PORT OF CENTRALIA
Established 1986

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Minutes
Regular Meeting of the
PORT OF CENTRALIA
September 17, 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: Scott Tennant; Norm Chapman; Charles Snell; Jan Banevich; Brian Dow; Gary Odegaard; Cynthia Mudge; and Ally Pickard
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 Lahmann made a motion to approve the September 17, 2025, agenda as submitted. Commissioner Shaffley seconded the motion. The motion carried.

3) **Executive Session:** Kyle Heaton stated that there was no need for executive session.

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

   Scott Tennant, of Chehalis, requested the updated 2026 Port Master Plan.

   Norm Chapman, of Centralia, declined to comment.

   Jan Banevich, of Centralia, commented on Kyle Heaton's interview with Peter Abbarno on the radio show *Let's Talk About It*.

   Brian Dow, of Centralia, commented on the City of Centralia development moratorium.

   Gary Odegaard, of Centralia, commented on Kyle Heaton's interview with Peter Abbarno on the radio show *Let's Talk About It* and the City of Centralia development moratorium.

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

   Commissioner Markstrom stated that there would be no action taken regarding the City of Centralia development moratorium, so if attendees wanted to make public comment regarding that agenda item they should do so.

Norm Chapman, Centralia City Councilor representing himself, commented on the City of Centralia development moratorium.

Jan Banevich, of Centralia, commented on the City of Centralia development moratorium.

Ally Pickard, of Centralia, commented on the City of Centralia development moratorium.

Commissioner Markstrom stated that the Port's Master Plan on its website is the most current and is updated as needed, not annually. He clarified that the Port was not provided advanced notice of the City of Centralia development moratorium and said that it was extremely concerning if the City chose to share that information with other entities prior to the Port. Commissioner Lahmann and Commissioner Shaffley agreed that they had not been given advanced notice of the moratorium.

5) **Approval of Minutes:** Commissioner Shaffley made a motion to approve the August 20, 2025, regular meeting minutes. Commissioner Markstrom seconded the motion. The motion carried.

6) **Approval of Warrants:** Commissioner Lahmann made a motion to approve warrants 24523 through 24565 with an aggregate amount of $127,608.68. Commissioner Shaffley seconded the motion. The motion carried.

7) **New Business:**

a) **Executive Director Report:** Kyle Heaton gave a brief update on ongoing Port projects. He informed the Commissioners that the preliminary budget and an updated economic report from ECOnorthwest will be provided to them in October. He gave a brief overview of the economic report.

b) **Real Estate Purchase & Sale Agreement – LPC Acquisition Company, LLC:** Commissioner Shaffley made a motion to approve the Real Estate Purchase & Sale Agreement with LPC Acquisition Company, LLC for 37.77 acres at $5.25 per square foot. Commissioner Lahmann seconded the motion. The motion carried.

Commissioner Lahmann asked if LPC will be extending the sewer with the Gallagher Road extension. Kyle Heaton confirmed that all utilities will be extended.

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

c) **City of Centralia Development Moratorium:** The Commissioners discussed the City of Centralia's recently adopted development moratorium. Commissioner Markstrom introduced the item as discussion only.

Kyle Heaton clarified that the Port received no advance notice of the moratorium until the day before the City Council's agenda was released. He explained that the City's emergency moratorium was modeled after Vancouver and Tumwater regulations, which are not comparable to Centralia's size or circumstances. He noted that Vancouver's moratorium

targeted fulfillment centers, while Centralia's developments are distribution centers, and stressed that the Port has never pursued fulfillment centers. He also noted Port of Vancouver property was exempted from the moratorium. Kyle Heaton reported that the Port had submitted seven pages of comments on the City's draft ordinances in early August prior to the moratorium and warned that the moratorium would deter investors.

Commissioner Markstrom thanked staff for background information and expressed frustration over the City's lack of collaboration and the ensuing community confusion, citing the limited notice before the emergency vote. He explained that zoning and infrastructure responsibilities belong to the City, not the Port, and noted that the City zoned the property for industrial use over 20 years ago but has not built the infrastructure to support it. Commissioner Markstrom recounted Port efforts to secure state funding for infrastructure, which was later redirected by the City and County while intentionally excluding Port involvement.

Commissioner Shaffley agreed, calling the moratorium heavy-handed and unnecessary, particularly with restrictions for buildings over 100,000 square feet. She said the action sends a negative message to developers and questioned the City's intrusive provisions regarding business operations. She was also frustrated that the Port had to "ask" for access to funding it helped secure at the Legislature.

Commissioners Markstrom voiced concern that the moratorium provides the anti-business message that the City is willing to invoke the power of a moratorium on anything they do not like in any sector, referring to the action as a sledgehammer the City is willing to yield. Commissioner Shaffley further noted that the Kyle Heaton carefully vets businesses and regularly rejects companies that are not a good fit for the community.

Kyle Heaton reported that the Port quietly rejects companies involving petrochemicals, carcinogens, heavy emissions, cross-dock, or yard facilities. Commissioner Markstrom emphasized that many unsuitable businesses never reach the Commission, yet the Port receives little credit for preventing harmful development. He also questioned the City's reliance on anecdotal traffic complaints without supporting data. He added that Port tenants account for nearly 20% of the Centralia tax base.

Commissioner Lahmann stated that the Port's goal is to put all property to productive use, noting that infrastructure improvements must be addressed jointly with the City and County.

Executive Director Heaton added that both Port staff and the Commissioners have acted to block inappropriate users, citing a fireworks manufacturer that was turned away and later had an industrial accident. He also defended UNFI, pointing out that the company has created over $300 million in assessed value, contributing significantly to the City's utility tax revenues. He noted that UNFI faces hiring challenges and implements the use of automation due to regional labor shortages, not lack of commitment as an employer.

Commissioner Markstrom supported this, recalling that UNFI raised community wages when it opened. He emphasized UNFI's role as one of the City's largest utility users and tax contributors and described additional community benefits such as food bank support. He explained that the excises taxes generated by the UNFI property sale funded the United Learning Center. Commissioner Markstrom criticized the City for using UNFI as a negative example in connection with the moratorium.

A member of the public attempted to make public comment. Commissioner Markstrom stated that there would be no public comment on the agenda item.

8) **Commissioner Reports:** There were no Commissioner reports made.

9) **Adjourn:** Commissioner Shaffley made a motion to adjourn the meeting at 4:07 p.m. Commissioner Lahmann seconded the motion. The motion carried.

COMMISSIONER **COMMISSIONER**