

**PORT OF BENTON  
COMMISSION MEETING MINUTES  
OCTOBER 21, 2020**

**A. CALL TO ORDER:** The regular monthly meeting was called to order at 8:32 a.m. at Port of Benton Commission Meeting Room, 3250 Port of Benton Boulevard, Richland, Washington.

**PRESENT:** Commissioner Roy D. Keck (via remote telecommunications), Commissioner Robert D. Larson (via remote telecommunications), Commissioner Jane F. Hagarty. Executive Director, Diahann Howard, PPM® (via remote telecommunications); Director of Economic Development and Government Affairs, Miles Thomas (via remote telecommunications); Administrative Tech, Summers Miya (via remote telecommunications); Director of Real Estate, Teresa Hancock (via remote telecommunications); Port Counsel, David Biletdeaux (via remote telecommunications); Director of Marketing, Wally Williams (via remote telecommunications); Senior Accountant, Veronica Serna (via remote telecommunications); Administrative Assistant, Sheri Collins (via remote telecommunications); Facilities Manager, Ron Branine (via remote telecommunications); Airport Manager, Joe Walker (via remote telecommunications); Director of Special Projects, John Haakenson (via remote telecommunications); Director of Finance/CPA, Danielle Connor (via remote telecommunications); Tri-Cities Journal of Business, Wendy Culverwell (via remote telecommunications); Sundance Aviation, Clif Dyer (via remote telecommunications); Sundance Aviation, Devin Alder (via remote telecommunications); Local 598, Jason Lee (via remote telecommunications); Mason Fiascone (via remote telecommunications); Randy Slovic (via remote telecommunications); Richard Olson (via remote telecommunications); Tristan Rickett (via remote telecommunications); Tri-Cities Journal of Business, Wendy Culverwell (via remote communications)

The Commission Meeting was conducted using the CDC (Centers for Disease Control) recommended social distancing protocols for COVID-19 with Commissioners meeting in-person and remotely; public attending remotely and Port staff members participating in-person or remotely, and said meeting was noticed as required by RCW 42.30.070.

Commissioner Hagarty read action items aloud alphabetically by last name and asked that each commissioner signify their vote by announcing 'Yes' or 'No' aloud. Further, when a Commissioner wishes to speak, the name of the Commissioner will be announced for those using remote telecommunications.

**B. PLEDGE OF ALLEGIANCE:** David Biletdeaux led those present in reciting the Pledge of Allegiance.

**C. CONSENT AGENDA:**

**A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the September 9, 2020 Commission Meeting Minutes, approval of vouchers and certifications, including payroll, for the month of September totaling \$1,135,869.66 and approving Resolution 20-46, to cancel warrant No. 073216 in the amount**

of \$11,362.82, Resolution 20-47, to cancel warrant No. 073509 in amount of \$10,150.76 and Resolution 20-48, to cancel warrant No. 072844, in the amount of \$80.47.

**D. PUBLIC COMMENT:** The public was able to participate via Zoom or telephonic conference and Commissioner Hagarty reviewed the instructions and invited the public to comment.

Randy Slovic commented that she received the agenda on Friday, October 16, 2020 and suggested that rather than just the agenda being shared, the full packet be made available for the public, similar to how the City of Richland shares their agenda packet prior to meetings. Slovic also stated that the Port had been providing a Surplus List for months that did not identify the items being set aside for surplus.

Executive Director, Diahann Howard clarified that the earlier meetings covered the different actions required by the state and adopted the policy for surplus and no items were actually tagged for surplus until this meeting.

**E. ITEMS OF BUSINESS:**

**1. Resolution 20-49, Adopting a Salaries and Benefits Policy Directive:** Port Counsel, David Billetdeaux explained that the Salaries and Benefits Policy Directive lays out all salaries and benefits that are mandated by state or federal law. The policy provides bands, or steps to follow and all employees will be given a clear breakdown of the minimum and maximum of their salary, according to their level of expertise and years of service to the Port.

Billetdeaux added that “redlining” is a possibility for some employees, which is when an employee reaches the maximum salary within their tier in their current position, but that there is a potential for an annual cost of living adjustments and the Port will consider the recommendations provided from WPPA for annual COLAs.

Billetdeaux noted that the Directive was reviewed and compared to other Ports and is in line with WPPA recent recommendations and adjustments.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 20-49 and adopting the Salaries and Benefits Policy Directive.**

**2. Resolution 20-50, Adopting a Debt Policy:** Port Counsel, David Billetdeaux noted that Resolution 20-50 provides guidelines and a necessary roadmap for the Port to look at its indebtedness as well as the steps that the Port can take to manage, expand, contract, or refinance debt. Billetdeaux added that the Port is looking into refinancing debt and he would like to have this policy in place before that process is underway. Billetdeaux explained that the Port is not making any formal changes to how the refinance will take place, but the policy will ensure that there is a formal document and policy outlining proper handling.

**A motion was made by Commissioner Robert Larson, seconded by Commissioner Roy Keck and unanimously passed by the Commission approving Resolution 20-50, adopting a Debt Policy.**

**3. List for Surplus:** Executive Director Diahann Howard noted that the policy for surplus has been previously provided. The list has been developed and has been shared to the United Way, who

then shared the list with local non-profits. Local non-profit organizations have until the end next week to claim any of the items and then the items will go out to public bid. Howard pointed out that many of the items have been left over from previous tenants.

Port Counsel David Billetdeaux clarified that since each item is under \$5,000, a motion is not required for the surplus list.

#### **F. INFORMATION REPORTS:**

- 1. Grants Update:** Executive Director Diahann Howard provided an update on the grant for the Crow Butte contact station, noting the decision to hold until 2023 due to match and eligibility. More information will be provided at the upcoming Special Meeting and Budget Workshop.

Howard added that all other items listed on the Grants Update report are moving forward, noting that Benton County is moving forward with a disbursement agreement on the .09 funds. Howard added that a City of Richland Center Parkway Interlocal agreement will be included at the November Commission Meeting.

#### **2. Properties/Projects Update:**

- a. 2579 Stevens Roof Update:** Director of Special Projects, John Haakenson provided an update on the roof leak at the 2579 Stevens building, stating that the Port advertised for bids and received just one response from Palmer Roofing. Haakenson informed that the Port made the decision to move forward with the repair of the damaged area to get by until replacement of the roof can ensue in 2021. Haakenson added that he expects the work to be completed in the next few days.

- b. Strategic Plan Update:** Director of Economic and Governmental Affairs, Miles Thomas introduced the Strategic Plan Draft, noting that the plan ensures the Port is capturing the impacts to site, services and community over the next ten years. The Annual Action Plan, Comprehensive Plan (aka the Comprehensive Scheme of Harbor Improvements), and Real Estate Analysis will follow during the budget process for 2021, each of which take into consideration cost allocations and budget for the 2021 timeframe.

Thomas noted that COVID presented challenges in regard to meeting with stakeholders in person, however the Community Leader Focus Group was held virtually with great coordination from local agencies that the Port works with on a regular basis. Thomas added that the Port hopes to continue to use in-person and virtual check-ins next year, and in the ensuing years as the Port revisits the Strategic Plan.

Thomas continued, noting that the consultant, Maul Foster Alongi (MFA) utilized a wealth of information in developing the plan, including port history and achievements along with context from staff and consultants.

Thomas highlighted six focus areas of the Strategic Plan:

- Organization and culture
- Commercial and Industrial Real Estate
- Intermodal Transportation
- Economic Development
- Stewardship of Public Funds
- Public Access

Thomas pointed out that each focus group area contains only actionable goals and strategies under the SMART methodology – Specific, Measurable, Assignable, Realistic, and Timely. Thomas continued highlighting the focus group, noting that each focus area goal will be further examined annually in the annual action plan, which put specific implementation components to each strategy.

Thomas explained that unforeseen opportunities are those that emerge that were not previously planned or intended, but that may represent an unanticipated benefit to the Port's overall mission. Thomas added that the Port developed, in cooperation with MFA evaluation criteria, to assess these unforeseen opportunities, ensuring that even unanticipated opportunities see the same scrutiny as long-term planning.

Thomas stated that he will revisit the Strategic Plan at the November meeting for formal adoption, which will include the comprehensive scheme.

**3. Integrated Application Project (IAP) Update:** Director of Finance/Auditor, Danielle Connor updated that they have revised the systems model, focusing on the implementation of Sage Intacct and Criterion payroll/time and attendance. Connor noted that leases and work orders will continue to be managed in Excel for the time being. Connor added that they will reevaluate work order, lease administration and lease accounting software in late November or December, as the requirement lists and plan is drafted. Connor added that they will plan to go live with those applications after Intacct, with the go-live date for Intacct and Criterion is still targeted for January 4, 2021.

Connor updated that the group is currently working on the chart of accounts, dimensions and master data, i.e. locations, departments, payroll benefit and deduction codes. Connor added that Power User testing will begin in late November or early December and User Acceptance training will begin in late November or early December.

Connor stated that the kick-off calls have been completed and the team is in the design and build stages with weekly meetings with DSD project managers to track tasks and milestones, view resource needs and scheduling and monitor progress.

**4. AMCG Final Report:** Airport Manager, Joe Walker informed that the final report from AMCG was included in the Commission packet and he will develop a rate and fee schedule based on the report for both Richland and Prosser airports. Walker added that this will be in compliance with grant assurance 24 that requires a fee and rental structure. The rent studies conducted provided separate analysis for Richland and Prosser to ensure both airports were studied independent of each other.

#### **G. COMMISSIONER REPORTS/COMMENTS:**

Commissioner Larson commented that he hopes the Port can work with the Clore Center to get the Center up and running again. Commissioner Larson added that he is looking forward to the future development of a North Richland to North Road 68 bridge, which would make a big difference for Hanford employees.

Commissioner Keck noted that he continues as Chairman of the WPPA working group that focuses on the Cap and Trade Policy for all Ports in the state. Commissioner Keck added that the group “will support carbon pricing in the state of Washington as long as it is dedicated to transportation.” Keck continued that the transportation sector is the most impacted sector and funds will go towards highway maintenance. Keck concluded that the group is still working to finalize recommendation and will take to the WPPA legislation next week.

Commissioner Hagarty informed that as part of the PEDDA board, she continues to work with the school district, which received a \$24,000 grant to apply towards developing a Career and Technical program at Prosser High School, which will develop more educational opportunities around Prosser.

Hagarty added that the Clore Center, like many other businesses, was impacted by COVID-19 and the closure is a good thing for the Center at this time, as it gives an opportunity for the Board to explore new opportunities for the Center. Hagarty added that the Center looks forward to working with the Port for connections. Hagarty added that she believes the Center will reopen and hopefully will have expanded education and culinary offerings.

Hagarty noted that she continues to work with the committee to extend natural gas from the city center across the river towards the rest area, and eventually crossing I-84 to Gap Road, to be able to serve property purchased by the Prosser Hospital District..

## **H: DIRECTOR REPORTS/COMMENTS**

**1. AIRPORTS:** Airport Manager, Joe Walker announced that the Cares Grant expenses were captured through salaries and \$99,000 was submitted for reimbursement. There was no match required for this grant and funds will be applied to the Richland Airport.

Walker continued with an update that the previous evening, the City of Richland City Council approved a municipal code change allowing authorized individuals to discharge firearms at the airport. Walker noted that this change will allow certain Airport staff to augment current wildlife management and help keep the airport safe from wildlife hazards. Walker added that these measures are only in place for the safety of the aircraft and the permit is not species specific. Walker noted that the Port currently pays USDA a large sum to manage this task.

Walker provided an update on the Master Plan TAC Meeting, noting that several alternatives were discussed and through polling questions, there was a consensus that the Richland Airport is headed in the right direction. Walker added that additional outreach is in place to poll people who were unable to attend the last TAC meeting.

Walker continued with an update on the Prosser Airport, highlighting that the Port has requested additional design work to be completed for AIP 19, which will result in a charge of \$34,000, which will be reimbursable next year during the construction phase. Walker reminded the Commission that the \$34,000 is within the Executive Director’s authority, but they wanted to give the Commission the information. Walker continued by noting that the original design added sites for

three hangars, but the additional design work will allow for up to nine hangars, which the FAA has approved based on the additional capacity.

Walker noted that a title report was run on the Prosser Airport and it was discovered that in 1961, a covenant was placed on the property stating: "To be used only as a public airport always to be known as George O. Beardsley Field and to operate the airport to the airport as such for the uses and benefit of the public."

A graphic of the new sign, which the required language was shown to the Commission.

**2. FACILITIES & OPERATIONS:** Facilities Manager, Ron Branine noted that the maintenance team is finishing up space turnover within the 3100 and 3250 buildings. The former BNL Tech space in 3250 will soon see minor turnover maintenance, followed by the Intermech space as soon as the space is turned back over to the Port. Branine added that all irrigation sprinkler systems have been blown out in preparation for winter and in continued preparation for the winter months, the maintenance team is putting together two trucks for snow removal this week and the remainder of the trucks will be put together in the coming weeks. Branine continued that approximately 600 snow stakes have been added across Port properties in an effort to save curbing from winter plowing.

Branine added that the team is still adding safety lighting to the trucks for additional warning and the team continues to repair the Rattlesnake Mountain hangar, which had fascia and soffit damage, as well fixing an awning that was deemed unsafe.

Branine noted that there was a flooring issue at the Westin Mountain/Transload facility with VCT flooring around the perimeter of the breakroom cracking and failing. Branine added that upon further investigation, it was determined that the foam insulation between slabs was lifting because of possibly not being installed correctly. Branine added that he worked with Westin Mountain for a three-day window, so a new portion of the insulating foam could be cut and self-leveling mastic could be repoured. Branine noted that the cold and wet environment of the business has impacted the flooring and walls. Branine added that some of the walls were repaired and LED light fixtures, which were under warranty, were repaired. Branine added the high-moisture environment caused the failure of the light fixtures.

Branine added that the annual fire sprinkler and backflow testing has been completed and the new fence for the Vintner's Village area is ready but has yet to be installed because of COVID-related delays.

**3. SPECIAL PROJECTS:** Director of Special Projects, John Haakenson provided an update on recent issues at Crow Butte Park. Haakenson provided a slideshow highlighting the recent failure with an irrigation pump and he, along with a team have not been able to locate the problem amongst 1,300 feet of electrical line. Haakenson explained that through their explorations, it has been discovered that only one leg out of three is getting 100% power and the other two legs are failing. Haakenson added that as trees have grown, their roots have grown over the top of the direct burial cables, which he estimated to be as old as the park itself. Haakenson added that the reinstall of line and conduit will be included in the 2021 budget.

Haakenson concluded with an update that the staff has been working on winterizing the park, including the house.

**4. REAL ESTATE:** Director of Real Estate, Teresa Hancock provided an update on occupancies and vacancies, noting that occupancy of facilities is at 95%, vacancy at 5% with seven rentable units. The available units are located at Benton City, RBC and TBC site areas. Ms. Hancock added that Intermech is on schedule to vacate their industrial space located at 2345 Stevens Drive at the end of the month. Hancock explained that vacancy rates continue to be tight, leasing and interest continues, rents are being increased incrementally per legal statutes or maintained by COVID-19 consideration. Though uncertain times ahead, we continue to field lead inquiries from current and new business owners seeking land for expansion projects. Hancock noted that Labrie Glass Works has been a 'holdover' tenant since May but recently provided notice he too, will be vacating at the end of November. On-going space showings and inquiries with expressed interest continue and will to back-fill the space.

Hancock announced that she has also received word from Labrie Glassworks and Vibragenix and both companies will also be vacating in November. Hancock continues negotiations on a purchase of leasehold property in the RIC and updated that Zero Gravity Builders is finalizing their utility connections and anticipates completion by year end. Hancock noted that the former Zero Gravity space will then undergo assessment for turnover repairs and re-tenanting.

Hancock added that Sister to Sister has received preliminary approval from the city and health department and are proceeding towards a long-term lease.

Hancock thanked Facilities Manager, Ron Branine and the maintenance team for all of their work and assistance.

Hancock updated that surveying at the Prosser Airport has commenced regarding the parcel subdivision.

**5. MARKETING:** Director of Marketing, Wally Williams announced that he is in the final stages of editing the newsletter and he has put together a draft version for their review. Williams reminded the group that the Entrepreneurial Awards are being held via Zoom on Tuesday, November 10 and encouraged all to participate. Williams stated that he recently completed videoing the nominees with Miles Thomas and looks forward to the event.

Williams concluded that the upgrades at 3100 continue and he has been working on upgrading the conference room, as well as the signage around the building.

Williams shared the ad that was displayed at the recent RiverFest event.

**6. ECONOMIC DEVELOPMENT & GOVERNMENTAL AFFAIRS:** Director of Economic Development & Governmental Affairs, Miles Thomas added information regarding the upcoming Entrepreneurial Awards event, noting that this is free to attend and to pre-register at [portofbenton.com/rotary](http://portofbenton.com/rotary). Thomas announced that the event will be simulcasted on the Port's Facebook page. Thomas praised WSU-TC, as they are assisting with all the video editing.

Thomas noted that he is currently working on draft legislative priorities for the next legislative session and has also been actively participating in WPPA and WEDA.

Thomas added that interviews are being held that afternoon for the Prosser Economic Development Association Community Grant Writer Program and added that there are several qualified candidates. Thomas is confident that an experienced candidate will be secured.

Thomas announced that the Tri-Cities Research District (TCRD) is working on adding a career board to the website and when fully launched, will gather job postings from TCRD members in the advanced technical and research and development sector. Thomas noted that the cost to integrate the career board was only approximately \$500. Thomas noted that the TCRD board is now full and Rebekah Wood with CBC selected Jesus Mota, Dean for Career & Technical Education and Kyle Winslow, Dean for Business & Computer Science, to join as alternates.

**7. FINANCE DIRECTOR:** Director of Finance/Auditor, Danielle Connor thanked consultant, Karen Schmidt, Director of Real Estate, Teresa Hancock and Senior Accountant, Veronica Serna for all their efforts, work and time towards the review of 2019 and prior. Connor announced that 2019 is in the final stages of being closed, entries have been compiled and posted and the revised annual report is being compiled, as well as a resubmission of the annual BARS filing to the SAO.

Connor continued with an update that has of 9/30/2020, the cash balance was approximately \$2.3 million, including reserve and restricted funds of \$1.3 million. Connor added that the Port is expected to receive the second half 2020 property tax in October, which is approximately \$700-\$800k.

Connor noted that as of 9/30/2020, approximately \$72k of tenant AR is greater than 90 days past due and Teresa has been working with tenants to request collection and the team is working diligently to reconcile and clarify tenant accounts.

Connor concluded that the Port has received reimbursement of \$111,465.93 from the EDA in regard to the SEED grant.

Connor reminded the group that a special meeting to include the 2021 Budget Workshop is scheduled for next week, Tuesday, October 27, 2020.

**8. PORT ATTORNEY:** Port Attorney, David Billetdeaux updated that because of COVID-19, the courts are slow and the hearing with TCRY has been pushed until mid-November. Billetdeaux also commented that TCRY has filed a motion to combine both cases for judicial equality.

Billetdeaux noted that the Port has filed a petition to take a look at the TCRY tariffs and TCRY has filed a motion to dismiss, which is very lengthy. Billetdeaux added that the Port can respond to the motion, which included many misrepresentations, and the Port will be moving forward to set the record straight.

Billetdeaux updated that the Test America site has been given a clean bill of health after additional work was completed and the site is now ready for whatever the Port decides is best for the location.



Billetdeaux announced that Holland LP recently inspected the Port's track with hi-rail equipment. The testing is done by adding load to the rail to test the rail itself to determine wear, whether the rail is rolling over, or if it is holding its gauge. Billetdeaux added that the importance of the testing is due to loading the rail during the inspection so that the Port can get an indication of the condition of the rail and ties and if the spikes are holding in the ties. Billetdeaux noted that he feels that it is within the Port's best interest to establish a contract with Holland LP for rail testing and a contract will ensure that the Port is added to Holland's annual inspection schedule. Billetdeaux noted that a five-year contract would exceed the Executive Director's delegation of authority at a total of \$100k (\$20k/year). However, this is not a true five-year contract, but rather a terminable annual contract as language is built into the contract that allows the Port to terminate the contract at any time. Out of an abundance of caution, the Port attorney sought a motion to approve the contract with Holland LP.

Director of Special Projects, John Haakenson, added that the Holland LP report details on the condition of the track by testing elevation, curves, gauges and the detailed review is provided at the time of inspection, which gives the Port a basis for safety. Billetdeaux added that the operator has the duty to ensure safety of the track.

Executive Director, Diahann Howard noted that the Port has started to plan for this annual expense.

**A motion was made by Commissioner Roy Keck, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving the Port to move forward with a five-year contract with Holland LP.**

**9. EXECUTIVE DIRECTOR:** Executive Director, Diahann Howard announced that the EMAB meeting and draft report was presented to TCLBA and final meeting to adopt the draft is in the future. Howard updated that she recently attended a meeting with WSU president Kirk Schultz and Chancellor Haynes and also participated in AWB Manufacturing Week and the recent PNWA conference.

Howard commented that the hospitality industry has been hit hard by COVID-19 and thanked the Clore board for everything, noting that the Port will honor the agreement with EDA for ten years. Howard added that there is a meeting next week with a group interested in fulfilling the grant requirements and Howard is hopeful for the future of the Clore Center.

Howard added that X Energy won one of the Department of Energy's Advanced Reactor Demonstration Program (ARDP) positions, and a former decommissioned WNP site in North Richland is the preferred future site and noted what a fantastic opportunity it was for economic development moving forward. Howard noted that the Port will stand ready regarding X Energy's next moves.

Howard thanked Administrative Tech, Summers Miya for putting together a basket for the United Way Festival of Trees fundraiser, noting that items to highlight Prosser were used: Chukar Cherries, hot air balloon ride, wine-tasting at Wautoma Springs and wine from Desert Wind Winery.

**I. EXECUTIVE SESSION:** The regular Commission Meeting was recessed at 10:55 a.m. and an Executive Session was convened at 11:00 a.m. to discuss potential litigation pursuant to RCW 42.30.110(i). The Commission announced the Executive Session would last no longer than 15 minutes. The Executive Session was adjourned at 11:15 a.m. and the regular Commission Meeting was reconvened.

After reconvening the regular meeting, the Commission waited for five (5) minutes for any remote attendance participants to reconnect to the meeting. None did.

**J. ADJOURNMENT:** With no further business, the meeting was adjourned at 11:20 a.m.



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Roy D. Keck  
Commission Secretary