

**PORT OF BENTON  
COMMISSION MEETING MINUTES  
JUNE 15, 2022**

**A. CALL TO ORDER:** The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton offices, 3250 Port of Benton Blvd., Richland, Washington

**PRESENT:** Commissioner Christy L. Rasmussen; Commissioner Roy D. Keck; Commissioner Lori Stevens; Executive Director, Diahann Howard, PPM®; Public Information Officer, Summers Miya; Director of Economic Development & Governmental Affairs, Miles Thomas; Director of Finance, Danielle Connor; Director of Marketing, Wally Williams; Director of Facilities & Operations, Ron Branine; Director of Real Estate, Teresa Hancock; Clif Dyer, Sundance Aviation; Mike Luzzo, Community Member, Troy Stokes, HiLine Engineering; Kris Giroux, HiLine Engineering

**The following attendees attended via remote communications:** Contract Specialist, Sheri Collins; Senior Accountant, Veronica Serna; Port Attorney, David Billetdeaux; Clif Dyer, Roger Wright, RGW Enterprises; Bryan Condon, Century West Engineering; Theresa Richardson, City of Richland; Jeff Strickler

The Commission meeting was noticed as required by RCW 42.30.070.

**B. PLEDGE OF ALLEGIANCE:** Commission President Christy Rasmussen led those present in reciting the Pledge of Allegiance.

**C. CONSENT AGENDA:**

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving the agenda for the June 15, 2022 Commission meeting, with the removal of Item #4, (re: Westinghouse Electric Company, LLC Lease Agreement), May 18, 2022, Commission Meeting Minutes, approval of vouchers and certifications, including payroll, for the month of May totaling \$805,177.17, approval of project vouchers and certifications for the month of May totaling \$36,586.77 and approval of Resolution 22-20, to cancel warrant number 079833, which was printed in error.

**D. PUBLIC COMMENT:**

Community Member, Mike Luzzo commented on the current work on Columbia Park Trail and is asking for the construction process to include open face culverts.

*It was noted that the Port of Benton is not involved in this project.*

**E. ITEMS OF BUSINESS**

**1. Tenant Spotlight – Troy Stokes, HiLine Engineering**

Executive Director, Diahann Howard introduced the owner/operator of HiLine Engineering and longtime Richland Airport tenant, Troy Stokes, thanking him for the investment in his business and participation in CESA.

Troy Stokes introduced HiLine with a history of the business, noting that HiLine was incorporated in 1995 by two engineers previously employed at Westinghouse Hanford. Stokes stated that HiLine started with three employees in a 4,000 sq ft shop, but today employs over 100 employees with multiple engineering, fabricating and testing facilities, totaling 45,000 sq ft.

Stokes explained that "Custom manufactured equipment that meets the needs and expectations of our clients." is the mission of HiLine.

Stokes provided more detail on what HiLine does, stating that HiLine is a team of engineers (mechanical, electrical, controls, chemical, computer science) and skilled craft (welders, machinists, engineering technicians, electrical technicians, operators) that design and fabricate equipment that meets, or hopefully exceeds, customer's expectations.

Stokes provided examples of major regional projects in addition to past projects.

Stokes displayed imagery and provided explanations of many current fabrications.

Stokes informed that HiLine provides engineering, fabrication testing and integration services across an array of industries with clients that include: Boeing, Amazon, Department of Energy sites and prime contractors, Energy Northwest, farms and food processors, landfills and superfund sites, generation IV nuclear power.

Stokes displayed imagery of current and future facilities, with explanation on capabilities of each.

## **2. Richland Airport Electrical Replacement Project – Construction Administration Contract with Century West Engineering**

Executive Director Diahann Howard reminded the Commission that the Port was awarded \$3.1M from the FAA towards the Electrical Replacement Project at the Richland Airport and Century West Engineering has completed the design work for this project and Sierra Electric was recently awarded the construction work by competitive bid.

Howard noted that FAA requires an independent Fee Evaluation (IFE) for any professional services contracts and the Port engaged Precision Approach Engineering to complete that IFE and they determined a fee up to \$438k was allowable. Howard added that Century West's budget submitted was exactly \$400k, which is under Precision Approach's estimate. Howard added that this task order is under Century West's current contract with the Port.

Howard stated that the Port has submitted the IFE to FAA and anticipate their approval prior to the next Commission meeting. Howard reminded the Commission that this project, including Century West's fees, is 100% reimbursable by FAA.

Howard asked for a motion accepting Century West's scope of work and fee proposal for the Richland Airport Electrical Replacement Construction Administration Services contract up to a maximum of \$400,000.

**After no further discussion, a motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens and unanimously passed by the Commission, approving Century West Engineering's scope of work and fee proposal for the Richland Airport Electrical Replacement – Construction Administration Services contract up to a maximum of \$400,000.**



### **3. Van Giesen and Swift Railroad Crossing – HDR Construction Administration Contract**

Executive Director Diahann Howard reminded the Commission that the Van Giesen and Swift Blvd./Cemetery entrance crossing project was recently awarded to Railworks Track Systems, and work is anticipated to begin on the project in July. Howard reminded that the Commission previously approved a contract with HDR, Inc. for \$67,800 to design the improvements of the two crossings.

Howard added that given the large amount of project work being performed by the Port this summer, and given the fact that these two crossings require full road closures with significant traffic control and public notification, the Port is relying on HDR to perform more work than they ordinarily perform on construction projects. Howard noted that given the effort required, with an hourly rate estimate, HDR is requesting \$79,872 for construction administration, including weekend inspection activities on the railroad crossing projects.

Howard stated that the Port is requesting Commission approval for a construction administration contract of \$79,872 for HDR, Inc. to complete the rail crossing projects.

**After no further discussion, a motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck and unanimously passed by the Commission, approving a construction administration contract for HDR Construction for the Van Giesen and Cemetery/Swift Blvd. rail crossings.**

### **~~4. Westinghouse Electric Company, LLC Lease Agreement (8.23 Acres Land, 15,660sf Building and Warehouse) – Technology & Business Campus~~**

### **5. 1865 Bronco Building and Land Lease Agreement - Richland Airport**

Executive Director Diahann Howard announced to the Commission that Sundance Aviation has come back to the Port with a counteroffer on the 1865 Bronco building and have expressed concerns about increasing cost in operations, ability to make rent at the market levels and the upcoming electrical project's benefits and short term impacts.

Howard explained that following the last meeting, Sundance was requesting to provide business metrics to measure against within the 30 months, which would show economic impact values to the airport. Howard added that Sundance is offering to provide updates every six months on progress, which is the only new proposal, with the remaining terms the same as previously offered and without accountable measurements.

Howard stated that the Port will check-in with the Commission during Executive Session and thanked Sundance for the proposal, noting that the Port continues to share concern regarding cost increases and readiness, which was strongly validated at the recent AAAE conference in Seattle. Howard added that the Port wants to ensure a fiscally conservative approach that serves the airport and the community.

## **F. INFORMATION REPORTS:**

### **1. Grants Update**

Executive Director, Diahann Howard provided further updates on the projects featured on the June grants report.

- 1) National Highway Freight Program (WSDOT portion) – WSDOT has approved \$865k, contracting with Commerce with Port contributing \$135k for SR 240 rail signal crossing reconstruction. City of Richland and the Port are jointly submitting on this project, as the City will be installing a bike/pedestrian path.
- 2) EDA Build Back Better – Miles Thomas provided an update on this item, stating that the Port elected not to do an environmental phase I assessment, which would have added another cost of \$7,500, but has received a positive signal that they like the package presented. This application is led by Maritime Blue and Washington Clean Tech Alliance.

## **2. Vintners Village Website Update**

Public Information Officer Summers Miya and Director of Economic Development & Governmental Affairs, Miles Thomas provided a screenshare of the newly designed Vintners Village website, going through each page of the site and highlighting the site's features, such as the interactive map, information on road detours, calendar of events, each business listing and live Instagram feed.

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

Commissioner Lori Stevens announced that she has attended Prosser and Benton City Chamber meetings and participated in various community events, including the Three Rivers Building Bridges event. Stevens stated that Benton City has a new venue called Blank Slate.

Stevens added that she attended the recent Finance Seminar at Lake Chelan and found the workshops offered from the State Auditors Office informative, particularly the information on the capital assets and the information on controls to track inflation and costs of capital projects, as well as Tax Increment Financing (TIF).

Executive Director Howard stated that the team will likely learn more about these opportunities in the LEAN trainings scheduled for next week.

Commissioner Roy Keck stated that he also attended the WPPA Finance Seminar, and felt the information validated the Port's strategic vision when going to the market last year. Commissioner Keck added that TIF and other opportunities will help accommodate needs for the foreseeable future.

Commissioner Christy Rasmussen announced that she has been very engaged with the Hanford Communities group and recently attended the National Park tour, which was one of the first tours since the COVID-19 pandemic began.

Rasmussen stated that she participated in a risk assessment with the SAO for the Port and also commented on the Blank Slate space and added that she attended the recent event held at DrewBoy Creative, as well as listening to Ginger Wireman's "Let's Talk About Hanford" discussion.

Rasmussen added that the AAAE conference was really good and valuable information was received on FBOs.

Executive Director Howard added that a possible B Reactor/full Hanford site tour is a strong possibility for the Port team to participate in in the future.



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

### **1. AIRPORTS:**

Director of Facilities & Operations, Ron Branine announced that the team has been busy mowing at both airports and dealing with typical wildlife issues, including coyotes, rock chucks and seagulls. Branine added that wildlife control is typically managed through the USDA contract, but the team has been assisting due to liability issues. Branine stated that ammo blanks are becoming just as difficult to obtain as actual ammo.

Commissioner Keck added that there have been several break-ins reported inside the fence in the last month, including the theft of seven catalytic converters and encouraged tighter security. Commissioner Keck complimented the recent airport cleanup, encouraging even more cleanup.

Director of Real Estate, Teresa Hancock announced that the appraisal for airport land and two CARB loan leases has been initiated with Strickland & Associates, adding that the appraisal fee is within the Executive Director's delegation of authority.

### **2. FACILITIES & OPERATIONS:**

Director of Facilities & Operations, Ron Branine stated that the team is still waiting on approval from HMiS for their additional work, which includes a large pallet rack system, battery charging stations, floor striping, approximately 30 new doors and other miscellaneous work. Branine added that the Port has received bids for the work and HMiS is reviewing.

Branine announced that access controls have been installed at 3250, using the same platform as previously. Branine added that there have been minor issues to work through, but the system now works great and allows for better security, real time from anywhere, as it can be controlled and monitored from a mobile phone application.

Branine stated that the facilities team is going to start painting curbs, parking lot lines and Crow Butte parking areas and roads. Branine added that paint has been received, but not enough product due to supply chain issues.

Branine added that there have been 42 work orders so far in June, and the team should be receiving about 100 per month. Branine explained that this number will fluctuate, but will be consistent until we start getting ahead of things through the preventative maintenance program. Branine added that total work orders received since September 2021 is 458, adding that there are 27 current outstanding workorders, with the oldest being related to parking lot striping at the Richland Business Park, which they can now take care of thanks to the recent paint acquirement.

Branine noted that the work order system is capturing approximately 50% of total department tasks and projects.

### **3. REAL ESTATE:**

Director of Real Estate, Teresa Hancock provided a current overview of the real estate report, stating that the pending leases she is working on include 31,632 sq ft, 2345 Stevens, 2019 Butler Loop and 3100 George Washington Way. Hancock added that the pending sale negotiations include 43+ acres of land in addition to several single hangar or development sites pending infrastructure plans. Hancock added that there are also several ongoing renewal, extension, or lease modifications for rent or area changes, including a possible expansion at TEC.

Hancock provided an update on the land sales between the Port and Horizon Land, LLC, which is located north of Battelle Blvd. and west of Apogee and 8.52 acres. Hancock added that the property is encumbered by a 30' irrigation easement and overall property is served by the Industrial Development District for marginal lands. Hancock added that the sale or conveyance of property may occur if deemed in the best interest of the district, as authorized by RCW 53.25.110. Hancock added that a pre-application meeting is scheduled between the Port, Horizon and the City of Richland for June 22, 2022 to determine if the property is feasible for the project. Hancock stated that she hopes to return this item to the Commission for formal approval at the July Commission meeting.

Hancock stated that she will have additional real estate matters to discuss during Executive Session.

#### **4. MARKETING:**

Director of Marketing, Wally Williams announced that the Port's spring newsletter is out and he has also been working with Engineer, Roger Wright on maps for the Prosser and Richland airports, that identify building addresses and owners for emergency responders. Williams noted that he has also been working with Roger and Ron on railroad signs and the construction sign for the White Bluffs construction project. Williams added that he completed the ad that highlights the wineries in Vintners Village that will be on display at the Seattle Airport.

Public Information Officer, Summers Miya added that the ad for Vintners Village will be on display for Q3 in concourse C of the Seattle Airport and shared the image via screenshare. Miya complimented the wineries who without hesitation donated a bottle of their rosé for the "We'll Make You Blush" ad.

Miya added that she submitted a completed application and PowerPoint presentation for the AAPA Lighthouse Awards in Communications/Special Events for the Triton ceremony, noting that the Lighthouse Awards Ceremony will take place at AAPA's annual meeting in Orlando in October.

Miya announced that she attended the LIGO ribbon-cutting event to welcome the LeXC Center with Executive Director Diahann Howard.

Miya provided a screenshare of the Vintners Village website, which will be officially launched to the tenants on June 16 and there will be an open period to obtain feedback and encouragement engagement to the site. Miya added that she will share a link to the site with all Commissioners at the conclusion of the meeting and is open for any and all feedback.

#### **5. ECONOMIC DEVELOPMENT & GOVERNMENTAL AFFAIRS:**

Director of Economic Development & Governmental Affairs, Miles Thomas complimented the current Journal of Business article that features the White Bluffs construction project. Thomas explained that he provided information to the Journal and was pleased with their final result.

Thomas announced that the project itself is a bit behind schedule because of a water line issue and because a tank had been uncovered, which was likely a remnant from Camp Hanford. Thomas added that this tank is likely cooking oil, as preliminary testing has not indicated anything of hazardous material, but all required testing is currently underway.

Thomas announced that he has joined the board of the Diversity and Inclusion Council, which will start next month. Thomas added that this council started in March 2020 with \$38 in the bank, and has grown in the last two years and is currently providing consulting on the Build Back Better grant proposal.



## **6. FINANCE DIRECTOR:**

Director of Finance/CPA, Danielle Connor announced that the 2021 Annual Report was completed and filed with the State Auditor's Office in late May, within the due date. Connor added that the annual report for the Port's Economic Development Corporation has also been filed.

Connor announced that the 2021 audit entrance conference was held earlier this week and the handouts from that meeting have been provided to the Commission. Connor explained that consistent with past years, it is only the standing Commission President that is invited to attend the audit conferences along with internal management and other key stakeholders involved with the audit. Connor added that any handouts and information provided are then shared to with the rest of the Commission.

Connor added that the Port will undergo three audits this year, the financial statement, federal grant compliance and accountability audits.

Connor noted that initial focus will be on financial statement and federal grant compliance to meet the September 30 due date. Connor added that because they were able to get started early, all is well on track, the initial planning is complete and there have been nearly 200 transaction requests thus far just this week. Connor thanked Senior Accountant, Veronica Serna who has handled the majority of those requests, along with Teresa Hancock for her effort on the lease selections. Connor stated that the team is on track to file in late July/early August.

Connor added that the accountability audit will be delayed until later this year, estimated late September/early October with the due date being December 31.

Connor provided an update on the IAP project, noting that progress has slowed this month, as Liz has been focusing on baseline mission critical items and Tiffany has had other commitments. Connor informed that the team is now up to 152 (69%) leases entered, of an estimated 220 leases total.

Connor noted that the kickoff call with BakerTilly Development was held on June 6 and they are in the beginning development stage of the integration. Connor added that the point of contact is in the south, but the developers are in Romania, so it will take a bit of coordination with international time zones. Connor stated that weekly calls will kickoff in the coming weeks.

Connor added that current focus of the IAP project continues to be lease entry, then moving to GASB 87 module configuration, billing testing, pre-go-live cutover items and reconciliations.

Connor stated that the team is still aiming for an October 1<sup>st</sup> go-live, and will reassess for readiness as there is planned contingency if needed. Connor added that there is lease entry rework and updates needed, as well as additional milestones necessary prior to official go-live.

Connor provided a financial status PowerPoint presentation highlighting the available general operating funds as \$3.8M and the project fund also at \$3.8M.

Connor announced that there were \$1.3M in cash receipts for May and \$805k in cash disbursements, with the prior month being at \$988k.

Connor noted that there is currently \$44k outstanding in Accounts Payable with \$0 past due and \$504k outstanding in Accounts Receivable, \$501k being tenant.

Connor stated that the entire finance team attended the WPPA Finance Seminar last week which was excellent and other focuses for the finance team are the 2021 audit, the upcoming LEAN consulting and the 2023 budget kickoff in June and July.

## **7. PORT ATTORNEY:**

Executive Director, Diahann Howard announced that David is currently on business travel, attending an AAPA event that is required for his PPM certificate and will be joining the meeting for Executive Session only.

#### **8. EXECUTIVE DIRECTOR:**

Executive Director, Diahann Howard announced that she recently attended a dinner with Senator Murray's regional and D.C offices where key initiatives were covered. Howard added that there are currently 579 congressional requests and only two will be selected.

Howard stated that she attended the Western Caucus led by Newhouse's office and the Port is in the beginning stages of planning for a fall rail caucus tor led by the Ports of Benton and Pasco.

Howard added that she recently presented to the FRIB board and a local Retired Public Employees group along with the Richland Rotary club.

Howard announced that she attended the recent AAAE Annual Meeting, which was held in Seattle, and was very impressed with the level of professionalism and leadership and the available mentorships. Howard added that great connections were made regarding a future airport manager.

Howard added that she attended the Low Carbon Advisory Board who had presenters from the tribes, which led to a good discussion.

Howard stated that she has been working on Washington VERTical and is coordinating with the United States Nuclear Industry Council, Association of Washington Business and Energy Community Alliance.

Howard noted that current grant to NSF for the VERTical could provide \$1M in planning for Tier 1 with a potential for Tier 2 that is \$16M per year for ten years, which will continue to help fund VERTICAL in the future.

Howard noted that she has been in coordination talks with Pacific Northwest Aerospace and Clean Tech Cluster in addition to conversations with PNNL and WSU Tri-Cities regarding support to PNNL net zero laboratory initiative.

**I. EXECUTIVE SESSION:** The regular Commission Meeting was recessed at 10:05 a.m. and an Executive Session was convened at 10:15 a.m. to discuss ongoing and potential litigation, real estate and personnel matters. It was announced that Executive Session would take 1 hour and if any action was required, the Regular Commission Meeting will reconvene and bring forward the item at that time.

At 11:15 a.m., a motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens and unanimously passed by the Commission, permitting the Port to continue negotiations for a settlement agreement with TCRY, and authorize the Port to sign said agreement as previously presented to the Port Commission and with understanding that time is of the essence.

#### **J. BREAK:**

With no further business, the meeting was recessed and teleconference and Zoom options were terminated. Commission and staff traveled to the Richland Airport for a tour led by Engineer Roger Wirght.

#### **K. TOUR OF RICHLAND AIRPORT:**


Engineer Roger Wright led the Port Commission and staff on a tour of the Richland Airport, highlighting the following:

- 1865 Bronco Lane – Tour of building, explanation of helipads and planned corporate hangars
- End of Runway 1 – Lighting and localizer, runway equipment and asphalt condition



- Intersection of runways, review electrical replacement project, including runway closures and the displaced threshold, which is a shortened runway during intersection closure.
- Airport Tower – Tour of the airport tower and overview of the airport. Point out the FBO and Quonset hut.

**L. ADJOURNMENT:** The Commission meeting was adjourned at 12:36 p.m. with an announcement that the next regularly scheduled Port of Benton Commission meeting would be held at 8:30 a.m. on July 13, 2022.

  
\_\_\_\_\_  
Lori Stevens  
Commission Secretary