

**MINUTES OF THE PORT OF WALLA WALLA
COMMISSION MEETING
Thursday, April 27, 2023**

The meeting of the Port of Walla Walla Commission was called to order at 1:01 p.m. by Commission President Mike Fredrickson at the Port of Walla Walla office, 310 A Street, Walla Walla, Washington.

In attendance via conference call or in person:

Mike Fredrickson, Commissioner
Kip Kelly, Commissioner
Ron Dunning, Commissioner
Patrick Reay, Executive Director
Paul Gerola, Economic Development Director
Jennifer Skoglund, Airport Manager
Scott Pritcher, Auditor/Treasurer
Joe Keown, Auditor/Treasurer
Karla Miller, Administrative Assistant
Meagan Blair, Governmental Affairs/Community Outreach Specialist
Jared Hawkins, Hawkins Law, PLLC
Hannah McIntyre, Walla Walla Union-Bulletin
Kate Smith, Walla Walla Union-Bulletin
Russel Davis, CR Contracting
James Luna-Hill

PLEDGE OF ALLEGIANCE

Commissioner Kelly led all in attendance in reciting the Pledge of Allegiance.

DECLARATIONS REGARDING CONFLICTS OF INTEREST

No conflicts of interest were declared.

ADOPTION OF AGENDA

Executive Director Reay proposed that the Commissioners revise the agenda, to include, Executive Session RCW 42.30.110 (1) (i): To discuss with legal counsel matters relating to potential litigation involving the Port, under Old Business, Walla Walla Regional Airport #2, Taxiway Pavement Maintenance Project Bid Award. Commissioner Dunning moved, and Commissioner Kelly seconded, to adopt the agenda as amended. Motion unanimously carried.

PUBLIC COMMENTS

There were no public comments made.

APPROVAL OF MINUTES

Commissioner Kelly moved, and Commissioner Dunning seconded, to approve the minutes of the Port Commission meeting held on Thursday, April 13, 2023, as presented. Motion passed unanimously.

FINANCIAL REPORTING

Port Auditor/Treasurer Pritcher reviewed with Commissioners the Cash Balance Report and reviewed Financial Reports for both the Port and the Airport.

PAYMENT OF BILLS

The Port Commission reviewed Port and Airport Check History Report lists as provided by Port Auditor/Treasurer Pritcher. Said lists were audited, authenticated, and certified as required per RCW 42.24.080 and reimbursement claims were certified as required by RCW 42.24.090. Commissioner Dunning moved, and Commissioner Kelly seconded, to approve for payment those Check History Report lists summarized in the April 27, 2023 Warrant Approval Document, which is incorporated and attached to these minutes. Motion unanimously carried.

OLD BUSINESS

A. Walla Walla Regional Airport

1. **Alaska Maximum Revenue Guarantee (MRG) Agreement Update**
Executive Director Reay provided Commissioners with a draft agreement with Alaska Airlines to re-introduce a second flight to Walla Walla Regional Airport. The Port of Walla Walla is to reach out to community partners for possible support and research possible funding sources. Commissioners asked several questions and provided input.
2. **Taxiway Pavement Maintenance Project Bid Award**
Airport Manager Skoglund reviewed with Commissioners the two bid packages that were received for the Taxiway A Sealcoat & Grading Project.

Russel Davis, with CR Contracting, provided public comment. His firm had submitted a bid protest; he suggested that the Port should re-bid the contract.

At 1:37 p.m., Commissioner Fredrickson announced the convening of an executive session that would last until approximately 1:47 p.m. He announced the executive session would cover the following topic: RCW 42.30.110 (1) (i): To discuss with legal counsel matters relating to potential litigation involving the Port.

At 1:47 p.m. Commissioner Fredrickson extended the executive session 10 minutes.

At 1:59 p.m., Commissioner Fredrickson reconvened the regular Commission meeting. No final action was taken during executive session.

Legal counsel and staff provided factual responses to the bid protest. Legal Counsel advised that the lowest responsive bidder was eligible for

bid award (and disputed the allegations raised in the bid protest). Commissioners asked several questions. Commissioner Dunning moved, and Commissioner Kelly seconded, to accept and award the Taxiway A Sealcoat & Grading project to Nelson Construction Corporation in the amount of \$925,864.19 which includes sales tax, contingent upon receiving FAA concurrence and grant offer; and approve an overall total project budget of \$1,140,177 which includes a 10% contingency; and accept FAA grant offer; and authorize the Executive Director to execute all documents necessary to complete this project. Motion passed unanimously.

3. Community Economic Revitalization Board (CERB) Initial Offer of Financial Aid-Life Flight Hangar Project

Airport Manager Skoglund reviewed with Commissioners the loan offer from the Department of Commerce for \$2 million to cover the construction costs of a hangar to be leased to Life Flight. Life Flight will use their own architect and engineer, at their own expense, to cover the cost of design and engineering. Commissioners asked several questions. Commissioner Kelly moved, and Commissioner Dunning seconded, to enter into an initial offer of financial aid with the Washington State Community Economic Revitalization Board (CERB) for a general obligation loan of \$2 million, interest rate of 3%, term of 20-years for the Life Flight Networks hangar and crew base project and authorize the Executive Director to execute all documents necessary to commence with project. Motion passed unanimously.

NEW BUSINESS

A. Port of Walla Walla

1. Contact Operator Service Agreement-SJ Environmental

Executive Director Reay reviewed with Commissioners the need for certified utility operators for the Port's Burbank and Wallula/Dodd area water/wastewater systems. Commissioners asked a host of questions. Commissioner Kelly moved, and Commissioner Dunning seconded, to authorize the Executive Director to sign and execute a purchase services contract and water system operator contract with SJ Environmental, LLC, upon legal counsel review and approval. Motion passed unanimously.

2. Legislative Update

Executive Director Reay provided an update on State and Federal Legislative bills and the possible impact on the Port and Airport.

B. Walla Walla Regional Airport

1. Pacificorp Land Lease

Airport Manager Skoglund provided Commissioners with proposed lease terms and a site for a potential laydown yard for Pacificorp. Pacificorp would fence the proposed area at their sole cost and expense. Commissioner Dunning moved, and Commissioner Kelly seconded, to authorize the Executive Director to enter into a five-year with one (1) 5-Year lease option standard land lease agreement with Pacificorp for a pole laydown yard as described. Motion passed unanimously.

2. Airport Terminal Building Tour (Tour occurred after meeting Adjournment)

Following the Port Commission meeting, Commissioners and staff toured the Airport Terminal building. No action was taken.

CORRESPONDENCE & REPORTS

A. Review Calendar of Events

Executive Director Reay reviewed the calendar of events.

B. Port Information PI-1 to PI-1

1. Leases Entered Into

C. Airport Information Item AI-1 to AI-2

1. Maintenance Monthly Report – March 2023
2. Leases Entered Into – March 2023

D. Executive Director's Report

Executive Director Reay and staff briefed Commissioners on several Port and Airport related projects.

COMMISSIONER REPORTS

Commissioners reported on meetings they recently attended and other Port related matters.

NEXT MEETING & LOCATION

Thursday, May 25, 2023, at 1:00 p.m.
In person and/or (Remote) Video or Conference Call
310 A Street, Walla Walla, WA 99362

ADJOURNMENT

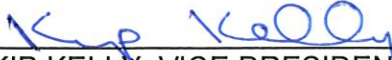
Commissioner Dunning moved, and Commissioner Kelly seconded, to adjourn the Port Commission meeting at 3:36 p.m. Motion carried by a vote of 2 to 1 (with Commissioner Dunning voting, "no").

APPROVED:

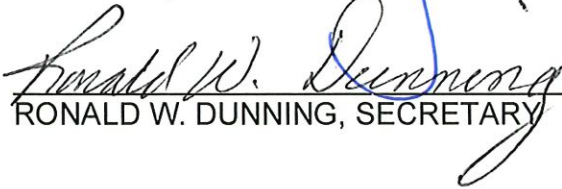
PORT OF WALLA WALLA COMMISSIONERS



MICHAEL FREDRICKSON, PRESIDENT



KIP KELLY, VICE PRESIDENT



RONALD W. DUNNING, SECRETARY

Warrant Approval Document

April 27, 2023

We the undersigned Commissioners of the Port of Walla Walla, of Walla Walla County Washington, do hereby certify that the merchandise or services hereinafter specified have been received.

Port of Walla Walla - General Fund

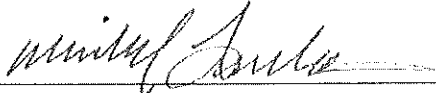
Approved for payment are check numbers 19390 through 19422, and direct deposit numbers D00894 through D00896 and ACH/EFT numbers MC000299 through MC000303 in the amount of \$155,291.05 to be paid from the Port of Walla Walla General Fund on the above stated date.

Walla Walla Regional Airport - General Fund

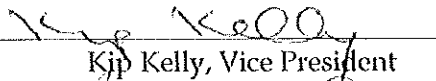
Approved for payment are check numbers 23366 through 23401, direct deposit numbers D01568 through D01580 and ACH/EFT numbers MC0000165 through MC0000168 in the amount of \$865,847.31 to be paid from the Walla Walla Regional Airport General Fund on the above stated date.

Approved By:

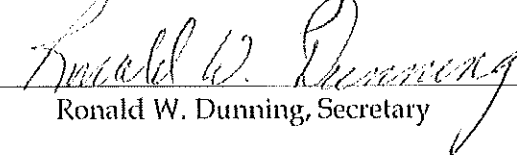
Port of Walla Walla Commissioners



Michael Fredrickson, President



Kip Kelly, Vice President



Ronald W. Dunning, Secretary