

PORT OF BENTON
SPECIAL COMMISSION MEETING MINUTES
May 25, 2017

- A. CALL TO ORDER:** The special Commission Meeting was called to order at 9:30 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 B. Dezember, CPA; Director of Airports and Operations, John D. Haakenson; Director of Maintenance, Kevin Howard; Director of Economic Development and Governmental Affairs, Diahann Howard; Director of Real Estate, Teresa Hancock; Director of Marketing and Wally Williams. Also present were Roger Wright and David Billetdeaux.

- B. PLEDGE OF ALLEGIANCE:** Wally Williams led those present in reciting the Pledge of Allegiance.

- C. DISCUSSION ITEMS:**
 - 1.** The Executive Director, the Director of Finance and Roger Wright explained and discussed the need for the execution of a change order with Railworks for the immediate purchase of railroad ties, related labor and railroad protection liability insurance for the Port's Berry's Bridge Ballast Replacement Project. The change order amount exceeds the Executive Director's delegation of authority.

Roger reported that the Port had recently awarded a Rail Rehabilitation project to Railworks Track Systems to replace ties, realign track, and undercut and remove non-conforming ballast adjacent to the I-182 Berry's Bridge area. The main purpose of the project was to replace round ballast rock that did not meet railroad engineering specifications and was allowing the track to move from side to side during train operations. In previous inspections this area was determined to be the most critical maintenance activity on the entire Port track. Since this non-conforming ballast had been in place since prior to the Port owning the track or leasing it for use, the project was considered a capital improvement. The project was awarded to Railworks for a total of \$435,753.16. Most of this work is being paid for by a Washington State grant as well as a cash contribution by BNSF and the Port of Benton.

Railworks had been working for about two weeks on the project replacing cross ties and re-aligning the track, along with placing some surfacing. To accomplish the undercutting process, the contractor has to lift the rail and ties and displace the old ballast gravel. In anticipation of this phase of the work, the project called for replacing approximately 40% of the cross ties (~325 ties) within the undercutting area. Additionally the Port's consultant HDR Engineering directed that another 70 ties needed to be replaced in order to replace all the ties within the undercutting area that were obviously at the end of their useful life and were expected to fail during the undercutting process. However as the contractor began the actual undercutting work, nearly 100% of the exiting ties within the undercutting area failed and could no longer hold a spike.

In order to keep the project moving ahead, an additional 400 ties need to be purchased and installed, essentially replacing 99% of the existing ties within the undercutting area.

The Change Orders requiring approval are as follows:

Addition of Railroad Protective Liability Insurance	\$ 3,420.00
Supply and Install an additional 70 cross ties, incl tax	\$ 20,380.96
Additional 400 ties, incl tax	\$116,462.64
Total Estimated Change Order	\$140,263.60

A motion was made by Commissioner Roy Keck, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission authorizing the Executive Director to execute a change order with Railworks in the amount of \$140,263.60 for the immediate purchase of railroad ties, related labor and railroad protection liability insurance for the Port's Berry's Bridge Ballast Replacement Project.

D. ADJOURNMENT: The Commission meeting was adjourned at 9:57 a.m.

Roy D. Keck,
Commission Secretary