

PORT OF BENTON
COMMISSION MEETING MINUTES
January 15, 2025

A. CALL TO ORDER: The regular monthly meeting was called to order at 8:30 a.m. at the Port of Benton Commission room, 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, Ron Branine, Brandin Lopez, Wally Williams, Audrey Burney, Julia Mora, Cassie Hammond

ALSO PRESENT: John O’Leary, Gravis Law; Jon Ray, Richland; Ashley Garza

The following attendees attended via remote communications: Jorge Celestino; Sheri Collins; Bryan Condon, Century West Engineering; Angela Saraceno-Lyman; Wendy Culverwell, Tri-City Herald; Rick Evans, Office of Senator Maria Cantwell; Nick Pullara; Shane Picker; Jeff (no last name given)

The Commission meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Quentin Wright 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 January 15, 2025, Commission meeting, approval of minutes from the December 18, 2024, Commission meeting, approval of minutes from the January 6, 2025, Special Commission meeting, approval of vouchers and certifications, including payroll, for the month of December totaling \$1,692,135.55.

D. PUBLIC COMMENT:

There were no comments from the public.

E. ITEMS OF BUSINESS

1. Selection of Port of Benton Commission Officers

Commissioner Scott D. Keller suggested retaining the current Commission roles: Keller as President, Lori Stevens as Vice President, and Roy Keck as Secretary.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving the Port of Benton Commission officers for 2025, with Commissioner Scott D. Keller as President, Commissioner Lori Stevens as Vice President and Commissioner Roy D. Keck as Secretary.

Commissioner Scott D. Keller recessed the regular Commission meeting at 8:34 a.m. and opened the Economic Development Commission meeting at 8:34 a.m.

2. Economic Development Corporation (EDC): Approval of Minutes from January 10, 2024, EDC Meeting, Selection of Officers, Financial Overview

Executive Director Diahann Howard explained that the EDC is required per RCW and for bonding capability.

Director of Finance Jeff Lubeck noted that there was zero financial activity in 2024, and the EDC balance remains at \$6,095.

There was discussion about the EDC roles following in line with current Port of Benton roles.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving the selection of EDC officers for 2025, with Scott D. Keller serving as President, Lori Stevens serving as Vice President and Roy D. Keck serving as Secretary.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving the minutes from the January 10, 2024, EDC Meeting.

Commissioner Scott D. Keller adjourned the Economic Development Corporation meeting at 8:35 a.m. and reconvened the regular Commission meeting at 8:35 a.m.

3. Resolution 25-01, A Resolution of the Port of Benton Approving Delegation of Authority for the Executive Director and Her Designees

Legal counsel John O'Leary explained that Resolution 25-01 is offered pursuant RCW 53.12.270, seeking approval for the delegation for the executive director. O'Leary noted that no changes have been proposed from last year's adopted resolution approving delegation of authority.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving Resolution 25-01 and approving delegation of authority for the executive director and her designees.

4. Resolution 25-02, A Resolution of the Port of Benton Authorizing the Port Executive Director to Sell and Convey Surplus Property with Less Than \$22,830 Value

Director of Finance Jeff Lubeck explained that the state set the number at \$10,000, but the RCW was updated in 2024 to \$22,000. Part of the statute included an escalation every year based on the Seattle, Tacoma, and Bellevue area CPI. Lubeck explained that the increase for 2024 was 3.8%, which brings the updated surplus total to \$22,830.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-02, authorizing the Port executive director to sell and convey surplus property with less than \$22,830 value.

5. Resolution 25-03, A Resolution of the Port of Benton Authorizing a Utility Easement for Charter Communications (RIC)

Engineering & Development Manager Brandin Lopez explained that Resolution 25-03 formalizes the agreement approved at the last Commission meeting, which granted the motion for Charter Communications to install their utility.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Resolution 25-03, authorizing a utility easement for Charter Communications in the Richland Innovation Center.

6. Resolution 25-04, A Resolution of the Port of Benton Approving Telecommunication Access, Installation, Maintenance and Use Fee Agreement with Public Utility District No. 1 of Benton County

Engineering & Development Manager Brandin Lopez provided history on the agreement, which was formerly between the previous rail operator TCRY and Benton PUD. Lopez explained that the agreement will now be directly between the Port of Benton and Benton PUD, removing the operator.

Lopez provided details on the locations of the easements and explained that approval of Resolution 25-04 formalizes the agreement.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-04, approving telecommunication access, installation, maintenance and use fee agreement with Public Utility District No. 1 of Benton County.

7. Resolution 25-05, A Resolution of the Port of Benton Authorizing the Relocation of an Easement for the Transportation of Aggregate (RBP)

Engineering & Development Manager Brandin Lopez explained that Resolution 25-05 authorizes the Port to relocate the easement and relinquish the existing agreement.

Lopez provided details and visuals of the existing easement and future easement, which will not block access for future development. Lopez added that the agreement will allow the new conveyor belt system to move forward and start production.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving Resolution 25-05, authorizing the relocation of an easement for the transportation of aggregate in the Richland Business Park.

8. Membership & Committee Review

Executive Director Diahann Howard noted that the current membership and committee list, which notes the port representative for each affiliation, was included in the packet.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving the current membership and committees of the Port of Benton Commission and staff.

9. Review Annual Conflict of Interest Form

Legal Counsel John O’Leary explained that pursuant to RCW, all employees and Commissioners must complete the conflict-of-interest form annually.

Commissioners were asked to complete their forms and return them to Summers Miya as soon as possible.

10. Authorization to Award Contract for Rail Ties Installation Project (RBP)

Executive Director Diahann Howard explained that this project is due to the 2023 legislative budget appropriation and a \$1.2 million grant was awarded.

Howard noted that the bid closed on January 14 and one bid was received from Railworks LLC for \$668,652.83, including sales tax. Howard added that this project will replace 3,000 rail ties and should be completed in less than 10 days.

Howard requested an additional \$30,000 to accommodate change requests.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, authorizing an award to contract for the rail ties installation project to Railworks, LLC for \$668,652.83, with approval for up to an additional \$30,000 in possible change requests.

11. Authorization to Award Contract with Senske, LLC for January 2025 – December 2026

Director of Facilities and Operations Ron Branine explained that one bid was received for herbicide, sterilant and rodent control services for 2025-2026, with Senske Lawn and Tree Care, Inc. providing a bid of \$100,000 a year for two years, for a total of \$200,000 for two years.

Branine added that the two-year contract total for 2023-2024 was \$195,671.41, pointing out the minimal increase.

Branine noted that the contract includes all port sites.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, authorizing a contract with Senske, LLC for January 2025 – December 2026 for \$100,000 a year, a total of \$200,000.

12. Amendment to Columbia Rail Operating Agreement

Executive Director Diahann Howard proposed a lease amendment that allows Columbia Rail to move to a month-to-month agreement, which allows the port more time to secure a long-term operator.

Howard provided a financial outlook:

- Current Payment - \$28,000/month
- Revised Fee - \$48,500/month
- Port Rent - \$14,037
- Net - \$34,463

Additional discussion ensued on ongoing negotiations with main lines on car charges to offset costs.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving an amendment to the Columbia Rail operating agreement.

F. INFORMATION REPORTS:

1. Grants Update

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

Item 5, RAISE – The port recently received notice of a \$9.5 million award to help support 12,000 more ties, which allows for heavier rail for our system and helps the port level set the rail asset to prepare to meet future needs and future economic development needs. Howard added that the project will begin after contracting has taken place.

Diahann Howard thanked Senators Cantwell and Murray, as well as the congressional delegation, for their continued support.

Howard thanked the Tri-City Herald for the recent article.

Item 6, State Capital Request – The \$240,000 award is pending the federal request noted in Item 8.

Item 8, Congressional Directed Spending Requests - \$3.55 million marked to support but awaiting final bill approval.

Item 11, NSF Engine – Grant is due February 11. Working with the community in a support role. Led by the State of Washington, Clean Tech Alliance clusters and VERTICAL cluster. \$160 million community grant to support acceleration of the nuclear supply chain.

Airport Manager Quentin Wright stated that he would provide any updates on projects once he receives notice related to any airport project.

2. Marketing & Communications Update

Public Information Officer Summers Miya provided a marketing and communications update.

Miya reviewed the 2024 focus areas and primary activities as: North Horn Rapids, Vintners Village, USS Triton STEM tourism, increase inquiries (real estate), create videos or write articles to highlight success stories of port district companies and people, increase USS Triton sail tours, major project communications, expand speaking engagements and enhance website.

Miya reviewed the progress of each goal, highlighting the 11% increase in Triton tours with a total of 501 tours given in 2024. Miya complimented Director of Marketing Wally Williams for conducting the majority of the tours.

Miya reviewed the tenants that were highlighted through features or spotlights, Tirridis Sparkling Wines ribbon cutting, Yellow Rose Nursery Opportunity Happens Here video, Columbia Rail video interview and JR Imaging, Entrepreneurial Awards.

Miya highlighted the 2024 presentations, pointing out the goal was 25 and 30 were performed.

Miya reviewed USS Triton outreach and highlights, including providing an update on the 2025 commemorative wall project.

Miya highlighted several events that took place in 2024. Miya noted that there were 27 articles or media features in 2024 related to a port asset or event.

Miya showcased several materials that were updated in 2024 and press releases, pointing out that 13 press releases were issued in the fourth quarter of 2024.

Miya reviewed the ads that were placed over the year and included a year-in-review highlight collage.

Miya pointed out that she works off a communications plan throughout the year and tracks everything, as many of the goals are measurable.

Miya reviewed the goals set in place for 2025.

Director of Marketing Wally Williams announced that he plans to retire on May 5 and complimented the team for being great to work with.

G. COMMISSIONER REPORTS/COMMENTS

Commissioner Roy D. Keck had no comments.

Commissioner Lori Stevens stated that the Prosser Community Awards banquet is coming up on the 27th of January and provided staffing updates for the Chamber.

Commissioner Scott D. Keller complimented the team on the recent announcement of the \$9.5 million RAISE grant.

Commissioner Keller voiced questions about the upcoming projects taking place on SR 240, requesting clear communication on the project so the public, including businesses are aware and prepared.

Commissioner Keller thanked the entire team for a great first year as Commissioner.

H. DIRECTOR REPORTS/COMMENTS:

1. FINANCE DIRECTOR:

Director of Finance Jeff Lubeck provided a financial status report.

Lubeck stated that late payment notices to tenants have been sent.

Lubeck stated that the property taxes have been finalized at \$3,165,675, which is \$1,380 lower than budgeted.

Lubeck noted that 2024 year-end is underway, provided an update on the DRS pension review and informed the Commission that the port is changing learning platforms from Enduris to Mozzo.

Lubeck provided an overview of cash, noting that continued volatility is expected due to the timing of large projects, grant expenditures, and grant reimbursements.

Lubeck stated that December 2024 cash receipts were at \$2.4 million, with \$927,000 in airport grant reimbursements.

December 2024 cash disbursements were \$1,692,136, with \$37,550 in outstanding Accounts Payable.

Lubeck provided an overview of the Accounts Receivable balances.

Commissioner Keller questioned the status of the audit. Lubeck noted that he is working with the State Auditor's Office to get things scheduled.

2. PORT ATTORNEY:

Contract Port attorney John O'Leary stated that phase one of the Richland land exchange deeds have been recorded, which was the first major project he worked on as General Counsel for the Port. He commended the team for their work on the project.

3. EXECUTIVE DIRECTOR:

Executive Director Diahann Howard complimented contractor Ashley Garza on all her efforts on Phase 1 of the Industrial land exchange with the City of Richland.

Howard complimented Director of Governmental Relations Cassie Hammond on her legislative efforts.

Howard provided real estate updates related to the land exchange, as well as other leases throughout the port district.

Howard stated that she recently presented to the Washington State Department of Transportation Commission, with the conversation being on green ports and green jobs.

Howard provided an update on recent meetings she has participated in.

Howard noted that at the end of the month, she will be working from home to tend to family health needs.

Howard provided an update that the strategic plan strategy per the budget will get drafted and put out to bid and stated that monthly 1:1 meetings will be scheduled through Summers Miya for each Commissioner before each Commission meeting.

I. FOR THE GOOD OF THE ORDER

There was no discussion about the upcoming meeting and events.

J. EXECUTIVE SESSION: The regular Commission meeting was recessed at 9:45 a.m. It was announced that an Executive Session would commence at 9:45 a.m. for 10 minutes to discuss personnel and potential litigation. It was noted that the regular meeting would be reconvened at 9:55 a.m.

At 9:55 a.m., it was announced that an additional 10 minutes was needed.

At 10:05 a.m., it was announced that an additional 5 minutes was needed.

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

The regular Commission meeting was reconvened at 10:14 a.m.

K. ADJOURNMENT: No action was required. The meeting was adjourned at 10:14 a.m. with an announcement that the next regular Port of Benton Commission meeting would be held at 8:30 a.m. on Wednesday, February 12, 2025, at the Port of Benton Commission meeting room located at 3250 Port of Benton Blvd., Richland, Washington.



Roy Keck, Commission Secretary