

PORT OF BENTON  
COMMISSION MEETING MINUTES  
JUNE 16, 2021

**A. CALL TO ORDER:** The regular monthly meeting was called to order at 8:30 a.m. at Port of Benton Commission Meeting Room, 3250 Port of Benton Boulevard, Richland, Washington.

**PRESENT:** Commissioner Jane F. Hagarty. Executive Director, Diahann Howard, PPM®, Director of Economic Development and Governmental Affairs, Miles Thomas

**The Following Attendees Participated via Remote Telecommunications:** Commissioner Roy D. Keck; Commissioner Robert D. Larson; Port Attorney, David Billetdeaux; Executive Administrator, Summers Miya; Director of Real Estate, Teresa Hancock; Director of Marketing, Wally Williams; Contract Specialist, Sheri Collins; Director of Facilities & Operations, Ron Branine; Director of Special Projects, John Haakenson; Director of Airports, Joe Walker; Director of Finance/CPA, Danielle Connor; JUB Engineers, Ben Hoppe; RGW Enterprises, Roger Wright; Christy Rasmussen; Historic Downtown Prosser Association, Jesalyn Cole; Consuelo Guzman Leon; Banner Bank, Walter Timmons

The Commission Meeting was conducted using the CDC (Centers for Disease Control) recommended social distancing protocols for COVID-19 with Commissioners meeting in-person and remotely; public attending remotely and Port staff members participating in-person or remotely, and said meeting was noticed as required by RCW 42.30.070.

Commissioner Hagarty noted that she would read action items aloud alphabetically by last name and asked that each commissioner signify their vote by announcing 'Yes' or 'No' aloud. Further, when a Commissioner wishes to speak, the name of the Commissioner will be announced for those using remote telecommunications.

**B. PLEDGE OF ALLEGIANCE:** Commissioner Jane Hagarty led those present in reciting the Pledge of Allegiance.

**C. CONSENT AGENDA:**

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving the May 12, 2021 Commission Meeting Minutes, and approval of vouchers and certifications, including payroll, for the month of May totaling \$693,221.31 and approval of Resolution 21-16, to cancel warrant No. 077937, in the amount of \$825.48, and approval of Resolution 21-18, to cancel warrant No. 073931, in the amount of \$157.36.

**D. PUBLIC COMMENT:**

The public was able to participate via Zoom or telephonic conference and instructions were given to the public as to how they could comment. There were no comments from the public.

## **E. PUBLIC HEARING:**

1. Commissioner Hagarty opened the public hearing at 8:37 a.m. to accept public comment on the Six Year Transportation Improvement Program (TIP) for the years 2022 through 2027, inclusive. Engineer, Roger Wright stated that he has been presenting on this program for two decades and reminded the Commission that projects must be on the list in order to qualify for federal and state funding.

Wright added that he has identified transportation projects where the Port can seek grant funding. Wright updated that with the changes to the grant program, it is now not possible to receive funding for the slurry seal project, thus the project was removed from the plan. Wright added that it is also difficult to receive funding for sidewalks and those projects have also been removed. Wright noted that the railroad track project has been added, but all other projects remain the same and he is happy to answer any questions about the Six Year TIP.

Wright reminded the Commission that a public hearing will be held in September for all transportation projects through the Benton-Franklin Council of Governments.

Commissioner Hagarty asked for public comment. There were no public comments.

The public hearing was closed at 8:41 a.m.

**2. Resolution 21-17: Six Year Transportation Improvement Program: A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 21-17, accepting the Port's Six Year Transportation Program for the years 2022-2027, inclusive.**

## **F. ITEMS OF BUSINESS:**

### **1. Approval of Facilities Agreement with Washington State University – Tri-Cities for the Walter Clore Center:**

Billetdeaux provided an overview of the Facilities Use Rental Agreement between the Port and WSU Tri-Cities. WSU shall pay to the Port a sum of \$25,000.00 annually for use of the Facility. The payment shall be paid in two equal installments. WSU shall use the premises for non-exclusive hosting of community educational programs. WSU shall maintain the Facility in the same manner WSU found the Facility, reasonable wear and tear excepted. If WSU damages the Facility and the Port must expend funds to restore Facility to its previous condition, WSU agrees to pay the reasonable costs of such repair. WSU will also provide or install equipment necessary to receive point-to-point internet from the Irrigated Agriculture Research and Extension Center. This all helps the Port to stay in compliance with our EDA Grant assurances, while maintaining our partnership with WSU and promoting education.

**A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the facilities agreement with Washington State University – Tri-Cities for the Walter Clore Center**

### **2. Approval of 2579 Stevens Drive Roof Replacement Project Bid (\$75,539.99) to Wine Country Construction:**

Director of Operations & Facilities, Ron Branine stated that this bid went out a few months ago and three were received. Branine added that the bid consisted of labor, materials, means and methods

for construction of approximately 10,283 square foot of the roof of 2579 Stevens Drive.

Branine noted that the Port budgeted up to \$150k for the project and the lowest bid came in at approximately \$75k from Wine Country Construction.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving the roof replacement project bid of \$75,539.99 to Wine Country Construction**

**3. Approval of Port-wide Pavement Maintenance Small Works Project Bid (\$72,924.36) to Central Paving, LLC:**

Director of Operations & Facilities, Ron Branine announced that the Port was able to partner with the City of Richland for the Pavement Maintenance Small Works Project and JUB assisted with the bid. With the partnership with the City, the Port will be able to almost 100% catch up on the backlog of projects in addition to including Prosser in 2022.

Branine stated that the low bid received for the Port-wide Pavement Maintenance Small Works Project was \$72,924.36 by Central Paving, LLC.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving the Port-wide Pavement Maintenance Small Works Project Bid of \$72,924.36 to Central Paving, LLC**

**4. Resolution 21-19, Approval of Executive Director to Accept an FAA Grant for the Hangar Taxilane Project (\$600,854.00) at the Prosser Airport:**

Executive Director, Diahann Howard clarified that the grant for the Hangar Taxilane Project at the Prosser Airport for \$600,854.00 from the FAA would need to be accepted before moving forward with awarding of work.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 21-19, approving the Executive Director to accept an FAA Grant for the Hangar Taxilane Project (\$600,854.00) at the Prosser Airport**

**5. Resolution 21-20, Approval of the Executive Director to Award the Prosser Airport Hangar Taxilane Project:**

- i. **Century West Engineering Task Order 2, (\$123,963) Hangar Taxilane Project Construction Period of Services at the Prosser Airport**
- ii. **Award of Hangar Taxilane Project Construction (\$437,281.81) to Swaggart Brothers – Prosser Airport**

Director of Airports, Joe Walker clarified that \$123,963.00 of the grant money would be awarded to Century West Engineering, as part of Task Order 2 for the Hangar Taxilane Project, Construction Period of Services at the Prosser Airport.

Walker noted that the actual construction would be awarded to Swaggart Brothers (\$437,281.81), as they would be completing the Hangar Taxilane Construction at the Prosser Airport.

**A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 21-20, authorizing the Executive Director to award the Prosser Airport Taxilane Project to:**

**1. Century West Engineering, Task Order 2 (\$123,963.00) – Hangar Taxilane Project Construction Period of Services at the Prosser Airport**

**2. Award of Hangar Taxilane Project Construction (\$437,281.81) to Swaggart Brothers for the Prosser Airport**

**6. Resolution 21-21, Approval of the Executive Director to Accept an FAA Grant for the Richland Airport Electrical Replacement Design (\$254,893.00)**

Executive Director, Diahann Howard clarified that the Port was seeking acceptance of the FAA grant for the Richland Airport Electrical Design (\$254,893.00) and if accepted, a press release would be issued to highlight the project pieces.

Director of Airports, Joe Walker added that no matching funds from the Port were required.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Executive Director to accept an FAA grant for the Richland Airport Electrical Replacement Design (\$254,893.00)**

**7. Resolution 21-22, Approval of the Executive Director to Award the Richland Airport Electrical Replacement Design Services**

**i. Century West Engineering Task Order 1, (\$249,893.48) – Richland Airport, Electrical Replacement Project Design Services**

Director of Airports, Joe Walker stated that the award for the Richland Airport Electrical Replacement Design Services consisted of new runway, taxiway, lighting and regulators among other features at the Richland Airport and would be awarded to Century West Engineering as part of Task Order 1 (\$249,893.48).

**A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the Executive Director to award the Richland Airport Electrical Replacement Design Services to:**

**1. Century West Engineering Task Order 1, (\$249,893.48)**

#### **G. INFORMATION REPORTS:**

##### **1. Grants Update:**

Director of Airports, Joe Walker provided an update on Item #5 of the grants update list (Richland Airport Airfield Signage and Lights/Phase 1) in the agenda, stating that FAA has verbally indicated that they intend to award to Prosser Airport for the lighting construction project and they hope to award in August. Walker stated that this would be a significant grant to receive, as there is no match required. Walker clarified that these funds are based on the designs earlier approved from this morning's meeting.

Director of Economic & Governmental Affairs, Miles Thomas announced that the application for accessible improvements at Crow Butte Park has been submitted. Thomas added that the focus items

included were upgrades to the existing ADA campsite, surface maintenance upgrade and the conversion of two additional campsites to ADA compliant. Thomas stated that other items include trail linkage to restroom facilities and the replacement of 2,700 lineal feet of trail that would be more manageable by wheelchair in addition to much easier to maintain and replace in segments, if needed.

Thomas stated that the application was submitted with the assistance of grant writer, Megan Hoak, who feels that the application is strong.

Commissioner Keck inquired about Grant #3, the North Richland Development Building in which Executive Director Howard stated that they hope to hear by July.

Thomas added that the President's budget just came out, which may change things in regards to this particular grant.

#### **G. COMMISSIONER REPORTS/COMMENTS:**

Commissioner Keck stated that he recently had the opportunity to attend the WPPA Spring Meetings via Zoom and has also been regularly attending TRIDEC's Coffee with Karl, PNWA, TRIDEC Board Meetings and added that he is very excited to get back to in-person meetings soon.

Commissioner Larson announced that he has been attending Richland Rotary regularly and also recently attended the WPPA Spring Meetings virtually. Commissioner Larson stated that he was planning to attend a Hanford Live event that evening to listen to an online conversation about the Hanford cleanup as well as the Benton-Franklin Council of Governments meeting on Friday, June 18<sup>th</sup>.

Commissioner Hagarty reported that she was lucky enough to receive one of the 400 tickets available for a ribbon-cutting and tour of the newly completed Prosser High School. Commissioner Hagarty stated that she was blown away by the new school and is very proud of the project and the way the citizen's money was spent, as the school is truly a state-of-the-art facility.

Commissioner Hagarty reported that she has been attending many Zoom meetings, including the weekly Coffee with Karl Zooms.

#### **H. DIRECTOR REPORTS/COMMENTS:**

##### **1. AIRPORTS:**

Director of Airports, Joe Walker stated that he would be providing a more complete grant update as multiple grants have been received for airport projects. Walker added that he would be using round numbers for this update, and not exact figures. Walker stated that the Prosser taxilane project began as a design for three very large hangars and through working with the FAA and JUB, the Port was able to have the project redesigned to accommodate 8-50x50 hangars and 1-60x60 hangar. Walker added that the additional cost of the redesign was absorbed in the grant, which was just awarded with no match. Walker clarified that this means the redesign costs no money directly to the airport and the work will add six additional hangar sites over the original design.

Walker added that the Port was also awarded almost \$200k over the initial Capital Improvement Plan estimates, which saved airport funds that would have been used to remove an old building and relocate airport equipment.

Walker continued, with an update about the Richland Airport, stating that the original Richland Airport Lighting Design was estimated at \$150k for design work and \$650k for construction, but working

with an electrical engineer and Engineer, Bryan Condon of Century West Engineering, it was realized that there would not be enough money to tackle many of the lighting issues identified at the Richland Airport. Walker stated that through working diligently with the FAA, the revised design costs went to \$250k and the construction costs were estimated at \$3.2M, which includes the replacement of runway and taxiway lighting with LED fixtures, replacement of PAPI's, installation of new taxiway lights on the remainder of the taxiway Bravo, new lighting regulators, and rehab of the lighting room to ensure staff can safely work on the equipment which currently dates to the 1940's, and lacks several OSHA required safety features. Walker was pleased to announce that the FAA has verbally indicated their intent to award the Richland Lighting Construction grant in August of this year with discretionary funding. Walker stated that the FAA has conveyed that this is a good project with significant safety enhancements for the airport going forward.

Walker stated that upon his arrival to the Port, the 2021 Airport Improvement Plan grant season had funding requests of \$550k with a 10% match and in 2021, for Richland and Prosser Airports, the Port has secured approximately \$849k in AIP grants, which represents a 54% increase in AIP funding and an additional \$36k in American Rescue Plan act funds are on track to receive just over \$4M in AIP grants, with no Port match. Walker added that this represents a 636% increase in AIP funds over the original funding request for 2021. Walker noted that this is an exciting time for both airports and it is not possible without a great team working on everything from replacing burned out lights, lease modifications, grant documentation, or finance ensuring that reimbursements come in regularly. Walker thanked the Port team for their hard work in ensuring the success of both airports.

## **2. FACILITIES & OPERATIONS:**

Director of Facilities Ron Branine announced that the 2345 lighting project has officially started, which will be about a 6-to-8 week project and will ultimately replace over 1,700 light fixtures.

Branine stated that phase 1 of the 2345 carpet replacement should be 100% complete early next week.

Branine updated that the Facilities team has been working on 219 Nunn Road, at the Prosser Airport, and have repaired the hangar door, added new LED lights and cleaned and repainted the entire floor.

Branine added that his team has also been working on restriping parking lots and curbs that are not part of the 2021 Pavement Maintenance plan, and is also working to resign most Port-managed to be more aesthetically in-line with the City of Richland and WSDOT. Branine added that the team is also working to sign Battelle Blvd. towards Willow Point with No Parking-No River Access signs, as once the apartments start to fill up, parking along Richardson Road and Battelle will become a problem.

Branine added that the team has also recently completed the second quarterly preventative maintenance on all HVAC units Port-wide, which takes approximately three weeks. Branine stated that once the work order system comes online, this process will improve trifold to better head off issues and really be able to tell us a story on all Port equipment.

## **3. SPECIAL PROJECTS:**

Director of Special Projects, John Haakenson announced that new camp hosts have been hired and the Crow Butte team continue to work on irrigation and sewer issues, but feels that they are making headway.

Haakenson stated that they will go out to bid on the replacement of the pump wires, as they

officially received approval from the Corps. Haakenson reminded the Commission that they are currently utilizing a generator to run the irrigation of the park. Haakenson added that he has met with D. Hittle regarding the repair required, and stated that the timing of the repair will depend on the availability of materials.

Haakenson added that the Facilities team have been assisting with the cleaning and landscaping of the park and the new Concessionaire has been a great addition and offers a wide variety of products and provides a great services to the day use crowd and RV park.

Haakenson added that he continues to enforce the fire ban because of the high temperatures and strong winds.

#### **4. REAL ESTATE:**

Director of Real Estate, Teresa Hancock provided an update on the Richland Airport Business Park, stating that the sale of the Croskrey Properties to PRBBQ LLC (Porters Real Barbecue), which was brought forward at the May Commission meeting, has been extended to a June 30<sup>th</sup> closing date due to lender appraisal and finance review.

Hancock provided an update on a new lease at 2019 Butler Loop with M2M, Shidalowitz LLC, Stephen Shidal. Hancock explained that this is a telecommunications sub-contractor for SouthernTier and Zply based out of Temecula, CA and it is less than a 5 year lease, which is under the Executive Director's Delegation of Authority. Hancock added that the sub-contractor is based in the area for two years, conducting civil, structured cabling and underground installation in Tri-Cities and western Washington. Hancock announced that M2M's base rent is \$4,583.33 + LET (\$55k annual + NNN) and with a security deposit of \$5,171.83 (1 month).

Hancock provided a status update on 2345 Stevens Drive, HMIS (formerly MSA) and their Lease Mod 5, reminding the Commission that the existing lease is less than five years and within the Executive Director's Delegation of Authority. Hancock explained that effective, July 1, 2021, by lease modification, the addition of 20,126sf and the annual base rent is \$871,988.50, which is a 20% increase, + NNN. Hancock added that there is a scheduled rent adjustment for January 2024 and the current option term 2 expires December 31, 2025.

Hancock provided an update on the Horn Rapids/Kingsgate Way area, stating that an offer letter was received from Weston Mountain Onions. Hancock added that Weston Mountain Onions has been a tenant since August 2017, and is a whole peel onion operation and processing operating providing fresh onions for industrial use. Hancock added that the annual revenue is \$85k, including LET + NNN (market per appraisal 2020). Hancock stated that Port staff and tenant have had ongoing discussions related to efficiency, ongoing repairs, expansion and relocation plans, including back and forth lease and purchase options since 2018. Hancock added that the letter received was preliminary.

Hancock provided some facts about the business:

- Operations directly exceed both the tenant's production expectations (50% increase in volume in four years);
- Small size of the facility manufacturing at capacity, which is driving excessing wear and tear and need to grow and operate more efficiently;
- Company started with 25 employees and have increased to 30-50 seasonal employees
- In 2017, 9 million lbs of whole peeled onions produced and in 2020, 18 million lbs produced;

- \$7.4M in sales (+\$800psf/9,060sf)

Hancock added that there have been unanticipated budget repairs since 2017 including fiber installation and replacement of chiller compressors, foundation floor repairs, lighting and electrical (\$50k to date).

Hancock provided an update on the Prosser Wine & Food Park, announcing that Wit Cellars purchased former Gamache Vintners facility and land with the closing occurring on June 11, 2021. Wit occupies suites A/B, 4,800sf and the termination date will reflect timeline for the WSLCB, TTB permits and license transfer to location. Hancock added that an inquiry has been received from a micro winery familiar to the industry and she will begin efforts to ready for turnover and back fill as quickly as possible.

#### **5. MARKETING:**

Director of Marketing, Wally Williams announced that the Port of Benton newsletter has been finished and will be mailed out today, as well as being delivered in-person to tenants around the area. Williams informed the Commission that there were extra copies if they would like more than provided at their place settings.

Williams stated that he has continued to work with Rochelle Olson on the script for the 3D virtual tour of the Triton Sail Park, as well as updating the brochure for the Park.

Williams announced that Vintners Village has been updated with the new signs and thanked the Facilities team with their assistance in placing the signs. Williams provided visuals of the new signs in place.

Williams added that Ross James Photography took a group photo of the entire team this morning and would also be taking updated photos of the Vintners Village area.

#### **6. ECONOMIC DEVELOPMENT & GOVERNMENTAL AFFAIRS:**

Director of Economic Development & Governmental Affairs, Miles Thomas confirmed Wally Williams's earlier comments about the benefits of creating a virtual tour of the Triton Sail, as it can showcase the inside of the sail. Thomas added that the Communications & Marketing team continues to work with Visit Tri-Cities on their virtual video capabilities and looks forward to being added as a virtual tour option with zoom in and out abilities.

Thomas added that Visit Tri-Cities also recently reached out regarding the upcoming TBEX conference, which is a conference devoted to travel writers, bloggers and influencers and there are four of these conferences a year around the world, with the Tri-Cities being the only US option in 2021. Thomas explained that the conference will be held at the Convention Center, but there will be Pre-BEX and Post-BEX tour options for conference attendees. Thomas stated that the Port has been working with the Prosser tourism partners with the goal to plan a Post-BEX tour option in the Prosser area on Friday, October 15<sup>th</sup>. Thomas explained that possible options include a historic downtown tour, wine or brewery tasting, or an event at Vintners Village.

Thomas highlighted recent social media postings that include Crow Butte Park, Port of Benton properties and postings showcasing the new electric vehicle making its rounds around the area.

Thomas updated that he has been working on a Department of Commerce grant in conjunction with the Research District. Thomas explained that this is a 501c6 clean city cluster application and he hopes PNNL can greatly assist and is working on obtaining letters of support.

Thomas stated that he wanted to make sure to point out that the Clore Center agreement with WSU Tri-Cities includes the archival of Dr. Clore's materials.

#### **7. FINANCE DIRECTOR:**

Director of Finance/CPA, Danielle Connor provided an update on the recent public bond sale, stating that the sale was very successful and on sale day, the Port team was diligently watching the gameday site and could see the sales come in. Connor stated that the bonds were sold in full and the tax-exempt bond was sold at a premium. Connor noted that the closing on June 1<sup>st</sup> went smoothly and the refinancing will result in \$1.2M net present value savings, or 21% over the remaining 13 years, which will provide a substantial reduction of debt service obligations for the Port's taxpayers. Connor added that ongoing debt payments will remain consistent with the prior schedule and the bonds were sold in the public bond market and secured an aggregate All-In True Interest Costs, similar to an APR on a home loan, of 2.57%. Connor thanked NW Municipal Advisors, Foster Garvey, and Piper Sandler for all their efforts in this successful endeavor.

Connor added that the new project fund has been established by Benton County Treasurer and holds the \$3.9M in the new money. Connor stated that she continues to work with the Treasurer's office in preparation to issue warrants directly from the Project Fund and will be ordering separate check stock and configuring the Intacct system with this new fund, setting it up to manage multiple check runs, and testing and ensuring all the required reporting is available.

Connor stated that the RFP for the Line of Credit (LOC) is drafted and scheduled to go out tomorrow, June 17<sup>th</sup> with proposals expected back on July 8<sup>th</sup>, which will allow for a selection on the 9<sup>th</sup> and present for approval at the July 14<sup>th</sup> Commission meeting. Connor added that the Port is looking at a revolving LOC, 2-3 year term and will be asking for both tax-exempt and taxable rates and looking at \$1.5M capacity. Connor noted that the purpose is to be liquidity for capital and related projects, giving the Port the flexibility of cash flow and project timing.

Connor provided an update on the IAP project, stating that the team continues to work on building out the reporting in Intacct. Connor noted that the team has gathered some great, detailed data, which is available for analysis, and will give the Port the visibility to analyze down to margin by site/property, as well as individual locations or addresses. Connor thanked Senior Accountant, Veronica Serna and Executive Administrator, Summers Miya on their detailed efforts in capturing and coding all the rich data. Connor added that she is excited to be able to provide some of the finished products to the team. Connor stated that she will continue to work on the budget translation into Intacct and the reporting/dashboard build out for the team.

Connor stated that the team is moving forward with the Yardi implementation and have had a few internal working sessions, with the team to begin working with the Yardi team this week. Connor added that populating the core templates, including the Chart of Accounts, locations, units, customers and leases are the early focus and added that establishing a solid foundation of the master file data will be critical for a smooth transition at go live, and will ultimately be the groundwork for reporting.

Connor was pleased to announce that the team successfully filed the Port's 47 page 2020 financial package to the SAO withing the May 30<sup>th</sup> deadline. Connor noted that two late additional entries have been identified, but decided to file the preliminary package to meet the deadline and allow enough time to gather the required information in order to make accurate entries. Connor stated that

she will be preparing a revised financial package and will plan to re-file, in which there is no concern with re-filing as long as the re-file takes place before the audit, which is tentatively scheduled for October.

Connor declared that the 2022 budget season is getting ready to officially kick-off and she will be working on establishing the budget schedule with some working sessions accordingly.

Connor provided an update on the State's new long-term care insurance program, which was recently signed into law. Connor noted that this program is referred to as the Long-Term Care Trust Act of Long-Term Services and Supports Trust Act. Connor added that the state program is designed to pay benefits up to \$36,500 for those that need assistance with regular daily activities and the benefits will be funded with a payroll tax of .58 percent on employees. Connor noted that this is an employee only tax, no tax on the employer.

Connor added that through discussions with the WPPA Finance Committee, she has identified an alternative option to offer the Port of Benton team, LifeSecure is a Port-sponsored group long-term care plan. Connor noted that the LifeSecure option will offer several tiers and coverage options, minimal underwriting, and competitive pricing. Connor added that the LifeSecure group plan does require an employer contribution of \$25 per month, per enrolled employee.

Connor added that the Port of Pasco will be offering LifeSecure as an alternative group plan option, and a few other ports have also shared that they are also heavily considering the LifeSecure option as well.

Connor provided a financial status update, stating that general expenditures for May were approximately \$693k, which was in line with what was forecasted. Connor stated that project expenditures continue to be somewhat quiet, as projects are getting started. Connor stated that in May, payment was issued for the Yardi project, settled out TestAmerica's security deposit and made the Banner Bank bond payments early, in anticipation of the June 1<sup>st</sup> payoff from the refinancing. Connor noted that the Port has an additional \$135k of debt payments forecasted in June, along with some legal expenditures. Connor added that project expenditures are still forecasted to get heavier in June and into the fall, as Port and grant-funded projects get started in the next few months.

Connor informed the Commission that the reconciled cash balance at the end of May, including reserved cash, was \$4.9M, and as of today, the Port is currently sitting at \$4.6M. Connor added that per budget, the cash reserve was increased from \$1.3M to \$1.35M in May, the Port budgeted to increase the reserve by \$100k in 2021 and the remaining \$50k will be added in November.

Connor stated that tenant AR is currently sitting at \$373k outstanding, with about 36%, or \$134k aged greater than 90 days. Connor reminded that last months report was about \$373k outstanding, with about 39%, or \$144k greater than 90 days. Connor noted that some collections were received on the past due amounts at the same time that other accounts aged. Connor noted that about 36% of the current past due amount has to do with the contract transition from MSA, which Director of Real Estate, Teresa Hancock continues to work on.

Connor thanked Hancock and Serna on their continued work together on collections, selected statements and correspondence has begun to be sent out.

Connor announced that she plans to bring the quarterly year to date budget to actual report out to the July 14<sup>th</sup> Commission meeting.

#### **8. PORT ATTORNEY:**

Port Attorney, David Billetdeaux provided an update to the Port's ongoing litigation with TCRY. In Benton County Superior Court, the Port prevailed on two different partial motions for summary judgment last month. However, TCRY has petitioned for discretionary review by the Division III Court of Appeals. This process typically takes about three months, but everything has been taking substantially longer during COVID, so the timeline is not truly known.

Billetdeaux next provided an update to the Port's COVID protocols. With Washington State's re-opening plan set for the end of the month, the Port will likely be open to the public after that date and hold its July Commission meeting as an in-person meeting. The Port will continue to provide Zoom access to meetings. Vaccinated Port staff, Commissioners, and visitors will not be required to wear masks. However, the Port will keep our sanitation and temperature station in the front lobby, and anyone who wishes to wear a mask for safety or personal preference will be able to do so. The Department of Labor & Industries has announced that employers must create a record for L&I to be able to audit. Evidence of the verification system must be available to L&I upon request. When verifying an employee's vaccine status, acceptable documentation includes a CDC vaccination card, a photo of the card, documentation from a health care provider, a signed attestation from the worker, or documentation from the state immunization information system.

Billetdeaux wanted to remind all staff and commission about the Port's Employee Assistance Program, or EAP. This program includes a confidential hotline to call and discuss any problems an employee may be experiencing, whether personal or work-related.

Billetdeaux also provided a brief election season update with questions to answers such as, "Can a port employee participate in a port commissioner candidate's campaign (including the campaign of an incumbent), or other campaign on their own time? and, "Can an individual port commissioner support or oppose a particular candidate, even a port commissioner candidate?"

#### **• Can a port employee participate in a port commissioner candidate's campaign (including the campaign of an incumbent), or other campaign on their own time?**

Yes, political activities during non-work time and off port property are not prohibited and, in fact, are protected by the First Amendment. However, WPPA attorney Frank Chmelik gives the following non-legal advice to commissioners, executive directors, lawyers and port employees "...everyone (especially attorneys, executive directors and senior staff) steer clear of commissioner elections because no matter who is elected, the port executive director, staff and attorneys need to implement the commission direction."

If an employee does decide to participate in a Commissioner's campaign on their own free time, do not use Port issued cell phones, cameras, computers, or other port property (including printers, signs, etc.) to help a candidate's campaign.

#### **• Can an individual port commissioner support or oppose a particular candidate, even a port commissioner candidate?**

Yes, port commissioners can legally endorse or oppose candidates (even those running for port commission) in their port district or another port district. Notice, I used the word "legally" because I will leave the politics up to the listener. And, of course, it cannot be done on port property or utilizing port equipment or facilities.

- **What amount may individuals, unions, or businesses contribute to a candidate?**

According to the WA Public Disclosure Commission, individuals, unions, businesses and other political committees will be able to contribute up to \$2,000 per election to a port commission candidate, according to staff reports.

Billetdeaux reminded all staff and Commissioners to continue to take their online training courses through the Enduris portal. Billetdeaux added that a cyber-security assessment will likely be budgeted for 2022, as it is important to ensure that the Port is not vulnerable to cyber-attacks and there has been a huge uptick in spam, phishing and cyber-related issues recently. Billetdeaux highlighted the banner that has been added to all emails that are received from outside of the organization and urged continued alertness when opening emails sent from outside the organization and to be extra alert with opening attachments. Billetdeaux reminded the team to contact him, Miles Thomas, or Minh Pham if a questionable email was received.

Billetdeaux reminded the Commission that the Port is currently still under the Declaration of Emergency, which grants emergency powers to the Executive Director. Billetdeaux recommended leaving the Declaration in place at this time, but if Governor Inslee lifts the statewide Declaration, the Port should likely follow suit.

#### **9. EXECUTIVE DIRECTOR:**

Executive Director, Diahann Howard announced that she has recently participated in an ECA meeting, as well as an IEDC webinar and conference and meeting with the FAA, the WPPA Spring Meeting, the Virtual Supplier Day with NuScale, Inland NW Partners, an EDA webinar on wealth creation in nuclear host communities, a WA Tourism Workshop on the wine country region, PNW Supply Chain predictions, a Columbia Basin Collaborative (where there are a lot of concerns about the process as well as concerns about low representation from the area).

Howard added that Letters of Support have been provided regarding the Washington Electric Aircraft Feasibility Study, which supports the Richland Airport as being ideally positioned for aviation electrification.

Howard added that she also recently participated on a Coffee with Karl panel in relation to her role on the MCEI NET sub-committee.

Howard stated that the 100-Day Supply Chain report has been sent out and also updated that the state's Rail Caucus has been invited to tour the area, in which the Commission will be invited to attend.

**I. EXECUTIVE SESSION:** The regular Commission Meeting was recessed at 10:25 a.m. and an Executive Session was convened at 10:35 a.m. to discuss real estate matters and ongoing litigation. It was announced that Executive Session would take 45 minutes and if any action was required, the Regular Commission Meeting will reconvene and bring forward the item at that time. At 11:20, it was announced that Executive Session would be extended another 25 minutes.

**J. ADJOURNMENT:** With no further business, the meeting was adjourned at 11:45 a.m.

  
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Roy D. Keck  
Commission Secretary