

ORIGINAL

**PORT OF BENTON
COMMISSION MEETING MINUTES
February 12, 2020**

- 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, Diahann Howard, PPM®; Director of Finance, Stuart Dezember, CPA, PPM®; Port Counsel, David Billetdeaux; Director of Real Estate, Teresa Hancock; Director of Marketing, Wally Williams; Director of Special Projects, John Haakenson; Airport Manager, Joe Walker and Administrative Assistant, Kelly Thompson. Also, in attendance were Randy Slovic, Clif Dyer, Nicole Stickney, Miles Thomas, Ron Boninger, Wendy Culverwell, Taylor Hillo and Terry Christensen.
- B. PLEDGE OF ALLEGIANCE:** Joe Walker led those present in reciting the Pledge of Allegiance.
- C. CONSENT ITEMS:** A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the January 8, 2020 Commission Meeting Minutes and the February 3, 2020 Special Commission Meeting Minutes.
- D. CURRENT BUSINESS:**
- 1. UNSCHEDULED BUSINESS/VISITORS:** Terry Christensen, City of Richland Council member, and Port of Benton Liaison, stated the City is considering holding the Atomic Frontier Day as an annual event. He asked the Port Commission if they would be interested in partnering with the City.
 - 2. BENTON CITY SPRING OPENER:** Dan Deckert, Benton City Spring Car and Bike Show, sent a letter which was read aloud by Commissioner Roy Keck, thanking the Port Commission and staff for their years of partnership and dedication to this event, which funded local community schools' sports programs for the past 14 years. Due to a combination of health issues, lack of funding and volunteers, this event will no longer be held. Commissioner Roy Keck thanked the Director of Special Projects for his support from the beginning of this event.
 - 3. FUSE FUND PRESENTATION:** Ron Boninger, CEO of Carbitex, thanked the Commission for the Port's being a catalyst in assisting FUSE to secure the EDA i6 grant. FUSE currently has 21 local investors who have committed cash to invest in approximately 20 local seed companies. TRIDEC was the first institution (non-individual) investor at \$100,000. The first investments have been made for seed capital, over 20 companies have inquired. Commissioner Jane Hagarty asked Mr.

Boninger to define “local investments.” He stated they do try to stay within the Tri Cities region (also encompassing West Richland and Prosser). The Executive Director stated the monies are to be used in both Franklin and Benton Counties, per the grant application. Mr. Boninger also reminded everyone that LAUNCH Weekend is scheduled for April 24. This event begins on Friday night with local entrepreneurs pitching ideas and ends on Sunday evening with companies being formed.

- 4. THIRD AMENDMENT TO CONSULTING CONTRACT WITH FUSE SPC:** The Executive Director explained the EDA i6 Challenge Grant was awarded to the Port of Benton for \$300,000 with a cost match for an additional \$300,000. The Port’s share is provided as in-kind services with staff time. FUSE SPC was the contractor that was selected to perform services for the Port. The Port is proposing a contract amendment for an additional net increase of \$62,509, (\$48,622 of non-federal cost share and \$13,887 federal reimbursable) for a total contract with FUSE of \$536,000.

A Motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission authorizing the approval of the third amendment to the Consulting Contract with FUSE SPC, in the total amount of \$536,000.

- 5. SELECTION AND APPROVAL OF CONSULTANT CONTRACTS:** The Director of Finance discussed the Port’s 2020 Consultant Contracts and explained the process of advertising for qualifications, receipt and subsequent review and separate grading of submissions.

JUB Engineers, Inc. has been selected for the following: Yearly Pavement Maintenance in the amount of \$59,000, Richland Airport General Engineering in the amount of \$45,000 and Prosser Airport General Engineering in the amount of \$25,000.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the selection of JUB Engineers, Inc. and authorizing the Executive Director to execute contracts for the following: Yearly Pavement Maintenance in the amount of \$59,000, Richland Airport General Engineering in the amount of \$45,000 and Prosser Airport General Engineering in the amount of \$25,000.

RGW Enterprises, PC, has been selected for the 2020 Engineering Contract in the amount of \$140,000 and Stan Stinson has been selected for the 2020 Construction Management and Construction Support in the amount of \$50,000.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the selection of and authorizing the Executive Director to execute a contract with RGW Enterprises, PC,

for the 2020 Engineering Contract in the amount of \$140,000 and the selection of and authorizing the Executive Director to execute a contract with Stan Stinson for the 2020 Construction Management and Construction Support in the amount of \$50,000.

WHPacific, Inc. has been selected for a one-year Airport Engineering Contract for 2020. The Port will review this contract annually.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the selection of and authorizing the Executive Director to execute a contract with WHPacific, Inc. for the one-year Airport Engineering Contract for the year 2020. The Port will review this contract annually.

Community Planning and Resources has been selected as the Economic Development Consultant in the amount of \$12,250 monthly/\$147,000 annually, with additional costs billed at \$160 per hour.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the selection of and authorizing the Executive Director to execute a contract with Community Planning and Resources for the Economic Development Consultant in the amount of \$12,250 monthly/\$147,000 annually, with additional costs billed at \$160 per hour.

- 6. APPROVAL OF INTERLOCAL AGREEMENT, TERMINATION OF LEASE AND DEED OF CONVEYANCE WITH THE CITY OF RICHLAND FOR THE 1.67 ACRES OF PROPERTY AND IMPROVEMENTS LOCATED AT 1975-1979 SAINT STREET:** The Director of Real Estate explained the City of Richland is better suited to take possession of this property and handle the ingress/egress issues as well as remove an existing building. This property is considered surplus to the Port.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the Interlocal Agreement with the City of Richland, Termination of Lease and Deed of Conveyance for 1.67 acres of property and improvements located at 1975-1979 Saint Street.

- 7. RESOLUTION 20-04, CROW BUTTE 2020 MASTERPLAN AND OPEN SPACES:** The Executive Director introduced Nicole Stickney, AHBL, Inc., who conducted a survey regarding Crow Butte Park and updated the Crow Butte Master Plan and Open Spaces. The Port is required to keep this master plan updated as grant dollars have been received and applied for to the State Recreation and Conservation Office (RCO).

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Resolution 20-04, Adopting the Crow Butte Park 2020 Master Plan and Open Spaces.

The Director of Special Projects provided an update on the planned sewer maintenance and tree trimming projects at Crow Butte Park. The Executive Director thanked the Director of Special Projects, the Deputy Auditor, Port Counsel and the maintenance staff for the on-going efforts in the Park's maintenance. She also stated there will be a new team of six (three sets of camp hosts) to begin the 2020 season.

- 8. RESOLUTION 20-05, ACCEPTING WORK COMPLETED BY SELLAND CONSTRUCTION, INC. FOR THE RICHLAND AIRPORT HELICOPTER PARKING APRON AND PROSSER AIRPORT SOUTHEAST HANGAR TAXILANE AND ELECTRONIC GATE PROJECT:** The Director of Finance stated JUB Engineers, Inc. sent a letter stating the work is complete.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 20-05, Accepting Work Completed by Selland Construction, Inc. for the Richland Airport Helicopter Parking Apron and Prosser Airport Southeast Hangar Taxi lane and Electronic Gate Project.

- E. COMMISSIONER COMMENTS:** Commissioner Roy Keck commented on his attendance at the recently held Association of Pacific Ports (APP) Annual Meeting where the new Executive Director, Jane McIvor, was introduced. An Executive Board was formed and posed questions on training relevance and expenses. She has assured the board that she will consider all concerns and Commissioner Keck wishes to continue the Port's support of APP for at least one more year. He attended the Washington Public Ports Association "Port Day" in Olympia in January. While in Olympia he also attended several legislative meetings and the Tri City Legislative Reception. He also stated he attended the TRIDEC board meeting and has met the new CEO, Karl Dye.

Commissioner Robert Larson commented on the Washington Public Disclosure Commission and stated he has completed his request for 2020 documents. He is also working with Director of Marketing on the Port's video for the Tri City Area Chamber of Commerce's State of the Port's meeting, which will be held on February 26. Commissioner Larson and the Executive Director will provide the Port's presentation.

Commissioner Jane Hagarty commented on the Prosser Economic Development Association (PEDA) Annual Awards Dinner. She thanked the Director of Marketing for the Port's centerpiece and stated the event was sold out. She also attended the Tri City Area Chamber of Commerce, Women in Business Conference with the Director of Real Estate and stated it was both well organized and well attended. She was attending a Prosser Business Recruitment meeting later today. She reminded everyone Deb Heintz,

Executive Director of PEDDA, was retiring at the end of April. She also stated that PEDDA received an award from the Washington Economic Development Association (WEDA) for their successful creativity of filling the vacant ShopKo building with the Lep-Re-Kon owned Harvest Foods; they were able to renovate the existing building and use for a full service grocery store.

- F. COUNSEL COMMENTS:** Counsel updated the Commission on the increased complaints being received regarding the Jadwin, Duportail, Swift and Van Giesen rail crossings. He responds to these complaints stating that TCRY is our tenant and their contact information. He also advises the complainants the Port has applied for grant dollars to repair/replace the crossings but as of this date we have not received. He updated the Commission on the federal lawsuit with TCRY, stating the City of Richland has been dismissed from the case.

Port Counsel also stated the Port will need to update its State Environmental Policy Act (SEPA). Once this is complete, the Port will be able to act as its own lead agency on its projects.

Port Counsel also provided an update on Port property located at 2019 Butler Loop, formerly occupied by Blue Star, at the Richland Airport. The Port has retained Shannon and Wilson to monitor the site as excavation of additional materials are removed.

Port Counsel is reviewing state policies on both electric and smart vehicles as well as charging stations. He will continue to research and provide updates.

- G. EXECUTIVE DIRECTOR COMMENTS:** The Executive Director discussed a recent meeting held with the Port, City of Richland and Bonneville Power Association highlighting efforts in North Richland, where over 700 megawatts are being added to the regional system.

The Executive Director asked for clarification on a future Wings and Wheels Event. She presented a budget of the 2019 event, outlining Port expenses, including staff time and cost. She advised she would like to call a meeting with all partners to determine interest and other's roles in financing/sponsoring several portions of the event. Commissioner Roy Keck stated this event caused an overrun on the Port's 2019 Budget and that the Commission was unaware. He compared it to other events and car shows that are diminishing in the community and other communities. He did not feel the cost was justified for the 3,000 members of the community in attendance. He would like to see the Port's costs reduced to that of the Prosser Balloon Rally, Cool Desert Nights and Atomic Frontier Day. Insurance and liability were discussed as the event occurs on a Port site. Commissioner Jane Hagarty stated she would like to see this event transitioned over a two to three-year period, not all at once. Commissioner Robert Larson stated he agreed with Commissioner Hagarty and would like to see the event transitioned over a period from the Port to possible other stakeholders. The Executive Director advised a meeting with stakeholders would be requested.

The Executive Director advised she attended a meeting with The Hanford Reach, B Reactor Tours and WSU-Tri Cities regarding a possible joint venture to construct a new shared building, with space for each of the stakeholders. The building would be approximately 20,000 square feet and the initial estimate would be five million dollars, \$5,000,000, in cost. This building would be potentially located directly west of the Port's Office and tie into the USS Triton.

The Executive Director discussed Port support for Representative Boehnke's proposed bills to offer a ten-acre parcel of property north of WSU-TC and Ingredion for conceptual purposes of a new U.S. Space Academy and provided an artist/engineer rendering. This is an effort to support federal proposal per 2020 NDAA to establish a U.S. Space Force Academy.

H. DIRECTOR OF FINANCE COMMENTS:

- 1. REVISED 2020 BUDGET ADJUSTMENT:** The Director of Finance reviewed the revised 2020 Budget and proposed a budget adjustment of \$32,000 be added to the 2020 pavement maintenance line item.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the Revised 2020 Port of Benton Budget by adding \$32,000 to the 2020 pavement maintenance budget.

- 2. VOUCHER REVIEW AND APPROVAL:** 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.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the January Voucher Certification and approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 05479 through 05520 totaling \$131,950.26 and General Expense Warrants numbered 072194 through 072374 totaling \$777,367.42 from the General Expense Fund.

The Executive Director discussed the contract amendment for RGW Enterprises for the 2019 Contract. There are \$16,000 additional funds needed to fund his 2019 contract, due to railroad bridge work.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the 2019 Contract amendment for RGW Enterprises in the amount of an additional \$16,000.

I. STAFF INFORMATION REPORTS:

COMMUNICATIONS AND MARKETING: The Director of Marketing discussed the Spring Newsletter, the Washington Association of Grape Growers (WAGG) event he and the Director of Real Estate will attend. He stated the Port is meeting to gather information to launch new websites for both the Port and Crow Butte Park. He, Commissioner Robert Larson and Grant Monrean, filmed the Port's video section for the upcoming State of the Port's presentation. Scheduled for February 26, 2020. He also issued a press release for the Port's newly hired Airport Manager. The Executive Director is working on the Port's article for the 2020 Tri City Herald Progress Edition.

GRANTS: The updated copy of the Grants Status report was reviewed. The Executive Director advised the Port will be submitting to Benton County for .09 dollars to support infrastructure investments within the Richland Innovation Center (RIC). The Port is also working with our grant writer in order to be ready for submittal on infrastructure upgrade and repairs needed at Crow Butte Park. There is also a bid out for Rail tie replacement. There will be a Special Commission Meeting held on February 26, 2020 to accept the bid.

GOVERNMENTAL AFFAIRS: The Executive Director discussed the upcoming Pacific Northwest Waterways Association (PNWA) Mission to Washington D.C. and the planning meeting will be held on February 24 from 1 – 3:30 p.m. at the Port Commission Meeting Room. She also stated the Maritime Administration (MARAD) a General Services Administration (GSA) returned \$26,000 to the Port from the Richland Innovation Center deed restrictions and provided release. She reported on House Bill 2494, Amendment adding Benton County extension of the .09 funds and House Bill 2304 regarding Local Revitalization Funds and Senate Bill 6656 providing Washington State with \$2M to restore international trade offices.

SITES UPDATE: The Executive Director and the Director of Real Estate discussed the extension of the fiber project within the Vintners Village new development building. Wautoma Springs and PEDAs are both located in the new development building and benefitting from this update.

The Director of Real Estate discussed Domanico Cellars tenant improvement schedule. Staff will discuss this timeline with the tenant.

The Director of Special Projects discussed the tree trimming planned for Vintner's Village.

The Airport Manager stated he is reviewing Prosser Airport Agreements. He and the Director of Real Estate are in the process of conducting hangar inspections at both airports. The Prosser Airport has installed a new fuel pump and card reader. Both the Airport Manager and the Director of Real Estate are researching airport property appraisals. They are discovering many inconsistencies.

The Executive Director discussed a request for a one- and one-half (1 ½) acre parcel of land located in the Technology and Business Campus. The offer has been received to purchase and invest in mixed-use commercial/retail on the lower level and 12 residential suites on the upper stories. There will be deed restrictions and the potential buyer will need to discuss with the City of Richland whether other development standards will be required. Staff recommended starting with a land lease while platting of the property is completed. The property has already been removed from the Industrial Development District (IDD). The Commission stated they are excited about the potential opportunity and extended their approval to continue negotiations.

The Director of Special Projects discussed the purchase of a new mid-size tractor that can be easily trailered to all the Port's sites.

J. EXECUTIVE SESSION: The regular Commission Meeting was recessed at 11:15 a.m. and an Executive Session was convened to discuss On-going and 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. 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 12:00 p.m.



Roy D. Keck,
Commission Secretary