

PORT OF BENTON
COMMISSION MEETING MINUTES
May 22, 2025

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 Blvd., Richland, Washington.

PRESENT: Commissioner Scott D. Keller, Commissioner Lori Stevens (attended virtually), Commissioner Roy D. Keck

PORT STAFF PRESENT: Diahann Howard, Quentin Wright, Summers Miya, Ron Branine, Brandin Lopez, Audrey Burney, Jeff Lubeck, Cassie Hammond; Julia Mora

ALSO PRESENT: John O’Leary, Gravis Law; Ashley Garza; Clif Dyer, Sundance Aviation; Jon Ray, Rest on High; Teresa Hancock; Bill O’Neil; Christy Rasmussen; Aaron DeWitt

The following attendees attended via remote communications: Sheri Collins; Angela Saraceno-Lyman; Jorge Celestino; Bryan Bell; Wendy Culverwell, Tri-City Herald

The Commission meeting was noticed as required by RCW 42.30.070.

B. PLEDGE OF ALLEGIANCE: Teresa Hancock led those present to recite the Pledge of Allegiance.

C. CONSENT AGENDA:

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission approving the agenda for the May 22, 2025, Commission meeting, approval of minutes from the April 9, 2025, Commission meeting, and approval of vouchers and certifications, including payroll, for the month of April totaling \$1,355,955.91 and Resolution 25-15, to cancel warrant Nos. 084522 and 084670, which were printed with errors and not issued.

D. PUBLIC COMMENT:

Bill O’Neil, a Richland Airport tenant, introduced himself and stated that he was running for District 1 Commissioner, requesting consideration to postpone the update to the strategic plan, stating he would like to participate in this update, if elected.

Clif Dyer, of Sundance Aviation at Richland Airport, noted that there was a recent issue with flooding at the building he leases at the airport. Dyer explained the timing of the updates to the building’s roof and the rainstorm.

Dyer stated that the building sustained flood damage and asked the Commission to consider extra funding to upgrade the area.

Dyer complimented the Port team for their attention to the matter.

E. PUBLIC HEARING

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

1. For the Purpose of Receiving Public Comment Concerning Declaring Property Excess of the Future Needs of the Port and Advisability of Potential to Sell, Lease, Transfer or Otherwise Exchange Real Property and Improvements Owned by the Port of Benton

Real Estate Manager Audrey Burney stated in accordance with RCW 53.08.090, related to the Comprehensive Plan of Harbor Improvements, that the Commission consider removing 1.5 acres from the Technology & Business Park.

Burney highlighted that the Port has followed proper steps in advertising the public hearing. Burney clarified that the parcel was land only, on which one of the Sigma buildings sits, 3160 9th Street. The total selling price is \$447,500, which is the midpoint of two evaluations.

Commission President Scott Keller closed the public hearing at 8:36 a.m.

F. ITEMS OF BUSINESS

1. Resolution 25-16, To Surplus Real Property and Amend the Comprehensive Plan of Harbor Improvements – Technology & Business Campus

Real Estate Manager Audrey Burney reviewed the information provided in the public hearing, asking for Commission considering to amend the Comprehensive Plan of Harbor Improvements and to surplus real property.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-16, to surplus real property and amend the Comprehensive Plan of Improvements in the Technology and Business Campus.

2. Resolution 25-17, Authorizing the Sale of Real Property – Technology & Business Campus

Real Estate Manager Audrey Burney provided an overview of the real property located at 3190 9th Street, Richland, Washington, located in the Technology & Business Campus.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving Resolution 25-17, authorizing the Port of Benton to proceed with the sale of real property located at 3190 9th Street, Richland, Washington, located in the Technology & Business Campus.

3. Butler Loop Mini Storage, LLC – Richland Airport

Port of Benton tenant and owner of Butler Loop Mini Storage, LLC, Aaron DeWitt noted that he was back to follow up from the February Commission meeting, where he presented the concerns about his lease rate.

Extended discussion regarding attempts to re-negotiate the lease at Richland Airport for Butler Loop Mini Storage ensued.

DeWitt provided background that at the February 12, 2025 Commission meeting, the Commission voted to renegotiate the lease at an average of adjacent lease rates.

A verbal agreement was reached at 10 cents/sq. foot, but DeWitt stated that is was subsequently withdrawn due to claims of FAA requirements.

DeWitt pointed out that no FAA approval language was in the formal motion, and sought written proof of this FAA requirement.

Executive Director Diahann Howard explained that the Port must comply with FAA grant assurances regarding fairness and consistency, and the average lease rates put DeWitt's proposal below what is considered acceptable. Existing older contracts with other tenants are far below new market values due to historic rates not being adjusted; the Port aims to stair-step all rates up for fairness.

Howard explained that the FAA does not set explicit lease rates, but requires fair market value across the board and legal counsel and both the State Auditor's Office (SAO) and FAA want to see a consistent, non-differential approach.

DeWitt stated that he is paying significantly (2x-9x) higher rates than adjacent or competitor storage tenants, many of whom have had little to no increases in decades.

The Commissioners deliberated on Port precedent, ethical obligations and the lack of documentary evidence for an FAA-imposed minimum. Several challenged staff to provide the guidelines in writing. The Commission agreed to obtain and review all relevant FAA and SAO correspondence and guidance regarding minimum lease rates and correspondence and guidance regarding minimum lease rates and fairness, particularly as they impact this and other leases. Staff will collect written documentation before any final solution is adopted.

4. Resolution 25-18, Acceptance of Completion of Work, Inland Asphalt Inc. – Port of Benton Blvd. Pavement Replacement Project – Technology & Business Campus

Director of Facilities & Operations Ron Branine explained that this project completed pavement work on Port of Benton Blvd. Branine explained that there were two change orders on this project, but the total cost, including Washington State Sales Tax, came to \$104,710.01.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-18, Acceptance of Completion of Work, Inland Asphalt Inc. – Port of Benton Blvd. Pavement Replacement Project – Technology & Business Campus, at a total project cost of \$104,710.01.

5. Resolution 25-19, Acceptance of Completion of Work, Railworks Track Systems, LLC – Saint Street and Airport Way Railroad Crossing Replacement Project (FRAP)

Engineering and Capital Development Manager Brandin Lopez explained that this resolution will wrap up the rail crossing replacement projects at Airport Way, Saint Street and Kingsgate, noting that total cost with Washington State Sales Tax came to \$1,145,830.71.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving Resolution 25-19, acceptance of work, Railworks Track Systems, LLC – Saint Street and Airport Way Crossing Replacement Project (FRAP), at a total project cost of \$1,145,830.71.

6. Resolution 25-20, Acceptance of Completion of Work, Railworks Track Systems, LLC – 2024 Tie Replacement Project

Engineering and Capital Development Manager Brandin Lopez noted that this grant-funded project was completed a few months ago and was an integral piece of improving the rail. Lopez stated that total project cost with Washington State Sales Tax was \$673,827.07.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Resolution 25-20, acceptance of completion of work, Railworks Track Systems, LLC – 2024 Tie Replacement Project, at a total project cost of \$673,827.07.

7. Approval of New Contract with Columbia Sweeping Service, Inc. – Crack Seal and Seal Coat Project – 2579 Stevens Dr., Richland Business Park

Director of Facilities & Operations Ron Branine explained that this contract is for 2579 Stevens Drive pavement, which has not been maintained in ten years. Branine noted that approximately 75% of the project will get completed with this contract.

Branine stated that four bids were received and Columbia Sweeping Service was the lowest bidder. Total project bid was \$160,187.20.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving a new contract with Columbia Sweeping Service, Inc. – Crack Seal and Seal Coat Project – 2579 Stevens Dr., Richland Business Park for \$160,187.20.

8. Amendment to Contract – HDR Engineering, Inc., - Construction Engineering Assistance – Steptoe/Tapteal Intersection Project

Engineering & Capital Development Manager Brandin Lopez explained that this engineering amendment for HDR Engineering, Inc. is for the Steptoe/Tapteal intersection project and is a cost-sharing adjust as City and railroad requirements increased to \$150,000, with the Port responsible for the first \$100,000.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving an amendment to the contract with HDR Engineering, Inc., Construction Engineering Assistance, Steptoe/Tapteal Intersection Project

9. Acceptance of Change Order – 1845 Terminal Drive Window Replacement Project, Richland Airport

Airport Manager Quentin Wright explained that there was a minor increase of \$2,830 to finish the window replacements at 1845 Terminal Drive, which will allow the Port to complete the project for the entire building.

A motion was made by Commissioner Roy Keck, seconded by Commissioner Lori Stevens, and unanimously passed by the Commission, approving the acceptance of a change order for the 1845 window replacement project at Richland Airport for \$2,830.

10. Proclamation 25-01, Honoring USS Triton Veterans and Dedicating a Commemorative Wall at the USS Triton Sail Park

Public Information Officer Summers Miya read Proclamation 25-01, honoring USS Triton Veterans and Dedicating a Commemorative Wall at the USS Triton Sail Park.

PORT OF BENTON
OFFICIAL PROCLAMATION – 25-01
HONORING USS TRITON VETERANS AND DEDICATING A
COMMEMORATIVE WALL AT THE USS TRITON SAIL PARK

WHEREAS, USS Triton (SSRN 586) was one of the first nuclear-powered submarines operated by dual nuclear reactors, direct descendants of Hanford reactors; and

WHEREAS, in 1960, in a historic first mission, Triton covered 26,723 nautical miles, completely submerged, and generally followed the around-the-world route explorer Ferdinand Magellan had attempted to navigate in 1521; and

WHEREAS, Triton completed this top-secret expedition called Operation Sandblast, acquiring valuable data and demonstrating the crew's endurance and the submarine's technical capabilities during the Cold War; and

WHEREAS, in May of 1960, President Dwight D. Eisenhower presented Captain Edward L. Beach Jr. with the Legion of Merit and Secretary of the Navy William B. Frank presented Triton's officers and crew with the Presidential Unit Citation; and

WHEREAS, Triton stayed in operation until May 1969, and during its years of service, served as a temporary home to 857 chief petty officers, officers and enlisted personnel; and

WHEREAS, Triton performed several vital missions, demonstrating the capabilities of the first-generation nuclear-powered submarines and American military and technological dominance during the Cold War; and

WHEREAS, the USS Triton Sail Park Commemorative Wall located at 3300 Port of Benton Boulevard in Richland, Washington, stands as a tribute to the dedication and sacrifice of all the individuals who served aboard Triton; and

WHEREAS, this wall will serve as a symbol of remembrance and gratitude for the community; and

NOW, THEREFORE, BE IT PROCLAIMED that the Port of Benton Commission expresses its sincere and wholehearted appreciation to all USS Triton's officers and crew who served aboard Triton throughout its commissioning and do hereby proclaim June 14, 2025, as a day to celebrate Triton's veterans commemorated on the USS Triton Sail Park wall, and to reflect upon their sacrifices and honor their legacy.

DATED AND SIGNED at Richland, Washington, on the 22nd day of May 2025.

A motion was made by Commissioner Lori Stevens, seconded by Commissioner Roy Keck, and unanimously passed by the Commission, approving Proclamation 25-01, which honors USS Triton Veterans and Dedicates a Commemorative Wall at the USS Triton Sail Park.

G. INFORMATION REPORTS:

1. Grants Update

Executive Director Diahann Howard reviewed the grants report.

Item 5 – Port Infrastructure Development Program, Discussion of project with MARAD, application deadline is September 10.

Item 6 – State Capital Request, \$240,000 capital request, \$3.55 million earmark lost. Currently rescoping for design/engineering work on intermodal projects.

Item 9 – CERB/EDA - \$2.4 million CERB loan awarded for major renovation at 2579 Stevens Drive building. Ongoing pursuit of Benton County Rural County Capital Funds (\$1.5 million) and EDA grant, which is delayed, but will seek for future build-out.

Item 10 – NSF Engine, Application, with Port as supporting administrator, for National Science Foundation “engine” and the dollars are through VERTical partnerships, with a potential for award mid-2026 and alternative interim funding possible.

2. Intermodal Update

Engineering & Capital Development Manager Brandin Lopez stated that a successful presentation was given to the CERB board.

Lopez noted that he would present a visual summary of the Port’s multimodal connectivity – road, river, rail, air.

Lopez stated that there are currently several active tenants and facilities utilizing rail, including Barnhart, American Rock, Central Washington Corn Processors.

Lopez reviewed current visions for intermodal, depending on available funding.

H. COMMISSIONER REPORTS/COMMENTS

Commissioner Lori Stevens attended Prosser EDA and Prosser Chamber meetings, all with great updates.

Commissioner Scott D. Keller noted that he attended the WPPA spring meeting, noting that a lot is on hold at the moment. Commissioner Keller noted that he also attended the Washington Airport Managers Association annual meeting, which featured a discussion on the fuel tax on aviation fuel topic. Keller added history on the fuel tax topic, noting that the taxes are meant to go back to the airports throughout the state, which has not been happening, but would help airports tremendously.

Commissioner Roy D. Keck stated that he attended the Energy Communities Alliance (ECA) event in Idaho Falls, where they are developing new modular reactors on site. Keck noted that there was discussion about new nuclear siting and projects, including the permitting process.

Keck added that he attended the WPPA spring meeting, which he felt that other ports are also looking at other sites for future nuclear plants, which confirmed that the Port and VERTical are on the right track and will ultimately produce thousands of jobs.

Keck requested copies of the airport minimum operation standards be shared with all Commissioners.

I. DIRECTOR REPORTS/COMMENTS:

1. FINANCE DIRECTOR:

Director of Finance Jeff Lubeck provided a financial status report as of April 2025.

Lubeck provided a status update of the 2023 audits (financial statement, accountability and single audit), noting that the SAO has completed field work for each audit and will be scheduling an exit conference soon. Lubeck added that no financial adjustments were required for submission.

Lubeck stated that the financial information for the 2024 financial statement submission is on time and will be submitted next week, noting that the complete final package will be submitted in draft form as 2024 cannot be finalized until SAO publishes the 2023 report.

Lubeck provided an update on the HR policy refresh, which was last updated in 2021 and 2022, stating that the updated policy manual will be brought forward for Commission review.

Lubeck provided an overview of current cash balances, noting to expect continued volatility due to timing of large projects, grant expenditures and grant reimbursements.

Lubeck reviewed April cash receipts and disbursements and the current accounts receivable report. Lubeck reviewed the operating expense summary, including providing a visual of the operating budget variance by department through March 31, 2025, showing that actual expenditures are under budget through March 31.

2. PORT ATTORNEY:

Contract Port attorney John O'Leary stated that he will work with staff to assemble the FAA/SAO guidance and minimum standards for lease and compliance discussions, to inform next steps in the Bulter Loop Mini Storage matter and broader tenant policy.

3. EXECUTIVE DIRECTOR:

Executive Director Diahann Howard provided an update on waterfront planning and engineering, which has been contracted with Maul Foster Alongi.

Howard notified the Commission that the State Route 240 railroad crossing replacement project was scheduled for Thursday, May 29, through Monday, June 2, by 6 a.m.

Howard stated that CKJT has is performing a building assessment on 2579 Stevens Drive and the shore power project (barge facility) is in the concept and engineering stage.

Howard stated that the Port and Central Washington Corn Processors were involved in ongoing lease negotiations and a new lease may be presented to the Commission in the next 60 days.

Howard stated that the car charge agreement with BN and UP is under legal review and continue to target a July start.

Howard announced that she was appointed to the WPPA legislative committee as chair, beginning in June.

Howard notified the Commission that the Subway sale would close in June and provided updates on several rental and land prospects.

Howard added that upcoming events include the M-84 event in Kalama and the I-90 manufacturing conference.

Howard added that the strategic plan update may be deferred pending Commissions decision.

Howard provided an update on the discovery of unpermitted water lines at Richland Airport hangars.

During a City of Richland inspection in April, unpermitted and unmetered water lines to private airport hangars were found. Additional lines may exist. The Port has notified some of the current tenants and is hiring a company to use ground-penetrating radar to locate all underground lines.

Future inspections may include a “doors up” audit of all hangars, with requested participation from city, county, FAA and Port staff.

The intent is to ensure full compliance with all utility, safety, and regulatory requirements moving forward.

Comments were made related to attempts in 2017 to address utility issues.

Commissioner Scott Keller stated for public record, that in 2017, he notified Roger Wright, the Port’s engineer, of the meter concerns, prior to the purchase of the building and requested his help with the City to rectify the issue. Commissioner Keller added that he has emails to backup these attempts.

J. FOR THE GOOD OF THE ORDER

There were no comments regarding the Good of the Order schedule of events.

K. EXECUTIVE SESSION: An executive session was not called.

L. ADJOURNMENT: The meeting was adjourned at 10:12 a.m. with an announcement that the next regular Port of Benton Commission meeting would be held at 8:30 a.m. on Wednesday, June 18, 2025, at the Port of Benton Commission meeting room, 3250 Port of Benton Boulevard, Richland, Washington.



Roy D. Keck, Commission Secretary