PORT OF CENTRALIA
Established 1986

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Minutes
Regular Meeting of the
PORT OF CENTRALIA
January 7, 2026
Port of Centralia Administrative Office & Via Teleconference
3:00 PM

Attendees: Commissioners: Kyle Markstrom, Peter Lahmann, and Ally Pickard
Port Staff: Amy Graber, Interim Executive Director
Port Counsel: Ray Liaw, Van Ness Feldman
Public: Cynthia Mudge; Elizabeth Cameron; Jennifer West; Jan Banevich; MW Faas; Brian Dow; Dennis Rice; Gary Odegaard; and Scott Tennant
Teleconference: 17 unknown callers

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

2) **Executive Session:** Commissioner Markstrom adjourned the meeting to executive session to discuss potential litigation pursuant to RCW 42.30.110(1)(i)(i) and to evaluate the qualifications of an applicant for public employment pursuant to RCW 42.30.110(1)(g) at 3:01 p.m. He expected the executive session to reconvene at 4:00 p.m. with no decisions likely.

   At 4:00 p.m. Commissioner Markstrom informed the public that executive session is extended and would be reconvened at 4:15 p.m. with no decisions likely.

3) **Reconvene:** Commissioner Markstrom reconvened the meeting at 4:15 p.m.

4) **Approval of Agenda:** Commissioner Lahmann made a motion to approve the January 7, 2026, agenda. Commissioner Pickard seconded the motion.

   Commissioner Pickard made a motion to amend the January 7, 2026, agenda to include an action item. Commissioner Lahmann seconded the motion. Commissioner Markstrom opposed the motion. The motion carried. Commissioner Markstrom added the agenda item under new business.

5) **Oath of Office – Commissioner Pickard:** Interim Executive Director Amy Graber ceremonially swore into office Commissioner Pickard.

6) **Industrial Development Corporation Meeting:** Commissioner Markstrom adjourned the meeting to the Industrial Development Corporation meeting at 4:23 p.m.

7) **Reconvene:** Commissioner Markstrom reconvened the meeting at 4:26 p.m.

8) **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 an upcoming District 20 Legislative update event.

   Elizabeth Cameron, of Centralia, commented on Commissioner Lahmann's legal fees incurred from the investigation.

   Jan Banevich, of Centralia, commented on Commissioner Pickard joining the Port Commission.

9) **Approval of Minutes:** Commissioner Lahmann made a motion to approve the December 17, 2025, regular meeting minutes. Commissioner Markstrom seconded the motion. The motion carried.

   Commissioner Pickard asked why the minutes the Commissioners receive in their packets are more extensive than the minutes that are posted to the Port's website. Amy Graber replied that the minutes are exactly the same unless they are amended by the Commissioners. Commissioner Markstrom asked Commissioner Pickard if she would like the minutes done in a different way and said the minutes that are presented are the ones the Commissioners vote on and are posted online. He added that the minutes used to be more detailed before the meeting videos were available for public viewing. Amy Graber asked Commissioner Pickard if she wanted more verbatim minutes. Commissioner Pickard replied that she did, but did not want to impose on Port staff time. Amy Graber replied that it would be a Commission decision. Commissioner Lahmann stated that the meeting video recordings are available if the public wants more detail and what the Port does now for minutes is adequate.

10) **Approval of Warrants:**

   a) Commissioner Lahmann made a motion to approve warrants 24719 through 24734 with an aggregate amount of $121,316.18. Commissioner Markstrom seconded the motion. The motion carried.

      Commissioner Pickard asked about three voided warrants. Amy Graber replied that the voided warrants had been printed with the wrong date.

   b) Commissioner Lahmann made a motion to approve warrants 24735 through 24759 with an aggregate amount of $130,749.63. Commissioner Pickard seconded the motion. The motion carried.

11) **Old Business – Heaton Termination Agreement:** Commissioner Markstrom gave an overview of the Separation and General Release Agreement with Kyle Heaton. Commissioner Pickard noted that the agreement was signed and the monthly payments instead of a lump sum were negotiated so as to not adversely affect Port operations. She added that she was alarmed by the number of vacation hours that were paid. Commissioner Markstrom replied that Kyle Heaton was an employee for 25 years. Commissioner Lahmann added there was no cap on vacation hour accumulation. Commissioner Pickard read aloud Kyle Heaton's parting letter.

12) New Business:

a) **Resolution 2026-01:** Commissioner Lahmann made a motion to approve Resolution 2026-01 Appointing Commission Officers for the Year 2026. Commissioner Pickard seconded the motion. The motion carried. The Port of Centralia Commission officers for the year 2026 are as follows: Peter Lahmann, President; Kyle Markstrom, Vice President; and Ally Pickard, Secretary/Treasurer.

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

b) **Resolution 2026-02:** Commissioner Lahmann made a motion to approve Resolution 2026-02 Authorizing the Expenditure of Funds by Cash Warrant Prior to Commission Approval Claims. Commissioner Pickard seconded the motion. The motion carried.

Commissioner Lahmann explained the purpose of the resolution was so Port staff can expend funds properly and added that it was done annually. He noted a change he wanted to make to the authorization of travel expenses. Commissioner Markstrom stated that the resolution merely approved the payment of travel expenses, not the authorization which is found in the code of ethics.

Commissioner Pickard referred to a line item that specified how much the Port auditor is allowed to spend in the amount of not less than $50,000. Amy Graber replied that it was the Port auditor's bond amount. Commissioner Lahmann and Ray Liaw explained that it referred to the amount of bond insurance covering the Port auditor, not how much could be expended. Commissioner Pickard asked about the CERB payments. Amy Graber replied that it referred to a final Community Economic Revitalization Board loan payment that will be paid off in 2026. Commissioner Pickard stated that she would like to break out legal fees from professional services. Amy Graber replied that legal fees are separate from professional services on the budget, but the resolution is just for paying what is contractually required outside of a Port Commission meeting.

Commissioner Markstrom opened the agenda item for public comment. Elizabeth Cameron, of Centralia, stated that legal firms typically break out legal fees by line item on their billing invoices. Commissioner Pickard thanked Elizabeth Cameron for her comments and replied that she had that.

c) **First Amendment to Purchase & Sale Agreement – LPC Acquisition Company, LLC:** Commissioner Lahmann made a motion to approve the First Amendment to the Real Estate Purchase & Sale Agreement with LPC Acquisition Company, LLC extending review dates. Commissioner Pickard seconded the motion. The motion carried.

Commissioner Lahmann expressed gratitude to LPC for their patience in working through the details.

Commissioner Markstrom opened the agenda item for public comment. Elizabeth Cameron, of Centralia, provided her support of Dennis Rice with LPC and said that it was great to see things moving forward.

d) **Action After Executive Session:** Commissioner Pickard made a motion to terminate the Port's SEPA appeals against the City of Centralia regarding Norwegian Woods and the City's development regulations. Commissioner Lahmann seconded the motion.

Commissioner Markstrom stated that he thought terminating the appeals would be a great disservice to the work the Port has done and is continuing to do. He said that the appeals are not adversarial, but following the standard process to resolve disputes and come to a resolution. Commissioner Lahmann said there was validity on both sides of the fence. Commissioner Pickard thought that middle ground does not include legal action against the City. She said she does not believe in litigation against the City in any capacity. Commissioner Markstrom replied that the SEPA appeals are an administrative process to address the significant concerns with the two SEPAs raised by the Port's counsel and a hearings examiner will make a determination after reviewing all of the facts so the issues between the City and Port will be resolved moving forward.

Commissioner Lahmann made a motion to table the issue until the next meeting.

e) **Executive Director Report:** Amy Graber presented the Commissioners with the sign-up sheet for committee designations. Commissioner Lahmann requested the Commissioners volunteer for what they would like to be on instead of having it be assigned. Commissioner Markstrom read out the list of committees the Port assigns representatives to. Commissioner Pickard requested the dates and times of the committee meetings. Amy Graber added that the Centralia-Chehalis Chamber of Commerce was hosting their annual banquet on January 23, 2026, if any of the Commissioners would like to attend.

Commissioner Markstrom commented that Larry Fagerness, a local attorney who has worked with Port since its inception, is planning to retire. He thanked Larry Fagerness for his service to the Port and to the community and congratulated him on his retirement.

Commissioner Pickard asked if the Port was going to be sending a representative to the Washington State Department of Ecology's open house on the TransAlta cleanup project. Ray Liaw, Van Ness Feldman, said that according to the Port's code of ethics, if the Commissioners were to designate a representative to the meeting, it would exclude the others from attending the meeting per the Open Public Meetings Act, whereas if the Commissioners attend the meeting as individuals, they could all attend if they wished.

Commissioner Pickard made a motion to designate a representative to the Washington State Department of Ecology's open house on the TransAlta cleanup project. Commissioner Lahmann seconded the motion.

Commissioner Markstrom opened the agenda item for public comment. Scott Tennant, of Chehalis, and Gary Odegaard, of Centralia, asked questions regarding the agenda item. Elizabeth Cameron, of Centralia, commented on meeting communication.

Commissioner Pickard voted in favor of the motion. Commissioner Markstrom and Commissioner Lahmann opposed the motion. The motion failed.

f) **Commissioner Reports:** Commissioner Lahmann reported that he attended a Centralia City Council meeting, a Lewis County Board of County Commissioners meeting, and a Flood Authority meeting. He said that going forward he would like to review the Port's strategic plan, look into cell phones for the Commissioners, review the budget in regard to the termination settlement, review Port policies to create a centralized manual, review the agenda layout, and review the Master Plan.

Commissioner Markstrom did not have anything to report. He proposed a workshop to discuss qualifications and parameters for finding and hiring a permanent executive director, along with the topics the Commissioner Lahmann proposed. Commissioner Lahmann said that he received some proposed executive director contracts from the Washington Public Ports Association for background information.

Commissioner Pickard thanked the public for attending the meeting later in the day. She said that it was her intention to work agreeably with the City of Centralia and expected to have a positive working relationship going forward.

13) **Adjourn:** Commissioner Lahmann made a motion to adjourn the meeting at 5:23 p.m. Commissioner Pickard seconded the motion. The motion carried.

COMMISSIONER

COMMISSIONER