

**PORT OF BENTON
COMMISSION MEETING MINUTES
December 13, 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 Christy Rasmussen, Commissioner Lori Stevens; Commissioner Roy D. Keck; Executive Director, Diahann Howard, PPM®, PPX®; Port Attorney, David Billetdeaux, PPM®; Director of Real Estate, Teresa Hancock; Public Information Officer, Summers Miya; Senior Accountant, Veronica Serna; Julia Mora, Accounting Specialist; Director of Facilities & Operations, Ron Branine; Airport Manager, Quentin Wright; Director of Finance, Jeff Lubeck; Director of Marketing, Wally Williams; Wendy Culverwell, Tri-City Herald; Cassie Hammond, Washington DC; Theresa Richardson, City of Richland; Bill O'Neil, Richland Airport

The following attendees attended via remote communications: Contract Specialist, Sheri Collins; Construction Project Manager, Bryan Bell; Facilities Manager, Joe Pisca; Ashley Garza; Joshua Lott, Anderson Perry & Associates; Clif Dyer, Richland, WA; Travis Black, MARAD

The Commission meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Commission President Christy Rasmussen 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 December 13, 2023 Commission meeting, approval of minutes from the November 8 ,2023 Commission meeting, approval of vouchers and certifications, including payroll, for the month of November totaling \$712,429.87, approval of project vouchers and certifications for the month of November totaling \$260.00 and approval of Resolution 23-49, to cancel warrant number 081283, in the amount of \$851.72, issued to Ziply Fiber, which has been deemed lost.

D. PUBLIC COMMENT:

City of Richland Mayor Pro Tem, Theresa Richardson stated that attending the Port of Benton Commission meeting is one of her favorites, as the Port does a great job.

Richardson provided an update on an extensive project the city has been working on for a substantial period of time, which more information will be shared in an upcoming news release. Richardson added that the news release will be related to better safety and economic opportunities on the George Washington Way project.

E. ITEMS OF BUSINESS

1. Resolution 23-48, Donation Acceptance Policy

Port Attorney David Billetdeaux explained that this policy covers any business or any person who gives money or property to the Port of Benton. Billetdeaux added that after Public Information Officer Summers Miya attended the USS Triton reunion, Veterans and families began asking about sending items to donate, which prompted the presentation of Resolution 23-48. Billetdeaux added that this resolution ensures that the policy is in place when donations do begin to come in.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Resolution 23-48, a donation acceptance policy.

2. Resolution 23-50, Accepting Work Completed by Inland Asphalt Company for Port of Benton Blvd. Pavement Repair

Executive Director Diahann Howard stated that the port has been notified by Inland Asphalt Company that the pavement repair on Port of Benton Boulevard has been completed in accordance with the approved plans and specifications at a total cost of \$98,590.00 plus Washington state sales tax for a project cost totaling \$119,450.43.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Resolution 23-50, accepting work completed by Inland Asphalt Company for Port of Benton Blvd. pavement repair.

3. Resolution 23-52, Solar Land Lease, Tucci Energy Services (North Horn Rapids)

Director of Real Estate Teresa Hancock explained that the Port of Benton and community partners acquired 1,641 acres of real property in 2015 within the north Horn Rapids Industrial Park from Department of Energy via TRIDEC, to support and promote economic development opportunities for large, industrial purposes.

Hancock added that Tucci Energy Services is planning a 75Mw large utility-scale photovoltaic solar project, expected to provide electricity to more than 11,000 homes at a project cost of approximately \$75.75 million.

Hancock explained that the Tucci solar project is multi-phased, with the Energy Northwest phase taking place first, but desires to lease 340 acres of port property contiguous to the Energy Northwest parcel to construct phase II, for an overall total of 127.5 Mw of solar production, reinforcing the vision for a northwest advanced clean energy park.

Hancock added that the total is a five-year solar land lease, plus two 10-year renewal periods for 340 acres of vacant, unimproved landlocked industrial land.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Resolution 23-52, a solar land lease, Tucci Energy Services in north Horn Rapids.

4. Resolution 23-53, Fuel System Lease, RH Smith, Inc. (Richland Business Park)

Director of Real Estate Teresa Hancock explained that RH Smith is a long-term tenant to the port, as they entered into a lease dated October 1, 1998 in the 1100 area, with RH Smith as the primary

operator of the 1100 area cardlock 261, located within the port's Richland Business Park upon a 1.26 acre site.

Hancock stated that RH Smith desires to enter into a new five-year lease, plus a five-year renewal term, with agreed capital expenditure requirements throughout the primary term, which has been negotiated by port staff.

Hancock added that RH Smith also has agreed to seek private investment to support clean energy initiatives with port and economic partners, including performance upgrades, bio-fuel planning and implantation of electric vehicle opportunities for the general public.

Hancock explained that the port and RH Smith both possess insurance on the tanks.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Resolution 23-53, fuel system lease, RH Smith, Inc. in Richland Business Park.

5. Resolution 23-54, Finance – Year End Cut Off Policy

Director of Real Estate, Jeff Lubeck stated that it recording expenses when they are provided is considered good practice, rather than a bill is received or paid.

Lubeck explained that the port endeavors to provide guidance on year-end cutoff practices to ensure financial transitions are recorded/accrued in the proper accounting period in accordance with Generally Accepted Accounting Principles.

Lubeck explained that invoices received by January 31 for the prior year will be processed and recorded in the prior fiscal year and invoices over \$5k received between February 1 – 14 for that prior year will be recorded as regular accounts payable for the prior year through the normal accounts payable process. Lubeck added that invoices under \$5k received after February 1 will be recorded in the current year through the regular accounts payable process, with invoices over \$50k received after February 14 for the prior year, will be accrued in the prior year and invoices under \$50k received after February 14 and before March 1 will be recorded in the current year through the regular accounts payable process.

Lubeck added that the entire finance department is responsible for understanding the year-end cutoff procedures and for raising potential issues and concerns to ensure they are adequately addressed and documented.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Resolution 23-54, related to a finance year-end cut-off policy.

6. City of Richland Utility Easement (Richland Rail)

Executive Director Diahann Howard explained that this agreement provides a permanent easement of 10 feet in width to the City of Richland, for the purpose of installing, inspecting, constructing, maintaining, etc. an electric line or lines, including conduits, equipment, fixtures and facilities related to electric lines, which will allow the city to perform necessary work next to the rail.

Port Attorney David Billetdeaux added that any easement over five years is brought forward to the Commission and that the development of this easement will help with future electrical projects, outages and projects.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the City of Richland easement related to the Richland rail.

7. Memorandum of Understanding Between City of Richland and Port of Benton on Industrial Land Exchange

Executive Director Diahann Howard stated that the memorandum of understanding aligns from the joint meeting in June with port Commission and City of Richland city council, covering discussion on an industrial land exchange.

A graphic was presented visually depicting the areas of land pertaining to the exchange.

Howard added that the potential exchange stems from many years of discussion, rail master plans and tenant requests.

Howard added that BNSF and UP support the exchange and added that the MOU is contingent upon one item, the final site for Atlas Agro remaining at 150 acres or possibly requiring more land which will be determined Q1 '24.

Howard reviewed the MOU, stating that the port owns industrial property that has been declared surplus and is located in the Northwest Advanced Clean Energy Park, Richland Business Park and Richland Innovation Center and the city owns industrial property located in the Horn Rapids Industrial Park.

Howard stated that both parties desire to see the full development of the Northwest Advanced Clean Energy Park to support regional electricity baseload generation requirements and advanced manufacturing in the region.

Howard stated that the goal of the port was to accomplish a proposed inland port that is united with maritime logistics, which will provide opportunity for rail to dock – dock to rail. Howard added that this will also provide benefit to current value-added agriculture-based industry located within the port district, as well as the city.

Howard stated that the addition of the inland port has the potential to support approximately \$4.2B in private investment to the local economy plus over 1,000 clean energy jobs, which historically provide opportunity to all socio-economic levels. Howard added that these jobs will allow the retention of the local workforce.

Howard noted that the exchange is an agenda item at the next city council meeting.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving a memorandum of understanding between City of Richland and Port of Benton on industrial land exchange.

8. 2024 Architect, Engineer and Professional Roster

Port Attorney David Billetdeaux thanked contract specialist Sheri Collins for compiling all of the companies for grading, which the team then scored on a qualification basis.

Billetdeaux explained that he, Ron Branine, Jeff Lubeck and Bryan Bell scored the companies, which were then averaged.

Billetdeaux added that scoring takes place once a year and then the companies are added to the roster based on their score, allowing the Port to reach out to the approved companies throughout the year for specific projects, and further streamlines projects.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the 2024 architect, engineer and professional roster.

9. 2024 Contracts (RGW Enterprises, Ashley Garza, Century West Engineering, HDR Engineering)

Port Attorney David Billetdeaux explained that these particular contracts are current contracts, which the port has ongoing projects and the approval allows for the avoidance of a lapse in progress. Billetdeaux added that everything has been included in the 2024 budget, including \$140k to RGW Enterprises and \$100k for Ashley Garza.

Billetdeaux stated that if additional funds are needed through the year, the regular procurement process will take place and it will be brought forward to the Commission for review and consideration of approval.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving the 2024 contracts for RGW Enterprises, Ashley Garza, Century West Engineering and HDR Engineering.

10. Proclamation 23-04, Honoring Commissioner Christy L. Rasmussen

Commission President Christy Rasmussen addressed the audience, explaining that it will be a forever memory and honor to have served on this port team as a Commissioner.

Rasmussen stated that she is truly grateful for the opportunity to have represented the port for the past two years, adding that she knew coming in that she wanted to be the best and most actively engaged Commissioner that she could be while working full-time at Energy Northwest and maintaining relationships with her large family.

Rasmussen stated that the role of Commissioner provided the opportunity to model transparent, fiscally conservative, informed decision making for port constituents, doing what is best and right for the entire community. Rasmussen added that the experience has truly confirmed what public service as an elected official is really about – the community, as well as the port team. Rasmussen stated that serving as a Commissioner was always about doing what was right when called to serve.

Rasmussen added that every member of the team enabled the Commission to accomplish many things, adding that the port team has inspired her service to the public.

Rasmussen highlighted a few of the team's accomplishments that bring her pride and joy to have been a part of, including:

- Prudent fiscal responsibility resulting in the reduction of taxes, honoring port taxpayers' investment and protecting their assets
- Restoration of rail crossings and planning to ensure port rail really is back on track, which is essential to continued development of north Richland industrial area
- Collaborative relationships the port has built across the community, region, state and nation working to advance clean energy solutions, further highlighting that the future is bright and "this IS the place"

- Efforts toward creating jobs and keeping the economy strong, the possibilities are endless to the workforce and the future is bright

Rasmussen stated that the community is blessed to have a team like the current port team and she is eternally blessed and honored to have been a part.

Rasmussen stated that in case we were wondering what she will do with her future “free time” and energy, she has no plans to step away from public service and she remains committed and actively engaged in the work of the Port of Benton, the community and the region. Rasmussen added this includes remaining chair of the workforce development project team for Washington VERTical along with Columbia Basin College, Logistics and Supply Chain Resilience Advisory Committee, program lead for the nuclear training program with her role at Energy Northwest, Tri-Cities Sunrise Rotary trustee and community chair, PNWA/IPNG, community advocate for waterways and hydro-electric system, Tri-Tech vocational high school general advisory council, Manhattan Project National Historical Park community advocate, Energy Communities Alliance, community advocate for clean-up and restoration of the Hanford site, while retooling the workforce to be ready for the advanced manufacturing energy generation future.

Rasmussen closed, with the message that she is here for the team and community, always available to listen to concerns and work toward finding solutions for the community, region and state to ensure innovation, sustainability and economic growth for all.

Rasmussen thanked the team again for their trust, encouragement and dedication to the individual roles at the port, adding that this is a “dream team”.

Rasmussen concluded that it has been an honor to have had the opportunity to serve as Port of Benton Commissioner and she looks forward to continuing to make a positive impact in the community.

Executive Director Diahann Howard read Proclamation 23-04 out loud:

**PORT OF BENTON
OFFICIAL PROCLAMATION – 23-04
HONORING
COMMISSIONER CHRISTY L. RASMUSSEN**

WHEREAS, The Port Commission appointed Ms. Christy L. Rasmussen as Commissioner for District 2 on December 14, 2021;

WHEREAS, Commissioner Rasmussen’s service supported and enhanced Washington’s system of ports and working rivers via the Pacific Northwest Waterways Association and had a positive impact at a federal level via the Energy Communities Alliance Board, at a state level via the Washington Public Ports Association and in our region as the Hanford Communities Governing Board representative and Manhattan Project National Historical Park representative;

WHEREAS, Commissioner Rasmussen has faithfully and diligently performed her duties, including through the formation of the Northwest Advanced Clean Energy Park, Clean Energy Supplier Alliance, and VERTical innovation cluster, which continues to make great strides working with industry to

accelerate the transition of advanced clean energy technologies and manufacturing to achieve state and national climate goals;

WHEREAS, Commissioner Rasmussen has demonstrated leadership in advancing Port of Benton's Vision and Mission and worked diligently alongside the Port team and her fellow elected officials for the good of the public. Commissioner Rasmussen will be remembered for her many accomplishments and unwavering dedication to regional economic and workforce development efforts, including being a fervent supporter of the community's "Clean Up to Clean Energy" vision.

NOW THEREFORE, BE IT PROCLAIMED that the Port of Benton Commission and staff express their sincere and whole-hearted appreciation to Ms. Christy L. Rasmussen for her commitment to the Port, the communities in the Port District and surrounding region, and for her contributions while serving as a Port of Benton Commissioner.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Proclamation 23-04, honoring Commissioner Christy L. Rasmussen.

11. Performance Review of Executive Director

Port Attorney David Billetdeaux explained that the State Auditors Officer recommends that the review of the executive director takes place in a public meeting, rather than a one-on-one meeting.

Executive director Diahann Howard provided her own review of 2023, highlighting the following:

- Starts with great team of integrity and character
- Desire for excellence from entire team
- SAO Lean process
- New financial and lease system fully integrated, displaying fiscal responsibility and transparency
- Work order system in process, further driving efficiency and accountability
- Team and individual training
- Culture with broader vision that is focused on serving the community

Howard for the following overview:

The 2024 balanced budget focused on three core areas. Port improvements, maintenance and economic development, operating revenues increased by 35%, property tax decreased for a 6th year in a row and we are now .31 cents per 1,000 assessed, we receive 1.11% of property tax collected in Benton County, we anticipate a 65% increase in business volume in 2024.

The 2024 budget also reflects new revenues from the White Bluffs phase I port building constructed using funds secured in June 2021 home to the Hanford History Project, that is overseen by Washington State University the contract is funded by DOE/HMIS. The bonds were financed at a near historic-low interest rate (2.57%). During that 2021 transaction, the port also refinanced more than \$6

million in older debt, resulting in \$1.2 million net-present value savings (21%) over the remaining 13 years, substantially reducing debt service obligations to the taxpayer.

Additionally, revenue projections may increase by \$9 million if renewable fertilizer company Atlas Agro moves forward past due diligence March of 2024. Since the sale is still in the feasibility stage, it is not included in the 2024 budget projections to be fiscally conservative.

This year, we will complete the highest number of capital projects in the Port's history at \$15.4 million, this includes grant secured and federal rail grants that are pending, breaking our 2022 record of \$11 million, we have 188 leases that we will continue to adjust rates as many that are older and are well below market.

We will target grants to fund a future expansion of the White Bluffs Center which will include space for the growing B Reactor tours visitor center that saw 13,000 visitors last year with visitor center, activity doubling across the National Park Services' Manhattan Project National Historical Park, which includes Hanford, Los Alamos and Oak Ridge over 43,000 visitors, 600,000 using the virtual app and 9.5 million Facebook interactions. MNP along with the Port's USS Triton Sail Park is in alignment with Visit Tri-Cities and regional STEM tourism goals.

We are pleased with the development to support the Prosser community bring American Cruise Lines in weekly to visit over 15 businesses, the visit will include visiting Enodav, the new tasting room in Vintners Village along with electric fast charging station to attract more tourism development that helps us continue to promote Vintners Village and Prosser.

A part of the that includes port partnership with WSU - IAREC, Hospitality and Entrepreneurship via Cougar Tracks. Over 30 classes and events were held in 2023. We also began discussions with industry and university as a result we have private development that desires to step in to help fully fulfill the EDA grant obligations of this facility and honor the industry investment by remaining committed to ongoing education of industrial as we are required to do so within the main facility.

VERTical partnership with industry remains strong, including advocacy which will continue with Clean Energy Day in Olympia on Jan 31, 2024, and webinars and attending trade shows will take place. We hope to hire a director for this project to move them to self-sufficiency. We took on this program due to its importance to our workforce and region.

According to the Department of Energy's (DOE) 2023 U.S. Energy and Employment Report, nearly 300,000 new clean energy jobs were created nationwide in 2022—outpacing national job growth (3.8% vs. 3.1%). This sharp uptick is particularly exciting because clean energy jobs offer higher wages than the national average.

Research conducted by the Brookings Institution found that having a clean energy job can increase an individual's income by 8%-19%. Clean energy jobs are also widely available to workers

without four-year degrees, providing opportunities for Americans of all socioeconomic and educational backgrounds.

Overall, projects with Atlas, Framatome and others pending total \$4.2 billion and over 1,000 jobs related to the clean energy sector.

All these site visits come back to our port's transportation and intermodal asset, primarily our dually served class I rail, the second short line in the state at 1.3 million tons and other city industrial growth will continue to increase rail needs.

Our MOU approved with City of Richland today allows us to final discussion with Atlas on their final property needs then move forward with our exchange with Richland.

Establishing plans and partnerships to develop an Inland Port in north Richland to provide multiple modes of transportation services for the region's vast industries to get their goods to market transforms our port forward to meet the needs of our value added ag and industrial manufacturing for decades to come.

2023 has been an outstanding year, we have built a lot of positive momentum and strong management that our economic, community, state and congressional partners have reaffirmed or direction and commitment to be with us to deliver for our businesses and community.

It has been an honor and privilege to work with all of you to bring this to realization. Thank you.

Port Attorney David Billetdeaux asked if the Commission had any questions or comments.

Commissioner Christy Rasmussen stated that the successes of the last few years are based on strong, balanced leadership and who has been at the helm. Commissioner Rasmussen complimented the transparency, the vision and the executive director's ability to see the larger picture.

Commissioner Rasmussen added that Howard is everywhere throughout the community and is someone who is highly respected and often sought out for advice and guidance. Rasmussen added if someone wants something done, they know to ask Diahann Howard and that it will be done thoroughly and correctly.

Commissioner Rasmussen added that the planning, the processes such as Lean and the commitment to transfer all leases into a new system has led to continued improvements and these are a few examples of Howard's leadership and success.

Port attorney David Billetdeaux stated that executive session may be used as an opportunity to discuss Howard's performance, any issues, salary and to remain in line with the rest of the port team, a rating.

Billetdeaux explained that port staff have received their reviews and are rated on a 1-5 system, where 1 is considered unsatisfactory and 5 exceeds performance.

Commissioner Lori Stevens inquired why a rating system has been introduced this year and not in past years.

Billetdeaux stated that per state auditor request and the request for complete transparency, as

well as to remain in line with the rest of the port team and to describe why, if any, there are salary changes.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Christy Rasmussen, abstained by Commissioner Lori Stevens, and passed by the Commission, approving a rating of "5" (Exceeds Performance) to the Executive Director, Diahann Hoard for 2023.

F. INFORMATION REPORTS:

1. Financial Update

Director of Finance Jeff Lubeck announced that the 2022 audit is nearing completion, with the exit conference scheduled for December 19. Lubeck added that the audit is expected to be clean without any findings. Lubeck stated that the audit team, which was composed of a new team, asked meticulous questions and provided an opportunity to share more information and drive process improvements

Lubeck added that the reserve study is also progressing, which is being conducted by Moss Adams, who is assessing overall risk by looking at debt and revenue levels. Lubeck shared that the results indicate a low risk level, with the lowest risk scores on leverage and liquidity.

Lubeck explained that the next step of the reserve study will help determine what the reserve amount should be, while also overviewing a reserve risk management tool.

Lubeck provided a financial status overview, noting some expected volatility over coming months due to a possible building acquisition, reimbursements and projects.

Lubeck reviewed recent cash activity pointing out \$901,364 in cash receipts in November and \$719,963 in disbursements in November. Lubeck pointed out that A/P is higher than normal because there was no check run last week due to travel. Lubeck featured current A/R status, adding that much of the outstanding is due to an outstanding balance from Barnhart Crane, who Director of Real Estate Teresa Hancock was meeting with later that afternoon.

2. Grants Update

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

Item 2 – Innovation Cluster Accelerator Program Application, Phase 2 – Application has been submitted and Diahann Howard will present to the Department of Commerce next week for consideration. Announcement expected shortly after presentation.

Howard noted that the RAISE and CRISI grants have been pulled off the report, but will be added back shortly, which is the standard process.

Howard thanked Travis Black, who was joining the meeting today and who is with MARAD and a great help with these grants.

Airport Manager Quentin Wright stated that work continues on the Prosser and Richland Airports pavement rehabilitation projects, which are 90% funded by FAA.

3. Strategic Plan Update

Executive Director Diahann Howard provided a review of the strategic plan, highlighting many of the updates since the plan was introduced in 2020. Howard stated that the plan emphasized economic resiliency, job creation and investment. Howard added that the team has also added focus on leadership training and public communication. Howard featured the significant efforts put forth by the finance team in assembling a significant budget.

Howard highlighted the port's performance and future plans, with new developments at Prosser and Richland airports, along with plans to continue to commemorate the USS Triton.

Howard noted that the team provided regular input and insights to the working plan.

Howard emphasized that the strategic plan for the coming year focused on efficiency, effectiveness, cross training, process refinement and the implantation of electronic payments. Howard added the need for a preventative maintenance system for all facilities and assets, which is in process.

G. COMMISSIONER REPORTS/COMMENTS

Commissioner Lori Stevens announced that she attended the Prosser Chamber board meeting, Historic Downtown Prosser tree-lighting ceremony, Bubbles & Bites and also the Prosser Economic Development Association holiday party.

Commissioner Roy Keck stated that he attended the Washington Public Ports Association annual meeting, which was incredible. Commissioner Keck complimented executive director Diahann Howard on her "Ports Report" presentation, adding that he received an incredible amount of positive feedback for the remainder of the conference on the report.

Commissioner Christy Rasmussen stated that she attended the ECA Intergovernmental meeting, which includes Department of Energy, Department of Defense, Hanford, Tribes and more, which focused on how all agencies can partner going forward and included conversation about BILT funds and the ongoing clean-up.

Commissioner Rasmussen stated that she attended the United Way Festival of Trees event, which the port sponsors. Rasmussen added that she also felt that the WPPA annual meeting was incredible and informative, particularly some of the keynote presentations related to workplace culture and climate.

I. DIRECTOR REPORTS/COMMENTS:

1. FINANCE DIRECTOR:

Director of Finance Jeff Lubeck covered the finance department update in the information reports section.

2. PORT ATTORNEY:

Port Attorney David Billetdeaux provided an update on Berry's Bridge, reminding the Commission that there has been confusion regarding whether the port of WSDOT is responsible for the maintenance of Berry's Bridge. Billetdeaux stated that a letter has been sent to WSDOT noting that an answer was needed within two months, which went unanswered. Billetdeaux added that another letter would be sent to request an answer by the end of the year.

Billetdeaux displayed a video of the recent accident at the Steptoe rail crossing, where a boom

truck drove through with an fully extended boom and destroyed the cantilever, then proceeding to leave the scene. Billetdeaux explained that the driver had eventually been identified thanks to Richland Police Department, adding that the driver's company's insurance would be held liable for the damage. Billetdeaux estimated that damages range from \$200-\$250k, adding that the crossing is in the queue for revitalization and spare parts will be used until it is completely repaired, which will take place in 2024.

Billetdeaux added that in addition the helpfulness of Richland Police Department, Columbia Rail has also been extremely helpful and were on scene right away assisting with cleanup of debris and ensure there were no safety issues.

Billetdeaux noted that due to the damage, the crossing is now a "stop and protect" crossing until the cantilever can be replaced.

Billetdeaux stated that despite the unfortunate aspects of this situation the reaction of all parties that came together was quite seamless.

Billetdeaux pointed out that the port's insurance quickly denied to assist, which will lead Billetdeaux into pursuing the development of an RFP for insurance providers.

Billetdeaux announced that he has begun working on a policy related to AI, as it is hard to deny that AI is here. Billetdeaux noted that City of Seattle has an extensive policy, but port policy will likely not be as in depth and will change over time.

Billetdeaux noted that he participated in a recent AI training, where key issues included to credit or not, fact checking and something known as AI hallucination. Billetdeaux added that the port strives to ensure that AI is being used correctly.

Billetdeaux stated that there have been changes in the industrial stormwater permitting process, as there have been changes on what is considered stormwater and is now directly related to raw manufacturing and runoff. Billetdeaux noted that further discussion will continue and this topic was brought up at the recent WPPA meeting and will be on a legislative discussion.

Billetdeaux added that airports will not be required to make any changes.

Billetdeaux stated that the January packet will be large, as annual guidelines will be included, annual resolutions related to delegation of authority and surplus items.

3. EXECUTIVE DIRECTOR:

Executive Director Diahann Howard stated that an easement has been provided related to the Steptoe project, which is vital to the economy.

Howard provided an update on the State Route 240 crossing, which is part of the National Highway Freight Program grant and this program will replace the rail crossing and rail signal at this location. Howard added that this project is funded by a National Highway Freight Program grant from WSDOT for \$865k and a minimum port match of \$135k. Howard added that due to recent bids, the port believes the project will be closer to \$1.4M, including a port match of \$535k. Howard added that KPFF has begun work on the design and construction is still planned for mid-2024.

Howard stated that the 2023-2025 FRAP grant in the amount of \$1,030,000, with a \$250k port match, for a total project of \$1,280,000 will make repairs to the Airport Way railroad crossing, the Saint Street railroad crossing and will install signal electronics at Kingsgate Way railroad crossing. Howard stated that HDR has performed surveying work on this project and design work has begun with hopes to bid in January 2024.

Howard stated that the port received approval from the 2023 legislative budget appropriation for \$1,212,500 from the state and this project will install new ties and ballast across the entire port track. Howard noted that the port hopes to choose a consultant by the end of the year.

Howard announced that street light and sidewalk installation in the Richland Innovation Center is moving forward, thanks to Benton .09 funding. Howard added that the work has restarted and drawings are being revised and projects are being split up. Howard noted that the port is waiting on separate drawings from Anderson Perry.

Howard stated that American Rock Products is currently mining an additional area of their lease through a special use permit, which will likely take them all of 2024 to complete. Howard added that American Rock Products/3D Development has applied to run a culvert under the port track and preliminary drawings have been provided.

Howard noted that work continues with the work order system and it will be a minimum of 12 months until the team is able to have enough data to be able to get good info on assets to realize possible cost savings and forecasting for Capex.

Howard thanked Columbia Rail and Richland Police Department for their dedication and assistance during the recent issue at the Steptoe crossing, as well as recent emergency repairs at the Wye track. Howard added that 100 new ties have been added due to the wide gauge found during a recent inspection and the team is working to add no trespassing signs, per a Washington Utility Transportation Commission request to have them installed by 2024.

Howard added that the conversations have begun on the quiet zone application, which is likely to take up to a year and \$40-\$50k in the application process, adding that the new Center Parkway signal and the upcoming new signal at Steptoe should meet the requirements of a quiet zone, but most of the other signals will need some construction prior to implementing the quiet zone.

Howard provided an update on the State Route 240 rail crossing replacement project, which will take place in 2024.

Howard announced that the upcoming legislative session will be a 60-day session and there are 6-7 senators up for reelection, which may affect things. Howard added that there is \$2B in excess with a focus on 6-7 initiatives, including transportation, behavioral health, homelessness and energy.

Howard noted that there are also 5-9 items on the WPPA legislative agenda, including the previously mentioned stormwater issue.

Howard noted that she met with Neil and Anthony from PNWA in the port office recently and briefly reviewed recent activities, including presenting to the American General Contractors of America, attended city meetings, Central Washington Pathways board (including working local trade unions with TRIDEC), attended the Intergovernmental meeting, rail meeting as well as an M-84 spring roundtable, which was spearheaded by Travis Black, the Port of Pasco ag symbiosis, where there was conversation about a state ag center, and also attended and presented at the WPPA annual meeting.

Commissioner Keck inquired on the current rail speed. Howard stated that the speed limit remains at 5 mph from the junction to Duportail crossing and will remain until the 2024 projects are completed.

The marketing team previewed two of the Opportunity Happens Here tenant interview videos, which will be posted to the website and shared socially in 2024.

J. EXECUTIVE SESSION: The regular Commission meeting was recessed at 10:30 and it was announced that an Executive Session would begin at 10:35 a.m. to discuss items related to personnel for 20 minutes. At 10:55 a.m., it was announced that an additional 10 minutes would be needed.

The Commission meeting was reconvened at 11:05 a.m. and it was announced that a short break was needed.

The Commission meeting resumed at 11:15 a.m.

Commissioner Christy Rasmussen asked for a motion to approve the salary and comp package of the executive director.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the revised salary and comp package of the executive director.

Commissioner Christy Rasmussen asked for a motion to amend the employment contract for the executive director, Diahann Howard.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the amendment to the employment contract for the executive director, Diahann Howard.

Executive Director Diahann Howard stated that she would review the amended employment contract.

Port attorney requested that the Commission sign the amended contract presently.

M. ADJOURNMENT: The meeting was adjourned at 11:23 a.m.



Commission Secretary