

**PORT OF BENTON
COMMISSION MEETING MINUTES
APRIL 13, 2022**

A. CALL TO ORDER: The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton offices, 3250 Port of Benton Blvd., Richland, Washington

PRESENT: Commissioner Christy L. Rasmussen; Commissioner Roy D. Keck; Commissioner Lori Stevens; Executive Director, Diahann Howard, PPM®; Public Information Officer, Summers Miya; Director of Economic Development & Governmental Affairs, Miles Thomas; Director of Finance, Danielle Connor; Director of Marketing, Wally Williams; Karl Dye, TRIDEC; Theresa Richardson, City of Richland; Scott Keller, Community Member; Dave McCormack, Washington VERTical; William O'Neil, Community Member

The following attendees attended via remote communications: Contract Specialist, Sheri Collins; Accounting Clerk, Liz Renz; Senior Accountant, Veronica Serna; Port Attorney, David Billetdeaux; Director of Facilities & Operations, Ron Branine; Emma Swanson, Flo Analytics; Clif Dyer, Sundance Aviation; Mary Louise Wagner, Community Member

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

B. PLEDGE OF ALLEGIANCE: Commissioner Lori Stevens led those present in reciting the Pledge of Allegiance.

C. CONSENT AGENDA:

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving the March 9, 2022 Commission Meeting Minutes, approving the March 23, 2022 Special Commission Meeting Minutes, approval of vouchers and certifications, including payroll, for the month of March totaling \$555,417.11, approval of project vouchers and certifications for the month of March totaling \$30,294.00, approval of Resolution 22-13, to cancel warrant no. 079460, in the amount of \$350, which was deemed to be issued with errors, approval of Resolution 22-14, to cancel warrant no. 079519, in the amount of \$521.43, which was deemed to be issued with errors.

D. PUBLIC COMMENT:

There were no comments from the public.

E. ITEMS OF BUSINESS

1. Welcome and Update from Karl Dye, TRIDEC

TRIDEC CEO, Karl Dye thanked the Port Commission for the continued partnership and support.

Dye announced that the most recent numbers are showing a total population of 308k with 106k in the local workforce and stated that the Tri-Cities area did not see a reduction in the workforce because of the pandemic. Dye added that contributions to the stable economy included much of the area's workforce being declared essential from the beginning of the pandemic and the economy stayed strong throughout. Dye added that there is more in the local workforce now than at the beginning of the pandemic.

Dye provided a PowerPoint presentation focusing on economic diversification, workforce and opportunities. Dye noted that the base industry sectors targeted for recruitment include advanced and precision agricultural equipment and software manufacturers, advanced manufacturing, energy technologies and training activities. Dye stated that challenges to the workforce include lack of availability, new projects and skilled trades. Dye added that opportunities include a large population on Gen Z and millennials, the INL/Idaho Falls connection and attraction of new talent.

Dye provided a examples of manufacturing opportunities, but noting that the Tri-Cities has a lack of electrical capacity, stating that the Tri-Cities needs more power, adding that Washington has the greenest and cheapest power in the country, but no flex to add power to the Tri-Cities. Dye also explained that certain manufacturers require millions of gallons of water a day and the City of Richland is not capable at this time of meeting this demand.

Dye stated that BPA upgrades are needed, as well as local SMR and added that Energy Northwest needs more access to power locally so they do not have to rely on BPA.

Dye stated that he recently attended the Advanced Reactor Summit and is working to showcase the rail and river access in the Tri-Cities.

2. Washington VERTical Update, Dave McCormack, CESA Executive Director

Washington VERTical Executive Director, Dave McCormack thanked the Commission for the opportunity to share VERTical information and added that he also attended the recent Advanced Reactor Summit and was able to present to that group as well.

McCormack reviewed the goals of VERTical, a Washington State Innovation Cluster Accelerator Program, which included: accelerating economic growth in new high-growth, high-value sectors, strengthen collaborative innovation clusters, prepare companies and entrepreneurs to better compete in emerging market opportunities, improve global competitiveness, grow long-term capabilities around high-impact innovation clusters.

McCormack displayed a WA Department of Commerce quote from a recent press release, "Washington VERTical, led by the Port of Benton, accelerating the transition to clean, renewable and non-emitting energy production sources by 2025 through advanced nuclear power technologies."

McCormack provided information on the Clean Energy Supplier Alliance, a Washington Non-Profit corporation, which is an industry-led, dues-based membership. McCormack explained that the founding members are established nuclear suppliers and the membership represents breadth of the nuclear life-cycle: Upstream – Fuel Cycle – Operation – Downstream

McCormack explained that membership benefits include: Business-to-business partnering opportunities, shared business development resources, pathway for attainment of nuclear supply

credentials.

McCormack provided supply chain benefits as well: Transparent, qualified and vetted supply chain, responsiveness, efficiency, and security of domestic resources, scalable and deployable model for domestic supply chain.

McCormack provided examples of Washington VERTical innovation projects, which add innovation to strengthen the domestic supply chain. Examples include: Nuclear Quality Management Center for Excellence, Development of the 21st Century Workforce, Engage O&G-Petrochem Supply Chain.

3. Interlocal Agreement with the City of Richland

Port Attorney David Billetdeaux explained that the City of Richland and Port of Benton often team-up to take care of necessary work together, which benefits both the City and the Port, as working together ultimately saves both entities money.

Billetdeaux stated that this Interlocal Agreement covers the annual pavement maintenance preservation program, which extends life to city streets, and includes the Richland Airport and Port-owned streets.

Billetdeaux clarified that this Interlocal agreement has not changed from agreements presented in prior years.

After no further discussion, a motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens and unanimously passed by the Commission, approving the interlocal agreement with the City of Richland for street maintenance.

4. Redistricting Process Review and Presentation of Draft Maps

Port Attorney, David Billetdeaux presented the updated draft maps prepared by consultant, Flo Analytics. Billetdeaux reminded the Commission that reaching a district balance of under 10% is required and 5% is recommended. Billetdeaux added that upon the first presentation of draft maps, the Commission expressed a desire to reach as close to a 0% deviation as possible and rework the draft boundary maps.

Billetdeaux introduced Emma Swanson of Flo Analytics, who presented the revised draft maps to the Commission. Swanson reviewed the process of and requirements to determine acceptable boundaries and presented drafts for review and discussion.

The current boundary map was shown as a comparison to the draft versions and it was determined that draft map 1 was the most ideal at .02% variance between districts.

Billetdeaux stated that the selected draft map will be posted to the website and the required noticed would be published in the paper with a period of public comment available for in-person and written feedback on the selected draft map.

After no further discussion, a motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck and unanimously passed by the Commission, approving the posting of the selected map for public comment to the Port's website and for publication in the newspaper, with final adoption taking place after any public comments at our next special Commission meeting on May 3, 2022.

F. INFORMATION REPORTS:

1. Crow Butte Park Update

Director of Facilities & Operations Ron Branine provided an update on Crow Butte Park, announcing that the new electrical line was completed, and irrigation is now once again functional at the park. Branine reminded the Commission that this electrical replacement project was a \$70k capital project but came in under \$40k at completion.

Branine stated that two smart parking meters have been ordered to assist with capturing day use fees without having to manage this process manually. Branine added that they are still awaiting the Corps for approval on the parking boxes, which was submitted last October.

Branine informed the Commission that since acquiring the park, over \$3M in capital dollars has been invested towards the park, and \$874k total Port contribution.

Commissioner Keck inquired on why the supporting counties no longer contribute to the maintenance of the park as was agreed to upon Port takeover.

2. 2022 Year to Date Budget Status Report

Director of Finance/CPA Danielle Connor announced that the budget is on-track, but still preliminary. Connor stated that team is currently reconciling 2021 and will bring the final forward at the May Commission meeting.

Connor noted that the layout has been revised to separate operations from capital. Connor noted that the Port started out with more cash than budgeted. Connor added that the finance team is working to get the lease revenue annualized. Connor stated that there no impact was seen from the COVID-19 pandemic.

Connor noted that the cadence of the budget status report outs will continue to be quarterly in 2022, so she will plan to bring the next 2022 quarterly YTD budget status report in July.

3. Grants Update

Executive Director Diahann Howard provided comments on the April Grants Report. Comments were provided on projects with any updates from the March 2022 meeting.

- Richland Airport – Airfield Signage and Lights (Phase I) – Bids were received and Sierra Electric was found to be the lowest responsive bid. Anticipate construction starting in June 2022.
- Innovation Cluster Accelerator Program Application – Goal to support creation of clean energy alliance. Communications RFP completed, awarded to Prominence Public Relations. Web design RFP graded and in negotiations with apparent successful bidder.
- EDA Build Back Better – Application led by Maritime Blue and Washington Clean Tech Alliance. Awarded Phase I, Phase II submitted with formal notice anticipated in September 2022.
- National Highway Freight Program (WSDOT Portion) – SR 240 rail signal and crossing reconstruction with City of Richland supporting the Port's application on this project.

Grant application has been submitted and award will likely be late 2022 with construction in 2023.

4. Rail Overview – Tour Following Meeting

Engineer Roger Wright provided a thorough overview of the Port-owned railroad infrastructure through a PowerPoint presentation including information on the history of the Port railroad track, maps of track, list of current track users, overview of the entire Washington state rail system, which was highlighted by owner, total annual tonnage (with the Port rail being highlighted as second in tonnage for Short Line tracks in the state of Washington).

Wright provided information on the Class I's track through Kennewick and also provided an update on each crossing:

- Center Parkway – Richland to construct this crossing 2022/23, this is also the start of Port rail.
- Steptoe – Richland and developer working on redesign on intersection with construction in 2023.
- Jadwin – Reconstructed crossing in 2019/20.
- Duportail – Reconstructed by City of Richland in 2020.
- Cemetery Entrance – To replace with Port funds in 2022.
- Van Giesen – To replace with Port funds in 2022.
- Airport Way – Needs future crossing panel replacement.
- Saint St. – Needs future crossing panel replacement and lighted crossbucks.
- SR 240 – Needs future crossing panel replacement and widening of pedestrian crossing. Port working on grant funding in cooperation with City of Richland.
- Battelle Blvd. – New signal and crossing in 2005.
- Horn Rapids Rd. – Port track stops south side of Horn Rapids. City currently owns the signal, but signal to be improved for 1,341 acre land development.

Wright provided a detailed overview of the 2021 Derailment Damage Repair Project.

G. COMMISSIONER REPORTS/COMMENTS:

Commissioner Roy Keck announced that he has been attending TRIDEC meetings.

Commissioner Lori Stevens stated that the Prosser businesses are looking forward to the upcoming TBEX event and thanked the Port for their support and involvement in helping to bring the event to Prosser.

Stevens added that Spring Barrel weekend is also coming up.

Stevens noted that she had recently attended Congressman Newhouse's Snake River Dams Roundtable.

Commissioner Christy Rasmussen stated that she has listened to the podcast episode on nuclear power and found it very informative and has ordered the book as follow-up.

H. DIRECTOR REPORTS/COMMENTS:

1. AIRPORTS:

Director of Facilities & Operations, Ron Branine announced that the Facilities team is working at 2019 Butler Loop to get the space ready for lease, along with 1865 Bronco Lane, which will require more painting and additional punch list items.

Branine stated that he attended USDA Wildlife training with Dan Davis, John Alley and Jeff Moore, which is required annual training for all airports.

Branine added that they are working to send out notices to all users for help with general airport cleanup. Executive Director, Diahann Howard added that this letter to airport users is a housekeeping-related item and added that the airport page on the website has been updated with an airport Q&A section.

2. FACILITIES & OPERATIONS:

Director of Facilities & Operations, Ron Branine announced that the 2345 Stevens Drive phase II carpet installation is approximately 75% complete and reminded the Commission that this is for the south end of the upstairs area.

Branine stated that HMiS has turned in another scope of work for a very large pallet rack system, battery charging stations, floor striping and other miscellaneous items. Branine added that bids have been received for this work and HMiS is currently reviewing and if they approve a bid, Branine hopes to award at the next Commission meeting.

Branine added that access controls on the exterior doors have been added at the 2345 Stevens Drive building, which was previously managed by Atkins, but upon Atkins moving to a reduced space, the Port has now taken control. Branine noted that access controls will be installed at 3100 and 3250 within the next 30-60 days. Branine explained that the benefits of the access control system include one platform to manage all buildings remotely, which includes locking and unlocking doors, remove termed employees and schedule automatic locking and unlocking. Branine added that another benefit includes paper trails for audits that may be needed.

3. REAL ESTATE:

Director of Real Estate, Teresa Hancock added more information on the 2345 Stevens Drive HMIS buildout, stating that these tenant improvements included buildout for offices, racking and electrical upgrades and preliminary bid estimates exceeded \$500k.

Hancock announced that the tenant is interested in the available office space, which is seemingly a perfect fit due to the size and proximity to existing departments within the building.

Hancock stated that staff is coordinating overall security and logistics needs, with hopes of quickly backfilling the space and added that the annual revenue impact is approximately \$287k, excluding \$46k for utility fee + LET. Hancock noted that the Port is seeking a 3-5 year term, or adding an existing lease mod, with term expiring December 31, 2025.

Hancock provided an update on 2880 Lee Rd., #B, stating that Tirriddis Sparkling Wines has moved in and is awaiting permits with hopes to open by Spring Barrel. Hancock complimented the facilities and operations team for the unique transformation and will look forward to a future ribbon-cutting in the space.

Hancock announced that tenant, Shidalowitz, which was a telecommunications contractor for Zippy and occupied 2019 Butler Loop, has vacated at the end of February and turnover repairs are underway. Hancock stated that turnover repairs include paint, carpet, floor cleaning, garage repair. Hancock stated that because of industrial zoning, a commercial, or light industrial user is best fit for this

space. Hancock reminded the Commission that this property is 5,900 sf and is a \$60k/year revenue impact.

Hancock noted that she continues to field inquiries for potential land opportunities in Vintners Village and added that recent leads have been outside the current zoning requirements.

Hancock provided an update on a recent Vintners Village conversation regarding the 6.50 acre request for purchase, which the potential purchaser is now reviewing a draft purchase and sale agreement. Hancock added that the Port anticipates a counteroffer or response within the next couple of weeks and once received, will be presented to the Commission for consideration.

4. MARKETING:

Director of Marketing, Wally Williams announced that he has begun working on the spring newsletter and has also recently created a Washington VERTical brochures and is working on the an updated USS Triton brochure.

Williams added that he has been working on a number of ads and displayed each ad via screenshare. Williams shared ads created for Trade & Industry Development Q2 | 2022, Tri-Cities Area Journal of Business, Hanford Specialty Publication and the Visit Tri-Cities Visitor Guide, which focused on Vintners Village rather than Crow Butte Park, as it had done previously.

Public Information Officer Summers Miya provided an update on the USS Triton Recognition Ceremony, which will take place on Thursday, May 12th at 10 a.m. Miya explained that the ceremony will honor the original crew of USS Triton's Operation Sandblast, which was the top-secret mission in 1960 that circumnavigated the globe, totally submerged and generally following the explorer Ferdinand Magellan's route.

Miya stated that four of the original crew have RSVP'd for the event, along with their family and will be traveling in from around the country. Miya noted that she has spoken to crew from later missions, who have also expressed an interest to attend the event.

Miya explained that the event will welcome the crew, highlight the journey, discussing the historical aspects and importance of the great milestone.

Miya added that Port Commission president Rasmussen will welcome and present Proclamation 22-01, which will honor the original crew of Operation Sandblast.

Miya added that the City of Richland has been invited to speak and present their own proclamation and the Port will offer tours of the conning tower and host a reception afterwards. Miya added that the media will be invited to the event.

Miya stated that she is working to organize oral history interviews with WSU Tri-Cities and the Hanford History Project.

Miya announced that the Port was recently featured in Business View magazine (Volume 9, issue 3), print and digital version which highlights the Port's assets, economic impact to the area, provides a brief history of the Port of Benton and highlighting the ultimate goal of driving economic development and tourism to the area. Miya added that the Prosser and Richland Airports were highlighted and the findings from the WA ST Department of Transportation's Aviation Impact Study were featured. Miya added that clean energy and advanced reactors were highlighted along with the supply chain alliance and tourism.

Miya provided an update on the Richland Airport Electrical Replacement Project, noting that a protest was submitted from the competing electrical company, but Sierra was found to be the lowest responsible bidder and the bid tab is currently posted to the website as required. Miya stated that over

the next two – three weeks, the Port will be signing contracts with Sierra and the Port hopes to ask them to provide proof of ordering materials as soon as possible so a detailed schedule of work can be presented and the runway closures can be coordinated and geared to limit impact to users as much as possible.

Miya reminded the Commission that the project updates have been posted to the website.

5. ECONOMIC DEVELOPMENT & GOVERNMENTAL AFFAIRS:

Director of Economic Development & Governmental Affairs, Miles Thomas followed-up on the Trade & Industry article, stating that the Port of Benton was the only port featured from Washington state and included the ad plus three editorials. Thomas added that the Port was featured as one of the Top 10 Sites in America and the article featured the future of Washington VERTical plus the supplier alliance.

Thomas informed the Commission that Washington VERTical did put out an RFP for a communications consultant and Prominence Public Relations was awarded this contract.

Thomas added that the Port is also in direct negotiations with the design consultants.

Thomas announced that the congressional submission is in for the White Bluffs Archive and Storage facility, which includes the important diversity piece.

Thomas noted that at this time the Port continues to use the Walter Clore space for industry purposes.

6. FINANCE DIRECTOR:

Director of Finance/CPA, Danielle Connor announced that the Port welcomed Accounting Clerk, Liz Renz to the team on March 14, 2022, reminding the Commission that the position was created and the role has absorbed accounts payable duties previously done by Summers Miya. Connor stated that Liz is doing a great job and the team continues to work through the onboarding plan with the main focus being accounts payable, but also allocating 15%-25% of her time to assist with the Voyager project, lease entry and has been working with the consultant on this piece.

Connor congratulated Summers Miya on her new title of Public Information Officer, adding that the role is a perfect fit for her and the Port is very excited for her.

Connor provided an update on the IAP project, stating that the team continues to make progress on the Yardi Voyager implementation phase of the project and the team is now up to 123 leases (56%), reminding the Commission that there are approximately 220 total leases and each lease takes approximately three hours to enter into the system.

Connor added that the team has paused some progress due to rework of existing lease entry and is also working on billing testing, integration and cutover tasks. Connor stated that this is not a data migration project, but a digitization project, with heavy data gathering and data codification required, adding that the digitization and codification are not just the leases, but also the properties, which are the foundation of both leasing and facilities. Connor stated that it has taken a substantial effort and time to clearly identify and codify the properties, land and buildings.

Connor noted that the current estimated launch date for Yardi Voyager is July 1, 2022, but stressing that this date is very tentative and based on lease entry and integration progress. Connor added that there are still several cutover items to work through post lease entry and prior to going live. Connor added that she expects the launch date may need to be moved, but is waiting to see how things progress in the next 4-6 weeks with additional resourcing being added to the project, as well as working through integration development. Connor noted that she is in discussion with Intacct consultants working on a SOW for the integration development piece.

Connor stated that she has begun working on 2021 year end with Senior Accountant, Veronica

Serna and planning to bring in consultant Teresa Hanford, as well as work a few upcoming Saturdays to prepare the compilation of the Annual Report. Connor reminded the Commission that the 2021 financial statement package is due to the SAO by the end of May and she will be looking to get a draft to float for internal review by May 6, 2022 with submittal to the SAO early if possible.

Connor explained that the Port is scheduled to undergo a single federal audit as well as a financial statement and accountability audit this year. Connor noted that she has notified the SAO that the Port's federal expenditures were over the threshold so they are aware that we need to work towards a September 30, 2022 deadline.

7. PORT ATTORNEY:

Port Attorney, David Billetdeaux reported that the hearing has been delayed until May 4, 2022 as the sitting judge is delayed due to a two week trial.

Billetdeaux informed the Commission that a draft Social Media Policy has been provided to them and noted that he has reached out to Ports and Cities for input, adding that WPPA has already provided advisement. Billetdeaux stated that this policy is in place to protect the Commissioners and reminded Commission that any social media posts are public record and it is important to have a policy in place and encouraged the Commission to reach out to him with any questions. Billetdeaux explained that the Port uses a company to capture all posts and documents, which is cloud-based and there to protect the Commissioners.

Billetdeaux provided a few facts about social media regarding Commissioner posts, comments and online meetings, adding that elected official social media must be available to all with equal and fair access to all. Billetdeaux noted that it is recommended to elected officials to turn off the comment option on posts for archiving purposes.

Commissioner Rasmussen stated that she was grateful to see this document and is thrilled to have a policy in place regarding social media.

8. EXECUTIVE DIRECTOR:

Executive Director, Diahann Howard stated that she recently attended a one day WPPA Executive Directors meeting and was able to provide recommendation to the WPPA Executive committee and did leave the meeting with concerns.

Howard stated that she recently presented to the ASCE and has attended meetings with the Corps and PNWA recently, adding that the Corps meeting will bring follow-up meetings.

Howard announced that she will be joining TRIDEC's Karl Dye for the May 13, 2022 Coffee with Karl episode and will discuss Washington VERTICAL.

Howard added that she recently met with the City of Richland and informed that the City has invited the Port to participate in upcoming leadership and development trainings that are being facilitated by the City.

Howard stated that Prosser leadership group has announced their interest in adding a Neptune marker near the Prosser Wine & Food Park.

Howard added that the Port is still looking for a Director of Airports, as well as an engineer with rail experience.


I. EXECUTIVE SESSION: The regular Commission Meeting was recessed at 11:40 a.m. and an Executive Session was convened at 11:45 a.m. to discuss ongoing and potential litigation, real estate and personnel matters. It was announced that Executive Session would take 20 minutes and if any action was required, the Regular Commission Meeting will reconvene and bring forward the item at that time.

At 12:00 p.m., Commission announced that no action was required to be taken relating to any items discussed within Executive Session.

J. BREAK: With no further business, the meeting was recessed and teleconference and Zoom options were terminated. Commission and staff traveled to the Richland rail for a tour led by Engineer Roger Wright.

K. TOUR OF RAIL: Engineer, Roger Wright led the Port Commission and staff on a tour of Port-owned Richland rail, highlighting the Central Washington Corn Processors loop track, Port Wye track, the Port's rail yard and Center Parkway rail. The tour was open to public attendance and no action took place during or after the tour of the Port-owned rail.

L. ADJOURNMENT: The Richland rail tour concluded at 1:20 p.m. and the Commission meeting was adjourned.


Lori Stevens
Commission Secretary