

**PORT OF BENTON  
COMMISSION MEETING MINUTES  
JULY 10, 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 Airports, Kevin Howard, CM; Director of Real Estate, Teresa Hancock; Director of Communications and Marketing, Wally Williams; Port Counsel, David Billetdeaux and Administrative Assistant, Kelly Thompson. Also in attendance were LoAnn Ayers, Carl Adrian and Mike Punch.
- 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 Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission approving the June 6, 2019, Special Commission Meeting Minutes, the June 12, 2019, Commission Meeting Minutes, Resolution 19-17, to Cancel Warrant No. 71009, the June, 2019 Voucher Certification and the list of surplus items no longer needed and have been deemed excess to the needs of the Port of Benton.
  - 2. UNSCHEDULED BUSINESS/VISITORS:** Mike Punch, Retter & Company, Sotheby's International Realty, stated he has worked with the Willowpointe Homeowners and developers and asked if the Commission would be interested in selling a parcel of land to the south of the existing development for possible future residential development. The Commission and Interim Executive Director stated the Commission has been asked this question in the past and they have stated they are holding the land for commercial and/or mixed-use development within the business research park.
  - 3. RESOLUTION 19-18, ACCEPTING WORK COMPLETED BY TOLMAN ELECTRIC, INC. FOR THE ELECTRICAL UTILITY EXTENSION AT CROW BUTTE PARK:** The Director of Airports explained that Tolman Electric Inc. completed the 110-volt power meter and installation to the marina and dock.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission approving Resolution 19-18, Accepting Work Completed by Tolman Electric, Inc. for the Electrical Utility Extension at Crow Butte Park.**

4. **APPROVAL TO SELECT HDR ENGINEERING FOR THE 2019 RAILROAD BRIDGE AND CROSSING REPAIR PROJECT:** The Director of Finance explained that the engineering work necessary to complete the Railroad crossing bridge and repair project are very specialized and that an open process was conducted. HDR Engineering has been selected after careful evaluation of their qualifications after an advertised solicitation process was conducted. The Port has received a \$1.5M state grant and a \$250,000 loan with a \$250,00 Port match requirement.

**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 for the approval of the HDR Engineering Contract for the 2019 Railroad Bridge and Crossing Repair Project, contingent on the Washington State Department of Transportation (WSDOT) approval.**

5. **UPDATE ON REQUEST FOR PROPOSALS (RFP) FOR EXECUTIVE DIRECTOR:** Port Counsel provided an update on the RFP for the position of Port of Benton Executive Director. Four firms have submitted proposals.
6. **REVIEW AND POTENTIAL ADOPTION OF THE PUBLIC MEETING ROOM POLICY:** Port Counsel presented a draft for Commission review. This policy would not affect non-profit 501 (C) (3), 501 (C) (5), or 501 (C) (6) agencies using the Port's conference rooms. Tenant usage was discussed and the possible addition of addendums to current leases. A fee of \$25 for the small conference room and \$45 for the large conference room was proposed. The Commissioners requested more research be done to make sure the Port is not competing with local conference/meeting room providers. Counsel will research and bring a revised policy back for approval at the August Commission Meeting.
7. **PORT/DEPARTMENT OF ENERGY (DOE) RAIL STAGING LICENSE UPDATE:** Port Counsel provided an update regarding the City of Richland's proposal for the Horn Rapids Rail Crossing License update. Counsel recommends the Port not sign the license in its current form, as it would hold the Port strictly liable for any injuries, liabilities, etc. Currently the Department of Energy (DOE) holds any liability.
8. **CENSUS UPDATE:** LoAnn Ayers, Tri-City Counts, explained to the Commission the importance of the 2020 Census and that the Tr-Cities depends on accurate reporting in order to receive much needed monies for distribution to many agencies within the community. Some smaller outlying communities/cities are being undercounted.

- 9. TRIDEC:** Carl Adrian provided an update on TRIDEC's activities and stated that TRIDEC continues to recruit clients and partners for economic development. The State of Washington has approved and TRIDEC has disbursed strategic reserve funds to Preferred Freezer. Preferred Freezer has recently been acquired by Lineage Logistics, LLC. He also discussed his attendance at several meetings with the major air carriers to continue to get more service options for the Tri Cities Airport.
- 10. FUSE SPC CONTRACT SECOND AMENDMENT:** The Interim Executive Director and Port Counsel discussed the second amendment to the FUSE SPC Contract. This amendment reflects no change in dollar amount but addresses the Economic Development Association's (EDA) requirements to disclose conflicts of interest, clarifies uses within budget and clears outstanding questions raised by the Port.

**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 for the FUSE Contract Second Amendment.**

- 11. STATE RAIL CONTRACT FRIB-FRAP:** Port Counsel provided an update on Federal, State Rail Assistance Program and HDR Engineering's scope of work to provide tie replacement at Jadwin Rail Bridge Crossing, Berry's Rail Bridge Crossing and Columbia Park Rail Bridge Crossing. This should bring the Railroad into a Class 1 or potentially Class 2 track safety standard ratings in some locations. TCRY, the Port's Operator, has been involved in these projects in the past and will be contacted prior to project commencement.

Port Counsel stated the State Department of Transportation (DOT) was fully informed of all railroad litigation.

**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 for the \$250,000 Loan, the \$1.5M Grant and \$250,000 Port match.**

- 12. PAVEMENT MAINTENANCE UPDATE:** The Director of Airports provided an update and explained the need for crack sealing, seal coating and striping in several of the Port's sites (both streets and parking lots). There is an additional \$50,000 needed to complete these projects in 2019.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission, authorizing the addition of \$50,000 to the pavement maintenance budget for 2019 projects.**

- D. COMMISSIONER COMMENTS:** Commissioner Jane Hagarty stated she and Commissioner Keck attended the Three Rivers Pumped Hydropower Storage Workshop Meeting last month, which highlighted the wind, solar, water balance for users. She also stated she attended the Pacific Northwest Waterways (PNWA) summer conference last month, where the Inland Ports and Navigational Seaports discussed a media effort with a budget that does not cover for all costs.

Commissioner Robert Larson stated he attended the American Association of Port Authorities (AAPA) last month in San Francisco and the Walter Clore Wine and Culinary Center Supper Club. He also reviewed an article from the Tri City Herald, highlighting the retirement of former Executive Director, Scott Keller.

Commissioner Roy Keck stated he attended a roundtable discussion with Berg Farms; the AAPA Commissioner Seminar, where making infrastructure investments during trade uncertainty was discussed by several Ports and the PNWA summer conference where the attendees discussed the United States-Mexico-Canada Agreement (USMCA) replacing the former North American Free Trade Agreement (NAFTA).

- E. COUNSEL COMMENTS:** Port Counsel stated a recent meeting between the attorneys for the Port and the Port's insurance agency went well. He stated the Port won the taxpayer lawsuit brought by Randolph Peterson, approximately two weeks ago. As of this date it has not been appealed. Regarding the federal lawsuit, two of the three attorneys representing TCRY are trying to drop out. The Surface Transportation Board's (STB) decision has not yet been reached. The Ninth (9<sup>th</sup>) Circuit Board of Appeals dismissed TCRY's appeal. The claim has been dismissed regarding the Port's responsibility with any railroad retirement funds. Counsel stated the remainder of his comments were reserved for Executive Session.
- F. INTERIM EXECUTIVE DIRECTOR COMMENTS:** The Interim Executive Director discussed holding two Commission meetings per month beginning in August to accommodate the volume of items for approval and presentations from the public. The Commission agreed to beginning to hold two Commission Meetings per month, beginning in August. The Interim Executive Director also discussed the Port has posted a position for a Facilities Manager. This position will support maintenance and coordinate between the maintenance staff and staff directors.

The Director of Airports discussed the draft copy of the Port's Crisis Communication Plan. The Commissioners were each provided with a copy to review and edit. This plan closely follows safety plans being used by like agencies, school campuses etc. and the Port will implement the RAVE Software System for our emergency notification system for communication with tenants and staff.

## **G. STAFF INFORMATION REPORTS:**

**COMMUNICATIONS AND MARKETING:** The Director of Marketing provided the Commission with the 2019 Port of Benton Event Schedule, including costs, site location and Port participation level (manpower). He also stated Rochelle Olsen will begin working a half a day a week to assist with strategic planning, railroad communication, public relations, marketing, website updates and social media communications. He also provided a draft copy of the 2019 Port of Benton Events. The Commissioners will review and advise if they have any edits at the August Commission Meeting.

The Interim Executive Director stated the Port is reviewing its policy on providing equipment to tenants and partners. In the past, the Port has provided its tables and chairs to several entities for economic development events. The Commission agreed the Port should not provide equipment, tables, chairs etc. to tenants or partners in the future.

**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.

**GOVERNMENTAL AFFAIRS:** The Interim Executive Director provided an update on her Projects. She stated that she received a request from the Port of Sunnyside for a tour for their Commissioners and Executive Director of north Richland sites. The Administrative Assistant will work with both Ports to coordinate this tour. She also informed the Commission the Port would host PNNL visitors from Fukushima, Japan, on July 24, 2019 from 10:00 a.m. to 12:00 p.m. and invited them to attend. The Interim Executive Director stated she would be attending and speaking at the upcoming Washington Economic Development Association (WEDA) summer meeting, August 7 -8, 2019.

**SITES UPDATE:** The Commission was briefed on the Prosser Vintners Village, Prosser Wine and Food Park, Prosser Airport, Walter Clore Wine and Culinary Center, Richland Airport, Technology and Business Campus, Tri-Cities Enterprise Center, Richland Innovation Center, Richland Business Park, Horn Rapids Industrial Park (1,341 acres), Railroad, Benton City Properties and Crow Butte Park.

The Director of Airports stated the demolition of the house at 1101 Steele Road is complete. This is the last home to be removed per the FAA requirements. He also stated the Port received a letter from the Department of Ecology on the former Marv Bonney site, stating there will be no further sampling required to submit. They are satisfied the arsenic has now returned to background concentrations.

The Director of Real Estate informed the Commission of a revision to a new lease for Riversedge Investment. The ground lease originally was for one (1) ten-year term with two (2) ten-year renewal options. The Company has requested a revision to reflect one (1) twenty-year term and one (1) ten-year renewal option.

The Interim Executive Director stated that Trevor Macduff, STEM Instruction, Leadership Arts and Servanthood (SILAS) Hanford Reach Solar System Project requested to place two basalt columns on Port Property to represent the planets in the galaxy. One would be placed at the USS TRITON Sail Park, the other at the Prosser Wine and Food Park. The Commission agreed to this request.

- H. 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 05120 through 05181 totaling \$160,965.20 and General Expense Warrants numbered 070946 through 071144 totaling \$970,045.18 from the General Expense Fund.

The State Auditor is scheduled to be on site the next several weeks and staff will be assisting in that effort. The format change for the budget report was presented to the Commission and the 2020 budget will be prepared under the new format.

- I. EXECUTIVE SESSION:** The regular Commission Meeting was recessed at 12:45 p.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 forty-five (45) minutes. At 1:30 p.m. the Commission announced the Executive Session would last an additional thirty minutes. At 2:00 p.m. The Commission announced the Executive Session would last an additional thirty minutes. The Executive Session was adjourned at 2:30 p.m. and the regular Commission Meeting was reconvened.
- J. A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission authorizing Port Counsel to execute the necessary documents with Prothman & Associates and execute a contract, not to exceed \$25,800. If an agreed contract cannot be reached in a reasonable time, Port Counsel is authorized to negotiate with Harvard Group International, to execute a contract, in an amount not to exceed \$25,800.**
- K. ADJOURNMENT:** With no further business, the meeting was adjourned at 2:32 p.m.

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Robert D. Larson,  
Commission Secretary