’ direct contribution to the core functions and operational success of Fairchild International Airport and the Port. Both parties to this letter further agree that additional terms and requirements may be needed upon consultation with the FAA.

1.3 The Port is desirous of pursuing an exclusive agreement with Clallam County to provide a facility that would serve the emergency management and public safety requirements for the citizens and visitors of Clallam County and that would have the capacity to serve as a FEMA-qualified Incident Support Base (ISB) as outlined in the FAA Reauthorization Act of 2024.

1.4 The Port is also desirous that the Facility imagined, together with Clallam County, be capable of:

- Providing a suitable, event-resistant space for continued Airport Operations in the event of a Natural Disaster
- Provide an area for Life Flight to continue Med-Evac operations should their facility suffer catastrophic damage.
- Provide space in the building to accommodate the Airport Manager’s office for current operations
- House the Port Security Office, which will enable real-time monitoring of the airport, airfield, roads, and other Port and County Facilities.
- The JPSF Facility should provide space to house the Clallam County Disaster Airlift Response Team (DART), along with all necessary communications and work areas to free up space in the current airport Terminal Building
- Provide space for Clallam County Amateur Radio Emergency Service (CCARES) operations. The JPSF should be designed to accommodate a future adjacent airport terminal building and provide hallway designs that would accommodate secure internal access for authorized parties between the JPSF and terminal facilities.

2. Contingencies.

2.1 Any binding agreement related to the Project is expressly subject to the approval of the Port Commission and County Commission, respectively, evidenced by action taken at a meeting open to the public.

2.2 The Facility's proposed location at the Airport may be subject to review and approval by the Federal Aviation Administration ("FAA"), which approval is beyond the control of either party. Whether FAA approval is required and the criteria for such approval, if any, is being researched.

2.3 Further, the County and Port must identify the mutual benefits to each of the Parties as public entities and the Airport because of the Project. Some potential benefits have been preliminarily identified:

- The Facility would fill the need for onsite core emergency services needed for continuity of operations for the Airport that over time could include facilities to house emergency management, an emergency operations center, communications, emergency response (via air operations), and fire protection.
- The Port could be co-located with the County's emergency operation center and could be privy to real-time updates on any emergency incident happening in Clallam County or nearby. This information is invaluable to the Port in that the Port's boundaries are contiguous with those of the County, and any incident impacting the County could potentially impact Port activities as well, including those at the Port's airports.
- The Port could have access to a regional communication hub, including the Aries system, that would provide communication accessibility to all parts of the County in the case of a catastrophic event. This would also provide for the Port to communicate with its locations throughout the region in such an event, especially its other airfields located in the County.
- The emergency operations center could be built with redundant mechanical systems and designed to withstand a catastrophic seismic event. Additionally, if located at the Airport, this Facility is located outside any tsunami inundation zones and is, therefore, available to serve as a backup operations center to the Port for continued operations and coordination of any subsequent demand for Port services.
- The Airport is the only site on the Olympic Peninsula that serves as a FEMA-approved facility for emergency response (FEMA Incident Support Base (ISB)). Having the emergency operations center Facility located on the Airport, and near the designated FEMA staging area (the auxiliary runway), would allow for optimized coordination of any disaster relief to the region.
- The emergency operations center can easily incorporate communications systems that could serve as backup air traffic control systems should there ever be a failure of the Airport's primary air traffic control system. Having this capability enhances the ability for continued operations at the Airport and increases the attractiveness of the Facility to be utilized by the U.S. military – both the U.S. Coast Guard for its air support and rescue missions, plus as a

backup facility for the U.S. Navy should the Whidbey Island Naval Air Station ever have an incident and require runway and tarmac capability in case of an incident.

- Depending on which site on the Airport may be utilized for an emergency operations center, a site close to the current and/or future terminal building could provide for co-located backup infrastructure to both the terminal building and the emergency communications center such as backup generators, backup potable water storage, etc.
- The Port intends to seek future funding for the relocation of its Terminal Building and will compete against other ports that operate airports. Being co-located with an emergency operations center would distinguish this project from other terminal facilities at other airports and should improve its ranking for competitive funding.

3. Due Diligence.

Before Parties can explore entering into any binding agreement(s), both Parties must be satisfied with the due diligence processes, the terms of any proposed Lease, the means of organizing and managing the Facilities' proposed construction and operation, the financial terms, including but not limited to each Parties' contributions, available grant opportunities, and sustained funding sources, and the role and criteria of FAA approval if required.

5. Expenses Related to this Non-Binding Letter of Intent.

The Parties agree to be responsible for their own expenses, including any legal or professional fees that may result from due diligence proceedings, or any other matter associated with this LOI and its subject matter.

6. Nonbinding Agreement.

This Letter of Intent is nonbinding for both Parties and is entered into to demonstrate each Parties' willingness to further explore the Project.

Port of Port Angeles

Paul Jarkiewicz

Its: Executive Director

Date: _____

Clallam County, Washington

Todd Mielke

Its: County Administrator

Date: _____