

ORIGINAL

RESOLUTION 18-28
A RESOLUTION TO ADOPT THE 2019 PORT BUDGET

WHEREAS, the Port of Benton has properly given notice of the public hearing held on November 7th, 2018 to consider the Port of Benton's Budget for the 2019 calendar year, pursuant to RCW 84.55.120; and

NOW, THEREFORE BE IT RESOLVED, by the Commission of the Port of Benton after a public hearing, and after duly considering all relevant evidence and testimony presented, has adopted the following budget for the Port of Benton for the year 2019:

Beginning Cash	\$ 2,450,000
<u>Revenues</u>	
Lease Revenue	4,382,295
Tax Revenue	2,454,773
Grant Income	1,140,222
Miscellaneous Income & PILT	695,100
Line of Credit Advance	2,450,000
Collection of Notes Receivable	16,944
Interest Income	26,525
Total Anticipated Revenues	<u>11,165,860</u>
Total Available Funds	13,615,860
<u>Expenditures</u>	
Operations & Maintenance	2,995,885
General & Administrative	2,943,840
Debt Service Payments	994,162
Equipment Purchases	70,000
Total Anticipated Expenditures	<u>7,003,887</u>
Total Available Funds Less Expenses	6,611,973
Less Funds for Projects	5,310,702
Less Funds for Promotional Hosting Expenditures	1,000
<u>Ending Cash on Hand</u>	
General Operating Fund	271
Reserve & Restricted Funds	1,300,000
Total Unrestricted & Reserve Funds	<u>\$ 1,300,271</u>


Approved by the Port of Benton Commission at its regular meeting held this 7th day of November, 2018.



Roy D. Keck, President



Jane F. Hagarty, Vice President



Robert D. Larson, Secretary



2019
Proposed
Budget

October 26, 2018



The Port of Benton Commissioners are proud to provide this proposed budget to the citizens and taxpayers of Richland, Benton City, Prosser and surrounding areas. The Port of Benton prides itself with providing the best economic development opportunities in the region. The Port also provides the preeminent transportation and real estate facilities in the area. Our facilities and infrastructure valued at over \$89 million dollars support thousands of local jobs and provide opportunities for new and growing business.

The 2019 proposed budget is \$12.32 Million Dollars. We plan to receive \$4.38 million in lease revenue and \$2.43 million in tax revenue.

The Port of Benton has not raised the levy rate in the past fifteen years. The Port's tax levy rate has decreased 26% in the past twelve years.

The Port has and will maintain a cash reserve of \$1,300,000.

In 2019, the Port will complete the following capital projects:

- \$ 3,450,000 Purchase of 71.50 acres of land in Richland
- \$ 492,691 Prosser Airport Taxi lane Construction
- \$ 444,445 Richland Airport Master Plan Update
- \$ 308,400 Pavement Maintenance and Rehabilitation Port Wide

The Port of Benton will borrow \$2.45 million dollars in 2019 to complete these projects.

The Port of Benton Commission will hold a meeting on November 7, 2018 at 8:30 AM at the Port Administrative offices, 3250 Port of Benton Blvd., Richland, WA 99354. Public comment will be accepted prior to closing the public hearing and the scheduled adoption of the 2019 budget and property tax levy.

For more information regarding the budget please contact Stuart Dezember, CPA, PPM, Director of Finance at 509-375-3060, or dezember@portofbenton.com.

**Port of Benton
2019 Proposed Budget**

	<u>Budget</u>
Estimated Beginning Cash	\$ 2,450,000
<u>Additions</u>	
Lease Revenue	4,382,295
Tax Revenue	2,454,773
Grant Income	1,140,222
Miscellaneous Income & PILT	695,100
Sale of Fixed Assets	-
Line of Credit Advance	2,450,000
Collection of Notes Receivable	16,944
Interest Income	26,525
Total Additions	<u>11,165,860</u>
Total Available Cash	13,615,860
<u>Subtractions</u>	
Operations & Maintenance	2,995,885
General & Administrative	2,943,840
Total Debt Service Payments	994,162
Capital Projects	5,310,702
Promotional Hosting Expenditures	1,000
Equipment Purchases	70,000
Total Subtractions	<u>12,315,589</u>
Net Cash Available Before Reserves	<u>1,300,271</u>
Reserve	(1,300,000)
Ending Cash	<u>\$ 271</u>

10/26/2108

**Port of Benton
Sale of Fixed Assets
2019 Budget**

None Budgeted

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**Port of Benton
Collection of Notes Receivable
2019 Budget**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Redline Automotive	\$ 5,290	\$ 6,819	\$ 12,109
Steward Land, LLC	5,400	4,933	10,333
Debbie Augustavo	<u>6,254</u>	<u>6,223</u>	<u>12,477</u>
	<u>\$ 16,944</u>	<u>\$ 17,975</u>	<u>\$ 34,919</u>

Port of Benton - 2019 Proposed Lease Revenue

PROSSER AIRPORT

Blahut, Robert	\$ 1,800
Carole's Flying Machines	1,914
Christiansen, Brent	2,340
Chukar Cherry Company	55,400
Chukar Cherry Warehouse	28,114
Chukar Cherry 320 B Warehouse	108,000
Conmy, Scott	1,063
Connell Oil	600
Denchel, Tom	754
Drollinger, Mike	1,223
Duehn, Bryce	414
Early, Jim	900
Ewalt, Rod Coy	1,067
Flores, John	700
Fries, Greg	1,200
May, John	1,117
Milne Fruit Products	64,800
Milne Fruit Products (Warehouse)	38,880
Ohler, Michael	324
Parli, Branden	6,000
Philip, P.J.	1,223
Rasch, Bernard	85
Scholtfeldt, Pete	1,223
Strausz, Waltz & Anderson	477
Thompson, Cormac Jr. & III - Wings Over Prosser	185
Webster, Edward	8,400
Williams, Scott Dr.	646
	<u>646</u>
	<u>\$ 328,849</u>

Port of Benton - 2019 Proposed Lease Revenue

RICHLAND AIRPORT

Airport Mini Storage	\$ 5,972
Airport Mini Storage Economy	4,336
Anne's Cajun Creole	4,800
Arntzen, Glenn & Juanita (1856 Terminal Drive)	2,050
Arntzen, Glenn & Juanita (2520 - 2524 Aileron Ave)	2,125
Arntzen, Glenn & Juanita (2561 Aileron Avenue)	2,326
Barinaga, Charles	1,195
Berlin, Greg	521
Barnes, Don	665
Berkey, Clifton	2,400
Blue Star Enterprises Northwest	44,640
Brayton, Herb & Jennifer (2060 Butler Loop)	775
Brayton, Herb & Jennifer (Richland Aeronautical)	619
Brayton, Herb (Howard M. Neill)	967
Bronco Girl Investments (1828 Terminal Drive)	2,540
Bronco Girl Investments (1851 Bronco Lane)	891
Buckskin Golf Club	5,805
C & H Aviation, LLC	737
Civil Air Patrol	10
Cole, Douglas	1,000
Collins Enterprises (2020 Butler Loop)	4,359
Collins Enterprises (2030 Butler Loop)	2,477
Columbia Dive Rescue	10
Connell Oil, Inc. (Auto) (1980 Terminal Drive)	13,000
Cook, Ivan (.931 acres)	2,167
Cook, Ivan (Vitro Bldg)	7,298
Cook, Vernon (Azurdata Bldg) (1840 Terminal Drive)	7,798
Cook, Vernon (Trade Center) (1816 Terminal Drive)	20,960
Croskrey Properties	1,989
Croskrey, Nathan (1902 - 1904 Airport Way)	1,449
Croskrey Properties LLC .38 Acres	1,638
DBM, Rich Crigler	5,207
Dehaan, Gary L.	3,900
Dewitt, Roger, Butler Loop	9,729
Dillon, Dr. Thomas	964
Fogelson, Robert	1,000
Gehlen, Mark	1,027
Harrison, Tom	1,000
Henningsen Cold Storage	1,099
Hi Line Engineering & Fabrication, Inc.	9,888
Hi-Line Leasing LLC	2,869
Hill, Cannon (1909 Airport Way)	1,956
Hill, Cannon (2002 Butler Loop)	1,092
Hill, Cannon (.22 acres)	1,248
Hill, Cannon	1,000
Hollis, Dennis	2,274
Jaeger, Mark	573

RICHLAND AIRPORT, Continued

J&D Trevino Family Investments, LLC	1,030
Keck Services, Inc.	3,815
KTM Enterprises, LLC	1,044
Liberty Lawn & Saw Shop LLC	2,514
LPJ Properties, LLC	2,796
Manawadu, Bing	425
Mead, Jeromie, Hangar	540
Mead, Jeromie, Red Line Land only	6,936
Merz, Nathan	3,010
Mission Investments, LLC	1,223
Mission Investments, LLC	4,238
My Pro-Contractor, LLC	1,000
Perfect Image Photo Labs	5,100
Richland Aero Shelters, LLC	1,029
Richland Airport Associates	6,534
Richland Hangar Association	1,019
RSSS, LLC	3,649
Sailplane Haven	564
Shadow Mountain Industrial Properties	1,050
Shaw, Greg	1,000
Showalter, Mark	1,000
Sky Hangar Associates	1,600
Sky Park Office Suites	4,320
Steelman, Clifton	2,443
Sundance Aviation	7,860
Talent Aviation Services	1,668
The Axe, LLC.	726
TK Machine Company	1,889
Urban, Scott	1,029
Weide, Scott dba NW Restoration	5,550
Welch, Teri-Lin	5,957
West Enterprises	2,373
White, Michael Trust	1,153
White, Tim	1,000
Whitney, Richard	1,024
Woods, Stuart & Sheena	1,593
Zero Gravity	12,600
	<u>\$ 294,646</u>

Port of Benton - 2019 Proposed Lease Revenue

PROSSER WINE & FOOD PARK

	<u>Lease</u>	<u>Utilities</u>
Alexandria Nicole Cellars	\$ 43,200	\$ 6,947
Chukar Cherries	14,400	3,471
Kenyon Zero Storage	3,307	
Wit Cellars	12,000	1,661
Wit Cellars	12,000	1,660
	<u>\$ 84,907</u>	<u>\$ 13,738</u>

VINTNERS VILLAGE

	<u>Lease</u>	<u>Utilities</u>
Terry Christensen	\$ 2,216	\$ 2,151
PEDA	8,352	-
	<u>\$ 10,568</u>	<u>\$ 2,151</u>

Port of Benton - 2019 Proposed Lease Revenue

<u>TECHNOLOGY & BUSINESS CAMPUS</u>	<u>Lease</u>	<u>Utilities</u>
AM Enterprises LLC	\$ 3,000	
Atkins North American Inc.	24,306	
Battelle Memorial Institute	184,863	
BNL Tech., Inc.	60,808	\$ 11,160
Conf. Tribes of the Umatilla Indian Reservation	5,760	1,860
Cowperwood Irrigation	1,750	
City of Richland Water Easement	1,000	
Digital Image	21,269	
Efficiency Solutions	3,708	
Energy Northwest	16,109	
Iso Pacific Nuclear Assay Systems	7,652	1,864
Kindra's Wok & Roll	240	
Lampson International, LLC (Laydown Yard)	3,000	
Lampson International, LLC (Highdock)	1,500	
LiveTiles LLC	12,459	
Molecule Works, Inc.	22,284	
Our Dreams Continued, LLC	33,170	
RGW Enterprises, PC	3,669	
Richland Corporate Partners	78,689	
Savannah River Nuclear Solutions	18,680	8,760
Sign Fracture Care International	90,969	40,800
SMI Group V, L.L.C.	8,269	
SMI Group V, LLC, Irrigation	306	
SMI Group XII, L.L.C.	18,108	
Stapp, Darby	7,797	1,900
Test America	29,005	
U. S. House of Representatives	14,244	
E Dale Waters Family Trust	4,363	
Vibragenix, LLC	26,506	5,355
Westinghouse Electric Company	256,433	
XL Scitech	13,856	1,978
Willow Pointe HOA Irrigation	625	
	<u>\$ 974,397</u>	<u>\$ 73,677</u>

Port of Benton - 2019 Proposed Lease Revenue

<u>RICHLAND BUSINESS PARK</u>	<u>Lease</u>	<u>Utilities</u>
Barnhart Crane	\$ 6,881	
Ben Franklin Transit	2,000	
City of Richland	150	
Core Cabinet Corporation, Inc.	4,131	
Energy Solutions (2345 Stevens)	342,820	\$ 31,604
Eucon Corporation	60,000	
Eucon Corporation (aggregate)	260,000	
Hill, Cannon (Cast)	12,967	
Intermech, Inc.	74,928	17,500
Kaiser Aluminum	90,290	
Kurion, Inc.	190,000	17,500
Mission Support Alliance	627,570	85,000
Mission Support Alliance (M404)	72,817	
Mission Support Alliance, WRPS Storage	50,000	11,500
NTCH- WA, Inc. (Vertical Bridge Holdings)	5,640	
Pro Train	13,191	1,800
Smith, R.H. Fuel Station (Conoco)	10,800	1,740
SMI Group XVIII, LLC	80,371	
Tri-City Railroad (Railroad)	32,231	
Tri-City Railroad (5 acre Laydown)	18,559	
Tri-City Railroad (Equipment)	32,231	
U. S. Cellular Tower	10,950	
Verizon Wireless	18,000	
Verizon (American Towers)	16,518	
Vivid Learning Systems	14,689	2,400
Washington/Oregon Wireless (Sprint)	7,320	
Weston Mountain Onions LLC	33,007	
<u>TEC BUILDING</u>		
Advanced Technologies & Laboratories	28,550	
Archer Analytical, Inc	17,000	
Bombing Range Brewing	25,000	
Mission Support Alliance	47,928	32,136
	<u>\$ 2,206,539</u>	<u>\$ 201,180</u>

Port of Benton - 2019 Proposed Lease Revenue

<u>RICHLAND INNOVATION CENTER</u>	<u>Lease</u>	<u>Utilities</u>
Advanced Concepts & Design	\$ 4,221	\$ 1,113
B&B Custom Repair	12,000	
Henning, Justin	5,669	
Hittman Transportation	16,624	
Moravek Biochemicals	39,838	
SmartPark PH1, LLC	15,677	
Strong.Dow	1,595	
T-Mobile USA (CC TM PA LLC)	5,640	
Total Site Services (2780 Salk Ave)	15,688	1,400
Total Site Services (2650 Salk Ave)	23,913	
WSU BIO Chemcat	6,000	8,210
XL Sci-Tech	1,573	
	<u>\$ 148,438</u>	<u>\$ 10,723</u>

Port of Benton - 2019 Proposed Lease Revenue

<u>BENTON CITY</u>	<u>Lease</u>	<u>Utilities</u>
Cre 8	\$ 3,600	
Country Manor Fabrics	6,000	\$ 4,200
Blowhard	3,671	2,315
Subway Real Estate	12,696	
	<u>\$ 25,967</u>	<u>\$ 6,515</u>

Port of Benton - 2019 Capital Projects

<u>PROSSER AIRPORT</u>	<u>Budget</u>
FAA - AIP 17 SE Hangar Taxilane Construction	\$ 124,820
FAA - AIP 18 SE Hangar Taxilane Construction	367,871
FAA - AIP 19 Environmental Assessment	166,667
Pavement Maintenance	110,000
Facade Improvements	100,000
Chukar entrance drainage improvements	30,000
Total Prosser Airport	<u><u>\$ 899,358</u></u>
<u>VINTNER'S VILLAGE</u>	<u>Budget</u>
Site Development	\$ 10,000
Total Vintner's Village	<u><u>\$ 10,000</u></u>
<u>PROSSER WINE & FOOD PARK</u>	<u>Budget</u>
Pavement Maintenance	\$ 72,000
Total Prosser Wine & Food Park	<u><u>\$ 72,000</u></u>
<u>CLORE</u>	<u>Budget</u>
Site Development	\$ 8,000
Total Clore	<u><u>\$ 8,000</u></u>

Port of Benton - 2019 Capital Projects

<u>RICHLAND BUSINESS PARK</u>	<u>Budget</u>
Site Development	\$ 8,500
<u>TEC Building</u>	
None Budeted	
 Total Richland Business Park	 <u><u>\$ 8,500</u></u>

<u>TECHNOLOGY & BUSINESS CAMPUS</u>	<u>Budget</u>
SEED EDA i6 Grant, 2/3	\$ 100,000
TBC Pavement Maintenance	126,400
 Total Technology & Business Campus	 <u><u>\$ 226,400</u></u>

<u>RICHLAND INNOVATION CENTER</u>	<u>Budget</u>
Remove Deed Restriction for 71 acres	\$ 3,450,000
 Total Richland Innovation Center	 <u><u>\$ 3,450,000</u></u>

<u>RICHLAND AIRPORT</u>	<u>Budget</u>
FAA - AIP 30 Helipad Apron	\$ 52,000
FAA - AIP 31 Master Plan & ALP Update	444,444
Broadband Infrastructure (2/3)	30,000
Fire Hydrant - New Hangar Development	10,000
Entrance Archway Engineering/Design	25,000
 Total Richland Airport	 <u><u>\$ 561,444</u></u>

Port of Benton - 2019 Capital Projects

<u>CROW BUTTE</u>	<u>Budget</u>
Replace Contact Station	75,000
Total Crow Butte	<u><u>\$ 75,000</u></u>

Port of Benton - 2019 Capital Projects

<u>BENTON CITY</u>	<u>Budget</u>
None Budgeted	
Total Benton City	<u><u>\$ -</u></u>

Port of Benton - 2019 Capital Equipment Purchases

<u>EQUIPMENT</u>	<u>Budget</u>
Maintenance Truck	60,000
Computer & Office Equipment	10,000
Total Equipment	<u><u>\$ 70,000</u></u>

**Port of Benton
2019 Proposed Taxes**

Assessed Valuation		6,566,170,620
2011 GO Bonds	342,370	0.05214
Regular Levy	<u>2,112,403</u>	<u>0.32171</u>
Maximum Tax Levy for 2019	<u><u>2,454,773</u></u>	0.37385

2018 Tax Levied		
Regular Levy		2,018,883
2011 GO Bond Levy		340,870
		<u>2,359,753</u>
2019 Adjustment		23,598
2019 Admin Refund Levy		18,024
2018 New Construction	133,234,950	
2018 Levy Rates		
Expense rate	0.342893	
2011 GO Bond Levy	<u>0.057894</u>	
	0.400787	<u>53,399</u>
	Max for 2019	2,454,773



Port of Benton - 2019 Anticipated Cash Flows

CASH FLOWS	Forecasted Budget
Rent - Prosser Airport	\$ 328,849
Rent - Richland Airport	294,646
Rent - Prosser Wine & Food Park	84,907
Rent - Technology & Business Campus	974,397
Rent - Richland Business Park	2,206,539
Rent - Richland Innovation Center	148,438
Rent - Benton City	25,967
Rent - Vintners Village	10,568
Tenant Utility Reimbursement Vintners Village	2,151
Tenant Utility Reimbursement (PWFP)	13,738
Tenant Utility Reimbursement (TBC)	73,677
Tenant Utility/Maintenance Reimbursement (RBP)	201,180
Tenant Utility Reimbursement (RIC)	10,723
Tenant Utility Reimbursement Benton City	6,515
Interest Income - General	8,550
Interest Income-Contract Receivable	17,975
Receipts Generated from Activity at Crow Butte	130,000
Benton County .09 funds for 2019	408,000
Collection of Notes Receivable	16,944
Operating Taxes General	2,454,773
Miscellaneous Non-operating & Admin refund	32,100
Payment in Lieu of Taxes (PILT)	125,000
Grant Income	
FAA Prosser	593,422
FAA Richland	446,800
EDA - Seed Funding	100,000
Grant Income Subtotal	<u>1,140,222</u>
Line of Credit Advance	2,450,000
Total Estimated Cash Inflows	<u><u>\$ 11,165,860</u></u>

Port of Benton - 2019 Anticipated Cash Outflows

DEBT SERVICE	Forecasted Budget	
CERB Loan Payment - Principal	\$	15,024
CERB Loan Payment - Interest		766
WSDOT Rail Loan Payment		16,667
2011 GO Bonds Principal		180,000
2011 GO Bonds Interest		162,370
Banner Bank Loans Interest Portion of Debt		189,529
Banner Bank Loans Principal Portion of Debt		188,075
2019 Banner Bank LOC interest only		92,538
Haeifc - Interest		11,946
Haeifc - Principal		137,247
 Total Debt Service	 \$	 <u>994,162</u>

CAPITAL PROJECTS	Forecasted Budget	
Capital Projects PAP	\$	899,358
Capital Projects V V		10,000
Capital Projects PWWP		72,000
Capital Projects Clore		8,000
Capital Projects RBP		8,500
Capital Projects TBC		226,400
Capital Projects RIC		3,450,000
Capital Projects RAP		561,444
Capital Projects Crow Butte		75,000
Capital Projects Benton City		-
 Total Capital Projects	 \$	 <u>5,310,702</u>

EQUIPMENT PURCHASES	Forecasted Budget	
Maintenance Equipment	\$	70,000
Total Equipment Purchases	\$	<u>70,000</u>

OPERATIONS & MAINTENANCE**Forecasted Budget**

Operations Salaries	622,388
Payroll Taxes	99,754
Employee Benefits	245,316
Development Coordinator- Prosser Airport	14,040
Outside Services- Prosser Airport	58,084
Outside Services- Richland Airport	138,176
Fire Monitoring	926
Fire Monitoring	1,229
Janitorial Services/Supplies-Prosser Airport	1,680
Janitorial Services/Supplies-Richland Airport	5,257
Supplies/parts/tools- Prosser Airport	5,911
Supplies/parts/tools- Richland Airport	8,654
Utilities- Prosser Airport	7,216
Utilities- Richland Airport	26,368
Irrigation- Prosser Airport	16,628
Prosser Sewer Charges	1,048
Prosser Refuse Charges	1,776
Telecommunications	6,159
Telecommunications	1,479
Prosser Water Charges	914
Building Repairs- Prosser Airport	8,654
Building Repairs- Richland Airport	9,064
Roadway & Parking Area Repairs	4,808
Roadway & Parking Area Repairs	8,256
Maintenance Land & Grounds- Prosser Airport	13,289
Maintenance Land & Grounds- Richland Airport	14,589
Runway, Landing Field & Apron Maintenance	1,299
Runway, Landing Field & Apron Maintenance	16,987
Outside Services -Crow Butte	61,944
Office Supply & Equipment- Crow Butte	4,440
Janitorial- Crow Butte	6,673
Crow Butte - Software	3,000
Equipment Repairs- Crow Butte	8,909
Caretakers Salaries	90,271
Caretakers Payroll Taxes & Benefits	30,775
Building Repairs - Crow Butte	2,987
Travel - Crow Butte	3,546
Marketing- Crow Butte	4,480
Utilities- Crow Butte	16,899
Garbage Disposal- Crow Butte	13,665
Telecommunications- Crow Butte	7,874
Maintenance - Milfoil Treatment and Tree Root Removal	20,000
Tools/Supplies Ground Maint- Crow Butte	19,589
Conservation/ Weed Control- Wine Food Park	2,231
Conservation/ Weed Control- Vintners Village	1,130
Conservation/ Weed Control- Clore	1,269
Conservation/ Weed Control- Technology Business	140
Conservation/ Weed Control- Richland Business Park	228
Conservation/ Weed Control- Richland Innovation	76
Conservation/ Weed Control- Benton City	77
Outside Services- Wine Food Park	23,393
Outside Service- Vintners Village	15,819
Outside Services- Clore	18,098

Outside Services- Technology Business	86,874
Outside Services- Benton City	32,454
Outside Services- Richland Business Park	148,000
Outside Service- Tri-Cities Enterprise Center	36,574
Outside Services- Richland Innovation Center	28,964
Fire Monitoring-Wine Food Park	1,200
Fire Monitoring - Clore	690
Fire Monitoring- Technology Business	20,954
Fire Monitoring- Richland Business Park	9,875
Fire Monitoring-Richland Innovation Center	12,654
Janitorial Services & Supplies-Wine Food Park	4,653
Janitorial Services & Supplies-Technology Business	46,541
Janitorial Services & Supplies-Richland Business Park	31,665
Janitorial Services & Supplies-Tri-Cities Enterprise	14,301
Janitorial Service/Supplies-Richland Innovation Center	6,578
Maintenance Tools & Supplies-Prosser Airport	1,628
Maintenance Tools & Supplies-Richland Airport	16,997
Maintenance Tools & Supplies-Wine Food Park	5,177
Maintenance Tools & Supplies-Vintners Village	954
Maintenance Tools & Supplies-Clore	1,366
Maintenance Tools & Supplies-Technology Business Campus	15,558
Maintenance Tools & Supplies-Benton City	1,297
Maintenance Tools & Supplies-Richland Business Park	18,306
Maintenance Tools & Supplies-Tri-Cities Enterprise	16,798
Maintenance Tools & Supplies-Richland Innovation Center	7,566
Vehicle Fuel	28,416
Vehicle Supplies	12,003
Port Vehicle Maintenance	19,215
Port Equipment Maintenance & Repairs	26,063
Building Repairs- Wine Food Park	2,599
Building Repairs - Vintners Village	5,000
Building Repairs - Clore	13,093
Building Repairs- Technology Business	5,489
Building Repairs- Richland Business Park	12,426
Building Repairs- TEC Building	26,395
Building Repairs- Richland Innovation	7,250
Property Rental- Clore & Wine Food Park	15,950
RR General Liability Insurance	43,295
Utilities- Wine Food Park	10,797
Utilities- Vintners Village	2,555
Utilities- Clore Site	1,450
Utilities- Technology Business	121,900
Utilities- Benton City	5,758
Utilities- Richland Business Park	168,874
Utilities- TriCities Enterprise	23,987
Utilities- Richland Innovation Center	49,825
Irrigation- Wine Food Park	785
Irrigation- Vintners Village	6,245
Irrigation- Clore	1,426
Telecommunications - Wine & Food Park	2,688
Telecommunications - Technology Business	13,404
Roadway & Parking Area Repairs - Wine & Food Park	6,519
Roadway & Parking Area Repairs - Vintners Village	4,808
Roadway & Parking Area Repairs - Clore	4,905
Roadway & Parking Area Repairs - Technology Business	4,493

Roadway & Parking Area Repairs - Richland Business Park	8,374
Roadway & Parking Area Repairs - TEC Building	1,800
Roadway & Parking Area Repairs - Richland Innovation Center	1,650
Maintenance Land & Grounds- Wine Food Park	4,701
Maintenance Land & Grounds- Vintners Village	4,106
Maintenance Land & Grounds- Clore	4,625
Maintenance Land & Grounds- Technology Business Campus	20,267
Maintenance Land & Grounds- Benton City	2,104
Maintenance Land & Grounds- Richland Business Park	11,569
Maintenance Land & Grounds- Tri-Cities Enterprise Center	10,860
Maintenance Land & Grounds- Richland Innovation Center	13,129
 Total Operations & Maintenance	
	\$ 2,995,885

GENERAL & ADMINISTRATIVE**Forecasted Budget**

Administrative Salaries	\$	1,136,168
Commissioner's Compensation		77,568
Payroll Taxes		175,992
Employee Pension Benefits		417,192
PEDA Grant Writer		20,000
Consulting & Engineering		61,306
Legal Services		240,000
Postage		4,862
Office/computer Supplies		34,085
Computer Hardware/Software Expense		9,284
IT Support		26,875
Travel Expense		119,500
Seminars and Trade Shows		43,828
Crime Blanket Insurance		2,198
Airport Liability Insurance		7,463
General Liability, E & O & Employment Practices		49,300
Auto Liability Insurance		7,011
Property Insurance		173,773
Marketing		123,446
Required Public Notices		12,785
TRIDEC		35,000
Prosser EDA		30,000
Memberships & Dues- Miscellaneous		3,000
Memberships & Dues- Benton City EDC		8,000
Memberships & Dues- Prosser Chamber		330
Memberships & Dues- Visit Tri-Cities		5,000
Membership & Dues- AAPA		1,800
Membership & Dues- APP		1,250
Benton Franklin Council of Governments		8,500
Good Roads Association		225
PNWA		7,150
WAMA		500
WPPA		10,050
Affiliate Hanford Communities		5,000
WEDA		400
Rotary Memberships		2,000
ECA Membership Dues		950
Membership & Dues- Assoc of Wa. Business		500
Telecommunications		43,484
Regulatory- State Auditor		21,450
Business & Occupation Tax		8,215
Misc., Professional Training		8,400
Total General & Administrative	\$	2,943,840



MEMO

To: 2019 Budget File.

From: Stuart Dezember, Director of Finance

Subject: March 31, 2019 Budget Revision

Date: May 9, 2019

At the May 8, 2019 Commission Meeting, the Port of Benton commissioners approved the Budget Revision as of March 31, 2019.

Attached to this memo is the approved Budget Revision and a copy of the approved May 8, 2019 Commission Meeting minutes.

Port of Benton

Analysis of Surplus Cash as of March 31, 2019

\$	497,000	- Increase in Beginning Cash at January 1, 2019
	(408,000)	- Benton County .09 Funds
	2,482,931	- Sale of Building and Land to SIGN
	(124,200)	- Decrease in Lease Revenue re: SIGN lease termination
	(2,450,000)	- Line of Credit Advance, (not needed)
	<u>951,937</u>	- Sale of Buildings and Land to Croskrey
\$	949,668	- Additional Cash Available for 2019 Budget
	(39,660)	- Hire (1) Full-Time Maintenance Staff, including payroll taxes and benefits
	(85,300)	- Hire (1) Director of Operations and Maintenance, including payroll taxes and benefits
	(463,640)	- (a) Payoff Long-Term Debt (Banner Bank) \$500,000 original debt amount
	23,345	- Reduction in 2019 debt payments for Long Term Debt (Banner Bank)
	(225,000)	- 2019 Cash Match for State of Washington Rail Grant, (\$250,000 total)
	<u>(150,000)</u>	- Construction of Richland Airport Entrance Archway
\$	9,413	- Remaining Cash Balance

(a) Payoff of Long-Term Debt saves \$167,795 of interest costs over the next 14 years

**PORT OF BENTON
COMMISSION MEETING MINUTES
May 8, 2019**

ORIGINAL

- 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 Dezember, CPA, PPM@; Director of Airports, Kevin Howard, C.M.; John Haakenson, Director of Special Projects; Administrative Assistant, Kelly Thompson; Director of Economic Development and Governmental Affairs, Diahann Howard; Director of Real Estate, Teresa Hancock and In-house Counsel, David Billetdeaux. Also, in attendance were Bill O'Neil, Dan Deckert, Lorna Deckert, Brian Lotze, Marc Rood, Jeff Priest and Terry Christensen.
- 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 Jane Hagarty, seconded by Commissioner Robert Larson, and unanimously passed by the Commission approving the April 17, 2019, Commission Meeting Minutes.
 2. **UNSCHEDULED BUSINESS/VISITORS:** Bill O'Neil introduced himself.
 3. **BENTON CITY SPRING OPENER CAR AND BIKE SHOW:** Dan Deckert, Lorna Deckert and Brian Lotze, Benton City Spring Opener, Car and Bike Show, thanked the Commission for their continued support and presented the Port with a plaque. Dan and Lorna Deckert are retiring from the event as officers and will remain on the volunteer committee. Brian and Robin Lotze will take over as Directors of the event.
 4. **TENANT UPDATE:** Marc Rood and Jeff Priest, Veolia Nuclear Solutions, provided an overview of their business, featuring global technologies and capabilities with a history of the company. They expressed their wish to have a centralized place for visitors, testing and operations in Richland. They invited the Commission to tour their new demo facility.
- D. **COMMISSIONER COMMENTS:** Commissioner Robert Larson reported on the state grant for \$2.5M for the repair and replacement of bridge ties, support beams, crossing repairs and replacement of as many additional ties as is possible throughout the Port rail system. He also commented on the Hanford Communities meeting he recently attended, where an update was given by Valerie McCain, new Project Director for the Vitrification Plant located in the Hanford Area.

Commissioner Jane Hagarty stated all the fiberglass Prosser Ponies have been placed in The downtown area. She attended the Prosser Economic Development Association's (PEDA) Annual Meeting and thanked Commissioner Keck, the Executive Director and

The Director of Marketing for their attendance. She attended the grand opening for Rattlesnake Mountain Skydiving at the Prosser Airport which was well attended.

Commissioner Roy Keck commented on his recent appointment to Chairman of the Economic Development Committee for Washington Public Ports Association (WPPA). He reported on his attendance at the Port of Kennewick's Vista Field Groundbreaking, The Tri-Citizen of the Year Awards Banquet and the Benton Franklin Council of Governments (BFCOG) meeting. He also attended the Tri Cities Chamber Government Affairs Committee meeting, where they have identified their highest priority as the need for local workforce development in both professional and trades industries.

E. COUNSEL COMMENTS: Counsel commented on the resolution to the semi-truck which damaged the Port's electrical services box at the Richland Airport. They have reimbursed the Port in full for the cost of repairs. Counsel stated the Port has received 308 total Public Records Requests from TCRY. He provided an update on Smarsh®, the Port's software service company, who tracks the Port's Facebook, Twitter, Instagram and website updates. The Port is working on a policy regarding other entities' use of Port conference rooms.

F. EXECUTIVE DIRECTOR COMMENTS: The Executive Director discussed the need for approval to hire additional personnel. He stated he, Port of Kennewick Commissioner Skip Novakovich and Franklin County Commissioner Robert Koch met regarding the Walter Clore Wine and Culinary Center's loan with the Hanford Area Investment Fund Committee (HAEIFC). He also advised the Port continues to administer the FUSE Grant and that the Port has received a letter threatening litigation, which will be addressed in Executive Session.

G. STAFF INFORMATION REPORTS:

MARKETING: The Director of Marketing was on travel and continues to work on the Aviation Celebration, Wings and Wheels and Cool Desert Nights events.

GRANTS: The updated copy of the Grants Status report was reviewed and discussed. The Director of Airports advised the Port is currently applying for a grant for the Richland Airport Master Plan Update and will soon apply for a grant for the Prosser Airport Taxilane planning and design. The Executive Director stated the Port is working on the scope of work for the Port's railroad grant.

ECONOMIC DEVELOPMENT AND GOVERNMENTAL AFFAIRS: The Director of Economic Development and Governmental Affairs briefed the Commission on her projects and discussed the state legislative session and priorities that will be carried forward into 2020 will be focused on .09 funds and Local Revitalization Financing (LRF). She reported WPPA has submitted a letter regarding the removal of dams to the Washington State Legislature.

H. SITE PROJECTS UPDATE: The Commission was briefed on the Technology and Business Campus, Tri Cities Enterprise Center Building, Richland Business Park, Railroad, Richland Innovation Center, Richland Airport, Prosser Airport, Prosser Wine and Food Park, Vintners Village, Walter Clore Wine and Culinary Center, Benton City Downtown Properties and Crow Butte Park.

The Director of Airports requested approval for a new contact station at Crow Butte Park. The cost is approximately \$49,400. The installation of the contact station will be bid separately.

A motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission authorizing the Executive Director to execute the necessary documents for the purchase of the new contact station at 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, May 8, 2019, Port Commission by unanimous vote approved for payment those vouchers included in said listing and further described as follows: Payroll Warrants numbered 04967 through 05018 totaling \$114,394.67 and General Expense Warrants numbered 070602 through 070795 totaling \$610,115.27 from the General Expense Fund.


The Director of Finance provided the Commission with a first quarter budget update and a budget to actual comparison with a proposal for unbudgeted funds as of March 31, 2019.

- J. EXECUTIVE SESSION:** The regular Commission Meeting was recessed at 10:19 a.m., and an Executive Session was convened pursuant to RCW 42.30.110 to discuss Potential Litigation 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 sixty (60) minutes. At 11:19 a.m. the Commission announced the Executive Session would last an additional thirty (30) minutes. At 11:49 a.m. the Commission announced the Executive Session would last an additional five (5) minutes. The Executive Session was adjourned at 11:54 a.m. and the regular Commission Meeting was reconvened.

- K. A motion was made by Commissioner Jane Hagarty, seconded by Commissioner Robert Larson and unanimously passed by the Commission approving Port Counsel to send a letter to both the Hanford Area Economic Investment Fund Committee (HAEIFC) and the Walter Clore Wine and Culinary Center regarding the loan between the entities.**

A Motion was made by Commissioner Robert Larson, seconded by Commissioner Jane Hagarty and unanimously passed by the Commission approving the March 31, 2019, budget revision which includes the hiring of two additional Port employees.

- L. ADJOURNMENT:** With no further business, the meeting was adjourned at 12:00 p.m.


Robert D. Larson,
Commission Secretary