

**PORT OF BENTON
COMMISSION MEETING MINUTES
July 11, 2018**

- 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 Maintenance, Kevin Howard, C.M.; Director of Economic Development and Governmental Affairs, Diahann Howard; Director of Real Estate, Teresa Hancock; Director of Communications and Marketing, Wally Williams; Administrative Assistant, Kelly Thompson; Port Counsel David Billetdeaux and Port Counsel Tom Cowan. Also in attendance were Carl Adrian, Terry Christensen, Nathan Croskrey, David Croskrey and Stan Jones.
- B. PLEDGE OF ALLEGIANCE:** Stuart Dezember led those present in reciting the Pledge of Allegiance.
- C. CURRENT BUSINESS:**
- 1. CONSENT ITEMS:** A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission approving the June 11, 2018 Special Commission Meeting Minutes and the June 13, 2018 Commission Meeting Minutes.
 - 2. UNSCHEDULED BUSINESS/VISITORS:** David Croskrey and Nathan Croskrey were present to discuss their interest in purchasing land and buildings at 2920-2940 George Washington Way. They provided an update on their twenty-five year history working with the Port of Benton to achieve economic development through mixed use facilities to serve the community. They envision developing and opening a campus-type development and offer 1,500 square foot mixed use development spaces with an overhead door for manufacturing as well as office space. They will not offer storage space. This is in agreement with the Technology and Business Campus theme.
 - 3. TRIDEC:** Carl Adrian provided an update on TRIDEC’s activities and highlighted the updated air service to the Tri Cities. He also updated the Commission on the Power Gen conference, which will be held later this year. He advised TRIDEC sent out a mass mailing to both potential energy and agri-business clients.
 - 4. RESOLUTION 18-15:** A Resolution for the sale of 1.5 acres of land in the Technology and Business Campus, an Industrial Development District (IDD) and authorizing a Purchase and Sale Agreement with the City of Richland.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission approving Resolution, 18-15, for the sale of 1.5 acres of land in the Technology and Business Campus, an Industrial Development District (IDD) and authorizing a Purchase and Sale Agreement with the City of Richland.

5. **RESOLUTION 18-16:** A Resolution accepting work completed by Blue Mountain Paving Company, LLC for the 2018 Port-Wide Pavement Maintenance Project.

A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 18-16, Accepting work completed by Blue Mountain Paving Company, LLC for the 2018 Port-Wide Pavement Maintenance Project at Crow Butte Park.

6. **RESOLUTION 18-17:** A Resolution accepting work completed by M. Campbell & Company, Inc. for the Richland sites HVAC Replacement Project, which included replacing HVAC units at multi-tenant buildings in the Technology and Business Campus, Technology and Enterprise Center and the Richland Business Park.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission approving Resolution 18-17, Accepting work completed by M. Campbell & Company, Inc. for the Richland sites HVAC Replacement Project, which included replacing HVAC units at the Technology and Business Campus, Technology and Enterprise Center and the Richland Business Park.

- D. **COMMISSIONER COMMENTS:** Commissioner Hagarty discussed her attendance at the Pacific Northwest Waterways Association (PNWA) Conference, the Prosser Chamber of Commerce and the SR224 Safety Meeting. She reminded everyone the Walter Clore Wine and Culinary Center Legends of Washington Wine Country Event will be held August 10, 2018. She reported the City of Prosser has collected a 10% increase in sales tax.

Commissioner Larson also commented on his attendance at the PNWA summer conference and highlighted the tariffs between the United States and China. He also attended the Association of Pacific Ports (APP) Annual Meeting and will attend the Benton Franklin Council of Governments (BFCOG) Policy Advisory Committee (PAC) Meeting with Commissioner Roy Keck on July 12.

Commissioner Keck commented on his attendance at the PNWA summer conference, where the 2018 Riverfest event was highlighted. He also attended the APP Annual Meeting, stating that Canada has taken ownership of their rail service companies.

- E. **COUNSEL COMMENTS:** Counsel discussed the proposed tariff from TCRY and the Commissioners recommended a clarifying letter be sent to TCRY soon. Counsel stated the remainder of his comments were reserved for the Executive Session.

- F. **EXECUTIVE DIRECTOR COMMENTS:** The Executive Director discussed Northwest Open Access Network (NoaNet) and their extension of fiber to serve additional locations at the Richland Airport, including on Butler Loop. The cost to extend this contract for a fourth year is \$38,525.

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 a contract amendment with NoaNet for a fourth year to serve fiber locations at the Richland Airport, including Butler Loop at an additional cost of \$38,525.

The Executive Director discussed the City of Richland Utility Easements needed for the development along the north Hangars at the Richland Airport. The Port installed water, sewer and electrical lines served by the City of Richland. The City requires that these utilities be located within a public easement for the City to take over long-term maintenance of these utilities.

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 City of Richland Utility Easements needed for the development along the north Hangars at the Richland Airport. The Port installed water, sewer and electrical lines served by the City of Richland. The City requires that these utilities be located within a public easement for the City to take over long term maintenance of these utilities.

The Executive Director discussed the Federal Aviation Administration (FAA) grant monies. The Port is requesting pre authorization for Richland Airport AIP 30, helipad, original grant amount of \$260,000, with an increase in grant amount of \$155,467, for a total revised amount of \$415,467 and Prosser Airport, AIP 18, SE Hangar taxi lane and gate construction original grant amount of \$281,109, with an increase in grant amount of \$49,660, for a total revised amount of \$330,769.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission authorizing the Executive Director, once the increased grant amounts are approved, to execute the FAA grant agreement for AIP 30, for a total of \$415,467; authorizing the Executive Director to execute FAA Grant agreement for AIP 18 for a total of \$330,769; authorizing the Executive Director to execute Construction contract including additive option 1A with Selland Construction Inc., for \$448,247.36 for AIP 17 & 18 and authorizing the Executive Director to execute Construction contract with Selland Construction, Inc. for \$401,629.95 for AIP 30.

The Executive Director discussed options for the Richland Airport entrance project, specifically for the partition fence. The basalt columns and monument signs have already been placed. The fence has a thirty year warranty and cost is \$100,000, which includes JUB's additional engineering costs and additional surveying and fence installation.

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 necessary documents with JUB Engineering to proceed with the partition fence. The fence has a thirty year warranty and cost is \$100,000, which includes JUB's additional engineering costs and additional surveying and fence installation.

The Executive Director discussed the proposed offer by SIGN for purchase of the building and land located at 451 Hills Street. The Commission directed the Executive Director and staff to continue negotiations.

G. STAFF INFORMATION REPORTS:

COMMUNICATIONS AND MARKETING: The Director of Marketing advised he is marketing the new development building in Vintners Village in the Discover Washington Wines website. The Port will be able to update pictures of the new buildings as construction progresses.

GRANTS: The Grants Status report was reviewed. The Director of Economic Development and Governmental Affairs discussed the i6 Challenge Grant package with FUSE and the continued negotiations with Maritime Administration for Richland Innovation Center (RIC).

GOVERNMENTAL AFFAIRS: The Director of Economic Development and Governmental Affairs updated the Commission on her projects. She also stated she will be attending the WPPA Legislative Meeting on July 31, to discuss: restoration of Local Revitalization Financing (LRF), update on .09 tax dollars and the Innovation Partnership Zone (IPZ).

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 Downtown 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, July 11, 2018, Port Commission by unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 04420 through 04480 totaling \$118,120.83 and General Expense Warrants numbered 068701 through 068884 totaling \$1,188,247.67 from the General Expense Fund.

The Director of Finance provided a construction budget update for both the Vintners Village and Chukar Cherry buildings. He also advised the state auditor will begin audit of the Port of Benton in August.

J. EXECUTIVE SESSION: The regular Commission Meeting was recessed at 10:30 a.m. and an Executive Session was convened to discuss potential and ongoing litigation pursuant to RCW 42.30.110 (1)(i). The Commission announced the Executive session would last no longer than sixty (60) minutes. At 11:30 a.m., the Commission announced the Executive Session would continue for another thirty (30) minutes. The Executive Session was adjourned at 12:00 p.m. and the regular Commission Meeting was reconvened.

K. ADJOURNMENT: With no further business, the meeting was adjourned at 12:01 p.m.

Robert D. Larson,
Commission Secretary