



Port of Vancouver USA

**AGENDA
PORT OF VANCOUVER USA
BOARD OF COMMISSIONERS
REGULAR MEETING AGENDA
3103 Lower River Road, Vancouver, WA 98660
Tuesday, July 27, 2021**

- A) CALL TO ORDER VIRTUAL MEETING* (8:30 a.m.)**
- B) EXECUTIVE SESSION**
None
- C) OPENING REMARKS (8:30 a.m.)**
 - 1) Opening Remarks
 - 2) Approve Minutes of the July 13, 2021 Regular Meeting
- D) OPEN FORUM**
 - 1) To provide public comment during the virtual board meeting, you must register no later than 12:00 p.m. Monday, July 26, 2021 by emailing povcommissioners@portvanusa.com**
- E) ACTION ITEMS**
 - 1) Approve Public Works Contract Bid 21-15: Terminal 2 Biofiltration Soil Media and Plant Replacement Project
 - 2) Approve Contract with KPFF Consulting Engineers for Consultant Design Services for Berth 17 Rehabilitation and Resolution 1-2021
 - 3) Approve and Ratify Pape Machinery Road Grader Rental
- F) UNFINISHED BUSINESS**
None
- G) NEW BUSINESS**
- H) CEO REPORT**
 - 1) Action taken under Resolution 2-2020: Declaration of Local Emergency and Delegation of Authority of Emergency Powers
- I) COMMISSIONERS REPORTS**
- J) WORKSHOP**
None
- K) ADJOURNMENT**

***In compliance with the Governor's Emergency Proclamation 20-28, the Port's Resolution 3-2020, and in the interest of the safety and welfare of the public, the**

community, port employees, and to limit the spread of the virus, this Board meeting will not be open to in-person attendance. Board members will be attending this meeting remotely via video conference.

To participate in this meeting, please call 1 (253) 215-8782 and enter the Meeting ID number: 820 5422 8390 and Passcode number: 766309 or Join the Zoom Meeting by clicking [here](#). Please call (360) 693-3611 for technical difficulties. Meeting materials are available on the port's website at www.portvanusa.com.

****Public comments are welcome during Open Forum by registering in advance via email to povcommissioners@portvanusa.com no later than 12:00 p.m. on Monday, July 26, 2021. Individuals will have three minutes to read their comments into the record and will be called in the order in which the port receives the registration email request. No public comments will be read into the record by the port. Written comments not intended to be read by the community member and received by 8:30 a.m. Tuesday, July 27, 2021 will become part of the official meeting record and will be provided to the Commission.**

Agenda Item No. C-2

REQUEST FOR COMMISSION ACTION **PORT OF VANCOUVER USA**

REVIEWED BY:

Executive Services Manager

07/27/2021

Michelle Allan

Title

Date

APPROVED BY:

Title

SUBJECT: Minutes of the July 13, 2021 Regular Meeting

BACKGROUND:

Please see attached minutes.

Additional Information Attached: Minutes of 07/13/2021 Regular Meeting

RECOMMENDATION: That the Port of Vancouver USA Board of Commissioners adopts and executes the minutes of the July 13, 2021, Port of Vancouver USA Board of Commissioners Regular Meeting as presented.

Submitted by: Elisabeth Hotelling CEO

Date Action Taken _____

Motion By: _____

Approved: _____

Seconded By: _____

Deferred To: _____

Unanimous: Yes____ No____

**PORT OF VANCOUVER USA
BOARD OF COMMISSIONERS
REGULAR MEETING
Tuesday, July 13, 2021**

CALL TO ORDER

CEO Julianna Marler called a regular meeting of the Port of Vancouver Board of Commissioners to order at 8:30 a.m., Tuesday, July 13, 2021, via teleconference number 1 (253) 215-8782, conference code: 917 2462 1840 and passcode number: 850316 and by videoconference via Zoom pursuant to Washington State Governor's Proclamation 20-28 in response to the COVID-19 event.

OPENING REMARKS

CEO Marler welcomed and reminded everyone that all board members and the public are participating virtually pursuant to Washington State Governor's Proclamation 20-28 in response to the COVID-19 event and the port's Resolution 3-2020. She also stated that no executive session was held this morning and the meeting is being recorded.

CEO Marler confirmed that Commissioners LaBrant and Burkman were on the line. She reported that Commissioner Orange was having some technical difficulties connecting and would join the meeting momentarily.

Meeting attendees included:

| | |
|------------------|---------------------------------------|
| Eric LaBrant | Port Commission President |
| Jack Burkman | Port Commission Vice President |
| Don Orange | Port Commission Secretary |
| Julianna Marler | Port CEO |
| Michelle Allan | Port Executive Services Manager |
| Alicia Lowe | Port Legal Counsel |
| Betsy Rogers | Port Administrative Supervisor |
| Savannah Mitcham | Port Administrative Assistant |
| Angela Blake | Port Facilities Program Coordinator |
| Ben Shoop | Port Construction Inspector |
| Callie DeBoer | Port Project Manager |
| Casey O'Dell | Port Director of Facilities |
| Greg Westrand | Port Project Manager |
| Jennifer Brower | Port Procurement & Grant Specialist |
| Jonathan Eder | Port Director of Human Resources |
| Julie Payne | Port Revenue Accountant |
| Julie Rawls | Port Community Relations Manager |
| Kathy Holtby | Port Real Estate Manager |
| Katie Odem | Port Marketing Communications Manager |
| Kent Cash | Port Chief Operations Officer |

| | |
|------------------|---|
| Lori Kaylor | Port Commercial Sales Associate |
| Mark Newell | Port Project Delivery Manager |
| Mary Mattix | Port Environmental Program Manager |
| Mason Kae | Port Records Officer |
| Matt Harding | Port Environmental Project Manager |
| Mike Bomar | Port Director Economic Development |
| Mindy Pennington | Port Accounts Payable Specialist |
| Monty Edberg | Port Director of Engineering & Project Delivery |
| Nam Nguyen | Port Applications Analyst |
| Phala Le | Port Human Resources Specialist |
| Rachelle Askman | Port Communications Coordinator |
| Randy McCaleb | Port Contract Manager |
| Richard Troudt | Port Security Manager |
| Rick Cline | Port Contract Manager |
| Ryan Hart | Port Chief External Affairs Officer |
| Scott Goodrich | Port Director of Finance & Accounting |
| Scott Ouchi | Port Safety, Risk and Emergency Manager |
| Sheila Deng | Port Senior Accountant |
| Thane Giles | Port Project Manager |
| Therese Lang | Port Director of Communications |
| Thomas Chidwick | Port General Office Assistant |
| Todd Krout | Port Director of Operations |
| Don Steinke | Community Member |
| Alona Steinke | Community Member |
| Cathryn Chudy | Community Member |
| Scott McClintock | Community Member |
| Richard Kolber | Community Member |
| Greg Seifert | Community Member |
| Jean Avery | Community Member |
| Monica Zazueta | Community Member |
| Emma Johnson | Community Member |
| David Hodges | Community Member |
| Richard Roché | Parametrix |
| Amnon Bar-Ilan | Ramboll |
| Helen Devery | WSP |

Additional members of the public participated in the virtual meeting but were not identified by name.

CEO Marler stated before the meeting minutes are approved, she wanted to let everyone know that Action Item E-5, which is to develop the final port Climate Action Plan, references today's workshop. She noted that we will recess into the workshop as part of the action item and once the workshop is completed, we will return to the action item for further discussion and action by the Board. She also stated that the port has received a significant amount of input on the climate action plan from commissioners, tenants, customers, and community members.

APPROVAL OF MINUTES

Regular Meeting of June 22, 2021

On motion by Commissioner Burkman, seconded by Commissioner LaBrant and carried 2-0 (Commissioner Orange did not vote, as he was not in attendance when the vote took place) the Board of Commissioners approve the minutes of the June 22, 2021 regular meeting.

OPEN FORUM

CEO Marler stated that the agenda invited public comment on all matters on the agenda and several community members responded to provide comment. She reminded everyone interested in speaking during Open Forum at future meetings to register in advance no later than noon on Monday, the day prior to the scheduled Commission meeting. She then called on each community member based on the order in which the port received their request.

Monica Zazueta

Ms. Zazueta discussed the port's climate strategy and encouraged the port to go bold and act swiftly when developing goals for the climate action plan.

Jean Avery

Ms. Avery stated she is in favor of the port's climate action plan. She also expressed thanks to the port for including forward looking policies and for involving public input along the way.

Alona Steinke

Ms. Steinke stated the port's climate action plan should address the trucks that serve the port. She indicated trucks should have the latest emission control technology installed in order to reach state goals to reduce greenhouse gas emissions. She also discussed the California Advanced Clean Truck Rule.

Don Steinke

Mr. Steinke thanked the port for developing a climate action plan. He stated the plan should include a commitment to be in sync with state goals to reduce greenhouse gas emissions. He suggested several steps the port could take to make our commitment well known to staff, tenants and the community. He also discussed a proposed bill regarding regional direct air capture pilot projects for carbon capture use and sequestration.

Cathryn Chudy

Ms. Chudy discussed climate change and air pollution. She asked the port to make decisions that are strong and wise regarding our climate strategies. She also expressed her appreciation and support for the port's efforts on the climate action plan.

CEO Marler thanked everyone for their comments.

ACTION ITEMS

E-1 Approve Contract Change Order with Parametrix for Groundwater Cleanup Services

Patty Boyden, Director of Environmental Services introduced the action item and discussed it with the Commission. She answered questions from the Board.

On motion by Commissioner Orange, seconded by Commissioner LaBrant and carried unanimously, the Board of Commissioners authorize the CEO to execute a change order with Parametrix for \$1,721,519, revising the total contract amount to \$21,801,912 which includes any applicable Washington State sales tax.

E-2 Approve the Consolidated Diking District #1 of Wahkiakum County Offer of Just Compensation to Acquire an Easement on Puget Island

Kathy Holtby, Real Estate Manager introduced the action item and discussed it with the Commission.

On motion by Commissioner Burkman, seconded by Commissioner Orange and carried unanimously, the Board of Commissioners approve the Offer of Just Compensation to the Diking District and authorize the CEO to execute all documents necessary to acquire the easement between the Washington Ports and the Consolidated Diking District. #1 of Wahkiakum County.

E-3 Approve Sole Source Contract for Terminal 1 – Cascade Wall Material Pre-purchase

Greg Westrand, Project Manager introduced the action item and discussed it with the Commission.

On motion by Commissioner Burkman, seconded by Commissioner Orange and carried unanimously, the Board of Commissioners authorize the CEO to execute Change Order #3 with Advanced American Construction for Bid 20-22: Terminal 1 Vancouver Landing Structural Renovation Project, revising the total contract amount to \$2,692,044.15, including Washington state sales tax.

E-4 Approve Public Works Contract Bid 21-13: Terminal 2 Track Crossing Project

Thane Giles, Project Manager introduced the action item and discussed it with the Commission.

On motion by Commissioner LaBrant, seconded by Commissioner Burkman and carried unanimously, the Board of Commissioners authorize the CEO to execute a public works contract with Midvale Signal, Inc. the lowest responsive and responsible bidder, for Bid 21-13:

Terminal 2 Track Crossing project, in the amount of \$378,513.69 including Washington State sales tax.

CEO Marler called a recess from 9:26 a.m. – 9:35 a.m. to prepare for the port's workshop on the Climate Action Plan.

WORKSHOP

Climate Action Plan

E-5 Develop Final Port Climate Action Plan

CEO Marler introduced the action item and discussed it with the Commission. She stated the climate action plan workshop held on June 8 was to identify what the targets and areas of focus are of the plan. She indicated today's workshop will provide more detail on the implementation strategies and specific initiatives of the plan and will include the recommendation to authorize the CEO to develop a final Climate Action Plan as presented by staff.

Port Environmental Program Manager Mary Mattix stated that the Climate Action Plan identifies strategies and actions the port may take to reduce greenhouse gas emissions associated with port operations in alignment with state and federal targets. She shared that today's workshop will provide a project update on what the team has completed since the last workshop. She stated that the goal for today is to collect feedback to make sure the team is on the right path and has included all the key elements of the plan. She indicated that this workshop presentation will also build on information presented in the June 8th workshop about the key elements of the plan and will provide a deeper dive into the reduction measures and how they intend to prioritize and implement them. She stated that the team includes port staff from a variety of disciplines working with a consultant team made up of Ramboll US Consulting along with subconsultants WSP Global and Fehr & Peers. She reported that they are experts in the fields of climate change analysis and planning, public involvement and transportation and have helped other West Coast ports with similar efforts. She stated many of the team members are present at the meeting today. She introduced Helen Devery, the vice president of WSP and stated she has been working hard with the team to coordinate the public involvement elements of the plan. She stated the plan is informed by all the internal and external feedback that is collected coupled with the technical expertise of the team. She also introduced Amnon Bar-Ilan, a principal with Ramboll and the technical team lead to present the update today.

Mr. Amnon Bar-Ilan provided the presentation on the Climate Action Plan (CAP) and reviewed items from the last workshop. He stated it is important to review these items to set the background for the development of the CAP and shared that he will also discuss specific actions that were formed to create the backbone of the CAP. He indicated his presentation will give a sense of the timing of the actions and how they are evaluated and implemented. He also indicated it will also show how the CAP will move the port towards the goals that the state and federal government have set.

During Mr. Bar-Ilan's presentation he discussed the following:

- Project Overview
- 2019 Greenhouse Gas Inventory, Forecast & Reduction Targets
- Proposed Climate Actions & Implementation Plan
- Next Steps

Commissioner Burkman stated he appreciates the thoroughness of the presentation and the details regarding the process. He indicated he is looking forward to the final document and believes we are moving in the right direction.

CEO Marler stated the structure of this plan is similar to the port's strategic plan that is focused on initiatives. She indicated that during the budget process staff will look at the initiatives and identify specific actions that can be taken through a budget request, outreach or grant opportunities.

Commissioner Orange thanked Amnon for the presentation. He expressed interest in hearing more about the steps port tenants can take as well as what the port can do as part of the CAP. He stated climate change is a serious issue and the port needs to clearly and systematically demonstrate this by investing to facilitate improvements.

Commissioner LaBrant echoed the other commissioners' appreciation for the presentation. He agreed the port needs to do its part and was glad to see measurable goals that included flexibility to adapt and grow. He indicated his only concern is regarding the language of the recommendation to authorize the CEO to develop a final Climate Action Plan. He asked what we can anticipate moving toward actual adoption of this outline so that we can firmly commit to these goals.

CEO Marler asked Commissioner LaBrant if a change to the recommendation language would address his concern.

Commissioner LaBrant stated he would be willing to approve the recommendation as is if it allows flexibility moving forward but indicated he would like to hear from his fellow commissioners.

Commissioner Burkman expressed some confusion regarding the process as presented and was concerned that the Climate Action Plan document will not be completed until the end of July. He suggested bringing back the completed document in August for final approval.

CEO Marler explained that the intent here is similar to the strategic plan process where the initiatives were authorized and then the final plan was created around those initiatives.

Commissioner Burkman agreed this made sense and indicated he had no problem adopting what was shown today for the initiatives but did not want to confuse the public and leave them thinking there was something else coming they haven't seen yet.

Commissioner Orange stated he shares his fellow commissioners' opinions. He indicated he gathered from the presentation and the way the recommendation is written that the commissioners are being asked to authorize the CEO to execute a plan that hasn't been completed.

CEO Marler stated the initial recommendation was to develop the final CAP with the understanding it was based on the initiatives presented at the workshop today. She asked Mr. Bar-Ilan if all the initiatives were identified in the presentation.

Mr. Bar-Ilan stated all of the initiatives were included in the presentation although he only highlighted a few examples of actions for the CAP. He explained that the initiatives are evaluated to create actions for the CAP by looking at co-benefits, defining an implementation timeline, the cost, and the greenhouse gas reduction potential.

After additional discussion among the commissioners and CEO regarding the final wording for the recommendation, CEO Marler suggested changing the recommendation to read, "develop and implement a final Climate Action Plan based on initiatives." Commissioner Burkman stated he would formally make that motion.

On motion by Commissioner Burkman, seconded by Commissioner Orange and carried unanimously, the Board of Commissioners authorize the CEO to develop and implement a final Climate Action Plan based on initiatives as presented by staff.

CEO Marler expressed her appreciation for all the feedback and discussion on the CAP process to understand the priorities for the initiatives. She indicated she is looking forward to putting this to work through the budget process and starting to make some good progress on greenhouse gas reductions.

UNFINISHED BUSINESS

Port Contracts Logs

The commissioners reviewed the port contracts logs. CEO Marler reminded everyone that the contracts logs are provided to the Commission on a monthly basis and are available on the port's website. No questions were asked by the Board.

No additional unfinished business was considered.

NEW BUSINESS

No new business was discussed at this time.

ACCOUNTS PAYABLE

Director of Finance & Accounting Scott Goodrich presented the action item as contained in the Commission's packet and discussed the recommendation with the Board.

On motion by Commissioner LaBrant, seconded by Commissioner Orange and carried unanimously, the Port of Vancouver USA Board of Commissioners, by motion, ratifies and approves the payment of June 2021 Vouchers 105726 – 106120 in the amount of \$3,786,702.01 including Electronic Payments generated between 06/01/2021 – 07/01/2021 in the amount of \$503,278.58 and June 2021 Payroll Checks 51520604 – 51520607 and Payroll Direct Deposits 230001 – 230122 and 250001 – 250122 in the amount of \$587,254.61.

CEO REPORT

Action taken under Resolution 2-2020: Declaration of Local Emergency and Delegation of Authority of Emergency Powers

CEO Marler shared the history behind the adoption of Resolution 2-2020 and then advised the commissioners that she has not taken any action provided her under this resolution.

Project Updates

Mark Newell, Project Delivery Manager provided an update on several port projects, including:

- Terminal 1 Site & Infrastructure
- AC Marriott (not a port contractor)
- Parcel 3 Gateway Equipping Well
- Terminal Fire Alarm Replacement
- BL2565 Recladding & Window Replacement

No questions were asked by the Board.

Commissioner Orange thanked Mark for his update and expressed his appreciation to the port for successfully managing its assets so that they are safe and well maintained.

CEO Marler shared that she had received a compliment from a recent European visitor to the port stating that "this is the cleanest port he has ever seen." She stated this is a testament to the team that maintains the facilities.

She also shared that Kent Williams, Executive Director of the Fort Vancouver Seafarers Center has been working with Medical Teams International to develop a program to vaccinate seafarers that are coming to the Port of Vancouver. She indicated port staff was working on this as well and expressed her appreciation for their involvement in the program.

CEO Marler reported that the next Executive Steering Group meeting for the Interstate Bridge Replacement Program will take place on Thursday, July 15 from 10:00 a.m. to 12:00 p.m. She highlighted that there is an opportunity for public comment during the meeting and encouraged individuals to participate.

COMMISSIONERS REPORTS

In the interest of time, Commissioner Orange did not provide a report.

Commissioner Burkman stated he attended the following events and meetings and provided a summary on some of the meetings he attended:

- CEO Marler
- PNWA Summer Conference
- Labor Roundtable
- Clark County Historical Museum Exhibit on C-Tran's Anniversary
- RTC Meeting
- Vancouver City Council

Commissioner LaBrant stated he attended the following events and meetings and provided a summary on some of the meetings he attended:

- CEO Marler
- CREDC Board Meeting
- Labor Roundtable
- Community Member

He also mentioned while looking at the accounts payable he noticed an expense for a port training on managing employees with a hybrid schedule. He indicated he is encouraged to see the investment in developing and implementing a hybrid work schedule or policy because he thinks it will be critical to the port's operations. He stated retaining the fantastic team the port has is important and their institutional knowledge is a valuable asset we need to maintain.

CEO Marler agreed having flexibility is important as well as maintaining the strong positive culture present at the port. She appreciates the commissioner's support on this.

She also reminded everyone of the ways they can communicate with the Commission. She stated there is a great deal of information available on the port's website and encouraged everyone to check it out.

ADJOURNMENT

There being no further business to come before the Port of Vancouver USA Board of Commissioners, the Tuesday, July 13, 2021 regular meeting was adjourned at 10:57 a.m. by CEO Julianna Marler.

PORT OF VANCOUVER USA BOARD OF COMMISSIONERS

Michelle Allan, Executive Services
Manager, July 13, 2021, Regular
Port of Vancouver USA Board of
Commission Meeting

Eric LaBrant, President

Jack Burkman, Vice President

Don Orange, Secretary

Agenda Item No. E-1

**REQUEST FOR COMMISSION ACTION
REVIEWED BY:**

PORT OF VANCOUVER USA

Director of Engineering
& Project Delivery

Monty Edberg

Title

APPROVED BY:

Chief Operations
Officer]

07/27/2021

Kent Cash

Title

Date

SUBJECT: Approve Public Works Contract Bid 21-15: Terminal 2 Biofiltration Soil Media and Plant Replacement Project

BACKGROUND:

This project supports the port's Strategic Plan goal of protecting water resources and land managed by the port through deliberate and proactive efforts in all aspects of the port's operations.

The Terminal 2 Biofiltration Soil Media and Plant Replacement Project will remove and replace the stormwater media and plants installed in 2010 at the Terminal 2 Biofiltration stormwater treatment facility. The stormwater treatment facility will be replaced with new enhanced soil media and plants to continue to treat the port's Terminal 2 stormwater runoff before it is discharged to the Columbia River. This stormwater treatment facility has had a proven track record of removing heavy metals, solids and oils from stormwater runoff below state benchmarks for the past 9 years. Recent sampling has indicated that the current media has met its useful life and is in need of replacement for continued treatment efficiency at this facility.

Construction elements of this project include excavation and disposal of current plants and stormwater media; installation of new stormwater media blend consisting of sand, compost and biochar; new plantings; and temporary irrigation.

On June 8, 2021 the port issued Invitation to Bid 21-15: Terminal 2 – Biofiltration Soil Media and Plant Replacement Project.

On July 8, 2021 the following bids were received:

| Bidder | Location | Amount |
|-----------------------|-------------------|--------------|
| Lee Contractors LLC | Battle Ground, WA | \$417,540.55 |
| Catworks Construction | Vancouver, WA | \$502,488.46 |

Staff has reviewed Lee Contractors LLC responsive bid and concluded they are a responsible contractor capable of performing the work.

The engineer's estimated range for the project was \$360,000 - \$398,000. The bids received exceeded this amount due to industry-wide increases in material costs and wage rates.

This project is included in the 2021 approved budget, and there are sufficient funds to support the additional cost.

Additional Information Attached? No

RECOMMENDATION: That the Board of Commissioners authorize the CEO to execute a public works contract with Lee Contractors LLC, the lowest responsive and responsible bidder, for Bid 21-15: Terminal 2 Biofiltration Soil Media and Plant Replacement Project, in the amount of \$417,540.55 including Washington State sales tax.

Submitted by: Elizabeth Hotelling, CEO

Date Action Taken _____

Motion By: _____

Approved: _____

Seconded By: _____

Deferred To: _____

Unanimous: Yes____ No____

Agenda Item No. E-2

**REQUEST FOR COMMISSION ACTION
REVIEWED BY:**

PORT OF VANCOUVER USA

Director of Engineering
& Project Delivery

Monty Edberg

Title

APPROVED BY:

Chief Operations
Officer

07/27/2021

Kent Cash

Title

Date

SUBJECT: Approve Contract with KPFF Consulting Engineers for Consultant Design Services for Berth 17 Rehabilitation and Resolution 1-2021

BACKGROUND:

This project supports the port's Strategic Plan goal to pursue opportunities that utilize the port's property and infrastructure investments to create jobs and support the economy.

The purpose for the Berth 17 Rehabilitation Project is to fully restore an existing port asset and bring it back to beneficial use. This is a multi-year project with complex engineering and permitting issues. The facility, once upgraded, will be suitable for lay berth, freight transfer and other commercial uses.

This project will be executed in multiple construction phases. The first two phases will commence in late 2021 with the final phases of work being completed in the first quarter of 2024. The two phases programmed for 2021 are 1) demolition of the Colby crane, gallery and water tower; and 2) replacement of dock apron and fender piling. Work under this initial contract will include full engineering and permitting for the first two phases and 30% engineering and permitting for the remaining three phases.

On February 13, 2021 the port issued a Request for Qualifications (RFQ) for Berth 17 Rehabilitation Consultant Services. Interviews were conducted and the results determined KPFF Consulting Engineers to be the most qualified consultant to perform the services required by the port.

This multi-year contract is structured to be amended with approval of additional funds by the CEO or the commission per port policy as project sequencing, capacity requirements and funding are better defined each year. For 2021, the initial contract amount requested for approval is \$709,220.

This project was not included in the 2021 approved budget. Due to potential new lay berth opportunities for military vessels and other commercial opportunities, as well the need to advance the approved Terminal Rehabilitation Investment Project (TRIP), this project is being recommended to begin in 2021 with the design, engineering and permitting phases.

Additionally, the attached Reimbursement Resolution 1-2021 provides for an additional financing option for development of this project. This option would allow the port to construct the project and then reimburse itself within 18 months of the execution of the

Declaration in the form attached to such resolution as Exhibit A with tax exempt general obligation bond proceeds. If the resolution is approved, the Finance Team, as it does for all capital projects, will then analyze the best method for financing the project. If the aforementioned method of financing is determined to be the most cost-effective way of paying for the project, staff would then seek commission approval to issue tax exempt general obligation bonds.

Additional Information Attached? Yes

RECOMMENDATION: That the Board of Commissioners authorize the CEO to execute a contract with KPFF Consulting Engineers for a not to exceed amount of \$709,220 including Washington State Sales Tax for the Rehabilitation of the Berth 17 Dock Structure, located at Terminal 5, and approve the attached Reimbursement Resolution 1-2021.

Submitted by: Eliphat Goteff, CEO

Date Action Taken _____

Motion By: _____

Approved: _____

Seconded By: _____

Deferred To: _____

Unanimous: Yes____ No____

PORT OF VANCOUVER, WASHINGTON

RESOLUTION 1-2021

A RESOLUTION OF THE PORT COMMISSION OF THE PORT OF VANCOUVER, WASHINGTON, DESIGNATING AN OFFICIAL RESPONSIBLE FOR DECLARING OFFICIAL INTENT TO REIMBURSE CAPITAL EXPENDITURES WITH TAX-EXEMPT BONDS WITHIN THE MEANING OF TREASURY REGULATION SECTION 1.150-2.

WHEREAS, the Port of Vancouver, Washington, a municipal corporation of the State of Washington, (the "Port") is authorized by RCW 53.08.020 to construct, purchase, acquire, add to, maintain, conduct and operate improvements and facilities relating to wharves, docks, boat landings, berths, and harbor improvements within the Port and in connection with the operation of facilities and improvements of the Port; and

WHEREAS, the Port finds that it is in the best interest of the Port to construct, purchase, acquire, add to, maintain, conduct and operate improvements and facilities relating to wharves, docks, boat landings, berths, and harbor improvements within the Port and in connection with the operation of facilities and improvements of the Port (hereinafter defined as the "Projects"); and

WHEREAS, the Projects are within the comprehensive harbor improvement plan of the Port as amended to date in compliance with RCW 53.20.10; and

WHEREAS, the Port is authorized by RCW 53.36.030 to issue its general obligation to provide funds to pay the cost of the Projects; and

WHEREAS, to the extent the Port intends to issue tax-exempt bonds to finance the Port's expenditures for the costs of Projects, Treasury Regulation Section 1.150-2, which was promulgated under the Internal Revenue Code of 1986, as amended, requires that the Port adopt its official intent to reimburse itself with bond proceeds not later than 60 days after payment of any capital expenditures that will be reimbursed by bond proceeds; and

WHEREAS, the Port and its taxpayers substantially benefit from the Port's ability to issue tax-exempt bonds because the interest charged on tax-exempt obligations is less than the interest charged on comparable taxable obligations; and

WHEREAS, the Port Commission of the Port of Vancouver, Washington (the "Commission") finds it necessary and desirable to designate an official of the Port to declare the Port's "official intent" to reimburse itself with bond proceeds, within the meaning of Treasury Regulation Section 1.150-2;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF VANCOUVER, WASHINGTON, as follows:

Section 1. Appointment of Director of Finance. Pursuant to Treasury Regulation Section 1.150-2, the Port Commission hereby designates and appoints the Director of Finance of the Port (the "Designated Official") as the responsible official for the purpose of declaring official intent on behalf of the Port to reimburse certain capital expenditures with future bond proceeds.

Section 2. Declarations of Official Intent. Upon a determination by the Designated Official that the costs of one of the Projects (a "Project") is expected to be reimbursed from the proceeds of a tax exempt obligation(s) of the Port, the Designated Official is authorized and directed to execute a declaration of official intent, substantially in the form attached hereto as Exhibit A (each, a "Declaration of Official Intent"). Each Declaration of Official Intent so executed shall become a part of the official records of the Port available for public inspection and review. Each Declaration of Official Intent shall: (a) describe the purpose of the expenditure(s) or identify, by name and functional purpose, the fund or account from which the expenditure(s)

will be paid; and (b) state the maximum principal amount of bonds the Port reasonably expects to issue.

Section 3. No compensation. The Designated Official shall receive no compensation for serving in such capacity hereunder.

Section 4. Re-designation. The Commission hereby reserves the right to re-designate the Designated Official from time to time, and at any time.

Section 5. Superseding Prior Designation(s). This resolution supersedes any prior designation of an official of the Port authorized to declare the official intent of the Port pursuant to Treasury Regulation Section 1.150-2 or any predecessor thereof with respect to the Projects.

Section 6. Compliance with Open Meeting Law. It is found and determined that all formal actions of this Port Commission concerning and relating to the passage of this resolution were taken in an open meeting of this Port Commission, and that all deliberations of this Port Commission and of any of its committees that resulted in such formal actions, were in meetings open to the public, in compliance with the laws of the State of Washington.

Section 7. Effective Date. This resolution will become effective immediately upon its adoption.

ADOPTED AND APPROVED at the regular meeting of the Commission of the Port of Vancouver, Washington held this ____ day of _____, 2021.

PORT OF VANCOUVER, WASHINGTON

By _____
Eric LaBrant, President

By _____
Jack Burkman, Vice President

By _____
Don Orange, Secretary

CERTIFICATE

I, the undersigned, Secretary of the Port Commission of the Port of Vancouver, Washington (the "Port") and keeper of the records of the Port Commission (the "Commission"), DO HEREBY CERTIFY:

1. That the attached resolution is a true and correct copy of Resolution 1-2021 of the Port Commission (the "Resolution"), duly adopted at a regular meeting thereof held on the ____ day of _____, 2021; and

2. That said meeting was duly convened and held in all respects in accordance with law, due and proper notice of such meeting was given, that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2021.

Don Orange, Secretary

EXHIBIT "A"

FORM OF DECLARATION OF OFFICIAL INTENT

PORT OF VANCOUVER, WASHINGTON

LIMITED TAX GENERAL OBLIGATION BONDS

SERIES TO BE DECIDED

MAXIMUM PRINCIPAL AMOUNT OF \$ _____

Declaration of Official Intent

The undersigned, a person designated by the Port Commission (the "Commission") of the Port of Vancouver, Washington (the "Port"), to declare official intent on behalf of the Port, by this declaration (this "Declaration") intends to declare official intent under Treasury Regulation Section 1.150-2 on behalf of the Port as permitted by the Commissions Resolution 1-2021 adopted on _____, 2021.

The Port reasonably expects that it will purchase, acquire, add to, maintain, conduct and operate improvements and facilities relating to wharves, docks, boat landings, berths, and harbor improvements within the Port and in connection with the operation of facilities and improvements of the Port, including architecture, engineering and related soft costs [any additional descriptive information of the Project deemed necessary and appropriate] (the "Project") and that the costs of the Project will be paid from the Port's _____
[Fund][Account].

The Port reasonably expects that it will reimburse the expenditures for the Project with proceeds of a tax-exempt obligation (the "Bonds"). It is expected that the maximum principal amount of the Bonds to be issued for the Project will be \$ _____.

Requirements for Treatment as a Reimbursement

The Port acknowledges that in order for the cost of the Project to be reimbursed from the proceeds of the Bonds, a number of federal income tax law requirements must be met. Such requirements include the following:

(1) The Declaration must be made not later than 60 days after payment of the expenditure to be reimbursed. In the case of preliminary expenditures (architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs incurred prior to commencement of construction, rehabilitation, or acquisition of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction) to the extent not in excess of 20 percent of the cost of the Project to be financed with the sale proceeds of the Bonds, no Declaration need be made. In addition, no Declaration need be made for: (a) costs of issuance of the Bonds; or (b) an amount not in excess of the lesser of \$100,000 or 5

percent of the proceeds of the Bonds.

(2) The "reimbursement allocation" must occur after the expenditure is paid, and not later than 18 months after the later of: (a) the date the expenditure is paid; or (b) the date the Project is placed in service or abandoned, but in no event more than three years after the expenditure is paid. If the Bonds are eligible for the small issuer exception from arbitrage rebate, the "18-month" limitation is extended to "three years" and the "three-year" maximum reimbursement period is not applicable. In the case of a construction project for which both the Port and a licensed architect or engineer certify that at least five years is necessary to complete construction of the Project, the maximum reimbursement period is extended from "three years" to "five years." A "reimbursement allocation" must be in writing and must evidence the Port's use of proceeds of the Bonds to reimburse an expenditure. The requirements of this paragraph do not apply to: (a) costs of issuance of the Bonds; or (b) an amount not in excess of the lesser of \$100,000 or 5 percent of the proceeds of the Bonds.

(3) The reimbursement proceeds of the Bonds (or amounts corresponding to the reimbursement proceeds of the Bonds) may not be used (directly or indirectly) within one year after the date of the reimbursement allocation in a manner that results in the creation of replacement proceeds (as defined in Treasury Regulation Section 1.148-1) of the Bonds or another issue. The preceding sentence does not apply to reimbursement proceeds or other amounts deposited into a bona fide debt service fund. A reimbursement allocation will not result in an expenditure of proceeds of the Bonds for federal income tax purposes if the allocation employs an abusive arbitrage device.

(4) The expenditures to be reimbursed must be capital expenditures for federal income tax purposes (*i.e.*, costs that are properly chargeable to a capital account or that would be so chargeable with a proper election), costs of issuing the Bonds, expenditures relating to certain extraordinary working capital items, or certain grants.

Dated: _____, 2021

PORT OF VANCOUVER, WASHINGTON

By: _____
Director of Finance and Designated
Official

DECLARATION OF OFFICIAL INTENT
PORT OF VANCOUVER, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BONDS
SERIES TO BE DECIDED
MAXIMUM PRINCIPAL AMOUNT OF \$ 20,000,000

Declaration of Official Intent

The undersigned, a person designated by the Port Commission (the "Commission") of the Port of Vancouver, Washington (the "Port"), to declare official intent on behalf of the Port, by this declaration (this "Declaration") intends to declare official intent under Treasury Regulation Section 1.150-2 on behalf of the Port as permitted by the Commissions Resolution 1-2021 adopted on July 27th, 2021.

The Port reasonably expects that it will purchase, acquire, add to, maintain, conduct and operate improvements and facilities relating to wharves, docks, boat landings, berths, and harbor improvements within the Port and in connection with the operation of facilities and improvements of the Port, including architecture, engineering and related soft costs (the "Project") and that the costs of the Project will be paid from the Port's General Fund.

The Port reasonably expects that it will reimburse the expenditures for the Project with proceeds of a tax-exempt obligation (the "Bonds"). It is expected that the maximum principal amount of the Bonds to be issued for the Project will be \$20,000,000.

Requirements for Treatment as a Reimbursement

The Port acknowledges that in order for the cost of the Project to be reimbursed from the proceeds of the Bonds, a number of federal income tax law requirements must be met. Such requirements include the following:

(1) The Declaration must be made not later than 60 days after payment of the expenditure to be reimbursed. In the case of preliminary expenditures (architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs incurred prior to commencement of construction, rehabilitation, or acquisition of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction) to the extent not in excess of 20 percent of the cost of the Project to be financed with the sale proceeds of the Bonds, no Declaration need be made. In addition, no Declaration need be made for: (a) costs of issuance of the Bonds; or (b) an amount not in excess of the lesser of \$100,000 or 5 percent of the proceeds of the Bonds.

(2) The "reimbursement allocation" must occur after the expenditure is paid, and not later than 18 months after the later of: (a) the date the expenditure is paid; or (b) the date the Project

is placed in service or abandoned, but in no event more than three years after the expenditure is paid. If the Bonds are eligible for the small issuer exception from arbitrage rebate, the "18-month" limitation is extended to "three years" and the "three-year" maximum reimbursement period is not applicable. In the case of a construction project for which both the Port and a licensed architect or engineer certify that at least five years is necessary to complete construction of the Project, the maximum reimbursement period is extended from "three years" to "five years." A "reimbursement allocation" must be in writing and must evidence the Port's use of proceeds of the Bonds to reimburse an expenditure. The requirements of this paragraph do not apply to: (a) costs of issuance of the Bonds; or (b) an amount not in excess of the lesser of \$100,000 or 5 percent of the proceeds of the Bonds.

(3) The reimbursement proceeds of the Bonds (or amounts corresponding to the reimbursement proceeds of the Bonds) may not be used (directly or indirectly) within one year after the date of the reimbursement allocation in a manner that results in the creation of replacement proceeds (as defined in Treasury Regulation Section 1.148-1) of the Bonds or another issue. The preceding sentence does not apply to reimbursement proceeds or other amounts deposited into a bona fide debt service fund. A reimbursement allocation will not result in an expenditure of proceeds of the Bonds for federal income tax purposes if the allocation employs an abusive arbitrage device.

(4) The expenditures to be reimbursed must be capital expenditures for federal income tax purposes (*i.e.*, costs that are properly chargeable to a capital account or that would be so chargeable with a proper election), costs of issuing the Bonds, expenditures relating to certain extraordinary working capital items, or certain grants.

Dated: _____, 2021

PORT OF VANCOUVER, WASHINGTON

By: _____
Director of Finance and Designated
Official

Agenda Item No. E-3

REQUEST FOR COMMISSION ACTION
REVIEWED BY:

PORT OF VANCOUVER USA

Director of
Facilities

Casey O'Dell

Title

APPROVED BY:

Chief
Operations Officer

07/27/2021

Kent Cash

Title

Date

SUBJECT: Approve and Ratify Pape Machinery Road Grader Rental

BACKGROUND:

This item supports the port's Strategic Plan goal to pursue opportunities that utilize the port's property and infrastructure investments to create jobs and support the economy.

The port historically rents a road grader several months each year for maintenance of gravel roads, material handling operations, and miscellaneous projects at Terminal 5 (T5). The current grader rental is facilitated through a cooperative state contract and originally had an anticipated rental duration of five months beginning in early 2020.

Heavy equipment used to move wind blades and pipe on T5 tears up the gravel pad on a daily basis. The road grader is required to keep the pad smooth for safe and efficient operations. With an increase of wind and pipe operations at T5, utilization of the grader has increased and requires the continuous rental of the equipment. Road grader rentals are not readily available in the market, making it important to keep a unit on site. Terminal Operations has requested that the grader be available through the end of 2021, requiring the extension of the current rental.

Funds for rental of the grader were included in the 2020 budget in the amount of \$36,000. In the 2021 budget, \$81,360 was budgeted. The extension of the original rental through the end of 2021 will increase the total amount to \$311,899.32, including Washington State sales tax. There are sufficient funds in the budget to support the additional cost.

Additional Information Attached? No

RECOMMENDATION: That the Board of Commissioners ratify the rental of the Pape Machinery Road Grader and authorize the CEO to approve the extension of the original rental through the end of 2021 for a total contract amount of \$311,899.32 including Washington State sales tax.

Submitted by: *Elizabeth Stettin* for , CEO

Date Action Taken _____

Motion By: _____

Approved: _____

Seconded By: _____

Deferred To: _____

Unanimous: Yes____ No____