

**PORT OF BENTON
COMMISSION MEETING MINUTES
September 11, 2024**

A. CALL TO ORDER: The regular monthly meeting was called to order at 8:30 a.m. at the Walter Clore Center, 2140 Wine Country Road, Prosser, Washington.

PRESENT: Commissioner Scott D. Keller, Commissioner Lori Stevens; Commissioner Roy D. Keck

PORT STAFF PRESENT: Diahann Howard, Jeff Lubeck, Quentin Wright, Summers Miya, Ron Branine, Cassie Hammond, Brandin Lopez, Wally Williams, Audrey Burney, Jorge Celestino

ALSO PRESENT: John O’Leary, Gravis Law; Kristine Perales, Historic Downtown Prosser Association

The following attendees attended via remote communications: Angela Saraceno-Lyman, Julia Mora Sheri Collins; Bryan Bell; Bryan Condon, Century West Engineering; Rachel Visik, Tri-Cities Area Journal of Business; Christy (No last name given)

The Commission meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Commissioner Lori Stevens 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 September 11, 2024 Commission meeting, approval of minutes from the August 14, 2024 Commission meeting, approval of vouchers and certifications, including payroll, for the month of August totaling \$1,131,525.50 and approval of Resolution 24-32, to cancel warrant numbers 083483 and 900097, which were issued incorrectly.

D. PUBLIC COMMENT:

There were no comments.

F. ITEMS OF BUSINESS

1. Resolution 24-33, A Resolution of the Port of Benton Authorizing a License Agreement for the Use of Port of Benton Real Estate with 3D Development, LLC (American Rock) License Agreement – Richland Business Park

Executive Director Diahann Howard explained that American Rock is expanding their mining operations and this will require them to cross port rail line, which will require the creation of an underpass.

Howard explained that this license agreement allows the port to approve their design and they are paying annually for the agreement.

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A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission authorizing Resolution 24-33, a license agreement for the use of Port of Benton real estate with 3D Development, LLC (American Rock).

2. Resolution 24-34, A Resolution of the Port of Benton Adopting Port of Benton Commission Rules of Policy and Procedure

Port Attorney John O’Leary presented the topic of updating the Commission Rules of Policy and Procedure, which was initially brought up by former Port attorney, David Billetdeaux and then again in August.

O’Leary explained that the proposal is to amend the existing policies and procedures of the Port of Benton to incorporate language that’s contained in the Washington Public Ports Association: Port Governance and Management Guide, published June 2022.

O’Leary presented a side-by-side comparison of the current policy and the proposed revised policy.

O’Leary reviewed the policy and conversation ensued regarding what changes were to be made related to the auditor and attorney and who each reported to and who would be responsible for the hiring of the attorney.

Executive Director Diahann Howard recommended reviewing what the current RCW states regarding the hiring and review of the port attorney.

After discussion the item was tabled for a future meeting.

3. Enodav Consent to Transfer – Vintners Village

Executive Director Diahann Howard reminded the Commission that David Rodriguez and his father purchased the lots at Vintners Village in 2023. Since purchasing the lots, David Rodriguez has also purchased the vacant building in the phase I section of Vintners Village.

Howard noted that the son has requested to move out of the LLC related to the purchased port lots, which would leave the father as the sole contact on the LLC. This will allow the father to move forward with the project as originally planned and everything project related still falls in the required development plan and construction window that was approved for development.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission approving the Enodav consent to transfer.

4. Approval of Award, 2024 Tie Project – Koppers, Inc.

Executive Director Diahann Howard stated that this business item seeks Commission approval to purchase 3,360 rail ties for a total of \$330,534.96, including sales tax, to Koppers, Inc.

Howard provided background on the project, noting that in 2023, the Port received a legislative budget appropriation of \$1,212,500 through the Department of Commerce for the installation of ties and ballast on Port-owned track.

Howard noted that the Port received bids from three companies who met the requirements of the bid specification and Koppers, Inc. provided the lowest responsive bid within the project budget at

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\$90.50 per tie.

Howard added that a bid was received from North American Tie at \$88.60 per tie, but the bid came in 21 minutes after the public bid opening and was found to be unresponsive.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the 2024 Tie Project to Koppers, Inc. for \$330,534.96, including sales tax and rejecting North American Tie due to late response.

F. INFORMATION REPORTS:

1. Welcome and Update from Kristine Perales, Historic Downtown Prosser Association

Kristine Perales, Executive Director of Historic Downtown Prosser Association delivered her update during the introductions section of the meeting.

Perales greeted the Commissioners, noting that the organization has been working on several events, with a goal to bring heads to beds in the community. Perales provided an information packet to the Commissioners related to recent Historic Downtown Prosser Association activities.

Perales encouraged all to drive through Prosser to take in the beautiful flower displays located throughout the city.

2. Barge and Tariff Update

Brandin Lopez provided an overview on the port-owned and operated high dock and barge slip, located at river mile 343 on the Columbia River.

Lopez explained that the primary current use has been for the U.S. Navy for the offloading of the decommissioned reactor compartments, which are transported for permanent storage on the Hanford site.

Lopez explained that the barge and tariff policy presented to them today was prepared based on review of the ports along the Columbia River, including Ports of Pasco and Clarkston as well as the Northwest Seaport Alliance.

Lopez reviewed the policy, noting that a resolution will then be prepared along with the final policy to be brought forward once again for approval, explaining that the document will be a working document that will need to be updated as the Port continues to grow.

Further conversation ensued related to the barge and high dock area and draft policy.

2. Grants Update

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

Item 2 – National Highway Freight Program (WSDOT portion) for SR 240 rail signal and crossing reconstruction. Bids are due 9/24/2024 and then the timing can be figured out for the project.

Item 5 – 2023-2025 State Capital Appropriation, White Bluffs Rail. Plan to advertise for tie installation by 9/22/2024.

Airport Manager Quentin Wright stated that Item 13, Richland Airport Airfield Signage and Lights (PH1) will finally be removed from the grants report, as the closeout process is nearing completion.

Wright provided an update on the upcoming pavement maintenance projects at Prosser and Richland airports, which will require runway closures.

G. COMMISSIONER REPORTS/COMMENTS

Commissioner Scott Keller reviewed recent meetings he attended, including the Visit Tri-Cities board meeting, Richland Chamber of Commerce and TRIDEC Tuesday. Keller noted that the upcoming IRONMAN event is looking for volunteers and numerous roads will be closed in Richland during the event.

Commissioner Roy Keck stated that he attended the Prosser Beer & Whiskey event, Regional Chamber Luncheon with the Congressional update and the elected meet and greet reception at TRIDEC.

Commissioner Lori Stevens highlighted recent meeting and events attended, including the Prosser Economic Development Association leadership graduation, Prosser Chamber tourism meeting.

Stevens announced that the Prosser Chamber of Commerce executive director has decided to pursue other opportunities, which is why the Chamber was not in attendance to provide an update at today's meeting.

Stevens reviewed recent happenings at the Prosser Chamber, including the Beer & Whiskey Festival and the States Day parade. Stevens noted that Golden Valley weekend is upcoming and the Prosser Chamber also organizes a Harvest Festival where the downtown streets are closed and there is a street painting event.

H. DIRECTOR REPORTS/COMMENTS:

1. FINANCE DIRECTOR:

Director of Finance Jeff Lubeck provided an overview on the financials, stating that cash continues to be volatile with the number of projects going on.

Lubeck reviewed cash activity and pointed out that August was a three payroll month, which happens twice a year.

Lubeck reviewed current accounts payable and receivables as well as a budget vs. actual comparison, noting that spending is slightly under budget.

Lubeck reviewed 2023 year-to-date actual expense to budget variance by department, pointing out that airports is over budget due a building demolition project in July and staff labor cost allocation.

Lubeck reviewed the budget development schedule pointing out that the 1:1 meetings scheduled with each Commissioner will begin in the coming days.

Lubeck responded to an earlier request from Commissioner Keller regarding the Van Giesen

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railroad crossing replacement project cost, noting that the project was combined with the Swift-Cemetery project, with a total of \$969,000 for both.

Commissioner Keller covered a few questions regarding the voucher report.

2. PORT ATTORNEY:

Contract Port attorney John O'Leary stated that he had one item related to ongoing litigation reserved for Executive Session.

3. EXECUTIVE DIRECTOR:

Executive Director Diahann Howard reviewed recent meetings and events, stating that she recently had a great meeting with the Washington State Wine Commission regarding the Clore facility. Howard added that a white paper is currently in the process of being drafted to share with the Wine Commission, who has offered to meet with other commodities and commissions to see what they can do to leverage the space.

Howard added that she heard back from EDA regarding her request and interpretation of the deed restrictions, noting that EDA is willing to allow potential flexibility of 10% of the space be used for private events.

Howard noted that she hopes to be able to meet with the commodities later this month and work to bring the facility back to its full potential.

Howard reviewed several additional topics, including the completed RFP for an intermodal operator, first CARB board meeting and meeting with the Class I rail operators regarding car facility use charges.

Howard noted that she was able to join Brandin Lopez in Tacoma to meet with the Northwest Seaport Alliance to tour facilities and there were many great conversations.

Howard provided an update on the Tri-Cities Research District, noting that only primary board members of the district remain, which includes City of Richland, Port of Benton, Energy Northwest, WSU and Pacific Northwest National Laboratory.

Howard provided an update on VERTical as well as an overview of the upcoming VIP tour of port-owned rail on the historic Abraham Lincoln rail car.

Howard provided recent real estate updates and overviewed upcoming meetings and events she is planning to participate in.

I. FOR THE GOOD OF THE ORDER

Executive Director Diahann Howard reviewed a list of upcoming meetings and events and things to plan and coordinate, including a requested airport workshop, which will be scheduled for October 15 at 8:30 a.m.

J. EXECUTIVE SESSION: The regular Commission meeting was recessed at 9:52 a.m. and it was announced that an Executive Session would immediately commence at 9:54 a.m. for 10 minutes to

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discuss ongoing litigation with legal counsel, real estate and human resources. It was noted that the regular meeting would reconvene at 10:04 a.m.

At 10:04 a.m., it was announced that an additional 5 minutes was needed.

At 10:09 a.m., it was announced that an additional 5 minutes was needed.

The regular Commission meeting was reconvened at 10:12 a.m.

No action was required after the Executive Session.

K. ADJOURNMENT: The meeting was adjourned at 10:12 a.m. with an announcement that a Port of Benton Commission budget workshop would take place at 8:30 a.m. on Monday, October 7, 2024, at the Port of Benton Commission meeting room located at 3250 Port of Benton Blvd., Richland, Washington and the next regular Port of Benton Commission meeting would be held at 8:30 a.m. on Wednesday, October 16, 2024 at the Port of Benton Commission meeting room located at 3250 Port of Benton Blvd., Richland, Washington.



Roy Keck
Commission Secretary