

**PORT OF BENTON
COMMISSION MEETING MINUTES
May 14, 2024**

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 located at 3250 Port of Benton Blvd., Richland, Washington.

PRESENT: Commissioner Scott D. Keller; Commissioner Lori Stevens; Commissioner Roy D. Keck
PORT STAFF PRESENT: Diahann Howard, Jeff Lubeck, Quentin Wright, Summers Miya, Wally Williams, Cassie Hammond, Ron Branine, Angela Saraceno-Lyman, Julia Mora
ALSO PRESENT: Clif Dyer, Richland Airport; RJ Blahut, Prosser Airport; Gareth Nisbet, Community Member; John O'Leary, Gravis Law; Sean Pelfrey, McKinstry

The following attendees attended via remote communications: Sheri Collins; Bryan Condon, Century West Engineers; Jeff Losey, Home Builders Association; Ashley Garza; Jeffrey Guelker, JCG Consulting; Roger Wright, RGW Enterprises

The Commission meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Cassie Hammond 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 removal of Business Item #3 from the agenda.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the revised agenda for the May 14, 2024 Commission meeting, approval of minutes from the April 10, 2024 Commission meeting, approval of vouchers and certifications, including payroll, for the month of April totaling \$1,081,623.41 and approval of Resolution 24-15, to cancel warrant no. 082974, for \$14,914.06, approval of Resolution 24-19, to cancel warrant no. 083036 and Resolution 24-20, to cancel warrant no. 083037, which were both printed with errors.

D. PUBLIC COMMENT:

There were no public comments.

E. PUBLIC HEARING

Commission President Scott Keller opened the public hearing at 8:34 a.m.

1. Receive public comment on the sale of real property located in an Industrial Development District, Richland Business Park, near the Total Energy Management site, 2521 Stevens Drive, and amending the Comprehensive Scheme of Harbor Improvements

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Executive Director Diahann Howard provided an overview of the property presented. There were no comments from the public.

Commission President Scott Keller closed the public hearing at 8:35 a.m.

F. ITEMS OF BUSINESS

1. Resolution 24-16, A Resolution of the Port of Benton Authorizing a Purchase and Sale Agreement in an Industrial Development District – Richland Business Park to DFP, LLC, 1.04 acres

Executive Director Diahann Howard provided an overview on the 1.04 acres of land, which is in the Richland Business Park, off Stevens Drive, noting that Total Energy Management (TEM) owner, Aaron Dewitt would like to purchase the land for \$200,000, as he is proposing to build an 18-20,000 square foot multipurpose facility, which would support an expansion and operations of TEM.

Howard noted that Dewitt is proposing an extension of public utilities, which the port has agreed to reimbursement and review of receipts with a not to exceed amount.

Howard added that the closing date for this sale is planned for June 30, 2024.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Resolution 24-16, authorizing a purchase and sale agreement in an industrial development district in Richland Business Park to DFP, LLC, 1.04 acres for \$200,000.

2. Resolution 24-17, Authorizing the Port of Benton to Apply for a Washington State Department of Transportation (WSDOT) Aviation Division Airport Aid Grant to Fund Design Services Related to the Pavement Rehabilitation Project at Richland Airport.

Airport Manager Quentin Wright reviewed Resolution 24-17, which will authorize the Port to apply for a Washington State Department of Transportation Aviation Aid grant to fund design services related to the pavement maintenance project at Richland Airport.

Wright explained that a resolution was required as part of the application process.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Resolution 24-17, authorizing the Port of Benton to apply for a Washington State Department of Transportation Aviation Division Airport Aid Grant to fund design services related to the pavement rehabilitation project at Richland Airport.

3. Resolution 24-18, Approving an Aeronautical Ground Lease at the Richland Airport – Just Plane Housing, LLC

This item was removed from the agenda.

4. Resolution 24-21, A Resolution of the Port of Benton Commission Amending Signers for Banner Bank

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Director of Finance Jeff Lubeck explained that this resolution is standard procedure with Banner Bank and new accounting staff, as Banner requires approved resolutions and minutes to make changes to approved signers on the account.

Lubeck noted that the approved resolution would remove Veronica Serna and David Billetdeaux from the Port accounts and add Angela Saraceno-Lyman.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving Resolution 24-21, authorizing the amendment of signers for Banner Bank.

5. Acceptance of Low Bid by Maxwell Asphalt, Inc. for the FAA Pavement Maintenance Project – Richland Airport

Airport Manager Quentin Wright explained that Maxwell Asphalt provided a total bid of \$1.34 million, which was the lowest bid received.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the acceptance of low bid by Maxwell Asphalt, Inc. for the pavement maintenance project at Richland Airport.

F. INFORMATION REPORTS:

1. Tenant Spotlight, Prosser Airport, RJ Blahut

Executive Director Diahann Howard introduced and welcomed RJ Blahut, Prosser Airport.

RJ Blahut, owner of WestWind Aviation Services at Prosser Airport greeted the Commission and reviewed several concerns related to Prosser Airport.

Blahut's concerns included:

- The direction Prosser Airport is headed
- Airport maintenance
 - Maintenance neglected, specifically
 - No protective coating on paint on port buildings. Paint is peeling off in sheets.
 - Hangar roofs in disrepair
 - Asphalt maintenance is nonexistent. Large cracks on pavement surfaces, some as large as three inches wide. Runway markings are deteriorating.
 - Mowing is maintained
 - Issues with snow removal taking place in a timely matter, if at all
 - Potential septic issues
- Airport development
 - Closure of the gate, which shuts off the airport from the public
 - Taxi lanes that lead nowhere because the lots are too small
 - Need for more hangars

- Use of hangars, including the use of a hangar to store Prosser parade float, rather than aircraft and another for port maintenance
- Destruction of campground, which was a Prosser attraction and was charm of Prosser Airport
- Business Economics
 - Very little return on investments
 - 5-6 students a year
 - Three businesses at Prosser Airport in past 10 years. One has since retired, one closed.
 - Operating in the red for every year but one since moving to hangar 15
 - Port took back hangar 111, severely impacting ability to produce any income and support business.
 - Raised monthly lease rate. 350% over the past three years.
 - Other airplanes out there for years, with no rate increase or restrictions enforced to them.
 - Port provided a 12-month extension at a reduced rate, which was appreciated.
 - Port needs to understand the nature of the single owner operator and value to the community and changes are needed.
 - Airport master plan needs referenced and communicated and airport needs revitalized.
 - Will fully support port action to revitalize Prosser Airport as a destination airport.

2. Tenant Spotlight, Richland Airport, Clif Dyer

Executive Director Diahann Howard introduced and welcomed Clif Dyer, Richland Airport.

Clif Dyer, owner of Sundance Aviation at Richland Airport greeted the Commission and reviewed several concerns related to Richland Airport.

Concerns included:

- Current port direction at airport seems to be to diversify airport
- No constructive dialogue with port
- 10 different FBO operators at airport before Sundance Aviation (as it is a specific niche business)
- Issues with past airport manager's remarks on Sundance having a "monopoly" of the airport and it was the port's intention to break that up
- Port unacceptance of Sundance's business plan for the new hangar space, which would allow for expansion of business and services, added overall business and users to the airport
- Port declined proposed rate due to not being in line with current market rates

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- Sundance would have had to double business to pay the rent of the new space, which was unreasonable
- Current tenant pays \$1,000 more than Sundance offered previously
- Sundance is no longer 13 employees with benefits. Now five, mostly part-time with no benefits
- Invested thousands in employees with the hope to build and grow the business
- Sundance heavily involved in adding community events, sponsoring free airplane rides for children. Airport now going back to Dust Bowl days due to port's choice to break it up.
- Would like to enter into a discussion with the port on shared success
- Sundance is ready for the next step, whether it is moving on or working with the port
- Sundance has grown fuel sales from 13,000 gallons of fuel a year to 180,000 gallons last year because of years of hard work
- Sundance was not part of a "good old boy" deal, rather an opportunity that grew from hard work and tenacity
- Business in new hangar is storing aircraft, when Sundance could have grown
- A lot of effort going into training new people and reinvesting in something already invested in
- Open to working together

3. Grants Update

Executive Director Diahann Howard pointed out that the grants report was included in the meeting packet and highlighted the following:

Item 1 – Richland Innovation Center Rural County Capital Funds
Slated for completion and this item will be closed out.

Item 2 – Innovation Cluster Accelerator Program Application, Phase 2
To end in September. All subcontracts have been completed.

Item 7 – RAISE
In alignment with CRISI grant request. CRISI due May 28.

Item 8 – Benton County .09
3110 Port of Benton building scheduled to close between today and June 14, 2024. Smaller tenants lined up, working on larger tenants.

Item 10 – Received word last night that the port has been awarded \$20,000 for records room organization, noting that this project was fully funded and out of 122 applications, only 20% were funded.

Items 11 & 12 – Submitted

Airport manager Quentin Wright provided updates on airport-related grant requests.

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Item 14 – Richland Airport Airfield Signage and Lights
Closeout of grant started.

Item 15 – No updates. Contingency plans in place if funding denied.

Item 18 – Design work continues.

Wright provided several updates related to projects and work taking place at Prosser and Richland airports.

4. Facilities Update

Director of Facilities Ron Branine provided an update on port facilities, including:

- Move of winter operations to one location
- Standards
- Work order system
- Crow Butte
- Public records requests
- Annual maintenance plan
- Westinghouse parking lot project
- 2345 Stevens drive project
- Richland Airport demolition
- Various facility improvement projects

5. Rail Car Charge Update

Executive Director Diahann Howard provided an update on the rail car charge update. Howard introduced Jeffrey Guelker of JCG Consultants, who assisted with the study, who provided an introduction on himself.

Howard presented a PowerPoint presentation overview of the rail car charge study including updates on:

- Results summary
- Positive takeaways
- Rail service opportunities
- Railroad feedback/POB infrastructure operating conditions
- Opportunity takeaways
- Preventative maintenance inventory system
- Potential right-of-way violation/Bike and walking path
- Initial area of focus
- Costing model
- Annual preventative maintenance program
- Recommended fee

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- \$100 per railcar charge
- The life potential
- Next steps

G. COMMISSIONER REPORTS/COMMENTS

Commissioner Scott Keller reviewed recent events he attended, including the Vista Field ribbon-cutting and the WAMA annual conference and informed the executive director that public broadcasting was potentially looking for office space.

Commissioner Lori Stevens reviewed recent events that she attended, including the Prosser Economic Development Association annual meeting and volunteering in the Prosser Chamber visitor center.

Commissioner Stevens added that she was working with the Prosser Wine Network as they planned the upcoming World Music event.

Commissioner Roy Keck reviewed recent events he attended, including the Energy Communities Alliance three-day event, which showcased the incredible efforts on the “Clean-Up to Clean Energy” initiative.

Commissioner Keck provided highlights from the event, including recognizing executive director Diahann Howard, who served on a panel at the event.

H. DIRECTOR REPORTS/COMMENTS:

1. FINANCE DIRECTOR:

Director of Finance Jeff Lubeck provided financial status report, highlighting the department’s current focus points as:

- New hire – Angela Saraceno-Lyman, Senior Accountant
- Washington State Department of Retirement Systems
 - Pension contribution review for 2023 / Review last performed in 2000
- 2024 standard financial information review
- Q1 2024 financial review planned for next month
- Financial status report
 - Cash receipts
 - Cash disbursements
- Accounts Receivable Over 90 Days review

2. PORT ATTORNEY:

Contract Port attorney John O’Leary updated that he has been working with the City of Richland attorney on the drafting of the land exchange agreement and also has a couple of items related to

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property to discuss in executive session.

3. EXECUTIVE DIRECTOR:

Executive Director Diahann Howard provided an update related to recent meetings with legislators.

Howard stated that she attended the recent Prosser Economic Development Association annual meeting and provided an update on Enodav Winery's plans, who are working with the City of Prosser related to their plans to still purchase land in Vintners Village.

Howard noted that she has had meetings with Barnhart Crane related to their growth options at the 2579 Stevens facility.

Howard reviewed recent updates related to the Walter Clore main facility, including potential tenants and several additional current tenants.

Howard provided updates on upcoming projects related to rail.

Howard reviewed a list of current meetings and events she has attended.

J. FOR THE GOOD OF THE ORDER

Executive Director Diahann Howard reviewed a list of upcoming meetings and events and things to plan and coordinate.

K. EXECUTIVE SESSION: The regular Commission meeting was recessed at 10:32 a.m. and it was announced that an Executive Session would immediately commence at 10:33 a.m. for 15 minutes to discuss real estate and personnel.

The regular Commission meeting was reconvened at 10:48 a.m.

No action was required after Executive Session.

L. ADJOURNMENT: The meeting was adjourned at 10:48 a.m. with an announcement that the next Port of Benton Commission meeting would take place on Wednesday, June 12, 2024 at the Port of Benton Commission meeting room, 3250 Port of Benton Blvd., Richland.



Roy Keck
Commission Secretary