PORT OF CENTRALIA
Established 1986

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Amended Minutes
Rescheduled Regular Meeting of the
PORT OF CENTRALIA
June 22, 2022
Port of Centralia Administrative Office & Via Teleconference
3:00 PM

Attendees: Commissioners: Kyle Markstrom, Julie Shaffley, Peter Lahmann
Executive Director: Kyle Heaton
Press: Chad Taylor, The Chronicle
Public: Gary Odegaard; Sean Swope, Lewis County Board of County Commissioners; Bob Jackins; Eric Sonnenberg, Economic Alliance of Lewis County; Scott Tennant; Brian Dow; and Jan Banevich
Teleconference: Seven unknown callers

1) **Call Meeting to Order/Introductions:** Commissioner Markstrom called the meeting to order at 3:00 p.m.

2) **Approval of Agenda:** Commissioner Shaffley made a motion to approve the June 22, 2022, agenda as submitted. Commissioner Lahmann seconded the motion. The motion carried.

   Commissioner Lahmann said that according to the Open Public Meetings Act, which he thought was RCW 42.30.070, meetings that are held outside of the normal day, which is the first and third Wednesday for the Port, are no longer regular meetings. He said that he wasn't sure how it could be called a rescheduled meeting. Kyle Heaton replied that it shall be treated as a special meeting as per the Port's attorney. Commissioner Lahmann asked if the appropriate notice was sent out. Kyle Heaton replied that it had. Commissioner Lahmann stated that he didn't see it. Commissioner Markstrom added that the notice was posted. Commissioner Lahmann said that then it is for the record a special meeting.

3) **Good of the Order/Public Comment:** Gary Odegaard, of Centralia, said that he has requested several times for the possibility of Zoom and was wondering how that was progressing. Commissioner Markstrom replied that the Port will look into it. Gary Odegaard added that he was recently asked to speak to the Retired Public Employees Council to explain redistricting and new districts facing new precincts. He said that he went to the County and got the big maps for $18.00 and went to the meeting and explained it. Then someone caught wind that he had done that and had him bring the maps to their weekly coffee time, but all they wanted to talk about was the Port. He said that their main concern was the tax levy and that maybe after ten years it is no longer needed. They also said that they heard there was a recall of one of the Commissioners. He told them that he was not there for that, but he wanted to let the Commissioners know that there was concern.

   Sean Swope, of the Lewis County Board of County Commissioners, said that he wanted to express his appreciation in working with the Port and being able to coordinate different projects. He said that the County's intent is to not just make things better today, but for future generations. He stated that is has been a pleasure working on different projects and seeing progress move all the way up from the federal level working with Jaime Herrera Beutler's office, as well as Representative Abbarno, the

Port, and the City of Centralia. He wanted to make sure that he came to the meeting today to say how great it is that they are coming and working collaboratively to get things done. He is looking forward to seeing how the Reynolds Road project moves along. He also wanted to thank Kyle Heaton for the different businesses he has brought in to the area that have provided good paying jobs for our families to live on and he is grateful for the things that are taking place in Centralia and within the Port.

Jan Banevich, of Centralia, said that she doesn't have anything since the comment time is before the meeting starts so she doesn't know what the meeting is about.

Scott Tennant, of Chehalis, said that he came to a Commission meeting a while back to talk about tax fraud in the construction industry because that is where he was from and he had forgotten to bring his stickers. He said that he had brought enough stickers for everybody today. He also stated that he had a question to do with tax fraud. He asked how many construction projects in the Centralia Port are currently covered under project labor agreements.

Brian Dow, of Centralia, said he would like to bring up something positive that the Port of Chehalis does that maybe could be implemented by the Port. He received an email the previous Friday from the Port of Chehalis that was regarding their meeting with the agenda, the meeting time, and the date, and it also showed how to get on Zoom. He said that to follow up with Gary Odegaard's comment, the Port of Chehalis does Zoom. He thought the reminder of the meetings was a pretty neat deal. Commissioner Markstrom said that hopefully with the rebuild of the website the Port will be able to implement more things like that.

4) **Executive Session:** Commissioner Markstrom stated that there was no need for an executive session.

5) **Approval of Minutes:** Commissioner Lahmann made a motion to approve the June 1, 2022, regular meeting minutes. Commissioner Shaffley seconded the motion. The motion carried.

Commissioner Lahmann said that under the committee reports he had asked a question that had been brought to him by a constituent about how the businesses were notified of the newsletter contract, and he expects that if he brings up a question that he will get an answer, and he has not heard an answer on that. He said if that was something that can be answered in the near future that would be nice.

6) **Approval of Warrants:** Commissioner Shaffley made a motion to approve warrants 22513 through 22541 with an aggregate amount of $194,569.63. Commissioner Lahmann seconded the motion. The motion carried.

Commissioner Lahmann asked what Warrant #22534 for Fuller Designs in the amount of $9,500 in professional services entails. Kyle Heaton replied that it was for the site plan for Linden Comansa, the lease that was approved at the previous meeting.

7) **New Business:**

a) **Executive Director Report:** Kyle Heaton stated that the Commissioners will have site plans coming from Furgerson Schmidt, Linden Comansa, and Plastic Services and Products, who is moving forward with a 50,000-square-feet expansion.

Kyle Heaton reported that he met with the facilities director with UNFI to discuss the truck issues as far as parking in the industrial parks. He said it is quite rightly out of UNFI's control due to third-party out-of-state truckers that are trying to get in a day early so they can return home. UNFI is adamant to not load anyone early. They have held to that, and little by little news of that has spread. Kyle said that the Port is appreciative of the City of Centralia placing signs on Steelhammer Loop and Mahoney Drive similar to the ones on Galvin Road. He said that UNFI has agreed to work with the Port and pay for a couple of monuments. There was a directional sign that was placed by the City. It was a good concept but the placement needs to be correct to inform the truckers where to go. He said the monuments will be on Port property but UNFI will pay to get them done.

Kyle stated that the weather has finally allowed for the maintenance crew to spray for poison hemlock and other noxious weeds that ordinarily would have already been under control but it has been a very wet spring. The maintenance crew is also working on brush hogging. Kyle said that it was a record year in that the irrigation system has not been turned on yet.

b) **Purchase and Agreement Amendment:** Kyle Heaton said that the Ninth Amendment to the Purchase and Sale Agreement with Powell Development is assigning Powell Development's interests to WinCo Foods LLC. He said that WinCo will now move into the purchase and sale agreement. It has been reviewed by the Port's legal counsel, WinCo's counsel, and Powell Development's counsel over the last few months. He said that it has been a hard negotiation and the Port appreciates the hard work that WinCo and Powell Development have put into it and that they have finally arrived at an agreement that serves everyone's interests. He stated that WinCo will have until November 18, 2022, to complete their due diligence, a great portion of which is already completed. WinCo will be allowed to buy three 90-day extensions for a nonrefundable $50,000 each, if needed. There will also be a boundary line adjustment included in the agreement that will allow WinCo to establish a southern boundary line absent of Federal Highway Administration approval. He said that one of the things that has been holding up Centralia Station is that without the ability to identify succinctly the FHWA right-of-way, the Port is unable to identify other property lines succinctly and perform transactions.

Commissioner Lahmann made a motion to table amendment until the next regular meeting. The motion was not seconded. The motion failed.

Commissioner Shaffley made a motion to approve the Ninth Amendment to the Purchase and Sale Agreement with Powell Development. Commissioner Markstrom seconded the motion. Commissioner Lahmann voted nay. The motion carried.

Commissioner Lahmann said that the reason he moved to table the issue was that he did not receive the amendment in his packet and was unable to review the substantial document.[1]

Commissioner Markstrom thanked Port staff for working very hard on this. He said that he knows there have been a lot of hurdles that the Port has had to overcome and he appreciates the partners in City of Centralia, Washington State Department of Transportation, the Federal Highway Administration, Powell Development, and WinCo. He also appreciates the community's patience with the Port in getting this done. It has been a complicated endeavor to this point and he is excited about today and what it means for the community and moving forward.

Commissioner Shaffley agreed with Commissioner Markstrom that she is excited and it has taken a long time to come to fruition. She applauded Kyle Heaton for his diligence and hard work that has gone into it. She also applauded everybody's cooperation and said that it was an exciting day for the community and county as a whole.

Commissioner Lahmann agreed that it was a great deal but once again, without being able to read the documents before the meeting he can't approve them. Commissioner Markstrom said that he was confused by that since it was in his packet. He suggested Commissioner Lahmann get a hand with some technical support since he has been having trouble with his email.

c) **Committee Reports:** Commissioner Lahmann said that he attended a few meetings as usual. He said that he was hoping for a report on the tour for senators and legislative assistants. He said that he had forwarded that as a courtesy and didn't expect the meeting to be co-opted, but he appreciates that they were met and taken around. He said that he received a phone call the next day asking if the Port would be interested in receiving any grant opportunities. He had said that he would be interested and said it might be helpful in finishing Centralia Station.

Commissioner Markstrom reported that he attended the Economic Alliance of Lewis County's post-COVID summit the previous week and that he learned a lot of interesting things. He said that he also gave a tour to aides from Senator Murray's and Senator Cantwell's offices with Kyle Heaton. He thanked Commissioner Lahmann for sending that information. He said that they showed them around the Port of Centralia and shared what the Port has and what it is about.

8) **Adjourn:** Commissioner Shaffley made a motion to adjourn the meeting at 3:18 p.m. Commissioner Lahmann seconded the motion. The motion carried.

COMMISSIONER **COMMISSIONER**

[1] Port staff confirmed with Commissioner Lahmann after the meeting adjourned that the amendment was sent in his packet, but he did not open it prior to the meeting.