

**PORT OF BENTON
COMMISSION MEETING MINUTES
MAY 18, 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; Director of Facilities & Operations, Ron Branine; Scott Keller, Community Member; William O'Neil, Community Member; Bob Schuetz, Energy Northwest; Josh Lozano, Energy Northwest; Michelle Holt, Benton-Franklin Council of Governments

The following attendees attended via remote communications: Contract Specialist, Sheri Collins; Accounting Clerk, Liz Renz; Senior Accountant, Veronica Serna; Port Attorney, David Billetdeaux; Clif Dyer, Sundance Aviation; Roger Wright, RGW Enterprises; Bryan Condon, Century West Engineering; Theresa Richardson, City of Richland; John Cadwell, Jr., Richland Airport User

The Commission 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.

C. CONSENT AGENDA:

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving the April 13, 2022, Commission Meeting Minutes, approving the May 3, 2022, Special Commission Meeting Minutes, approval of vouchers and certifications, including payroll, for the month of April totaling \$987,843.35, approval of project vouchers and certifications for the month of April totaling \$109,884.50.

D. PUBLIC COMMENT:

Community Member, Scott Keller announced that he would like to make a public comment on the White Bluffs Archive & Storage Facility and stated that he did not feel it was a good use of public funds to build a storage facility for another public entity that does not create jobs.

E. ITEMS OF BUSINESS

1. Welcome and Update from Michelle Holt, Benton-Franklin Council of Governments

Executive Director of the Benton-Franklin Council of Governments (BFCOG), Michelle Holt provided a PowerPoint presentation on an overview of what BFCOG is, including information on when it was founded (1966) and its vision of "providing a forum for improved communication, multi-

jurisdictional decision making, regional planning, and a lead agency capacity for provision of multi-jurisdictional programs.”

Holt explained that BFCOG currently fulfills the following designations on behalf of the Benton-Franklin region: Regional Planning Commission, Conference/Council of Governments, Regional Transportation Planning Organization, Metropolitan Planning Organization/Transportation Management Area, Economic Development District.

Holt provided detailed explanations of what a council of governments is and how they are unique, highlighting that BFCOG acts as a convener to local governments to collaboratively plan, fund and administer solutions to shared community needs.

Holt provided details on regional planning capabilities, resources available to local government, and a funding source overview.

Holt provided an overview of support provided to the Port of Benton and a refresh of current dues from the Port to BFCOG, which are \$10,457, with a total assessment investment since 1997 at \$237,447. Holt added that this is a five-year ROI with \$5 return for every \$1 invested.

Holt added that BFCOG dues will be raised in the coming year and asked the Port for continued support.

2. Welcome and Update from Energy Northwest CEO, Bob Schuetz

CEO of Energy Northwest, Bob Schuetz provided an overview of Energy Northwest through a PowerPoint presentation. Schuetz introduced the executive team and explained that Energy Northwest is a joint operating agency of the state of Washington, authorized to operate generating facilities, or provide energy services in any state, but the focus is mostly on the Northwest. Schuetz explained that members include public utility districts and municipalities in Washington but have projects with participants in six states.

Schuetz explained the authorities of a Joint Operating Agency, which include: To generate, produce, transmit, deliver, exchange, purchase or sell electric energy and to enter into contracts for any or all such purposes. Construct or acquire facilities for the generation and/or transmission of electric energy and enter into contracts for the purchase, sale, exchange, transmission or use of electric energy and act as an agent for the purchase and sale at wholesale of electricity for any city or district.

Schuetz provided a look at current projects, members and explained that Energy Northwest offers: Operations & Maintenance Services, Energy Services, Professional Services, Lab Services and Nuclear Operations & Development.

Schuetz provided a look at the many advantages of nuclear energy: Nearly 20% of the nation’s electricity is generated by 93 reactors in 28 states, more than 50% of the nation’s carbon-free electricity is generated by nuclear reactors and nuclear energy produces 24/7 emission-free energy.

Schuetz provided a detailed explanation on used nuclear fuel storage, tank waste and resource adequacy and the challenges faced.

Schuetz described Energy Northwest’s goals on advanced and small modular reactors and highlighted X-energy and TerraPower’s contributions.

Schuetz stated that Energy Northwest is working to help the Tri-Cities lead the clean energy transformation and asked the Port for support on this mission.

3. Airport Rules & Regulations, Design Guidelines and Standard Leases (Prosser and Richland Airports)

Port Attorney, David Billetdeaux stated that the updated airport rules, regulations, design guidelines and standard leases have been presented to the Commission at a prior date, have been reviewed by consultant Century West Engineering and have been posted to the Port website for several months and to date, very little public comment has been received.

Commissioner Roy Keck added that at the recently attended WAMA (Washington Airport Management Association) conference, it was made clear that detailed and specific airport leases and guidelines are strongly encouraged and will prevent future miscommunication and issues. Commissioner Keck complimented the Port staff for coordinating with other airports and consultants on this process, to ensure that the proper steps are taken.

Commissioner Christy Rasmussen complimented the diligence of the staff and consultants for following FAA guidelines related to grants.

Commissioner Stevens inquired on the timeline in setting of airport rates and Executive Director Diahann Howard stated that the Port continues to wait on the availability of airport appraiser.

Billetdeaux added that the recently announced WAMA "Airport Manager of the Year" was involved in the review of the updated rules, regulations, design guidelines and standard leases.

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 airport rules and regulations, design guidelines and standard leases for the Prosser and Richland Airports.

4. Resolution 22-17, Consent to Assignment of Hangar Land Lease to Jaeger to Cadwell (Richland Airport)

Director of Real Estate, Teresa Hancock stated that the current agreement has been in place since September 2000, but current lessee, Mark Jaeger is relocating outside of the area and has identified a viable buyer, who is well known to the Port, John Cadwell. Hancock added that Cadwell is an avid aviator and owns his own aircraft. Hancock stated that Jaeger and Cadwell have agreed to the terms on the aeronautical only agreement.

Hancock added that Section 10 of the agreement does state that the Port will have first opportunity to purchase and there will be no assignments or subletting. Hancock stated that she felt comfortable bringing forward to the Commission for approval.

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 consent to assignment of a hangar land lease to Jaeger to Cadwell at the Richland Airport.

5. Presentation of RFP for 1865 Bronco Lane Lease (Richland Airport)

Executive Director, Diahann Howard thanked Sundance Aviation, Clif Dyer and Devin Alder for their support and partnership and reminded the Commission that the 1865 RFP is for 14,400 sq ft facility that includes 2,400 sf (+/-) of office, 11,977 sf of high bay-hangar and common area including conference and reception. Howard added that the RFP received does incorporate the best use of the space, will provide a valuable service. Howard added that the current county assessment of the property

reflects \$1.369M, (10% \$136, 915 per year base \$11,409/ month or \$9.92/psf). Base rent is typically expressed as a rate or return on the fair market value (appraised value) of property.

Howard reminded the Commission that Sundance Aviation currently resides at 1903-1905 Terminal Drive and is the only FBO (Fixed Base Operator) at the Richland Airport and manages a private fueling island (100LL / Jet A fuel).

Howard provided data on Sundance Aviation's current operations shared by them within their response to the RFP, stating that the current lease terms for 1903-1905 are up for renewal in June 2024 with an option to renew, \$8k/year. Howard added that in 2012, the Port invested \$110k in the pilot's lounge construction to the building and 2021 \$8k in lighting upgrades. Sundance has invested \$420k in private investment towards the business including fuel equipment. Howard stated that Sundance Aviation's annual revenue is \$1M and added that there is no current ground lease for fuel island and based upon reports provided by Sundance, flowage revenue totals approximately \$28k annually. Howard added that Sundance also collects tie-down revenue and Quonset hut covered aircraft storage with employment between 2006-2021 ranges between 5 – 13 employees.

Howard thanked Sundance for their continued support at the airport, including the recent airside emergency with a glider and assistance with transient aircraft relocation to safe area.

Howard stated that Sundance has offered to lease the Port's facility for a (1) ten-year term, (2) 5-year terms and requested an option to cancel within the first 30 months (about 2 and a half years). Howard added that the Port has proposed \$2k/month in the first year and \$3k/month in the second year with a request to access financial reports. 1.39 acres of paved parking area \$1,110.05 per year/.22c pst, plus LET with annual CPI increases.

Howard reminded the Commission that in 1993, the lease to Airborne to rent was \$2,100/month and in 2002 it increased to \$3k/month.

Sundance Aviation's, Clif Dyer thanked the Port for the opportunity and added that the current unprecedented times have been unlike anything he has seen in 30 years in the industry and hopes to work towards an agreement on numbers, as Sundance is currently the only FBO to provide a service to the Richland Airport.

6. Social Media Policy

Port Attorney, David Billetdeaux stated that he has presented the policy to the Commission on two occasions and has also reviewed in alignment with the state policy. Billetdeaux noted that he has not received further comments.

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 social media policy.

7. Acceptance of Freight Rail Investment Board \$260,000 Loan

Engineer Roger Wright stated that the Port applied for the Freight Rail Investment Board (FRIB) \$250k low interest loan and FRIB came back with a \$260k offer. Wright reminded the Commission that they have already approved the application for the loan, but now seeks formal approval to accept the loan, which is a ten-year loan with 1% interest. Wright added that the contracts are drafted and ready to sign.

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 acceptance of the Freight Rail Investment Board \$260,000 loan.

8. Van Giesen and Cemetery Railroad Crossing Project

Engineer Roger Wright stated that there are a number of rail projects that need to happen, as the Port does not want another derailment. Additionally, these two crossings are in extremely poor condition and have been out of service at times requiring the railroads to "Stop and Protect".

Wright stated that the City of Richland plans to assist with the rail crossing projects, in particular the cemetery crossing which is currently extremely rough and the City will grind the asphalt prior to Memorial Day. Wright reminded the Commission that the current crossings were placed in the mid 1990's, when the DOT was using rubber crossings and all rubber crossings have ultimately failed. Wright added that inspections have found that repair is needed immediately. Wright stated that the projects were advertised for bid, with a requirement that the work is performed on two separate weekends, as full closures of the track and road will be necessary.

Wright noted that in the 20 years bidding projects for the Port, he has never seen bidding conditions worse with all projects coming in very high.

Wright announced that Railworks was the apparent low bidder at \$771,002.04 and added that costs have gone up 25-30% since the project was budgeted. Wright asked the Commission to approve a 5% contingency for change orders that the Executive Director is approved to sign.

Executive Director Diahann Howard added that the Port continue to seeks all options of rail grants, adding that port direct investment will help with these future requests.

After no further discussion, a motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck and unanimously passed by the Commission, approving Railworks as the lowest responsive bidder for the Van Giesen and Cemetery Railroad Crossing Projects.

9. Resolution 22-18, Acceptance of Work Completed by Luke's Carpet for 2345 Stevens Drive Carpet Replacement Project for \$73,380.05.

Director of Facilities & Operations, Ron Branine announced that phase II of the carpet replacement project at 2345 Stevens Drive has been completed in accordance with the approved plans and specifications by Luke's Carpet, LLC, with a total project amount of \$73,380.05, including Washington state sales tax.

After no further discussion, a motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens and unanimously passed by the Commission, approving Resolution 22-18, acceptance of work completed by Luke's Carpet for 2345 Stevens Drive Carpet Replacement Project for \$73,380.05.

10. Resolution 22-19, National Highway Freight Project \$865,000 Grant and \$135,000 in Port Matching Funds for SR240 Rail Signal and Crossing Reconstruction

Engineer Roger Wright stated that the Port has submitted an application to the National Highway Freight Program for SR240 rail reconstruction for a \$865k grant, with the Port providing \$135k in matching funds, for a total of \$1M in project costs.

Wright added that the Port has already applied for this grant with Commissioner review and is just seeking formal approval from the Commission.

Wright added that the project will likely not commence until late 2023, possibly 2024.

After no further discussion, a motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck and unanimously passed by the Commission, approving Resolution 22-19, National Highway Freight Program \$865,000 grant and \$135,000 in Port matching funds for SR240 Rail Signal and Crossing Reconstruction.

11. Commitment Letter for Participation in Drive Clean Rural USA Project

Director of Economic Development & Governmental Affairs, Miles Thomas stated that the Port has been given the opportunity to partner with the Drive Clean Rural USA project to receive US DOE project funded support, including educational information, fleet analysis assistance, and access to alternative fuel vehicles for fleet demonstrations.

Thomas stated that the Port is interested in partnering with the Drive Clean Rural USA because it is engaging with government leaders, business owners, fleet managers and a cross-section of heavy-duty transportation and agricultural operators to remove barriers and accelerate access to clean fuel solutions that deliver financial savings, clean air and economic opportunity to rural communities.

Thomas added that the partnership does not cost anything to the Port and will allow a Port employee to attend a Clean Fuels event and to also permit acceptance of a short-term lease of an electric vehicle, which the Port is hoping the Facilities team can utilize for the Crow Butte commute.

After no further discussion, a motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens and unanimously passed by the Commission, authorizing the Executive Director to sign the Commitment letter to participate in the Drive Clean Rural USA Project.

F. INFORMATION REPORTS:

1. Grants Update

Executive Director, Diahann Howard provided updates on the projects featured on the May grants report.

- 1) Richland Airport Master Plan – Waiting approval from the FAA
- 2) Richland Innovation Center Rural County Capital Funds – Working on re-scoping the project to bring closer to the budgeted numbers and working to install streetlights only this summer.
- 3) Richland Airport Signage and Lights (Phase I) – Working with Sierra Electric on schedule of work and reviewing submittals. Anticipating project start date of July 11, 2022. Working with Life Flight and FBO to minimize impacts to their businesses.

- 4) Railroad Improvements – FRIB low interest loan – \$260k awarded and approved at today's Commission meeting.
- 5) Innovation Cluster Accelerator Program Application – No change from previously reported update.
- 6) Infrastructure Investment and Jobs Act – No change from previously reported updated.
- 7) Community Aviation Revitalization Board (CARB) – Awaiting appraiser availability.
- 8) EDA Build Back Better – Miles to lead presentation to the EDA later this month with formal notice expected September 2022. Largest grant in Port history at \$8M.
- 9) National Highway Freight Program (WSDOT portion) – Responding to questions from WSDOT.
- 10) Washington State Department of Transportation Aviation Division/Airport Grants – Pursuing the possibility of purchasing electrical ground support equipment replacing gas powered equipment.

G. COMMISSIONER REPORTS/COMMENTS:

Commissioner Lori Stevens recognized the Port team and Public Information Officer, Summers Miya for an amazing USS Triton Recognition Ceremony, which was held on Thursday, May, 12th. Stevens complimented the team's organization and orchestration of the event.

Stevens announced that she had recently participated in a Benton City Chamber scholarship committee event and stated that Benton City has a lot of great events planned.

Stevens stated that she attended a recent ribbon-cutting in Prosser for the housing project that will bring 1,000 residents to the town.

Stevens informed that the hospital groundbreaking has been delayed until next year, as additional funding will need to be secured.

Stevens stated that the Prosser Farmers' Market will be starting soon, and the Scottish Festival will be held in June.

Stevens announced that one of the two grocery stores in Prosser will be closing. Stevens stated that the Prosser leadership class project is to install an orbital Neptune marker at the Prosser Wine and Food Park.

Stevens noted that she attended the WPPA Spring meeting and attended the airport session, which she felt was a really informative and great session and appreciated the airport updates from Walla Walla, Moses Lake and Wenatchee. Stevens added that the WPPA Compass award winner was Rep. Matt Boehnke.

Stevens also encouraged Port staff to take a look at the recent PNWA slide deck on grant opportunities.

Commissioner Roy Keck congratulated the Port team on an incredible Triton event. Commissioner Keck added that he also recently attended the WPPA Spring Meeting and noted that the face of WPPA is very dynamic and changing.

Commissioner Keck stated that he recently attended the WAMA Annual Meeting and added that the WPPA Attorney's presentation on airport guidelines encouraged a great amount of detail of expectations in airport leases and requirements to tenants, adding that he feels encouraged by the direction the Port of Benton is going related to the specifics of the airport leases, guidelines and design. Commissioner Keck stated that he looks forward to continued growth and success at the airports.

Commissioner Keck noted that low-led fuel will be going away and Director of Real Estate added that fuel tax will be added to aircrafts in the future and some airports may need to consider carrying more than one fuel.

Commissioner Christy Rasmussen stated that she enjoyed the Tri-City Regional Chamber's recent legislative luncheon, including the VIP reception. Commissioner Rasmussen stated that she appreciates the Port's continued work on legislative issues.

Commissioner Rasmussen stated that she also attended the WPPA Spring Meeting and enjoyed the event.

Commissioner Rasmussen congratulated the Port on the Triton event, adding that it was a joyous event and an important part of history that the Port continues to play a part in.

H. DIRECTOR REPORTS/COMMENTS:

1. PORT ATTORNEY:

Port Attorney, David Billetdeaux announced that the long-awaited hearing, that has been rescheduled six times, will take place at 11 a.m. with Judge Ekstrom, who is leaving his current position in a matter of weeks. Billetdeaux stated that he was grateful the hearing would proceed while Ekstrom was still in position as it would further delay the hearing. Billetdeaux stated that he hoped to provide an update on the outcome of the hearing during Executive Session.

Billetdeaux noted that current insurance provider, Enduris, is currently meeting all Port insurance requirements, and is also recommended by WPPA, but there have been a number of issues and the Port feels they may not be the best fit for the Port of Benton. Billetdeaux suggested that it may be a valuable experience to begin an RFP process in order to learn about other providers and what else is offered. Billetdeaux added that the experience may just solidify that Enduris is, in fact, the best choice for the Port of Benton, but feels it a good business decision to see what else is available. Billetdeaux added that if a new provider is selected, it would also allow the Port to spread out the large insurance payments throughout the year, rather than one big payment during heavy project time.

Billetdeaux added that it is important to come up to speed with ransomware and also obtain cyber insurance in an updated policy.

2. AIRPORTS:

Director of Facilities & Operations, Ron Branine stated that notices regarding airport cleanup were sent to the airport users and this continues to be a work in progress. Branine added that the facilities team will be working on 2019 Butler Loop in preparation for leasing the non-aeronautical facility. Branine stated that he recently attended the WAMA conference and learned a lot about airport management and also has expanded his networking connections and capabilities.

Director of Real Estate, Teresa Hancock added that she is working with the sub-tenants in and outside of the fence on the cleanup process. Hancock added that she also attended the WAMA conference and learned a great deal about the capital grant opportunities for airports and added vetting leads for the 2019 Butler Loop facility.

Executive Director, Diahann Howard thanked Branine and Hancock for their follow-up on the cleanup process, because overall, the tenants do want the airport looking great.

3. FACILITIES & OPERATIONS:

Director of Facilities & Operations, Ron Branine announced that the 2345 Stevens Drive, phase II carpet installation is 100% complete and added that this project was for the south half of the upstairs area.

Branine stated that 1865 Bronco Lane at the Richland Airport has been painted inside and the Triton has also been fully repainted, adding that the next painting projects on the list are 2019 Butler Loop and the stairways at 2345 Stevens Drive.

Branine announced 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 and bids have been received in which HMiS is still reviewing.

Branine stated that the access controls at 3100 have been installed, along with two main exterior doors and the server room door. Branine added that the access control install will begin at 3250 later this week using the same platform. Branine explained that the benefits of one platform allow management of any of the buildings remotely from anywhere in the world, adding that this will also allow system managers the ability to lock or unlock doors at any time, deactivate a termed employee and set up schedules for automatic locking and unlocking. Branine added that the system also provides a paper trail for any audits that may be needed. Branine added that the Port is also installing a video doorbell system called AlphaTouch on both buildings, which will allow delivery drivers, visitors and others to find who they need a touch screen directory, and the system will call them directly through an app. Branine noted that using the app will allow the tenant to decide whether or not to unlock the door for the visitor, or to speak to them through two-way video communication. Branine added that visitors will also have the ability to call the main number, which will give the Port the ability to verify access and the need to unlock the doors.

Branine informed that the two smart parking meters have been ordered for Crow Butte, which will assist with capturing day use fees without having to manage the process manually. Branine noted that the Port is still waiting Army Corp approval for the installation of the parking meters and reminded the Commission that plans were submitted in October for this project.

Branine added that the park looks great and is full every weekend.

4. REAL ESTATE:

Director of Real Estate, Teresa Hancock added to Branine's information on the HMiS buildout, stating that HMiS will be moving up in the building and taking over the entire space upstairs. Hancock added that she plans to bring an amendment to the lease for an additional 23,990 square feet for the vacated office space resulting from COVID-19 Atkins reduction, in June for this leasing change, which will be a positive \$285k impact.

Hancock stated that the Westinghouse lease is set to expire in January of 2023 and she is in the negotiation stage with their executive staff for a longer-term lease.

Hancock announced that Foodies has moved a food truck into the Technology & Business Campus and will be operating with minimal hours.

Hancock added that she recently met with potential Vintners Village new business prospects and hopes to bring a land sale forward soon.

Hancock added that she will be working with Bombing Range Brewing Company on an updated lease and continues to work towards filling vacancies.

5. MARKETING:

Director of Marketing, Wally Williams noted that he is working on finishing up the spring newsletter, Washington VERTical and the Clean Energy Supplier Alliance fact sheets and has also been working with Engineer, Roger Wright to develop maps that identify building addresses at the Prosser and Richland airports.

Williams announced that he has started working on the 2022 Entrepreneurial Event with Summers and Diahann, which will be held on November 15, 2022.

Williams added that there have been an influx of Triton tour requests since the Triton event and he is working to schedule and manage the requests. Williams added that he was able to speak with a Triton veteran who had first-hand torpedo knowledge and will continue to pursue efforts to obtain a torpedo to display in the Port lobby and future Visitor Center.

Public Information Officer, Summers Miya stated that she is assisting Williams with the spring newsletter and will write a Triton follow-up piece for the cover story. Miya added that she is putting together packets to mail to the crew who attended, as well as those who were unable to attend the event. Miya stated that the Port will be submitting an entry for the AAPA Lighthouse Awards in Communications/Special Events for the Triton ceremony, which includes a compilation of data on the event including, news, press, feedback, challenges and rewards.

Miya noted that she has been working with consultant, Rochelle Olson on a Triton archiving project and together, are identifying materials to request from the National Archives. Miya added that photos were recently purchased from the Naval Institute. Miya informed the Commission that she received an email from the son-in-law of one of the sailors who served during Operation Sandblast, who encouraged the Port to reach out to his father-in-law to request the water samples he took while aboard Triton. Miya explained that the samples were previously on display at a naval museum in Connecticut, but have been put in storage. Miya stated that she planned to send the sailor a Triton packet with the official request for the samples, adding that if the samples were obtained, the team would work with the Hanford History Project for proper archiving options.

Miya announced that the Port was selected to advertise in Q3 at the Seattle Airport at a discounted rate and the team is working to put together an ad that highlights Vintners Village.

Miya stated that she has been working with the Communications team on the completion of the Vintners Village website and Miles Thomas presented the nearly completed website to the Commission via screenshare.

Miya stated that she attended the TBEX Post-BEX event on April 22 in Prosser with Miles Thomas and is working with photographer, Ross James, to identify photos taken during the event that will be useful in displaying on the Vintners site and social channels.

6. ECONOMIC DEVELOPMENT & GOVERNMENTAL AFFAIRS:

Director of Economic Development & Governmental Affairs, Miles Thomas stated that he has been working on future development opportunities for the 1,341 acres.

Thomas stated that he has been working with WSU Tri-Cities regarding Walter Clore live stream potential and has also been working a potential tasting room operator for the Clore Center.

Thomas noted that he recently met with the Women in Washington Wine, who hopes to hold their event at the Clore Center in March 2023 and added that many of the women who will be attending and recognized worked with Dr. Clore and it is important for the group to hold the event at the Clore facility.

Thomas added that he is working around potential changes from now until next March

pertaining to the operations of the Clore.

Thomas added that Washington Wine Tech and the Washington Wine Commission will be meeting at the Clore in the coming weeks and a formal use agreement is in place with the Wine Commission.

Thomas stated that fiber is now installed at the main building and pavilion.

Thomas noted that he will be out of the office June 6-7 for a Pacific Northwest Commerce Summit. Thomas noted that the Port is a meeting sponsor and have invited colleagues to attend as well.

Thomas stated that the Clean Tech Alliance is hosting a hybrid meeting on June 30, 2022 and offering four satellite locations and the Port will be the eastern Washington location, with 50 in-person attendees expected. Thomas added that the meeting coincides with the Clean Energy Supplier Alliance and Washington VERTical. Thomas explained that the Clean Tech Alliance is also a cluster, (BUILT) and there is a lot of valuable overlap with the meetings, as the Alliance is also involved in the Build Back Better grant.

Thomas stated that wage compliance has been received for the White Bluffs Archive & Storage Facility building and the contract is ready to be executed fully.

7. FINANCE DIRECTOR:

Director of Finance/CPA, Danielle Connor provided a presentation on the final unaudited 2021 Budget to Actual Report, highlighting certain items that 16% of the legal budget line item was spent in 2021, the non-operating inflow from the Dufresne Redding and Benton City sales, as well as approximately \$500k of insurance recoveries. Connor added that the reserve was increased by \$100k in 2021 and the Port ended the year \$1.3M ahead in cash attributed to the highlighted items above.

Connor noted that she will provide a 2022 quarterly budget update at the July Commission meeting.

Connor stated that the team continues to make progress on the Yardi Voyager implementation phase of the IAP project and the team is now up to 150 leases entered, which is 68%. Connor reminded the Commission that there are a total of 220 estimated leases, with an approximate of three hours per lease of data entry. Connor added that consultant, Tiffany continues to come in and Liz Renz is also able to spend approximately one day per week on data entry and Renz has also worked a few weekends to progress the project.

Connor said that the team will continue to rework items associated with the project and also perform billing testing, work on integration, perform cutover tasks and address the GASB 87 requirements.

Connor noted that the team is aiming to go live by October 1st and will reassess for readiness and allow for some contingency if needed.

Connor announced that a proposal was received from Intacct development firm, BakerTilly, for the integration between Voyager and Intacct systems and have proposed an annual subscription-based contract, as opposed to a one-time T&M that was initially expected. Connor added that the subscription will ultimately provide more continuity as software is continually changing and maintenance and support will be included. Connor noted that the annual cost for the integration is proposed at \$15k per year and although the contract periods are annual, it is expected the Port will require the integration in conjunction with the use and licenses of the current system. Connor noted that a motion is not needed but did ask the Commission for a nod to continue negotiations as she moves forward to finalize the subscription contract. The Commission provided their approval to continue negotiations.

Connor provided an overview on 2021 year end and the annual report, stating that the team is almost complete with the process and consultant Teresa Hanford should be providing a draft report by the end of the week. Connor thanked Veronica for her work on year end and the additional hours

devoted to the project, as the project took longer than initially anticipated because of the several capital projects and asset sales in 2021. Connor stated that Teresa Hanford did come on site for two weeks to prepare the GASB year end entries and draft the statements, which will be received soon and then will move to file with the SAO by the end of May to meet the deadline.

Connor added that the finance team will also be filing with the SAO for the Port's Economic Development Corporation as required.

Connor announced that the SAO reached out early last week to begin the audit, which was a welcome surprise to the finance team even though there was not much of a break from the 2019 and 2020 audits! Connor noted that the team will work to begin the 2021 audit as soon as possible. A single federal audit will be required, as federal expenditures were over the \$750k threshold, with actual being right under \$1M; all FAA AIP related and of which \$127k COVID-19 related. A 2021 financial statement audit and accountability audit will also be performed this year. Connor noted that the team is working towards a September 30, 2022 deadline for all audits, but particularly the single audit, which is required and will also meet bond disclosure requirements. Connor added that the SAO mentioned that they are currently planning to come onsite this year, which will help with the progress.

Connor provided a PowerPoint presentation of the Financial Status Report.

- Available general operating \$3M
- Project Fund - \$3.8M
- Cash receipts for April - \$1.3M
- Cash disbursements for April - \$988k
- A/P - \$72k current outstanding/no past due
- A/R - \$1.4M outstanding A/R

Connor stated that quarter two goals include finishing the 2021 annual report, 2021 audits, 2023 budget kick-off in June/July, SAO Lean Consultant onsite in late June, along with the WPPA Finance Seminar in June, which the full finance team will be attending.

8. EXECUTIVE DIRECTOR:

Executive Director, Diahann Howard announced that she recently participated with the City of Richland on the selection of the local fire department's leadership. Howard added that she also recently met with City Manager, Jon Amundson and the port is able to partner with the City on the leadership workshops they were offering to city employees. Howard noted that the Port will be continuing with the workshops in September and the entire staff has been invited and encouraged to attend. Howard added that she will be meeting with a consultant in July to discuss the needs of the Port of Benton team and they may decide to do something specific that relates to the Port team leadership development.

Howard added that she attended the WPPA Spring Meeting and felt that there was good information presented with great discussion.

Howard stated that she will be participating in upcoming legislative meetings for both congressional and state in the fall.

Howard informed the Commission that the State Rail Caucus contacted the port about hosting an in-person rail caucus, including tours later this year.

Howard added that Washington VERTical is working with the WSU Career Center and is considering hiring interns that are paid by the grant to assist with VERTical.

I. EXECUTIVE SESSION: The regular Commission Meeting was recessed at 11:42 a.m. and an Executive Session was convened at 12:00 p.m. to discuss ongoing and potential litigation, real estate and personnel 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 12:30 p.m., Commission announced that no action was required to be taken relating to any items discussed within Executive Session.

L. ADJOURNMENT: The Commission meeting was adjourned at 12:30 p.m. with an announcement that the next regularly scheduled Port of Benton Commission meeting would be held at 8:30 a.m. on June 15, 2022.


Lori Stevens
Commission Secretary