

**PORT OF BENTON  
COMMISSION MEETING MINUTES  
April 20, 2016**

- 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; Director of Airports, John Haakenson, Director of Maintenance, Kevin Howard; Director of Governmental Affairs, Diahann Howard; Director of Real Estate, Teresa Hancock,; Director of Marketing and Communication, Wally Williams and Port Counsel, Tom Cowan. Also in attendance were Bryon Ross, Shellie Klink, Marc Antonietti, Terry Christensen, Kerwin Jensen, Robin Siemens and Kevin Sliger.
- B. PLEDGE OF ALLEGIANCE:** Scott D. Keller led those present in reciting the Pledge of Allegiance.
- C. CURRENT BUSINESS:**
- 1. CONSENT ITEMS:** A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson, and unanimously passed by the Commission approving the March 23, 2016, Commission Meeting Minutes and Resolution 16-10. Cancelling Warrant No 63143.
  - 2. UNSCHEDULED BUSINESS/VISITORS:** There were none.
  - 3. INSURANCE REVIEW:** Bryon Ross, Conover Insurance, and Shellie Klink, Enduris, each provided information regarding the state pool for insurance. They discussed expanded financial protection, broader coverage and risk management.  
  
**A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission selecting Enduris as the Port's Insurance provider with an effective date of April 22, 2016.**
  - 4. PUBLIC HEARING:** A Public Hearing was opened at 9:00 a.m. to accept public comment on the advisability of amending the Comprehensive Plan of Improvements to reflect the sale of property within the Technology and Business Campus in an Industrial Development District (IDD). Commissioner Keck asked for public comment. No public comment was received. The Public Hearing was closed at 9:03 a.m.  
  
**A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 16-07 amending the Comprehensive Plan of Improvements and approving the removal of 6.35 acres of land and the 8,800 square foot building located in the Technology and Business Campus, declared surplus to the Port's needs.**
  - 5. PUBLIC HEARING:** A Public Hearing was opened at 9:04 a.m. to accept public

comment on the advisability of amending the Comprehensive Plan of Improvements to reflect the sale of property for two adjoining parcels, located within the Technology and Business Campus in an Industrial Development District (IDD). Commissioner Keck asked for public comment. No public comment was received. The Public Hearing was closed at 9:08 a.m.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission approving Resolution 16-08 amending the Comprehensive Plan of Improvements and approving the removal of 1.8 acres of land located within the Technology and Business Campus, declared surplus to the Port's needs.**

**A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 16-09 amending the Comprehensive Plan of Improvements and approving the removal of 1.58 acres of land located within the Technology and Business Campus, declared surplus to the Port's needs.**

- D. COMMISSIONER COMMENTS:** Commissioner Hagarty commented on her attendance at the Prosser Chamber of Commerce Open House where the new Executive Director was introduced. She reminded staff and public of the upcoming Spring Barrel Tasting Weekend in Prosser. She also thanked both the Executive Director and the Director of Economic Development and Governmental Affairs for the tour they provided of Port property to the new Prosser City Administrator.

Commissioner Larson commented on his attendance at the United Way Celebration, CH2MHILL breakfast, honoring Jaqueline Hinman, and the EMSL/LIGO Tour showcasing 21T powerful magnet. He also stated he received a letter from Dr. George Garlick that thanked the Port and the Director of Economic Development and Government Relations for her recent presentation. He also stated he attended a community committee meeting with former Representative Doc Hastings, where the discussion centered on the Columbia Park land transfer from the Corps of Engineers to the City of Kennewick. Terry Christensen stated the City of Richland had not provided a letter of support as previously published in the Tri-City Herald's recent article. The Director of Economic Development and Governmental Affairs stated the importance of attending meetings with community stakeholders and partners prior to establishing support positions, to insure everyone is in agreement between the tribes and jurisdictions.

- Commissioner Keck reported on his attendance at the Washington Public Ports Association (WPPA) board meeting and commented on a Letter of Support signed on behalf of WPPA for the Longshoremen and Shippers contract recently extended.

- E. COUNSEL COMMENTS:** Counsel deferred his comments to Executive Session.
- F. EXECUTIVE DIRECTOR COMMENTS:** The Executive Director briefed the Commission on the status of the Rural County Capital Funds (.09' funds) and Option #4 recommendation presented by David Sparks, Benton County on behalf of the municipal subcommittee group.

The Executive Director reviewed the terms of a Tower and Ground Lease with Verizon Wireless (VAW) LLC at the Richland Airport.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission authorizing the Executive Director to execute the Tower and Ground Lease Agreement with Verizon Wireless (VAW) LLC for an initial five year term and four five year renewal periods at a rate of \$1,200 per month, plus leasehold excise tax ; approving negotiated rent increases in lieu of Consumer Price Index (CPI) and further waiving the security deposit consistent with previous cellular tower ground leases.**

The Executive Director briefed the commission on an appraisal contract to establish railroad track baseline value needed for insurance policies and real estate agreements. The first part of the appraisal work will focus on the infrastructure with a secondary report to provide economic impact information for the Port's Strategic Plan.

**Under the Executive Directors Delegation of Authority, the Commission unanimously authorized the Executive Director to execute a contract with Kenneth Young and Associates to conduct a baseline appraisal of value for rail, ties, crossings and bridges in the amount of \$22,000, plus expenses; with a secondary report to follow providing economic impact analysis for future business opportunities.**

The Executive Director discussed the annual Port wide Pavement Maintenance Program, the projects include these sites: Technology and Business Campus, Richland Airport and Manufacturing Mall, non-aviation related.

**A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission authorizing the Executive Director to execute a contract with Apex Inc, in the amount of \$163,939.23, tax included.**

The Executive Director advised the Commission the Port received a verbal proposal to develop a Condo PUD (Planned Unit Development) for Vintners Village Phase 2.

**G. STAFF INFORMATION REPORTS:**

**MARKETING:** The Director of Communications and Marketing updated the Commission on Wit Cellars Ribbon Cutting, May 6 and; Savage Logistics Groundbreaking, May 9.

**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, including the CERB Grant for Master Planning the 1,341 acres of industrial land north of Horn Rapids Road (in partnership with the City of Richland); the project needs to be broken into two phases, Phase One, with funding from CERB and Phase Two, with funding from EDA. The Columbia Park Trail Bridge Construction Project; and the revised MARAD Reversionary legislative language submitted for consideration. The Columbia Park Trail Bridge Construction project came in well under budget in special part to Stuart Dezember, CPA, Roger Wright and Veronica Montez who oversaw the management of the contract. Staff will pursue approval to utilize the remaining fund balance of \$415,000 with the 2016 budgeted Berry's Bridge Ballast Project.

- 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 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, April 20, 2016, Port Commission by unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 03022 through 03070 totaling \$99,307.21 and General Expense Warrants numbered 063357 through 063509 totaling \$419,038.93 from the General Expense Fund.
- J. EXECUTIVE SESSION:** The regular Commission Meeting was recessed at 10:50 a.m., and an Executive Session was convened to discuss (a) Potential Litigation pursuant to RCW 42.30.110 (1i) and (b) Real Estate Matters pursuant to RCW 42.30.110 (1) (c). The Commission announced the Executive Session would last no longer than forty-five (45) minutes. At 11:35 a.m. The Commission announced the Executive Session would last an additional fifteen minutes. The Executive Session was adjourned at 11:50 a.m. and the regular Commission Meeting was reconvened.

The Executive Director and Counsel advised the Commission on an unsolicited proposal on behalf of TCRY to purchase their leasehold interest in the Port's rail and related buildings in the Manufacturing Mall.

**A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission authorizing the Executive Director to refuse to accept the offer and discontinue negotiations relating to the sale of rail/railroad property.**

- K. ADJOURNMENT:** With no further business, the meeting was adjourned at 11:52 a.m.

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Robert D. Larson,  
Commission Secretary