

**PORT OF BENTON
COMMISSION MEETING MINUTES
SEPTEMBER 8, 2021**

A. CALL TO ORDER: The regular monthly meeting was called to order at 8:30 a.m. at the Walter Clore Wine & Culinary Center, 2140 Wine Country Road, Prosser, 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 (via remote communications); Director of Finance/CPA, Danielle Connor; Bryan Condon, Century West (via remote communications); Mike Luzzo, Richland Resident; PEDAs Executive Director, Neal Ripplinger; HDPA Executive Director, Jesalyn Cole; City of Prosser, Tom Glover (via remote communications); Prosser Chamber of Commerce, John-Paul Estey; JUB Engineers, Ben Hoppe (via remote communications); WSU Tri-Cities, Byron Marlowe (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 Marketing, Wally Williams led those present in reciting the Pledge of Allegiance.

Miles Thomas noted that one new item added to the agenda in the Information Reports section (G)(3), the Surplus of A/V equipment.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the addition of Section (G)(3) in the Information Reports section of the agenda, the Surplus of A/V Equipment.

C. CONSENT AGENDA:

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving the August 17, 2021 Commission Meeting Minutes, and approval of vouchers and certifications, including payroll, for the month of August totaling \$1,069,669.48.

D. PUBLIC COMMENT:

City of Richland resident Mike Luzzo inquired about the item reserved for the public hearing and whether or not there was a clear title on the land sale.

Dr. Byron Marlowe of WSU Tri-Cities greeted the Commission and expressed his pride and excitement for the partnership between the Port of Benton, WSU Tri-Cities and the Walter Clore Center. Marlowe stated that he looked forward to developing a relationship with all in the future.

E. PUBLIC HEARING:

1. Receive Public Comment Concerning Declaring Property Excess to the Future Needs of the Port and the Advisability of Selling Real Property Owned by the Port

The regular Commission Meeting was recessed at 8:40 a.m. and Public Hearing was convened by Commissioner Hagarty for the purpose of receiving public comment for advisability of declaring port property surplus to the future needs of the Port of Benton and advisability of selling or conveying to the public for economic development and job creation purposes, consistent with the port's tightening budget in response to COVID-19 pandemic. No public comment was received. The executive director and director of real estate provided an overview of the real property consisting of 6.81 acres located in the Horn Rapids Business Park.

Commissioner Hagarty closed the Public Hearing at 8:42 a.m.

F. ITEMS OF BUSINESS:

1. Resolution 21-36, Amending Comprehensive Plan of Improvements and Declaring Real Property Surplus.

Director of Real Estate, Teresa Hancock requested a motion to approve amending the comprehensive plan of improvements and declaring 6.81 acres of real property surplus to the port's future needs of the Port of Benton to sell or convey to the public for economic development and job creation purposes, further authorizing the port's executive director to accept proposals for the purchase of the property and present to the commission for approval.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 21-36, Amending Comprehensive Plan of Improvements and Declaring the Real property Surplus and authorizing the port's executive director to accept proposal for the purchase of the property and present to the commission for approval.

2. Resolution 21-37, Approving the Sale of Real Property Owned by the Port and Real Estate Contract with Columbia Basin Real Estate LLC

Director of Real Estate, Teresa Hancock explained that Columbia Basin Real Estate LLC is an Oregon based agri-business operating Weston Mountain Onions, who occupies the port's property located at 2927 Kingsgate Way since 2017. As tenants, they have privately invested in excess of \$1M operational infrastructure and ongoing maintenance of the 10,000 square foot facility. Hancock noted that the company started with 12 employees and has grown to 50 current employees. The property is operating beyond capacity in both facility and logistical needs. Hancock added the parties had discussed a potential sale inquiry in 2019 and again in 2020; however, COVID-19 put a halt to those plans. The sale is consistent with appraisals and recognizes private investment prior and future. Hancock stated the sale price is \$1,500,000 for property consisting of 6.81 acres of real property and improvements, including a

rail spur. Port staff propose the sale transaction be by a real estate contract (4% down - \$60,000.00 / 6% interest / monthly installment payments of \$15,907.42) including principal and interest. The current lease will be terminated at closing. The potential purchasers suggest an early payoff within the next couple years once post-pandemic stated the Executive Director, Diahann Howard.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 21-37, approving the sale of real property by the Port of Benton.

3. Welcome and Update from Neal Ripplinger, Prosser Economic Development Association

Prosser Economic Development Association (PEDA) Executive Director, Neal Ripplinger greeted the Commission.

Ripplinger updated that Tree Top is moving their puree operations from Medford, OR to Prosser and they are looking to retool 40 jobs to the Prosser area and are offering relocation options to current employees. Additionally, Ripplinger added that this Tree Top facility employs approximately 140.

Ripplinger provided a map highlighting the new residential areas slated in Prosser, which he explained were all likely except for perhaps one which will add a total of over 1,200 new homes to Prosser. Ripplinger expects the projects to be complete between one – five years.

Ripplinger mentioned the WIT Cellars purchase of Gamache in Vintners Village.

Ripplinger added that the final results were returned from the Community & Tourism Assessment study, which was funded through the USDA grant.

Ripplinger updated that the Wayfinding Project, which PEDA partnered with the Prosser Chamber and Historic Downtown Prosser, is progressing and the signs were just delivered and they are working on installation. Ripplinger noted that the signs are stand-up, not unlike the current signs, and include additional blades pointing towards Port properties, through the additional support and partnership with the Port. Ripplinger thanked the City of Prosser as well as the Port for all support received with the Wayfinding project, as it is important to the local businesses that the signs are visible and easy to follow for visitors. Ripplinger provided a map visual of the area that highlighted where the proposed signs will be located.

Ripplinger explained that there will be five new signs to complement existing signage, additional signage for the Depot/Visitor Center as well as additional and enlarged WINERIES signage will be added.

Ripplinger announced that the Prosser Business Spotlight continues to highlight one business per week and to date, PEDA has featured over 50 local businesses, with each business receiving complimentary direct mail advertising, social media coverage, as well as coverage on the Prosser Record Bulletin.

Ripplinger was happy to announced that the Class of 2020/2021 Prosser Leadership class graduated in August after completing all seven classes and a community project.

4. Welcome and Update from John-Paul Estey, Prosser Chamber of Commerce

Executive Director of the Prosser Chamber of Commerce, John-Paul Estey acknowledged and thanked everyone involved in wayfinding, as improvements were greatly needed and the overall impact benefits many.

Estey stated that the Chamber has been working closely with PEDA, City and HDPA, working on ways to help businesses survive the pandemic. Estey noted that the Artwalk and Wine Gala was held in

July, as the timing was perfect in regard to COVID-19 numbers and guidelines and thanked the Port for their sponsorship of the event. Estey added that there was limited negative feedback regarding the event.

Estey added that the Chamber will host a networking event towards the end of September and is working with HDP. Estey stated that he is really looking forward to the Walter Clore Center reopening and encouraged Byron Marlowe to call on the Chamber for any assistance, or connections they may need in the community.

Executive Director of the Historic Downtown Prosser Association (HDP), Jesalyn Cole agreed that the four Prosser organizations have been working very closely and share their resources when necessary. Cole announced that music is now playing downtown and the system can also be used as a PA. Cole updated that the Revitalize Washington event, which was slated for the end of September, has been moved to all-virtual, but Prosser will be featured during the remote sessions.

Cole added that the capital project at the Depot involves recycled railway and a pergola for the courtyard will be built, as well as expanding the deck and these projects are all thanks to a grant received.

Cole added that the Main Street grant is a 90-day process, which have expanded outdoor dining options by the addition of parklets.

Cole noted that the HDP Annual Meeting will take place on October 7 and they are in the process of electing their new Board.

Cole added that legislation voted to increase funding, stating that historically funding was \$2.5M, but that number has increased to \$5M, which is great news for the HDP budget. Cole stated there were officially 37 registered Main Streets in Washington.

5. Welcome and Update from Tom Glover, City of Prosser

City Administrator, Tom Glover announced that the City Hall is at a new location, at the corner of Bennett and Dudley. Glover noted that the next City Council meeting would be held on September 14 at 7 p.m.

6. HDR Engineering, Contract for Design for Derailment Repair

Executive Director, Diahann Howard stated that as discussed at the August Commission meeting, HDR has been working on the plans and specifications for the repair to the railroad track where the work was completed last year to clean up the derailment site. Howard added that as BNSF equipment went back and forth to remove the rail cars, they damaged many of the existing ties and while the Port is continuing to pursue reimbursement for this work, it is necessary to move forward with repairs at this time. Additionally, Howard added that this project will also repair some embankment erosion along the Port's track across the Yakima Delta, re-gap a portion of the track that is experiencing thermal expansion, and repair a damaged pier pad on the Columbia Park Trail Bridge.

Howard reminded the Commission that at the August Commission meeting, Commission approval was received to increase HDR's miscellaneous engineering budget to cover the preliminary design work they had completed on this project and the Port would like to now create a new tasks for them to complete the design of these improvements, including coordination amongst the railroads, prepare the documents for bid and provide assistance through the bidding process. Howard added that once bids are received, a separate budget for construction administration and inspection will be

approved.

Howard stated that the proposed budget for this work is \$80k.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the HDR Engineering contract for design for derailment repair.

7. Resolution 21-38, Approval of Pavement Maintenance Project

Director of Facilities & Operations, Ron Branine stated that Resolution 21-38 pertains to the smaller task order for Central Paving and the work was completed on July 9, 2021. Branine added that the project included crack sealing seal coat on the trail and parking lot.

Branine added that the large task order will be presented at the October meeting.

Commissioner Hagarty for clarification on if this was the City of Richland collaboration project. Branine stated that the small task order was completed with the assistance of JUB Engineers and the large task order was in collaboration with the City of Richland and the small order was required to be completed prior to the large project.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 21-38, approving the Pavement Maintenance Project.

8. Resolution 21-39, Wildfire Smoke Policy

Port Attorney, David Billetdeaux announced that on July 16, 2021 the Department of Labor & Industries adopted an emergency rule to protect workers across the state who may experience adverse effects due to wildfire smoke damage. Billetdeaux added that all agencies in Washington are required to abide by the new emergency rule, as agencies now have a requirement that they must provide a way for workers to understand when employees may be at risk. Billetdeaux added that notes include following the Air Quality Index (AQI), masks and respirators, which the Port has purchased and will be available to Port employees.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 21-39, a Wildfire Smoke Policy.

9. Resolution 21-40, Prosser Airport - Fiber Easement

Executive Director Diahann Howard stated that the Port has requested that Benton PUD/Noanet extend fiber and conduit into the east end of the Prosser Airport to provided increased broadband service to several buildings in the airport. Howard noted that the initial benefit will be for the Port's building being leased by the City of Prosser, the Chukar Cherry facility and the Port's main hangar at 111 Nunn Rd.

Howard stated that to accommodate this work, the Port needs to create an easement along the east end, and south side, of the airport for the fiber conduit and a map was provided to the Commission highlighting the location for the 10 ft wide easement. Howard stated that the conduit will be located underground, but the 10 ft wide easement will be there permanently. Howard added that this location

does not appear to negatively impact any existing or future development of the airport and since it is a perpetual easement, Commission needs to approve this easement, by Resolution.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 21-40, regarding the fiber easement at the Prosser Airport.

10. Resolution 21-41, Approval to Submit Two Grant Applications to the Washington State Department of Transportation, Community Aviation Revitalization Board (CARB) Loan Program for up to \$750,000 with 2% interest

Executive Director Diahann Howard announced that the Port is going for two CARB loans solely intended for airports. Howard explained that there will be two applications submitted with the hopes of one award. Howard added that the applications are due on October 2, 2021.

Howard added that there was a pre-discussion with WASDOT and a tour with the WPPA and both agreed that both areas are a good opportunity for grant funding. Howard explained that the CARB program is three years old and is aimed to provide support for general aviation airports. Howard added that the airport must be a revenue-generating asset.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 21-41, approving the submission of two grant applications to the Washington State Department of Transportation, Communication Aviation Revitalization Board (CARB) Loan Program for up to \$750,000 with a 2% interest.

G. INFORMATION REPORTS:

1. Grants Update:

Executive Director Diahann Howard announced that through an extensive team effort, the ICAP application has been submitted after completing 48-pages of work. Howard stated that she feels there is a solid chance of award as the committee is looking at only east-side areas. Howard added that the application process highlighted the need to have an industry lead. Howard reminded the Commission that the award is \$500k to start and the award announcement should be made by the end of the month. Howard thanked the entire team for their support throughout the process.

Howard added that the Port has asked the Port of Pasco to lead the Build Back Better Cluster Program, as the focus in around ag, which Howard thinks will work with the Prosser area and Walter Clore Center and will also work with Byron Marlowe and possibly PEDDA.

2. 2022 Preliminary Budget Review:

Director of Finance/CPA, Danielle Connor stated that the team has met internally and prepared a preliminary 2022 budget, which the team will continue to review and refine in preparation for the October workshop.

Connor stated that the Budget Workshop is scheduled for Tuesday, October 12, 2021 and the budget will be presented again the following day at the October 13, 2021 Regular Commission Meeting to allow for public comment.

Connor added that the Port will then look to formally present and adopt the budget at the Commission Meeting
September 8, 2021

November 10, 2021 Regular Meeting, in order to meet the County deadline of November 30, 2021.

Connor provided an overview on properties and any decrease in lease revenue, pointing out a decrease in the 2345 building and an overview of vacancies throughout the Port districts. Connor noted that operating expenses are still being firmed up to determine available budget capacity for capital projects.

3. Surplus of A/V Property:

Director of Economic Development & Governmental Affairs, Miles Thomas stated that the Port will be putting together a surplus list of A/V equipment, which includes A/V equipment used for conferencing and applying market value to each item.

H. COMMISSIONER REPORTS/COMMENTS:

Commissioner Keck stated that he attended recent WPPA, PNWA and TRIDEC meetings and many meetings involve discussions related to the current Governor mandate as businesses seek methods to comply.

Commissioner Keck stated that he had the opportunity to attend a reception held at the Clover Island Inn involving WPPA, PNWA and legislators in support of the Ice Harbor Dam, which was a well-attended and informative event.

Commissioner Larson stated that he has continued to attend Richland Rotary events, along with various other Zoom events throughout the month.

Commissioner Hagarty announced that she continues to attend the Visit Tri-Cities (VTC) Board meetings, in which Staci West has recently been added to the Board.

Commissioner Hagarty noted that the TBEX event that VTC facilitated, has been postponed until April of 2022 and coincides with Spring Barrel weekend. Commissioner Hagarty added that VTC is weighing their choices regarding a hybrid or Zoom Annual Meeting, which will take place in November.

Commissioner Hagarty noted that she has also been attending the Benton-Franklin Council of Governments meetings, where the discussions have been related to funding.

I. DIRECTOR REPORTS/COMMENTS:

1. AIRPORTS:

Director of Facilities & Operations, Ron Branine stated that the Prosser Taxilane Project is ongoing and an additional 10 workdays have been added as the new asphalt was put down last Friday, but failed to meet spec as tested. Branine informed that it was decided that the contractor will need to tear out the new asphalt and relay at their own cost, which was called out in the scope and contract.

Executive Director, Diahann Howard added that the error was due to the way the asphalt was mixed and approximately 300 tons of asphalt will need to be redone.

Branine continued with an update on the Prosser Balloon Rally, noting that he recently met with Rally organizer, Morgan Everett in preparation of the event and it was decided to change the location for the balloons, as well as entry and exit to the event, which will make it easier for the Port facilities team to manage, as well for attendees. Branine clarified that this was a collaborative decision between the Port and event organizer.

Discussion ensued on the logistics of the Rally as far as additional security offered by City of Prosser and Commission encouraged Branine to connect with the City of Prosser Police Department to ensure all involved were on the same page.

Branine added that Zero Gravity has moved out of 1865 Bronco at the Richland Airport and he will be working with his team to finalize improvements needed to the building.

It was added that Executive Director Howard and Port Attorney Billetdeaux are working with Port Engineer Roger Wright on an RFQ for the space, as Wright is working with the comp plan and following the appropriate process for this space.

2. FACILITIES & OPERATIONS:

Director of Facilities & Operations, Ron Branine announced that the 2345 Lighting Project is still ongoing at approximately 75% completion.

Branine added that the Pavement Maintenance Project is also ongoing with striping at approximately 90% complete.

Branine stated that the 2579 Stevens Roofing Project started September 7th and there is an expected duration of 3-4 weeks.

Branine added the team continues to stripe parking lots and paint curbs that were not included in this year's pavement maintenance plan. Branine added that, as with many other supplies, paint remains difficult to obtain.

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

Branine stated that the 3100 painting project was shifted to 2022, as suppliers are not currently making the elastomeric paint needed for the project until next year. Branine added that the paint that is available at this time will have a warrant of five years less than the elastomeric option. Branine noted that he felt waiting for the paint was available would save the Port money in the long run.

Branine stated that he continues to assist with budget planning and prep as they prepare for 2022 projects and is also working to close out 2021 with some smaller projects.

Branine announced that the team will begin prepping equipment soon for winter operations.

3. SPECIAL PROJECTS:

Director of Facilities & Operations, Ron Branine complimented the entire team, included recently retired John Haakenson on how nice the park looked on his recent visit.

Branine added that the house/Ranger Station remodel is going well and is on time and within budget. Branine stated that the Park recently underwent its annual compliance inspection with the Army Corps of Engineers on August 25th and there were very minimal findings, which would be addressed right away.

Branine stated that the Park irrigation system would remain on the generator for the remainder of the year, as the repair has been moved to 2022, but is all permitted and ready to go.

Executive Director Howard provided a quick update on the railroad, stating that the frogs and switches repair has been completed, but additional repairs are needed and welding will take place the first of the year.

Howard stated that HDR is working on the full scope of work for the Swift/Cemetery and Van Giesen crossings, with an expected timeframe of completion of sometime between April – June 2022. Howard added that full closure of Van Giesen is expected from a Thursday – Sunday.

Howard stated that the rail is estimated to need approximately \$8M in repairs.

Howard reminded the Commission that the Rail Caucus Tour was upcoming on Thursday, September 16 and Friday, September 17.

4. MARKETING:

Director of Marketing Wally Williams stated that the Cool Desert Nights event is coming up on Saturday, October 2 and he is working with Executive Administrator, Summers Miya on the Port vendor booth and has ordered new tablecloths and will be putting together giveaways.

Williams added that he is finishing up the Columbia River Trail wayfinding signs, which should be installed in the coming week.

Williams noted that he is working with Miya on the upcoming Entrepreneurial Awards event, which will be an all-virtual presentation this year. Williams added that the event will take place on Tuesday, November 2.

Williams stated that he has also been assisting with the Rail Caucus event, which will be coming up next week.

Williams noted that he is also working an ad for the Prosser Balloon Rally, which will be displayed in the program. Williams stated that this event will be taking place September 24-26.

Williams pointed out the new nametags that were provided to the Commission and all were encouraged to wear at Port events throughout the year.

5. REAL ESTATE:

Director of Real Estate, Teresa Hancock stated that staff are planning the backfill 24,000 (+/-) sq ft of the 2345 Stevens building coming online by the Atkins reduction of office space on the second floor as a result of COVID-19 remote work and reduction of contract work.

Hancock noted that she continues to receive leads for Vintners Village, including leads for small and medium-sized tasting rooms.

Hancock announced that she continues to work with Mr. Smoot, of Pepper Preppers for the acquisition of the former fire station building in Benton City (713 9th Street). Hancock announced that she will be bringing forward an offer to purchase at the October Commission meeting.

Hancock stated that she continues to work on ongoing leads, airports and the 2022 budget.

6. ECONOMIC DEVELOPMENT & GOVERNMENTAL AFFAIRS:

Director of Economic Development & Governmental Affairs, Miles Thomas stated that with the recent completion of the internet service upgrade at Crow Butte Park, staff are making plans to move the parking gate installation into the 2022 budget and have submitted graphics for the Corps of Engineers approval for the footing installation.

Thomas stated that he recently visited Palouse Falls State Park and noticed that they are utilizing the same installation in their parking area, which seemed to be very heavily utilized and the installation seemed similar to the setup at Crow Butte Park.

Thomas noted that with a little more than a month to go for reservations at Crow Butte, the Port will be lining up a few upgrades to the reservation system with vendor ResNexus. Thomas explained that additional features to be added at the Park include an optional fee for insuring reservations, which is accomplished through a third party vendor, and is very similar to insurance programs used for air travel and hotel stays. Thomas added that there is no additional cost for this

particular feature.

Thomas stated that on September 27, he will be making a presentation to the Richland Economic Development Committee to overview the Port and City's joint advertising over the past year.

Thomas added that the Port and City of Richland are coordinating on two fourth quarter advertisements, stating that the first is a Ports-focused piece including an editorial on the Port of Benton and an inclusion of the ad in Trade & Industry Magazine. Thomas added that the second piece is in Site Selector magazine, which Thomas explained the website data shows that it has had an uptick of visitor traffic to the land/property pages, with over 1,400 views per month. Thomas added that the Port's largest non-local demographic are visitors to the website from the Puget Sound region, followed closely by Los Angeles and southeast Oregon.

Thomas announced that the Port is currently working on several property leads, with one having a keen interest in a large property for agribusiness.

Thomas notified that the design RFQ for the Hanford History Project was advertised, and the deadline for submittals is Thursday. Thomas explained that out of the handful of architects the Port solicited to ascertain a timeline and willingness to bid, only one has indicated that they will not be submitting due to a substantial project they recently won, which would preclude them from meeting the Port's schedule. Thomas added that as discussed at the August Commission meeting, the RFQ is to design the storage portion of the facility only with limited articulation of the piece that will join the future gallery space. Thomas noted that this phasing is due to the timing of substantial need and current materials costs.

Thomas closed with the final note that this year he will be co-chairing the Tri-Cities Legislative Council for the 2022 session, alongside Staci West of Bechtel.

7. FINANCE DIRECTOR:

Director of Finance/CPA, Danielle Connor provided an update on the IAP project, stating that the team continues to make good progress on the Yardi implementation, but there is still a fair amount of foundation and master file setup. Connor noted that property and leases data has begun to be entered for testing and Tiffany, from Teresa Hanford's office has been onsite to assist with the data compilation and the data entry, adding that the majority of the lease data will need to be entered manually. Connor added that once more transactional data is entered into the system, the team will begin the integration design and development process, which Connor hopes will take place within the next few weeks. Connor noted that the timeline has been revised and she continues to monitor it, and is still aiming for later this fall to go live with core Voyager, with the Facilities Manager and GASB pieces to then follow.

Connor announced that consultant Teresa Hanford was unable to meet in August, so she will plan to move forward with revising and refiling the 2020 financial statements internally. Connor added that this will be challenging with the other initiatives, but the final draft needs to be filed with the SAO, as well as posted on EMMA (requirement of bond continuing disclosure) by the end of September and prior to the audit. Connor noted that she will be coordinating with the SAO soon to set-up the timing for the 2019 and 2020 audit and she still expects the audit to start in October.

Connor stated that general expenditures for August were approximately \$1M, about \$500k less than what was forecasted due to project timing. Connor listed some large payments that went out in August as \$175k to rail, \$120k for pavement maintenance and \$225k for the Fermi Ave. project. Additionally, Connor added that large payments were also made to Enduris for general insurance, City of

Richland utility payment to catch up on the account after working with the department on a master account, Ecomodus for the lighting project, Central Paving for pavement maintenance, Luke's Carpet for the carpet project and Railworks for retainage on the rail rehab project, or FRIB/FRAB.

Connor noted that project expenditures are still expected to increase, with the Prosser Taxi Lane construction and Fermi project underway, as well as additional rail repair and pavement maintenance. Connor added that the additional insurance surplus lines of \$40k were paid earlier this month and project expenditures are still forecasted to get heavier into the fall for both Port and grant-funded projects. Connor said that \$1.5M was forecasted for expenditures in September and \$1.1M has been forecasted for October. Connor added that she will continue to monitor and utilize the Line of Credit in September if needed.

Connor informed that the current (unreconciled) general operating cash balance, including reserved cash, is \$3.6M and the reports from the Benton County Treasurer have not yet been received to reconcile August.

Connor stated that Accounts Payable is currently sitting at \$181k due, of which about \$48k is past due. Connor stated that the Port is waiting on a signed amendment to release a \$14k payment to HDR and will also be paying a \$15k invoice to CBIT for the internet in Prosser, in addition to a \$12k invoice from Ecomodus.

Connor added that the utility balance to City of Richland has been paid that the conversion to a master account has been completed, which is making invoicing much smoother.

Connor stated that tenant Accounts Receivable is currently sitting at \$472k outstanding, as September billing was recently processed and the team is receiving/applying payments. Connor noted that currently about 16%, or \$74k is aged greater than 90 days and pointed out that last month's report had around \$75k aged greater than 90 days, and the months prior to that were \$92k and \$134k.

Connor said that the team continues to establish a process and identify next steps to address the past due amounts.

Connor informed that \$38k was received in August from the FAA for AIP 31 (RAP Master Plan) and \$9k was received from WSDOT for FRIB/FRAB in addition to \$37k received in early September for AIP 20, (PAP Taxi Construction). Connor stated that the team will queue up another reimbursement request for AIP 20 once the first large progress payment is processed.

8. PORT ATTORNEY:

Port Attorney, David Billetdeaux announced that the COVID-19 numbers have been skyrocketing in the area and reminded the Commission that the Emergency Order is still in place for Executive Director, Diahann Howard. Billetdeaux added that it is quite possible that the Port will return to 100% virtual Commission meetings.

Billetdeaux stated that the Port has reinstated the mask policy at Port facilities and employees are required to wear their mask when not in their own workspace and all visitors to the office are required to be wearing a mask.

Billetdeaux announced that the Redistricting RFP was sent out and one firm submittal was received. Billetdeaux added that the company Flo Analytics, and is under the Maul Foster Alongi umbrella, whom the Port is familiar and comfortable with.

Billetdeaux stated that he is working on a Port vehicle take home policy to present at the October Commission meeting, adding that this policy will cover emergency type situations.

Billetdeaux thanked Director of Real Estate, Teresa Hancock for her recent assistance in locating documents that were a part of discovery requests within the current TCRY litigation. Billetdeaux shared

that a letter was received from Rydel Peterson, regarding the TCRY lawsuit, that needed to be discussed within Executive Session.

9. EXECUTIVE DIRECTOR:

Executive Director, Diahann Howard announced that she recently participated in the ITAB presentation and the process is moving forward.

Howard stated that she recently joined tours with Century West Engineers and WPPA and both agreed that the sites noted for grant opportunities make sense.

Howard added that she attended the recent dedication of the Mattis Leadership Library and Veterans Memorial at WSU Tri-Cities.

Howard added that she was able to complete the Visit Tri-Cities survey and one-on-one and provided input from a regional prospective.

Howard noted that the RiverFest event was cancelled due to the COVID-19 pandemic, but added that the planning committee is working on a possible rebroadcast of "Our Rivers, Our Life", which had over 1M impressions along the I-5 corridor in 2020.

Howard added that the Facilities Manager interviews have been completed.

Howard reminded the Commission that the Port of Pasco BBQ is on September 9 at 12 p.m. and the Rail Caucus is on the 16th and 17th, which will be hosted by the Port of Benton.

J. EXECUTIVE SESSION: The regular Commission Meeting was recessed at 11:13a.m. and an Executive Session was convened at 11:14 a.m. to discuss ongoing litigation and real estate matters. It was announced that Executive Session would take 40 minutes and if any action was required, the Regular Commission Meeting will reconvene and bring forward the item at that time.

K. ADJOURNMENT: The Commission announced that no action was required to be taken relating to any items discussed within Executive Session. With no further business, the meeting was adjourned at 11:53 a.m.


Roy D. Keck
Commission Secretary