

**PORT OF BENTON  
COMMISSION MEETING MINUTES  
October 8, 2014**

- A. CALL TO ORDER:** The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton Conference Room, 3250 Port of Benton Boulevard, Richland, Washington. Present were Commissioners Jane F. Hagarty, Roy D. Keck and Robert D. Larson. Staff members present included Executive Director, Scott D. Keller, PPM ®; Director of Finance, Stuart Dezember; Director of Airports and Operations, John Haakenson; Director of Maintenance, Kevin Howard; Director of Governmental Affairs, Diahann Howard; Administrative Assistant, Kelly Thompson; Real Estate Specialist, Teresa Hancock; Marketing and Communications, Wally Williams and Port Counsel, Tom Cowan. Also in attendance were Marvin Kinney, Carl Adrian, Chuck Larson, Terry Christensen, Stan Jones, Clay O’Laughlin and Danette Layne.
- B. PLEDGE OF ALLEGIANCE:** Kevin Howard led those present in reciting the Pledge of Allegiance.
- C. CURRENT BUSINESS:**
- 1. CONSENT ITEMS:** A motion was made by Commissioner Keck, seconded by Commissioner Larson, and unanimously passed by the Commission approving the September 3, 2014, Commission Meeting Minutes, approving Resolution 14-15, to Cancel Warrant No. 60154 and Resolution 14-17, to accept work completed by Wesslen Construction at Crow Butte Park.
  - 2. TRIDEC:** Carl Adrian was present to provide an update on TRIDEC’s efforts to further economic development in the Tri Cities. Representatives are preparing to attend specific trade shows over the next several months. He explained our community did not receive the Community Air Service Grant applied for by Tri Cities Airport.
  - 3. J-U-B ENGINEERS:** Chuck Larson provided an update on the 2014/2015 Pavement Maintenance Plan. He reviewed each site and proposed a specific maintenance schedule to include: slurry seal, sealcoat and/or crack sealing.
  - 4. UNSCHEDULED BUSINESS/VISITORS:** Terry Christensen, City of Richland councilmember and liaison, gave a brief update on the City, and thanked all members who attended the joint tour with the Port of Benton. He found it very informative.

Clay O’Laughlin of IsoRay, Inc. was present. IsoRay produces radioisotopes used to treat several types of cancer. IsoRay wants to purchase real property in Richland to construct a new facility to process its products. This would keep a significant business presence in Richland with its associated skilled work force. Carl Adrian of TRIDEC stated that TRIDEC has approved a small business loan to IsoRay in an effort to retain the company. IsoRay wants to be located in the Port’s Technology and Business Campus. Discussion centered

upon three parcels owned by the Port which Port management has determined to be excess to

the future needs of the Port and which the Port may surplus and put up for bid.

**A motion was made by Commissioner Larson, seconded by Commissioner Keck, and unanimously passed by the Commission authorizing the Executive Director to proceed with preparing legal descriptions of the three parcels in the Technology and Business Campus which will be surplus and preparing a Resolution for the Commissioners to consider at the next meeting 1) declaring the parcels to be surplus to the future needs of the Port, 2) directing the Executive Director to advertise for requests for proposals for the parcels and 3) reserving the right of the Commission to reject any and all bids which the Commission determines are not acceptable to the Port.**

5. RESOLUTION 14-16, prohibiting the production, processing and retail sales of marijuana on any Port Property was discussed. The Commission advised staff to remove the word “recreational” from the draft resolution and submit for their approval.

**A motion was made by Commissioner Larson, seconded by Commissioner Keck, and unanimously passed by the Commission approving Resolution 14-16, which prohibits the producing, processing and retail sales of marijuana on any Port Land or Property.**

- D. **COMMISSIONER COMMENTS:** The Commission recognized the Executive Director for his twenty-five years of employment and exemplary service at the Port of Benton. The Executive Director thanked the Commission for their support and the recognition in the recent newsletter.

Commissioner Keck commented on his attendance of both Washington Public Ports Association (WPPA) Transportation and Infrastructure and Environmental seminars. He also commented on the joint Port/City of Richland tour of properties and expressed his gratitude.

Commissioner Larson commented on his attendance of the Washington State University Tri-Cities Celebration of 25 years at the Richland Campus. The need for local student housing was addressed.

Commissioner Hagarty commented on her attendance at the WPPA Transportation and Infrastructure meeting, stating the carbon taxes against farmers/agricultural companies will become a reality soon. The Walter Clore Center is focusing on funding for the next year. Prosser Economic Development Association is preparing to evaluate its strategic plan.

- E. **COUNSEL COMMENTS:** Counsel advised that TestAmerica has agreed to the provisions in the proposed lease requiring it to demolish the buildings and improvements and to remediate the property. Test America will add these requirements to its decommissioning plan filed with the State and will add these costs to its decommissioning fund. In addition it will provide a written guarantee of its obligations from its parent company. In order to amortize the costs of demolition and remediation, TestAmerica will enter into a five year lease with a five year option. TestAmerica will paint the buildings and will install landscaping to visually screen the facility from the adjoining properties.

**A motion was made by Commissioner Larson, seconded by Commissioner Keck, and unanimously adopted by the Commission authorizing the Executive Director to enter into**

**the Lease Agreement with TestAmerica upon the terms and conditions presented to the Commission with the Lease effective date to be October 1, 2014.**

- F. EXECUTIVE DIRECTOR COMMENTS:** The Executive Director provided an update to Commissioners on the Capital Development Property. The lease was initially written for fifty years. There are currently two empty buildings in need of extensive updating. There is a potential developer interested in the property. The developer is interested in the purchasing property and demolishing the existing buildings. Port staff will send a letter to Capital Development asking their plans for the buildings and land.

The Executive Director discussed the Prosser Airport Taxiway project for a total amount of \$97,508.00, 90% of which is reimbursed by the Federal Aviation Administration, leaving the total amount due by the Port of \$14,000. No bids were received for this project. This has caused additional work for J-U-B Engineers to re-advertise and re-bid this project.

**A motion was made by Commissioner Larson, seconded by Commissioner Keck, and unanimously passed by the Commission authorizing the Executive Director to execute the contract amendment with J-U-B Engineers in the amount of \$14,000 for the Prosser Airport Taxiway.**

- G. STAFF INFORMATION REPORTS:**

**MARKETING:** The Director of Marketing provided the Commissioners with copies of the recently published fall newsletter and showed video footage of the Prosser Balloon Rally and a decommissioned nuclear reactor compartment being off-loaded at the barge slip.

**GRANTS:** The updated copy of the Grants Status report was reviewed and discussed.

**GOVERNMENTAL AFFAIRS & ECONOMIC DEVELOPMENT:** The Director of Governmental Affairs and Economic Development briefed the Commission on her projects. She attended a Tri-Cities Legislative Meeting on October 7, 2014, they are launching the Tri-Cities Brand Logo.

- H. SITE PROJECTS UPDATE:** The Commission was briefed on the Technology and Business Campus, Tri Cities Enterprise Center Building, Manufacturing Mall, Railroad, Richland Innovation Center, Richland Airport, Prosser Airport, Prosser Wine and Food Park, Vintners Village, Walter Clore Wine and Culinary Center, Benton City Industrial Park, Benton City Downtown Property and Crow Butte Park.

- I. PORT FINANCIAL ISSUES:** Vouchers audited by the Auditor as required by RCW 42.24.080 and certified expense reimbursement claims as required by RCW 42.24.090 have been recorded on a

listing, which has been made available to the Port Commission. As of this date, October 8, 2014, Port Commission by unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 02229 through 02275 totaling \$82,647.86 and General Expense Warrants numbered 060175 through 060365 totaling \$398,003.78 from the General Expense Fund.

**J. EXECUTIVE SESSION:** The regular Commission meeting was recessed at 11:35 a.m. for an Executive Session to discuss real estate negotiations and potential litigation in accordance with RCW 42.30.110 (g). The Commission announced the Executive Session would last no longer than forty-five (45) minutes. At 12:20 p.m., the Commission announced the Executive Session would last an additional fifteen (15) minutes. The Executive Session was adjourned at 12:30 p.m. and the regular Commission Meeting was reconvened.

**K: A motion was made by Commissioner Keck, seconded by Commissioner Larson, and unanimously passed by the Commission authorizing the Executive Director to obtain two appraisals to establish the value of real property located in the Port's Manufacturing Mall.**

**A motion was made by Commissioner Larson, seconded by Commissioner Keck, and Commissioner Hagarty abstained, the motion passed to amend the real estate contract with Deborah Augustavo to allow for a 20 year amortization schedule for repayment.**

**L. ADJOURNMENT:** With no further business, the meeting was adjourned at 12:35 p.m.

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Roy D. Keck  
Commission Secretary