

**PORT OF BENTON**  
**COMMISSION MEETING MINUTES**  
**July 27, 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 B. Dezember; Director of Airports, John Haakenson; Director of Maintenance, Kevin Howard; Director of Governmental Affairs and Economic Development, Diahann Howard; Director of Real Estate, Teresa Hancock; Administrative Assistant, Kelly Thompson; Director of Communications and Marketing, Wally Williams and Port Counsel, Tom Cowan. Also in attendance were Chuck Larson, Ben Volk, Kris Johnson, Tom Lavoy, Clay O’Laughlin, Doc Hastings, Gary Petersen, Brad Fisher, Terry Christensen, Suzanne Mitchell, Dave Stockdale, Dan Deckert and Stan Jones.
- B. PLEDGE OF ALLEGIANCE:** Stuart B. Dezember, CPA, led those present in reciting the Pledge of Allegiance.
- C. CURRENT BUSINESS:**
- 1. CONSENT ITEMS:** A motion was made by Commissioner Hagarty, seconded by Commissioner Larson and unanimously passed by the Commission approving the June 8, 2016, Commission Meeting Minutes, the June 21, 2016 Special Commission Meeting Minutes, Resolution 16-15, Accepting Work Completed by Moreno and Nelson Construction Corporation for the Crow Butte Park Play Structure & Improvements and Resolution 16-16, to cancel Warrant No. 64110, in the amount of \$6,040.00.
  - 2. UNSCHEDULED BUSINESS/VISITORS:** Dan Deckert, Benton City Car Show Spring Opener, thanked the Commission for their continued support and presented the Port with plaque.  
  
Terry Christensen, City of Richland Mayor Pro Tem, stated he attended the Kadlec Medical Center Ribbon Cutting Ceremony for the new parking garage, scheduled to open August 1, 2016.
  - 3. CITY OF PROSSER:** Dave Stockdale, City Administrator, introduced himself and stated he is excited about the partnership between the Port and the City. The City Council has recently completed a draft of their goals and will seek public comment before finalizing. They have just completed expansion of their wastewater system.
  - 4. COLUMBA RIVER SHORELINE UPDATE:** Gary Peterson, former Congressman Doc Hastings and Brad Fisher discussed the 34 miles of shoreline property along the Columbia River they are working to have returned to local control from the federal government. They requested formal support from the Port Commission. The Commission stated they would like to follow up with their partners.
  - 5. ISORAY:** The Director of Economic Development and Governmental Affairs provided an overview of their current development plans and timeline for the

Commission. Tom Lavoy, CEO of Isoray, explained Isoray has invested \$200,000 in plans for the building. The building plans are moving forward but have reached a delay due to the additional work needed to increase the building size to 25,000 square feet. Mr. Lavoy advised that a new product line was being developed, which necessitated expanding the building size. As a result they are requesting an amendment to the development plan, architect schedule reflects a November 21, 2016, groundbreaking.

**A motion was made by Commissioner Larson, seconded by Commissioner Hagarty and unanimously passed by the Commission approving an amendment to the Isoray development plan with construction to start on or before January 31, 2017.**

6. **JOINT MASTER PLAN UPDATE:** Ben Volk, JUB Engineers, provided an update on the capital facilities plan and master plan for the City and Port of Benton for the recently transferred 1,341 acres. The facilities plan needs to be completed by December 31, 2016, in order to apply for a change to the Urban Growth Area, master plan will follow.
7. **AIRPORT RULES AND REGULATIONS UPDATE:** Chuck Larson, JUB Engineers, presented a draft document for Commission and staff review. He reviewed both the aeronautical and non-aeronautical uses. Revisions will be made and a public open house will be held to accept questions and comments. A public hearing will be scheduled at a later date before the Commission adopts these formal rules.
8. **PAVEMENT MAINTENANCE:** Chuck Larson, JUB Engineers, provided an update on the Port's Pavement Maintenance Plan. He outlined sites and projects for the next five years. He recommended crack sealing every two years as a preventative measure to insure roads do not further deteriorate. Seal or slurry/micro seal coating is then applied at a later date. The Commission agreed with the concept that the yearly budget for pavement maintenance should be raised to a minimum of \$250,000.

**D. COMMISSIONER COMMENTS:**

Commissioner Larson commented on the series "THE RUNNER" having an episode filmed at the Port's USS Triton Sail Park. He also commented on his attendance at the Association of Pacific Ports (APP) Conference.

Commissioner Hagarty commented on her attendance at Prosser Economic Development Association (PEDA), Signage Committee and the Chamber of Commerce Meetings. She reminded everyone that the Legends of Washington Wine Country will be held at Walter Clore Wine and Culinary Center, Friday, August 12, 2016.

Commissioner Keck commented on his attendance at the APP Conference. The primary focus at the conference was on developing a Vertical Integrated Program, providing education opportunities for students of high school and college age with Ports and Port tenants. This program will focus on training and retaining manufacturing/trucking jobs and other port-related jobs within local communities.

**E. COUNSEL COMMENTS:** Counsel updated the Commission on the status of the closing of the sale of land to Ingredion; the sale of the former M.A. West building to Jason Henning, the owner of West Coast Auto and the pending Ground Lease with the Port; and the Crossing Agreement among the Port, the City of Richland and Tri-City Railroad Company.

**F. EXECUTIVE DIRECTOR COMMENTS:** The Executive Director discussed the tenant/partner appreciation bbqs held last week in Richland and Prosser. They were both well attended and the Prosser bbq was held for the first time at the Walter Clore Wine and Culinary Center.

The Executive Director also discussed his attendance at the Washington Public Ports Association (WPPA) Executive Director Seminar. He thanked the Commission for their support.

The Executive Director showed a schematic update of Total Energy Management's development plan for a 21,000 square foot building to be constructed in the Manufacturing Mall.

The Executive Director stated the North Richland Bridge is now being considered for discussion by several entities.

The Executive Director updated the Commission on the impacts of the Local Revitalization Fund (LRF) for the loop track, Fermi Road, Curie Road, Logston utilities and broadband within the Technology and Business Campus (TBC) and the Richland Innovation Center (RIC). The LRF program required that at a minimum, there would be an approximately \$132M in private investment to self-fund repayment of the bond funds. Through 2015, there has already been an additional \$252M of new private investment since the creation of the LRF program.

The Executive Director requested approval of the Port's new lease in the Richland Innovation Center, with Justin Henning, dba West Coast Auto, for a term of five years with four five year renewal options for 1.3 acres at an initial rate of \$5,699, plus leasehold excise tax per year and a surety deposit of \$6,396.90. This lease has been approved by the MARAD per the indenture.

**A motion was made by Commissioner Larson, seconded by Commissioner Hagarty and unanimously passed by the Commission authorizing the Executive Director to execute the lease with Justin Henning, dba West Coast Auto pending the outcome of the bankruptcy court proceedings for a term of five years with four five year renewal options for 1.3 acres at a rate of \$5,699, per year, plus leasehold excise tax per year, with a deposit of \$6,396.90, including Consumer Price Index (CPI) escalators.**

**G. STAFF INFORMATION REPORTS:**

**COMMUNICATIONS AND MARKETING:** The Director of Marketing showed the Commission pictures of the recent activity at the Port's high dock.

**GRANTS:** The Grants Status report was reviewed.

**GOVERNMENTAL AFFAIRS:** The Director of Economic Development and Governmental Affairs discussed the upcoming Energy Community Alliance Conference (ECA) she will be attending in Denver to discuss the Manhattan National Park.

- H. SITE PROJECTS UPDATE:** The Commission was briefed on the Technology and Business Campus, Tri Cities Enterprise Center Building, Manufacturing Mall, Railroad Tract, 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, July 27, 2016, Port Commission by unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 03167 through 03217 totaling \$100,909.02 and General Expense Warrants numbered 063890 through 064134 totaling \$668,502.30 from the General Expense Fund.
- J. EXECUTIVE SESSION:** The regular Commission Meeting was recessed at 12:03 p.m. and an Executive Session was convened to discuss Real Estate Matters pursuant to RCW 42.30.110 (l) (c). The Commission announced the Executive session would last no longer than ten (10) minutes. The Executive Session was adjourned at 12:13 p.m. and the regular Commission Meeting was reconvened.
- K. A motion was made by Commissioner Larson, seconded by Commissioner Hagarty and unanimously passed by the Commission authorizing the Executive Director to execute all documents necessary to purchase the building at 721 9<sup>th</sup> Street, Benton City, Washington for \$88,000, contingent upon inspection and environmental reviews.**
- L. ADJOURNMENT:** With no further business, the meeting was adjourned at 12:15 p.m.

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Robert D. Larson,  
Commission Secretary