PORT OF CENTRALIA
Established 1986

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Minutes
Regular Meeting of the
PORT OF CENTRALIA
October 20, 2021
Port of Centralia Administrative Office & Via Teleconference
3:00 PM

Attendees: Commissioners: Julie Shaffley, Peter Lahmann,
Executive Director: Kyle Heaton
Press: Eric Rosane, The Chronicle (via teleconference); Susan Delaire, Business to Business (via teleconference)
Public: Gary Odegarrd, Alicia Fox, Centralia-Chehalis Chamber of Commerce; David Nunn; Rick Schnatterly; Brian Dow; Bob Jackins; and John Elmore
Teleconference: Matthias Smith, Laborers 252; Renee, LiUNA; Naomi Pavlicek, Washington & Northern Idaho District Council of Laborers #252; Jimmy Peterson, Laborers 252; Vanessa Herzog, Lee & Associates; and two unknown callers
Absent: Commissioner Kyle Markstrom, absence excused

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

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

3) **Approval of Minutes:** Commissioner Lahmann made a motion to approve the September 15, 2021, public hearing, public hearing, and regular meeting minutes. Commissioner Shaffley seconded the motion. The motion carried.

4) **Approval of Warrants:** Commissioner Lahmann made a motion to approve warrants 22084 through 22133 with an aggregate amount of $202,065.27. Commissioner Shaffley seconded the motion. The motion carried.

5) **New Business:**

   a) **Executive Director Report:** Kyle Heaton reported that work is continuing on the Howard property. He said that the asbestos contractor has been onsite this week. Once abated, the house will be bid out for demolition, likely in November. The surplus pole building received one bid in the amount of $126. He said that the successful bidder has removed all of the metal and the trusses have been taken down. He also stated that the brush clearing for the site has been completed.

   Kyle provided the Commissioners with the 2022 preliminary budget. He said that Dianne Dorey with the Lewis County Assesor's Office has estimated that the final tax estimates will be made available in early- to mid-November, which is comparable to recent years. He stated that the budget will become more meaningful once those numbers come in.

Kyle stated that the Port continues to work with the Washington State Department of Transportation on Centralia Station. The Port submitted the final NEPA requirements approximately five weeks ago. The Port's consultants met with Michael Williams with WSDOT this week and he expected to have answers from their real estate division this week. Kyle said that based on their 12-weeks timeline that began in early August, the project is halfway through. He hoped to have the WSDOT portion completed by the end of this month so the focus can be solely on the Federal Highway Administration portion.

b) **Access Agreement:** Commissioner Lahmann made a motion to approve the Access and Due Diligence Agreement with Walmart, Inc. for the property located at 2904 Foron Road. Commissioner Shaffley seconded the motion. The motion carried.

Kyle Heaton said that the agreement, which expires on December 31, 2021, will provide Walmart with the ability to conduct due diligence on the property and indemnify the Port. Any reports that result from their activities will become the property of the Port should Walmart not pursue the site. Commissioner Lahmann said that he was happy to see the project moving forward.

c) **Lease Renewal:** Commissioner Lahmann made a motion to approve the First Addendum to Lease with WildBlue Communications for the property located on Lot 23. Commissioner Shaffley seconded the motion. The motion carried.

Kyle Heaton reported that the amendment renewed the Lease for an additional three years and included two one-year options with market-based rent increases at each renewal period.

d) **Committee Reports:** There were no committee reports made.

Commissioner Lahmann stated that he had a few questions on Centralia Station for the Executive Director. With the talk of affordable housing going on, he asked if the Port had a game plan for the apartments that will need to be demolished for the project. Kyle Heaton responded that there was always a game plan. Every residential tenant is on a month-to-month lease and they are informed of that when they move in. He also said that there is no reason to disturb the tenants until the Port awards bid, which will take at least 60 days.

6) **Good of the Order/Public Comment:** Brian Dow, a Centralia resident, stated that his question was going to be regarding Centralia Station and Winco, but first he had a comment to make. He said that he found Kyle Heaton's response to Commissioner Lahmann adversarial and that he didn't answer the question. He doesn't know why people think things go smoothly when responses are like that. He said that he doesn't understand why Kyle didn't just say that the Port has plans for the tenants when it has to remove them. He said that he thought it seemed like Kyle put "Pete" down for asking him a question if the Port has a place for the tenants to go when the time comes, though he isn't sure that was the exact question without speaking to Commissioner Lahmann. He said that that was what he got out of it. Not what the Port is doing right now, because the tenants haven't been asked to leave yet, apparently. He said that is seems like Commissioner Lahmann did not get a very respectable answer. He also asked if Winco was coming. Commissioner Shaffley replied that it was and that it is still under negotiation.

John Elmore, a Centralia resident, stated that on the topic of being respectable or not, he found some information he received in the last Freedom of Information Act request he filed to be quite alarming. He read from a document that stated that the America's Team Museum leased meeting space to the Committee to Elect Paul Crowner for a term of July through November 2021 in the amount of $1.00 per month. He stated that Paul Crowner is the renter and the museum director is Commissioner Lahmann. He said that it amazed him how they campaign on transparency but it was not on the Public Disclosure Commission, nor was it reported that they are renting a building for less than fair market value. He said that he doesn't know if that is legal, but he will let the PDC find out. He said the fact that they can open up a debate and accuse someone else of taking a campaign donation when Commissioner Lahmann and Paul Crowner are colluding the way they are, it makes him wonder what else they are hiding from the public. He then presented a new FOIA request asking for all deleted emails from Commissioner Lahmann's computer and forwarded emails from his Port computer to his personal computer, as well as any signed documents or forms the Port may have that states that none of that information exists. He stated that he hoped for Commissioner Lahmann's sake that that's true because perjury is a pretty bad crime.

7) **Adjourn to Executive Session:** Commissioner Lahmann made a motion to adjourn the meeting to executive session to discuss real estate matters pursuant to RCW 40.30.110(1)(c) at 3:15 p.m. Commissioner Shaffley seconded the motion. The motion carried. Kyle Heaton stated that executive session should last approximately five minutes with decisions likely.

8) **Reconvene:** Commissioner Shaffley reconvened the meeting at 3:21 p.m.

9) **Real Estate Purchase and Sale Agreement:** Commissioner Lahmann made a motion to approve Real Estate Purchase and Sale Agreement with Ferguson Schmidt, LLC for a portion of approximately seven acres of Lewis County Tax Parcel No. 024005001000. Commissioner Shaffley seconded the motion. The motion carried.

   Commissioner Shaffley asked what the purchase price for the property was. Kyle Heaton responded that it was $5.25 per square foot.

10) **Good of the Order/Public Comment:** Commissioner Lahmann reported that there will be a memorial held for Lewis County Commissioner Gary Stamper on October 28, 2021, at the Southwest Washington Fairgrounds.

11) **Adjourn:** Commissioner Lahmann made a motion to adjourn the meeting at 3:24 p.m. Commissioner Shaffley seconded the motion. The motion carried.

COMMISSIONER **COMMISSIONER**