

**PORT OF BENTON
COMMISSION MEETING MINUTES
AUGUST 14, 2019**

- 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 Interim Executive Director, Diahann Howard, PPM®; Director of Finance, Stuart Dezember, CPA, PPM®; Director of Real Estate, Teresa Hancock; Director of Communications and Marketing, Wally Williams; Director of Special Projects, John Haakenson, Port Counsel, David Billetdeaux and Administrative Assistant, Kelly Thompson. Also, in attendance were Joe Jacobs, Chuck Larson, Devin Alder, Herb Brayton, Clif Dyer, Scott Keller, Cannon Hill, Gareth Nisbett, Caroline Stites and Carl Caldwell.
- B. PLEDGE OF ALLEGIANCE:** Robert Larson 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 July 10, 2019, Commission Meeting Minutes and the voucher certification.
 - 2. UNSCHEDULED BUSINESS/VISITORS:** Scott Keller asked three questions: 1. Where was the Director of Airports, to which Counsel answered he had resigned approximately ten days ago; 2. Why was the RFP advertised for the Port's Strategic Plan in the Tri City Herald, to which the Interim Executive Director replied it was an RFQ and was requested by the Commission. It will be used to develop a strategic plan and assists in the Port receiving grants in alignment with the budget process; 3. Were there any issues of compliance with Richland Airport tenants that needed to be addressed, to which the Interim Executive Director stated there were none known at this time and the Port is continuing to research Federal Aviation Administration (FAA) Guidelines, provided at the Washington Airport Managers Association (WAMA) spring conference and work with Chuck Larson of JUB Engineers to address any issues. Cannon Hill and Herb Brayton both asked to be included in future discussions regarding the Port's Richland Airport Master Plan Update. Clif Dyer, Richland Airport Fixed Base Operator (FBO) thanked the Port for the support at the airport and continuing to grow and develop it.
 - 3. DIRECTOR OF FINANCE REPORT:** 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 and was approved in the consent agenda. Port Commission by

unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 5182 through 5238 totaling \$121,220.02 and General Expense Warrants numbered 71145 through 71371 totaling \$804,501.16 from the General Expense Fund.

The Director of Finance provided a report on Crow Butte Income and Expenses from January of 2016 to July 31, 2019 and explained the decrease in revenue due to the website crashing and being inoperable for four months in 2018. The Commission asked if payments could only be received via credit card. Both credit card and cash payments are accepted at this time, although it is noted that credit card payment is the preferred method. The state auditors have selected Crow Butte Park revenues as part of their annual audit.

The Interim Executive Director thanked the Director of Special Projects and maintenance staff for their dedication and effort at Crow Butte Park this season.

The Director of Finance stated he recently attended the MY-TRI 2030 Conference, where the focus was on life. He also stated the Richland Innovation Center land transfer is complete and the Port paid \$3.0M for the release of deed restrictions on the 71.15 acres.

4. **RESOLUTION 19-19, AUTHORIZATION OF WAUTOMA WINE LEASE:** The Director of Real Estate stated the effective date of lease would commence August 1, 2019 for 3,235 square feet at 236 Port Avenue, Prosser Washington for a term of five years with one (1) five-year option to extend. The rent is stair stepped: year 1, \$6.50 per square foot , year 3, \$7.00 per square foot and year 5, \$7.25 per square foot, with the option term being evaluated for Fair Market Value (FMV) at that time. First year rent is \$1,752.29 plus leasehold excise tax of \$224.99, for a total of \$1,977.28 per month. Tenant has agreed to construct approximately \$100,000 in tenant improvements, including taxes and permits.

A Motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission, approving Resolution 19-19 for the Wautoma Springs lease.

5. **REVIEW AND ADOPT CONFERENCE ROOM POLICY:** Counsel recommended that the Port Commission adopt the proposed Conference Room Policy. The Port will not allow a private or for profit entity to use its conference rooms, so as not to compete with the private sector. Non-profits will fill out a form and submit it in advance to reserve a room.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission, approving the proposed Conference Room Use Policy.

6. **REVIEW AND ADOPT COMMISSION MEETING DATES:** The Interim Executive Director discussed adding a second Commission Meeting. The next two months are scheduled for August 26 and September 19. October already has a regular Commission Meeting scheduled for October 23 and a Special Commission Meeting Budget Workshop scheduled for October 30. Due to two holidays and Commission/staff travel, there is one commission meeting scheduled for November 13, and will include public hearings on both the 2020 budget and the 2020 Comprehensive Plan of Harbor Improvements.

A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving holding two Commission Meetings a month, for the months of May–October, if needed.

7. **MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN BATTELLE MEMORIAL INSTITUTE, PORT OF BENTON, TRI CITIES RESEARCH DISTRICT, WASHINGTON STATE INNOVATION PARTNERSHIP ZONE (IPZ), COLUMBIA BASIN COLLEGE, WASHINGTON STATE UNIVERSITY-TC:** The Interim Executive Director explained that this is a renewal of an existing MOU and the Port is the IPZ zone administrator. There are no changes to this MOU.

A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving renewal of the Memorandum of Understanding (MOU) between Battelle Memorial Institute, Port of Benton, Tri Cities Research District, Washington State Innovation Partnership Zone, Columbia Basin College and Washington State University, Tri-Cities.

8. **AGREEMENT FOR PROFESSIONAL SERVICES WITH JUB ENGINEERS FOR THE RICHLAND AIRPORT MASTER PLAN UPDATE AIP 3-53-0056-031, RESOLUTION 19-20:** The Interim Executive Director discussed the Richland Airport Master Plan Update and reviewed the agreement with JUB Engineers, effective August 14, 2019 through December 31, 2021 in an amount not to exceed \$473,117.31. Chuck Larson, JUB Engineers, explained this is for professional services planning and has a timeline of 18-24 months to complete. The aerial photo needs to be taken soon showing trees (with leaves). This process will include multiple airport users, public involvement and feedback. Both Public and Technical Advisory Committees will be formed, and public meetings held to fulfill compliance requirements.

A Motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission, approving Resolution 19-20, Authorizing the Interim Executive Director to execute the necessary forms and documents with JUB Engineers for the Richland Airport Master Plan Update, AIP 3-53-0056-031, agreement with JUB Engineers, effective August 14, 2019 through December 31, 2021 in an amount not to exceed \$473,117.31.

- 9. AGREEMENT FOR PROFESSIONAL SERVICES WITH JUB ENGINEERS FOR THE PROSSER EAST END HANGAR TAXILANE DESIGN AIP 3-53-0050-019, RESOLUTION 19-21:** The Interim Executive Director discussed the agreement with JUB Engineers for professional services on the Prosser Airport East End Hangar Taxi lane design project, in effect August 14, 2019, through December 31, 2021, in an amount not to exceed \$63,030.

A Motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission, approving Resolution 19-21, Authorizing the Interim Executive Director to execute the necessary forms and documents with JUB Engineers for the Prosser Airport East End Hangar Taxi lane design project, in effect August 14, 2019, through December 31, 2021 in an amount not to exceed \$63,030.

- 10. APPROVAL OF INTERNET CONTRUCTION AT VINTNERS VILLAGE:** The Interim Executive Director requested Commission approval for the extension of internet services to the Prosser Vintners Village, for a cost not to exceed \$65,000.

A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission authorizing the Interim Executive Director to execute the necessary documents to provide internet services to Prosser Vintners Village, for a cost not to exceed \$65,000.

- 11. APPROVAL FOR PAVEMENT MAINTENANCE: AWARD RECOMMENDATION AND NOTICE OF AWARD RESOLUTION 19-22:** The Director of Special Projects explained the yearly Port-wide pavement Maintenance project was properly advertised with approved plans and specifications made available to prospective bidders. Central Paving, LLC was the low bidder.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission authorizing the Interim Executive Director to execute the necessary documents to award the 2019 pavement maintenance project contract to Central Paving, LLC, not to exceed \$267,750.

- 12. PROPOSED AMENDMENT TO VIBRAGENIX LEASE:** The Interim Executive Director discussed the need for continued communication on this lease, as it involves assembly and manufacturing in the building located at 3100 George Washington Way. The amendment will permit them to continue operations, absent of loud power tools, noise, vibrations and odors from said use, excluding business hours through end of lease on a monitored basis. Commissioner Jane Hagarty expressed her concerns to have Port Staff ensure no impact to other tenants within the facility.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission authorizing the Interim Executive Director to execute the necessary documents to execute the lease amendment for VIBRAGENIX which will provide an eighteen (18) month term, with a lease review every six (6) months. The amendment will permit them to continue operations, absent of loud power tools, noise, vibrations and odors on a monitored basis.

- D. COMMISSIONER COMMENTS:** Commissioner Robert Larson stated he attended the Tri City Legislative Reception. He advised both he and the Director of Real Estate attended the meeting with Senator Patty Murray, and he attended the Legends of Washington Wine Country at the Walter Clore Wine and Culinary Center

Commissioner Jane Hagarty stated she was unable to attend both the recently held Prosser Economic Development Association (PEDA) and Legends of Washington Wine Country events. She planned to attend the Chamber of Commerce meeting scheduled for August 15, 2019.

Commissioner Roy Keck attended the monthly TRIDEC meeting and advised that the Director, Carl Adrian has announced his retirement later this year. He thanked both the Interim Executive Director and Chuck Larson for following up on his information request regarding usage rates for hangars and compliance at both airports.

- E. COUNSEL COMMENTS:** Counsel advised he is researching the Employee Assistance Program (EAP) available to Port employees through the State of Washington. The EAP provides confidential counseling for employees experiencing addiction problems, workplace harassment, legal and financial problems, etc. Further information and possibly a signed contract will be presented at the August 26, 2019, Commission Meeting.

The Surface Transportation Board has not ruled yet. TCRY made a new filing in the matter. The Port will respond in kind.

Randolph Peterson is scheduled to be deposed on September 4 and 5, 2019, in the Commission Meeting Room at 3250 Port of Benton Boulevard, Richland, Washington, as part of the ongoing Qui Tam litigation.

Counsel stated he attended the Port of Kennewick's Special Commission Meeting, which centered on the investigation into Commissioner misconduct.

Counsel stated the remainder of his comments were reserved for Executive Session.

F. INTERIM EXECUTIVE DIRECTOR COMMENTS: The Interim Executive Director discussed the Washington Economic Development Association (WEDA) conference she recently attended and presented.

She also briefed the Commission on the Association of Washington Business (AWB) conference she will be attending next week.

The Interim Executive Director discussed the Port Commission request for Federal Aviation Administration (FAA) Compliance knowledge and advised Chuck Larson would present at the next Commission Meeting.

The Interim Executive Director discussed team training and bringing in Janice Corbin to Support these efforts and screen applications for new employment.

G. STAFF INFORMATION REPORTS:

COMMUNICATIONS AND MARKETING: The Director of Marketing reported on beginning the fall newsletter and working with Rochelle Olsen on new branding items (brochures, newsletter and site sheets). He reminded everyone the Wings and Wheels Event will be held this Saturday.

GRANTS: The updated copy of the Grants Status report was reviewed. The Interim Executive Director stated the Port has received a grant in the amount of \$63,000 for the Prosser Airport Design taxiway. She also stated the Port wants to apply for a CERB grant for \$50,000 for stormwater. This amount plus \$75,000 from the Port and \$75,000 from the City of Richland will assist in providing a more detailed plan on how stormwater needs to be managed on this property.

GOVERNMENTAL AFFAIRS: The Interim Executive Director provided an update on her Projects. She stated the tour for Port of Sunnyside has been postponed to September. She has advised of a joint City/Port of Benton tour, which is scheduled for September 16, 2019 from 3:00 p.m. to 5:00 p.m.

SITES UPDATE: Blue Star Enterprises, a tenant at the Richland Airport has provided the Port with their termination notice. The Director of Real Estate stated there was some mold discovered in the building, but it has been addressed and monitored by a local restoration company and found not to be hazardous. When tenant has fully vacated the building, the Port will have the entire interior of the building renovated as necessary.

The Interim Executive Director stated the cost of the decorative archway plane at the entrance of the Richland Airport has come back at \$280,000 a cost over the budgeted amount of \$150,000. This will be addressed in October at the budget workshop where the 2020 budget will begin to be developed.

The Interim Executive Director advised the Commission the Port's 1,641 acres in the Horn Rapids Industrial Park is not currently annexed into the City of Richland. Plans are under way by the City for this action. Currently, the Port will need to enter an agreement with the City of Richland Fire Department, in order to ensure coverage for fire and other emergency services.

- H. EXECUTIVE SESSION:** The regular Commission Meeting was recessed at 10:45 a.m. and an Executive Session was convened to discuss On-going and/or Potential Litigation pursuant to RCW 42.30.110 (1)(i) and Personnel Matters pursuant to RCW 42.30.110 (1)(g). The Commission announced the Executive Session would last no longer than sixty (60) minutes. At 11:45 a.m. the Commission announced the Executive Session would last an additional twenty (20) minutes. At 12:05 p.m. the Commission announced the Executive Session would last an additional ten (10) minutes. At 12:15 p.m. the Commission announced the Executive Session would last an additional five minutes. The Executive Session was adjourned at 12:20 p.m. and the regular Commission Meeting was reconvened.
- I. A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission authorizing a temporary increase in the Interim Executive Director's salary commensurate with increased job responsibilities, to \$140,000 per year, this salary amount will be either increased, decreased or remain the same after the final selection has been made for Port Executive Director.**

A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission authorizing an increase in Port Counsel's salary commensurate with increased job responsibilities, for an additional \$15,000 per year.

- J. ADJOURNMENT:** With no further business, the meeting was adjourned at 12:25 p.m.

Robert D. Larson,
Commission Secretary