

**PORT OF BENTON
COMMISSION MEETING MINUTES
October 11, 2017**

- 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 B. Dezember, CPA, PPM®; Director of Airports, John Haakenson; Director of Economic Development and Governmental Affairs, Diahann C. Howard; Director of Maintenance, Kevin Howard; Director of Real Estate, Teresa Hancock; Port Attorney, David Billetdeaux; Administrative Assistant, Kelly Thompson and Director of Marketing, Wally Williams. Also in attendance were Steve Mallory, Terry Christensen and Dr. William Brauer.
- B. PLEDGE OF ALLEGIANCE:** John Haakenson led those present in the pledge of allegiance.
- C. CURRENT BUSINESS:**
- 1. CONSENT ITEMS:** A motion was made by Commissioner Roy Keck, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission approving the September 13, 2017 Commission Meeting Minutes and the September 19, 2017 Special Commission Meeting Minutes.
 - 2. UNSCHEDULED BUSINESS/VISITORS:** Richland City Councilmember Terry Christensen stated he attended the open house for Total Energy Management and thanked the Port for working to retain this tenant who provides many local jobs. He also thanked the Port for attending the groundbreaking ceremony for the new city hall. Construction will be complete in approximately one year.
 - 3. U.S.S. TRITON SAIL VISITOR CENTER UPDATE:** Steve Mallory, Arculus Design, along with the Director of Economic Development and Governmental Affairs provided an update of the design of the U.S.S. TRITON Sail Visitor Center. They provided an overview of plans and schematics, which include pedestrian paths and building. These will be constructed in phases. The cost is estimated at \$1.1M for the first phase of construction. Port staff will work with the grant writer to apply for grants for a portion of the funds.
 - 4. PORT PERSONNEL POLICY AND PROCEDURES:** Port Attorney David Billetdeaux provided a draft revised copy of the Port of Benton Personnel Policy. This document was reviewed in detail, with all proposed changes being discussed. The Commission requested all staff be briefed on the changes and if any concerns were noted, they be brought back to the Commission at the November Commission Meeting. The Commissioners each received a draft copy to review. It will be presented at the November, 2017 Commission Meeting for Commission approval and adoption.

- D. COMMISSIONER COMMENTS:** Commissioner Hagarty advised she has been unable to attend the latest monthly meetings with Walter Clore Wine and Culinary Center and the Prosser Economic Development Association (PEDA) due to port-related travel. She also stated PEDA have consolidated the Special Projects Board and the Business Recruitment board into one, to be more efficient.

Commissioner Keck stated he attended the American Association of Port Authorities annual meeting last week and congratulated the Director of Finance on obtaining his Professional Port Management (PPM®) certification.

Commissioner Larson reported on his attendance at the Tribes networking session sponsored by the Department of Energy (DOE) at 2017 Connect Tri Cities. DOE wishes to partner with local tribes and contractors and be transparent.

- E. ATTORNEY COMMENTS:** The Port attorney advised his comments were reserved for Executive Session.

- F. EXECUTIVE DIRECTOR COMMENTS:** The Executive Director discussed the Crow Butte Park road improvement projects. The Engineers Estimate is \$36,075.00. The apparent low bidder is Sharpe & Preszler with a base bid of \$31,995.00, additive Option 1 of \$8,100.50 (for re-stabilizing the shoulder of causeway) for a total amount of \$40,007.50. He explained this does not require a motion and is within his delegation of authority, however he wanted to update the Commission.

The Executive Director discussed the West Coast Automotive LLC., request to lease additional land at the Richland Innovation Center. West Coast Automotive LLC, currently has a ground lease with the Port for 1.30 acres. The use is for automobile drop off, excluding junk or non-operating vehicles. Tenant improvements will include: grade and level land, install privacy chain link fencing and security lighting. This lease is subject to Maritime Administration (MARAD) approval. The lease term is five years, plus (4) five year renewal options. The annual lease payment is \$5,669.00, plus leasehold excise tax, with a security deposit (\$6,396.90, equal to one year's rent, including leasehold excise tax).

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 the terms of the new ground lease for West Coast Automotive LLC., with restrictions for use and environmental provisions. The use is for automobile drop off, excluding junk or non-operating vehicles. Tenant improvements will include: grade and level land, install privacy chain link fencing and security lighting. This lease is subject to Maritime Administration (MARAD) approval. The Lease term is five years, plus (4) five year renewal options. The annual lease payment is \$5,669.00, plus leasehold excise tax, with a security deposit (\$6,396.90, equal to one year's rent, including leasehold excise tax).

The Executive Director briefed the Commission on the Hi Line Engineering purchase and sale agreement. Mr. Troy Stokes is reviewing the updated agreement he received last week.

The Executive Director recognized the Director of Finance's recent award of the Professional Port Manager (PPM®) certification at the annual American Association of Port Authorities Annual (AAPA) Meeting.

The Executive Director recognized the Director of Economic Development and Governmental Affairs for her hard work and tenacity in securing the EDA Grant for \$300,000.

The Executive Director recognized the Director of Maintenance for his dedication and supervision of Crow Butte Park. He shared a letter the Port received from the US Army Corps of Engineers complimenting the Port on its continued efforts in maintaining a recreational area for the public to enjoy.

The Executive Director recognized the Director of Maintenance for his recent acceptance into the American Association of Airport Executives (AAAE) program. This program is accredited and certified and will assist in the Port's succession plan when the Director of Maintenance transitions into the position of Director of Airports.

The Executive Director discussed the bids received for the Vintners' Village development building. The engineers estimate is \$2,063,400.00. The apparent lowest bidder was Banlin Construction and their total bid was \$2,581,043.00, including Washington State sales tax. This price does not include any tenant improvements.

A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Roy Keck, and unanimously passed by the Commission authorizing the Executive Director to execute the necessary documents to award the bid in the amount of \$2,581,043.00, including Washington State sales tax, to Banlin Construction for the construction of the new Vintners' Village development building.

G. STAFF INFORMATION REPORTS:

COMMUNICATIONS AND MARKETING: The Commission was briefed on the video being produced for the Tri City Area Chambers' annual State of the Ports address, which will be held in November. He also reminded everyone of the Wings and Wheels Event, which will be held October 21, 2017 at the Richland Airport. The 2018 draft Comprehensive Plan of Improvements was distributed for review. He also will begin the 2018 Port Calendar and 75 copies will be printed.

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

GOVERNMENTAL AFFAIRS: The Director of Economic Development and Governmental Affairs provided an update on her projects. She also stated MARAD had been given the requested payment of \$60,000 to begin the evaluation process of the RIC property. She advised that the EDA's challenge grant was a partnership with the TCRD & FUSE. The purpose is to establish a seed equity fund for small business. She also updated the Commission on discussion surrounding Hanford Contactors rebid process.

H. SITE PROJECTS UPDATE: The Commission was briefed on the Technology and Business Campus, Tri Cities Enterprise Center Building, Richland Business Park, Railroad,

Richland Innovation Center, Richland Airport, Prosser Airport, Prosser Wine and Food Park, 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, October 11, 2017, Port Commission by unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 03925 through 03978 totaling \$103,799.42 and General Expense Warrants numbered 066972 through 067119 totaling \$1,205,275.82 from the General Expense Fund.

The Director of Finance advised the State Auditor is completing a two year audit. The exit interview will be scheduled in the next few weeks.

- J. EXECUTIVE SESSION:** The Commission Meeting was recessed at 10:50 a.m. and an Executive Session was convened to discuss evaluating a legal risk and pending and threatened litigation pursuant to RCW 42.30.110 (1) (i) (i-iii). The Commission announced the Executive Session would last no longer than ten (10) minutes. The Executive Session was adjourned at 11:00 a.m.

- K. ADJOURNMENT:** With no further business, the meeting was adjourned at 11:00 a.m.

Roy D. Keck,
Commission Secretary