PORT OF CENTRALIA
Established 1986

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Minutes
Regular Meeting of the
PORT OF CENTRALIA
December 3, 2025
Port of Centralia Administrative Office & Via Teleconference
3:00 PM

Attendees: Commissioners: Kyle Markstrom, Julie Shaffley, and Peter Lahmann
Port Staff: Kyle Heaton, Executive Director
Port Counsel: Ray Liaw, Van Ness Feldman
Public: Jan Banevich; Gary Odegaard; Cynthia Mudge; and Alicia Elliott
Teleconference: 13 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 December 3, 2025, agenda as amended. Commissioner Lahmann seconded the motion. The motion carried.

3) **Good of the Order/Public Comment:** Commissioner Markstrom opened the meeting to public comment and stated the rules regarding public comment.

   Cynthia Mudge, executive director of the Centralia-Chehalis Chamber of Commerce, announced several upcoming Chamber events.

   Alicia Elliott, Business Services Outreach Coordinator with WorkSource Lewis County, announced an upcoming job fair at Centralia College.

4) **Approval of Minutes:** Commissioner Lahmann made a motion to approve the November 19, 2025, public hearing and regular meeting minutes. Commissioner Shaffley seconded the motion. The motion carried.

5) **Approval of Warrants:** Commissioner Shaffley made a motion to approve warrants 24673 through 24694 with an aggregate amount of $143,720.90. Commissioner Lahmann seconded the motion. The motion carried.

6) **New Business:**

   a) **Small Works Project #25-15 Park 3 – Long Road Fill:** Commissioner Lahmann made a motion to approve Pay Request No. 2 with Sturdevant Trucking & Excavating in the amount of $163,226.19 for Small Works Project #25-15 Park 3 – Long Road Fill. Commissioner Shaffley seconded the motion. The motion carried.

      Commissioner Markstrom opened the agenda item for public comment. There was no public comment made.

b) **QXO/Beacon Roofing Supply:** Commissioner Lahmann made a motion to approve the sign request from QXO for the building located at 2000 Northpark Drive. Commissioner Shaffley seconded the motion. The motion carried.

Commissioner Shaffley asked if the sign was lighted. Kyle Heaton replied that it was not.

Commissioner Markstrom opened the agenda item for public comment. Gary Odegaard, of Centralia, asked where the sign was going to be located. Kyle Heaton replied that it would be at 2000 Northpark Drive.

c) **Executive Director Report:** Kyle Heaton presented the Commissioners with a notice from the Washington State Department of Ecology seeking public comment on the SEPA revised draft EIS for the proposed Chehalis River Basin Flood Damage Reduction Program. He added that the Port has not taken a stance unless directed by the Commission to do so.

d) **Commissioner Reports:** Commissioner Shaffley reported that she attended the Centralia-Chehalis Chamber of Commerce board meeting.

Commissioner Lahmann reported that he attended a Centralia City Council meeting and a Lewis County Board of County Commissioners meeting. He also attended a certification at WorkSource and announced several upcoming community events.

Commissioner Markstrom had nothing to report.

7) **Executive Session:** Commissioner Markstrom made a motion to adjourn the meeting to executive session to discuss potential litigation pursuant to RCW 42.30.110(1)(i)(i) and review of a public employee pursuant to RCW 42.30.110(g) at 3:10 p.m. He expected the executive session to reconvene at 3:51 p.m. with decisions likely. Commissioner Shaffley seconded the motion. The motion carried.

8) **Reconvene:** Commissioner Markstrom reconvened the meeting at 3:51 p.m.

9) **Employment Contract:** Commissioner Markstrom made a motion to terminate the employment contract with Executive Director Kyle Heaton and to authorize the Port Commissioner President to negotiate and execute a separation agreement on behalf of the Port with the Port's Executive Director modifying "In Terms of Termination by Port Commission" under Section 7a of the Employment Agreement, with severance not to exceed amounts provided for in Section 7a, and to take effect December 31, 2025. Commissioner Shaffley seconded the motion. The motion carried 3-0.

Commissioner Markstrom stated that he did not make the motion lightly. He said that Executive Director Kyle Heaton has served the Port of Centralia for more than 20 years, and during that time he has been instrumental in driving economic development, attracting employers, and expanding the community's tax base. Kyle Heaton's leadership has contributed significantly to the Port's growth and success, and he has positioned the Port financially to continue providing tremendous economic benefit well into the future. Commissioner Markstrom acknowledged and

thanked Kyle Heaton for that service. Commissioner Markstrom said that he had had many conversations with the Port's legal counsel regarding the decision and weighed all options but is convinced this was the best step to take as the Port enters a new chapter. He did not see the Port being able to stay focused on its core mission of job creation and business development as a unified team without distraction given the new commission taking office on January 1, 2026, and the current Executive Director remaining in place. He thought this step provided clarity, stability, and a clean slate for the incoming Commission to choose an Executive Director whose approach aligns with their vision.

10) **Adjourn:** Commissioner Shaffley made a motion to adjourn the meeting at 3:54 p.m. Commissioner Lahmann seconded the motion. The motion carried.

Peter Lahmann
COMMISSIONER

COMMISSIONER