

**PORT OF BENTON
COMMISSION MEETING MINUTES
November 10, 2015**

- A. CALL TO ORDER:** The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton Commission Meeting 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, CPA, Director of Airports and Operations, John Haakenson; Director of Maintenance, Kevin Howard; Director of Governmental Affairs, Diahann Howard; Administrative Assistant, Kelly Thompson; Marketing and Communications, Wally Williams and Port Counsel, Tom Cowan. Also in attendance were Marvin Kinney, Bea Baker, Larry Howell, Kevin Sliger and Stan Jones.
- B. PLEDGE OF ALLEGIANCE:** Wally Williams led those present in reciting the Pledge of Allegiance.
- C. CURRENT BUSINESS:**
- 1. CONSENT ITEMS:** A motion was made by Commissioner Larson; seconded by Commissioner Keck and unanimously passed by the Commission approving the October 21, 2015, Commission Meeting Minutes; October 27, 2015, Special Commission Meeting Budget Workshop Minutes.
 - 2. UNSCHEDULED BUSINESS/VISITORS:** Bea Baker and Larry Howell, Benton City Economic Development Corporation were present to provide an update on their recruiting efforts regarding economic development in Benton City. They thanked the Port Commission and staff for their support and partnership through the years.
 - 3. PUBLIC HEARING ON THE 2016 PROPOSED BUDGET:** The regular Commission Meeting was recessed at 8:40 a.m. and a Public Hearing was convened for the purpose of receiving public comment regarding the 2016 Port of Benton budget. The Commission complimented the Director of Finance on the budget, citing professionalism and ease of comprehension. The Director of Finance provided an overview of the proposed budget for 2016, and a spreadsheet comparing 2015/2016 budgets and explained that the entire staff met several times and provided input to prepare for budget. Commissioner Hagarty asked for public comment. No public comment was received. The Public Hearing was closed at 8:55 a.m.
 - 4. RESOLUTION 15-21:** A motion was made by Commissioner Larson, seconded by Commissioner Keck and unanimously passed by the Commission approving Resolution 15-21, adopting the 2016 Port of Benton Budget.
 - 5. RESOLUTION 15-22:** A Motion was made by Commissioner Keck, seconded by Commissioner Larson, and unanimously passed by the Commission approving Resolution 15-22, Certifying the Port's 2015 Levy for 2016 collection.

6. **PUBLIC HEARING ON THE 2016 PROPOSED COMPREHENSIVE PLAN OF HARBOR IMPROVEMENTS:** The regular Commission Meeting was recessed at 8:57 a.m. and a Public Hearing was convened for the purpose of receiving public comment regarding the 2016 Comprehensive Plan of Harbor Improvements. Commissioner Hagarty asked for public comment. No public comment was received. The Public Hearing was closed at 9:00 a.m.
7. **RESOLUTION 15-23: A Motion was made by Commissioner Larson, seconded by Commissioner Keck, and unanimously passed by the Commission approving Resolution 15-23, Adopting the 2016 Comprehensive Plan of Harbor Improvements.**
8. **RESOLUTION 15-24: A Motion was made by Commissioner Keck, seconded by Commissioner Larson, and unanimously passed by the Commission approving Resolution 15-24, Approving the Memorandum of Understanding (MOU) between Battelle Memorial Institute Operating the Pacific Northwest National Laboratory, Columbia Basin College, TRIDEC, Washington State University (WSU) Tri-Cities WorkSource Columbia Basin, Various Companies located within the Tri-Cities Research District IPZ (TCRD) and the Port of Benton (Zone Administrator)**

D. COMMISSIONER COMMENTS: Commissioner Larson commented on his attendance at the American Association of Port Authorities (AAPA) Annual Meeting where seaports and shipping were the main topic. He also attended the Washington Public Ports Association (WPPA) Small Ports Conference.

Commissioner Keck commented on his attendance at the AAPA Annual Meeting and discussed the importance of America's Super Ships for exporting goods. He also attended the WPPA Small Ports Conference. He stated he will be attending the WPPA Annual Meeting November 18-20, 2015.

Commissioner Hagarty commented on her attendance at the Walter Clore Wine and Culinary Center Board Meeting, where the staff is focusing on tracking revenue from both the tasting room and the event center. She also attended the Prosser Economic Development Association (PEDA) Board Meeting.

E. COUNSEL COMMENTS: Counsel commented on the Duportail Street Railroad Crossing Agreement and Easement Deed. The Port has proposed to Tri City Railroad (TCRY) that it join with the Port in executing these documents. The City of Richland has added specific language with the waiver of compensation. The Port has proposed to TCRY that the funds be accepted and use for capital projects on the railroad.

F. EXECUTIVE DIRECTOR COMMENTS: The Executive Director reviewed the terms of the new lease with Cannon Hill regarding the new hangar construction and development at

the Richland Airport. **A motion was made by Commissioner Keck, seconded by Commissioner Larson and unanimously passed by the Commission authorizing the Executive Director to enter into a lease with Cannon Hill, at the Richland Airport, for twenty-five (25) years, with five – five year options to renew, for a rate of \$1,248.00, plus leasehold excise tax with a three year CPI.**

The Executive Director discussed his recent attendance at the SIGN Auction and benefit event, where he served as the Master of Ceremonies.

The Executive Director reviewed the funds Benton County has available for disbursement (known as .09 rural fund monies). Benton County, Port of Benton, Port of Kennewick, City of Prosser City of Richland, City of Kennewick, City of Benton City and the City of West plan to meet to coordinate a proposal for Benton County Commission consideration. The Director of Finance and the Director of Economic Development and Governmental Affairs will attend a meeting with the entities on November 13, 2015.

The Executive Director reviewed the inspection report provided by the independent railroad contractors. A revised condition report is forthcoming which will provide more details on the tie condition and Berry's Bridge ballast. This information will be reviewed by Port staff and copied to Tri City Railroad (TCRY), Union Pacific (UP) and Burlington Northern (BN).

The Executive Director briefed the Commission on the Utilities and Transportation Commission (UTC) providing a grant to the TCRY in the amount of approximately \$500,000 (no matching funds required) for the TCRY to perform railroad signal improvements inter-tie between the highway signal and railroad crossing signal and systems at the four major rail crossings (Duportail, Van Giesen, Swift Boulevard- cemetery entrance- and the Richland Airport entrance at Terminal Drive), along the sixteen (16) mile track the Port of Benton owns and TCRY operates.

G. STAFF INFORMATION REPORTS:

MARKETING: The Director of Communications and Marketing stated he is working on the grand opening for Ann's Best Creole & Soul Café on December 3, 2015. He is also designing the Port's Christmas card and completing the 2016 Port Calendar.

GRANTS: An updated grants status report was discussed.

GOVERNMENTAL AFFAIRS & ECONOMIC DEVELOPMENT: The Director of Governmental Affairs and Economic Development briefed the Commission on her projects.

The Executive Director thanked the Director of Economic Development and Governmental Affairs for her diligence in pursuing design and construction grant opportunity for the stage to be built in the Prosser Wine and Food Park in 2016.

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, Prosser Vintners Village, Walter Clore Wine and Culinary Center, Benton City Properties

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, November 10, 2015, Port Commission by unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 02784 through 02831, totaling \$92,527.25 and General Expense Warrants numbered 062435 through 062668, totaling \$949,675.99 from the General Expense Fund.

The Director of Finance discussed the Leasehold Tax Audit results. The Auditor noted that the railroad equipment leased to TCRY is subject to Washington State sales tax and leasehold tax. The Port of Benton must charge leasehold tax and sales tax on the leased railroad equipment. The amount of leasehold tax assessed is \$16,981. Port Counsel is reviewing this audit and will provide his comments at a later date.

- J. ADJOURNMENT:** With no further business, the meeting was adjourned at 11:08 a.m.

Roy D. Keck
Commission Secretary