

**MINUTES OF THE PORT OF WALLA WALLA
COMMISSION MEETING
Thursday, January 11, 2024**

The meeting of the Port of Walla Walla Commission was called to order at 1:00 p.m. by Commission Vice President Kip Kelly at the Port of Walla Walla office, 310 A Street, Walla Walla, Washington.

In attendance via conference call or in person:

Kip Kelly, Commissioner
Ron Dunning, Commissioner
Amy Schwab, Commissioner
Patrick Reay, Executive Director
Paul Gerola, Economic Development Director
Jennifer Skoglund, Airport Manager
Meagan Blair, Governmental Affairs/Community Outreach Specialist
Brian Hurst, Maintenance & Operations Supervisor
Joe Keown, Auditor/Treasurer Miller, Administrative Assistant
Karla Miller, Administrative Assistant
Jared Hawkins, Hawkins Law, PLLC
Todd Kimball, Walla Walla County Commissioner
David Schmaltz
Tom Moran

PLEDGE OF ALLEGIANCE

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

DECLARATIONS REGARDING CONFLICTS OF INTEREST

No conflicts of interest were declared.

ADOPTION OF AGENDA

Commissioner Dunning moved, and Commissioner Schwab seconded, to adopt the agenda as presented. Motion unanimously carried.

ELECTION OF OFFICERS

Commissioner Dunning made, and Commissioner Schwab seconded, the nomination of Kip Kelly as President, Ron Dunning as Vice President, and Amy Schwab as Secretary for the calendar year 2024. Motion unanimously carried.

PUBLIC COMMENTS

There were no public comments made.

APPROVAL OF MINUTES

Commissioner Kelly requested the minutes of the Thursday, December 28, 2023 Port Commission Meeting minutes be amended on page 1, in the attendance section to change "Laren" to "Lauren." Commissioner Schwab moved, and Commissioner Dunning seconded to adopt the Thursday, December 28, 2023 minutes as amended. Motion passed unanimously.

FINANCIAL REPORTING

Port Auditor/Treasurer Keown provided Commissioners the Cash Balance Report and Aged 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 Keown. 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 Schwab seconded, to approve for payment the Check History Report lists summarized in the January 11, 2024, Warrant Approval Document, which is incorporated and attached to these minutes. Motion unanimously carried.

OLD BUSINESS

A. Port of Walla Walla

1. 2024 Commissioner Assignments

Executive Director Reay reviewed with Commissioners a listing of committees and community assignments for 2024. Commissioners reviewed the list and agreed upon Port Commission committee and community liaison assignments for 2024. Commissioner Schwab moved, and Commissioner Dunning seconded, to approve the 2024 Port Commission assignments as amended. Motion passed unanimously.

NEW BUSINESS

A. Port of Walla Walla

1. Executive Director Managing Authority-Resolution No. 2024-01

Executive Director Reay reviewed with Commissioners Resolution 2024-01, which delegates certain administrative powers and duties to the Executive Director. Port Legal Counsel Hawkins provided a revision made by the Washington state legislature on page 1 section 3 which updates the surplus amount to \$22,000. Commissioner Dunning moved, and Commissioner Schwab seconded, to approve Resolution 2024-01 as amended. Motion passed unanimously.

2. Designation of Auditor/Treasurer-Resolution No. 2024-02

Executive Director reviewed with Commissioners that the Auditor and Treasurer functions are statutorily required to be identified by resolution of the governing body (Port Commission). Staff recommended reaffirming Joe Keown as the Auditor/Treasurer and designation Jennifer Skoglund as the Deputy Treasurer. Commissioner Schwab moved, and Commissioner Dunning seconded, to adopt Resolution No. 2024-02 as presented. Motion passed unanimously.

3. 2024 Per Diem Policy

Executive Director Reay reminded Commissioners that the Port Commission may authorize the payment of per diem to any Port Commissioner or

employee, in lieu of payment of actual expenses, when required to travel overnight for Port business. Commissioner Dunning moved, and Commissioner Schwab seconded, to authorize per diem for overnight travel in accordance with the applicable Port policies and state statutes for approved Port travel for fiscal year 2024.

B. Walla Walla Regional Airport

1. 2024 Wheat Marketing Policy

Airport Manager Skoglund briefed Commissioners on the proposed Wheat Marketing Policy for the fiscal year 2024. Commissioners asked several questions and provided direction. Commissioner Schwab moved, and Commissioner Dunning seconded, to set the minimum price per bushel for contracting of Soft White Winter (SWW) wheat during the months of January-July 2024 at \$7.01 Walla Walla price and approve the 2024 Wheat Marketing Policy which sets the minimum price per bushel for monthly contracting and authorizes the Airport Manager to contract wheat on the set day and amount. Motion passed unanimously.

CORRESPONDENCE & REPORTS

A. Review Calendar of Events

Executive Director Reay reviewed the calendar of events.

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

1. Maintenance Monthly Report – December 2023
2. ATCT – Year End Report

C. 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, January 25, 2024, at 1:00 p.m.
In person and/or (Remote) Video or Conference Call
310 A Street, Walla Walla, WA 99362

ADJOURNMENT

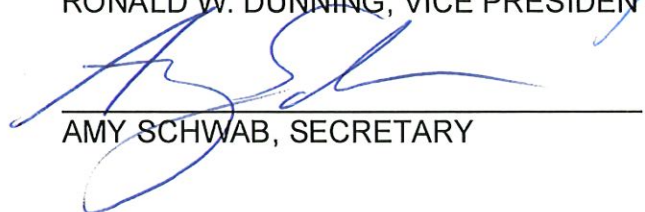
Commissioner Schwab moved, and Commissioner Dunning seconded, to adjourn the Port Commission meeting at 3:29 p.m. Motion passed unanimously.

APPROVED:

PORT OF WALLA WALLA COMMISSIONERS


KIP KELLY, PRESIDENT


RONALD W. DUNNING, VICE PRESIDENT


AMY SCHWAB, SECRETARY

Warrant Approval Document

January 11, 2024

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 20000 through 20019, and direct deposit numbers D0000976 through D000978 and ACH/EFT numbers W000000010 through W000000020 in the amount of \$114,338.55 to be paid from the Port of Walla Walla General Fund on the above stated date.

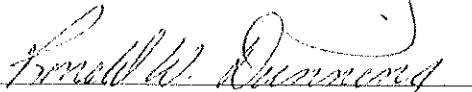
Walla Walla Regional Airport - General Fund

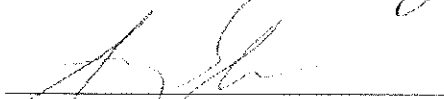
Approved for payment are check numbers 24027 through 24049, direct deposit numbers D0001789 through D0001801 and ACH/EFT numbers W00000006 through W000000012 in the amount of \$176,240.45 to be paid from the Walla Walla Regional Airport General Fund on the above stated date.

Approved By:

Port of Walla Walla Commissioners


Kip Kelly, President


Ronald W. Dunning, Vice President


Amy Schwab, Secretary

RESOLUTION NO. 2024-01

A RESOLUTION of the Port Commission of the Port of Walla Walla delegating administrative powers and duties to the Executive Director and his designees and repealing all prior resolutions dealing with the same subject matter.

WHEREAS, RCW 53.12.270 authorizes the Commission to delegate administrative powers and duties to the Executive Director, and

WHEREAS, the Port Commission of the Port of Walla Walla has in the past adopted policy directives delegating administrative authority to the Executive Director and his designees for the purpose of expeditious administration of the Port; and

WHEREAS, the Port Commission has from time to time found it necessary to amend and revise such directives due to changes in law and/or operations of the Port; and

WHEREAS, the Port Commission now wishes to provide an updated master policy directive on the delegated administrative powers and duties of the Executive Director and his designees and to repeal all prior resolutions dealing with the same subject matter,

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Walla Walla as follows:

Section 1. The master policy directive of the Port Commission of the Port of Walla Walla, as set forth herein, is adopted for the purpose of establishing the delegated administrative powers and duties of the Executive Director and his designees. This policy directive will remain in effect until the first Port Commission Meeting in January 2025, unless it is extended prior to that date.

Section 2. All portions of resolutions heretofore approved by the Port Commission pertaining to the subject matters contained in this resolution are hereby repealed.

Section 3. The Revised Code of Washington 53.08.090 authorizes the Port Commission to delegate to the Executive Director, by resolution, the authority to sell and convey port district property with a value of \$22,000 or less. State law requires that this authority be renewed by resolution annually by the Port Commission. Said authority is hereby renewed by the adoption of this resolution.

Section 4. The following policy directive on the delegated administrative powers and duties of the Executive Director is hereby adopted:

I. PREAMBLE

- A. The following policy is adopted by the Commission of the Port of Walla Walla for the purpose of establishing the administrative powers and duties of the Executive Director who is responsible for Port operations including the Walla Walla Regional Airport. The Executive Director may delegate to Port personnel such administrative authority or reporting requirements herein established as is necessary and advisable in the efficient exercise of the Executive Director's powers and duties.
- B. This policy sets forth specific delegations of power and duties from the Commission to the Executive Director. This policy shall not be interpreted to limit the duties or responsibilities of the Executive Director, as those duties are determined from time-to-time by the Commission. In case of absence, the Executive Director may designate one or more senior Port staff to act in the place of the Executive Director with regard to the powers and duties herein. The Executive Director shall insure that those senior staff members clearly understand the limits on the Executive Director and their authority. Subject to the limits within this delegation, the responsibility for all administration and Port operations of the Port rests with the Executive Director.
- C. To implement delegations of authority to Port personnel, the Executive Director shall promulgate policy and procedural manuals, monetary and budgetary directives and other such documents as personnel position descriptions, affirmative action plans, safety manuals, etc. which shall provide a clear span of approved authority and responsibility to the designees of the Executive Director.
- D. Any Commission directives or initiatives shall be made through the Executive Director and shall be made only by the Commission acting as a body of the whole. Those directives include but are not limited to the separately adopted personnel policy, travel policy, promotional hosting policy, and standard rental rates/practices.
- E. The phrase "administration and Port operations", as used herein, means the regular day-to-day business of the Port, including but not limited to: operating, maintaining, and administering all of its properties, leasehold properties, facilities services and programs, including the implementation of construction work, alterations, repairs, maintenance, and improvements of the Port's real estate and physical facilities, and the necessary planning incidental thereto; the conduct of financial accounting and legal matters as they relate to the Port's operation; the administration of all other operations which include personnel administration (i.e., hiring, firing, wages and benefits, training, grievance procedures, task and project assignments, employee training and incentive programs, etc.); the execution and administration of contracts; publishing legal notices; and all

other pertinent authorized functions. As it pertains to personnel administration, the Executive Director's implementation shall be consistent with the Port of Walla Walla Personnel Policies as adopted by the Port Commission.

- F. The Executive Director shall inform the Commission regarding significant information, incidents, and business transactions by methods agreeable to the Commission. The Executive Director shall report to the Commission those actions as within this delegation. The Executive Director is the managing official of the Port, appointed by the Commission, and holds office as their representative. Nothing herein should be construed in any way as abrogating the duties and the responsibilities of the Commission.

II. FINANCIAL

- A. Budgets – The adoption of Port budgets including supplemental budgets are the responsibility of the Port Commission. The Executive Director has no authority to adopt budgets, but the Executive Director shall be responsible for submitting to the Port Commission proposed budgets, together with all necessary supporting data. The Executive Director shall also be responsible to ensure all legal notices are placed in newspapers regarding budget hearings and adoptions.
- B. Expenditures – The Executive Director is given the authority to appropriate Port and Airport funds without prior Port Commission approval subject to:
1. The appropriation must fall within a budgeted expense category.
 2. The appropriation must not cause the amount of a budgeted expense category to be exceeded.
 3. Expenditures in accord with Section (4), article (VI), paragraph (C) below.
- C. Management of Port Finances – The Executive Director is authorized to transfer funds between the general fund, investment funds and project funds to meet Port financial obligations.
- D. Imprest Working Funds (Petty Cash/Change Funds) - The Executive Director is also authorized to establish imprest working funds (petty cash/change funds), provided that the total cumulative amount of all such funds does not exceed \$2,000.
- E. Banking Services – The Executive Director is authorized to negotiate for banking services and enter into agreements for such services. Procedures shall be established concerning the deposit/disbursal of Port funds recognizing the requirements cited in RCW 53.36.010 and providing for an adequate system of internal control.

- F. Investments – The investment of Port funds, which are those funds not required for immediate expenditures, shall be invested by the Port Treasurer, in accordance with applicable laws relating to investment in public funds and Port Resolution 02-08-01-A as may be amended. At Port Commission meetings in which bills are presented for payment a list of all Port investments will be made available to the Commission. The Executive Director shall be authorized to determine the amount of funds to be invested in order to ensure adequate cash flow to meet Port obligations.
- G. Issuance of Evidences of Indebtedness – The Executive Director shall have the authority to incur debts and obligations on behalf of the Port, so long as they are for budgeted items, except, the Executive Director
1. May not issue promissory notes.
 2. May not issue bonds.
 3. May not incur obligations in excess of those amounts specifically provided for elsewhere in this resolution.

III. POLICY GOVERNING REAL PROPERTY

- A. Types of Agreements – The following directives apply to all agreements for use of Port real property, including but not limited to leases, license agreements, concession agreements, rental agreements, operating agreements, memorandums of understanding and use agreements.
- B. Lease Arrangements – All real property when available for leasing shall be leased only under an appropriate written instrument approved by the Port Commission (or its delegeetee) and accompanied by security in accordance with law. Except where the Port Commission has delegated authority to the Executive Director here in Section 4, III, prior to the execution of such instrument, the Executive Director shall have secured the approval of the Port Commission, provided for proper security, submitted the Agreement to Port Counsel for approval (if the Port's standard agreement form is not used) and follow all other applicable laws.
- C. Executive Director's Authority to Sign Lease and Rental Agreements Without Prior Port Commission Approval – The Executive Director may without prior Port Commission approval execute lease and rental agreements subject to all of the following conditions:
1. Agreements having a term (including any options) of five years duration or less and lease payments of \$5,000 per month or less (not including state leasehold tax) and the Port's financial obligation for building improvements does not exceed one year's rent.
 2. The Port's standard agreement form is used, except for provisions not applicable and state and federal leases that require the use of the tenant's lease form as long as the content of the lease form does not materially change the Port's intent in its standard lease

- form.
3. The appropriate lease surety must be in place which shall be defined as one month's rental, not including state leasehold tax.
 4. The amount of rent shall be in accordance with rental rate objectives of the Commission.
 5. The use to which the property may be put by the tenant shall be expressly stated and shall be in accordance with the standards of use adopted by the Commission for the same or similar Port property or properties.
 6. The Executive Director shall provide the Port Commission with a monthly written report of all agreements executed.
- D. Sublease Procedures – Leases, concession agreements, operating agreements, and related contracts between the Port and its tenants, and other parties shall include restriction on the subleasing and require at a minimum the prior written consent of the Port to such subleases. Subject to the provisions of the lease or agreement, the Executive Director is authorized to grant consents to subleases, which for the purposes hereof shall include suboperating agreements and subconcession agreements.
- E. Lease Renewals – The Executive Director is authorized to renew leases provided: such renewals are provided for in the basic lease; all other substantive terms of the lease remain unchanged; rental adjustments provided for in the lease are made; and the lease is in good standing.
- F. Lease Enforcement and Lease Terminations – The Executive Director is authorized to enforce all terms and conditions of Port leases. The Executive Director is authorized to issue all appropriate notices of default and/or notices of termination with regard to Port leases. The Executive Director is authorized to terminate any lease under the terms and conditions therein. Upon termination, the Executive Director is authorized to take all steps necessary to retake possession of the leasehold and recover for the Port all sums due the Port pursuant to the lease and the law. The Executive Director shall keep the Commission informed with respect to lessees that are issued default notices or termination notices.
- G. Realtors Compensation Program – The Executive Director is authorized to make payments for real estate services consistent with the Commission adopted Realtors Compensation Program per Resolution 03-13-14 as may be amended.
- H. Other Documents – The Executive Director is authorized to execute the following instruments, subject to the terms specified herein:
1. Temporary and permanent easements for purposes of utility installments only. For easements granted by the Port, all easements will require the grantee at its own expense to relocate,

- lower or otherwise protect the utility to accommodate future development of the Port, its agents, or assigns unless otherwise authorized and directed by the Commission.
2. Business Licenses and Licenses to Operate.
 3. Agreements that provide the Port with local, state or federal grant funds.
 4. Binding site plans and short plats consistent with Port master plans in order to activate leasehold interests.
 5. Changes in name of responsible party to the lease if all other conditions including primary ownership, remain the same.
 6. Lease assignments for purposes of collateral.
 7. Estoppels, attornments and non-disturbance agreements.
 8. Permits ancillary to the normal operation of the Port.
 9. Liquor Control Board forms related to tenants leasing Port property.
 10. Lobbyist contract for services.
 11. USDA Farm Program Agreements.
 12. Washington County Insurance Program Master Applications and agreements.
 13. Special event requests at the airport subject to users providing the Port withhold harmless agreements and appropriate certificates of insurance.
 14. Landlord Waiver and Consent agreements subject to legal counsel review.
 15. Water and sewer service agreements provided that such agreements are in accord with the applicable water and sewer rates and charges approved by the Commission.
 16. Assignments of agreements for use of Port real property (as defined in Section 4, III.A above) where the assignment does not alter the underlying terms of the agreement.

IV. POLICY GOVERNING LEASE SURETY, SURETY BONDS, RENTAL DEPOSITS, AND INSURANCE POLICIES

- A. The Executive Director or his designee is authorized to take all necessary actions on behalf of the Commission in connection with lease surety, lease surety bonds, rental deposits, or insurance coverage required pursuant to any leases of the Port, including any of the following actions:
1. Where the lease is not in default, to release any surety, surety bond, or rental deposit where an adequate substitute surety or rental deposit has been provided.
 2. To approve any surety, surety bond, rental deposit, certificate of insurance, or insurance policies submitted in fulfillment of the requirements of any lease, including substitute or replacement coverage for any terminated bond, surety, or rental insurance.
 3. To approve any substitute or modifications of surety or insurance coverage, and to release any surety or insurance company when

- substitute or replacement insurance coverage has been provided in connection with any outstanding lease of the Port.
4. To approve the waiver of rental surety subject to five years of timely rental payments of said tenant, and subject to the Port having no outstanding debt on said property.

V. **POLICY GOVERNING EXECUTIVE DIRECTOR'S AUTHORITY FOR PROPERTY ACQUISITIONS AND SALES**

- A. Property Acquisitions – When the Port Commission authorizes the acquisition of real property by negotiated purchase or condemnation, the Executive Director shall take all necessary steps, including appraisals, environmental assessments, and surveys, if necessary, and signing all necessary documents to secure title of such property for the Port.
- B. Property Sales – When the Port Commission authorizes the sale of Port real property, the Executive Director shall take all necessary steps to complete the transaction, including but not limited to ordering appraisals, surveys and accepting deposits, opening escrow and signing all necessary documents.

VI. **POLICY GOVERNING CONTRACTS FOR PERFORMANCE OF PUBLIC WORK**

- A. Public Work of \$100,000 or less – The Executive Director may, without prior Commission approval, execute on its behalf small works roster contracts up to \$100,000 per project subject to the project appearing as a line item capital project in the Port/Airport budget or within the overall capital budget authorized limits established by the Port Commission, and so long as all statutory procedures are followed.
- B. Public Work in Excess of \$100,000 – On contracts for work exceeding One Hundred Thousand Dollars (\$100,000). Port Commission approval shall be required for awarding contracts. After contract award, the Executive Director is authorized to take all further steps to see the project through to completion including final acceptance, provided that all requirements of RCW 53.08.120-135 and all other applicable laws and Port policies are met.
- C. Emergency Public Works Contracts – When any emergency shall require the immediate execution of a contract for work, the Executive Director, pursuant to the Procedures of RCW 39.04.020 (as it may be amended or succeeded), is authorized to make a finding of the existence of such emergency and execute any contracts necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Port Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the

finding of emergency and any contracts awarded and/or executed pursuant to that finding. From the inception of any such emergency, the Executive Director shall continuously advise the Port Commission of the development of the emergency situation and the progress of any contracts executed to remedy the emergency.

- D. Change Orders – Where contracts for the performance of work have been awarded and under which the work is in progress, and individual changes in plans and/or specifications are necessitated in order to properly accomplish the work, the Executive Director is authorized to execute individual change orders to the contract provided all of the following conditions are met:
1. Change orders are within the project budget established by the Port Commission.
 2. The estimated cost of the individual changes in plans and/or specifications will not exceed 10% of the established project budget. However, when an individual change order issued under any contract shall cause the total cash amount of change orders in the established project budget to exceed a sum equal to 10% of the project budget amount, such change order shall not be issued without prior Commission approval and no future change orders to said contract may be issued without Commission approval.
 3. The contract provides for issuance of change orders.
 4. The individual change order has been approved and certified by the project architect or engineer as being necessary to the proper accomplishment of the work called for in the basic contract.
 5. Any time extension for completion of said contract which accompanies said change order does not exceed forty-five (45) days.

VII. POLICY GOVERNING ACQUISITION OF MATERIALS, EQUIPMENT, SUPPLIES AND SERVICES

- A. The Executive Director shall have the responsibility for following all required statutory procedures, where applicable, in connection with all contracts for the acquisition of utilities, materials, equipment, supplies and services; provided, however, that where utilities, materials, equipment, supplies, and services are acquired on the open market or pursuant to published tariffs and used or are necessary in normal maintenance and operations of the Port, no prior approval shall be required but where appropriate shall be approved as a part of normal monthly expenses. Where a requirement exists for formal competitive bidding, the Executive Director may execute contracts for the acquisition of utilities, materials, equipment, supplies and services subject to the following conditions:
1. The contract or purchase order price for one year does not exceed

One Hundred Thousand (\$100,000), or if specifically identified in the annual budget, the amount shown in such budget, and the contract provides for no more than two (2) options to extend the contract for one (1) year periods, provided that the basic contract or purchase order price and any contract extensions must be within appropriate annual budget limits.

2. The award is made to a bidder who has submitted a proposal based on the plans and specifications on file, or, where permissible, based upon his own plans and specifications and accompanied by a bid proposal deposit as may be required, and which is, as nearly as practicable, in accordance with the requirements of RCW 53.08.120 (as it may be amended or succeeded).
3. The successful bidder has provided, where required, a performance bond with sureties, which comply with the requirements of the applicable law.

B. Emergency Contracts for Acquisition of Materials, Equipment, Supplies, and Services – When an emergency shall require the immediate acquisition of materials, equipment, supplies, and services, the Executive Director is authorized to make a finding of the existence of such emergency and execute any contract for acquisition of materials, equipment, supplies, and services necessary to respond to the existing emergency, provided that the Executive Director shall, at the first Commission meeting following the Executive Director's finding of the existence of an emergency, request Port Commission ratification of the finding of an emergency and any contract awarded or executed pursuant to the authority herein shall contain a clause which states that the contract is subject to ratification by the Commission and that if ratification does not follow, the contract shall terminate, and the Contractor shall be compensated for his work and materials used to the time of termination.

C. Repair and Maintenance of Equipment – The Executive Director shall be responsible for equipment repair and maintenance and, to that end, may use the Port's own labor forces or may have work done by contract. The Executive Director is authorized to expend such funds as are reasonable and necessary to keep the equipment in good order and repair.

VIII. COMPETITIVE BIDDING REQUIREMENTS – EXEMPTIONS (RCW 39.04.280)

The Executive Director is authorized to waive competitive bidding requirements for public works and contracts for purchases for:

1. Purchases that are clearly and legitimately limited to a single source of supply.
2. Purchases involving special facilities or market conditions.
3. Purchases in the event of an emergency.
4. Purchases of insurance or bonds.

5. Public works in the event of an emergency.

When the competitive bidding requirements are waived, the Executive Director shall require documentation be preserved stating the nature of the purchase of work, and the justification for determining the exemption criteria was met.

IX. ARCHITECTURAL, ENGINEERING, AND TECHNICAL SERVICES, INCLUDING SURVEYORS, INTERIOR DESIGNERS AND LANDSCAPE ARCHITECTS

The Executive Director is authorized to contract with qualified architectural, engineering, technical testing and inspection firms, surveyors, interior designers and landscape architects, licensed in the State of Washington to provide such services as required for maintenance, engineering work or small projects of the Port. Selection and reimbursement for such services shall follow all required statutory procedures and shall be consistent with normal established fees paid for such services. The Executive Director may arrange for such services when the competitive selection process was utilized, and the fee to the same firm on any single project or closely related work does not exceed the amount of one hundred thousand dollars (\$100,000), and the funds are within the approved project capital budget. Port Commission approval shall be required for contracts exceeding \$100,000.

X. PROFESSIONAL SERVICES

Except as provided in Section VII, the Executive Director shall be responsible for obtaining professional services where deemed necessary in carrying out normal Port operations and provided all applicable legal requirements are met. The Executive Director may arrange for such services where the estimated cost of the proposed service does not exceed the amount of one hundred thousand (\$100,000), and the funds are within the approved appropriate annual budget.

The Executive Director is authorized to make a determination as to whether a substantial change in the scope of work specified in the contract warrants the work to be awarded as a new contract.

XI. PERSONAL SERVICES

Except as provided in Section VII, the Executive Director shall be responsible for obtaining personal services where deemed necessary in carrying out normal Port operations and provided all applicable legal requirements are met. The Executive Director shall follow the Port policy governing "Management of Personal Service Contracts" adopted January 14, 2010.

XII. AMENDMENTS TO ARCHITECTURAL, ENGINEERING, PROFESSIONAL, CONSULTANT AND PERSONAL SERVICES:

Where services are formally approved by the Commission, increases in the approved contract amount may be approved by the Executive Director without prior approval of the Commission for amounts not to exceed 10% of the last Commission approved total, or \$50,000.00, whichever is less, provided the funds are within the approved appropriate annual budget.

XIII. LITIGATION

- A. Management and Supervision of Litigations – The Executive Director and the Port’s Legal Counsel (appointed by the Commission) shall be responsible for the procedures necessary for management and supervision of all litigation in which the Port has an interest, direct or indirect. For purposes of this section, “litigation” shall mean the assertion or potential assertion of any position, right or responsibility by or against the Port, including actions which have been filed in any court or any quasi-judicial or administrative forum.
- B. Special Legal Services – The Executive Director is authorized to retain such other special counsel at fees as may be negotiated to assist in the handling of any claims, litigation, or other matters necessary to attend to the legal affairs of the Port, within overall budgetary constraints.
- C. Engagement of Experts – The Executive Director may engage or cause to be engaged, such experts as may be necessary for the orderly support of claims or litigation in which the Port has a direct or indirect interest, without limitations otherwise prescribed in this resolution. Such engagement shall be upon consultation given by Legal Counsel after having satisfied him/her that such expenditure is necessary to the adequate preparation and representation of the Port’s position in such litigation or claim and shall, wherever practicable, include evaluation of the litigation or claim and an estimate of the probable cost of such experts.
- D. Commencing Lawsuits – The Executive Director may commence the following actions on behalf of the Port.
1. Suits to collect outstanding accounts receivable.
 2. Suits involving the breach of an agreement for the sale of personal property to the Port.
 3. Breach of maintenance agreements.
 4. Unlawful detainer actions.

The Executive Director may not commence any other litigation without the prior approval of the Port Commission.

- E. Settlement – Any matter which is the subject of litigation may be compromised and settled by the Executive Director, provided that the settlement amount does not exceed Ten Thousand Dollars (\$10,000) and

that the Port's Legal Counsel shall certify to the Executive Director that such compromise and settlement is justified on the basis of the following:

1. Claims Filed Against the Port

- a. The likelihood that a judgment rendered in the case would be in the amount claimed, or higher than the amount claimed, or that there is a reasonable cause to believe that there is considerable exposure of liability for the Port; or
- b. The likelihood that the expense involved in litigation would be unnecessarily high in relation to the amount claimed.

2. Claims Filed on Behalf of the Port

- a. That the determination to settle the claim outweighs the risk of resorting to litigation; or
- b. That the settlement of the claim would provide prompt payment to the Port and eliminate extensive delays; or
- c. That the proposed offer of settlement is reasonable in light of the claim asserted.

F. Adjustment and Settlement of Claims (except those referenced above)

- 1. The Executive Director shall be responsible for the observance of necessary procedures whereby the adjustment and final settlement of all claims, either against or on behalf of the Port, shall be carried out. Necessary procedures in the handling of such claims shall include the following:
 - a. For purposes of this section, "claim" shall mean the assertion of any position, right, or responsibility by or against the Port, but not including (i) accounts receivable, or (ii) claims asserted by or against the Port which have become the subject of litigation.
 - b. No claims against the Port shall be considered unless and until proper notice has been served by the claimant upon the Port.
 - c. Any individual claim which exceeds Ten Thousand Dollars (\$10,000) may be processed in all respects (except for final approval and payment) by the Executive Director or the Port's Legal Counsel. No such claims shall be submitted for approval to the Port Commission until a tentative agreement has been reached with the parties concerned for settlement. Claims exceeding Ten Thousand Dollars (\$10,000) shall be promptly reported to the Port Commission.
 - d. Any single claim not exceeding Ten Thousand Dollars (\$10,000) may be adjusted, settled and paid by the

Executive Director, provided that all of the following conditions are met:

(1) Claims Filed Against the Port

- (a) Substantial likelihood that the Port is or could be found liable; or
- (b) The likelihood that a judgment rendered in the case would be in the amount claimed, or that there is reasonable cause to believe that there is considerable exposure of liability for the Port; or
- (c) The likelihood that the expenses involved in litigation would be unnecessarily high in relation to the amount claimed.

(2) Claims Filed on Behalf of the Port

- (a) That the determination to settle the claim outweighs the risk of resorting to litigation; or
- (b) That the settlement of the claim would provide prompt payment to the Port and eliminate extensive delays; or
- (c) That the proposed offer of settlement is reasonable in light of the claim asserted.

- e. All such claims, when settled, shall be reported to the Port Commission monthly.

XIV. POLICY GOVERNING ADJUSTMENT AND WRITE-OFF OF ACCOUNTS RECEIVABLE

- A. Definition of "Write Off" – The term "write-off" means the adjustment of the accounting records of the Port to reflect the fact that the account is uncollectible in the normal course of operations. The Executive Director may authorize Legal Counsel to initiate or continue with legal action to collect an account without regard to whether the account has been written off the accounting records of the Port.
- B. Procedures – The Executive Director is authorized to establish procedures for and to write off any uncollectible account which does not exceed the sum of Ten Thousand Dollars (\$10,000) subject to the following general guidelines:
 - 1. Prior to writing off any account receivable or uncollectible, the Executive Director shall be satisfied that every reasonable effort has been made by the Port to accomplish the collection of the

- account.
2. Any account in excess of Ten Thousand Dollars (\$10,000) which is deemed to be uncollectible shall be referred to the Port Commission for final write-off, with the exception of any account that has filed for bankruptcy which the Executive Director may write off up to \$25,000 per account without prior Port Commission approval.
 3. The Executive Director shall provide the Port Commission once per month a listing of all accounts that are 90 days past due.

XV. POLICY GOVERNING TRAVEL OF EMPLOYEES AND OTHER AUTHORIZED REPRESENTATIVES OF THE PORT

- A. The Executive Director is authorized to approve travel by employees and/or other authorized representatives of the Port in order to effectuate necessary Port operations, in conformity to the travel policy adopted by the Commission (Resolution 06-09-11) as may be amended, provided that the travel expenses are within the annual budget approved by the Commission and provided that the Commission shall be advised prior to all international travel (excluding Canada).

XVI. POLICY GOVERNING STAFF AND EMPLOYEE ADMINISTRATION

- A. The Executive Director shall have the authority to manage all personnel matters for Port employees and staff which include hiring, firing, training, grievance procedures, employee benefits, and administration of the employee salary schedule and incentive programs. The Executive Director shall carry out these responsibilities according to guidelines and policies to be established by the Executive Director and within overall budgetary constraints. The Executive Director shall also carry out these responsibilities consistent with the Port of Walla Walla Personnel Policies as adopted by the Port Commission.

XVII. UTILIZATION OF PORT EMPLOYEES

- A. The Executive Director is authorized to use necessary Port employees for operations and maintenance of facilities.
- B. The Executive Director shall be responsible for obtaining prior Port Commission approval for work projects which are new construction or major modifications of Port facilities to be carried out by Port crews when the total estimated cost of materials exceeds Twenty-Five Thousand Dollars (\$25,000).

XVIII. RULES AND REGULATIONS

The Executive Director is authorized to adopt any administrative rule or

regulation necessary for the efficient operation of the Port so long as such rules and regulations are reported to the Port Commission.

XIX. POLICY GOVERNING SALE OF PERSONAL PROPERTY

- A. Sale of Property Pursuant to RCW 53.08.090 - The Executive Director or his designee is authorized, pursuant to RCW 53.08.090, to sell and convey surplus personal property of the Port subject to the following conditions:
1. That the market value of such personal property does not exceed \$10,000; and
 2. That prior to any such sale or conveyance, the Executive Director shall itemize and list the property to be sold and make written certification to the Commission that the listed property is no longer needed for Port purposes; and
 3. That offers for purchase are solicited from at least three (3) parties whenever possible or placed in a public auction.
 4. That any large block of such property having a value in excess of \$10,000 shall not be divided into components of a lesser value and sold unless done so by public competitive bid; and
 5. That no property which is part of the comprehensive plan of improvement or modification thereof shall be disposed of until the comprehensive plan has been modified pursuant to RCW 53.20.010 and until such property is found to be surplus to Port needs; and
 6. That in no case shall surplus personal property be sold to any Port official or employee or members of their families without the specific approval of the Commission.

XX. INSURANCE PROGRAMS

Comprehensive General Liability, Auto, Property, Public Officials, etc. a1.

The Executive Director shall be authorized to negotiate and obtain appropriate policies of insurance to cover Port Property, liability, employee coverage, and other areas appropriately included within a comprehensive insurance program. The Executive Director is authorized to approve changes or modifications within the policies of insurance, including programs to provide self-insurance or deductible provisions, so long as such programs are promptly and regularly reported to the Port Commission so it is kept informed of basic changes made in the overall insurance program of the Port. The Port Commission has the responsibility for selecting the Port's insurance broker/agent.

Health Insurance

The Port Commission has the responsibility for determining each year health benefits that will be offered to Port employees. Once benefits are determined by the Port Commission, the Executive Director shall be authorized to negotiate and

execute all agreements and instruments necessary to carry out that determination.

XXI. ECONOMIC DEVELOPMENT PROGRAMS

The Executive Director is authorized, consistent with statutory limitations, to develop and carry out economic development programs which may include advertising (including the use of advertising firms within budgetary authority), and promotion of the Port, including its properties, facilities and services. Such economic development programs shall be reviewed by the Port Commission from time to time.

XXII. ISSUANCE OF TARIFFS

The Executive Director is authorized to issue tariffs and tariff amendments as necessary, provided the Port Commission will be given a report of such tariffs and or amendments.

XXIII. ACCOUNTING AND AUDITING SERVICES

The Executive Director is authorized to retain necessary services from recognized accounting and auditing firms. Such services may include the comprehensive annual financial report, audits, and appropriate accounting services as required, at established rates for such services in the area.

XXIV. REIMBURSABLE SERVICES

The Executive Director is authorized to enter into agreements pursuant to which the Port will provide reimbursable services, when such services are part of normal Port operations or incident thereto.

ADOPTED by the Port Commission of the Port of Walla Walla this 11th day of January 2024, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof.

PORT OF WALLA WALLA COMMISSIONERS



KIP KELLY, PRESIDENT



RONALD W. DUNNING, VICE PRESIDENT



AMY SCHWAB, SECRETARY

**PORT OF WALLA WALLA
RESOLUTION NO. 2024-02**

**A Resolution of the Port Commission of the Port of Walla Walla
Designating the Port Auditor Pursuant to RCW 42.24.080 and
Designating the Port Treasurer Pursuant to RCW 53.36.010**

WHEREAS, RCW 42.24.080 requires the Port Auditor to be approved by resolution of the Municipal Corporation; and

WHEREAS, said auditing officer must certify all claims presented to the Port by persons furnishing materials, rendering services or performing labor; and

WHEREAS, RCW 53.36.010 authorizes the Port to designate the position of Treasurer.


NOW, THEREFORE BE IT AND IT IS HEREBY RESOLVED by the Port of Walla Walla Commission as follows:

1. Effective January 1, 2024, Joe Keown is hereby designated and appointed to continue to serve as Port Auditor pursuant to RCW 42.24.080, having previously been appointed to this position via Resolution No. 2023-07.
2. Effective January 1, 2024, Joe Keown is hereby designated and appointed to continue to serve as Port Treasurer pursuant to RCW 53.36.010, having previously been appointed to this position via Resolution No. 2023-07.
3. The Port Commission hereby finds it would be in the best interest of the Port to require a bond on the new Auditor/Treasurer with a surety company authorized to do business in the state of Washington in an amount of \$500,000 to secure the full and faithful performance of said duties and to protect the Port against loss. The bond shall have an effective date no later than January 1, 2024, and said premium of such bond shall be paid by the Port.
4. The Port Commission hereby finds it is necessary and appropriate that a deputy treasurer be appointed to perform the duties of the treasurer in the absence of the treasurer. The Port Commission hereby designate and appoint Jennifer Skoglund, Airport Manager, as the deputy treasurer.
5. The Port Commission hereby reaffirms it would be in the best interest of the Port to require a bond on the deputy treasurer with a surety company authorized to do business in the State of Washington in an amount of \$250,000 to secure the full and faithful performance of the deputy treasurer's duties and to protect the Port against loss. The premium on such bond shall be paid by the Port.

6. The treasurer and deputy treasurer shall perform their duties pursuant to state statute and pursuant to resolutions of the Port Commission now in effect or hereafter adopted.

ADOPTED AND APPROVED by the Commissioners of the Port of Walla Walla this 11th day of January, 2024.

PORT OF WALLA WALLA COMMISSIONERS



KIP KELLY, PRESIDENT



RONALD W. DUNNING, VICE PRESIDENT



AMY SCHWAB, SECRETARY