PORT OF CENTRALIA
Established 1986

3508 Galvin Road · Centralia, WA 98531-9002
Phone 360-736-3527 · Fax 360-330-5666
www.portofcentralia.com

Minutes
Regular Meeting of the
PORT OF CENTRALIA
November 15, 2023
Port of Centralia Administrative Office & Via Teleconference
3:00 PM

Attendees: Commissioners: Kyle Markstrom, Julie Shaffley, and Peter Lahmann
Staff: Kyle Heaton, Executive Director; Amy Graber, Director of Finance
Counsel: Tiffanie Ellis, Van Ness Feldman
Press: Owen Sexton, The Chronicle
Public: Gary Odegaard; Jan Banevich; Stephanie VonMoos; Elizabeth Cameron; Bill Ralph; Paul Crowner; Eric Sonnenberg; Diane Kytta; Chad Taylor; and Coralee Taylor Teleconference: Nine unknown callers

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

2) **Public Hearing – 2024 Budget:** Commissioner Markstrom adjourned the regular meeting to the public hearing at 3:00 p.m.

   a) **Review of 2024 Budget:** Kyle Heaton gave an overview of the proposed final 2024 budget.

   Commissioner Lahmann asked if the CPI increase in salaries would be for the maintenance crew as well. Kyle Heaton said the Port would look at the COLA for maintenance salaries in August.

   Commissioner Markstrom appreciated the staff's work on the budget and added that it was exciting to see the long-term debt ceiling tick down year after year and not increasing any taxes.

   Commissioner Lahmann asked if the Port was taxing the maximum amount at 28 cents per $1,000 due to property value increases. Commissioner Markstrom said that the Port has never taxed the maximum amount while he has been a Commissioner and that statement was factually incorrect. Commissioner Lahmann said he understood the maximum amount was 45 cents and that there is also a formula. Commissioner Markstrom said that there is a formula and since he has been a Commissioner the Port has not taxed at that rate, either, and has continued to bank increases that it could have taken, as is proposed for 2024. He added that saying the Port has taxed at the maximum rate is not correct.

   Commissioner Shaffley said that she was excited to retire the last bond and that she noticed the Port will not be using the line of credit with Umpqua Bank in 2024. She added that going from the 2023 budgeted expenses of over $15 million to the 2024 budgeted expenses of $1.9

is amazing. She thanked Amy Graber for all of her work and said that she was doing an amazing job, especially since the Port is in the middle of an audit.

b) **Public Testimony:** Kyle Heaton and Commissioner Markstrom stated the rules for public testimony for the public hearing.

Gary Odegaard, of Centralia, said that he had hoped that there would be more detailed breakdown of the budget.

c) **Adjourn:** Commissioner Markstrom adjourned the public hearing to the regular meeting at 3:09 p.m.

3) **Reconvene:** Commissioner Markstrom reconvened the meeting at 3:09 p.m.

4) **Approval of Agenda:** Commissioner Lahmann made a motion to approve the November 15, 2023, agenda as submitted. Commissioner Shaffley seconded the motion. The motion carried.

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

Gary Odegaard, of Centralia, congratulated Commissioner Lahmann on his reelection. He said the Port would be more open and transparent if the meetings were on Zoom and if the public could ask questions on the budget.

Jan Banevich, of Centralia, congratulated Commissioner Lahmann on his reelection. She said that the Commissioners allowed her to be the victim of bullying and harassment because they do not have a policy to handle complaints and stated that she was screamed at and verbally attacked in the parking lot after the last meeting by another member of the public.

Elizabeth Cameron, of Centralia, congratulated Commissioner Lahmann on his reelection. She hoped that communication would improve at Port meetings.

Bill Ralph, of Centralia, said he witnessed Jan Banevich's assault in the parking lot after the last meeting. He added that Jan Banevich has requested the video and said it would be beneficial for everyone to watch it.

Paul Crowner, of Centralia, congratulated Commissioner Lahmann on his reelection. He had hoped Dianne Dorey would have attended the meeting to congratulate Commissioner Lahmann as well.

Diane Kytta, of Centralia, said that the construction project in Park I was flawed and did not follow the Port's Master Plan and site plan requirements, negatively impacting the residents next to the project.

Stephanie VonMoos, of Chehalis, said that the 2024 budget was proof that Kyle Heaton and the Commissioners are doing an excellent job. She said that for things to change, everyone in the room needs to do better, not just the Commissioners and Port staff.

Chad Taylor, of Chehalis, said that all he hears at the Port meetings is negativity, but he thinks that all of the Commissioners and Kyle Heaton are doing a great job.

Coralee Taylor, of Chehalis, thanked the Port for doing a great job. She said that the citizen group that has been created on Facebook is not very open and honest because she has been blocked despite never liking or commenting on any posts.

6) **Approval of Minutes:** Commissioner Shaffley made a motion to approve the November 1, 2023, regular meeting minutes. Commissioner Lahmann seconded the motion. The motion carried.

7) **Approval of Warrants:** Commissioner Shaffley made a motion to approve warrants 23432 through 23458 with an aggregate amount of $53,582.22. Commissioner Lahmann seconded the motion. The motion carried.

Kyle Heaton said that Warrant No. 23452 was for Reliable Electric, not Reliable Enterprises. Commissioner Lahmann asked for the status of his request for legal fees reimbursement. Tiffanie Ellis replied that it was currently being worked on.

8) **New Business:**

a) **Executive Director Report:** Kyle Heaton gave an update on the Mellen Street Connector project for Stages 1 and 2.

b) **I-5 Mellen Street Connector – Stage 1 – Pay Estimate No. 11:** Commissioner Lahmann made a motion to approve Pay Estimate No. 11 with Midway Underground in the amount of $601,072.15 for Stage 1 of the I-5 Mellen Street Connector project. Commissioner Shaffley seconded the motion. The motion carried. Commissioner Markstrom opened the agenda item for public comment. There was no public comment made.

c) **I-5 Mellen Street Connector – Stage 2 – Pay Estimate No. 5:** Commissioner Lahmann made a motion to approve Pay Estimate No. 5 with Scarsella Brothers in the amount of $283,226.78 for Stage 2 of the I-5 Mellen Street Connector project. Commissioner Shaffley seconded the motion. The motion carried. Commissioner Markstrom opened the agenda item for public comment. There was no public comment made.

d) **Resolution No. 2023-06:** Commissioner Shaffley made a motion to approve Resolution No. 2023-06 Adopting the Final Budget and Setting the Property Tax Levy for 2024. Commissioner Lahmann seconded the motion. The motion carried.

Commissioner Lahmann asked about what he thought were discrepancies in the Resolution. Amy Graber explained the calculations. Commissioner Lahmann stated that he had received his requested details on some of the budget items at 2:00 pm the previous day. He was unhappy because he did not have time to go through them. Amy Graber said that the only difference in the information was the updated projection and updated final number, but Commissioner Lahmann had received the budget worksheet and trial balance with the preliminary budget in October. Commissioner Markstrom said that was important to bring that up because he thought there was a pattern of asserting staff does not provide information

when it is factually incorrect, and he wanted to make sure everyone was on the same page. Commissioner Lahmann said they were not on the same page because he had asked for the year-to-date with account numbers a few weeks prior. Commissioner Markstrom said that Commissioner Lahmann had just stated that he was happy with the information provided the day before. Commissioner Lahmann said that the information was different and he wanted the budget in a certain format. Commissioner Markstrom asked what was wrong with the format provided. Kyle Heaton said that it had every single account number included and that Commissioner Lahmann had had it for over a month. Commissioner Lahmann asked where the account numbers were. Kyle Heaton said it was in the trial balance. Commissioner Lahmann said that he had not received it before the previous day. Kyle Heaton said that was not true. Amy Graber said that Commissioner Lahmann received it with the preliminary budget, as did the other Commissioners. Commissioner Lahmann said that he did not see it. Commissioner Shaffley presented what she had received on October 18, 2023, and the trial balance was in it. Amy Graber said the trial balance was put in the front of the binders when the Commissioners attended the meeting and that it was in Commissioner Lahmann's packet when he physically came and picked it up. Commissioner Shaffley said that all of the Commissioners receive all of the information at the same time.

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

e) **Lewis County Flood Control District No. 2 Representative:** Kyle Heaton gave an update on the Lewis County Flood Control District No. 2 vacancy and upcoming election.

f) **Commissioner Reports:** Commissioner Shaffley said that in the October 31, 2023, edition of The Chronicle there was a letter of support for Commissioner Lahmann by Scott Tennant that stated Commissioner Lahmann helped secure funding for the development of Park 3. She asked Commissioner Lahmann where he had secured funding. Commissioner Lahmann replied that he had no knowledge of it and Commissioner Shaffley would have to ask Scott Tennant.

Commissioner Lahmann announced an upcoming event celebrating the 80th anniversary of the Chehalis Boeing plant. He reported that he provided a tour of Centralia Station for the Economic Alliance of Lewis County Board. Commissioner Markstrom said that he appreciated Commissioner Lahmann's doing that as he had been asked but had a work commitment.

Commissioner Markstrom reported that he attended a Mayor's meeting and announced a couple of upcoming holiday public events. He congratulated Commissioner Lahmann on his reelection.

9) **Adjourn:** Commissioner Shaffley made a motion to adjourn the meeting at 3:47 p.m. Commissioner Lahmann seconded the motion. The motion carried.

COMMISSIONER **COMMISSIONER**