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**Board of Directors Meeting**  
**Monday, FEB 24, 2025**  
**Kitsap Public Facilities District Office**  
**Meeting Location: City of Bainbridge Island Council Chambers**  
**& via Zoom Webinar – <https://us02web.zoom.us/j/81597577085>**

**MEETING AGENDA**

- 1. Call to Order / Comments from Board Chairwoman Leedham**
- 2. Public Comment** –If you wish to ask a question of the panelists, you will have a maximum of 3 minutes. Use the “Raise Hand” option within Zoom to speak, or put a message in the Chat Box, and the host will ask the question on your behalf.
- 3. Approval of Consent Agenda**  
*Note: If a Board Member wishes to discuss any item, it may be pulled from the Consent Agenda for further dialogue and individual board vote for approval*

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**CONSENT AGENDA**

- A. DEC 16, 2024, KPFD BOD Meeting Minutes
  - B. Blanket Voucher #01-JAN 2025 96968 Operating Expenses
  - C. Blanket Voucher #02-JAN 2025 96977 PERC Project Invoices
  - D. Blanket Voucher #03-FEB 2025 96968 Operating Expenses
  - E. Blanket Voucher #04-FEB 2024 96977 POBCNW Project Invoice
  - F. DEC 2024 & JAN 2025 Sales Tax Rebate Summary Reports
  - G. EOY 2024 & JAN 2025 KPFD Financial Statements
  - H. FEB 2025 KPFD Project Tracking Report
  - I. JAN & FEB 2025 Executive Director Report
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- 4. 2025 Financial Outlook** – Presented by Northwest Municipal Advisors
- 5. POCEC Project Update** – Presented by Mayor Putaansuu
- 6. POB/CNW Project Update** – Presented by Port Commissioner Strakeljahn
- 7. General Business/Good of the Order**
  - Update of WA State SAO 2021-2023 Audit
  - Update on House Bill 1109 – Extension of Sales & Use Tax Rebates
  - KPFD Policy Committee Update
- 8. Meeting Adjournment**

**Next Meeting:** Monday, April 28, 2025 @ 5:30 PM  
**Location:** City of Poulsbo Council Chambers  
**Topics:** PERC Project Update & General Business

**Building Communities, Enriching Lives**

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**KITSAP PUBLIC FACILITIES DISTRICT  
CONSENT AGENDA  
FEB 24, 2025**

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- A.** DEC 16, 2024, KPFD BOD Meeting Minutes
  - B.** Blanket Voucher #01-JAN 2025 96968 Operating Expenses
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  - I.** JAN & FEB 2025 Executive Director Report
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Building Communities, Enriching Lives



# Kitsap Public Facilities District

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## Minutes of the Board of Directors Meeting (Including optional "remote" element)

Monday, December 16, 2024

### **Attendance:**

**Board Members Present:** Chairwoman Erin Leedham, Vice Chairman Patrick Hatchel, Treasurer Walt Draper, Director Daron Jagodzinske, Director Phil Havers, Director Anne Blair

**Board Members Absent:** Director Shawn Cucciardi

**Staff Present:** Executive Director (ED) Russ Shiplet

1. **Call to Order:** KPFD Chairwoman Leedham called the meeting to order at 5:30 PM.
2. **Public Comment:** No public comment was given.
3. **Approval of Consent Agenda:** Treasurer Draper motioned to approve the Consent Agenda as presented. Director Jagodzinske seconded the motion. There was no discussion, and the Board of Directors passed the motion unanimously.
4. **General Business:**
  - KPFD Resolution 01-2024 – 2025 Board of Directors Meeting Schedule. Director Havers moved to accept the resolution as presented. Director Blair seconded the motion. There was no discussion, and the motion passed unanimously.
  - KPFD Resolution 02-2024 – 2025 KPFD Holiday Schedule. Director Havers moved to accept the resolution as presented. Director Blair seconded the motion. There was no discussion, and the motion passed unanimously.
  - KPFD Resolution 03-2024 – Appointing the Executive Director as the District Investment Officer for 2025. Director Havers moved to accept the resolution as presented. Director Blair seconded the motion. There was no discussion, and the motion passed unanimously.
  - KPFD Resolution 04-2024 – Appointing the Executive Director as the District Public Records Officer for 2025. Director Blair moved to accept the resolution as presented. Director Jagodzinske seconded the motion. There was no discussion, and the motion passed unanimously.



- KPFD Resolution 05-2024 – Executive Director Voucher Approval Limit. Director Havers moved to accept the resolution as presented. Director Blair seconded the motion. There was no discussion, and the motion passed unanimously.
- KPFD 2025 Budget Draft and Approval – Treasurer Draper reviewed the 2025 budget draft for the District’s operating expenses. Executive Director salary and benefits were discussed, along with the consulting service contract line item for the District Board of Directors Handbook and Executive Director/Employee Handbook. Director Havers motioned to approve the 2025 operating expenses budget as presented. Director Blair seconded the motion. There was no additional discussion, and the motion passed unanimously.
- KPFD 2025 BKAT Service Contract – ED Shiplet presented the 2025 BKAT service contract to the Board for approval. BKAT will provide recording services for all six District Board meetings. Director Draper moved to accept the service contract as presented. Director Havers seconded the motion. There was no discussion, and the motion passed unanimously.
- KPFD 2025 MOXIE Services Solution Contract – ED Shiplet presented the 2025 MOXIE Service Solution contract to the Board for approval. The contract is specific to completing the District Executive Director/Employee Handbook. Director Jagodzinske moved to accept the service contract as presented. Director Blair seconded the motion. There was no discussion, and the motion passed unanimously.
- WA State Auditors Office Tri-Annual Annual Audit—ED Shiplet discussed the progress of the audit. All requested materials have been submitted, and it is anticipated that the audit will be complete by January or early February 2025.
- KPFD Policy Committee Update – The District Policy Committee update was covered in the 2025 MOXIE Services Solution discussed.

**5. Meeting Adjournment:**

- The Board of Directors meeting adjourned at 5:57 PM.

**Next Meetings of the Board:**

- **Monday, February 24, 2025 – Bainbridge Island Council Chambers**
  - **Port Orchard Community Events Center (POCEC) project update**



**BLANKET VOUCHER APPROVAL****FUND: 96968.00968****BV# 01-JAN 2025**

We, thus undersigned of Kitsap Public Facilities District, Kitsap County, Washington, certify that the merchandise or services hereinafter specified have been received and that the following vouchers are approved for payment of **\$32,410.74** on this 29<sup>th</sup> day of JAN 2025

*Patrick Hatchel*

Pat Hatchel, Chair

*Erin Leedham*

Erin Leedham, Vice-Chair

*Walter S Draper IV*

Walter Draper IV, Treasurer

*Daron Jagodzinske*

Daron Jagodzinske, Director

*Phil Havers*

Phil Havers, Director

*Shawn Cucciardi*

Shawn Cucciardi, Director

*Anne Blair*

Anne Blair, Director

VENDOR	INVOICE #	AMOUNT
<b>INVOICES:</b>		
Kitsap Bank Visa CC (DEC 2024)	DEC2024	\$ 5,834.43
Moxie Support Services (DEC 2024)	1077	\$ 1,500.00
DRS PERS2 Employee Retirement Fund (JAN 2025)	4296P	\$ 1,791.46
Barker Creek Consulting (JAN 2025)	1558	\$ 1,407.50
Assoc. of WA State PFDs Annual Dues (2025)	2025	\$ 750.00
Dept of Commerce (PERC Project Feasibility Review)	411693	\$ 15,000.00
JPC PLLC Legal Counsel (JAN 2025)	178684	\$ 440.00
WA State Auditor's Office (2021-2024 Audit)	L166020	\$ 2,156.05
Parker Mooers & Cena (DEC 2024)	47118	\$ 1,620.00
Greater Kitsap Chamber (2025 Dues)	378569	\$ 350.00
Q4 2024 Board of Directors Stipend – Erin Leedham	Q42024	\$ 320.89
Q4 2024 Board of Directors Stipend – Patrick Hatchel	Q42024	\$ 284.30
Q4 2024 Board of Directors Stipend – Walt Draper IV	Q42024	\$ 299.18
Q4 2024 Board of Directors Stipend – Daron Jagodzinske	Q42024	\$ 101.34
Q4 2024 Board of Directors Stipend – Phil Havers	Q42024	\$ 166.21
Q4 2024 Board of Directors Stipend – Shawn Cucciardi	Q42024	\$ 65.41
Q4 2024 Board of Directors Stipend – Anne Blair	Q42024	\$ 323.97
<b>PAGE TOTAL</b>		<b>\$ 32,410.74</b>



VENDOR		AMOUNT
<b>Kitsap Bank Visa (DEC 2024)</b>		<b>\$5,834.43</b>
-Comcast for Business (DEC 2024 Phone Service)		(\$73.62)
-Comcast for Business (DEC 2024 Internet Service)		(\$245.21)
-Office Rent (DEC 2024)		(\$921.45)
-Help Desk Cavalry Monthly IT Support (DEC 2024)		(\$288.44)
-Help Desk Cavalry Email Support (DEC 2024)		(\$267.48)
-Glacier West Storage (DEC 2024)		(\$133.00)
-Zoom Webinar (DEC 2024)		(\$104.93)
-Adobe Cloud Storage (DEC 2024)		(\$65.51)
-Kitsap Sun (DEC 2024)		(\$16.99)
-Exact Hosting – Domain Renewal (2025)		(\$80.00)
-Grammarly Annual Renewal (2025)		(\$157.39)
-Staples – Printer Toner & Office Supplies (DEC 2024)		(\$160.76)
-Help Desk Cavalry Tech Refresh (2205-2028)		(\$3,319.65)
	<b>PAGE TOTAL</b>	<b>\$5,834.43</b>



VENDOR		INVOICE #	AMOUNT
<b>INVOICES:</b>			
Kitsap Bank Visa CC (JAN 2025)		JAN2025	\$ 2,759.42
Moxie Support Services (JAN 2025)		1080	\$ 825.00
DRS PERS2 Employee Retirement Fund (FEB 2025)		4296P	\$ 1,792.57
JPC PLLC Legal Services (JAN 2025)		180805	\$ 467.50
Barker Creek Consulting (FEB 2025)		1569	\$ 925.00
KEDA Annual Partner Investment (2025)		KPFD 2025	\$ 5,000.00
<b>PAGE TOTAL</b>			<b>\$ 11,769.49</b>



<b>VENDOR</b>		<b>AMOUNT</b>
<b>Kitsap Bank Visa (JAN 2025)</b>		<b>\$ 2,759.42</b>
-Comcast for Business (JAN 2025 Phone Service)		\$ 73.62
-Comcast for Business (JAN 2025 Internet Service)		\$ 260.02
-Office Rent (JAN 2025)		\$ 921.45
-Help Desk Cavalry Monthly IT Support (JAN 2025)		\$ 288.44
-Help Desk Cavalry Email Support (JAN 2025)		\$ 267.48
-Glacier West Storage (JAN 2025)		\$ 133.00
-Zoom Webinar (JAN 2025)		\$ 104.93
-Adobe Cloud Storage (JAN 2025)		\$ 65.51
-Kitsap Sun (JAN 2025)		\$ 16.99
-Grammarly Annual Subscription (2025)		\$ 157.39
-Exact Hosting Domain Renewal (2025)		\$ 68.64
-Microsoft Annual Subscription Renewal (2025)		\$ 109.29
-Walmart – Office Supplies		\$ 54.52
-Amazon – Desktop Docking Station		\$ 238.14
	<b>PAGE TOTAL</b>	<b>\$ 2,759.42</b>

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Kitsap Public Facilities District  
Sales Tax Rebate Revenue Summary

	A	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS
1		FY 2016	%	FY 2017	%	FY 2018	%	FY 2019	%	FY 2020	%	FY 2021	%	FY 2022	%	FY 2023	%	FY 2024	%	POS/NEG
2	JAN	\$ 105,695.31	10.5%	\$ 113,891.57	7.8%	\$ 123,476.10	8.4%	\$ 144,263.78	16.8%	\$ 150,304.56	4.2%	\$ 158,789.57	5.6%	\$ 178,674.01	12.5%	\$ 187,086.78	4.7%	\$ 185,558.93	-0.8%	↓
3	FEB	\$ 140,524.01	11.5%	\$ 147,253.14	4.8%	\$ 159,064.82	8.0%	\$ 165,509.56	4.1%	\$ 173,706.66	5.0%	\$ 192,717.28	10.9%	\$ 197,557.85	2.5%	\$ 209,039.13	5.8%	\$ 213,924.96	2.3%	↑
4	MAR	\$ 96,088.48	6.2%	\$ 105,943.80	10.3%	\$ 123,918.31	17.0%	\$ 125,924.98	1.6%	\$ 132,155.73	4.9%	\$ 144,739.20	9.5%	\$ 162,359.33	12.2%	\$ 167,293.61	3.0%	\$ 174,240.58	4.2%	↑
5	APR	\$ 100,040.83	10.9%	\$ 104,854.91	4.8%	\$ 118,939.87	13.4%	\$ 116,815.21	-1.8%	\$ 115,731.99	-0.9%	\$ 141,495.24	22.3%	\$ 167,540.61	18.4%	\$ 167,784.23	0.1%	\$ 170,727.31	1.8%	↑
6	MAY	\$ 119,621.40	11.7%	\$ 126,859.08	6.1%	\$ 144,926.19	14.2%	\$ 150,430.71	3.8%	\$ 126,061.95	-16.2%	\$ 188,771.05	49.7%	\$ 201,423.66	6.7%	\$ 197,898.50	-1.8%	\$ 197,130.98	-0.4%	↓
7	JUN	\$ 114,550.72	11.1%	\$ 113,282.72	-1.1%	\$ 133,121.83	17.5%	\$ 145,401.79	9.2%	\$ 126,133.58	-13.3%	\$ 177,293.20	40.6%	\$ 190,292.70	7.3%	\$ 186,576.31	-2.0%	\$ 193,884.02	3.9%	↑
8	JUL	\$ 114,395.94	5.2%	\$ 126,579.00	10.6%	\$ 146,892.10	16.0%	\$ 150,399.47	2.4%	\$ 165,292.17	9.9%	\$ 192,556.37	16.5%	\$ 193,483.26	0.5%	\$ 203,055.00	4.9%	\$ 204,152.01	0.5%	↑
9	AUG	\$ 128,801.45	5.6%	\$ 142,050.14	10.3%	\$ 158,152.03	11.3%	\$ 166,341.19	5.2%	\$ 170,988.07	2.8%	\$ 204,719.00	19.7%	\$ 207,417.76	1.3%	\$ 213,155.55	2.8%	\$ 209,083.96	-1.9%	↓
10	SEP	\$ 124,100.96	4.8%	\$ 129,254.90	4.2%	\$ 149,561.17	15.7%	\$ 157,155.89	5.1%	\$ 167,577.17	6.6%	\$ 186,898.42	11.5%	\$ 200,317.82	7.2%	\$ 202,596.57	1.1%	\$ 215,398.30	6.3%	↑
11	OCT	\$ 126,066.16	12.9%	\$ 132,996.09	5.5%	\$ 151,329.82	13.8%	\$ 158,503.52	4.7%	\$ 163,033.80	2.9%	\$ 182,058.47	11.7%	\$ 204,071.35	12.1%	\$ 198,061.74	-2.9%	\$ 207,683.24	4.9%	↑
12	NOV	\$ 132,038.42	9.0%	\$ 139,824.46	5.9%	\$ 149,568.79	7.0%	\$ 161,955.86	8.3%	\$ 184,238.07	13.8%	\$ 197,714.69	7.3%	\$ 208,743.30	5.6%	\$ 213,410.30	2.2%	\$ 210,522.08	-1.4%	↓
13	DEC	\$ 117,143.86	6.5%	\$ 124,461.85	6.2%	\$ 148,700.48	19.5%	\$ 148,546.73	-0.1%	\$ 164,199.11	10.5%	\$ 177,670.52	8.2%	\$ 192,632.39	8.4%	\$ 191,416.42	-0.6%	\$ 203,753.62	6.4%	↑
14																				
15	YTD TOTAL	\$ 1,419,067.54	8.8%	\$ 1,507,251.66	6.2%	\$ 1,707,651.51	13.3%	\$ 1,791,248.69	4.9%	\$ 1,839,422.86	2.7%	\$ 2,145,423.01	16.6%	\$ 2,304,514.04	7.4%	\$ 2,337,374.14	1.4%	\$ 2,386,059.99	2.1%	↑
16	MONTHLY AVG	\$ 118,255.63	8.8%	\$ 125,604.31	6.2%	\$ 142,304.29	13.3%	\$ 149,270.72	4.9%	\$ 153,285.24	2.7%	\$ 178,785.25	16.6%	\$ 192,042.84	7.4%	\$ 194,781.18	1.4%	\$ 198,838.33	2.1%	↑
17																				
18		NOTE: Sales tax rebate numbers show for the month are funds						DEC 2024		FUNDS		COMMENT								
19		received from the State Treasurer's Office.						Sales Tax Rebate (977)		\$203,753.62		6.4% increase from DEC 2023								
20		Kitsap County receives sale tax rebates two months after tax paid.						Interest Earned		\$8,225.02										
21		i.e. County/PFD March receipt reflects January sales tax revenue						Debt Service (286)		(\$71,295)										



# KPFD Sales Tax Rebate Report

## JAN 2025

	FY 2018	%	FY 2019	%	FY 2020	%	FY 2021	%	FY 2022	%	FY 2023	%	FY 2024	%	FY 2025	%	POS/NEG
JAN	\$ 123,476.10	8.4%	\$ 144,263.78	16.8%	\$ 150,304.56	4.2%	\$ 158,789.57	5.6%	\$ 178,674.01	12.5%	\$ 187,086.78	4.7%	\$ 185,558.93	-0.8%	\$ 194,266.62	4.7%	↑
FEB	\$ 159,064.82	8.0%	\$ 165,509.56	4.1%	\$ 173,706.66	5.0%	\$ 192,717.28	10.9%	\$ 197,557.85	2.5%	\$ 209,039.13	5.8%	\$ 213,924.96	2.3%			
MAR	\$ 123,918.31	17.0%	\$ 125,924.98	1.6%	\$ 132,155.73	4.9%	\$ 144,739.20	9.5%	\$ 162,359.33	12.2%	\$ 167,293.61	3.0%	\$ 174,240.58	4.2%			
APR	\$ 118,939.87	13.4%	\$ 116,815.21	-1.8%	\$ 115,731.99	-0.9%	\$ 141,495.24	22.3%	\$ 167,540.61	18.4%	\$ 167,784.23	0.1%	\$ 170,727.31	1.8%			
MAY	\$ 144,926.19	14.2%	\$ 150,430.71	3.8%	\$ 126,061.95	-16.2%	\$ 188,771.05	49.7%	\$ 201,423.66	6.7%	\$ 197,898.50	-1.8%	\$ 197,130.98	-0.4%			
JUN	\$ 133,121.83	17.5%	\$ 145,401.79	9.2%	\$ 126,133.58	-13.3%	\$ 177,293.20	40.6%	\$ 190,292.70	7.3%	\$ 186,576.31	-2.0%	\$ 193,884.02	3.9%			
JUL	\$ 146,892.10	16.0%	\$ 150,399.47	2.4%	\$ 165,292.17	9.9%	\$ 192,556.37	16.5%	\$ 193,483.26	0.5%	\$ 203,055.00	4.9%	\$ 204,152.01	0.5%			
AUG	\$ 158,152.03	11.3%	\$ 166,341.19	5.2%	\$ 170,988.07	2.8%	\$ 204,719.00	19.7%	\$ 207,417.76	1.3%	\$ 213,155.55	2.8%	\$ 209,083.96	-1.9%			
SEP	\$ 149,561.17	15.7%	\$ 157,155.89	5.1%	\$ 167,577.17	6.6%	\$ 186,898.42	11.5%	\$ 200,317.82	7.2%	\$ 202,596.57	1.1%	\$ 215,398.30	6.3%			
OCT	\$ 151,329.82	13.8%	\$ 158,503.52	4.7%	\$ 163,033.80	2.9%	\$ 182,058.47	11.7%	\$ 204,071.35	12.1%	\$ 198,061.74	-2.9%	\$ 207,683.24	4.9%			
NOV	\$ 149,568.79	7.0%	\$ 161,955.86	8.3%	\$ 184,238.07	13.8%	\$ 197,714.69	7.3%	\$ 208,743.30	5.6%	\$ 213,410.30	2.2%	\$ 210,522.08	-1.4%			
DEC	\$ 148,700.48	19.5%	\$ 148,546.73	-0.1%	\$ 164,199.11	10.5%	\$ 177,670.52	8.2%	\$ 192,632.39	8.4%	\$ 191,416.42	-0.6%	\$ 203,753.62	6.4%			
YTD TOTAL	\$ 1,707,651.51	13.3%	\$ 1,791,248.69	4.9%	\$ 1,839,422.86	2.7%	\$ 2,145,423.01	16.6%	\$ 2,304,514.04	7.4%	\$ 2,337,374.14	1.4%	\$ 2,386,059.99	2.1%	\$ 194,266.62	4.7%	↑
MONTHLY AVG	\$ 142,304.29	13.3%	\$ 149,270.72	4.9%	\$ 153,285.24	2.7%	\$ 178,785.25	16.6%	\$ 192,042.84	7.4%	\$ 194,781.18	1.4%	\$ 198,838.33	2.1%	\$ 194,266.62	-2.3%	↓

JAN 2025	FUNDS	COMMENT
Sales Tax Rebate (977)	\$194,266.62	4.7% increase from JAN 2024
Interest Earned	\$8,258.39	
Debt Service (286)	(\$71,360.72)	
Net Income	\$131,164.29	

Note: Year-to-Date % based on current year annual average

te: Monthly Average % based on comparison of previous year's monthly average

# Building Communities, Enriching Lives



# Kitsap Public Facilities District

## Statement of Financial Position

As of December 31, 2024

	968	977	TOTAL
<b>ASSETS</b>			
Current Assets			
Bank Accounts			
KPFD Operations Fund			
968 Cash	18,238.39		\$0.00
<b>Total KPFD Operations Fund</b>	<b>18,238.39</b>		<b>\$18,238.39</b>
KPFD Reg. Ctr. Capital			
977 Cash		1,644,526.64	\$0.00
Investment Beginning		2,454,720.07	\$1,644,526.64
Investments Purchased		92,248.51	\$2,454,720.07
<b>Total KPFD Reg. Ctr. Capital</b>		<b>4,191,495.22</b>	<b>\$92,248.51</b>
<b>Total Bank Accounts</b>	<b>\$18,238.39</b>	<b>\$4,191,495.22</b>	<b>\$4,191,495.22</b>
<b>Total Current Assets</b>	<b>\$18,238.39</b>	<b>\$4,191,495.22</b>	<b>\$4,209,733.61</b>
Other Assets			
Receivable- Advances (from 286)		250,000.00	\$250,000.00
<b>Total Other Assets</b>	<b>\$0.00</b>	<b>\$250,000.00</b>	<b>\$250,000.00</b>
<b>TOTAL ASSETS</b>	<b>\$18,238.39</b>	<b>\$4,441,495.22</b>	<b>\$4,459,733.61</b>
<b>LIABILITIES AND EQUITY</b>			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Employee Benefits Payable	-3,059.59		\$ -3,059.59
Payroll Related Payable	1,267.43		\$1,267.43
Salaries Payable	-0.07		\$ -0.07
USE Tax Payable	29.50		\$29.50
Vouchers Payable	0.00		\$0.00
<b>Total Other Current Liabilities</b>	<b>\$ -1,762.73</b>	<b>\$0.00</b>	<b>\$ -1,762.73</b>
<b>Total Current Liabilities</b>	<b>\$ -1,762.73</b>	<b>\$0.00</b>	<b>\$ -1,762.73</b>
Long-Term Liabilities			
2636 Regional Ctr Notes Payable			\$0.00
Notes Payable (to 286)		2,289,270.00	\$2,289,270.00
<b>Total 2636 Regional Ctr Notes Payable</b>		<b>2,289,270.00</b>	<b>\$2,289,270.00</b>
<b>Total Long-Term Liabilities</b>	<b>\$0.00</b>	<b>\$2,289,270.00</b>	<b>\$2,289,270.00</b>
<b>Total Liabilities</b>	<b>\$ -1,762.73</b>	<b>\$2,289,270.00</b>	<b>\$2,287,507.27</b>
Equity			
Fund Balance	27,711.36	1,416,388.40	\$1,444,099.76
Transfer in/ out from Capital Fund	270,000.00	-270,000.00	\$0.00
Net Revenue	-277,710.24	1,005,836.82	\$728,126.58
<b>Total Equity</b>	<b>\$20,001.12</b>	<b>\$2,152,225.22</b>	<b>\$2,172,226.34</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$18,238.39</b>	<b>\$4,441,495.22</b>	<b>\$4,459,733.61</b>

# Kitsap Public Facilities District

## Statement of Activity by Class

December 2024

	968	977	TOTAL
Revenue			
Interest Earnings		8,225.02	\$8,225.02
Regional Centers Sales & Use		203,753.62	\$203,753.62
<b>Total Revenue</b>	<b>\$0.00</b>	<b>\$211,978.64</b>	<b>\$211,978.64</b>
GROSS PROFIT	<b>\$0.00</b>	<b>\$211,978.64</b>	<b>\$211,978.64</b>
Expenditures			
COMMUNICATIONS			\$0.00
IT Services	288.44		\$288.44
Technology Email	267.48		\$267.48
Technology- Zoom	104.93		\$104.93
Telephone/ Internet	318.83		\$318.83
<b>Total COMMUNICATIONS</b>	<b>979.68</b>		<b>\$979.68</b>
CONSULTING			\$0.00
Legal Services	550.00		\$550.00
Professional Services	2,100.00		\$2,100.00
Recording	436.00		\$436.00
WA State Audit	3,477.50		\$3,477.50
<b>Total CONSULTING</b>	<b>6,563.50</b>		<b>\$6,563.50</b>
LTGO Bond Payment		71,360.72	\$71,360.72
Misc Intergovernmental Service		0.00	\$0.00
OFFICE			\$0.00
Office/Operating Supplies	293.34		\$293.34
Rental-Office Space	921.45		\$921.45
Software & Subscriptions	82.50		\$82.50
Storage	133.00		\$133.00
<b>Total OFFICE</b>	<b>1,430.29</b>		<b>\$1,430.29</b>
PAYROLL			\$0.00
Payroll Wages	10,925.50		\$10,925.50
PERS ER- Retirement Contrib.	995.32		\$995.32
Social Security/ Medicare	164.95		\$164.95
Stipend- Health	400.00		\$400.00
Stipend- Telephone	50.00		\$50.00
WA- ESD/PMFLA/Cares	556.83		\$556.83
WA- L&I	168.74		\$168.74
<b>Total PAYROLL</b>	<b>13,261.34</b>		<b>\$13,261.34</b>
<b>Total Expenditures</b>	<b>\$22,234.81</b>	<b>\$71,360.72</b>	<b>\$93,595.53</b>
NET OPERATING REVENUE	<b>\$ -22,234.81</b>	<b>\$140,617.92</b>	<b>\$118,383.11</b>
NET REVENUE	<b>\$ -22,234.81</b>	<b>\$140,617.92</b>	<b>\$118,383.11</b>

**Kitsap Public Facilities District**  
**Budget vs. Actuals Operating Fund**  
January - December 2024

	Oct-24				Nov-24				Dec-24				YTD-Total			
	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget	Actual	Budget	over Budget	% of Budget
Expenditures																
COMMUNICATIONS	956.52	1,085.51	-128.99	88.12%	956.52	1,085.51	-128.99	88.12%	979.68	1,085.51	-105.83	90.25%	13,775.44	13,026.00	749.44	105.75%
CONSULTING	3,311.25	8,708.35	-5,397.10	38.02%	4,821.25	8,708.35	-3,887.10	55.36%	10,211.35	8,708.35	1,503.00	117.26%	70,196.35	104,500.00	-34,303.65	67.17%
MEMBERSHIP DUES		539.58	-539.58	0.00%	435.00	539.58	-104.58	80.62%		539.58	-539.58	0.00%	6,540.00	6,475.00	65.00	101.00%
OFFICE	2,428.79	2,345.84	82.95	103.54%	1,348.90	2,345.84	-996.94	57.50%	1,430.29	2,345.84	-915.55	60.97%	28,644.41	28,150.00	494.41	101.76%
Other			0.00				0.00				0.00		272.84	0.00	272.84	
PAYROLL	12,563.95	14,189.83	-1,625.88	88.54%	12,519.50	14,189.83	-1,670.33	88.23%	13,261.34	14,189.83	-928.49	93.46%	154,352.31	170,278.00	-15,925.69	90.65%
PROMOTIONAL HOSTING/ MARKETING		1,250.00	-1,250.00	0.00%		1,250.00	-1,250.00	0.00%		1,250.00	-1,250.00	0.00%	0.00	15,000.00	-15,000.00	0.00%
TRAVEL	2,342.67	175.00	2,167.67	1338.67%	552.69	175.00	377.69	315.82%		175.00	-175.00	0.00%	3,928.89	2,100.00	1,828.89	187.09%
Total Expenditures	\$ 21,603.18	\$ 28,294.11	-\$ 6,690.93	76.35%	\$ 20,633.86	\$ 28,294.11	-\$ 7,660.25	72.93%	\$ 25,882.66	\$ 28,294.11	-\$ 2,411.45	91.48%	\$ 277,710.24	\$ 339,529.00	-\$ 61,818.76	81.79%

Cash Basis

# Kitsap Public Facilities District

## Statement of Financial Position

As of January 31, 2025

	968	977	TOTAL
<b>ASSETS</b>			
Current Assets			
Bank Accounts			
KPFD Operations Fund			
968 Cash	50,292.86		\$0.00
<b>Total KPFD Operations Fund</b>	<b>50,292.86</b>		<b>\$50,292.86</b>
KPFD Reg. Ctr. Capital			
977 Cash			\$0.00
Investment Beginning		1,692,432.54	\$1,692,432.54
Investments Purchased		2,454,720.07	\$2,454,720.07
<b>Total KPFD Reg. Ctr. Capital</b>		<b>4,146,152.61</b>	<b>\$4,146,152.61</b>
<b>Total Bank Accounts</b>	<b>\$50,292.86</b>	<b>\$4,146,152.61</b>	<b>\$4,196,445.47</b>
<b>Total Current Assets</b>	<b>\$50,292.86</b>	<b>\$4,146,152.61</b>	<b>\$4,196,445.47</b>
Other Assets			
Receivable- Advances (from 286)		250,000.00	\$250,000.00
<b>Total Other Assets</b>	<b>\$0.00</b>	<b>\$250,000.00</b>	<b>\$250,000.00</b>
<b>TOTAL ASSETS</b>	<b>\$50,292.86</b>	<b>\$4,396,152.61</b>	<b>\$4,446,445.47</b>
<b>LIABILITIES AND EQUITY</b>			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Employee Benefits Payable	-2,754.31		\$ -2,754.31
Payroll Related Payable	1,312.03		\$1,312.03
Salaries Payable	-0.07		\$ -0.07
USE Tax Payable	29.50		\$29.50
Vouchers Payable	0.00		\$0.00
<b>Total Other Current Liabilities</b>	<b>\$ -1,412.85</b>	<b>\$0.00</b>	<b>\$ -1,412.85</b>
<b>Total Current Liabilities</b>	<b>\$ -1,412.85</b>	<b>\$0.00</b>	<b>\$ -1,412.85</b>
Long-Term Liabilities			
2636 Regional Ctr Notes Payable		2,289,270.00	\$2,289,270.00
<b>Total Long-Term Liabilities</b>	<b>\$0.00</b>	<b>\$2,289,270.00</b>	<b>\$2,289,270.00</b>
<b>Total Liabilities</b>	<b>\$ -1,412.85</b>	<b>\$2,289,270.00</b>	<b>\$2,287,857.15</b>
Equity	\$51,705.71	\$2,208,389.51	\$2,260,095.22
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$50,292.86</b>	<b>\$4,497,659.51</b>	<b>\$4,547,952.37</b>



# Kitsap Public Facilities Distict

## Statement of Activity by Class

January 2025

	968	977	TOTAL
Revenue			
Interest Earnings		8,258.39	\$8,258.39
Regional Centers Sales & Use		194,266.62	\$194,266.62
<b>Total Revenue</b>	<b>\$0.00</b>	<b>\$202,525.01</b>	<b>\$202,525.01</b>
GROSS PROFIT	<b>\$0.00</b>	<b>\$202,525.01</b>	<b>\$202,525.01</b>
Expenditures			
COMMUNICATIONS			
IT Services	3,608.09		\$0.00
Technology Email	267.48		\$3,608.09
Technology- Zoom	104.93		\$267.48
Telephone/ Internet	318.83		\$104.93
<b>Total COMMUNICATIONS</b>	<b>4,299.33</b>		<b>\$318.83</b>
CONSULTING	2,907.50		<b>\$4,299.33</b>
Accounting	1,620.00		\$2,907.50
Legal Services	440.00		\$1,620.00
Other Consulting	15,000.00		\$440.00
WA State Audit	2,156.05		\$15,000.00
<b>Total CONSULTING</b>	<b>22,123.55</b>		<b>\$2,156.05</b>
LTGO Bond Payment		71,360.72	<b>\$22,123.55</b>
MEMBERSHIP DUES	1,100.00		\$71,360.72
Misc Intergovernmental Service			\$1,100.00
OFFICE		0.00	\$0.00
Rental-Office Space	921.45		\$0.00
Software & Subscriptions	319.89		\$921.45
Storage	133.00		\$319.89
Supplies	160.76		\$133.00
<b>Total OFFICE</b>	<b>1,535.10</b>		<b>\$160.76</b>
PAYROLL			<b>\$1,535.10</b>
Payroll Wages	11,587.29		\$0.00
PERS ER- Retirement Contrib.	1,359.78		\$11,587.29
Social Security/ Medicare	177.44		\$1,359.78
Stipend- Health	600.00		\$177.44
Stipend- Telephone	50.00		\$600.00
WA- L&I	26.92		\$50.00
<b>Total PAYROLL</b>	<b>13,801.43</b>		<b>\$26.92</b>
<b>Total Expenditures</b>	<b>\$42,859.41</b>	<b>\$71,360.72</b>	<b>\$13,801.43</b>
NET OPERATING REVENUE	<b>\$ -42,859.41</b>	<b>\$131,164.29</b>	<b>\$88,304.88</b>
NET REVENUE	<b>\$ -42,859.41</b>	<b>\$131,164.29</b>	<b>\$88,304.88</b>

# Kitsap Public Facilities District

## Budget vs. Actuals Operating Fund

January 2025

	968				TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Revenue								
<b>Total Revenue</b>			<b>\$0.00</b>	<b>0.00%</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
GROSS PROFIT	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00%</b>
Expenditures								
COMMUNICATIONS	4,299.33	1,262.17	3,037.16	340.63 %	\$4,299.33	\$1,262.17	\$3,037.16	340.63 %
CONSULTING	22,559.55	5,958.34	16,601.21	378.62 %	\$22,559.55	\$5,958.34	\$16,601.21	378.62 %
MEMBERSHIP DUES	1,100.00	337.50	762.50	325.93 %	\$1,100.00	\$337.50	\$762.50	325.93 %
OFFICE	1,535.10	2,541.68	-1,006.58	60.40 %	\$1,535.10	\$2,541.68	\$ -1,006.58	60.40 %
PAYROLL	13,801.43	13,737.26	64.17	100.47 %	\$13,801.43	\$13,737.26	\$64.17	100.47 %
PROMOTIONAL HOSTING/ MARKETING		416.67	-416.67		\$0.00	\$416.67	\$ -416.67	0.00%
TRAVEL		291.67	-291.67		\$0.00	\$291.67	\$ -291.67	0.00%
<b>Total Expenditures</b>	<b>\$43,295.41</b>	<b>\$24,545.29</b>	<b>\$18,750.12</b>	<b>176.39 %</b>	<b>\$43,295.41</b>	<b>\$24,545.29</b>	<b>\$18,750.12</b>	<b>176.39 %</b>
NET OPERATING REVENUE	<b>\$ -43,295.41</b>	<b>\$ -24,545.29</b>	<b>\$ -18,750.12</b>	<b>176.39 %</b>	<b>\$ -43,295.41</b>	<b>\$ -24,545.29</b>	<b>\$ -18,750.12</b>	<b>176.39 %</b>
NET REVENUE	<b>\$ -43,295.41</b>	<b>\$ -24,545.29</b>	<b>\$ -18,750.12</b>	<b>176.39 %</b>	<b>\$ -43,295.41</b>	<b>\$ -24,545.29</b>	<b>\$ -18,750.12</b>	<b>176.39 %</b>



# KPFD Project Invoice Tracking Report

## FEB 2025

Year	Month	Port Orchard Community Events Center (POCEC)					Poulsbo Events & Recreation Center (PERC)				Port Gamble Forest Heritage Park (PGFHP)					Port of Bremerton (POB)					
					ILA					ILA #2				ILA					ILA	Total Commitment	
2018 Totals					\$ 12,000,000					\$ 11,778,288				\$ 2,047,556		Phase 1			\$ 1,439,000	\$ 27,264,844.00	
					\$ -					\$ -				\$ -		Ph1 Bal		\$ (60,000.00)	\$ (60,000.00)	\$ (60,000.00)	2018 Totals
2019 Totals					\$ -					\$ -				\$ -		Ph2 Bal		\$ (258,411.00)	\$ (258,411.00)	\$ (258,411.00)	2019 Totals
2020 Totals					\$ (60,095.60)					\$ (27,136.25)				\$ -		Ph2 Bal		\$ (243,889.00)	\$ (243,889.00)	\$ (331,120.85)	2020 Totals
2021 Totals					\$ (1,326,290.00)					\$ (120,993.98)				\$ (172,181.54)		sub-total		\$ (438,257.65)	\$ -	\$ (2,057,723.17)	2021 Totals
2022 Totals					\$ (521,109.38)					\$ (36,888.69)				\$ (632,512.03)				\$ (1,000,689.12)	\$ (143,900.00)	\$ (1,334,410.10)	2022 Totals
2023 Totals					\$ (287,652.18)					\$ (12,153.50)				\$ (25,299.60)					\$ (143,900.00)	\$ (469,005.28)	2023 Totals
2024 Totals					\$ (5,162.00)					\$ -				\$ (449,821.89)					\$ (143,900.00)	\$ (598,883.89)	2024 Totals
2025		Invoices	Board Approved	Date Paid	Amount Paid	ILA Task #	Invoices	Board Approved	Date Paid	Amount Paid	Invoices	Board Approved	Date Paid	Amount Paid		Invoice	Board Approved	Date Paid	Amount Paid		
	January																			\$ -	
	February						33119820-0	2/24/2025		\$ (127,340.32)						2024	2/24/2025		\$ (143,900.00)	\$ (271,240.32)	
	March																				
	April																				
	May																				
	June																				
	July																				
	August																				
	September																				
	October																				
	November																				
December																					
																				\$ (271,240.32)	2025 Totals
Total Paid to Date					\$ (2,200,309.16)					\$ (127,340.32)				\$ (1,279,815.06)					\$ (575,600.00)	\$ (5,380,794.61)	Total Paid to Date
Remaining Balance					\$ 9,799,690.84					\$ 11,905,628				\$ 767,740.94					\$ 863,400.00	\$ 21,884,049.39	Remaining Balances
																				\$ 1,692,432.53	FEB 1, 2025 Cash Balance
																				\$ (271,240.32)	2025 Invoices to Date
																				\$ 1,421,192.21	2025 Remaining Cash Balance

Building Communities, Enriching Lives



**FEB 24, 2025**

**EXECUTIVE DIRECTOR REPORT  
JAN & FEB 2025**

- The WA State Audit for 2021-2023 is still on-going, but all requested financial documents have been submitted. We are awaiting a date for the end-of-report and recommendations meeting, which should occur the end of February or early March. All board members are invited to attend. Details will be sent out once the meeting is scheduled.
- The KPF Board of Directors Handbook has been broken up into three major sections: Board Essentials, Roles & Responsibilities, and Policies & Procedures. The Policy Committee met in mid-February to cover the first-half of Board Essentials. A second meeting will take place in early March to review the second-half of Board Essentials, with plans to take its recommendations to the Board in April BOD meeting.
- PERC Project Update: A meeting was held with the City of Poulsbo to discuss progress of the PERC project. Design is nearing 30% completion. The City is still planning to issue the construction bond in 2025, and the PFD debt service payments will commence in January 2026. The City still believes they will be under contract for the construction of the PERC by the ILA expiration date of December 31, 2025.
- POCEC Project Update: The City of Port Orchard is working to garner funding needed for the improvements on Bay St. Construction of the new Kitsap Bank headquarters is delayed until the Bay St. improvements are complete. Estimates for construction of the POCEC project may not begin until late 2026 or early 2027. The current ILA is set to expire on December 31, 2025, and will need to be amended to adjust for the new timeline of construction.
- PGFHP Project Update: The Port Gamble Forest Heritage Park project is waiting for final permitting to construction the northern point of the trailhead (Port Gamble) parking lot. There has also been public concern expressed about the location of the parking lot, and an amendment to the current ILA may need to extend the deadline date of June 30, 2025 to December 31, 2025.

**Building Communities, Enriching Lives**





- House Bill 1109 – Extension of Sales and Use Tax Rebates through 2065 has passed through the House Finance Committee, and is now over to the House Rules Committee. If it passed through the Rules Committee it will go to the House Floor for a vote. If it passes through the House Floor, it goes to the Senate Ways & Means Committee, the Senate Rules Committee, and the Senate Floor for vote.



# Kitsap Public Facilities District Board Meeting

February 24, 2025



# Budget Overview

## Revenues:

- Sales and Use Tax Rebate

## Expenses:

- Operating Expenses
- Existing Debt Service
- Proforma Future Debt Service

# 2024 Cashflow Summary

	2024	
	Actual	Projected (as of 2/14/2024)
Revenues:		
Sales and Use Tax Rebate	\$ 2,386,060	\$ 2,395,808
Interest Earnings	92,248	
Total Revenues	\$ 2,478,308	\$ 2,395,808
Expenses:		
Operating Expenses	\$ 278,146	\$ 340,000
Payments to Kitsap County for Bonded Debt Service	876,236	876,236
Payments to City of Port Orchard for POCEC	5,162	594,853
Payments to City of Poulsbo for PERC	-	-
Payments to Kitsap County for PGHP	449,822	417,563
Payments to Port of Bremerton for CNW	143,900	143,900
Total Expenses	\$ 1,753,266	\$ 2,372,552
Change in Fund Balance	\$ 725,042	\$ 23,256
Beginning Fund Balance	\$ 3,805,822	\$ 3,805,822
Endind Fund Balance	\$ 4,530,864	\$ 3,829,078

# Project List - 2025 Expectations

## Poulsbo Event and Recreation Center (PERC)

- \$8.71MM ILA
  - All funds remaining to be drawn
  - Expires December 31, 2027

## Port Orchard Community Events Center (POCEC)

- \$12MM ILA
  - \$9.8MM of funds remaining to be drawn
  - Expires December 31, 2025
- \$6.546MM Letter of Intent

## Port Gamble Heritage Park (PGHP)


- \$2.048MM ILA
  - \$768K of funds remaining to be drawn
  - Expires June 30, 2025

## Port of Bremerton (POB)

- \$1.439MM ILA
  - \$143,900 being paid annually from 2022-31

- 2.5% Annual Sales Tax Revenue Growth
- 1.5% Annual Operating Expense Increase
- Existing Debt includes outstanding 2015, 2021B & 2022C Bonds issued by Kitsap County

- ### Statistics of Importance: Change in Net Position, Ending Fund Balance



5

# Poulsbo Event and Recreation Center

## Design and Planning Phase

- \$1.5MM of funds to be paid with cash

## Construction Phase

- \$7,110,000 to be financed

### Financing assumptions:

- Bond issued in 2025, with debt service beginning in 2026
- The City of Poulsbo has committed to issuing the bond using City LTGO security
- Assumed True Interest Cost of 4.11% (current plus 50bps)

	\$8,953,900		
	Poulsbo (PERC)		
FYE 12/31	Actual Payments	Design Phase Projected Payments	Construction Phase Projected Payments
2015			
2016			
2017			
2018			
2019			
2020	27,136		
2021	120,994		0
2022	36,889		0
2023	12,154		
2024	0		
2025		1,500,000	
2026			626,000
2027			626,000
2028			626,000
2029			626,000
2030			626,000
2031			626,000
2032			626,000
2033			626,000
2034			626,000
2035			626,000
2036			626,000
2037			626,000
2038			626,000
2039			626,000
2040			626,000
2041			626,000
		\$11,713,172	

## Observations

- \$1,500,000 is expected to be paid in cash in 2025 for design and planning.
- A bond financing is expected in 2025 to produce \$7,110,000 in project funds for the PERC project
  - First debt service payments are expected in 2026



# Port Orchard Community Events Center

**Remaining \$9.2MM in current ILA  
& \$6.5MM in current LOI**

Financing details to be determined:

- Who issues the bond?
- When the bond will be issued?
- Type of security for the bond?

The following scenario assumes:

- The City of Port Orchard issues the bond
- 2025 issuance, with debt service beginning in 2026
- City LTGO security
- Assumed True Interest Cost of 4.11% (current plus 50bps)

	\$18,546,000			
	Pt. Orchard (POCEC)			
FYE 12/31	Actual Payments	Projected Payments	LOI Request	Funding Request
2015				
2016				
2017				
2018				
2019				
2020	60,096	0		400,000
2021	1,326,290	0		1,000,000
2022	521,109	0		620,000
2023	287,652	0		400,000
2024	5,160	0		370,000
2025		589,693		15,756,000
2026		811,000	578,000	
2027		811,000	578,000	
2028		811,000	578,000	
2029		811,000	578,000	
2030		811,000	578,000	
2031		811,000	578,000	
2032		811,000	578,000	
2033		811,000	578,000	
2034		811,000	578,000	
2035		811,000	578,000	
2036		811,000	578,000	
2037		811,000	578,000	
2038		811,000	578,000	
2039		811,000	578,000	
2040		811,000	578,000	
2041		811,000	578,000	
		\$25,014,000		\$18,546,000

## Observations

- \$589,693 is expected to be paid in cash in 2025 for design and planning.
- A bond financing is expected in 2025 to produce \$15,756,000 in project funds for the POCEC project
  - First debt service payments are expected in 2026

City of Port Orchard (POCEC)

# Port Gamble Heritage Park & Port of Bremerton

## PGHP:

- \$768K expected to be paid with available cash this year

## POB:

- \$143,900 paid with available cash annually from 2022-31

	\$2,047,556 Kitsap County (PGHP)		\$2,001,300 Pt. Bremerton (POB/CNW)	
FYE 12/31	Actual Payments	Projected Payments	Actual Payments	Projected Payments
2015				
2016				
2017				
2018			60,000	
2019			258,411	
2020			243,889	
2021	172,182	0		
2022	632,512	0	143,900	0
2023	25,300	0	143,900	0
2024	449,822	0	143,900	0
2025		767,741		143,900
2026				143,900
2027				143,900
2028				143,900
2029				143,900
2030				143,900
2031				143,900
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
	\$2,047,556		\$2,001,300	

## Observations

### PGHP:

- \$768K expected to be paid with available cash this year

### POB:

- \$143,900 paid with available cash annually from 2022-31

Revenue Change Expenditure Char			2.50% 1.50%																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
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# 2025 Expectations

Cash payments of \$876,129 for debt service of bonds issued by Kitsap County

Cash payments of \$3,001,334 for PERC, POCEC, PGHP, POB

## Poulsbo Event and Recreation Center (PERC)

- \$8.71MM ILA
  - Issuance of bonds for approx. \$7.1MM of project proceeds

## Port Orchard Community Events Center (POCEC)

- \$12MM ILA
  - Issuance of bonds for approx. \$9.3MM of project proceeds
- \$6.546MM Letter of Intent
  - Issuance of bonds for \$6.546MM of project proceeds

# 2025 Projected Cashflow Summary

	2024	2025
	Actual	Projected (as of 2/14/2025)
Revenues:		
Sales and Use Tax Rebate	\$ 2,386,060	\$ 2,445,711
Interest Earnings	92,248	-
Total Revenues	\$ 2,478,308	\$ 2,445,711
Expenses:		
Operating Expenses	\$ 278,146	\$ 294,500
Payments to Kitsap County for Bonded Debt Service	876,236	876,129
Payments to City of Port Orchard for POCEC	5,162	589,691
Payments to City of Poulsbo for PERC	-	1,500,000
Payments to Kitsap County for PGHP	449,822	767,741
Payments to Port of Bremerton for CNW	143,900	143,900
Total Expenses	\$ 1,753,266	\$ 4,171,961
Change in Fund Balance	\$ 725,042	\$ (1,726,250)
Beginning Fund Balance	\$ 3,805,822	\$ 4,534,429
Endind Fund Balance	\$ 4,530,864	\$ 2,808,179

# Overall Observations

- Projected to use \$1.725MM of fund balance in 2025
- Expected to be a busy year with bond issuances for PERC and POCEC
- Once the bonds are issued, future payments will be fixed
- Projection of revenue growth of 2.5%; last year it was 2.1%



# Appendix

<u>Year</u>	<u>Sales Tax Receipts</u>	<u>Change from Previous Year</u>		<u>Year</u>	<u>Sales Tax Receipts</u>	<u>Change from Previous Year</u>
2002	\$ 903,638			2014	\$ 1,208,398	6.58%
2003	952,233	5.38%		2015	1,304,453	7.95%
2004	1,039,781	9.19%		2016	1,419,068	8.79%
2005	1,101,474	5.93%		2017	1,507,252	6.21%
2006	1,197,100	8.68%		2018	1,707,652	13.30%
2007	1,256,598	4.97%		2019	1,791,249	4.90%
2008	1,194,023	-4.98%		2020	1,839,423	2.69%
2009	1,071,879	-10.23%		2021	2,145,423	16.64%
2010	1,049,608	-2.08%		2022	2,304,514	7.42%
2011	1,058,542	0.85%		2023	2,337,374	1.43%
2012	1,088,503	2.83%		2024	2,386,060	2.08%
2013	1,133,785	4.16%				

## Historical Sales Tax Revenue

FYE 12/31	% Change	Sales and Use Tax Rebate
2015		\$1,304,453
2016	8.8%	1,419,068
2017	6.2%	1,507,252
2018	13.3%	1,707,652
2019	4.9%	1,791,249
2020	2.7%	1,839,423
2021	16.6%	2,145,423
2022	7.4%	2,304,514
2023	1.4%	2,337,366
2024	2.1%	2,386,060
2025	2.0%	2,433,781
2026	2.0%	2,482,457
2027	2.0%	2,532,106
2028	2.0%	2,582,748
2029	2.0%	2,634,403
2030	2.0%	2,687,091
2031	2.0%	2,740,833
2032	2.0%	2,795,650
2033	2.0%	2,851,563
2034	2.0%	2,908,594
2035	2.0%	2,966,766
2036	2.0%	3,026,101
2037	2.0%	3,086,623
2038	2.0%	3,148,355
2039	2.0%	3,211,323
2040	2.0%	3,275,549
2041	2.0%	3,341,060
		\$67,447,460

Change in Net Position	Ending Fund Balance
\$313,544	
443,469	
196,382	
649,235	
524,668	3,193,911
511,138	3,705,048
(594,762)	3,110,283
(107,944)	3,002,239
803,582	3,805,822
725,042	4,534,429
(1,738,179)	2,796,250
(65,701)	2,730,549
2,799	2,733,348
48,896	2,782,244
95,933	2,878,176
143,935	3,022,111
192,917	3,215,028
386,796	3,601,824
437,809	4,039,633
489,863	4,529,496
542,988	5,072,484
597,191	5,669,675
652,514	6,322,189
708,968	7,031,157
766,565	7,797,722
825,358	8,623,080
885,341	9,508,420

## Observations

- Decrease in tax rebate revenue growth from 2.5% to 2%
- Decrease of \$2.3MM of revenues from 2025-2041
- Fund Balance does not dip below \$2.5MM

Cumulative – Stress Test 1

FYE 12/31	% Change	Sales and Use Tax Rebate
2015		\$1,304,453
2016	8.8%	1,419,068
2017	6.2%	1,507,252
2018	13.3%	1,707,652
2019	4.9%	1,791,249
2020	2.7%	1,839,423
2021	16.6%	2,145,423
2022	7.4%	2,304,514
2023	1.4%	2,337,366
2024	2.1%	2,386,060
2025	0.0%	2,386,060
2026	1.0%	2,409,921
2027	2.5%	2,470,169
2028	2.5%	2,531,923
2029	2.5%	2,595,221
2030	2.5%	2,660,101
2031	2.5%	2,726,604
2032	2.5%	2,794,769
2033	2.5%	2,864,638
2034	2.5%	2,936,254
2035	2.5%	3,009,661
2036	2.5%	3,084,902
2037	2.5%	3,162,025
2038	2.5%	3,241,075
2039	2.5%	3,322,102
2040	2.5%	3,405,155
2041	2.5%	3,490,284
		\$67,833,321

Change in Net Position	Ending Fund Balance
\$313,544	
443,469	
196,382	
649,235	
524,668	3,193,911
511,138	3,705,048
(594,762)	3,110,283
(107,944)	3,002,239
803,582	3,805,822
725,042	4,534,429
(1,785,900)	2,748,529
(138,237)	2,610,291
(59,138)	2,551,153
(1,929)	2,549,224
56,751	2,605,974
116,945	2,722,919
178,688	2,901,607
385,915	3,287,523
450,885	3,738,407
517,524	4,255,931
585,883	4,841,814
655,992	5,497,806
727,916	6,225,722
801,688	7,027,410
877,344	7,904,754
954,963	8,859,717
1,034,564	9,894,281

## Observations

- Decrease in tax rebate revenue growth from 2.5% to 0% in 2025 and 1% in 2026
- Decrease of \$1.9MM of revenues from 2025-2041
- Ending fund balance does not dip below \$2.5MM

# Cumulative – Stress Test 2

# Port Orchard Community Events Center

**Remaining \$9.2MM in current ILA  
& \$6.5MM in current LOI**

Financing details to be determined:

- Who issues the bond?
- When the bond will be issued?
- Type of security for the bond?

The following scenario assumes:

- **PFD issues the bond**
- 2025 issuance, with debt service beginning in 2026
- Gross Revenue Pledge
- Assumed interest rate of 4.58% (LTGO plus 50bps)
- Reserve Account Established

FYE 12/31	Proforma C. Port Orchard Debt Service		Proforma KPFD Net Coverage Ratio for KPFD Debt
	Proforma PFD Original ILA Bond (for POCEC) D/S	Proforma PFD New Request Bond (for POCEC) D/S	
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026	925,000	656,000	1.586x
2027	925,000	656,000	1.625x
2028	925,000	656,000	1.666x
2029	925,000	656,000	1.708x
2030	925,000	656,000	1.750x
2031	925,000	656,000	1.794x
2032	925,000	656,000	1.839x
2033	925,000	656,000	1.885x
2034	925,000	656,000	1.932x
2035	925,000	656,000	1.980x
2036	925,000	656,000	2.030x
2037	925,000	656,000	2.080x
2038	925,000	656,000	2.132x
2039	925,000	656,000	2.186x
2040	925,000	656,000	2.240x
2041			
\$23,715,000			

Change in Net Position	Ending Fund Balance
\$313,544	
443,469	
196,382	
649,235	
524,668	3,193,911
511,138	3,705,048
(594,762)	3,110,283
(107,944)	3,002,239
803,582	3,805,822
725,042	4,534,429
(1,726,249)	2,808,180
(233,304)	2,574,876
(151,781)	2,423,095
(92,088)	2,331,007
(30,862)	2,300,144
31,942	2,332,086
96,360	2,428,446
306,329	2,734,774
374,108	3,108,883
443,628	3,552,511
514,939	4,067,450
588,075	4,655,526
663,101	5,318,627
740,053	6,058,680
818,968	6,877,648
899,928	7,777,576
2,563,953	10,341,529

## Observations

- Debt service coverage is 1.58x
- Cost of funds is expected to be less utilizing the City's LTGO status rather than the PFD's revenue bond status
  - Currently shows a difference of \$1.49MM debt service from 2026-2040
- Reserve account will pay for debt service in final year of 2041
- Ending fund balance dips below \$2.5MM

City of Port Orchard (POCEC)

# Issuing Debt - Items to Consider

- Preparing audited financial statements (including the cost of preparation)
- Develop certain financing policies (i.e. fund balance policy, additional bonds test, should additional payments be made only when available through cashflow, etc.)
- Acquiring a Bond Rating and Rating Surveillance
- Continuing Disclosure
- Tracking Project Funds for Tax-Exemption
- Should the PFD pick up the estimated cost differential for issuing debt for the requesting entity (costs of funds and ancillary costs)
- Knowing the debt capacity of the entity requesting the PFD to issue the bonds
- Delay in issuing debt
  - Debt service will be compressed to a shorter period of time
  - Funds that were expected to be paid can be saved to provide a contribution to the financing, reducing the amount to be issued.

Questions/Additional  
Scenarios?



An architectural rendering of a modern, two-story building with a flat roof and a mix of wood slat and concrete paneling. The word 'ORCHARD' is prominently displayed in large, raised letters on the upper right facade. A sign on the lower left reads 'PORT ORCHARD COMMUNITY EVENT CENTER'. The building is surrounded by a landscaped area with trees, a paved walkway, and a few people in the background. The sky is blue with scattered white clouds.

# **Port Orchard Community Event Center**

Mayor Rob Putaansuu  
February 24, 2025



PORT ORCHARD  
COMMUNITY  
CENTER





COMMUNITY  
EVENT CENTER

7-11

PORT  
STREET

LIFT  
STATION

PORT  
ORCHARD  
MARINA

MARINA  
LAUNDRY

PUBLIC  
PARKING

PUBLIC  
RESTROOM

KITSAP  
BANK

FUTURE  
DEVELOPMENT

FUTURE  
DEVELOPMENT

EXISTING  
BUILDING

BAY STREET

BAY STREET

FREDERICK AVE

ROBERT  
GEIGER ST

PORT  
ORCHARD  
YACHT SALES

PORT  
ORCHARD  
BOAT LAUNCH

Port  
ORCHARD

# Community Event Center (CEC) Updates



CEC Shoreline Permits  
Approved (December 11,  
2024)

Shoreline Conditional Use Permit  
Shoreline Substantial  
Development Permit



US Army Corps Permits

Addressing Comments Received  
January 16, 2025  
Decision expected summer 2025



Hydraulic Project  
Approval (HPA)

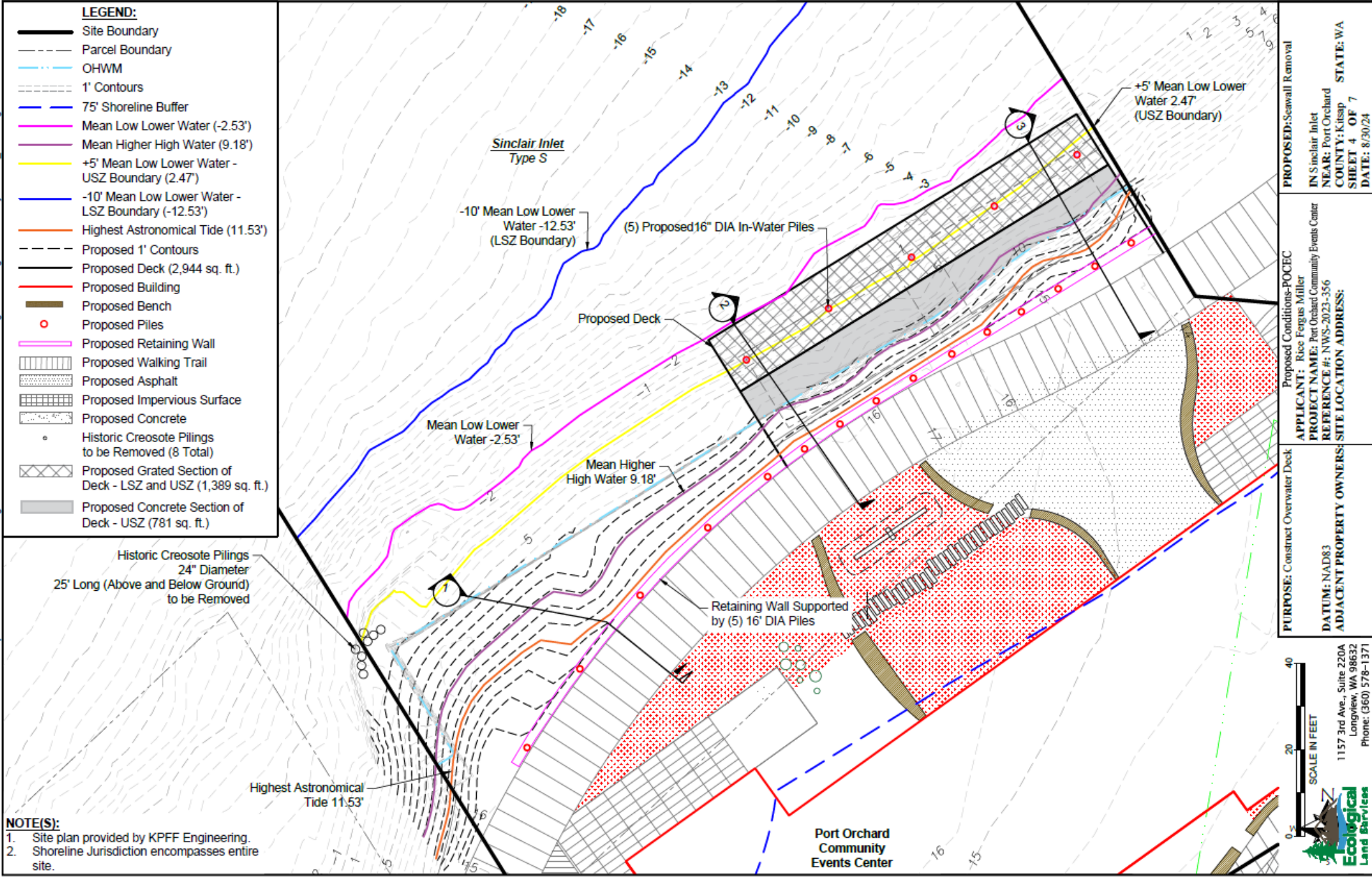
Decision expected concurrent  
with US Army Corps Approval



RCO Grants

Plaza Phase 1 Grant: \$500,000  
under contract  
Plaza Phase 2 Grant: \$500,000  
awaiting approval of state  
contract





## RCO Grants – Aquatic Lands Enhancement Account

---

- Waterfront Plaza Phase 1
  - WWRP 22-1648:  
\$500,000
- Waterfront Plaza Phase 2
  - WWRP 24-1780:  
\$500,000

### Project Location, Downtown Port Orchard

WWRP - Water Access 24-1780





# Plaza Phase 1 Amenities

---

- Overwater Structure
- Pedestrian Pathway
- Shoreline Restoration



# Plaza Phase 2 Amenities

---

- Parking Area
- Pedestrian Pathway
- Stage
- Seating Walls
- Rain Gardens
- Hardscape Surfaces

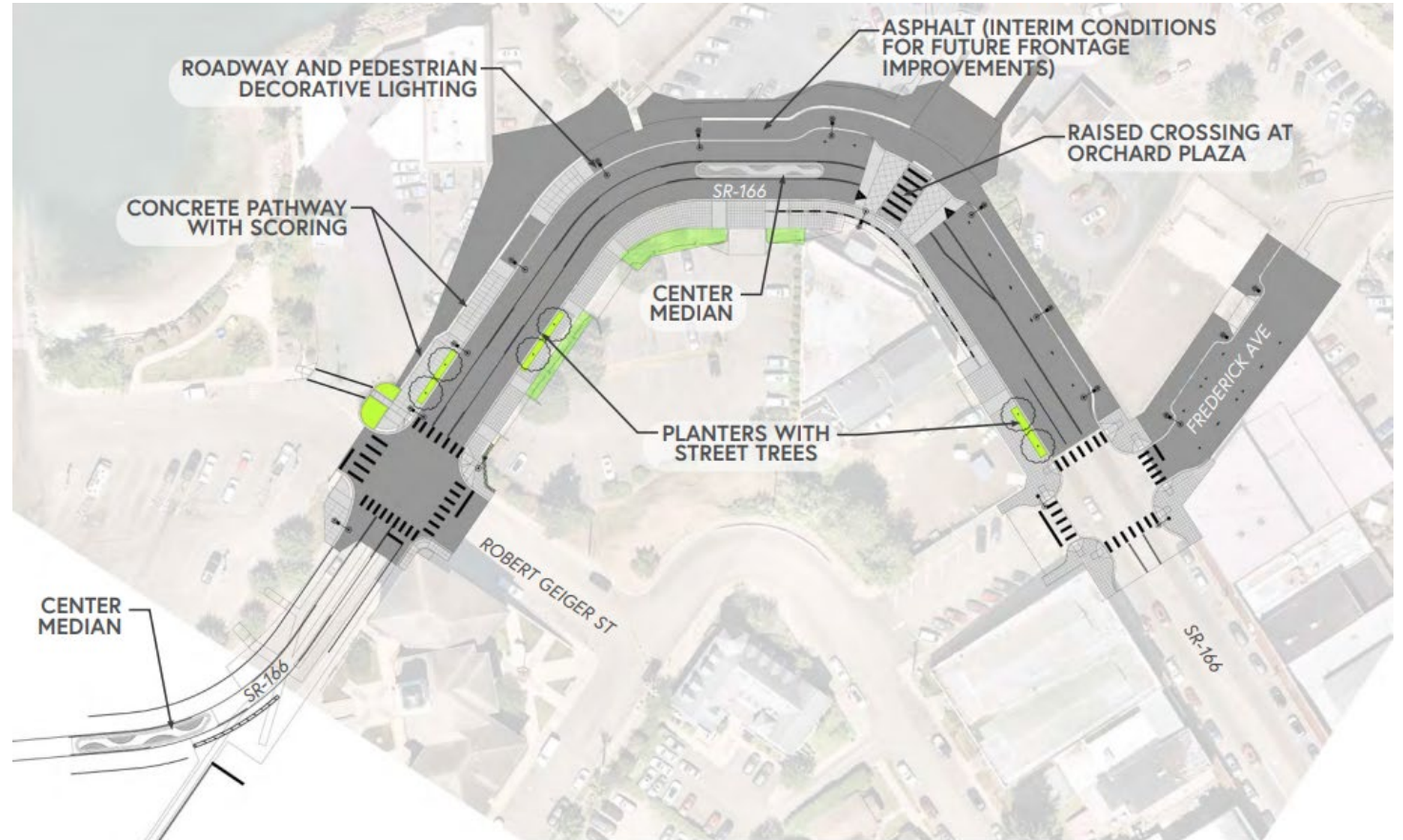


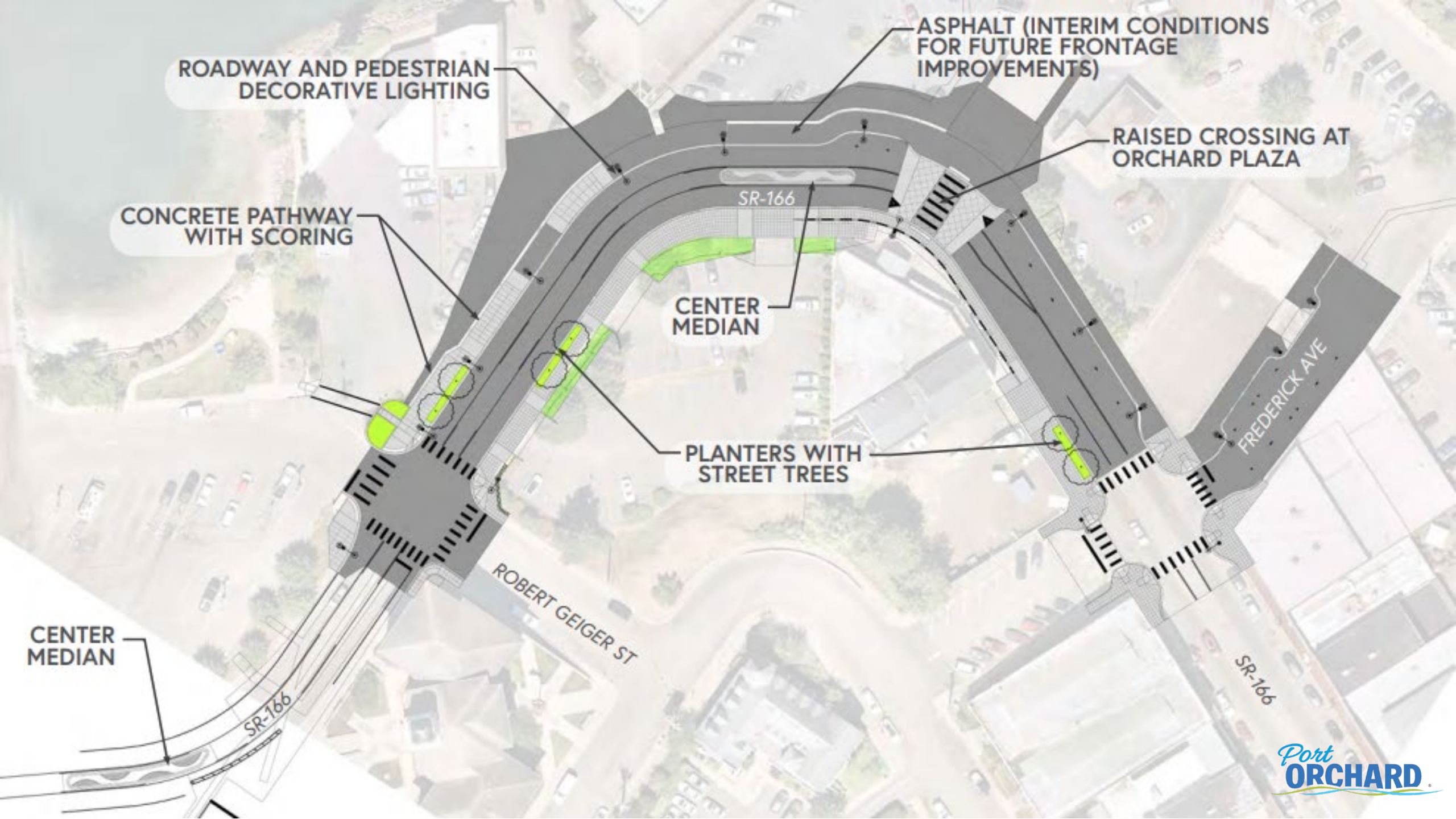


# Bay Street Reconstruction

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- 60% Design Complete, proceeding to 90%.
- WSDOT Approval of Speed Limit Reduction to 20 MPH
- WSDOT Approval of 60% Geometry





ROADWAY AND PEDESTRIAN  
DECORATIVE LIGHTING

ASPHALT (INTERIM CONDITIONS  
FOR FUTURE FRONTAGE  
IMPROVEMENTS)

RAISED CROSSING AT  
ORCHARD PLAZA

CONCRETE PATHWAY WITH  
SCORING

SR-166

CENTER  
MEDIAN

PLANTERS WITH  
STREET TREES

FREDERICK AVE

ROBERT GEIGER ST

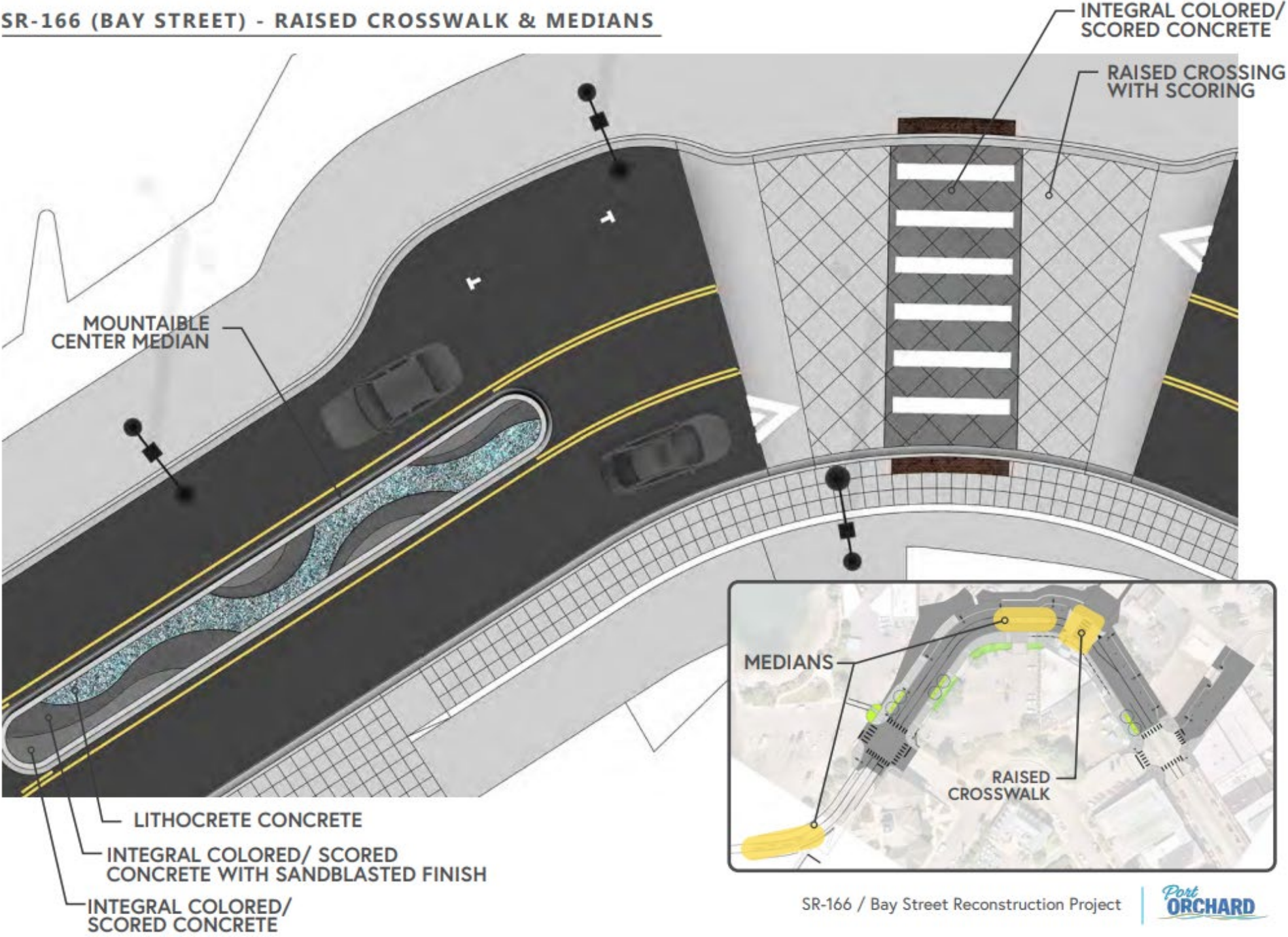
CENTER  
MEDIAN

SR-166

SR-166



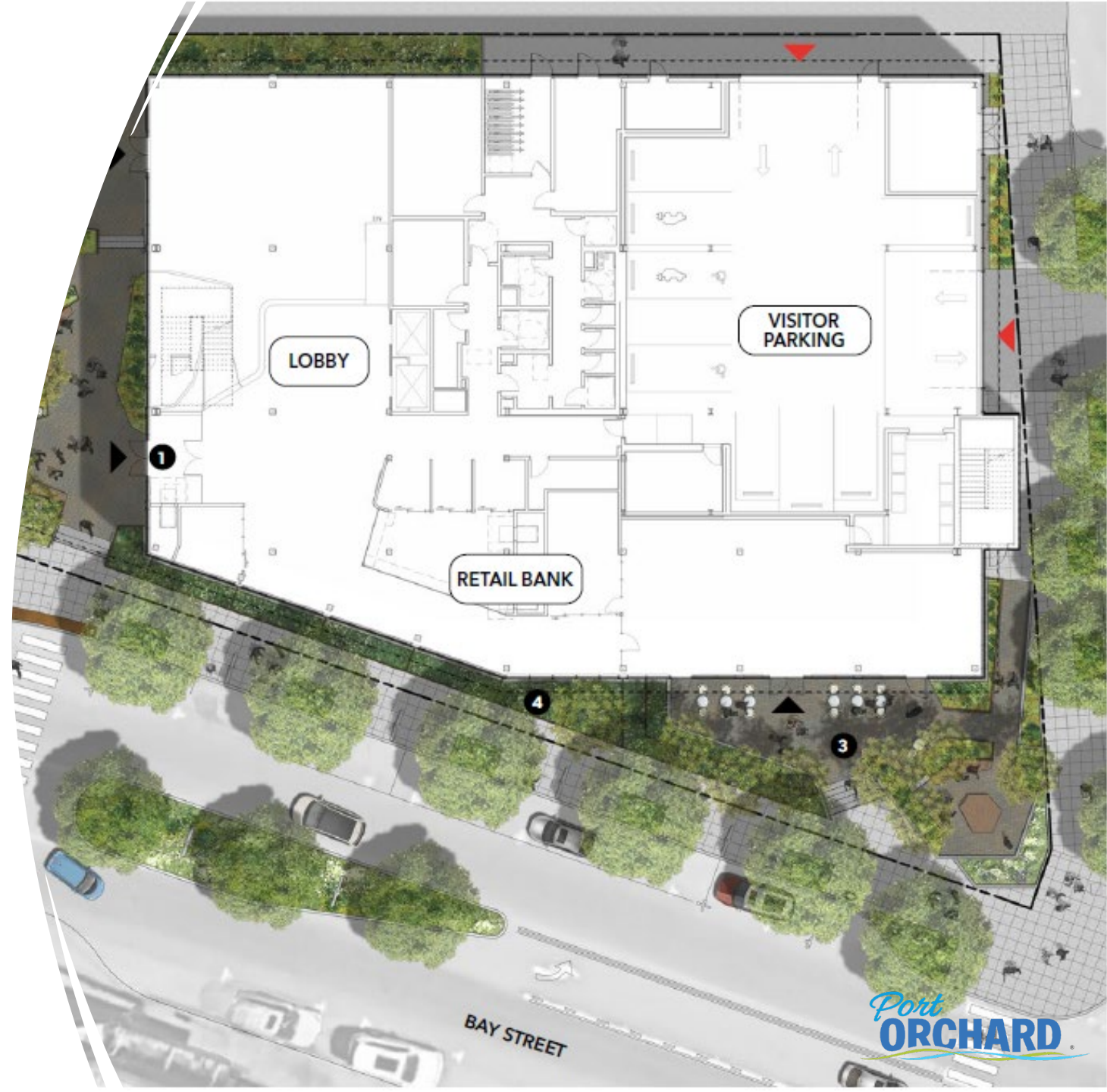
**SR-166 (BAY STREET) - RAISED CROSSWALK & MEDIANS**



# Kitsap Bank Update

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- Shoreline Substantial Development Permit Approved
- Building Permit Application Submitted and Under Review
- Land Disturbing Activity Permit Submitted and Under Review



# Project Timeline

## Bay Street Project:

- Construction Bidding: End of 2025
- Construction Start: May 2026

## Kitsap Bank Construction

- Construction Start Spring of 2026

## Community Event Center Construction

- Construction Bidding: Q1 2027
- May be delayed to accommodate Kitsap Bank

## Plaza Bidding

- Concurrent with Community Event Center



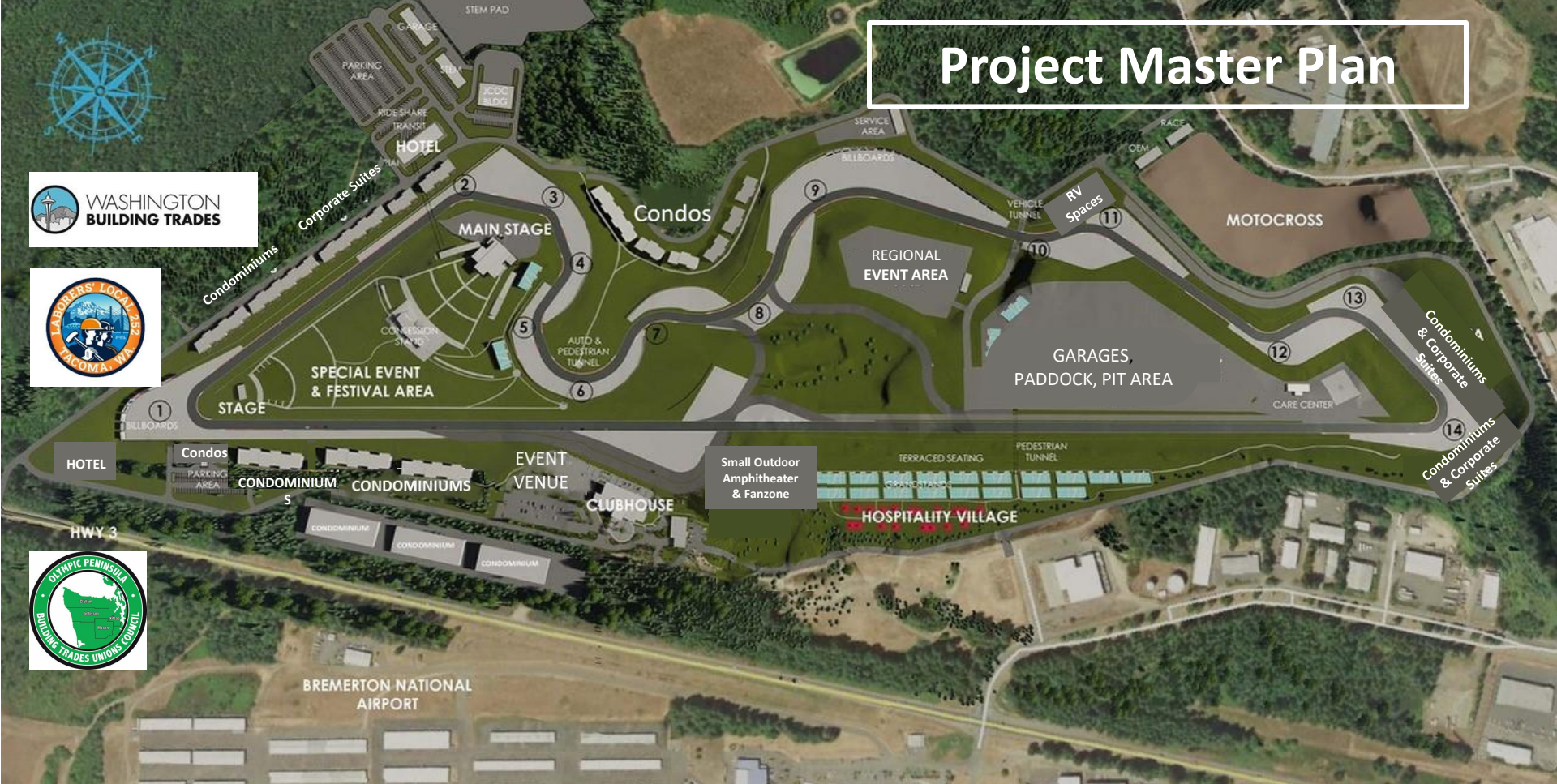
# Port of Bremerton Presentation to

Kitsap Public Facilities District  
February 24, 2025





# Project Master Plan



# Welcome to Port of Bremerton





# Overview

- Formed in 1913
- Has created approximately 2,436 jobs in Kitsap County
- Has 75 business tenants
- Has 82 hangars and 793 slips



## Our Commitment to CNW

- The Port of Bremerton has entered a long-term lease of the 232-acre property with CNW, to September 30, 2066
- In July 2024, the Port affirmed its lease commitment by extending the funding requirement
- The Port entered into an agreement in 2023 to provide \$11,679,520 of funds to CNW to cover a portion of the infrastructure costs of the project
- The Port of Bremerton has provided a support letter to CNW to fully support all efforts to obtain the necessary permits for the project



# CNW Leased Project Site



# Why Are We Here?

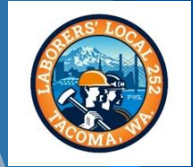
- We are here today to provide an update of the CNW Project to the KPFD
- The Port of Bremerton is committed to the successful capitalization and construction of the multi-purpose entertainment facility to be constructed across the road from the Bremerton National Airport by **Mortenson Construction** for Circuit of the Northwest (“CNW”) under a **Project Labor Agreement** between Mortenson and **Olympic Peninsula Building Construction Trades Unions** and the **Western States Carpenters and the Craft Unions & District Councils**
- This presentation highlights our commitment to the success of our tenant, updates the status of the project and provides details of our request

- Vice President and General Manager, Mortenson Seattle
- Joined Mortenson in 1994
- Responsible for managing all projects in the Pacific Northwest
- Under Michael's leadership, Mortenson completed the Climate Pledge Area, on time and on budget, during the pandemic

- Family owned since 1954
- 30+ years in construction of multi-purpose facilities for sports and entertainment
- Over 40 years in the Puget Sound
- Top Corporate Citizen – Environmental Category
- Washington's best places to work
- Consistently complete projects on budget and on time or early



- LiUNA President, Laborers' Local 252 Tacoma
- Kitsap County Central Labor Council AFL-CIO
- Washington State Building & Construction Trades Council  
President Olympic Peninsula
- Resident of Silverdale
- Laborers International Union of North America
- Dedicated to economic investment on the Kitsap Peninsula





December 10, 2024

Joel E. Cohen  
The Joel Cohen Group, LLC.

Dear Joel,

The Washington State Building & Construction Trades Council fully supports the Olympic Peninsula Building Trades Union Council (OPBTUC) PLA with Circuit of the Northwest and Mortenson. The Washington State Building & Construction Trades Council (WSBCTC) is comprised of 47 affiliated Local Unions, along with 17 Regional Councils and District Councils, in total we represent approximately 80,000 construction workers in Washington state.

The Circuit of the Northwest will create vital construction jobs and apprenticeship opportunities while generating significant revenue for the Port of Bremerton. More importantly, it will provide much-needed recreational activities for construction workers, their families, military personnel, and local youth. This PLA guarantees living wages, comprehensive health and welfare benefits, retirement plans, and training programs.

The OPBTUC is fully committed to the successful execution and completion of the Circuit of the Northwest Project, ensuring a brighter future for our community.

Sincerely,

Heather Kurtenbach, Executive Secretary  
Washington State Building & Construction Trades Council

opeiu8/afi-dio

PROJECT LABOR  
AGREEMENT FOR  
CIRCUIT OF THE NORTHWEST

BY AND BETWEEN

MORTENSON

AND

**OLYMPIC PENINSULA BUILDING  
CONSTRUCTION TRADES UNIONS  
AND THE  
WESTERN STATES CARPENTERS AND THE  
CRAFT UNIONS & DISTRICT  
COUNCILS SIGNATORY TO THIS  
AGREEMENT**

**MORTENSON, GENERAL CONTRACTOR:**

Signed by: Jim Yowan  
Signature: \_\_\_\_\_  
Jim Yowan  
Chief Operating Officer

Date: 11/26/2024

**UNIONS:**

**Olympic Peninsula Building Construction Trades Unions**

Signature: Neil Hartman Date: 12/4/2024  
Neil Hartman  
Executive Secretary

Signature: Chuck Moe Date: 11/25/2024

Signature: Kevin Thomas Date: 11/25/2024  
Kevin Thomas  
Vice President

**CRAFT UNIONS & DISTRICT COUNCILS SIGNITORY TO THIS AGREEMENT AND THE WESTERN STATES CARPENTERS:**

Craft	Date	Signature
Boilermakers #502	11/5/2024	Tracy Eilenberger <i>Tracy Eilenberger</i>
Bricklayers & Allied Craftworkers #1	11/25/2024	Lenell Glosowski <i>LENELL GLOSOWSKI</i>
Cement Masons & Plasterers #528	12/4/2024	Eric Collett <i>Eric Collett</i>
International Brotherhood of Electrical Workers #46	12/7/2024	Sevin Bagby <i>Sevin Bagby</i>

<b>Elevator Constructors #19</b>	32/4/2014	Patrick Strafer <small>— Deputed by —</small> <b>Patrick Strafer</b>
<b>Heat &amp; Frost Insulators #7</b>	32/2/2014	Todd Mitchell <small>— Deputed by —</small> <b>Robert Todd Mitchell</b>
<b>Ironworkers #86</b>	32/1/2014	Bob Korth <small>— Deputed by —</small> <b>Bob Korth</b>
<b>Craft</b>	<b>Date</b>	<b>Signature</b>
<b>International Union of Painters &amp; Allied Trades DC 5</b>	31/25/2014	Todd Springer <small>— Deputed by —</small> <b>Todd Springer</b>
<b>Laborers #252</b>	32/2/2014	John L. Adams <small>— Deputed by —</small> <b>JOHN L. ADAMS</b>
<b>Operating Engineers #302</b>	31/23/2014	Darren Konepaski <small>— Deputed by —</small> <b>Darren Konepaski</b>
<b>Plumbers &amp; Pipefitters #26</b>	31/25/2014	Todd Taylor <small>— Deputed by —</small> <b>Todd Taylor</b>
<b>Plumbers &amp; Pipefitters #32</b>	32/1/2014	Silvery Owen <small>— Deputed by —</small> <b>Silvery Owen</b>

**Roofers & Water P.  
#54**  
  
**Sheet Metal Work**  
  
**Sprinklerfitters #6**

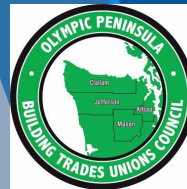
Roofers & Water Proofer #54	3/1/25/2024	Eddy Ramos Representing Eddy Ramos David Enright
Sheet Metal Workers #66	3/1/25/2024	Representing Anna Wang Scott Pederson
Sprinklerfitters #699	3/1/25/2024	Representing Scott Pederson

15

significance ID: 75473001.0000.4120.003A.F5400FE1A26.

Teamsters #589	11/25/2024	Robert Deikel Responsible Robert J. Deikel
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Western States Regional Council of Carpenters	11/25/2024	Antonio Acosta Representative <i>Antonio Acosta</i>
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# Let's Put Kitsap to Work



**979 NEW JOBS**  
**\$3.5 Billion in New Spending**  
**\$1.5 Billion in New Earnings**  
**\$56.5 Million in New Sales Taxes**

Source: Feasibility Study Table 7-4, total over 30-year period



# ECONOMIC IMPACT TO THE LOCAL ECONOMY

## New Spending

- Construction Spending
- Event Spending

## New Earnings

- Employees
- Construction Workers

## New Full-Time Equivalent Jobs (FTE's)

## New Businesses

## New Taxes

- Sales Taxes
- Property Taxes
- Leasehold Excise Tax

- Managing Director, Hilltop Securities
- San Diego, CA
- 37 years experience in debt capital markets
- Responsible for structuring senior debt for the Port/CNW project

- Subsidiary of Hilltop Holdings which also owns
  - Prime Lending (mortgage lender with offices in Silverdale)
  - Plains Capital Bank
- \$15.9 Billion in assets
- Hilltop Securities served as municipal underwriter or advisor on 4,581 transactions totaling \$232 billion from 2020 through 2024
- On average, 18 issues per week totaling \$894 million per week
- No. 5 ranked national municipal investment bank on a combined basis from 2020-2024 according to Ipreo municipal analytics

# Project Summary Update

- Selected **Mortenson** as Design Builder
  - Constructed Climate Pledge Arena, Top National contractor for entertainment and sports
  - Secured equity contribution
- Execution of a **Project Labor Agreement** with Local Unions to protect local jobs and maintain a strike-free construction process
- Selection of **ASM Global/Legends** as Event Manager
  - 20-year agreement with an option to extend an additional 20 years
- International sanctioning body commitment to hold events at the facility for 5 years

# SUMMARY OF ECONOMIC IMPACT

Thirty (30) Year Impacts - Circuit of the Northwest as presented by the feasibility report

<u>Net New Spending</u>	<u>Over 30 Years</u>	<u>Average Per Year</u>
Direct Spending	\$2,201,000,000	\$73,366,667
Indirect Spending	\$867,000,000	\$28,900,000
Induced Spending	\$469,000,000	\$15,633,333
<b>TOTAL New Spending</b>	<b>\$3,537,000,000</b>	<b>\$117,900,000</b>

<u>Net New Earnings</u>	<u>Over 30 Years</u>	<u>Average Per Year</u>
From Direct	\$1,025,000,000	\$34,166,667
From Indirect	\$287,000,000	\$9,566,667
From Induced	\$186,000,000	\$6,200,000
<b>TOTAL New Earnings</b>	<b>\$1,498,000,000</b>	<b>\$49,933,333</b>

<b>Total New Spending and New Earnings</b>	<b>\$5,035,000,000</b>	<b>\$167,833,333</b>
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## Net New FTE Jobs

	<u>Actual Created</u>
From Direct	601
From Indirect	244
From Induced	134
<b>TOTAL Net New FTE Jobs</b>	<b>979</b>

## Construction Impacts

Development Cost	
Labor	\$137,000,000
Materials	\$91,000,000
<b>Total</b>	<b>\$228,000,000</b>

% Labor in County	15%
% Materials in County	25%

**Sales Taxes Generated during construction** **\$21,660,000**

This information was prepared by the independent feasibility consultant, Hunden Partners in 2023.



## Regional Center – Port Owned

<b>Regional Center</b>	
<b>Total Estimated Cost</b>	<b>\$20,501,380</b>
<i>Amount Requested from KPFD (50%)</i>	<b>\$10,250,690</b>



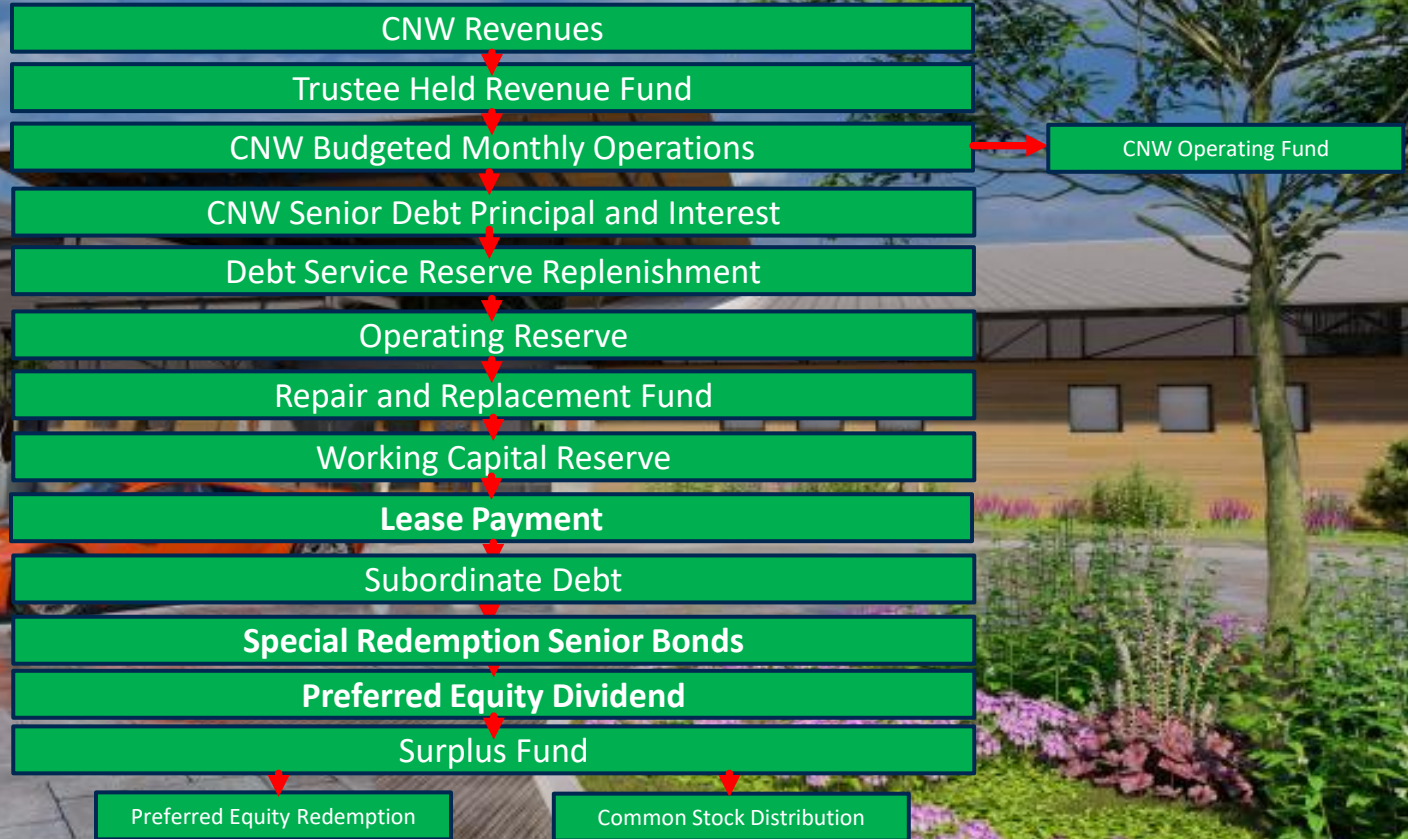
## Funding Summary for Regional Center

- Prior KPFD funding from public sales tax rebate funds:
  - Phase 1: \$60,000 Original Feasibility
  - Phase 2: 502,300 Preliminary Regional Center Design
  - Phase 3: 1,439,000 Final Regional Center Design
    - Total \$2,001,300
- Port Request does not require any future issuance of bonds by KPFD
- Port Funding request is half of the total cost of the Regional Center (\$10,250,690 of \$20,501,380 cost)
- If the Sales Tax Rebate does not get extended beyond 2041, CNW, through payments to the Port, is willing to pay back the KPFD after stabilization of the project



# Circuit of the Northwest MULTI-PURPOSE Entertainment Complex

## Waterfall Flow of Funds – Post Closing



# Project Timing

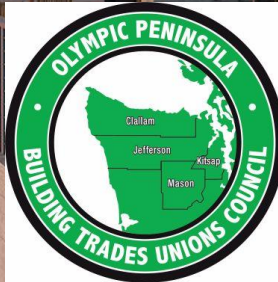
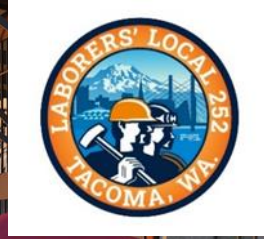


## CNW Design & Construction Schedule Summary

Task	Start Date	Duration (Calendar Days)	End Date
EPC Contractor Notice to Proceed	2/13/2025	1	2/14/2025
Permitting and Environmental	3/24/2025	212	10/22/2025
Design	3/8/2025	212	10/6/2025
Procurement	3/8/2025	130	7/16/2025
Construction	6/1/2025	625	2/16/2027
Site Preparation	8/1/2025	384	8/20/2026
Earthwork	8/1/2025	120	11/29/2025
Drainage	8/1/2025	120	11/29/2025
Facility Pads	8/1/2025	120	11/29/2025
Roadways	8/25/2025	200	3/13/2026
Track Construction	8/25/2025	360	8/20/2026
Utilities	5/26/2025	381	6/11/2026
Water	9/1/2025	150	1/29/2026
Sewer	9/1/2025	150	1/29/2026
Joint Utility Trench	10/1/2025	75	12/15/2025
Illumination	11/1/2025	240	6/29/2026
Buildings	4/30/2025	638	1/28/2027
Amenity Buildings	10/29/2025	270	7/26/2026
Condos & Corporate Suites Phase 1	10/29/2025	270	7/26/2026
Condos & Corporate Suites Phase 2	8/25/2026	300	6/21/2027
Facilities	10/29/2025	250	7/6/2026
Hotels	10/1/2025	360	9/26/2026
Stages and Theaters	10/1/2025	150	2/28/2026
Landscaping	3/1/2026	120	6/29/2026
Final Completion			8/1/2026
Facility Soft Opening			9/1/2026
Grand Opening			3/15/2027



# THANK YOU



2/20/2025



# Appendix A – Project Information



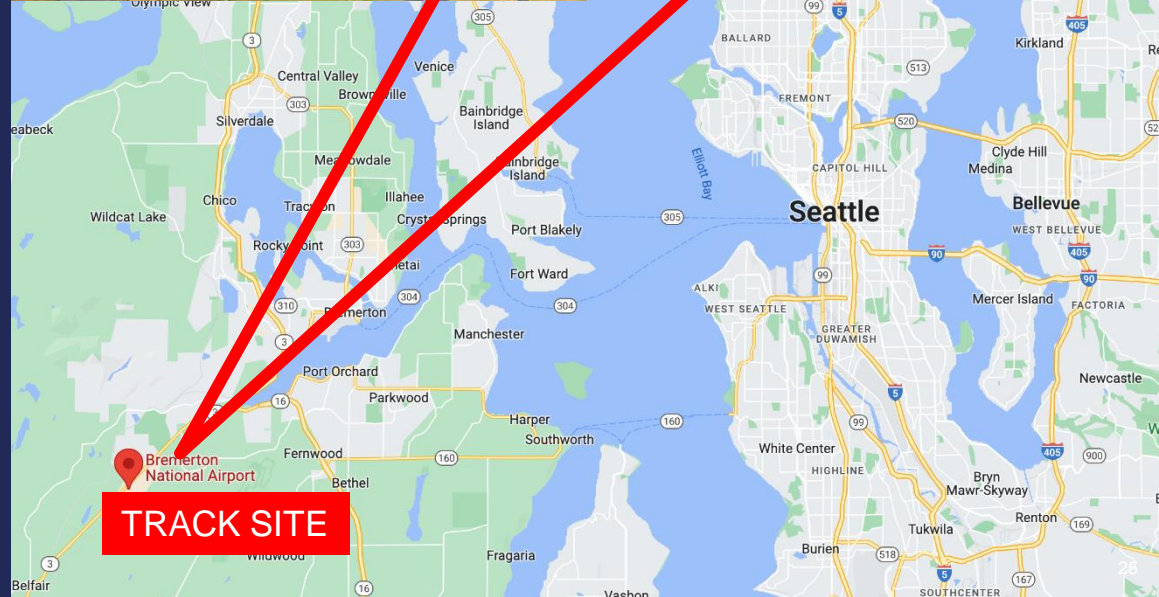
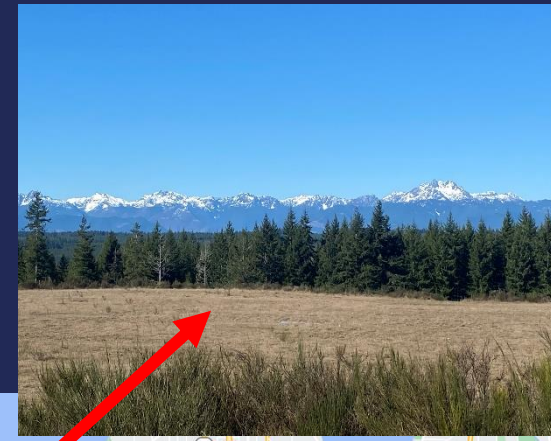
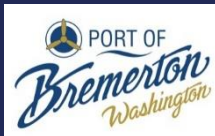
# Project Funding Update

- Financing for 100% of project costs expected Q2 2025
- All committed capital to be delivered at financial close, held by Trustee Bank and secured by a Trust Indenture

		Range of Funding Amounts		
Senior Debt		\$163,000,000	\$150,000,000	Hilltop Securities best efforts Senior Debt Placement
Subordinate Debt		<b>\$50,000,000</b>	<b>\$60,000,000</b>	in discussion
Event Manager Preferred Equity		\$2,000,000	\$5,000,000	in discussion
Port of Bremerton Infrastructure Contribution		\$12,000,000	\$12,000,000	board resolution
Membership Sales Prior to Financial Close		\$5,965,000	\$5,965,000	estimated, \$4 million committed
CNW Shareholder Equity		\$3,000,000	\$3,000,000	ongoing, total contributed to date by ownership
Pre-Development Equity - KPFD		\$2,062,000	\$2,062,000	Regional Center pre-development costs
Additional Funding Request - KPFD		\$10,250,000	\$10,250,000	requested today
		<b>\$248,277,000</b>	<b>\$248,277,000</b>	
Senior Debt	65.65%	\$163,000,000	\$150,000,000	60.42% (target 60%)
Subordinate Debt/Equity	34.35%	\$85,277,000	\$98,277,000	39.58%
	100.00%	\$248,277,000	\$248,277,000	100.00%

# BREMERTON NATIONAL AIRPORT

- Located directly across highway from CNW
- 6,000' x 150' runway
- Accommodates all general aviation and jet aircraft
- FBO services on the field from Avian Flight Center, including flight instruction, aircraft rentals, pilot store, corporate services and refueling.
- Aircraft maintenance, repair, engine overhauls and part sales.
- Credit card operated 24-hour self-fueling facility.
- Pilot lounge open 24/7
- Terminal Area Forecast (TAF)
- Continuous Automated Weather Observation System (AWOS III)
- Free Wi-Fi
- Hangars available for rent or purchase





# THE COMPANY

CIRCUIT *OF THE* NORTHWEST



Owner & Founding Member  
Brian Nilsen



Vice President of Sales  
Todd Melfi



Owner, COO, Director of Motorsports  
Joel Cohen



Director of Sales  
Daniella Lewis



Executive VP & Chief Motorsports Officer  
Andy Vertrees



Chief Engineering Officer & Director of Motorsports Design  
Andy Gerdorn



Chief Information Officer  
Tim Duncan

Over 30+ years of motorsports industry experience in design, facility operations, capital financing, scheduling, community & public relations, contract negotiations, and more. Have worked on over 25 tracks.

# LOCAL CORPORATIONS PROVIDE OPPORTUNITIES FOR EVENTS AND SPONSORSHIP

*Alaska*  
AIRLINES

amazon

*BOEING*

aws

Expedia®



TOYOTA

Microsoft

LevelTen  
Energy

**COSTCO**  
WHOLESALE

*Rainier*



Modern  
Hydrogen

Google

DRAFTKINGS

**BLUE ORIGIN**  
FOR THE BENEFIT OF EARTH

CreditOne®  
BANK



Zillow®

NETJETS



# Public Partner Summaries

- Port of Bremerton, Washington (the “Port”)



The Port is a municipal corporation of the State of Washington and was incorporated and operates under provisions of Chapter 53 RCW, with RCW 53.04 and RCW 53.08 generally describing the formation and powers of the State ports. The Port is providing a long-term land lease to CNW that extends to September 2056 and approximately \$12,000,000 to pay for the costs of site infrastructure. The Port is the largest of 12 port districts located in Kitsap County, Washington (the “County”), with its boundaries covering much of the southern half of the County. Port operations include two boat marinas, a general aviation airport, an industrial park and several recreational facilities located in the County. The City of Port Orchard and most of the City of Bremerton are in the Port boundaries.

- Kitsap Public Facilities District (the “KPFDD”)



The KPFDD is an independent municipal corporation managing Washington State sales tax rebate funds allocated to Kitsap County. The seven-member board of directors are appointed by the Kitsap County Commissioners. The KPFDD will receive sales tax rebate funds from the State through 2041. In mid-2019, the KPFDD entered into an interlocal government agreement with the Port of Bremerton to provide support for the Project. Two additional ILA’s have been entered into since the original ILA. To date, the KPFDD has provided over \$2 million in funds used for pre-development expenses, including completing the design of the Project.

# Public Partner Summaries



- Kitsap County, Washington (the “County”)

Kitsap County is located in the U.S. state of Washington. As of the 2020 census, its population was 275,611. Its county seat is Port Orchard, and its largest city is Bremerton. The Board of Commissioners is the governing body of Kitsap County. There are three members of the Board, and each represents one of three geographical districts. Commissioners work to ensure the delivery of services and programs essential to the continued prosperity of Kitsap County and its citizens.



- The City of Bremerton, Washington (the “City”)

The City of Bremerton, Washington is a municipal corporation duly organized and existing under and by virtue of the laws of the State of Washington. Bremerton is a city in Kitsap County, Washington. The population was 43,505 at the 2020 census and an estimated 44,122 in 2021, making it the largest city on the Kitsap Peninsula. Bremerton is home to Puget Sound Naval Shipyard and the Bremerton Annex of Naval Base Kitsap.

# Private Partner Summary – Owner's Representative

- The Joel Cohen Group, LLC



The Joel Cohen Group, LLC has expertise in sports and entertainment management and is serving as Owner's Representative on behalf of CNW. Through a growth-oriented strategy, a proven track record has been accomplished from 36 years of sports and entertainment management services. The following is a list of some of our prior projects:

**Planning and Design** - Includes development of tracks and renovation of facilities:  
Speedway Planning and Design

- Kentucky Speedway
- Mississippi Band of Choctaw Indians
- California Speedway
- Iowa Speedway
- Pacific Northwest Motorsports Park
- Bluegrass Motorsports Park
- Lake Erie Speedway
- Lawrenceburg Speedway
- Las Vegas Motor Speedway
- Riverside Motorsports Park
- Pikes Peak International Raceway
- Mansfield Speedway & Drag Strip
- Monroe Speedway
- Kern County Speedway

**Management** - Includes the management of tracks and facilities together with promotion of events:

- Louisville Speedway
- Iowa Speedway
- Kentucky Speedway
- Charlestown Motor Speedway
- Bluegrass Motorsports Park
- Indianapolis Speedrome
- Muncie Motor Speedway

We understand with any project we must involve family entertainment but also stand out as a unique, memorable and exciting experience. Our team has studied, conceptualized, designed, and implemented extensive mixed-use development projects throughout North America. We understand the concept of destination entertainment facilities and the wide variety of entertainment needs that they demand. Our process will analyze the speedway and the surrounding areas to recommend development strategies that will compliment the existing entertainment offerings and deliver the highest and best use for the development..

Our professionals bring influence in racing, sports, retail, and entertainment. We bring influence and knowledge with motorsports sanctioning bodies. We bring influence and knowledge with advertising and promotion groups. Our team has the expertise and knowledge to not only analyze existing motorsport operations but also to implement a plan to achieve the highest and best use for the land.

# Private Partner Summary – General Contractor

Mortenson Construction – family owned since 1954



30+ years in the sports & entertainment construction business and ranked in the top 2 for over a decade by ENR

Constructed over \$15 billion in sports and entertainment related projects with over 230 venues in the United States

Built 2 of the last 4 newly constructed NFL Stadiums

Renovated 160 sports and entertainment related projects totaling over \$2 billion

Strong presence in the Pacific Northwest with over \$1 billion in regional sports & entertainment projects and over 40 years serving the Puget Sound area

Names 2023 Washington's best places to work & 70% of our business is from repeat customers

Subcontractors for the CNW project include:

Architectural: McGranahan Architects - Servicing Western Washington since 1968  
for architectural projects ranging in size from \$250k to \$125 million



Mechanical, Electrical, Plumbing & Fire Protection: McKinstry - National leader in designing, constructing, operating, and maintaining high performing buildings, since 1960



Civil: AHBL – Engineering and Design firm headquartered in Tacoma, WA founded in 1969

2/20/2025

# Private Partner Summary - Sponsorships

- Toyota (Western Washington Toyota Dealers Advertising Association, Inc.)

*“Official Vehicle of the Circuit of the Northwest”*

Toyota Motor Corporation is a Japanese multinational automotive manufacturer headquartered in Toyota City, Aichi, Japan. It was founded by Kiichiro Toyoda and incorporated on August 28, 1937. Toyota is one of the largest automobile manufacturers in the world, producing about 10 million vehicles per year. Western Washington Toyota Dealers Advertising Association is located in Burien, Washington, and was founded in 1987. The Association is responsible for advertising within the pacific northwest region.



- Pepsi (PepsiCo Beverage Sales, LLC)

*“Official Non-Alcoholic Beverage Supplier of the Circuit of the Northwest”*

PepsiCo, Inc. is an American multinational food, snack, and beverage corporation headquartered in Harrison, New York, in the hamlet of Purchase. PepsiCo's business encompasses all aspects of the food and beverage market. It oversees the manufacturing, distribution, and marketing of its products. PepsiCo Beverage Sales, LLC is a subsidiary of PepsiCo and is responsible for contracting for beverage sales and beverage sponsorships nationwide.



- Honda Powersports – *“Official Powersports Partner of the Circuit of the Northwest”*

Honda Powersports manufactures motorcycles, ATVs, side-by-sides, and scooters using the latest technology and innovation. Honda also manufactures automobiles, garden equipment, marine engines, personal watercraft, power generators, and many other products. Honda is also involved in artificial intelligence and robotics.



- Seattle Sports Commission

*The Greater Seattle Region is a world-class sports market that is home to major league sports teams and host to premier sporting events that contribute positively and inclusively to our economy, community and quality of life. The Seattle Sports Commission (SSC) serves to connect and activate the sports industry around inclusive, equitable access to sports in the Greater Seattle region. From youth to amateur to professional, and from athletes to spectators to sponsors, we aim to set the standard for what a vibrant sports landscape looks like.*





# MAJOR GLOBAL AND NATIONAL MOTORSPORTS EVENTS



# Live Entertainment

- Two (2) separate venues
- 30,000 total capacity (20,000 & 10,000)
- 1,000 covered seating area for VIP's in front of stage
- Corporate VIP loge boxes adjacent to stage
- Permanent concession and restroom building





# Live Entertainment – Small Outdoor Amphitheater & Event Space

- Outdoor mixed use event space
- Ability to accommodate up to 4,000 people
- Corporate Events for stand alone events, or during sanctioned motorsports weekends
- Community Events
- Festivals





# Condominiums

- Premium track facing storage units for Founding Members
- Ultra luxury storage & entertaining option
- Varying size choices; 30'x40', 60'x40', 90'x40'
- Aesthetically designed exterior
- Custom designed and built to suit

Mortenson

CIRCUIT

OF THE NORTHWEST



THE  
JOEL COHEN  
GROUP, LLC





# OVERVIEW OF SERVICES

## PRE-CONSTRUCTION

- Facility Program Development
- Design Review
- Benchmark Analysis
- Financial Forecasting
- Media/Public Relations
- Stakeholder Engagement

## PRE- OPENING

- Budget Preparation
- Manpower Planning
- Operations Development
- FF&E Procurement
- Management Systems
- Facility Commissioning
- Marketing & Sales

## MANAGEMENT

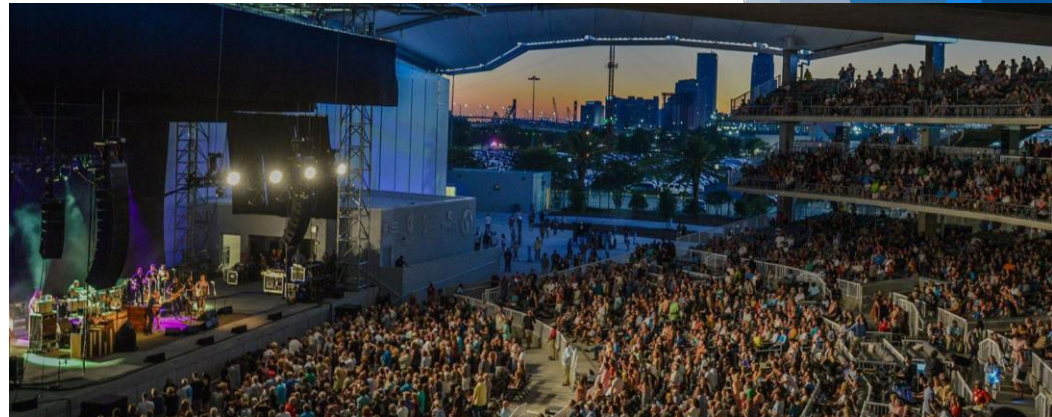
- Maintenance & Engineering
- Event Marketing & Services
- Booking & Event Solicitation
- Finance & Accounting
- Labor Relations
- Parking
- Box Office Operation
- Sponsorship & Advertising
- Food & Beverage Operations



# SOLICIT A NAMING RIGHTS PARTNER & BUILD ENTERTAINMENT BRAND IDENTITY

## ASM Global will exclusively represent CNW:

- Maximize revenues from ticket sales and ancillary revenues streams
- Drive private event sales through development of high- end marketing collateral
- Create engaging content to drive social media followings and increase brand exposure
- Assist promoters through in-house advertising, promotions and event marketing
- Brand development
- Public and media relations
- Industry awareness and advertising



# NAMING RIGHTS

Over \$1.0 billion in Naming Rights COI  
in North America (Last 5 Years)

Adventist Health Arena

Desert Diamond Arena

Boeing Center

Crypto.com Arena

Dignity Health Sports Park

T-Mobile Center

Toyota Arena

MVP Arena

Texas Trust CU Theatre

Kemba Live!

Coca-Cola Music Hall

Distrito T-Mobile

Stockton, CA

Glendale, AZ

San Antonio, TX

Los Angeles, CA

Los Angeles, CA

Kansas City, MO

Ontario, CA

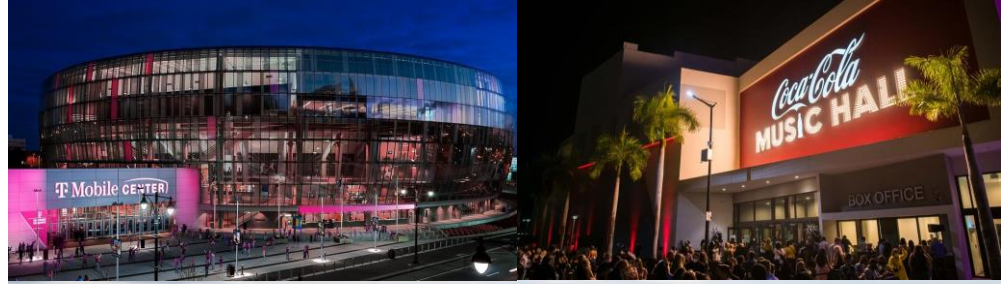
Albany, NY

Grand Prairie, TX

Columbus, OH

San Juan, Puerto Rico

San Juan, Puerto Rico





# APPROACH

Consultative approach delivering multipoint engagements to enhance the guest experience and build brand affinity



# PHASES & TIMELINE

## PROJECT IN CONCEPT

Commission valuation work & model MN

Prepare prospect lists

## PROJECT OFFICIAL

Develop go-to-market intro material

Prepare sales & marketing collateral

Develop press strategy

Initiate press strategy

## CONSTRUCTION

Initiate prospecting

Sales meetings

Proposal development

Generate counter proposals

Negotiation & contracting

Partner onboarding

## LIVE!

Ongoing sales efforts

Ongoing partner onboarding



## THE WORLD'S LARGEST LIVE EVENT MEDIA NETWORK

- Plug in to a powerful network of over 7,000 screens at 100+ venues nationally

## END-TO-END SOLUTION

- Venue owners can work with one partner for design, install, maintenance and advertising sales/service

## MAXIMIZE REVENUE ACROSS THE ADVERTISING LANDSCAPE

- Offers high value inventory for local partners complimented with national and regional advertisers





# MAINTENANCE

## MAINTENANCE AND REPAIR



2/20/2025

- Adherence to environmental and conservation goals and programs
- Coordination and oversight of subcontractors and show labor
- Coordination of top-quality parking services
- Coordination with the requirements of the city
- Event/game day operational staffing
- Event management
- Event set-up and teardown
- Pre-event/game preparation
- Safety and emergency responsiveness
- Security and crowd management
- Standardized and custom designed operating procedures
- Utility service delivery and collection





# Appendix B – Port of Bremerton



# Board of Commissioners

**Gary Anderson**  
*President*



**Term:** Jan. 1, 2020 - Dec. 31, 2025

**District 2:** Downtown Port Orchard, portions of Eastern South Kitsap

**Axel Strakeljahn**  
*Secretary*



**Term:** Jan. 1, 2024 - Dec. 31, 2029

**District 3:** Portions of South Kitsap, Southwest Bremerton, Seabeck/Holly/Crosby

**Cary Bozeman**  
*Vice President*



**Term:** Jan. 1, 2022 - Dec. 31, 2027

**District 1:** West Bremerton, portions of East Bremerton, Kitsap Lake and Chico



# Facilities

## Bremerton National Airport

- Longest runway on Kitsap Peninsula - 6200 feet
- Fueling facility



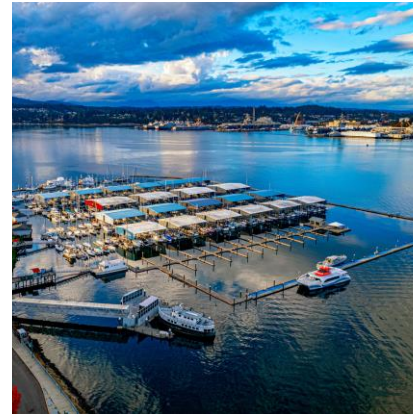
## Olympic View Industrial Park

- 3,700 acres



## Bremerton Marina

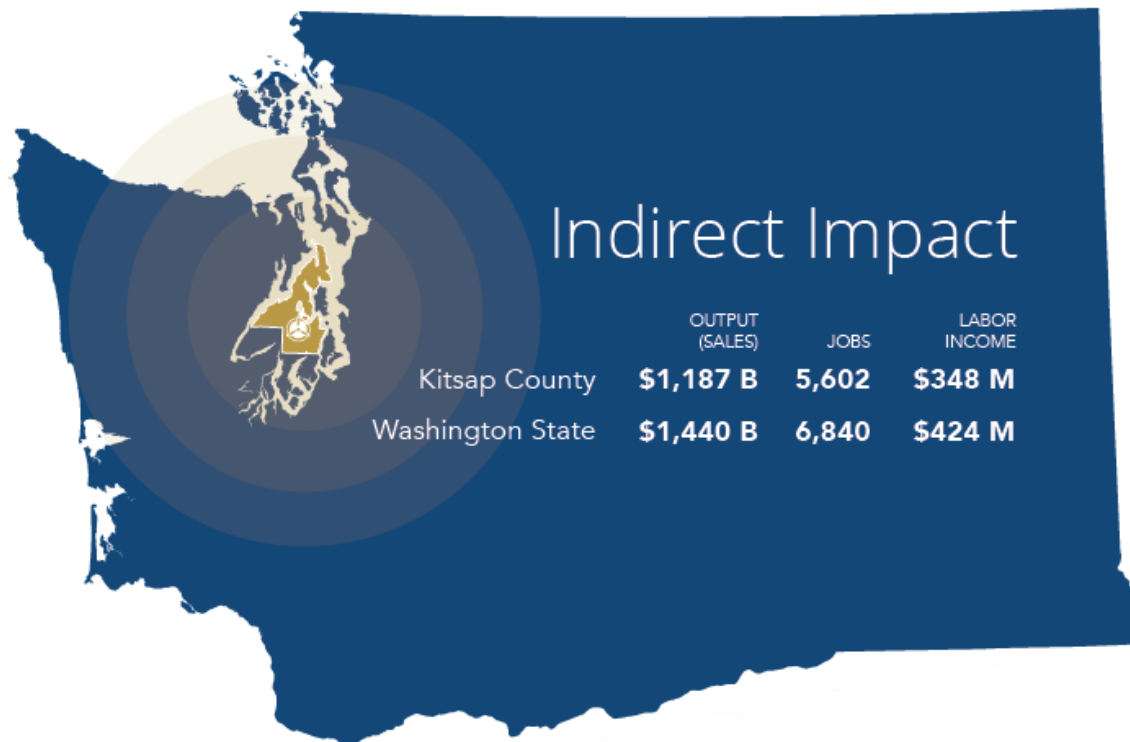
- Located directly next to the WA State Ferry terminal
- Partnership with nonprofit USS Turner Joy



## Port Orchard Marina

- Covered slips available
- Fuel dock

# Total Port Impact



# WPPA Job Creator of the Year

	2016	2022
Port tenants	37	72
# of tenant employees	982	2633





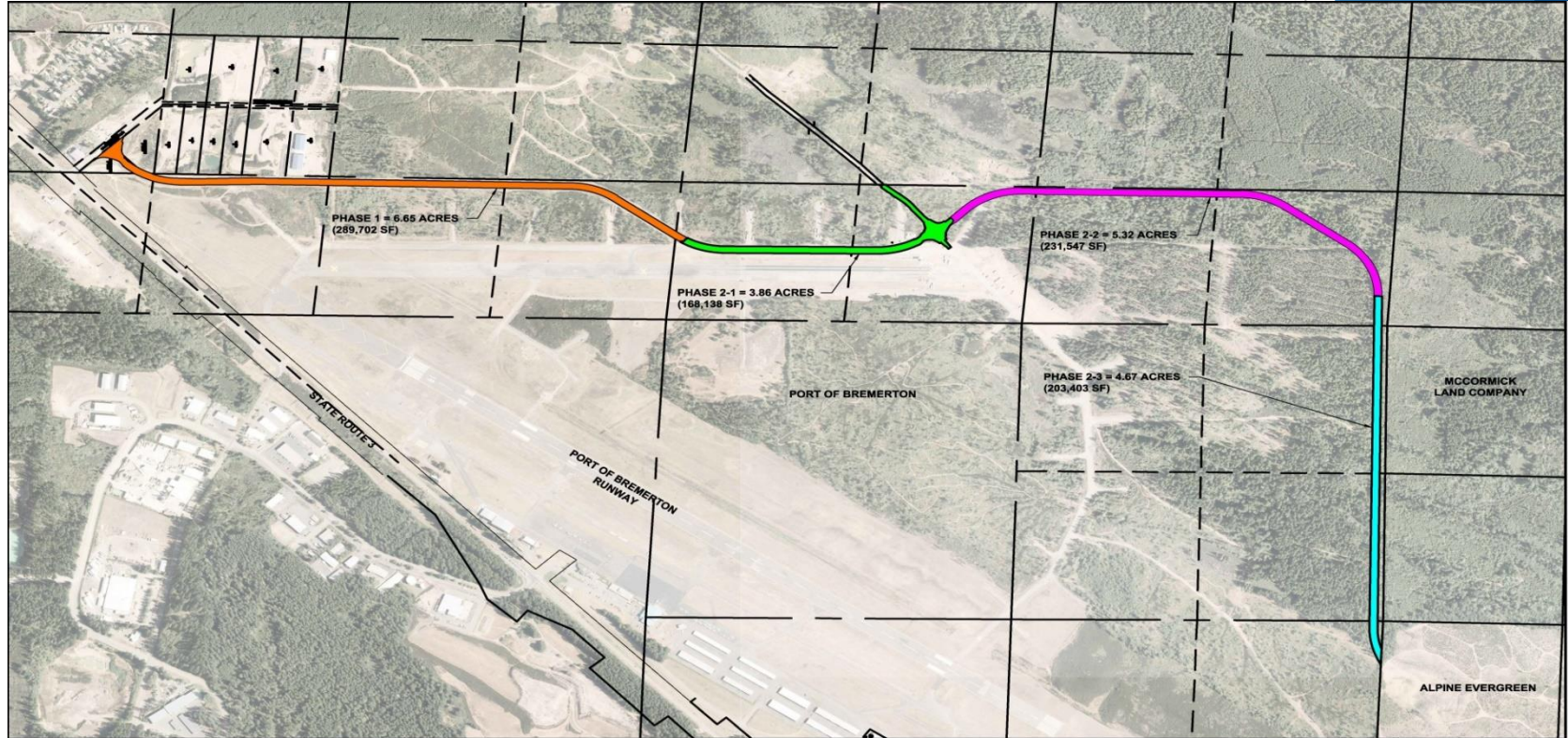
# South Hangar Project



2/20/2025



# Airport Industrial Way Extension



Parametric DATE: August 21, 2018 FILE: SKIA\_ROWS



SKIA ROW AREAS  
SKIA CONNECTOR

# Sky Park



2/20/2025



# Amelia's Hangar



# Puget Sound Industrial Center





# SR Hwy 3 Frontage Development



# NE Campus – Startup



2/20/2025



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- This Presentation may contain statements that, to the extent they are not recitations of historical fact, may constitute “forward-looking statements.” In this respect, the words “estimate,” “project,” “anticipate,” “expect,” “intend,” “believe” and similar expressions are intended to identify forward-looking statements. Any such statements are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. Such risks and uncertainties which could affect the revenues and obligations of CNW include, among others, changes in economic conditions, limited resources of CNW and various other events, conditions and circumstances, many of which are beyond the control of CNW. Such forward-looking statements speak only as of the date of the presentation. CNW disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this Presentation to reflect any changes in CNW’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

2/20/2025

