

**PORT OF BENTON
COMMISSION MEETING MINUTES
October 18, 2023**

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

PRESENT: Commissioner Lori Stevens; Commissioner Roy D. Keck; Executive Director, Diahann Howard, PPM®, PPX®; Port Attorney, David Billetdeaux; Director of Real Estate, Teresa Hancock; Public Information Officer, Summers Miya; Director of Facilities & Operations, Ron Branine; Airport Manager, Quentin Wright; Director of Finance, Jeff Lubeck; Senior Accountant, Veronica Serna; Director of Marketing, Wally Williams; Construction Project Manager, Bryan Bell; Accounting Specialist, Julia Mora; Scott Keller, Community Member; Kent Madsen, Community Member; Mayor Pro Tem, Theresa Richardson, City of Richland

The following attendees attended via remote communications: Commissioner Christy L. Rasmussen; Contract Specialist, Sheri Collins; Ashley Garza; Bryan Condon, Century West Engineering; Joshua Lott, Anderson Perry & Associates

The Commission meeting was noticed as required by RCW 42.30.070.

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

C. CONSENT AGENDA:

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the agenda for the October 18, 2023 Commission meeting, approval of minutes from the September 13, 2023 Commission meeting, approval of minutes from the October 9, 2023 special Commission meeting, approval of minutes from the October 9, 2023 special Commission Budget Workshop, approval of vouchers and certifications, including payroll, for the month of September totaling \$822,199.78, approval of project vouchers and certifications for the month of September totaling \$1,105.00.

D. PUBLIC COMMENT:

Community Member Scott Keller commented that the preliminary budget was nicely done. Keller questioned the \$11 million noted for expected grant revenue because on page 51 of the packet, item 5 related to the White Bluffs grant is not yet approved.

City of Richland Mayor Pro Tem Theresa Richardson commented that on behalf of City of Richland, she loves working with Port of Benton, adding that the recent announcement related to hydrogen hubs is very interesting.

Richardson commented that the area is sitting really well and she looks forward to working together in the future on this project.

E. ITEMS OF BUSINESS

1. Overview of 2024 Port of Benton Proposed Budget Prior to Being Placed on File for Public Review

Director of Finance Jeff Lubeck provided a budget overview beginning with a review of the budget timeline.

Lubeck noted that the workshop was held on 10/09/2023, which gave staff from 10/10/2023 – 10/17/2023 time to adjust the budget, if necessary.

Lubeck reviewed the remaining timeline:

10/18/2023 – Present budget for public comment and posting

10/19/2023 – Release budget for public comment – allows 20 days for public comment

11/08/2023 – Commissioners approve final budget

11/22/2023 – Submit budget to Benton County

11/22/2023 – Submit tax assessment to Benton County Treasurer – due not later than

11/30/2023

December 2023 – Prepare and upload detailed budget into accounting system for detailed budget vs. actual analysis in 2024

Lubeck highlighted changes made to the budget since the 10/09/2023 budget workshop:

- The Port of Benton received the second preliminary property valuation from Benton County
- Proposed budget not changed
- The final valuation from Benton County is expected on 11/01/2023 and will be included in the final version of the budget
- No additional changes

Lubeck reviewed major pending items related to the 2024 budget, including the land swap with City of Richland as the timing and cash requirement is uncertain at this time. Lubeck added that the team is currently assuming this will be completed in 2023 with no or minimal cash.

Lubeck added that the other pending item is the final property tax revenue but does not anticipate a material change.

Lubeck overviewed some key budget takeaways, including that the 2024 proposed budget is more detailed and provides greater transparency than previous years. Lubeck added that the proposed budget is a balanced budget, with \$79k surplus.

Lubeck noted that operating revenues are increasing 35% over the 2023 budget, property tax rate is decreasing for the 6th year in a row, operating expenses are increasing 11% over the 2023 budget, largest year ever planned for Port capital projects, 65% increase in business volume, which will require a disciplined execution.

Lubeck reviewed the BLUF (Bottom Line Up Front), noting that there is approximately \$78k surplus in the 2024 budget totals.

Lubeck added that capital grants and project grants are related to each other, adding that grants and timing of grants are outside Port control and if grant funding does not come through, a capital

project will be delayed.

Lubeck provided a lease revenue comparison chart for years 2021-2024, with the following factors noted: Increase based on rate changes implemented in 2023, thanks to Director of Real Estate Teresa Hancock's continued efforts as rates are continuing to be adjusted related to market value, as many previous leases are well below market.

Lubeck added that new revenue from 1845 Terminal Drive is included, which is approximately \$115k and the possible acquisition of a new building with \$220k additional lease revenue possible.

Lubeck noted that revenues from the Technology Enterprise Center (TEC) have been removed because of the 2023 sale, which was \$134k in total annual revenues.

Lubeck provided a visual breakdown of current lease counts, which included the following information related to Port leases:

- Non-Profit – 2, 1%
- Government – 15, 8%
- Large – 37, 20%
- Hangar – 54, 29%
- Small – 80, 42%
- 188 total leases

Lubeck noted that this breakdown of lease analytics has been made possible thanks to the improved tools recently implemented and even more visibility will be available and provided next year.

Lubeck explained that property taxes on a \$500k home have gone down 21% in the last 5 years, with a peak in 2007.

Lubeck provided a visual of the Benton County property tax distribution, adding that Port of Benton receives 1.11% of all property tax collected in Benton County at \$2,808,530 of the total \$249,209,592. Lubeck's visual included a comparison of the other entities who receive tax dollars, noting that Port of Kennewick collects \$2.1M, or 74% more than Port of Benton.

Lubeck added that property tax represents 12% of all inflows for 2024, compared to 20% in 2023.

Lubeck provided an overview of debt payments, principal + interest, noting that the highest level of debt was 2014, which was subsequently paid off from land sales. Lubeck added that current debt levels will be paid through ongoing operations, which will allow for future land sales to accelerate economic development activities.

Lubeck stated that a resolution will be brought forth at the November Commission meeting to approve 1% tax increase, adding that the preliminary budget is based on 2024 tax year 1st year preliminary values provided by Benton County Assessor's Office on 9/28/2023. Lubeck stated that the final budget will be based on 2023 tax year 3rd preliminary values provided by Benton County Assessor's Office, which will be released early November. Lubeck added that the team budgets the levy high so that there are no limits to the budgeted levy when actuals are calculated and released.

Lubeck announced that \$15.4M is planned in capital projects in 2024, with grant/loan funding at \$11.7M, or 76% of the projects and port funds covering the remaining \$3.6M (23.6%). Lubeck provided a visual of the capital project distribution:

- Equipment - \$245k, 2%
- Maintenance - \$1,592,000, 10%
- Economic Development - \$4,600,000, 30%
- Improvement - \$8,924,316, 58%

Lubeck provided final comments, stating that the proposed detailed budget displays a commitment to fiscal responsibility, transparency, a focus on economic development and growth and execution on operational objectives.

Lubeck reminded the Commission that the proposed budget is balanced, includes a property tax rate reduction, offers a balanced approach to debt and debt management and features significant capital projects that are planned for 2024.

2. Overview of 2024 Comprehensive Plan of Harbor Improvements Prior to Being Placed on File for Public Review

Executive Director Diahann Howard reviewed the updated Comprehensive Plan of Harbor Improvements, which has been provided in an easy, understandable format.

Howard stated that the plan was reviewed in detail at the 10/09/2023 workshop and provided a review of the updates to maps made since that meeting.

Howard noted that updated maps include pages 14, 21 and 22 of the plan, which include the loop track and proposed inland port area. Howard reminded the Commission that Atlas Agro, is completing feasibility and the port is anticipating a decision by second quarter of 2024. Howard reminded the Commission that this sale would potentially be \$9.1M to the Port of Benton. Howard added that the recent hydrogen hub announcement included Atlas Agro as part of the project. Howard added that the updated map covers the proposed swap with the city and the solar land lease transaction to the north of the Atlas Agro land. Howard added that it also covers any barge tie-out and planning and the airport acquisition of the 1845 Terminal Drive building.

Howard noted that page 21, which covers the Tri-Cities Research District, includes Port, private, Department of Energy, PNNL, WSU ties in with the work by VERTical and is slated for multiple years.

Howard noted that page 22 was also updated to include more options for consideration.

Howard noted that the Comp Plan includes A/V and irrigation upgrades at Clore, further development at Vintners Village, plans at Crow Butte as well as USS Triton Sail Park.

Howard pointed out the addition of Appendix H, which was moved over from the proposed budget document.

Commissioner Keck complimented the complete transparency, stating that the presentations have been the most transparent he has seen in the 14 years he has spent as a commissioner.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving the 2024 proposed budget and 2024 proposed Comprehensive Plan of Harbor Improvements with the changes discussed today, and approving placement of both documents on file and available on the Port website at portofbenton.com and for pickup from the Port offices at 3250 Port of Benton Blvd., Richland, Washington.

3. Resolution 23-37, A Resolution of the Port of Benton Establishing an Electronic Funds Transfer Policy

General Counsel David Billetdeaux announced that there are a number of policies to be presented today related to the finance department, which are related to the State Auditor's Office (SAO) and their continued request for additional or updated policies.

Billetdeaux noted that there have been previous internal policies, but with the approval of them, they will become formalized and in accordance with RCW 39.58.750.

Billetdeaux added that the policies presented today are in complete compliance with the SAO.

Billetdeaux introduced Resolution 23-37, establishing an electronic funds policy, which puts additional safeguards in place.

Director of Finance Jeff Lubeck added that the resolution outlines the policy, noting that anything related to electronic funds transfer must be handled in person or direct contact, no emails and the policy guidelines are clearly broken out in Resolution 23-37.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Resolution 23-37, a resolution of the Port of Benton establishing an electronic funds transfer policy.

4. Resolution 23-38, A Resolution of the Port of Benton Establishing GASB 87 Leasing Policies

General Counsel David Billetdeaux explained that this resolution is related to lease accounting format standards, which was a major undertaking and took a lot of time, with the resolution outlining the leasing policies.

Director of Finance Jeff Lubeck added that this resolution covers how accounting is handled, as in handled by what and when a tenant is paying the Port. Lubeck noted that that this includes anything with a direct impact to cash and is covered during the year-end deep calculation process.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Resolution 23-38, a resolution of the Port of Benton establishing GASB 87 leasing policies.

5. Resolution 23-39, A Resolution of the Port of Benton Establishing GASB 87 Discount Rate

Director of Finance Jeff Lubeck stated that this resolution is related to how the Port establishes the interest / discount rate.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Resolution 23-39, a resolution of the Port of Benton establishing GASB 87 discount rate.

6. Resolution 23-40, A Resolution of the Port of Benton Establishing GASB 87 Leasing Policies as Applicable to Lessee

Director of Finance Jeff Lubeck explained that this resolution includes leasing policies where the Port is leasing items from others, such as leases the copier lease, mail machine, BNSF leases, or anything under \$50k.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Resolution 23-40, a resolution of the Port of Benton establishing GASB 87 leasing policies as applicable to lessee.

7. Resolution 23-42, A Resolution of the Port of Benton Accepting Work Completed by Railworks Track Systems, LLC for the Emergency Repairs on the Wye Track Derailment Project

Engineer Roger Wright explained that the Port of Benton contract with Railworks for the emergency railroad repairs on the Wye track has been completed.

Wright explained that Railworks completed all work required under this contract and the work has been inspected and found to be satisfactory.

Wright stated that the contract was set up for time and materials given the emergency nature of the work and the final contract amount with the \$49,234.68 change order is \$298,834.68, plus sales tax for a total of \$324,833.32.

Wright stated that the work has been completed and the Port is asking for an acceptance of work.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission accepting work completed by Railworks Track Systems, LLC for the emergency repairs on the Wye Track Derailment Project.

8. Resolution 23-43, A Resolution of the Port of Benton Accepting Work Completed by Condon Construction, LLC for the 2023 Railroad Tie Replacement Project

Engineer Roger Wright announced that the contract with Condon Construction for work on the 2023 tie replacement project has been completed. Wright stated that Condon has completed the all work required under this contract and the work has been inspected and found to be satisfactory.

Wright added that there were no change orders on this project, so final cost is \$174,074 plus sales tax for a total of \$189,218.44.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Resolution 23-43, accepting work completed by Condon Construction, LLC for the 2023 Railroad Tie Replacement Project.

9. Resolution 23-44, A Resolution of the Port of Benton Authorizing a \$275,000 Sale of Real Property – (Benton City) Atomic Donut, LLC

Director of Real Estate Teresa Hancock explained that an original resolution was approved by the Commission in 2021 to surplus Benton City property but was put on hold due to the COVID-19 pandemic. Hancock explained that the current Subway building in Benton City is located at 515 9th Street and was originally built in 1910 for a single tenant. Hancock added that the Port purchased the multi-tenant building in 2008 and was soon occupied by Subway.

Hancock noted that she has showed the space and fielded several leads over the years and hence, the building has attracted the attention of local Atomic Donut, LLC. Hancock explained that Atomic Donut is a business that all are familiar with, the new owner of the Spudnut shop in Richland, who is looking to expand operations in Benton City.

Hancock added that Atomic Donut has offered to purchase the three lots for \$275k, contingent on financing. Hancock explained that considering the sale goes through, an assignment of lease with the current Subway tenant would be put in place.

General Counsel David Billetdeaux added that the Port would assign the lease to the new owners of the building and had been attempting to contact Subway corporate for weeks, which has been extremely difficult due to company turnover and lack of response.

Hancock added that the inability to connect with Subway corporate has been the only wrinkle and if all goes well and smoothly, Spudnuts will be coming to the Benton City community in the near future.

Commissioner Lori Stevens stated that she is excited to grow and expand and support the growth of small business but wanted to urge Port of Benton to continue to focus on opportunities in the Benton City region moving forward.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Resolution 23-44, a resolution of the Port of Benton authorizing a \$275,000 sale of real property in Benton City to Atomic Donut, LLC.

10. Proclamation 23-03, A Resolution Recognizing the Port's 65th Anniversary

Public Information Officer Summers Miya announced that on November 4, 1958, nearly 65 years ago, by a vote of the people, Port of Benton was established.

Miya stated that to commemorate the milestone, the Marketing & Communications team has created a 65th anniversary logo and other marketing materials to share throughout the coming year.

Miya asked Commission President Christy Rasmussen to read Proclamation 23-03, a proclamation to celebrate the Port of Benton's 65th anniversary.

Commission President Christy Rasmussen read Proclamation 23-03:

WHEREAS, On November 4, 1958, Port of Benton was established by an overwhelming majority of voters, becoming the 46th port in Washington state; and

WHEREAS, since its formation, Port of Benton has fostered economic development, providing development sites and facilities that support the growth of start-up businesses to global corporations, and bring high-quality jobs to the Port's district and the surrounding region; and

WHEREAS, throughout its 65-year history, the port has acquired land, buildings, general aviation airports in Prosser and Richland, a Columbia River barge complex, a rail network, and developed and continually improved properties to attract value-added agriculture, industrial, aviation, advanced manufacturing, clean energy, and other industries to the Port district; and

WHEREAS, in 1965 the U.S. Coast Guard declared Port of Benton a "nuclear port," a designation held by only five ports nationwide, and authorizing the port to handle radioactive materials; and

WHEREAS, Port of Benton became the first U.S. port to acquire surplus government property in 1996 when the U.S. Department of Energy transferred 71.5 acres from Hanford's 3000 Area to the port under the 1994 Defense Authorization Act to diversify the local economy; and

WHEREAS, the Port led the effort to work with the U.S. Navy beginning in 2007 to save the decommissioned USS Triton submarine sail and conning tower as a public landmark to honor servicemembers far and wide and share the story of Triton's historic 1960 submerged circumnavigation around the world during the Cold War; and

WHEREAS, the Port received 760 acres of former Hanford Site land in 1998 and an additional 764 acres from the Tri-City Development Council in 2015 as part of 1,641 acres to attract private-sector investment and is collaborating with community partners to establish the Northwest Advanced Clean Energy Park and an inland port; and

NOW, THEREFORE, BE IT PROCLAIMED in recognition of Port of Benton's 65th anniversary on November 4, 2023, the Commission expresses its sincere and wholehearted appreciation to the Port District's taxpayers, partners, and the broader Tri-Cities community, for their steadfast support of the Port's economic development mission. The Commission commits to continued dedicated service that delivers economic opportunities and enhances the quality of life in our amazing community.

DATED AND SIGNED at Richland, Washington on the 18th day of October, 2023.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Proclamation 23-03, recognizing the Port of Benton's 65th anniversary.

F. BREAK

Teleconference and Zoom options will terminate at this time, 9:30 a.m. Commission and staff will take this time to travel to 1970 Center Parkway, Richland, Washington for a 10:00 a.m. ribbon-cutting of the Center Parkway extension.

Teleconference and Zoom options will resume upon return of the ribbon-cutting event.

G. RIBBON-CUTTING

Open to public attendance. No action took place during or after the ribbon-cutting event at 1970 Center Parkway, Richland, Washington.

H. INFORMATION REPORTS: Teleconference and Zoom options resumed at 11:00 a.m.

1. Grants Update

Executive Director Diahann Howard pointed out that the grants report was included in the meeting packet and highlighted the following:

Item 1 – Richland Innovation Center sidewalk improvements. Working with Anderson Perry on updating plans and plan to bid street light portion of the work by the end of 2023.

Item 2 – Innovation Cluster Accelerator Program Application will likely come off the grants report as funding has concluded and the annual report has been submitted.

Item 3 – National Highway Freight Program (WSDOT) – KPFF working on design plans for a bid advertisement by the end of 2023 with plans for crossing and signal replacement to be completed by late 2024.

Item 4 – Railroad improvements/FRAP grant. HDR has been contracted to complete the design for this work and construction planned for summer 2024.

Item 5 – Consolidated Rail Infrastructure & Safety Improvement (CRISI) – Round 1 has concluded and application not approved. A debrief has been requested. State received nearly all funding. Will continue with additional community outreach and explore possible partnership with the state for a more competitive grant application and bigger project.

Item 8 – Tech Hubs announcement expected this week.

Item 10 – Benton County .09. Waiting on additional information to begin application development and contingent upon negotiations.

Airport Manager Quentin Wright added that \$4M in projects are planned at Richland Airport in 2024 and the design scope is at 60% complete with Century West Engineering.

H. COMMISSIONER REPORTS/COMMENTS

Commissioner Lori Stevens thanked Port staff for arranging the ATV tour of the 1,341 acres, as the maps do not give justice to just how large the area is. Commissioner Stevens added that she appreciated the work and effort that went into organizing the tour.

Commissioner Stevens announced that she attended the Pacific Northwest Waterways Association (PNWA) annual meeting and met the new Executive Director, Neal. Stevens added that she appreciates all PNWA does and the advocacy they put forth at a national level. Stevens added that PNWA is planning a fall trip where the topic of the Snake River Dams will be at the forefront.

Commissioner Roy Keck stated that he also attended the recent PNWA annual meeting in Vancouver where there was discussion about future involvement with new initiatives.

Executive Director Diahann Howard added that AAPA annual port membership will increase to approximately \$13,850/year, which will allow for a national lobbyist in DC, which is greatly needed. Howard added that this may also be helpful with the PNW caucus.

Commissioner Christy Rasmussen stated that she has kept quite busy in recent weeks, thanks to Port of Benton sponsorships and community involvement.

Commissioner Rasmussen stated that she had the pleasure of attending the Great Prosser

Balloon Rally and riding in a Port-sponsored hot air balloon with Airport Manager Quentin Wright.

Rasmussen added that she left the Rally to attend the Day's Pay event at Richland Airport, which was a fabulous event.

Rasmussen added that she attended the Clean Energy Day Department of Energy event regarding the 19,000 acres and also attended a Tri-Tech observation as an industry partner.

Rasmussen noted that she attended the meetings related to the Prosser Creative Arts District and is excited to see that develop.

Commissioner Rasmussen stated that she attended the Vintners Village Mustang Club show, which was a great event with cars scattered throughout the village and quite a few attendees.

Rasmussen added that she has been involved and participating in audit-related meetings.

Commissioner Rasmussen complimented the recent budget workshop and Director of Finance Jeff Lubeck for his incredible presentation, which is helpful, transparent and showcases the Port's hard work.

I. DIRECTOR REPORTS/COMMENTS:

1. AIRPORTS

Airport Manager Quentin Wright announced that the WSDOT Passport Program, which encourages pilots to visit airports throughout the state, has kicked off their annual food drive. Wright added that both Prosser and Richland airports are participating and all donated food stays in the area, noting that the Prosser Airport houses a kiosk where the passport stamp and information can be found.

Wright added that the Balloon Rally was successful, had a good turnout and there were no issues.

Wright stated that the City of Richland Energy Services Project is ongoing and there have been a few unplanned power outages. Wright reminded the team that there is 50 years of cable in the ground. Wright added that the Port has been trying to supplement the city by providing information to airport users and tenants.

2. FACILITIES & OPERATIONS

Director of Facilities & Operations Ron Branine announced that the team has been doing a lot of cleanup at specific sites, with 2650 Salk and behind Clore being the focus cleanup sites. Branine noted that Total Site Services has vacated 2650 Salk and the Port facilities team is taking over the space and will move salt operations to this location.

Branine added that the team has been working on getting the overhead cranes recertified at Salk and 2579 Stevens Drive and they are waiting on bids to replace the grinder pumps at 2345 Stevens Drive.

Branine added that the season for irrigation blowouts and leaf pick-up has arrived and these tasks have been keeping the team incredibly busy.

Branine provided the Commission with a visual demonstration of the new work order system, which is now live.

Branine stated that the team has started training on the Preventative Maintenance (PM), Inspection and Equipment modules and are starting to input the limited asset data available so the team can start to track PMs and develop schedules, adding that it is a great system and able to fit to the Port of Benton operation nicely.

Branine provided a visual presentation of the PM system, which has only been online since 10/17/2023, including the Clore HVAC system presentation.

Branine noted that the inspection system will ensure onsite inspections are taking place as they should be.

Branine stated that the team is mostly welcoming of the system, noting that it is a nice feature to monitor equipment and have valuable intel on expected end of life of equipment, which will allow the team to shift from a reactive to proactive approach.

Branine added that Crow Butte Park has closed for the system and provided an overview of the year's reports:

- Forecast revenue up 1.33%
- Number of guests up 6.12%
- Guest return rate up 97.65%
- Occupancy up 4.53%
- Number of reservations up 5.07%
- Kiosks – 305 transactions in past 30 days, down from 510 previous 30 days

Engineer Roger Wright provided an update on rail projects, stating that Condon Construction did complete the installation of the 1,200 new ties and ballast on the track, which was entirely Port-funded. Wright reminded the Commission that this project was intended to increase safety and rail speeds to 10 mph from the Richland Junction to the SR 240 crossing, however following the installation of the new ties, inspectors are concerned about the condition of the track in the curve north of Duportail and the curve north of Van Giesen. Wright added that rail speeds have increased to 10 mph from Richland Junction to Duportail, but they remain at 5 mph north from Duportail. Wright stated that additional ties need to be added before we can increase the speed north of Duportail and likely from the 2023 budget appropriation grant.

Wright stated that approval for the legislative budget appropriation was received for \$1,212,500 from the State of Washington. Wright added that there is a significant amount of pre-contract approval that needs to be completed before a design consultant can be selected and a consultant will hopefully be selected in October.

Wright added that hopefully an award will be received in January/February and the tie suppliers should be able to service the track quickly, so a April/May timeframe is possible.

3. REAL ESTATE

Director of Real Estate Teresa Hancock announced that the Vintners Village sale to Enodav has closed and they have added their signs to the property and are working with the city on the design of their building.

Hancock added that she has been in discussion with Neal from Prosser Economic Development Association regarding mixed-use development property, which is still unsure and will likely not involve Port property. Hancock added that she has been tasked with homework and will continue to support the project.

Hancock stated that she has been working on many renewal agreements and agreements involving 3100 George Washington Way and the Sigma building extension.

Hancock noted that she loves the new Voyager system and having access to the reports.

Hancock stated that she attended the funeral of Facilities and Port team member, Justin Hardgrove and appreciated that the Port allowed staff the opportunity to attend.

Hancock added that she attended the Night Glow event associated with the Balloon Rally, which was a fabulous regional event.

Hancock included that she attended the local governments full Hanford tour, facilitated by Hanford Communities and the Women in Business, Regional Chamber event.

4. MARKETING:

Director of Marketing, Wally Williams stated that he has been working on several projects, including the Opportunity Happens Here videos.

Public Information Officer Summers Miya provided the Communication Plan quarterly update for quarter 3, 2023.

Miya reminded the Commission of focus areas and primary activities, which include: North Horn Rapids, Vintners Village, airports, STEM tourism, creating materials to increase engagement, identifying and writing stories, profiles, success stories about Port district companies or people, expand speaking engagements, leverage social media, explore cross promotion opportunities with partners, increase USS Triton sail tours.

Miya highlighted goals and progress, announcing the leads received for the focus areas in Q3 were:

- North Horn Rapids – 3
- Vintners Village – 2
- Airports – 9
- Speaking engagements – 8
- Sends/downloads of Port real estate materials – 17
- Increase USS Triton tour attendees by 15% to reach 299 - 202

Miya highlighted more Q3 highlights, including the 65th anniversary logo, 65th anniversary proclamation, comp plan update, strategic plan update, action plan update.

Miya featured a list of all six articles or stories written about the Port in Q3.

Miya briefed the Commission on all news releases sent out in Q3 and all presentations given by Port staff.

Miya provided a copy of the ad that was co-submitted with City of Richland for the Site Selector magazine and provided a copy of the current Journal of Business, which featured three Port of Commission Meeting
October 18, 2023

Benton-related features.

Miya reminded the Commission that the New Nuclear event, with Diahann serving as moderator would take place at Richland Public Library at 7 p.m. that evening, adding that Chancellor Sandra Haynes and Energy Northwest's Jason Herbert would be presenting.

Miya stated that RiverFest was a successful event with many visitors to the Ports of Benton/Pasco and PNWA booth!

5. FINANCE DIRECTOR:

Director of Finance Jeff Lubeck provided a financial status summary report, stating that the State Auditor Office (SAO) audit was underway with the entrance conference taking place on 10/11/2023. Lubeck added that daily requests are being received from auditors.

Lubeck announced a staffing update, noting that Julia Mora started as Accounting Specialist on 9/25/2023 and welcomed Julia to the team.

Lubeck noted that the reserve study RFP did go out and Moss Adams was selected and the contract is being finalized. Lubeck noted that this project is intended to be completed by year end.

Lubeck provided a financial status report of cash, noting that September 2023, cash down \$45k compared to August 2023, but property tax receipts will pick up in October.

Lubeck stated that September cash receipts from the general fund were \$778,900 and September cash disbursements totaled \$822,200. Lubeck detailed that \$234k were payroll related costs, adding that there were three pay dates in September, \$588k in accounts payable. Lubeck noted that there is currently \$639k in outstanding AP, with \$495k, or 75% related to rail projects, repairs and maintenance.

Lubeck overviewed Q4 activities and priorities, announcing that the completion of audit is a priority, as well as the finalization of the budget and property tax assessment.

Lubeck added that he has begun action plans that stemmed from the SAO Lean training that took place earlier in the year and discussions are underway for a "train-the-trainer" session in 2024.

Lubeck added that he has begun planning for 2023 year-end, with a target to close all 2023 books by mid-February.

Lubeck stated that he also plans to review all software agreements for GASB 96 compliance, which is similar to GASB 87 for leases, but focused on software.

Lubeck stated he will continue assistance with the reserve study and also work with David on the RFP for insurance.

6. PORT ATTORNEY:

Port Attorney David Billetdeaux stated that he has been working on RFPs and policies, per the SAO process, as the SAO has provided notes of what they would like to see in the future.

Billetdeaux added that he has been tracking down various documents that SAO has requested, noting that some of the original requested documents are from 10+ years ago. Billetdeaux noted that the SAO is working from a different audit-related emphasis and there has also been a change in auditor.

Billetdeaux stated that the team will be having an archive day at the office on Thursday, which will help clean up documents that are past the retention period.

Billetdeaux stated that he will be sitting down with each employee to discuss their job descriptions, as he will be working on preparing current job descriptions for each position.

Billetdeaux added that he has been working with Director of Real Estate Teresa Hancock on

delinquent tenant notices.

Billetdeaux stated that he will be assisting with the CLE Youth Justice Forum at the federal building, which is geared to get the younger generations interested in law.

Billetdeaux announced that he will be attending the AAPA Annual Meeting, where he possibly will be graduating the PPM® program.

7. EXECUTIVE DIRECTOR:

Executive Director Diahann Howard reviewed current WPPA legislative priorities which include aviation fuels and the aviation caucus involvement. Howard added that TIF modifications are on the table and the climate commitment act and railroad infrastructure.

Howard added that rail continues to be a priority project for the Port and continued advocacy will remain.

Howard outlined VERTICAL 2024 legislative priorities as approval of state accreditation for nuclear apprenticeship program, establishment of a clean energy fund, clean energy siting, supply chain funding, support of international cluster accelerator program, support of economic development strategic reverse fund and manufacturing council. Howard alerted the Commission that Clean Energy Day will be on 1/31/2024 in alignment with WPPA Ports Day in Olympia.

Howard announced that the first VERTICAL board meeting was held on 10/17/2023 and a press release was sent. Howard stated that current board members include, Ken Langdon of Energy Northwest, Frederick Hughes of Fluor and Jeff Whitt of Framatome.

Howard stated that there is interest in adding 2-3 additional board members, but keeping the board size relatively small.

Howard noted that she has been asked to present at the AAPA American Bureau of Shipping on the role of advanced nuclear technologies in maritime energy transition and will invite companies to join her in this effort.

Howard announced that she attended the AWB Summit in September.

Howard stated that after the RiverFest event she met with representatives from the US Navy at the Port office to welcome them to Richland and discuss the Port role in the decommissioned reactors. Howard added that this was a great opportunity to learn more about the compartments, the process and develop relationships with the Navy, adding that the Navy had not met with a Port in a couple of decades.

Howard stated that she attended the NW Seaports Alliance Fall Reception, which was held at the Museum of Flight and made excellent cross connections, which follow-up will be made. Howard added that the Port has been invited to attend follow-up meetings, which will be rotated through the staff.

Howard noted that the updated strategic plan will be presented at the next Commission meeting and there will be a tour of the Richland Airport at the next Commission meeting.

Howard stated that she plans to attend the IAREC reception at Clore on 10/23/2023.

Howard informed the Commission that the Port is currently involved in three separate transactions, which include the possible purchase in the Technology & Business Center, land transfer and Clore partnership, adding that she hopes to bring forward more information about the potential land transfer at the November meeting. Howard added that she is looking forward to a new partnership regarding the Clore facility as well.

J. EXECUTIVE SESSION: The regular Commission meeting was recessed and it was announced that an Executive Session would not be held.

K. ADJOURNMENT: The meeting was adjourned at 12:15 p.m. with an announcement that the next regular Port of Benton Commission meeting will be held on Wednesday, November 8, 2023 at 8:30 a.m. at the Port of Benton Commission meeting room, located at 3250 Port of Benton Blvd., Richland, Washington.


Lori Stevens
Commission Secretary