

**PORT OF BENTON
COMMISSION MEETING MINUTES
AUGUST 17, 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; Commissioner Robert D. Larson; Commissioner Roy D. Keck; Executive Director, Diahann Howard, PPM®, Director of Economic Development and Governmental Affairs, Miles Thomas; Port Attorney, David Billetdeaux; Executive Administrator, Summers Miya; Director of Real Estate, Teresa Hancock; Director of Marketing, Wally Williams; Contract Specialist, Sheri Collins (via remote communications); Senior Accountant, Veronica Serna (via remote communications); Director of Facilities & Operations, Ron Branine; Director of Special Projects, John Haakenson; Director of Finance/CPA, Danielle Connor; Bryan Condon, Century West (via remote communications); Roger Wright, RGW Enterprises (via remote communications); Clif Dyer, Sundance Aviation; Jason Herbert, Energy Northwest (via remote communications); Mike Luzzo; Lori Stevens, Airfield Estates; Ben Hoppe, JUB Engineers (via remote communications)

The Commission Meeting was conducted as a hybrid meeting with Commissioners meeting in-person; public attending both remotely and in-person, and Port staff members participating in-person and remotely, and said meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Director of Economic Development & Governmental Affairs, Miles Thomas led those present in reciting the Pledge of Allegiance.

Miles Thomas noted that two new items of business were requested to be added to the agenda:

Business Item #5: Consent to Assignment of Lease from TK Machine Co. to RR Endeavors, LLC – Richland Airport

Business Item #6: Consent to Change in Ownership with respect to a 5.59 acres ground lease in the Prosser Wine and Food Park, from Kenyon Zero Storage, Inc. to Lineage Logistics Holdings, LLC.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the addition of business items #5 and #6 on the August 17, 2021 Port of Benton Commission Meeting agenda.

C. CONSENT AGENDA:

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving the July 14, 2021 Commission Meeting Minutes, and approval of vouchers and certifications, including payroll, for the month of July totaling \$714,472.45.

D. PUBLIC COMMENT:

Port Attorney David Billetdeaux reminded that public comment was limited to 3 minutes per guest.

City of Richland resident Mike Luzzo requested an update on the North Richland bridge project, stating that the area needs a beltway and more transportation options. Luzzo stated that he was an advocate for this project, as the Richland streets are full. Luzzo commended the City of Richland for recent upgrades throughout the area.

Executive Director Diahann Howard added that the North Richland bridge project is not a funded project and the Port has been asking the Benton-Franklin Council of Governments to keep this project on the table.

Clif Dyer, of Sundance Aviation, thanked the Commission for re-opening the meetings to the public and announced that he is happy the Port is acknowledging Director of Special Projects, John Haakenson at today's meeting.

E. ITEMS OF BUSINESS:

1. HDR Engineering Miscellaneous Services Contract

Engineer Roger Wright reminded the Commission that the Port entered into an agreement with HDR, Inc. to provide general railroad engineering services to the Port of Benton and HDR works on a number of projects for the Port related to the Railroad track. Wright stated that the 2021 Miscellaneous Services engineering budget was established at \$25k.

Wright stated that HDR has used all of the available budget this year due to the number of projects the Port has them working on, specifically, the repair of the ties that were damaged by the crews removing the derailed BNSF cars in July 2020. Wright added that this repair will replace approximately 500 ties, re-gap the track in this area, as well as repair the erosion around the derailment site. Wright added that it is still the Port's intent to seek reimbursement for this work, at this time, the Port is covering the cost of this repair.

Wright added that it has recently been discovered that a concrete pad is breaking up on the Columbia Trail Bridge, which will need to be addressed with the other pressing repairs.

Wright recommended increasing the Miscellaneous Services contract for HDR Inc. by \$25k to cover the cost of the design of this work and bringing the total contract for HDR to \$50k.

Port Attorney, David Billetdeaux added that the Port has subpoenaed the black box video of the accident, which was recently provided. Billetdeaux stated that the video is in a very technical format and an expert will be needed to properly examine the video. Billetdeaux added that there is currently a lot of finger-pointing between TCRY and BNSF.

Commissioner Keck inquired on the current state of the railroad and if it was usable and safe. Engineer, Roger Wright stated that HDR has inspected the derailment site a few times and has recommended reduced speed in addition to the new ties and clarified that the derailment site is the only site that is currently under a reduced speed recommendation.

Commissioner Hagarty agreed that the most important thing was to get the rail fixed properly and get the speed limit changed when safe. Commissioner Keck agreed that proper engineering, design and contract were important to get into place to get the rail up to speed and seek reimbursements later.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the \$25,000 amendment of the Miscellaneous Services Contract with HDR Engineering.

2. Resolution 21-33, Approval to Apply for FAA Grant for Richland Airport Electrical Replacement Project, \$3,156,583

Engineer Roger Wright stated that Century West is already working on the design for this project. Wright added that this grant appears to be a 100% FAA grant with no match.

Commissioner Hagarty asked if this grant was COVID-19 related, which Wright affirmed.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 21-33, granting approval for the Port of Benton to apply for the FAA Grant for the Richland Airport Electrical Replacement Project, \$3,156,583.

3. Resolution 21-34, Approval to Apply for State Commerce ICAP Grant up to \$750,000

Executive Director, Diahann Howard announced that the MCEI group has been working for years toward this type of opportunity and can apply for up to \$750k. Howard added that this grant serves the entire region, with many jobs and wages at all levels. Howard stated that the group is working on a more detailed economic impact report related to the Tri Energy Partnership project.

Howard added that the application will help by the creation of a supply chain to initially for small modular reactors, fleets, battery, battery storage and small business development.

Director of Economic Development & Governmental Affairs, Miles Thomas read a statement submitted via email from TRIDEC President & CEO, Karl Dye:

"I'm writing on behalf of TRIDEC in support of the Washington Department of Commerce Innovation Cluster Accelerator Program Application that is being created by the Port of Benton and the Tri-Cities Research District Team.

These grants will focus development on specific industry clusters that will benefit the Port of Benton and our Tri-Cities Community. The Washington VERTICAL will cement the Tri-Cities as the clean-energy hub of the Northwest, from research and development to production and supply chain development. The effort will begin with the Advanced Reactor Program and grow to include green hydrogen, electro-chemicals, transportation and energy storage.

Thank you for your continued leadership and support of this critical initiative and grant."

Jason Herbert of Energy Northwest added that the Tri-Energy Partnership is supportive and believes the supply chain to be useful for the project as well as for future projects, including energy storage opportunities. Herbert thanked the Commission for the opportunity.

Thomas added that the MCEI and Research District are working with the My-Tri 2030 collaborative team on the grant application.

Commissioner Hagarty congratulated the Port for working on this kind of project and stated that this could transform the energy sector for the entire area. Hagarty thanked Jason Herbert and Karl Dye for their comments and support of the grant application as well.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 21-34, granting approval for the Port of Benton to apply for a state Commerce ICAP grant for up to \$750,000.

4. Proclamation 21-01, Honoring Director of Special Projects, John Haakenson

Commissioner Hagarty announced that the Port of Benton would be honoring Director of Special Projects, John Haakenson and read the following Proclamation in his honor:

WHEREAS, Mr. John Haakenson took on the role of Planning Specialist starting on March 1, 2001; and

WHEREAS, Mr. Haakenson served as Planning Specialist from 2001-2002; and Facilities Manager, 2002-2004; Director of Operations and Maintenance, 2004-2006; Director of Airports & Operations, 2006-2017; Director of Airports, 2017; Director of Special Projects, 2019-2021; and

WHEREAS, Mr. Haakenson has faithfully and diligently performed his duties as Planning Specialist, Facilities Manager, Director of Operations & Maintenance, Director of Airports & Operations, Director of Airports and Special Projects; and

WHEREAS, Mr. Haakenson has supported the Port of Benton's Vision and Mission Statement and worked with staff and elected officials for the good of the public. Mr. Haakenson will be remembered for his many accomplishments as well as his ability to provide project management and humor for the Port of Benton's Facilities team; and

NOW THEREFORE, BE IT PROCLAIMED that the Port of Benton Commission express their sincere and whole-hearted appreciation to Mr. John Haakenson for his commitment to the Port of Benton, and for his contributions while serving in the office of Planning, Facilities, Director of Operations, Maintenance, Airports and Special Projects over his twenty years of service to the Port of Benton.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Proclamation 21-01, honoring Director of Special Projects, John Haakenson.

5. Consent to Assignment of Lease from TK Machine Co. to RR Endeavors, LLC – Richland Airport

Director of Real Estate, Teresa Hancock explained that the consent to assignment applies to Kerry and Shelly Prewett, who entered into a non-aeronautical ground lease with the Port on April 10, 2013. Hancock explained that the lessee has created a new joint revocable trust with the same officers/owners and there is no material change in lease or obligators.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the consent to assignment of lease from TK Machine Co. to RR Endeavors, LLC – Richland Airport.

6. Consent to Change in Ownership with Respect to a 5.59 acres Ground Lease in the Prosser Wine and Food Park, from Kenyon Zero Storage, Inc. to Lineage Logistics Holdings, LLC

Port Attorney, David Billetdeaux apologized for the late addition to the agenda and added that the request was just received yesterday.

Billetdeaux explained that Kenyon Zero Storage was recently bought out, therefore a ground lease change of ownership would be needed to Lineage Logistics, LLC. Billetdeaux added that this was for a 1999 ground lease of 5.59 acres for an evaporation pond and added some background on Lineage, stating the company has purchased Preferred Freezer, Henningsen Cold Storage and others in the past.

Billetdeaux stated that the Port has received word that there would not be a change in employees or staff at this time of merger and that this is mostly document housekeeping. Kenyon Zero Storage remains the Lessee, Lineage Logistics is simply the new owner of Kenyon Zero Storage, now a wholly owned subsidiary of Lineage Logistics.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving the change in ownership with respect to a 5.59 acres ground lease in the Prosser Wine and Food Park with Lessee Kenyon Zero Storage, Inc.

G. INFORMATION REPORTS:

1. Grants Update:

Engineer Roger Wright noted that the Infrastructure Investment and Jobs Act Grant Funds project has been added, which are direct grants for the improvement of public use airports. Wright stated that Richland Airport was awarded \$1,480,000 and Prosser Airport, \$790,000 and although formal approval has been received, information has not yet been received on the requirements of the grant funds.

Director of Economic Development & Governmental Affairs, Miles Thomas stated that the Port has not heard back from the Bureau of Land Management, noting that there could be up to a six month timeline.

Thomas added that the Innovation Cluster Accelerator Program Application project was added, which is a Washington Department of Commerce, which is the next evolution of the Port and IPZ, with a goal to support the creation of clean energy industry lead alliance. Thomas stated that the application is due on September 3, 2021.

Thomas added that the Port is the only eastern Washington applicant and feels has a strong chance to receive this grant. Thomas noted that he continues to coordinate with the grant writer, with an opportunity right behind this one for a chance to apply for EDA funds as a nuclear host community.

G. COMMISSIONER REPORTS/COMMENTS:

Commissioner Keck announced that he has started attending in-person meetings, in addition to some still being held via Zoom. Commissioner Keck stated that the TRIDEC board meeting was held in-person and it was announced at that meeting that there is the strong potential of prospect companies moving to the area and bringing upwards of 400 jobs with them. Commissioner Keck added that a large company is looking at Pasco because it requires a lot of gas to operate and a request has been sent to the Governor for the use of more natural gas in the area.

Commissioner Keck added that he attended the recent PNWA meeting via Zoom and their report was mostly negative, as there is a strong push to stack the deck for a collaborative initiative against the lower snake river dams.

Commissioner Keck stated that he enjoyed attending the recent Tri-City Regional Chamber of Commerce monthly luncheon in-person and Congressman Newhouse announced some potential funding for a new infrastructure package.

Commissioner Larson reported that he has sold \$1,200 worth of Richland Rotary duck tickets and that the Hanford Communities group has requested his attendance at a Zoom meeting regarding Nuclear Waste Depository.

Commissioner Larson stated that he also attended the recent Regional Chamber Luncheon in which Congressman Newhouse presented.

Commissioner Hagarty stated that the Prosser Economic Development Association (PEDA) grant writer was able to secure several grants to help with the improvements needed at the Depot Building, which will allow the facility to be more usable for community events.

Commissioner Hagarty added that improvements include a new deck, the removal of the slider door to the storage area, which will become the entrance and will hopefully abate confusion on what door serves as the entrance door. Commissioner Hagarty stated that front façade improvements are also included, including a pagoda in the front for community events. Commissioner Hagarty stated that BNSF donated \$100k towards these improvement grants and the Bureau of Land Management provided \$242k towards a recreational grant.

Commissioner Hagarty added that the grant writer is working to complete a bi-annual grant calendar, which will be helpful to all entities involved in her grant-writing services.

Commissioner Hagarty announced that the leadership class was able to hold their last class and graduation and the committee is now looking for recruits for the 2022 class.

Commissioner Hagarty announced that Jessica Munnell from Wautoma Springs has joined the PEDA board, and the addition of a winery representative is welcomed.

Commissioner Hagarty provided an update on a Prosser farmer from Sun Heaven Farms who joined PNWA and he will be a great asset to PNWA.

Commissioner Hagarty stated that the Business Recruitment group has been working on the updating of flags and banners from Wine Country Road to the bridge as well as the recruitment of a diner or restaurant.

Commissioner Hagarty updated that due to COVID-19 and lack of employees, the Prosser Chamber of Commerce had to make the difficult decision to cancel the Prosser Beer & Whiskey Festival for the second year in a row, which is a major loss to their budget.

Commissioner Hagarty provided some downtown news from the Historic Downtown Prosser Association, noting that there may be some slight water restrictions in the future.

Commissioner Hagarty stated that she attended the July Visit Tri-Cities Board Meeting and Visit Tri-Cities was excited to announce that they are launching a new website in the coming weeks and the TBEX October event continues as planned, as does the large BMX event. Commissioner Hagarty stated that she has learned that the Visit Tri-Cities and Regional Chamber meetings have moved back to virtual.

Commissioner Hagarty stated that she also attended the July Benton-Franklin Council of Governments meeting.

H. DIRECTOR REPORTS/COMMENTS:

1. AIRPORTS:

Director of Facilities & Operations, Ron Branine announced that the Prosser Airport Taxilane project is going well. Branine added that the trees have been removed, as well as the hangar and the contractor is currently re-grading the ground and compacting as per specifications, prepping for asphalt. Branine informed that the project will be extended two days, due to a small change order from the Port to add a 4" conduit from Nunn Road to the 109 building for fiber extension.

Branine continued, stating that he has met with Morgan in preparation for the Balloon Rally, which is scheduled for September. Branine added that they have made the collaborative decision to change the location for the balloons, as well as the entry and exit to the event that will make it easier for the Port team to manage, along with those who attend the rally.

Branine stated that he is obtaining pricing on fencing for the Prosser Airport to finish securing the area. Branine explained that the additional fencing will tie into the Chukar corner and back around the old Milne warehouse and back to Nunn Road. Branine added that his team is also looking into replacing many sections of deteriorated fencing at the Richland Airport, which will more than likely be a 2022 project, but will be covered with additional AIP money.

Branine added that the lighting project is underway, at 2345 Stevens.

Director of Economic Development & Governmental Affairs, Miles Thomas added that the City of Prosser needed fiber internet, so it was great timing to add the fiber extension previously mentioned. Thomas noted that the City of Prosser is splitting the cost and the fiber is extended from OIE to Nunn, which will also be available to the tenants. Port Engineer, Roger Wright added that Benton PUD has contributed \$7,500 to the project.

Director of Real Estate, Teresa Hancock provided airport real estate updates noting that Porters Real Barbeque, LLC has officially taken over the lease on Terminal Drive. Hancock reminded that the new lease was approved at the regular scheduled Commission meeting in May and the sale closed on July 28, 2021 between Croskrey Properties and Porters Real Barbecue.

Hancock stated that Rattlesnake Mountain Skydiving has moved into the former Hogue/Webster hangar at the Prosser Airport, located at 219 Nunn Road on August 1, 2021.

Hancock updated that the City of Prosser has moved into the former Milne building, located at 205A Hagarty Lane, as keys were transferred on July 15, 2021. Hancock stated that the tenant is obtaining construction estimates for minor TI work.

Hancock stated that she continues to receive interest in small box hangar sites at Prosser and Richland Airports and stated that a possible ground lease may be brought forward in a coming meeting.

Commissioner Hagarty thanked Ron Branine and the Facilities team for preparing the hangar and area for the recent funeral service of Cormac Thompson.

2. FACILITIES & OPERATIONS:

Director of Facilities & Operations, Ron Branine stated that the Pavement Maintenance Project is ongoing, with slurry seal being completed over the recent weekend and he is awaiting the striping.

Branine updated that the 2345 Lighting Project is also ongoing, with about 60% completed and the 2345 Phase I Carpet Replacement Project has been completed.

Branine added that there is no ETA on the 2579 Stevens Roofing Project due to the lead times on materials being 12 – 16 weeks.

Branine added that other items the Facilities team is working on include the re-striping of parking lots and painting curbs that are not part of this year's Pavement Maintenance Project, but similar to many other supply issues, paint remains difficult to obtain.

Branine noted that there are currently four HVAC units down Port-wide with lead times being 8 – 12 weeks.

3. SPECIAL PROJECTS:

Director of Facilities & Operations, Ron Branine stated that there have been a couple of minor sewer issues at Crow Butte within the last month. Branine added that the residence/Ranger Station remodel is going well, is on time and within budget. Branine noted that the Park maintains a 100% occupancy consistently on the weekends, and 50% - 60% during the week. Branine informed that the self-pay station was recently broken into and added that it is believed that less than \$50 was taken. Branine stated that due to the damage of being pried open, the item will need to be replaced.

4. REAL ESTATE:

Director of Real Estate, Teresa Hancock stated that staff has finalized terms for a sale transaction with Columbia Basin Real Estate/Weston Mountain Onion, however, not in time for this meeting's agenda. Hancock added that the transaction will be presented for formal approval at the next regular scheduled meeting.

Hancock noted that staff continue to schedule onsite meetings and discussions with new prospective tenants for both the Prosser Wine & Food Park and Vintners Village for space and land opportunities and she looks forward to sharing an update at the next regular scheduled meeting.

Hancock announced that COVID-19 continues to prove challenging for the country and the region, as the Port is witnessing both. We are seeing growth, the stabilizing and retooling of businesses (small and large), and want to ensure the Commission that staff will continue to work together in combined efforts to balance economic stability and strategic growth plans with each discussion, meeting, and transaction.

5. MARKETING:

Executive Administrator, Summers Miya stated that she would be providing a brief Marketing update because Director of Marketing, Wally Williams is preparing for the staff luncheon.

Miya updated that the Entrepreneurial Awards committee met for the first time on August 16, 2021 and it was determined that the date of the event would be November 2, 2021. Miya noted that Rotary member, Jan Jackson, who was very familiar with the Awards Program would be the Rotary lead, as President Roy Keck would be out of town. Miya explained that the Committee was planning for a hybrid event and would be preparing for a Zoom program, similar to last year because of the possibility

of in-person meetings getting shut down again. Miya added that the in-person component would take place at the recently renovated Holiday Inn on George Washington Way and the Port team would plan a walk-through prior to the event to test A/V capabilities of the venue. Miya stated that business and Sammy nominations were due by September 15, 2021, which will give adequate time to schedule and prepare the video interviews and program. Miya noted that Tri-City Regional Chamber President & CEO, Lori Mattson would be hosting the event, with Miles Thomas co-hosting. Miya stated that Wally Williams will be updating the flyer for the event, which will then be shared with the committee. Lastly, Miya noted that each sponsoring business will contribute \$600 towards the sponsorship of the event.

Miya moved on with updates that Williams had provided, noting that he has begun work on the Port of Benton fall newsletter. In addition, Williams has been working to finalize touches on the North Richland Columbia River wayfinding signs that will be placed along the walking path, starting at the USS Triton Sail and ending at the Snyder boat launch area. Once completed, Miya explained that similar signage will be added at Crow Butte Park.

Miya noted that Williams continues to work on the USS Triton brochure and booklet updates along with updating the Marketing budget for 2022.

6. ECONOMIC DEVELOPMENT & GOVERNMENTAL AFFAIRS:

Director of Economic Development & Governmental Affairs, Miles Thomas announced that much of his time has been devoted to the ICAP application previously discussed during the Grants Update portion of the meeting.

Thomas added that he has been working on an updated ad for the Trade & Industry magazine and is working on putting together relevant talking points, as the full page ad will be featured nationally and to 144k site selectors and in areas that the Port selects. Thomas noted that the ad will be the same platform as the Discover Richland ad.

Thomas informed that the RFP for the White Bluffs Center will be going out today and will be geared towards Phase I of the construction, which includes the Hanford History Project's archives and the Manhattan Project National Tour offices. Thomas stated that he felt the design request should be doable to allow for WSU-TC to move in by August 2022. Thomas noted that Phase II includes the actual gallery space.

Thomas announced that the agreement with WSU-TC has been fully executed and their first lecture is scheduled for September 3, 2021, at the Walter Clore facility. Thomas added that WSU-TC is working on a series of classes/lectures for students in the Wine Business Management Program and the lead is Byron Marlowe. Thomas noted that he will be touring the facility and will be working on finalizing all paperwork and is planning for a September Press Release announcing the agreement.

Thomas stated that he has been working on the wayfinding strategy with PEDa and noted that there are two future signs in the planning stages with the Port being a co-sponsor of a multi-tenant sign. Thomas added that multi-directional signs are also in-process.

7. FINANCE DIRECTOR:

Director of Finance/CPA, Danielle Connor provided an update on the Yardi IAP project, stating that the team continues to make good progress on the Yardi implementation. Connor stated that there is still a fair amount of foundation and master file setup, but property and leases data has begun to be entered for testing. Connor noted that Tiffany, from Teresa Hanford's office, had been onsite to assist with the data compilation and data entry, as the majority of the lease data will need to be entered manually. Connor added that once a bit more transactional data has been entered into the system, the

team will begin the integration design and development process, which Connor hopes would take place within the next few weeks. Connor pointed out that the timeline has been revised and she continues to monitor, and still aims towards fall for a go live with Core Voyager, and the Facilities Manager and GASB pieces will then follow.

Connor updated that Teresa Hanford is scheduled to be onsite next Monday, August 23rd to prepare the final draft of the 2020 financial statements, which the draft will then need to get filed with the SAO by the end of September and prior to the audit. Connor stated that she will be coordinating with SAO soon to set up the timing for the 2019 and 2020 audit, but current timing is expected to start in October.

Connor announced that the 2022 budget season is underway and the budget schedule has been set and a copy has been provided. Connor added that she will then be planning to bring an initial budget for review and discussion to the September 8th Commission Meeting in order to provide ample time to review and provide feedback. Connor stated that she is looking to schedule the Budget Workshop for mid-October, which will allow time to bring a revised budget for review and available for public comment at the October regular Commission Meeting. Connor stated that the Port will then look to formally adopt the budget at the November regular meeting, in order to meet the county deadline.

Connor provided an update on the Port financial status, stating that general expenditures for July were approximately \$715k, about \$300k less than what was forecasted, which is due to project timing. Connor added that July included debt payments to CERB, WSDOT and HAEFIC, which the HAEFIC loan was paid off in full. Connor added that Q2 LET was paid and a \$34k payment to Morrison Metalweld for rail frogs and switches welding.

Connor explained that project expenditures are expected to increase, with the Prosser Airport Taxilane construction and Fermi Project currently underway, as well as additional rail repair and pavement maintenance. Connor added that annual insurance is coming up at \$360k and reminded that project expenditures are still forecasted to get heavier into the fall for both Port and grant-funded projects. Connor stated that \$1.5M was forecasted in both August and September and noted that she will continue to monitor and utilize the Line of Credit, if needed.

Connor announced that Accounts Payable is currently sitting at about \$50k, which is all due to the City of Richland, as the Port continues to hold on payment, per the City's request, as they are working through the final stages of converting the Port accounts and reconciling the billings. Connor stated that payment is expected to be issued this week in full.

Connor noted that current cash balance, including reserved cash is \$3.8M and tenant A/R is currently sitting at \$312k outstanding, with about 24%, or \$75k aged greater than 90 days. Connor reminded the Commission that last month's report out was around \$92k greater than 90 days and the month prior was \$134k, so good progress is being made in collecting past due amounts and getting the accounts adjusted where needed.

Connor stated that the Port has received \$5.7k in July from FAA for AIP 19's final reimbursement request from the Taxilane Design Project. Connor added that she has queued up reimbursement requests to WSDOT for \$9k for FRIB/FRAB and the FAA for \$38k for AIP 31.

8. PORT ATTORNEY:

Port Attorney, David Billetdeaux announced that he is closely monitoring the COVID-19 situation, as numbers in the area are going back up. Billetdeaux added that his monitoring includes following updates by the CDC and the WA State Health Department and that the Port has moved back to required mask-wearing for employees and visitors regardless of vaccination status. Billetdeaux stated

that he hopes to be able to continue in-person public meetings.

Billetdeaux continued, with an update that he had sent an email to All-Staff was sent regarding the Wildfire Smoke Policy, which includes checking AQI regularly, employers providing masks when AQI was above 150 in addition to a number of other policy points.

Billetdeaux updated that the next court proceedings regarding TCRY would take place on September 8, 2021, which would be a Court of Appeals Division III hearing, regarding whether "Class 3" as used within the Port Lease meant an FRA Class 3 maintenance standard or an STB Class III Revenue standard. The Port successfully argued in Benton County Superior Court that it is a maintenance standard. TCRY filed an unsuccessful Motion for Reconsideration, and subsequently filed an appeal to Division III.

Billetdeaux updated that the Port has filed a motion for a summary judgment in Benton County Superior Court to decide whether the TCRY tariffs should be removed as an issue in the current litigation, since the STB has ruled that the so-called tariffs are not actually tariffs. That hearing is set to take place on August 25, 2021.

9. EXECUTIVE DIRECTOR:

Executive Director, Diahann Howard congratulated Port Attorney, David Billetdeaux for being featured in the current Tri-Cities Area Journal of Business as a Young Professional.

Howard provided an update on the 1220 Node Building that is located in the Richland Innovation Center (RIC). Howard stated that Engineer Roger Wright recently met with Todd Eckman of HMIS, who manages the DOE-RL telecommunications infrastructure. Howard reminded that when the Port took over the RIC, DOE-RL maintained an easement for all their underground infrastructure, as well as the masonry structure at 667 University Drive, which is known as the 1220 Node and houses critical telecommunications equipment. Howard added that it is also the hub for several different routes of wiring for their telecommunications infrastructure. Howard continued, stating that since the easement is for the physical extent of the building only, and since the Port owns the ground under the building, the Port should own this building as well and it has been expressed that it is likely that HMIS and DOE-RL would support this action.

Howard added that if the Port owned the building, it would all the Port to lease additional space to Hanford and non-Hanford related businesses that cannot, or do not want, to be on the Hanford system. Howard noted that it is felt that although there would be some initial expense to expand or upgrade the building, it could be a strategic and financial benefit to the Port in the long run.

Howard added that she has recently participated in the ECA Nuclear Legislation, Energy Council discussions and the Rob Ellsworth radio show. Howard added that she has also participated in the recent Hanford meeting with Congressman Newhouse and has been providing updates to all congressional offices.

Howard reminded the Commission that Director of Airports, Joe Walker has left the Port of Benton to move back to the west side of the state and the Airport position will likely be filled in 2022 and will be brought forward during budget discussions. Howard added that first and foremost a Facilities position needs to be filled. Howard clarified that in Walker's absence, Teresa Hancock will handle airport leases, with Miles Thomas assisting with Research District area leases.

Roger Wright of RGW Enterprises interjected that a time-sensitive matter had just come up, and asked the Executive Director to seek Commission approval to add a #7 Acceptance of grant for the Richland Airport to the Items of Business section of the agenda.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the addition of business item #7 on the August 17, 2021 Port of Benton Commission Meeting agenda.

Port Engineer Roger Wright explained that he had just received an email from the FAA regarding agenda item #2, Resolution 21-33, **Approval to Apply for FAA Grant for Richland Airport Electrical Replacement Project, \$3,156,583** and the FAA has approved the \$3,156,583 grant with no match requirements.

Port Attorney David Billetdeaux officially added **Resolution 21-35, A Resolution of the Port of Benton, Washington to Authorize the Executive Director to Accept a Grant for the Richland Airport** to the agenda packet.

It was explained that this grant was intended to provide electrical, lighting, and guidance replacement in addition to electrical room modifications and replacement of the existing Medium Intensity Runway Lights (MIRLs), signs, Precision Approach Path Indicators (PAPIs), and wind cones.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 21-35, granting the Executive Director to accept a grant for the Richland Airport of \$3,156,583.

I. EXECUTIVE SESSION: The regular Commission Meeting was recessed at 10:37 a.m. and an Executive Session was convened at 10:40 a.m. to discuss ongoing litigation and real estate matters. It was announced that Executive Session would take 30 minutes and if any action was required, the Regular Commission Meeting will reconvene and bring forward the item at that time. At 11:10 a.m., it was announced that 5 additional minutes would be added to Executive Session.

J. ADJOURNMENT: With no further business, the meeting was adjourned at 11:15 a.m.



Roy D. Keck
Commission Secretary