

Port of Shelton
Regular Commission Meeting Minutes
January 16, 2024

I. CALL TO ORDER

Commissioner Taylor called to order the regular meeting of the Port of Shelton Commission at 2:00 PM on January 16, 2024.

The following persons were present: Commissioner Buck; Commissioner Elmlund; Wendy Smith, Executive Director; David Saben, and Skip Houser, Port General Counsel.

II. PLEDGE OF ALLEGIANCE

Commissioner Taylor led the Pledge of Allegiance.

III. PUBLIC COMMENTS

There was no public comment.

IV. ADOPT AGENDA

The agenda was adopted as presented.

V. APPROVE MEETING MINUTES

Meeting Minutes from the January 2, 2024 regular meeting were approved as presented.

VI. CHECK CONTROL

Commissioner Buck presented the January 16, 2024 Check Control Report. Commissioner Buck reported payroll and payroll liability electronic payments dated January 5, 2024, in the amount of \$37,808.56 for a Total Payroll and Payroll Liabilities of \$37,808.56. She reported accounts payable check numbers 32391 through 32413 dated January 16, 2024 in the amount of \$65,596.30 and accounts payable electronic payments dated January 3, 2024 through January 16, 2024 in the amount of \$2,499.25 for a total accounts payable of \$68,095.55. The total General Fund checks and electronic payments in the amount of \$105,904.11 have been approved and accepted as presented. This check control includes a CERB loan payment for approximately \$17,000 and election costs for the two Port seats of over \$9,000.

VII. ACTION/DISCUSSION ITEMS

A. New Lease – Belco Forest Products - Action

Commissioner Buck made a motion to approve the lease with Belco Forest Products, Inc at the property located at 1890 E Johns Prairie Rd for the term of twenty years commencing February 1, 2024 through January 31, 2045. Commissioner Elmlund seconded the motion.

The Vote:

Commissioner Taylor – In Favor
Commissioner Buck – In Favor
Commissioner Elmlund – In Favor

Motion Carries.

B. Lease Termination – Belco Forest Products – Action

Director Smith explained this is for their current lease at 30 E Export which is no longer needed with the work performed on the CERB contract.

Commissioner Buck made a motion to approve the lease termination with Belco Forest Products for the property located at 30 E Export. Commissioner Elmlund seconded the motion.

The Vote:

- Commissioner Taylor – In Favor
- Commissioner Buck – In Favor
- Commissioner Elmlund – In Favor

Motion Carries.

C. Authorization to Sign the Interlocal Agreement for the Diversion of Aviation Fuel Taxes – Action

Commissioner Taylor opened this discussion that we had received a request from the Port of Chelan-Douglas asking for various port districts to sign an Interlocal Agreement (ILA) to support the legislation and legal to get the revenues, taxes, fees, etc. that are associated with aviation fuel taxes placed in a special account as specified by the FAA. For years Washington State has been putting these revenues into the general fund even though the FAA back in 2014 informed the state that it must use these on airports or for aviation programs. The cost for us to join in this cooperative effort is \$1000 and we have allocated the money and just need authorization to sign on. Attorney Houser also gave some information that Seattle and Geiger field are paying a greater amount as well as non-hub airports and the Washington State Aviation Alliance.

Attorney Houser agrees with the decision to sign the ILA.

Commissioner Taylor made a motion to authorize the Executive Director to sign the ILA concerning the Diversion of Aviation Fuel Taxes. Commissioner Buck seconded the motion.

The Vote:

- Commissioner Taylor – In Favor
- Commissioner Buck – In Favor
- Commissioner Elmlund – In Favor

Motion Carries.

D. Electrical Contractor Payment – NB Arlington – Action

Director Smith gave some background on this issue. This electrical item was related to the fire and replacement of the building. The Port hired an electrician to install a new 2000A 277/480v 3-phase electrical service which, due to size, had to undergo an arc flash study. The initial results of the study indicated that twenty-five electrical panels that serve the tenant had failed. The Port and the hired electrician believed this was the tenant's responsibility since it was equipment that they installed that did meet current electrical code requirements. The tenant hired DC Electric, Inc. to upgrade the equipment, which included electrical panels, conductors and conduit, equipment disconnects, circuit breakers, etc. After these upgrades were performed engineers at EATON who performed the Arc Flash Study indicated the failures occurred due to the Port and our electrician's decision to move the transformer right outside the building rather than in the location of the previous transformer. It is the belief of all involved now that none of the equipment would have required upgrading if the new transformer had been installed in its previous location. We were not instructed or warned by PUD 3, L&I, EATON, Platt Electric or anyone involved that by moving the transformer this would cause the failure of the previous equipment. We have determined the best way to resolve this issue of payment due the contractor is to pay DC Electric, Inc. directly with your approval. Attorney Houser also weighed in on the discussion and said the Port staff has done their due diligence and is also requiring the tenant to get current on their lease payments and the contractor to sign a statement that they haven't yet been paid by NB Arlington in protection of the Port. Attorney Houser concurs with this action.

Commissioner Buck made a motion to pay the electrical contractor, DC Electric, Inc. for the work completed. Commissioner Taylor seconded the motion.

The Vote:

Commissioner Taylor – In Favor
Commissioner Buck – In Favor
Commissioner Elmlund – In Favor

Motion Carries.

E. Mason Fire District 5 – 2024 Agreement – Action

Commissioner Buck made a motion to sign the One- Year agreement for emergency services with Mason County Fire Protection District No. 05 aka (CMFE). Commissioner Taylor seconded the motion.

The Vote:

Commissioner Taylor – In Favor
Commissioner Buck – In Favor
Commissioner Elmlund – In Favor

Motion Carries.

F. EDC – 2024 Agreement – Action

Commissioner Buck made a motion to approve the EDC 2024 Agreement. Commissioner Elmlund seconded the motion.

The Vote:

Commissioner Taylor – In Favor
Commissioner Buck – In Favor
Commissioner Elmlund – In Favor

Motion Carries.

VIII. STAFF COMMENTS

Director Smith reported that she had provided a letter of support for Lynch Creek Farm’s submission to Dept. of Commerce for an Evergreen Manufacturing Growth Grant. Smith also reported the retreat is all set at the Hilton Garden Inn in Olympia for Jan. 24, 2024. Commissioner Taylor expressed a conflict now with that date. Smith will see if Jan. 23 or 31 might be an alternative option and will be back in touch to the commissioners.

IX. PUBLIC COMMENTS

None

X. COMMISSIONER COMMENTS

Commissioner Elmlund saw that the EDC is looking for a director at a salary of \$120,000 annually. Commissioner Elmlund is working on trying to get a meeting going for the Foreign Trade Zone and continues to try to get a hold of the CEO of the railroads to get some meetings scheduled to start discussions on potential railroad uses and options related to our JP rail property.

Commissioner Buck said she will attend the Commission retreat and she will be attending the kick-off for the Blue Zone Group on Saturday January 27 @ 10AM.

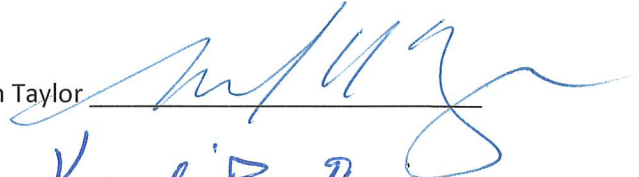
Commissioner Taylor has a PRTPO TAC meeting on Jan. 18 and the Sheriff’s Breakfast on January 26.

XI. ADJOURNMENT

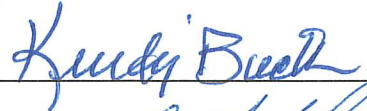
With no further business, Commissioner Taylor adjourned the regular meeting of the Port of Shelton Commission at 2:55PM.

Minutes submitted by: Wendy Smith, Executive Director

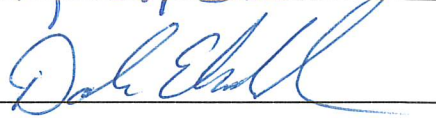
Minutes approved by: Commission Chairman Taylor

A handwritten signature in blue ink, appearing to be 'M. Taylor', written over a horizontal line.

Minutes approved by: Commissioner Buck

A handwritten signature in blue ink, appearing to be 'Kendy Buck', written over a horizontal line.

Minutes approved by: Commissioner Elmlund

A handwritten signature in blue ink, appearing to be 'Dale Elmlund', written over a horizontal line.